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YFC-BONEAGLE ELECTRIC CO., LTD.

2024 Annual Report

Publication Date: May 29, 2025

This annual report is available at the following websites

Taiwan Stock Exchange Market Observation Post System: <https://mops.twse.com.tw>

Company Website: <https://www.cables.com.tw>



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2. Deputy Spokesperson

Name : May Lai
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3. Head Office, Branches and Plants:

Head Office

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Tel. : +886-3-477-8846

Xinwu Plant

Add. : No. 12-9, Ln. 130, Sec. 2, Zhongshan E. Rd., Xinwu Dist., Taoyuan City, Taiwan (R.O.C.)
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4. Share Transfer & Shareholders Services Agent:

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5. Independent Auditors

CPA Firm : KPMG
Name : Hsieh, Chiu-Hua & Lee, Fang Yi
Add. : 68F, No.7, Sec. 5, Xinyi Road, Xinyi Dist., Taipei City, Taiwan (R.O.C.)
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6. Overseas Securities Exchange Market

Not applicable.

7. Corporate Website

<http://www.cables.com.tw>

**YFC-BONEAGLE
ELECTRIC CO., LTD.**

Good Win Investment Co., Ltd.

Chairman

Andrew Yeh

Representative

YFC-BONEAGLE ELECTRIC CO., LTD.

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A. Letter to Shareholders

I. Business Performance for 2024

(I) 2024 Financial Summary

In fiscal year 2024, YFC-BONEAGLE ELECTRIC CO., LTD. recorded consolidated revenue of NT\$10,099,673 thousand, representing an increase of NT\$261,742 thousand (2.66%) compared to the consolidated revenue of NT\$9,837,931 thousand in fiscal year 2023. The Company's consolidated gross profit margin for 2024 was 26.24%, an increase of 6.06 percentage points from 20.18% in 2023. Consolidated net income after tax for 2024 amounted to NT\$135,911 thousand, representing an improvement of NT\$575,808 thousand compared to the consolidated net loss of NT\$(439,897) thousand in 2023. Basic earnings per share for 2024 were NT\$0.93, an increase of NT\$3.96 compared to NT\$(3.03) in 2023.

Net income after tax for YFC-BONEAGLE ELECTRIC CO., LTD. significantly increased in 2024 compared to 2023. This substantial growth was primarily attributed to the company's strategic adjustment of its product portfolio, which resulted in a marked improvement in the gross margin. Specifically, gross profit increased by NTD 665,106 thousand YoY. Furthermore, the company's effective cost management initiatives led to a reduction in operating expenses by NTD 283,106 thousand YoY.

(II) Budget Execution: The company did not publicly disclose financial forecasts for the year 2024, hence no analysis is provided.

(III) Analysis of Receipts, Expenditures and Profitability

Unit: NT\$ thousand

Category	Title	2024	2023
Receipts & Expenditures	Net operating revenue	10,099,673	9,837,931
	Gross profit from operations	2,650,628	1,985,552
	Net income (loss) before tax	195,308	(631,866)
	Net income (loss) after tax	135,911	(439,897)
Profitability	ROA (%)	2.94	(3.24)
	ROE (%)	4.27	(12.64)
	Operating income to paid-in capital (%)	22.48	(42.26)

	Net income before tax to paid-in capital (%)	13.34	(43.15)
	Net income margin (%)	1.35	(4.47)
	EPS (NT\$)	0.93	(3.03)

(IV) R&D

1. Power Cord and Power Cable:

- i. Globally, there is a pursuit of "energy conservation and carbon reduction" to minimize environmental impact. This not only helps mitigate global warming but also enhances energy efficiency, reduces costs, and promotes sustainable development. By 2025, plans are in place to build a "green factory" in the Philippines, aligning with the global trend of energy conservation and carbon reduction, and to secure carbon credits. The goals are: (1) green manufacturing, (2) utilizing renewable energy, and (3) implementing a carbon credit management strategy. Through these methods, the company can collectively reduce carbon emissions and contribute to the sustainable development of the Earth.
- ii. In response to the U.S.-China trade war, the company is relocating its production facilities from China to the Philippines. By 2024, production capacity will meet the demands of the U.S. market, and efforts will continue to strengthen management and material supply to ensure smooth delivery. Simultaneously, there will be a focus on developing new niche market products, with robust management and logistical support as the key to success.

2. Lan Cable:

- i. The market size of PoE (Power over Ethernet) has been growing steadily in recent years, primarily driven by the increasing demand for smart cities, IoT (Internet of Things) devices, and enterprise network infrastructure. According to market research reports, the PoE market is projected to expand at a stable CAGR (compound annual growth rate) in the coming years, covering applications such as IP cameras, wireless access points, VoIP phones, and other devices requiring power over Ethernet. With continuous technological advancements and enhanced standards (such as IEEE 802.3bt), the application scenarios and market potential of PoE will further expand. In response to the increasing market application demands, there is a growing need for longer-distance (150-200M) PoE with higher power transmission. YFC will continue to develop PoE LAN cables that meet market demands for longer distances (150-200M) and high-power transmission.
- ii. The company will invest in new equipment (physical foaming machines) to enhance the electrical characteristics of cables, thereby increasing cable transmission rates (40G-100G network systems); and will continue to collaborate with internationally

renowned raw material manufacturers (Formosa Plastics) to develop physical foaming high-frequency low-dielectric transmission cable materials. In response to climate change, the company will further invest in developing products that can be installed and wired under harsh weather conditions with low temperatures and UV resistance.

3. Automotive High-Current Power Cable Assemblies and Automotive Transmission Cable Assemblies:

Regarding portable vehicle charging cable assemblies, according to the latest statistics from TrendForce, the estimated sales of new energy vehicles for the full year of 2024 will reach 16.26 million units, with an annual growth rate of 24.8%. The International Energy Agency (IEA) continues to be optimistic about the development of electric vehicles, predicting that global electric vehicle sales will significantly increase in 2024, reaching a new high of 17 million units, with more than one out of every five new cars being an electric vehicle. The electric vehicle market is expected to grow rapidly in the future, and YFC's Wuxi plant will continue to invest in developing more market customers.

II. Summary of 2025 Business Plan

(I) Short-term Business Development Plan:

- i. Actively expand the group's external customer base, focusing on key customers for technical services, fostering deep cooperation, and expanding the product line.
- ii. Continue expanding industrial cables, robotics, and automation-related wiring solutions, meeting customers' expectations for one-stop ordering by providing a diverse range of cables and wire harnesses.
- iii. In response to the smart manufacturing trend, develop the industrial-grade network patch cord market to differentiate from the existing mid-to-low-end consumer market and traditional distribution channels.
- iv. Strengthen the focus on the European and Japanese industrial and smart production equipment markets, increasing the development and sales of industrial cables.
- v. Enhance the production efficiency of the Philippine plant, shorten product lead times, and respond to Trump's Tariff 2.0 by increasing the plant's capacity to supply North American customers and markets beyond North America.

(II) Long-term Business Development Plan:

- i. Continue collaborating with the group's sub-brand, Prime, to develop new products.
- ii. Work with the group's sub-brand, Bestlink, to expand the industrial wire product line.

- iii. In response to Trump Tariffs 2.0 and the resulting fragmentation of the global procurement market, the Philippines factory will expand its product lines beyond power cords and network patch cords to include industrial wires, ultra-fine wires, and more.
- iv. Continue developing high-frequency automotive transmission cables for hybrid and pure electric smart vehicles.
- v. Develop a low-orbit satellite product line, requiring only minimal upgrades to existing equipment to produce cables for satellite audio-visual transmission and plug-in power.
- vi. Collaborate with factories to source environmentally friendly production and packaging materials, proactively promoting ESG-compliant solutions to customers.
- vii. U.S. manufacturing or TAA (Trade Agreements Act) compliance may become a new market in the future, prompting the search for qualified suppliers for strategic sales partnerships.

(III) Impacted by the external competitive environment, regulatory changes, and the overall business climate:

1. Geopolitical Impacts

Looking ahead to 2025, the United States is expected to continue imposing tariffs to address trade imbalances with major deficit countries, particularly maintaining high tariffs on imported goods from China. To reduce overall costs and diversify risks, the company currently prioritizes sourcing outside of mainland China for orders from U.S. customers.

The company is actively expanding the production capacity of its factory in the Philippines to meet growing market demand. At the same time, it is also developing qualified suppliers in ASEAN countries such as Vietnam and Thailand to manufacture both the group's proprietary branded products and customer-designed OEM/ODM products. By integrating internal and external production and supply chains, the company aims to diversify its product offerings, enhance market competitiveness, expand its customer base, and improve operational performance.

In light of ongoing instability in U.S.-China relations and persistent high tariffs on Chinese imports, major customers have shifted orders to non-China regions to reduce costs.

To lower production costs and spread investment risk, the company's new factory in the Philippines has officially entered mass production to meet client needs. The company continues to seek qualified suppliers in ASEAN countries such as Vietnam and Thailand to produce branded and custom-designed products, further promoting product diversification, enhancing market competitiveness, and exploring potential clients to boost revenue.

2. Sustainability and Carbon Reduction Initiatives

The company has established a Sustainability Task Force to fully implement goals related to environmental, social, and corporate governance (ESG). While pursuing business growth, we are committed to fulfilling corporate responsibility and achieving long-term sustainability.

To meet customer expectations for carbon reduction management and in response to the global goal of net-zero emissions by 2050, the company has completed a baseline greenhouse gas (GHG) emissions inventory and set reduction targets. Future efforts will include optimizing production management, implementing energy-saving and carbon-reduction measures, and planning for the use of renewable energy. Through full-process management, we aim to improve energy and resource efficiency, enhance market competitiveness, and reduce the company's carbon footprint.

In response to global climate change, governments—including the EU—are introducing carbon reduction regulations, raising the cost of carbon emissions to incentivize businesses to reduce GHG output. As a result, customer demand for energy-saving and carbon-reduction initiatives across the supply chain has grown.

To meet these expectations and align with the 2050 global net-zero target, the company has begun auditing its GHG emissions. It will continue to develop and implement carbon reduction goals by optimizing production, establishing carbon management systems, and managing energy and resource consumption throughout the entire process. This will support both enhanced market competitiveness and sustainable business development.

We sincerely thank all our shareholders for your longstanding support and encouragement. The entire YFC group management team and staff will continue to give their utmost efforts to achieve greater success.

Wishing all our shareholders good health and prosperity!

Sincerely,

Good Win Investment Co., Ltd.

Chairman

Representative: *Andrew Yeh*

B. Corporate Governance Report

I. Profiles of Directors, President, Vice Presidents, Senior Managers and Department Heads

(I) Directors

1. Information of Directors

April 22, 2025

Title	Name	Gender & Age	Nationality/ Place of Registration	Date of Election	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse and Minors' Current Shareholding		Shareholding by Proxy		Education & Experience	Concurrent Positions	Spouse or relative holding a position as Key Manager, Director or Supervisor			Note	
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship		
Chairman	Good Win Investment Co., Ltd.	-	R.O.C.	2022.06.21	3	2022.06.21	6,635,361	5.03%	8,020,359	5.48%	-	-	-	-	-	-	-	-	-	-	None
	Representative: Andrew Yeh	Male 71~80	R.O.C.	2022.06.21	3	2016.06.22	575,260	0.44%	575,260	0.39%	305,117	0.21%	-	-	Education Entrepreneur Management Advanced Program by NCCU EMBA Association Experience Chairman, YFC BonEagle Electric Co., Ltd.	1. President of YFC-BonEagle Electric (B. V.I.) Co., Ltd. / Premium-Line KSI GmbH / YFC-BonEagle Holdings (CAYMANS) Co., Ltd / Europower International Limited / Universal Network Corporation / Max Synergy Limited / Premium Line Asia Ltd. / Dongguan YFC BonEagle Electronic Technology Co., Ltd./ Good Win Investment Co., Ltd	Director	Yeh, Chia-Yi	Father & Daughter	None	
Vice Chairman	Great King Investment Development Ltd.	-	R.O.C.	2022.06.21	3	2022.06.21	2,126,000	1.61%	2,388,556	1.63%	-	-	-	-	-	-	-	-	-	-	None
	Representative: Grow Lin	Male 71~80	R.O.C.	2022.06.21	3	2016.06.22	550,167	0.42%	550,167	0.38%	151,343	0.10%	-	-	Education National Taipei University, EMBA Experience 1. Vice Chairman, YFC BonEagle Electric Co., Ltd. 2. Lecturer, Taiwan Academy of Banking and Finance 3. Associate Professor, Asia Eastern University of Science and Technology	1. YFC Vice President 2. Chairman of Bestlink Network Inc. / UNC Investment & Development, Inc. / Monoprice Holdings, Inc. / Monoprice, Inc. / Wuxi Universal Network Corporation / YFC International Trading (Wuxi) Co., Ltd. / Great King Investment Development Ltd. 3. Director of Prime Wire & Cable, Inc. / Dongguan YFC BonEagle Electronic Technology Co., Ltd. / 4. Independent Director of ACON Holding Inc.	-	-	-	None	
Director	Chang, Lung-Kwang	Male 71~80	R.O.C.	2022.06.21	3	1994.09.01	2,968,000	2.25%	3,094,503	2.11%	2,009,041	1.37%	-	-	Education Bachelor in Mechanical Engineering, National Cheng Kung University Experience Chairman of Dorris-Mic International Company Ltd.	1. Director of Dongguan YFC BonEagle Electronic Technology Co., Ltd. / Wuxi Universal Network Corporation 2. Chairman of Prime Wire & Cable, Inc.	-	-	-	None	

Title	Name	Gender & Age	Nationality/Place of Registration	Date of Election	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse and Minors' Current Shareholding		Shareholding by Proxy		Education & Experience	Concurrent Positions	Spouse or relative holding a position as Key Manager, Director or Supervisor			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Director	Yeh, Shou-Wen	Male 51~60	R.O.C.	2022.06.21	3	2022.06.21	321,000	0.24%	314,809	0.21%	68,813	0.05%	-	-	Education Taipei Senior High School Experience 1. Office Staff, Taipei City Government 2. Consultant, Care360Tek Co., Ltd.	1. Consultant, Fabulous Trade Co., Ltd. 2. Supervisor, Chemsearch Technology Co., Ltd.	-	-	-	None
Director	Yu Yao Investment Co., Ltd.	-	R.O.C.	2022.06.21	3	2022.06.21	5,506,000	4.17%	5,742,470	3.92%	-	-	-	-	-	-	-	-	-	None
	Representative: Yeh, Chia-Yi	Female 41~50	R.O.C.	2022.06.21	3	2022.06.21	426,654	0.32%	426,654	0.29%	-	-	-	-	Education Dowling College, Finance Major Experience Chief Administrative Officer, VA&G Bioscience Inc.	1. Finance Manager, Jie-Shou Investment Co., Ltd. 2. Representative, Di-Mi-Te Co., Ltd.	Chairman	Andrew Yeh	Father & Daughter	None
Director	He Ding Investment Co., Ltd.	-	R.O.C.	2022.06.21	3	2022.06.21	3,416,776	2.59%	3,562,407	2.43%	-	-	-	-	-	-	-	-	-	None
	Representative: Cheng, Po-Yuan	Male 31~40	R.O.C.	2022.06.21	3	113.10.23	40,426	0.03%	94,562	0.06%	-	-	-	-	Education Graduate Institute of Materials Science and Engineering, National Central University Experience Director of Advanced Process, United Microelectronics Corporation	President of He Ding Investment Co., Ltd.	-	-	-	None
Independent Director	Lee, Han-Tzong	Male 71~80	R.O.C.	2022.06.21	3	2002.05.20	354,959	0.27%	390,088	0.27%	47,709	0.03%	-	-	Education University of South Australia, Business Management PhD Experience 1. Manager, ITRI and Communications Research Laboratories 2. Assistant Professor, Minghsin University of Science and Technology, BA Dept.	1. Supervisor, Lightwave Link, Inc. 2. Managing Supervisor, Association of Digital Technology Innovation and Development 3. Convener of YFC Audit Committee and Remuneration Committee.	-	-	-	None
Independent Director	Chen, Chao-Ting	Male 51~60	R.O.C.	2022.06.21	3	2019.06.18	-	-	-	-	-	-	-	-	Education National Central University, MBA Experience CPA, Top New & Co., CPAs Firm	1. CPA of Cheng-Xin CPA Firm 2. Director, Xi-Le-Jian Management Consultants Co., Ltd. 3. Independent Director, Sunplus Innovation Technology Inc. 4. Member of YFC Audit Committee and Remuneration Committee.	-	-	-	None

Title	Name	Gender & Age	Nationality/Place of Registration	Date of Election	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse and Minors' Current Shareholding		Shareholding by Proxy		Education & Experience	Concurrent Positions	Spouse or relative holding a position as Key Manager, Director or Supervisor			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Independent Director	Lin, Tzeng-Show	Male 71~80	R.O.C.	2022.06.21	3	2019.06.18	-	-	-	-	-	-	-	-	Education National Taipei University of Technology, MBM Experience Executive Director & President, Taiwan Business Bank	Member of YFC Audit Committee and Remuneration Committee.	-	-	-	None
Director	He Ding Investment Co., Ltd.		R.O.C.	2022.06.21	3	2022.06.21	3,416,776	2.59%	3,562,407	2.43%	-	-	-	-	-	-	-	-	-	
	Representative of the Corporate Director: Lin Yen-Ting	Male 31~40	R.O.C.	108.06.18	3,972	0.003%	3,972	0.003%	-	-	-	-	-	-	Experience: Completed the Advanced Program in Entrepreneurship and Executive Management, Business Management Association, National Chengchi University	Assistant General Manager of He Ding Investment Co., Ltd.				None

Note 1: On October 23, 2024, the corporate director He Ding Investment Co., Ltd. appointed Mr. Cheng Po-Yuan as its new representative. The former representative, Mr. Lin Yen-Ting, was relieved of his duties on the same day.

Note 2: Where the chairman and the president, or person of an equivalent post (the highest-level officer) of a company are the same person, spouses, or first-degree relatives, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g., method of increase the number of independent directors with a majority of the directors not serving as an employee or officer): Non

2. Major Shareholders of Corporate Shareholders

2025.4.30

Name of Corporate Shareholder (note1)	Major Shareholders of the Corporate Shareholder (note2)	Shareholding Ratio
Good Win Investment Co., Ltd.	Yeh, Chia-Yi	28.75%
	Glen Yeh	28.75%
	Jerry Yeh	32.50%
	Andrew Yeh	3.75%
	Chang, Hsiu-E	6.25%
Great King Investment Development Ltd.	Grow Lin	32.00%
	Lin, Feng Shih	29.43%
	Lin, Rong Yi	38.57%
Yu Yao Investment Co., Ltd.	Chang, Chu-Tzu	64.54%
	Chiu, Ching-Di	13.64%
	Lu, Yuan-Chun	13.64%
	Glen Yeh	8.18%
He Ding Investment Co., Ltd.	Lin, Hsin-Yi	20.00%
	Lin, Hsin-Yu	20.00%
	Lin Chih-Meng	20.00%
	Kuo Shu-Chuan	40.00%

Note 1: If the director is a representative of a corporate shareholder, the name of the corporate shareholder should be provided.

Note 2: If any of the 10 largest shareholders is a corporate shareholder, the name of the corporate shareholder and the holding percentage of each shall be stated. If the major shareholder is a legal entity, Table 2 should be filled in: N/A

Note 3: If a corporate shareholder is not a corporate organization, the name of the shareholder and shareholding ratio disclosed in the preceding paragraph shall be the name of the contributor or donor and their contribution or donation ratio: N/A

3. Table 2 for major corporate shareholders of the Company's corporate shareholders: N/A

4. Professional Qualifications and Independence State of Directors:

Name		Criteria	Professional Qualifications & Experiences	State of Independence	Number of other public companies in which the individual is concurrently serving as an independent director
Chairman	Good Win Investment Co., Ltd. Representative: Andrew Yeh		<ol style="list-style-type: none"> 1. Currently Serving as the Chairman and President of YFC. 2. With more than five years of required working experience in commerce, law, finance, accounting, or other fields necessary for the business of the Company. Demonstrates capabilities in an international perspective, operations management, leadership, and decision-making. 3. Not under any circumstances set in Article 30 of the Company Act. 	Note 1& 2	0
Vice Chairman	Great King Investment Development Ltd. Representative: Grow Lin		<ol style="list-style-type: none"> 1. Currently Serving as the Vice Chairman and VP of YFC. 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in international perspective, operations management, leadership and decision-making. 3. Not under any circumstances set in Article 30 of the Company Act. 	Note 1& 2	1
Director	Chang, Lung-Kwang		<ol style="list-style-type: none"> 1. Current Director. 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in industry management, marketing, operational judgment, and decision-making. 3. Not under any circumstances set in Article 30 of the Company Act. 	Note 1& 2	0
Director	Yeh, Shou-Wen		<ol style="list-style-type: none"> 1. Current Director. 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in industry management, marketing, marketing, and crisis handling 3. Not under any circumstances set in Article 30 of the Company Act 	Note 1& 2	0
Director	Yu Yao Investment Co., Ltd Representative: Yeh, Chia-Yi		<ol style="list-style-type: none"> 1. Current Director. 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in operational judgment and decision-making. 3. Not under any circumstances set in Article 30 of the Company Act. 	Note 1& 2	0

Director	He Ding Investment Co., Ltd. Representative: Cheng, Po-Yuan-	<p>1. Current Director.</p> <p>2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in operations management, decision-making, marketing and experience in legal affairs.</p> <p>3. Not under any circumstances set in Article 30 of the Company Act.</p>	Note 1& 2	0
Independent Director	Lee, Han-Tzong	<p>1. Education and experiences are stated in the pages before</p> <p>2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in industry and operations management.</p> <p>3. Not under any circumstances set in Article 30 of the Company Act.</p>	Note 3	0
Independent Director	Chen, Chao-Ting	<p>1. Education and experiences are stated in the pages before.</p> <p>2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates professional capabilities in regulatory compliance, as well as financial and accounting analysis.</p> <p>3. Not under any circumstances set in Article 30 of the Company Act.</p>	Note 3	1
Independent Director	Lin, Tzeng-Show	<p>1. Education and experiences are stated in the pages before.</p> <p>2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in operations management, leadership, and decision-making.</p> <p>3. Not under any circumstances set in Article 30 of the Company Act.</p>	Note 3	0

5. Diversity and Independence of the Board of Directors:

- (1) **Diversity of the Board of Directors:** The Board of Directors of the Company abide by the Articles of Incorporation, Rules for the Election of Directors, and Best Practice Principles of Corporate Governance.
- i. Board structure:
In accordance with the Articles of Incorporation, the Company has a total of 9 directors. The candidate nomination system is adopted, and directors are elected from a list of candidates at the shareholders' meeting. The Board is required to have a minimum of three independent directors, representing at least 1/5 of the total Board members. These independent directors are also appointed to form the Audit Committee, with the objective of assisting the Board in decision-making.
 - ii. Composition of the Board Members:
The composition of the Board of Directors should consider diversity. It is recommended that directors who also serve as company officers should not exceed one-third of the total number of board members. Furthermore, an appropriate diversity policy should be formulated based on the Company's business operations, operating dynamics, and development needs. This policy should include, but not be limited to, the following two general standards:
 - (i) Basic requirements and values: Gender, age, nationality, and culture.
 - (ii) Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.
 - iii. Execution of the Board Diversity Objectives: Considering the concepts of the Board member's diversity, the objectives include:
 - (i) To include at least one female director and progressively work toward increasing the proportion of female board members to 30%.
 - (ii) The number of directors who concurrently serve as managerial officers does not exceed 1/3 of the Board.
 - (iii) No more than two directors are a spouse or relatives within the second degree of kinship to any other directors.
 - (iv) At least two independent directors shall serve no more than three consecutive terms.

The current (11th) Board of Directors comprises nine directors, including one female director and three independent directors. There are two directors who hold concurrent positions as managerial officers of the Company. Additionally, two representatives of the corporate directors are relatives within the second degree of kinship. However, there are no directors who are spouses or have direct kinship relations with each other. Regarding the three independent directors, two were newly elected from the re-election in 2019, and the other has served for over a 9-year-term in the account of apparent benefits to the Company by his finance and business profession background. The directors are thoroughly evaluated and elected based on the principles of board diversity, taking into consideration their professional backgrounds and skills in various areas such as operations management, leadership, decision-making, financial analysis, and marketing. Additionally, they possess the qualifications to lead, make informed decisions, and have ample industry knowledge and experience. This demonstrates that the Company has given careful thought to the requirements, implemented the concept effectively, and successfully achieved its diversity objectives.

- (2) **Independence of the Board:** The Company has three independent directors, accounting for 1/3 of the Board. All of the Company's directors (including the independent directors) meet the criteria for independence and do not fall under any of the circumstances outlined in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.

(II) Information on General Manager, vice presidents, executives, and heads of departments and branches

April 22, 2025/Unit: shares

Title	Name	Gender	Nationality	Date of Appointment	Current Shareholding		Spouse and Minor Shareholding		Shareholding by Proxy		Education & Experience	Concurrent Positions	Company officers who are spouses or relatives within the 2nd degree of kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
President	Andrew Yeh	Male	R.O.C.	2016.06	575,260	0.39%	305,117	0.21%	—	—	Education Entrepreneur Management Advanced Program by NCCU EMBA Association Experience Chairman of YFC BonEagle Electric Co., Ltd.	1. Chairman of the Company/ YFC-BonEagle Electric (BVI) Co., Ltd. / Premium-Line KSI GmbH / YFC-BonEagle Holdings (CAYMANS) Co., Ltd / Europower International Limited / Universal Network Corporation / Max Synergy Limited / Premium Line Asia Ltd. / Dongguan YFC BonEagle Electronic Technology Co., Ltd./ Good Win Investment Co., Ltd	Senior Manager	Glen Yeh	Father & Son	
Executive Vice President	Grow Lin	Male	R.O.C.	2016.06	550,167	0.38%	151,343	0.10%	—	—	Education National Taipei University, EMBA Experience 1. Vice Chairman, YFC BonEagle Electric Co., Ltd. 2. Lecturer, Taiwan Academy of Banking and Finance 3. Associate Professor, Asia Eastern University of Science and Technology	1. Vice chairman of the Company 2. Chairman of Bestlink Netware Inc. / UNC Investment & Development, Inc. / Monoprice Holdings, Inc. / Monoprice, Inc. / Chenzhou YFC BonEagle Electronic Co., Ltd. / Wuxi Universal Network Corporation / YFC International Trading (Wuxi) Co., Ltd. 3. Director of Prime Wire & Cable, Inc. / Dongguan YFC BonEagle Electronic Technology Co., Ltd. 4. Director of Weishun Construction (Weishun Group) 5. Independent Director of ACON Holding Inc.	None	None	None	
General Manager	Connie Tsai	Female	R.O.C.	2023.08	774,046	0.53%	—	—	—	—	Education National Taiwan University, EMBA Experience 1. Horwath Chien Hsing CPAs 2. CFO & Vice President of YFC BonEagle Electric Co., Ltd.	Director of Monoprice Holdings, Inc. / Monoprice, Inc./ YFC-BONEAGLE ELECTRONIC TECHNOLOGY PHILS. CORPORATION/ YFC-BONEAGLE INTERNATIONAL, INC. / YFC DEVELOPMENT CORPORATION	None	None	None	
CTO	Eddy Ku	Male	R.O.C.	1989.10	1,117,694	0.80%	8,933	0.01%	—	—	Education National Chin-Yi University of Technology, BEE	1. Chairman of YFC-BonEagle Electronic Technology Phils. Corporation / YFC-BonEagle	None	None	None	

Title	Name	Gender	Nationality	Date of Appointment	Current Shareholding		Spouse and Minor Shareholding		Shareholding by Proxy		Education & Experience	Concurrent Positions	Company officers who are spouses or relatives within the 2nd degree of kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
											Experience Director of China Wire & Cable Co., Ltd.	International, Inc. / YFC Development Corporation				
Vice President	John Hsieh	Male	R.O.C.	1999.02	749,917	0.51%	—	—	—	—	Education Georgia State University, Master of Science in Finance Experience 1. Section Chief, Longchen Paper & Packaging Co., Ltd. 2. Associate Director of YFC BonEagle Electric Co., Ltd.	1. President of Prime Wire & Cable, Inc. 2. Director of Monoprice Holdings, Inc. 3. Director & President of Monoprice, Inc.	None	None	None	
Vice President	Jack Lee	Male	R.O.C.	2012.02	122,234	0.08%	—	—	—	—	Education: Department of Business Administration, Tunghai University Experience: Sales Senior Manager, Wei-Chin Enterprise Co., Ltd.	N/A	None	None	None	
Associate Director	Fred Shan	Male	R.O.C.	2012.02	400,201	0.27%	13,000	0.01%	—	—	Education Mechanical Engineering, National Chiao Tung University Experience Section Chief of Production Planning at Chin Chung Motor Industry Co., Ltd.	N/A	None	None	None	
Associate Director	Glen Yeh	Male	R.O.C.	2020.05	1,682,602	1.15%	—	—	—	—	Education California State University Fullerton. MSA Experience 1. Manager, KPMG Taiwan 2. Assistant Manager, KGI Securities Co. Ltd.,	N/A	President	Andrew Yeh	Father & Son	
													Senior Maneger	Jerry Yeh	Brothers	
Associate Director	Anderson Huang	Male	R.O.C.	2020.05	254,413	0.17%	—	—	—	—	Education Yuan Ze University, CSE Master's degree Experience 1. IT Manager, Tai-Saw Technology Co., Ltd. 2. Senior Manager, YFC BonEagle Electric Co., Ltd.	N/A	None	None	None	
Associate Director	Wallis Gan	Female	Malaysia	2023.08	60,000	0.04%	14,000	0.01%	—	—	Education National Sun Yat-Sen University, Business Management Experience 1. Sales Manager of Mavin technology INC.	N/A	None	None	None	

Title	Name	Gender	Nationality	Date of Appointment	Current Shareholding		Spouse and Minor Shareholding		Shareholding by Proxy		Education & Experience	Concurrent Positions	Company officers who are spouses or relatives within the 2nd degree of kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
											2. Sales Senior Manager of YFC BonEagle Electric Co. Ltd.					
Associate Director	Wap Wang	Male	R.O.C	2023.08	80,000	0.05%	0	0%	—	—	Education Accounting, Tamkang University Experience 1. Assistant Manager of KPMG Taiwan 2. Senior Manager of YFC BonEgles Co., Ltd.	N/A	None	None	None	
Associate Director	Robin Kuo	Male	R.O.C	2024.07	134,000	0.09%	0	0%	—	—	Education 1. Department of Mechanical Engineering, WuFeng University 2. MBA Executive Program, Sun Yat-sen University (Guangzhou) Experience 1. Director of Procurement Development, Primax Electronics Ltd. 2. Director of Supply Chain Management, Merry Electronics Co., Ltd.	N/A	None	None	None	
Associate Director	Jerry Yeh	Male	R.O.C	2024.07	360,450	0.25%	0	0%	—	—	Education Department of International Business, Kainan University Experience General Manager of Jingzhou Wuhan Jie Rui Hao Educational Technology Co., Ltd.	N/A	President	Andrew Yeh	Father & Son	
												Senior Maneger	Glen Yeh	Brothers		

Note: Where the president or person of an equivalent post (the highest-level officer) of a company are the same person as the chairman of the Board of Directors, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures (such as adding more independent directors and having more than half of the directors who are neither employees nor officers) adopted in response thereto: None.

Table of Remuneration Ranges

Range of Remuneration for President and Vice Presidents	Name			
	Total amount of first four remuneration items(A+B+C+D)		Total amount of first seven remuneration items (A+B+C+D+E+F+G)	
	The Company	All Consolidated Entities	The Company	All Consolidated Entities
Under NT\$1,000,000	Good Win Investment Co., Ltd.	Good Win Investment Co., Ltd.	Good Win Investment Co., Ltd.	Good Win Investment Co., Ltd.
	Great King Investment Development Ltd.	Great King Investment Development Ltd.	Great King Investment Development Ltd.	Great King Investment Development Ltd.
	Andrew Yeh	Andrew Yeh	Yu Yao Investment Co., Ltd.	Yu Yao Investment Co., Ltd.
	Grow Lin	Grow Lin	He Ding Investment Co., Ltd	He Ding Investment Co., Ltd
	Yu Yao Investment Co., Ltd.	Yu Yao Investment Co., Ltd.	Yeh, Chia-Yi	Yeh, Chia-Yi
	He Ding Investment Co., Ltd	He Ding Investment Co., Ltd	Lin, Yen-Ting	Lin, Yen-Ting
	Yeh, Chia-Yi	Yeh, Chia-Yi	Cheng, Po-Yuan	Cheng, Po-Yuan
	Lin, Yen-Ting	Lin, Yen-Ting	Chang, Lung-Kwang	Chang, Lung-Kwang
	Cheng, Po-Yuan	Cheng, Po-Yuan	Yeh, Shou-Wen	Yeh, Shou-Wen
	Chang, Lung-Kwang	Chang, Lung-Kwang	Lee, Han-Tzong	Lee, Han-Tzong
	Yeh, Shou-Wen	Yeh, Shou-Wen	Chen, Chao-Ting	Chen, Chao-Ting
	Lee, Han-Tzong	Lee, Han-Tzong	Lin, Tzeng-Show	Lin, Tzeng-Show
	Chen, Chao-Ting	Chen, Chao-Ting		
	Lin, Tzeng-Show	Lin, Tzeng-Show		
NT\$1,000,000 ~ Under NT\$2,000,000	None	None	None	None
NT\$2,000,000 ~ Under NT\$3,500,000	None	None	None	None
NT\$3,500,000 ~ Under NT\$5,000,000	None	None	Andrew Yeh Grow Lin	Andrew Yeh Grow Lin

NT\$5,000,000 ~ Under NT\$10,000,000	None	None	None	None
NT\$10,000,000 ~ Under NT\$15,000,000	None	None	None	None
NT\$15,000,000 ~ Under NT\$30,000,000	None	None	None	None
NT\$30,000,000 ~ Under NT\$50,000,000	None	None	None	None
NT\$50,000,000 ~ Under NT\$100,000,000	None	None	None	None
NT\$100,000,000 & above	None	None	None	None
Total	9	9	9	9

(II) Remuneration of President and Vice Presidents

Dec. 31, 2024

Unit: NT\$K / thousands of shares

Title	Name	Salary (A)		Pension (B)		Bonus and Special Allowance (C)		Employee Bonus (D)				Total(A+B+C+D) & Ratio to Net Income (%)		Remuneration received from investees other than subsidiaries or parent company
		The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company		All Consolidated Entities		The Company	All Consolidated Entities	
								Cash Bonus	Stock Bonus	Cash Bonus	Stock Bonus			
President	Andrew Yeh	14,316	20,649	347	347	0	0	4,000	0	4,000	0	18,663 13.73%	24,996 18.39%	N/A
Executive Vice President	Grow Lin													
General Manager	Connie Tsai													
CTO	Eddy Ku													
Vice President	John Hsieh													
Vice President	Jack Lee													

Table of Remuneration Ranges

Range of Remuneration for President and Vice Presidents	Name	
	The Company	All Consolidated Entities
Under NT\$1,000,000	John Hsieh	-
NT\$1,000,000 ~ Under NT\$2,000,000	-	-
NT\$2,000,000 ~ Under NT\$3,500,000	Eddy Ku; Jack Lee	Eddy Ku; Jack Lee
NT\$3,500,000 ~ Under NT\$5,000,000	Andrew Yeh; Grow Lin; Connie Tsai	Andrew Yeh; Grow Lin; Connie Tsai; John Hsieh
NT\$5,000,000 ~ Under NT\$10,000,000	-	-
NT\$10,000,000 ~ Under NT\$15,000,000	-	-
NT\$15,000,000 ~ Under NT\$30,000,000	-	-
NT\$30,000,000 ~ Under NT\$50,000,000	-	-
NT\$50,000,000 ~ Under NT\$100,000,000	-	-
NT\$100,000,000 & above	-	-
Total	6	6

*The remuneration content disclosed in this table is different from the income concept of the Income Tax Act, so the purpose of this table is for information disclosure and not for taxation.

(III) Names of managerial officers receiving employee compensation and details of the allocation

Unit: NT\$K

Title	Name	Stock Bonus	Cash Bonus	Total	Ratio of Total to Net Income (Loss) (%)	
					The Company	All Consolidated Entities
President	Anderson Yeh	0	6,200	6,200	4.56%	4.56%
Executive Vice President	Grow Lin					
General Manager	Connie Tsai					
CTO	Eddy Ku					
Vice President	John Hsieh					
Associate Director	Fred Shan					
Vice President	Jack Lee					
Associate Director	Glen Yeh					
Associate Director	Anderson Huang					
Associate Director	Wallis Gan					
Associate Director	Robin Kuo					
Associate Director	Jerry Yeh					
Associate Director, Accounting	Wap Wang					

Note 1: Individual names and positions should be disclosed, but profit distribution can be aggregated.

Note 2: Fill in the amount of employee remuneration (including stocks and cash) approved by the board of directors for the most recent fiscal year. If it cannot be estimated, the proposed distribution amount for this year shall be calculated based on the proportion of actual distribution amount last year. Net profit after tax refers to the net profit after tax for the most recent fiscal year; if the International Financial Reporting Standards are adopted, net profit after tax refers to the net profit after tax in the individual or separate financial statements for the most recent fiscal year.

Note 3: The scope of application of executives is defined in accordance with the letter issued by the Financial Supervisory Commission on March 27, 2003, No. 0920001301, as follows:

1. President and equivalent positions
2. Vice President and equivalent positions
3. Associate Director and equivalent positions
4. Finance Manager
5. Accounting Manager
6. Others who have management affairs and signing authority for the company

Note 4: If directors, general managers, and deputy general managers receive employee remuneration (including stocks and cash), in addition to filling in Table 1-2, they should also fill in this table.

(IV) Analysis of the total remuneration paid to directors, presidents, and vice presidents as a percentage of the net income after tax in the last two years and description of the policy, standards and packages of remunerations, procedure for making such decision and relation to business performance:

1. Remuneration to directors, presidents, and vice presidents and in proportion to the net income after tax are analyzed as follows:

	Net Income After Tax	Remuneration to directors, presidents and vice presidents (NT\$K)		Ratio of the total amount to net income (Loss) after tax (%)	
		The Company	All Consolidated Entities	The Company	All Consolidated Entities
2023	(439,897)	22,200	24,934	(5.05) %	(5.67) %
2024	135,911	26,093	32,426	19.20%	23.86%

The Company's net income (loss) after tax for fiscal years 2024 and 2023 amounted to NT\$135,911 thousand and (NT\$439,897 thousand), respectively. The remuneration paid to directors, the President, and Vice Presidents accounted for (5.05)% and 19.20% of net income (loss) after tax, respectively. According to the consolidated financial statements, the total remuneration paid by all entities to directors, the President, and Vice Presidents accounted for (5.67)% and 23.86% of net income (loss) after tax, respectively. The remuneration policy for directors, the President, and Vice Presidents remained consistent across both years. The difference was due to a pre-tax loss incurred in 2023, for which the Board of Directors resolved not to distribute directors' and employees' compensation.

2. The remuneration policy, standard, package, procedure of determination, connection with business performance and future risk:

i. The Company offers the directors remuneration and a fixed monthly transportation allowance. Pursuant to the Articles of Incorporation, no more than 6% of profits shall be allocated as director's remuneration when the Company makes profits. The independent directors shall not participate in the distribution of remuneration to the directors. The profit referred to in the preceding paragraph shall mean the earnings before tax prior to deduction of employees' and directors' remuneration. The Board of Directors is authorized to determine the remuneration or salary for the directors, considering the extent and value of the services provided for the management of the Corporation and the standards of the industry.

The remuneration standards for the directors are regularly assessed in accordance with the "Management Procedures for Remuneration to Directors and Senior Officers" and the "Rules for Performance Evaluation of Board of Directors." The relevant performance evaluation and remuneration distribution are reviewed by the Remuneration Committee and reported to the Board of Directors for resolution.

ii. Remuneration paid to the management includes salary, allowances and bonuses, as well as 6% of the Company's annual profit as remuneration to the officers as set forth in the Articles of Incorporation. Remuneration is determined based on the scope of each officer's responsibility, their achievement rate of the Company's overall operational objectives (such as the Company's revenue, net profit before tax and net profit after tax), academic background and experience, with reference to the salary level of similar positions in the industry. The remuneration standards for the officers are regularly assessed by the Remuneration Committee in accordance with the Company's "Procedures for Evaluation of the Board of Directors" and the annual distribution of remuneration to the officers is reviewed to be submitted to the meeting of the Board of Directors for resolution.

- iii. The Company's remuneration paid to the officers includes employee stock bonuses, which are long-term bonuses managed by a trust account. The basis for distribution is linked with the individual's performance in an effort to retain outstanding management talent. As the actual value of officers is related to the Company's future stock price, we hope to share and prosper with them to jointly bear the future business risks.

III. Implementation of Corporate Governance

(I) Operations of the Board of Directors:

The Board of Directors convened 6 meetings in 2023(A), the attendance of directors is as follows:

Title	Name (Note 1)	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A) (Note 2)	Remarks
Chairman	Good Win Investment Co., Ltd. Representative: Andrew Yeh	3	2	60%	-
Vice Chairman	Great King Investment Development Ltd. Representative: Grow Lin	5	0	100%	-
Director	Chang, Lung-Kwang	5	0	100%	-
Director	Yeh, Shou-Wen	5	0	100%	-
Director	Yu Yao Investment Co., Ltd. Representative: Yeh, Chia-Yi	5	0	100%	
Director	He Ding Investment Co., Ltd. Representative: Lin, Yen-Ting	1	3	25%	
Director	He Ding Investment Co., Ltd. Representative: Cheng, Po-Yuan	1	0	100%	Reassigned representative, on Oct. 23, 2024
Independent Director	Lee, Han-Tzong	5	0	100%	-
Independent Director	Chen, Chao-Ting	5	0	100%	-
Independent Director	Lin, Tzeng-Show	5	0	100%	-

Other matters that are required to be disclosed:

1. In the event of either of the following situations, dates, sessions, contents of motion, opinions from all independent directors, and the Company's responses should be specified:
 - i. Issues specified in Article 14-3 of the Securities and Exchange Act: As the Company has an Audit Committee in place, matters listed in Article 14-3 do not apply pursuant to Article 14-5 of the Securities and Exchange Act. For more details on the Audit Committee, please refer to page 30 to 33.
 - ii. Other matters involving objections or reservations expressed by independent directors that were recorded or stated in writing require a resolution by the Board of Directors: None.
2. Recusal of directors from motions involving their interests should be documented, including the names of the directors, the content of the motions, the reasons for recusal, and their participation in voting: None
3. Information on the evaluation cycle and period, evaluation scope, method and evaluation content of the Board self-evaluation: Please refer to the following section for 2024 The Board of Directors Evaluation and Implementation
4. Objectives to enhance the Board functions in the current and the most recent year (e.g., forming an audit committee, improving information transparency etc.), and the evaluation of the implementation:

i. Improvement of Information Transparency:

The Company has formulated its Rules of Procedure for Board of Directors Meeting pursuant to the Regulations Governing Procedure for Board of Directors Meetings of Public Companies. As well as this, the Company also reports on the attendance of the Board of Directors at the Board meeting on the MOPS and discloses major resolutions made by the Board at the Corporate Governance section on the Company's website. To establish a management mechanism for material inside information to prevent improper leakage of information, while ensuring the consistency and accuracy of information released to the public, the Company has also formulated its Procedures for Handling Material Inside Information and Prevention of Insider Trading and Procedures Governing the Trading Halt and Resumption which are internally announced and implemented. An internal control system has been incorporated at the same time to implement the principle of fairness in information symmetry.

ii. Publicization of Corporate Governance Laws and Regulations:

To increase the familiarity of the board with the securities acts, we continue to strengthen the promotion of corporate governance-related laws and regulations. In addition to providing information on the latest regulatory changes, the directors also proactively take part in corporate governance-related seminars and conventions organized by the competent authorities. Moreover, further education courses on corporate governance regulations are arranged on a regular basis to improve the efficiency of the promotion, further achieving the objective of a robust corporate governance structure. In 2024, the directors completed 75 hours of further education.

iii. An audit committee was formed to take over the responsibilities of supervisors, which are assisting the Board in performing duties and supervisory responsibilities as well as enhancing the functions of the Board.

iv. During the selection and tenure of independent directors, the company reviews their qualifications to ensure compliance with regulations and annually assesses their suitability. The corporate governance officer reports to the board of directors regarding the suitability of independent directors.

v. Robust Company Salary and Remuneration System:

The Company has a Remuneration Committee in place and is responsible for carrying out recommendations, evaluating and supervising the Company's remuneration policy as a whole, setting remuneration standards for directors and officers, and employee remuneration distribution. In the future, the Company will continue to review the improvement of relevant systems to strengthen the remuneration system.

Note: (1) If there is a director who resigns before the end of the year, the resignation date shall be indicated in the remark's column. The actual attendance rate (%) is calculated based on the number of board meetings held during each director's term of office and their actual attendance.

(2) If there was a re-election of directors before the end of the year, the new and outgoing directors shall be filled in the form and specify if the director is newly elected to office or re-elected for a second term of office, and the date of the election. The actual attendance rate (%) is calculated based on the number of board meetings held during each director's term and their actual attendance.

(II) The Board of Directors Evaluation and Implementation

1. The Company's 2024 Board evaluation implementation status is as follows:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Aspect
Annual	2024.01.01 ~ 2024.12.31	The Board of Directors as a whole	Internal self-evaluation by the Board of Directors, self-assessment by directors (on themselves or peers) and functional committees. Scoring criteria for each aspect evaluation is rated on a 5-point scale: Very satisfied (Strongly agree)/ Satisfied (Agree)/ Neither satisfied nor dissatisfied (Neutral)/ Dissatisfied (Disagree)/ Very dissatisfied (Strongly disagree). The results of the Board Evaluation for the year ended December 31, 2024 have been disclosed on the Company's website.	<ol style="list-style-type: none"> 1. Involvement in the Company's operation 2. Enhancement of the quality of the Board's decision-making 3. Board composition and structure. 4. Election and continuing knowledge development of the directors 5. Internal controls
		Individual Directors		<ol style="list-style-type: none"> 1. Alignment of the Company's objectives and tasks 2. Awareness of the duties of a director 3. Involvement in the Company's operation 4. Internal relationship management and communication 5. Director's professionalism and continuing knowledge development 6. Internal controls
		Functional Committees (Remuneration Committee and Audit Committee)		<ol style="list-style-type: none"> 1. Involvement in the Company's operation 2. Awareness of the functional committees' duties 3. Improvement of the decision-making quality of the functional committees 4. Composition and selection of functional committee members 5. Internal controls

2. External evaluation is carried out every 3 years.

External evaluation is carried out every 3 years. The Board was under evaluation in 2022 by the Taiwan Investor Relations Institute	2021.10.01 ~ 2022.09.30	The Board of Directors as a whole	<ol style="list-style-type: none"> 1. Survey and Questionnaire 2. On-site Evaluation <p>The external performance evaluation results of the Board of Directors for 2022 have</p>	1.The survey was divided into five major aspects: Board composition and professional development, Board decision quality, Board operational efficiency, internal control and risk management, Board participation in corporate social responsibility.
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			been disclosed on the Company's website.	2. On-site evaluation targets: The Company's chairman, independent director (convener of the Audit Committee) and the Independent Director.
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(III) Composition, Duties, and Operation of the Audit Committee

The Audit Committee convened 4 meetings in the company in 2024(A), the attendance of independent directors are as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%) (B/A)	Remarks
Independent Director	Lee, Han-Tzong	4	0	100%	
Independent Director	Chen, Chao-Ting	4	0	100%	
Independent Director	Lin, Tzeng-Show	4	0	100%	

Other matters that are required to be disclosed:

1. If any of the following circumstances occur concerning the operations of the Audit Committee, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company's responses to its opinions should be specified:

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

Meeting Date & Session	Contents, Resolutions and the Company's Response to the Opinions	Objections, Reservations, or Major Recommendations by Independent Directors	Resolution Result	Company's Response to Audit Committee's Opinion
2 nd Term 10 th Meeting 2024.3.15	<ol style="list-style-type: none"> (1) Internal Audit Report by the Chief Internal Auditor (2) Declaration of Internal Control System for the Year 2023 (3) Assessment of the Independence and Competency of the Certifying CPA (4) The Company's 2023 Business Report and Standalone & Consolidated Financial Statements (5) The Company's 2023 Earnings Distribution Proposal (6) Proposal for Lending Funds to the Vietnamese Subsidiary, YUE FONG COMPANY LIMITED 	None	Approved by all attending committee members. The proposal was adopted as submitted.	None

<p>2nd Term 11th Meeting 2024.5.7</p>	<p>(1) Internal Audit Report by the Chief Internal Auditor (2) Consolidated Financial Statements for the First Quarter of 2024 (3) Proposal for Fund Lending from Subsidiary EUROPOWER INTERNATIONAL LIMITED to the Company and Extension of Certain Loans Upon Maturity (4) Investment in Sub-subsidiary YFC-BONEAGLE ELECTRONIC TECHNOLOGY PHILS. CORPORATION (5) Proposal to Provide Endorsements and Guarantees for the Company’s Sub-subsidiary Wuxi Guofeng Electronic Technology Co., Ltd. and Subsidiary Only International Co., Ltd.</p>	<p>None</p>	<p>Approved by all attending committee members. The proposal was adopted as submitted.</p>	<p>None</p>
<p>2nd Term 12th Meeting 2024.8.9</p>	<p>(1) Internal Audit Report by the Chief Internal Auditor (2) Consolidated Financial Statements for the Second Quarter of 2024 (3) Proposal to Provide Endorsements and Guarantees for the Company’s Sub-subsidiary Wuxi Universal Network Corporate.</p>	<p>None</p>	<p>Approved by all attending committee members. The proposal was adopted as submitted.</p>	<p>None</p>
<p>2nd Term 13th Meeting 2024.11.11</p>	<p>(1) Internal Audit Report by the Chief Internal Auditor (2) The Company's Financial Statements for the Third Quarter of 2024 (3) Proposal to Establish the “Sustainability Information Management Procedures” (4) The Company’s Audit Plan for the Year 2025 (5) Proposal for New Plant Construction in the Philippines (6) Investment in the Philippine Sub-subsidiary YFC-BONEAGLE ELECTRONIC TECHNOLOGY PHILS. CORPORATION (7) Proposal for Extension of Fund Lending from Subsidiary EUROPOWER INTERNATIONAL LIMITED to the Company Upon Maturity (8) Proposal for Extension of Loan Maturity from Subsidiary YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD. to the Company and Related Parties (9) Proposal to Provide Endorsements and Guarantees for the Company’s Sub-</p>	<p>None</p>	<p>Approved by all attending committee members. The proposal was adopted as submitted.</p>	<p>None</p>

	subsidiary Wuxi Universal Network Corporate.			
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- (2) Other matters which were not approved by the Audit Committee but has been adopted with the approval of two-thirds or more of all board directors: None.
2. Recusal of independent directors from motions involving their interests should be documented, including their names, the content of the motions, the reasons for recusal, and their participation in voting: None.
3. Communications between the independent directors, Chief Internal Auditor and CPAs (e.g., material matters, methods and results of communications on the Company's finance and operations, etc.):
- (1) Independent Directors and Chief Internal Auditor may communicate via telephone or email as needed during normal times; in case of momentous issues, a meeting may be called at any time. The communication channel is seamless. The Chief Internal Auditor submits a monthly audit work progress report and deficiency tracking report of the previous month to the independent directors for review. Questions raised regarding the reports by independent directors are subsequently replied and improvements and tracking are conducted according to the recommendations of the independent directors. And quarterly reports on the internal audit execution status of the company are submitted to the independent directors. Past communications in the most recent year or during the current year up to the date of publication of the annual report are summarized as follows:

Date	Key Points of Communications	Opinions and Recommendations of Independent Directors
2024.03.15	<ul style="list-style-type: none"> Report on implementation of internal audits. Discussion of the evaluation of the effectiveness of the FY2023 internal control system. 	None
2024.05.07	<ul style="list-style-type: none"> Report on implementation of internal audits. 	None
2024.08.09	<ul style="list-style-type: none"> Report on the Implementation of Internal Audit Operations 	None
2024.11.11	<ul style="list-style-type: none"> Report on the Implementation of Internal Audit Operations Discussion on the Audit Plan for 2025 	None
2025.03.14	<ul style="list-style-type: none"> Report on the Implementation of Internal Audit Operations Discussion on the Effectiveness Assessment of the Internal Control System for 2024 and the Internal Control System Declaration 	None
2025.05.07	<ul style="list-style-type: none"> Report on the Implementation of Internal Audit Operations 	None

- (2) The independent directors of the company and the auditor communicate through meetings, and the auditor reports to the independent directors at least once a year. The report includes the audit or review status of financial statements, significant issues such as accounting estimates, the impact of revisions to CPA's regularly and related securities and tax regulations, and corresponding measures. The recent communication status is as follows:

Date	Key Points of Communications	Opinions and Recommendations of Independent Directors
2024.03.15	<ul style="list-style-type: none"> Audit Findings and Results of the Consolidated and Standalone Financial Statements for 2023, Including Key Audit Matters 	None

	<ul style="list-style-type: none"> ● Impact of Important Regulatory Updates on the Company and Corresponding Measures ● Corporate Governance Advocacy and Communication with the Corporate Governance Unit 	
2025.03.14	<ul style="list-style-type: none"> ● Audit findings, results and KAMs of the FY2024 consolidated and parent-company-only financial reports ● Impact and countermeasures of important regulatory updates on the Company ● Corporate governance promotion and communication with the dedicated division 	None

4. Responsibilities of the Audit Committee:

- (1) Establish or revise the Internal Control System in accordance with the provisions stipulated in Article 14-1 of the Securities and Exchange Act
- (2) Evaluation of the effectiveness of the Internal Control System.
- (3) In accordance with the provisions of Article 36-1 of the Securities and Exchange Act, formulate or amend the procedures for acquiring or disposing of assets, engaging in derivatives transactions, making loans to others, endorsing or providing guarantees for others, and procedure for major financial operations.
- (4) Matters involving directors' interest.
- (5) Transactions of major assets or derivatives.
- (6) Major loans or provision of endorsement/guarantee.
- (7) Raising, issuance or private placement of marketable securities of an equity nature.
- (8) Appointment, dismissal or remuneration of CPAs.
- (9) Appoint and dismissal of heads of finance and accounting or Chief Internal Auditor
- (10) Annual financial report or 6-month financial report.
- (11) Other significant matters required by the Company or competent authorities.

(IV) Enforcement of Corporate Governance and Reasons for Discrepancy

Evaluation Items	Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No	Summary	
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 has formulated its “Corporate Governance Best-Practice Principles” which are disclosed on the Company’s website and the MOPS.	No discrepancy
2. Shareholding structure & shareholders’ rights				
(1) Has the company formulated internal procedures regulated to handle shareholders’ proposals, doubts, disputes, and litigation matters and have the procedures been implemented accordingly?	✓		(1) In addition to engaging a stock agent, the Company’s internal procedures also specify the responsibilities of related departments for assisting in the handling of suggestions, questions, disputes, and litigation matters of shareholders as well investor relations (spokesperson and deputy spokespersons), and stock and legal affairs. There is a stakeholder’s section and contact methods on the Company’s website for suggestions or questions of shareholders.	No discrepancy
(2) Does the company possess a list of the company’s major shareholders and a list of the ultimate controllers of its major shareholders?	✓		(2) The Company has set up dedicated personnel to keep a close eye on the shareholdings of directors, officers and major shareholders holding 5% or more of the shares.	No discrepancy
(3) Has the company established and implemented the risk control and firewall mechanisms between the affiliates?	✓		(3) For managing affiliates, the Company has formulated the Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises, Procedures for Subsidiary Monitoring, and rules for internal controls and internal audits. The authority division for management of subsidiaries is carried out in accordance with the Procedures and any dealings or transactions are handled in accordance with applicable laws and regulations. The implementation is regularly monitored by the auditors in order to establish an appropriate risk control mechanism and firewall mechanism.	No discrepancy

Evaluation Items	Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No	Summary	
(4) Has the company set up internal regulations to prohibit internal personnel from utilizing the undisclosed information to trade securities?	✓		<p>(4) The Company has formulated the Procedures for Handling Material Inside Information and Prevention of Insider Trading to prohibit insiders from using the information not available in the market to obtain improper benefits for themselves or others. Each year, we promote these Procedures, which are disclosed on the intranet for officers and employees. We also inform insiders and employees from time to time of material information that they should pay attention to.</p> <p>On May 7, 2024 and November 11, 2024, violations of reporting changes for insider ownership and common patterns and explanations of short-term trading rights were promoted; a seminar on insider ownership held by the TPEX in 2024 was also held, totaling 27 participants and 29 hours. Through promoting the relevant laws and regulations that specify that directors, officers and employees shall not make a profit from information that is not publicly available in the market, while also regulating the Company’s insiders and employees who have access to material insider information, we ensure that regulations are followed, and confidentiality mechanism practiced.</p> <p>Article 11 of the Company’s “Corporate Governance Best-Practice Principles” sets forth stock trading control measures from the date of the Company’s financial report or relevant performance contents, including (but not limited to) that directors may not trade their shares during the trading closure period of 30 days prior to the annual financial report announcement and 15 days prior to the quarterly financial report announcement. The Company sends an email reminder prior to the trading closure period as stated above.</p>	No discrepancy
3. Composition and duties of the Board of Directors				

Evaluation Items	Enforcement Status		Summary	Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No		
(1) Has the board formulated a diversity policy and specific management objectives, and have they been implemented?	✓		<p>(1) The Board of Directors of the Company abide by the Articles of Incorporation, the Procedures for Election of Directors, and the Corporate Governance Best-Practice Principles.</p> <p>a. Board structure: In accordance with the Articles of Incorporation, the Company has nine directors who are elected under the nomination system from a list of candidates by directors at the shareholders' meeting. Among all directors, the number of independent directors shall not be less than 3 and not less than 1/5 of the number of directors. Moreover, the Audit Committee is composed of all independent directors who assist the Board of Directors in decision-making</p> <p>b. Composition of the Board members: The policy on diversity is formulated by considering the requirements of the Company's operations and development in accordance with the Corporate Governance Best-Practice Principles. The composition of the Board of Directors is subject to the professional backgrounds, industry experience, gender and age of the members.</p> <p>c. Execution of the objectives of diversity of the Board of Directors:</p> <p>(1) Increasing the proportion of female board members to 30%.</p> <p>(2) The number of directors who concurrently serve as the Company's officers does not exceed 1/3 of the total number of directors.</p> <p>(3) No more than two directors are a relative within the second degree of kinship of another.</p> <p>(4) Independent directors shall serve no more than three consecutive terms. The current Board of Directors is composed of nine directors, including one female director and three independent directors. There are two directors concurrently serving as key officers of the Company and there are two Representative of corporate director who are of second-degree</p>	No discrepancy

Evaluation Items	Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No	Summary	
			<p>relatives of each other. Two independent directors were newly elected in 2019. One independent director has served for nearly three terms and will be subject to re-election at the 2025 Annual General Shareholders' Meeting.</p> <p>The professional background and capabilities of directors include business management, leadership and decision-making, financial accounting, and marketing. All company directors have the ability to lead and make decisions, equipped industry-related knowledge and experience. Due to the nature of the industry, there has historically been a limited pool of female candidates for senior positions, resulting in a lack of female representation on the Board. The Company is committed to gradually working toward a target of 30% female representation on the Board of Directors. To achieve this, we will focus on developing internal female executives, reserving independent director seats specifically for qualified female professionals, and actively seeking suitable female board candidates. The concepts of diversity have been fully considered and implemented, with the objectives of diversity achieved. For the implementation of the diversity policy of the Board members in 2024, please refer to Note 1.</p>	
(2) Apart from the remuneration committee and audit committee, has the company voluntarily established other functional committees?	✓		(2) We have set up a Remuneration Committee and Audit Committee in accordance with the law. The establishment of other functional committees is subject to the regulatory requirements and the Company's actual operations.	No significant discrepancy
(3) Has the company established Regulations Governing the Board Performance Evaluation and its evaluation methods, and does the company conduct a performance evaluation each year, submit the performance evaluation	✓		(3) The Company has established its Regulations Governing the Board Performance Evaluation. Each year, a regular evaluation on the performance of the Board of Directors, Board members as well as each functional committee and review of the effectiveness of the Board of Directors are carried out. The evaluation results are submitted to the Board of Directors to	No discrepancy

Evaluation Items	Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No	Summary	
<p>results to the board of directors and use them as reference in determining remuneration for individual directors, and nomination for reappointment?</p> <p>(4) Does the company regularly assess the independence of its CPAs?</p>	✓		<p>be used as a reference basis to determine each individual director's remuneration and nomination for reappointment. The results for the 2023 performance evaluation of the Board of Directors have been reported at the meeting of the Board of Directors on March 14, 2025.</p> <p>(4) The Company's Audit Committee evaluates the independence and suitability of the CPAs once a year. The evaluation is performed based on the criteria set out in Note 2 with reference to the audit quality indicators (AQIs) disclosure framework released by the FSC with respect to 13 indicators in 5 major aspects, including professionalism, independence, quality control, supervision, and innovation. The accountants issue a statement on the roles, responsibilities and independence of CPAs. The evaluation results for the most recent fiscal year were submitted to the Audit Committee for discussion on March 14, 2025 and reported to the Board of Directors for resolution on the same date.</p>	No discrepancy
<p>4. Has the company designated an appropriate number of personnel that specialize in corporate governance affairs (including but not limited to providing directors with the information needed and assist directors in complying with the laws and regulations to perform their duties, convention of board meetings and shareholders' meetings, preparation of board meeting and shareholders' meeting minutes)?</p>	✓		<p>General Manager Connie Tsai was appointed by the Board of Directors to concurrently serve as the Chief of Corporate Governance. She has long-standing experience in accounting, finance, and shareholder affairs in publicly listed companies. She supervises the shareholder services staff within the Financial Accounting Department in handling corporate governance-related matters. Her primary responsibilities include organizing Board and Shareholders' Meetings in accordance with the law, providing directors with the information necessary to perform their duties, collecting and managing updates on legal and regulatory developments relevant to the Company's operations, and assisting directors with regulatory compliance, onboarding, and continuing education. The scope of authority and the execution and training records of the Chief of Corporate Governance for 2024 have been disclosed on the Company's official website</p>	No discrepancy

Evaluation Items	Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No	Summary	
5. Has the company established channels for communication with the stakeholders (including but not limited to shareholders, employees, customers and suppliers), and set up a section for stakeholders on the official website of the Company with a proper response to the concerns of the stakeholders on issues related to corporate social responsibility?	✓		The Company has a spokesperson system in place as well as a stakeholders section on its website to promptly respond to stakeholders (suppliers, customers, employees, investors/shareholders and community/non-profit organizations) regarding CSR issues of important companies. The channels for communication with the stakeholders are smooth.	No discrepancy
6. Does the company engage a professional stock transfer agency to handle affairs related to shareholders' meetings?	✓		The Company engaged SinoPac Securities as its professional stock transfer agency to handle affairs related to shareholders' meetings.	No discrepancy
7. Information disclosure				
(1) Does the company have a website set up where its financial business, and corporate governance information is disclosed?	✓		(1) The Company discloses information regarding its finance, operations, and the enforcement of corporate governance in both Mandarin and English on YFC Group website (https://www.cables.com.tw/index.html), which is regularly updated for investors.	No discrepancy
(2) Has the company adopted other information disclosure methods (e.g. establishing an English website, designating a responsible person for collecting and disclosing information of the Company, substantiating the spokesman system, and upload the procedure of investors conference on its website)?	✓		(2) The Company has set up dedicated personnel responsible for disclosing the Company's financial business information on the MOPS and its website. The Company also facilities a spokesperson system, and information of the Company is released to the public by the spokesperson. Moreover, information on the investors conference is also available on the Company's website at the section dedicated to the investors in accordance with the requirements.	No discrepancy
(3) Has the company published and reported its annual financial report within two months after the end of a fiscal year, and published and	✓		(3) In accordance with the requirements, the Company has published its financial reports for the first, second, and third quarters, as well as its operating status for each month. Depending on the Company's situation, the feasibility of	No significant discrepancy

Evaluation Items	Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No	Summary	
reported its financial reports for the first, second, and third quarters, as well as its operating status for each month before the specified deadline?			early announcement will be assessed	
8. Is there any important information (including but not limited to employee rights and benefits, employee care, investor relations, supplier relations, stakeholder rights, further education of the directors and supervisors, risk management policy and risk assessment implementation, customer policy implementation, and the purchase of liability insurance for the company's directors and supervisors) that is helpful in understanding the corporate governance operation of the company?	✓		<p>(1) Employee rights and interests and employee care: At YFC, we have established our "Personnel Management Regulations," served as a basis for the management of attendance, employee benefits and business trips and leave. The Personnel Management Regulations were formulated in accordance with the Labor Standards Act with reference to industry and social order, protecting the legal rights and interests of employees. Our employees are covered by labor and health insurance and employee group insurance. We also provide employee health examinations, year-end bonuses and remuneration. Furthermore, an Employee Welfare Committee has been set up responsible for coordinating various benefits of employees, including gifts or money for three major festivals, birthdays, and subsidies for weddings, funerals, childbirth and injuries, as well travel and gathering, providing all-round care for employees.</p> <p>(2) Investor relations: It is the Company's ongoing objective to protect the rights and interests of shareholders. To do this, we publish material financial and business information of the Company on the Market Observation Post System (MOPS) in accordance with the regulations. At the same time, we have set up a spokesperson system in place and engaged SinoPac Securities to handle affairs related to stock affairs. The relevant information is disclosed on the company website, providing investors with a channel for consultation and exchange of opinions.</p> <p>(3) Supplier relations and stakeholder rights:</p>	No discrepancy

Evaluation Items	Enforcement Status		Summary	Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No		
			<p>Based on the concept of co-prosperity and co-existence, we maintain sound and interactive relationships with suppliers and stakeholders. Moreover, we provide effective communication channels and information conveyance while adhering to the principle of good faith, establishing long-term cooperation and economic operation mode as a direction for development.</p> <p>(4) Further education of directors: The directors take part in corporate governance and professional knowledge courses each year under the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies” and obtain certificates. For further education of the directors in 2022, please refer to Note 3.</p> <p>(5) Risk management policy and risk assessment implementation status: The Company has established risk management policies and procedures. For major operational decisions and proposals—such as investments, endorsements and guarantees, loans of funds, transactions involving derivative financial instruments, and bank financing—relevant departments are responsible for conducting evaluations and analyses. Execution of such matters is carried out in accordance with the resolutions of the Board of Directors. In addition, the Audit Office formulates an annual audit plan based on risk assessment results and ensures its effective implementation to reinforce supervisory mechanisms and strengthen risk management and control.</p> <p>(6) Customer policy implementation: Adhering to the principle that customers come first, we maintain sound relationships with our customers in a bid to create maximum company profits and share a win-win situation with customers.</p>	

Evaluation Items	Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No	Summary	
			(7) The Company's directors and senior management are covered by liability insurance. An insurance policy was taken out in August 2024 and was reported at the meeting of the Board of Directors.	

9. Please explain the improvements made, based on the latest Corporate Governance Evaluation results published by TWSE Corporate Governance Center, and propose priorities for enhancement matters and measures for any issues that are to be improved.

The Company's evaluation results for 2024 were 36–50% ahead of all evaluated companies. The improvements made in 2024 and the priorities and measures for improvement in 2025 are summarized as follows:

Improvements Made in 2024			
Indicator Category	No.	Indicator Contents	Continuous improvement
Strengthening Board Structure and Operations	2.22	Does the Company have its risk management supervised by the Audit Committee or a board-level functional committee (e.g., Risk Management Committee), and has it established risk management policies and procedures approved by the Board of Directors? Does the Company disclose its risk management organizational structure, procedures, and implementation status, and report to the Board at least once a year?	The Company's "Risk Management Policies and Procedures" were submitted to the Audit Committee for review and approved by the Board of Directors for implementation. A corresponding risk management organizational structure has been established, with the Audit Committee responsible for oversight and for reporting on the implementation status to the Board of Directors on a regular basis (at least once a year).

Improvement Priorities and Measures for 2025			
Commitment to sustainable development	4.12	Has the Company established water reduction or other waste management policies, including reduction targets, implementation measures, and achievement status?	To ensure compliance and effective promotion, the Company has established a policy for reducing water consumption and managing other types of waste.
	4.17	Does the Company disclose its supplier management policy on its official website, annual report, or sustainability report, requiring suppliers to comply with relevant standards on environmental	The Company continues to enhance its supplier management practices

Evaluation Items			Enforcement Status		Summary	Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
			Yes	No		
		protection, occupational health and safety, or labor and human rights, and provide an explanation of the implementation status?				
.....						

Note 1: Implementation of the diversity policy of 2024 Board members.

Title	Name	Basic Composition							Core Competency/Professional Expertise						
		Nationality	Gender	Concurrent Positions in the Company	Age				Independent Directors Tenure (Terms & Years)	Business Management	Leadership & Decision Making	Risk Management	Industry Knowledge	Finance & Accounting	Marketing
					36 }	51 }	61 }	71 }							
Chairman	Andrew Yeh	R.O.C.	Male	✓				✓	✓	✓	✓	✓	✓	✓	
Vice Chairman	Grow Lin	R.O.C.	Male	✓				✓	✓	✓	✓	✓	✓	✓	
Director	Chang, Lung-Kwang	R.O.C.	Male					✓	✓	✓	✓	✓		✓	
Director	Yeh, Shou-Wen	R.O.C.	Male			✓			✓	✓	✓			✓	
Director	Yeh, Chia-Yi	R.O.C.	Female		✓				✓	✓	✓		✓	✓	
Director	Cheng, Po-Yuan	R.O.C.	Male		✓				✓	✓	✓	✓	✓	✓	
Independent Director	Lee, Han-Tzong	R.O.C.	Male					✓	7 terms / 21 years	✓	✓	✓	✓	✓	
Independent Director	Chen, Chao-Ting	R.O.C.	Male			✓			2 terms / 6 years	✓	✓	✓	✓	✓	
Independent Director	Lin, Tzeng-Show	R.O.C.	Male					✓	2 terms / 6 years	✓	✓	✓		✓	

Note 2: Assessment criteria of CPA's independence

Assessment	Assessment Result (Y/N)	Independence (Y/N)
1. Is the individual not an employee of the Company or any of its affiliates.	N	Y
2. Not a director of the Company or any of its affiliates (this restriction does not apply to independent directors of the Company or its parent company, or of a subsidiary in which the Company directly or indirectly holds more than 50% of the voting rights).	N	Y
3. An individual shareholder is not considered as such if they hold shares, either individually or collectively with their spouse, minor children, or under others' names, that account for 1% or more of the total number of issued shares of the Company or rank within the top 10 in terms of holdings.	N	Y
4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of an officer under the preceding three subparagraphs.	N	Y
5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings.	N	Y
6. Not a director, supervisor, officer, or shareholder holding more than 5% of a specified company or institution that has financial or business relationships with the Company.	N	Y
7. Is the individual not a spouse or a relative within the second degree of kinship of any other director.	N	Y
8. Does not meet any of the circumstances stated in Article 30 of the Company Act.	N	Y
9. Not elected as a government, legal person or its representative in accordance with Article 27 of the Company Act	N	Y
10. Did not serve as a director or officer or pose material effect on audits in the most recent years.	N	Y
11. May not involve in the management functions of the decisions made by the Company.	N	Y

Note 3: 2024 Further Education of the Directors:

Title	Name	Date	Organizer	Course Name	Hours
Chairman	Good Win Investment Co., Ltd. Andrew Yeh	2024.6.18	Securities and Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
		2024.11.11	Securities and Futures Institute	Legal Risks of Joint Monopolies under Antitrust Law	3
Vice Chairman	Great King Investment Development Ltd. Grow Lin	2024.5.9	Taiwan Corporate Governance Association	Strategic Considerations for Taiwanese Businesses Operating in Mainland China	3
		2024.6.18	Securities and Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
		2024.11.11	Securities and Futures Institute	Legal Risks of Joint Monopolies under Antitrust Law	3
Director	Chang, Lung-Kwang	2024.6.18	Securities and Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
		2024.11.11	Securities and Futures Institute	Legal Risks of Joint Monopolies under Antitrust Law	3
Director	Yeh, Shou-Wen	2024.6.18	Securities and Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
		2024.11.11	Securities and Futures Institute	Legal Risks of Joint Monopolies under Antitrust Law	3
Director	He Ding Investment Co., Ltd. Lin, Yen-Ting	2024.6.18	Securities and Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
Director	Yu Yao Investment Co., Ltd. Yeh, Chia-Yi	2024.6.18	Securities and Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
		2024.11.11	Securities and Futures Institute	Legal Risks of Joint Monopolies under Antitrust Law	3
Director	He Ding Investment Co., Ltd. Cheng, Po-Yuan	2024.10.29~ 2024.10.30	Securities and Futures Institute	Practical Training Program for Directors, Supervisors (including Independent Directors), and Corporate Governance Officers	3
		2024.11.11	Securities and Futures Institute	Legal Risks of Joint Monopolies under Antitrust Law	3
Independent Director	Lee, Han-Tzong	2024.6.18	Securities and Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3

Title	Name	Date	Organizer	Course Name	Hours
		2024.9.11	TPEX	Seminar on Insider Shareholding Regulations for TPEX-Listed and Emerging Stock Companies	3
		2024.11.11	Securities and Futures Institute	Legal Risks of Joint Monopolies under Antitrust Law	3
Independent Director	Chen, Chao-Ting	2024.6.18	Securities and Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
		2024.10.29	National Federation of Certified Public Accountants Associations of R.O.C	The Development and Prospects of Domestic and International Carbon Trading Markets	
		2024.11.11	Securities and Futures Institute	Legal Risks of Joint Monopolies under Antitrust Law	3
Independent Director	Lin, Tzeng-Show	2024.6.18	Securities and Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
		2024.11.11	Securities and Futures Institute	Legal Risks of Joint Monopolies under Antitrust Law	3

(V) Operations of the Compensation Committee

The Company's Board of Directors resolved to establish a Remuneration Committee on December 30, 2011. The Remuneration Committee is responsible for evaluating the remuneration to the Company's directors and officers and providing a basis for the Board of Directors to evaluate the performance and determine the remuneration of the directors and officers. The composition, duties and its state of operation of the Remuneration Committee are as follows:

1. Information on members of the Remuneration Committee (5th term)

December 31, 2023

Criteria Name Identity		Professional qualifications and experience	State of independence	Number of serving members of the Remuneration Committees of other public companies
Independent Director (Convener)	Lee, Han-Tzong	Holds Ph.D. in Business Management of the University of South Australia, and has been an assistant professor at Department of Business Administration at Mingsin University of Science and Technology for more than 5 years. Supervisor of Lightwave Link, Inc.; Managing Director, Digital Technology Innovation and Development Association; Advisor, Taiwan Shuangfu 3 Triple Development Association; member of the Company's Audit Committee and Remuneration Committee, with more than 5 years of required working experience in commerce, law, finance, accounting or other fields required by the business of the Company.	The independence of the Company's directors is judged based on the actual situation and the directors are independent (please refer to the following table for description of independence criteria)	None
Independent Director	Chen, Chao-Ting	M.S. in Management, National Central University; qualified accountant; CPA at Sheng-Xing CPAs, Xi-Le-Jian Management Consultants Co., Ltd.; Independent Director, Sunplus Innovation Technology Inc.; Member of the Company's Audit Committee and Remuneration Committee; with more than 5 years of required working experience in commerce, law, finance, accounting or other fields required by the business of the Company.		1
Independent Director	Lin, Tzeng-Show	M.B.A., National Taipei University of Technology; former President, Taiwan Business Bank; Chairman, TBB International Leasing Co., Ltd.; Director, Tai-Qi Property Insurance Agency Co., Ltd.; currently serving as a member of the Company's Audit Committee and Remuneration Committee; with more than 5 years of required working		None

		experience in commerce, law, finance, accounting or other fields required by the business of the Company.		
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2. Responsibilities of the Remuneration Committee:

The Committee shall exercise duty of care of a good manager and faithfully perform the following duties:

- (1) Establish and regularly review the policy, system, standards and structure of the performance evaluation and remuneration of the directors and officers.
- (2) Periodically evaluate the remuneration to the Company's directors and officers.

3. Information on how the Remuneration Committee is operated

- (1) The Company's Remuneration Committee consist of three members.
- (2) Term of this Remuneration Committee: From June 21, 2022 to June 20, 2025. The Audit Committee had two meetings in 2024. The attendance of the Remuneration Committee members is as follows:

Title	Name	Actual attendance (B)	By proxy	Actual attendance rate (B/A) (Note)	Remark
Convener	Lee, Han-Tzong	2	0	100%	
Member	Chen, Chao-Ting	2	0	100%	
Member	Lin, Tzeng-Show	2	0	100%	

Other information required:

1. If the Board declines to adopt or modify a recommendation from the remuneration committee, the date, session, topic discussed and the resolution of the board meeting and handling of the resolution of the remuneration committee shall be specified (if the remuneration package approved by the Board is better than the recommendation made by the committee, please specify the discrepancy and its reason): None.
2. As to the resolution of the remuneration committee, if a member expresses any objection or reservation, either by recorded statement or in writing, the date, session and topic discussed of the committee meeting, all members' opinions and handling of members' opinions shall be specified: None.
3. Matters discussed by the Remuneration Committee, resolution results and how the Company responded to the opinions of the members for the most recent year:

Date & Session	Content of the motion	Resolution result	Company's Response to the Opinions
2024.03.15 5th term	(1) FY2024 Remuneration Committee Work Plan	Passed by all attendants	None
	(2) FY2023 Implementation of Performance Evaluation of the Board of Directors	Passed by all attendants	None

5th meeting	(3) FY2023 Proposal for not to Distribute Employee and Director Compensation	Passed by all attendants	None
2024.11.11 5th term 6th meeting	(1) Review of the Company's Compensation Items Implemented in 2024	Passed by all attendants	None

Note 1: If a member of the Remuneration Committee resigned from office prior to the end of the fiscal year, the resignation date should be specified. The attendance (or attend as observer) rate shall be calculated on the basis of the number of sessions held in such period and the number of meetings actually attended by that member.

Note 2: If there was an election of new members for the Remuneration Committee before the end of the fiscal year, fill in the information on the former and the new members, and specify if the member is newly elected to office or re-elected for a second term of office, and the date of the election. The percentage of actual (proxy) attendance (%) will be calculated based on the number Remuneration Committee meetings held during active duty and the number of actual (proxy) attendance.

(VI) State of the promotion of sustainable development operations and any difference from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such difference

Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy
	Yes	No	Summary	
I. Has the company established a governance structure to promote sustainable development and set up a special unit to promote sustainable development which is authorized by the board of directors to be handled by senior management and supervised by the board of directors?	✓		To promote sustainable development, the Company has established a Sustainability Development Task Force, whose members concurrently serve as department heads. The task force is dedicated to advancing sustainability initiatives in the areas of environmental protection, social responsibility, and corporate governance. Material proposals are submitted to and approved by the Board of Directors, and the task force reports the status of implementation to the Board on a regular basis. The Company prepared and released its “2023 Sustainability Report” in August 2024, following approval by the Board of Directors.	No difference
II. Has the company conducted risk assessments of environmental, social and corporate governance issues pertaining to company operation in accordance with the materiality principle and established the relevant risk management policy or strategy?	✓		The Company’s management incorporates environmental, social and corporate governance issues related to operations into the Company’s operational strategies. In accordance with the materiality principle, a risk assessment is conducted by evaluating external factors and the Company’s internal management. The Company has formulated its “Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and “Risk Management Policies and Procedures.”	No difference
III. Environment Issue (I) Does the company have an appropriate environmental management system established in	✓		(I) To keep up with international trends, the Company has gradually facilitated its business groups according to the characteristics of the industry.	No difference

Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy
	Yes	No	Summary	
accordance with its industrial characteristics?			Given the effort, the Company has been certified by ISO 9001, ISO 14001, IATF 16949, IECQ, UL, USB, MHL, and RoHS. The product manufacturing process and the use of raw materials meet the standards in a bid to mitigate the negative impact on the environment. For the certifications obtained by the Group and expiration dates of these certifications, please see the Company's website. On top of that, the latest validity period of ISO14001(obtained by Wuxi Universal Network Corporation) certificate is from 2023/5/29 to 2026/5/21.	
(II) Is the company committed to enhancing the utilization efficiency of resources and using renewable materials that have low impact on the environment?	✓		(II) The Company actively utilizes natural water resources by storing them for fire safety and irrigation purposes. Recycled plastic materials are used in packaging pallets for goods storage and transportation. To improve energy efficiency, the Company has upgraded its lighting system to high-efficiency LED fixtures and optimized production equipment, such as installing variable frequency drives (VFDs) on water pumps and replacing power transformers with low-energy consumption models. In addition, the Company continues to promote digitalization to reduce paper usage and enforces waste segregation policies. Recyclable resources are sorted and reused to protect the environment and enhance resource utilization efficiency.	No difference
(III) Does the company assess the present and future potential risk and opportunities of climate change and adopt countermeasures related to climate issues?	✓		(III) The global climate is affected by the greenhouse effect, gradually posing potential risks on the sustainable management of companies. The Company will continue to keep a close eye on the relevant issues and comply with the government's energy-saving and GHG reduction policies so as to respond to the possible impact.	No difference
(IV) Has the company prepared statistics on greenhouse gas emissions, water consumption and total volume of waste for the past two years, and formulated policies for to save energy saving and reduce carbon, greenhouse gas, water use, or other waste management?	✓		(IV) The Company conducts monthly and annual statistical analyses on water and electricity consumption in relation to production volumes, comparing data with the previous month and the same period of the prior year. In 2024, greenhouse gas (GHG) inventories were carried out at the Company's facilities in Taiwan, Dongguan, Wuxi, and the Philippines. The inventory covers Scope 1 (direct emissions), Scope 2 (energy indirect	No difference

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			<p>emissions), and Scope 3 (other indirect emissions). These figures are internally managed and have not been externally verified. Emissions were calculated based on emission factors and mass balance coefficients published by the Ministry of Environment and other regional authorities.</p> <p>The carbon emissions (in metric tons of CO₂e) for each facility are as follows:</p> <table border="1"> <thead> <tr> <th>Plant</th> <th>Scope</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td rowspan="3">TW</td> <td>Scope 1</td> <td>28.866</td> <td>29.223</td> </tr> <tr> <td>Scope 2</td> <td>1,394.462</td> <td>1,794.771</td> </tr> <tr> <td>Scope 3</td> <td>8,935.847</td> <td>10,413.694</td> </tr> <tr> <td rowspan="3">Dongguan</td> <td>Scope 1</td> <td>Not reported</td> <td>4.072</td> </tr> <tr> <td>Scope 2</td> <td>Not reported</td> <td>1,124.677</td> </tr> <tr> <td>Scope 3</td> <td>Not reported</td> <td>5,366.122</td> </tr> <tr> <td rowspan="3">WUXI</td> <td>Scope 1</td> <td>134.022</td> <td>122.010</td> </tr> <tr> <td>Scope 2</td> <td>4,123.770</td> <td>3,330.762</td> </tr> <tr> <td>Scope 3</td> <td>43,770.042</td> <td>47,343.590</td> </tr> <tr> <td rowspan="3">Phillippines</td> <td>Scope 1</td> <td>Not reported</td> <td>180.709</td> </tr> <tr> <td>Scope 2</td> <td>Not reported</td> <td>3,064.523</td> </tr> <tr> <td>Scope 3</td> <td>Not reported</td> <td>42,653.17</td> </tr> </tbody> </table> <p>In 2024, the Company conducted a greenhouse gas (GHG) inventory at its facilities in Taiwan, Dongguan, Wuxi, and the Philippines. The inventory included Scope 2 emissions, which refer to indirect GHG emissions resulting from the consumption of purchased electricity, heat, or steam. These figures</p>	Plant	Scope	2023	2024	TW	Scope 1	28.866	29.223	Scope 2	1,394.462	1,794.771	Scope 3	8,935.847	10,413.694	Dongguan	Scope 1	Not reported	4.072	Scope 2	Not reported	1,124.677	Scope 3	Not reported	5,366.122	WUXI	Scope 1	134.022	122.010	Scope 2	4,123.770	3,330.762	Scope 3	43,770.042	47,343.590	Phillippines	Scope 1	Not reported	180.709	Scope 2	Not reported	3,064.523	Scope 3	Not reported	42,653.17	
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			<p>The Company's waste management practices are carried out in accordance with the regulations of the Resource Circulation Administration of the Ministry of Environment, as well as regional industrial waste reporting and management procedures. Both general and hazardous waste is properly handled through certified third-party waste treatment and recycling contractors. Recyclable materials are</p>														

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Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy								
	Yes	No	Summary									
			<table border="1"> <tr> <td>Incineration</td> <td>0.596</td> <td>0</td> <td>(100)%</td> </tr> <tr> <td>Total</td> <td>725.851</td> <td>822.324</td> <td>13.29%</td> </tr> </table> <p>The Company will continue to implement relevant energy conservation, greenhouse gas reduction, and carbon reduction measures:</p> <ol style="list-style-type: none"> 1. The production cooling water is recycled to achieve minimum water consumption, promoting the concept of water conservation. 2. Old power systems and wiring were replaced, reducing power consumption. 3. The indoor air conditioning temperature is set at 26 degrees or higher and air conditioning is checked after work to ensure it is turned off. 4. Fully use energy-saving lights, develop the habit of turning off the lights after use, turn off the lights during lunch break and after work. 5. Make good use of the email ERP process, electronic document and signature system, scanned archives are used for data storage, recycled paper is reused for photocopying documents, reducing the use of paper and toner. 6. Garbage is properly recycled, reducing the amount of garbage. 7. Enforced water control to avoid unnecessary pipeline leaks. 8. Improvements to production equipment have been implemented, such as installing variable frequency drives (VFDs) on water pumps and replacing power transformers with energy-efficient models, in order to enhance energy efficiency. 	Incineration	0.596	0	(100)%	Total	725.851	822.324	13.29%	
Incineration	0.596	0	(100)%									
Total	725.851	822.324	13.29%									
IV. Social issues (I) Does the company have relevant management policies and procedures established in accordance with applicable laws, regulations, and international human rights conventions?	✓		(I) The Company recognizes and supports international human rights conventions, including the Universal Declaration of Human Rights, the United Nations Global Compact, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization conventions. The Company has established a “Sustainable Development Code of Practice” to comply with relevant labor laws and uphold international human rights principles such as gender equality, the right to	No difference								

Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy
	Yes	No	Summary	
			<p>work, and non-discrimination.</p> <p>The Company adheres to universally recognized labor and human rights principles, including freedom of association, the right to collective bargaining, care for disadvantaged groups, prohibition of child labor, elimination of all forms of forced labor, and eradication of employment and occupational discrimination. The Company ensures that its human resources policies are free from differential treatment based on gender, race, socioeconomic status, age, marital or family status. This is to guarantee fairness and equality in recruitment, employment terms, compensation, benefits, training, performance evaluation, and promotion opportunities.</p> <p>The Company provides an effective and appropriate grievance mechanism to address any violations of labor rights, ensuring equality and transparency throughout the process. Grievance channels are designed to be simple, convenient, and accessible. All complaints are handled by designated personnel who conduct due diligence investigations, and the confidentiality of whistleblowers is strictly protected. If a complaint is verified, the Company commits to protecting the whistleblower from any form of retaliation.</p> <p>There were no human rights violations recorded by the Company in 2024.</p>	
(II) Has the company established and implemented reasonable measures for employee benefits (including: remuneration, holidays and other benefits) that appropriately reflects the business performance or achievements in the employee remuneration?	✓		(II) The Company complies with the Labor Standards Act and the spirit of international human rights conventions to protect the legal rights of employees while ensuring no differential treatment when it comes to employment. We also have the “Personnel Management Regulations” in place and hold a labor–management meeting on a regular basis to promote and communicate the related issues.	No difference
(III) Has the company provided employees with a safe and healthy work environment and regularly provided safety and health education to employees?	✓		(III) The health of our employees is top priority. To maintain the work environment and the physical and mental health of employees, the Company have established an Occupational Safety and Health Committee, and formulated it’ s own “Safety and Health Work Rules,” Firefighting Protection Plan and Protective Gear Management Rules, which all employees are required to comply with to effectively prevent occupational disasters. In doing this, the Company ensures that the safety and health of	No difference

Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy
	Yes	No	Summary	
(IV) Has the company established an effective career development training program for its employees?	✓		<p>our employees are not affected by hazards arising from various types of machinery and equipment and dangerous factors. The machinery and equipment at the workplace undergo maintenance and inspection on a periodic basis in accordance with ISO 9001 management process. The company can ensure their normal operation and prevent work accidents. To provide a safe workplace to ensure the safety and health of employees, the following items are provided:</p> <ol style="list-style-type: none"> 1. Employees are covered by labor, health and group insurance. 2. The Company provides annual employee health checkups, on-site medical consultation services that exceed regulatory requirements, and organizes health seminars on an irregular basis. 3. Smoking is prohibited across the plant and the quality of drinking water is regularly inspected. 4. Education and training on worker safety and health, disaster prevention training, and firefighting safety seminars and exercises are regularly arranged. 5. Annual inspection and maintenance of firefighting facilities. 6. Professional technicians are engaged each month for the inspection of electrical and mechanical equipment. 7. A safe workplace is provided in accordance with the Rules for Labor Safety and Health Facilities. 8. Employees are with healthy and hygienic food and beverages. <p>No fire incidents occurred at the Company in 2024. Two occupational injury cases were reported, both resulting from unsafe employee behavior and categorized as general injuries. A total of two employees were injured, representing 1.46% of the workforce. In response, the Company has strengthened occupational safety and health training to prevent similar incidents and remains committed to ensuring the safety of both workers and the working environment.</p> <p>(IV) The Company encourages employees to take on further education. Through a variety of internal and external training, we can strengthen the professional functions, knowledge, and skills of employees, further</p>	No difference

Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy		
	Yes	No	Summary			
(V) Does the company comply with laws and international standards with respect to customer health, safety and privacy, marketing and labeling in all products and services offered, and have the company implemented consumer protection policies and complaint procedures?	✓		<p>boosting their career development capabilities. At the same time, the Company also promotes employees with outstanding performance frequently.</p> <p>(V) The Company complies with strict quality management systems and product-related regulations to ensure that products meet customer needs and the standards of the countries or regions where they are sold. In addition, the Company's products are covered by liability insurance to protect the rights of customers and consumers. The Company also has a customer complaint handling process in place for any related issues, and there are channels for customer suggestions and complaints in the stakeholders' section of the website. These matters are handled appropriately based on the principle of good faith.</p>	No difference		
(VI) Has the company implemented a supplier management policy that regulates suppliers' conduct with respect to environmental protection, occupational safety and health or work rights/human rights issues, and does the company track suppliers' performance on a regular basis?	✓		<p>(VI) The Company has established a Supplier Code of Conduct, which includes commitments to integrity, the prohibition of environmentally hazardous substances, and the non-use of conflict minerals. This Code serves as a fundamental criterion for supplier selection and outlines expectations regarding the use of non-hazardous substances, environmental and occupational safety risk management, labor and human rights, and the maintenance of a healthy working environment.</p> <p>The Company has planned and implemented a supply chain management procedure to evaluate suppliers on aspects related to human rights, environmental protection, occupational safety and health, and management systems. This allows the Company to monitor the degree to which suppliers implement and manage their environmental, health, and safety responsibilities.</p> <p>In 2024, 100% of the Company's contracted suppliers complied with the following criteria:</p> <table border="1" data-bbox="945 1284 1771 1418"> <tr> <td>Supplier Evaluation</td> <td>Both existing and new suppliers have passed the supplier evaluation/assessment and comply with the Supplier Code of Conduct.</td> </tr> </table>	Supplier Evaluation	Both existing and new suppliers have passed the supplier evaluation/assessment and comply with the Supplier Code of Conduct.	No difference
Supplier Evaluation	Both existing and new suppliers have passed the supplier evaluation/assessment and comply with the Supplier Code of Conduct.					

Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy
	Yes	No	Summary	
			<p>Supplier Audit</p> <p>Supplier self-evaluations and audits are conducted based on the evaluation criteria stipulated in the Procurement Management Regulations and the Supplier Environmental Management Audit Checklist. Based on the evaluation results, the Company tracks and follows up on deficiencies for improvement, or may reduce order volumes where appropriate, in order to jointly enhance quality and strengthen environmental, health, and safety (EHS) performance</p>	
V. Does the company prepared a sustainability report or a report on non-financial information with reference to internationally accepted standards or guidelines? Are these reports supported by the assurance or opinion of a third-party verification entity?	✓		The Company prepared the 2024 Sustainability Report by referencing internationally accepted reporting standards, approved by the Board of Directors and disclosed it on the Company's website and the Market Observation Post System (MOPS).	No difference
<p>VI. If the company has formulated its own Sustainable Development Best-Practice Principles in accordance with the “Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies,” please describe the differences between its operation and the principles: To accommodate Letter Jin-Guan-Zheng-Fa-Zi No.1100375814 dated on November 25, 2021, by the FSC, the Company amended some provisions of its “Corporate Social Responsibility Best-Principles” which have been renamed “Sustainable Development Best-Principles.” The actual practices of the “Sustainable Development Best-Practice Principles” are not significantly different from the “Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies.”</p>				
<p>VII. Other important information to help understand the promotion of sustainable development implementation:</p> <p>(I) For the 2025 Annual General Shareholders’ Meeting, the Company selected eco-friendly and non-toxic tableware from the Taiwan Foundation for the Blind as shareholder gifts. This initiative not only protects shareholder interests but also supports social welfare, promotes environmental awareness, and aligns with current health trends. The Company will continue to uphold this commitment in future years.</p> <p>(II) The Company will deepen our focus on various aspects covering occupational safety, employee health, rights promotion, business ethics compliance, intellectual property rights and protection of trade secrets.</p>				

Implementation Status of Climate-related Information

project	Implementation status
1. Describe the supervision and governance of climate-related risks and opportunities by the board of directors and management.	Authorized by the board of directors, the management team oversees and governs climate-related risks and opportunities as part of the company's ESG management

	<p>efforts. Currently, the company has established a greenhouse gas inventory and reduction task force responsible for advancing greenhouse gas inventory and related activities. The task force regularly reports progress to the management team and the board of directors.</p>
<p>2. Explain how the identified climate risks and opportunities affect the company's operations, strategies, and finances (short-term, medium-term, long-term).</p>	<p>The company understands that climate change may have the following impacts on its business, strategy, and finances:</p> <ol style="list-style-type: none"> 1. Business Aspect: Extreme weather events such as prolonged droughts, strong typhoons, heavy rain/snow may result in production interruptions, damage to production facilities, and disruptions in supply chains and logistics, affecting upstream raw material supply and downstream product sales. 2. Strategic Aspect: To address the impacts of climate change, the company adjusts its strategic focus, such as developing energy-efficient products and adjusting supply chain management. 3. Financial Aspect: Extreme weather events may lead to operational losses or increased operational costs due to droughts, strong typhoons, heavy rain/snow. Additionally, the government may implement stricter environmental regulations in response to climate change, potentially increasing the company's costs.
<p>3. Describe the financial impact of extreme weather events and transition actions.</p>	<p>1. Extreme weather events may have the following financial impacts:</p> <ol style="list-style-type: none"> (1) Asset loss: Extreme weather events such as floods, storms, and droughts may result in asset losses, including production equipment and inventory. (2) Operational disruptions: Extreme weather events can lead to disruptions in business operations, including production, supply chains, and logistics, affecting the supply and sales of products upstream and downstream. (3) Regulatory costs: Governments may implement stricter environmental regulations to address climate change, leading to increased compliance costs for businesses. <p>2. Taking transformative actions to mitigate climate risks may bring the following financial benefits:</p> <ol style="list-style-type: none"> (1) Improving energy efficiency and adopting renewable energy measures can reduce energy costs for businesses and enhance competitiveness. (2) Developing green products: This can enhance the company's brand image and increase market competitiveness. Green products may also be eligible for government subsidies or incentives for companies that reduce carbon emissions.

4. Explain how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	The management department identifies and analyzes the potential financial impacts of policy and regulatory, technological, market, reputation, immediate, and long-term climate risks on the company. The identification results are periodically reviewed with the management to ensure alignment with the current situation, and improvement plans are developed based on the results of climate risk identification.
5. If scenario analysis is used to assess resilience to climate change risks, explain the scenarios, parameters, assumptions, analysis factors, and major financial impacts used.	The company has not yet utilized scenario analysis to assess resilience to climate change risks.
6. If there is a transition plan to manage climate-related risks, describe the content of the plan, as well as indicators and targets used to identify and manage physical and transition risks.	There is no established transition plan to manage climate-related risks.
7. If internal carbon pricing is used as a planning tool, explain the basis for price determination.	Internal carbon pricing is not used as a planning tool.
8. If climate-related goals are set, explain the activities covered, greenhouse gas emission scopes, planning schedules, annual progress towards achievement, etc. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these goals, explain the sources and quantities of carbon offsets or RECs used.	Using the Company's 2023 greenhouse gas emissions as the baseline, the Company has set a target to reduce its emissions by 1% annually.
9. Greenhouse Gas Inventory and Confirmation Status, Reduction Targets, Strategies, and Specific Action Plans.	<p>Since 2023, the Company has been gradually implementing greenhouse gas (GHG) inventories for both the parent company and its subsidiaries in phases. Based on the completion status of each phase, baseline years are established for business units that have completed inventories, and relevant data, reduction targets, strategies, and concrete action plans are disclosed. Progress toward achieving these targets is continuously monitored. Starting from 2026, in compliance with the requirements of competent authorities, the Company will complete baseline year settings and inventory tasks at the designated business unit level and concurrently disclose related emissions reduction information to enhance overall GHG management performance.</p> <p>Greenhouse Gas Management Strategy in Response to Climate Change:</p> <p>(1) Identify short-, medium-, and long-term climate-related risks and opportunities. Reasonable scenarios are considered to assess the potential impacts of climate risks and opportunities on business operations, forming the basis for appropriate management responses.</p> <p>(2) Continue to develop energy-saving and emission-reduction plans annually, set specific control targets, and actively improve energy efficiency to reduce GHG emissions.</p> <p>GHG Emission Reduction Plans and Implementation Status:</p> <p>(1) Carbon Management Mechanism:</p>

	<p>The Company has adopted the ISO 14064-1 standard for GHG inventories. In 2023, organizational GHG inventories were completed for the Taiwan and Wuxi plants, and third-party verification was obtained with ISO 14064-1 verification reports. In 2024, GHG inventories were independently completed for the Taiwan, Wuxi, Dongguan, and Philippines plants.</p> <p>(2) Reduction Target: An annual reduction of 1% in GHG emissions, using the first-year inventory results of each business unit as the baseline.</p> <p>(3) Energy-Saving and Carbon Reduction Measures: LED lighting is prioritized across facilities; outdated equipment is replaced with energy consumption as a key consideration. Variable frequency drives are installed to improve energy efficiency, and a closed-loop system is used for cooling water to minimize water consumption. Air conditioning is set to 26°C or higher indoors.</p> <p>(4) Assessment of Renewable Energy and Energy-Efficient Design: existing and new facilities are evaluated for the installation of solar panels and adoption of energy-saving designs.</p> <p>(5) Enhanced Awareness Campaigns: Energy-saving practices such as turning off unused lights and conserving water are promoted among employees through emails and signage.</p>
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(VII) State of ethical corporate management and any difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons there of:

Item	State of implementation		Difference from the Principles and the reason for discrepancy	
	Yes	No		Summary
I. Establishment of the ethical corporate management policy and action plans (I) Has the company established an ethical corporate management policy approved by the board of directors? Does the policy clearly specify in its rules and external documents the ethical corporate management policies, and the commitment of the board of directors and the senior management to proactively implement the management policy?	✓		(I) We have formulated the “Ethical Corporate Management Principles” and “Procedures for Ethical Management and Guidelines for Conduct,” which are approved by the Board of Director and available on the MOPS and company website. All directors and senior officers have signed the “Declaration of Compliance with the Ethical Corporate Management Policy” as the highest principle of ethical management. The Company is committed to facilitating ethical corporate management to build a good corporate governance and risk control mechanism.	No difference

Item	State of implementation		Difference from the Principles and the reason for discrepancy	
	Yes	No		Summary
(II) Has the company established a risk assessment mechanism against unethical acts, analyzed and assessed business activities within their business scope regularly that are at a higher risk of being involved in unethical acts, and established prevention programs covering at least the preventive measures specified in Paragraph 2, Article 7 “Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		(II) The Company has established an evaluation mechanism in its “Ethical Corporate Management Principles” for the risk of ethical conduct. On a regular basis, the Company analyzes and evaluates operating activities within its business scope with higher risk of unethical conduct. The results of the analysis and evaluation will be used to formulate prevention plans which are periodically reviewed for their appropriateness and effectiveness. To ensure that employees comply with the law and occupational ethics regulations in the course of performing their duties; while adhering to the principle of good faith, the Company has formulated the “Guidelines for the Adoption of Codes of Ethical Conduct for Employees” for compliance. All new employees have signed the “Terms and Conditions of Employee Service,” which covers prevention measures set forth in Paragraph 2 of Article 7 of the “Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies.”	No difference
(III) Has the company clearly provided the operating procedures, conduct guidelines, disciplines for violations and a grievance system in its program to prevent unethical acts and have these been implemented, and has the formally disclosed program been regularly reviewed and amended?	✓		(III) In the process of formulating a prevention plan, the Company analyzes and evaluates operating activities within its business scope with higher risk of unethical conduct and enhances the related prevention measures. The prevention measures established are as follows: <ol style="list-style-type: none"> 1. Offering or receiving a bribe. 2. Offering illegal political contributions. 3. Improper charitable donations or sponsorships. 4. Offering or accepting unreasonable gifts, hospitality or other improper benefits. 5. Infringement of trade secrets, trademarks, patents, copyrights and other intellectual property rights. 6. Engaging in unfair competitive practices. 7. The products and services developed, procured, manufactured, provided or sold directly or indirectly harm the rights, health and safety of consumers or other interested parties. 	No difference

Item	State of implementation			Difference from the Principles and the reason for discrepancy
	Yes	No	Summary	
II. Implementation of ethical corporate management				
(I) Has the company evaluated the integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements entered into with business partners?	✓		(I) Prior to doing business, the Company verifies the authenticity of suppliers and customers on the website of Department of Commerce, MOEA as well as various channels (e.g. credit check) for any breach of integrity records. The Company maintains the principle of good faith with its suppliers and customers to ensure fairness, impartiality and transparency in business dealings. If a counterparty is found to be involved in unethical conduct, the transaction will be immediately and strictly controlled. At the same time, the Company will learn the Company’s exposure to the risk and carefully evaluate whether to terminate the transaction.	No difference
(II) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and has such unit reported to the Board of Directors its execution in terms of ethical management policy and preventive programs against unethical conducts and the supervision status on a regular basis (at least once a year)?	✓		(II) The General Management Division is responsible for formulating the Ethical Corporate Management Policy and prevention plans as well as the supervision of their implementation. The Audit Unit is responsible for auditing the state of the Company’s implementation of ethical corporate management. The implementation is reported regularly each year (at least on time a year) at the Board of Directors meeting, and the 2024 report was made on March 14, 2025.	No difference
(III) Has the company formulated a policy that prevents conflicts of interest and a channel that facilitates the reporting of conflicts of interests?	✓		(III) The Company’s “Ethical Corporate Management Principles” and the “Rules of Procedure for Board of Directors Meetings” set forth the recusal system for directors. Directors or their proxies must recuse themselves from any motion that they have a conflict of interest in and shall explain to the Board of Directors the reason. They shall not participate in the discussion or vote.	No difference
(IV) Has the company established an effective accounting system and internal control system in order to implement ethical management, and proposed relevant audit plans according to the assessment results of the risks of unethical conducts, and reviewed the compliance of the prevention of unethical conducts, or entrusted an	✓		(IV) In an effort to implement ethical corporate management, we have established an effective accounting system and internal control system. According to the risk assessment, the internal audit unit lists high-risk operations as the focus of the annual audit plan in order to strengthen the prevention measures. The actual implementation situation is periodically submitted to the Audit Committee and the Board of Directors and is reported to the competent authorities in accordance with the regulations.	No difference

Item	State of implementation			Difference from the Principles and the reason for discrepancy
	Yes	No	Summary	
<p>accountant to carry out the review?</p> <p>(V) Does the company organize internal or external training on a regular basis to maintain ethical management?</p>	✓		(V) In addition to establishing the “Ethical Corporate Management Principles” and “Procedures for Ethical Management and Guidelines for Conduct” that are disclosed on the company website, we also promote the prevention of unethical conduct. Furthermore, we arrange regular internal and external training courses for employees and internal personnel.	No difference
<p>III. State of operations of the company’s reporting system</p> <p>(I) Has the company set up a specific reporting and incentive system, and established a channel to facilitate grievances and assigned dedicated personnel to receive grievances?</p> <p>(II) Has the company implemented any standard operating procedures and/or subsequent measures after carrying out an investigation or confidentiality measures for handling grievances filed?</p> <p>(III) Has the company taken appropriate measures to protect the whistleblower from mistreatment as a result of whistleblowing?</p>	✓		<p>(I) The Company has set up a specific reporting and incentive system in its “Procedures for Ethical Management and Guidelines for Conduct.” If a violation of ethical corporate management is discovered, the employee shall take the initiative and reports the matter to the independent directors, officers, Chief Internal Auditor or other appropriate personnel. There is a dedicated channel set up on the Company’s website for the report of unlawful or unethical conduct.</p> <p>(II) The acceptance, investigation process and results as well as document records and storage for cases reported are handled in accordance with the internal handling process and are kept confidential.</p> <p>(III) The Company provides legitimate reporting channels and keeps the identity of the whistleblower as well as the contents of the case confidential, protecting the whistleblower from mistreatment.</p>	No difference No difference No difference
<p>IV. Information disclosure strengthening</p> <p>Has the company disclosed the content of its ethical corporate management Best-Practice principles and the results of implementation on its official website and MOPS?</p>	✓		The “Ethical Corporate Management Principles” and the “Procedures for Ethical Management and Guidelines for Conduct” are disclosed on the Company’s website and MOPS. Furthermore, we adhere to ethical corporate management principles in promoting corporate governance information to ensure shareholder interests.	No difference
V. If the company has formulated its own Ethical Corporate Management Best-Practice Principles in accordance with the “Ethical Corporate Management Best-Practice				

Item	State of implementation			Difference from the Principles and the reason for discrepancy
	Yes	No	Summary	
			Principles for TWSE/TPEX Listed Companies,” please describe the differences between its operation and the Principles: There are no differences between the contents of the “Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and the Company’s “Ethical Corporate Management Principles” and “Procedures for Ethical Management and Guidelines for Conduct.”	
VI.			Any other important information that may help understanding the performance of ethical corporate management better (e.g. review of an amendment to its Ethical Corporate Management Best-Practice Principles): The Company’s “Ethical Corporate Management Principles” and “Procedures for Ethical Management and Guidelines for Conduct” have been formulated and amended as required by the competent authority. The ethical corporate management-related regulations are reviewed and amended according to the Company’s actual operation. The amendments made have been reported at the shareholders’ meeting on June 18, 2021.	

(VIII) Other significant information that will provide a better understanding of the state of the Company's implementation of corporate governance:

Further training of the Company's officers and Chief Internal Auditor in 2024:

Title	Name	Date	Organizer	Course Name	Hours
President	Andrew Yeh	2024.6.18	Securities and Futures Institute, R.O.C	Carbon Trading Mechanism and Carbon Management Applications	3
		2024.11.11	Securities and Futures Institute, R.O.C	Legal Risks of Joint Monopolies under Antitrust Law	3
Executive Vice President	Grow Lin	2024.5.9	Taiwan Corporate Governance Association	Strategic Considerations for Taiwanese Businesses Operating in Mainland China	3
		2024.6.18	Securities and Futures Institute, R.O.C	Carbon Trading Mechanism and Carbon Management Applications	3
		2024.11.11	Securities and Futures Institute, R.O.C	Legal Risks of Joint Monopolies under Antitrust Law	3
CTO	Eddy Ku	2024.6.18	Securities and Futures Institute, R.O.C	Carbon Trading Mechanism and Carbon Management Applications	3
General & Head of Corporate Governance	Connie Tsai	2024.8.20	Securities and Futures Institute	Practical Training Program for Newly Appointed Directors, Supervisors (including Independent Directors), and Corporate Governance Officers	12
		2024.11.11	Securities and Futures Institute	Carbon Trading Mechanism and Carbon Management Applications	3
		2024.11.29	Securities and Futures Institute	Protection of Trade Secrets	3
		2024.6.18	Securities and Futures Institute	Legal Risks of Joint Monopolies under Antitrust Law	3
		112.11.10	Securities and Futures Institute	Defined Networks with Silicon Photonics: Development Trends of Silicon Photonics (SiPH) and Co-Packaged Optics (CPO)	3
		2024.5.30~2024.5.31	Accounting Research and Development Foundation, R.O.C	Issuers, Securities Firms, and Stock Exchange: Continuing Education Program for Accounting Officers	12
Associate Director, Accounting	Wap Wang	2024.6.18	Securities and Futures Institute, R.O.C	Carbon Trading Mechanism and Carbon Management Applications	3
		2024.8.15	Accounting Research and Development Foundation, R.O.C	Strengthening Internal Control Functions and Board Operations: Analysis of Fraud Cases	6

		2024.11.11	Securities and Futures Institute, R.O.C	Legal Risks of Joint Monopolies under Antitrust Law	3
		2024.11.25 ~ 2024.11.26	Accounting Research and Development Foundation, R.O.C	Issuers, Securities Firms, and Stock Exchange: Continuing Education Program for Accounting Officers	12
Internal Audit Manager	Happy Chen	2024.3.14	IIA-Chinese Taiwan	Adjusting Internal Control Systems to Comply with New ESG Regulations	6
		2024.7.4	IIA-Chinese Taiwan	Implementation, Application, and Case Studies of Corporate ESG and Internal Audit/Internal Control Integration	6
		2024.7.17	IIA-Chinese Taiwan	Regulations and Practical Analysis of Fund Lending, Endorsements, Guarantees, and Acquisition/Disposal of Assets	6
		2024.11.5	IIA-Chinese Taiwan	Analysis of "Sustainability Information Disclosure Policies" and Key Discussions on Internal Control and Internal Audit	6
Associate Director, Information Security	Anderson Huang	2024.7.19	Dingxin Technology Co., Ltd.	Information Security Control Guidelines for Listed and OTC Companies (Management Camp) – Taipei Session	6

(IX) Implementation of the Internal Control System

1. Statement of Internal Control:

(The Statement applies to all regulatory compliance)

YFC-BonEagle Electric Co., Ltd.

Statement of Internal Control System

Date: March 14, 2025

The Company declares the following concerning its internal control system during the fiscal year 2024, based on the findings of a self-assessment:

- I. The Company acknowledges that the establishment, implementation and maintenance of the internal control system are the responsibilities of the Board of Directors and Managers of the Company. Therefore, the Company has established the aforementioned system. Its objectives are to provide reasonable assurance for the effectiveness and efficiency of its operations (including profitability, performance, and the guarantee of assets safety), reliable, timely and transparent reporting, and conformity to applicable rules, regulations, and laws.
- II. The internal control system has its inherent limitations. Regardless of how exhaustive the design is, an effective internal control system can only provide reasonable assurance for the achievement of the aforementioned three objectives. Further, due to changes in the environment or circumstances, the effectiveness of the internal control system may vary accordingly. Nevertheless, the Company's internal control system has set up a self-supervision mechanism. Once a deficiency has been identified, the Company will take immediate remedial actions.
- III. In accordance with the determining criteria for the effectiveness of the internal control system prescribed in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" (hereafter the "Regulations"), the Company evaluated the effectiveness of the design and execution for its internal control system. The determining criteria of the internal control system prescribed in the "Regulations" are based on the process of management control, dividing the internal control system into five composite factors: 1. Control of the environment, 2. Risk evaluation, 3. Control of operations, 4. Information and communication, and 5. Supervision. The composition of each element also includes several items. Please refer to the "Regulations" for the aforesaid items.
- IV. The Company has adopted the aforementioned determining criteria of the internal control system to evaluate the effectiveness of design and execution for its own internal control system.
- V. Based on the evaluation result of the preceding paragraph, the Company believes that its internal control system (including the supervision and management of its subsidiaries) as of December 31, 2024, including understanding the achievement for the objectives of effectiveness and efficiency of its operations, reliability, timeliness and transparency of its reporting and compliance with the applicable law and regulations, was effective in design and execution, and can be reasonably assured of the achievement of the aforementioned objectives.
- VI. This Statement will serve as the main content of the Company's annual report and prospectus and will be made available to the public. If the aforesaid public content has any illegal events including falseness or concealment, it shall be liable to the legal liabilities stipulated in Article 20, 32, 171, and 174 of the Securities

and Exchange Act.

VII. The Statement has been passed by the Board of Directors Meeting of the Company held on March 14, 2025, where none of the 9 attending directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

YFC-BonEagle Electric Co., Ltd.
(affixed with Company Chop)

Andrew Yeh

Chairman

(Representative of Good Win Investment Co., Ltd.)

Grou Lin

Managerial officer

Note 1: Any significant deficiencies in the design and implementation of the internal control system of a public company for the year should be explained after the 4th paragraph in the Statement of Internal Control System. Significant deficiencies identified by self-inspection and the actions taken for improvement before the balance sheet date and the improvement status shall be specified.

Note 2: The date of the statement is the “fiscal year-end date.”

2. CPA audit report, where a CPA was engaged to carry out a special audit of the internal control system: None.

(X) In the most recent year and up to the date of publication of the annual report, important resolutions were adopted at the shareholders’ meeting or board of directors meeting:

Shareholders’ meeting

Date	Important Resolution
2024.06.18	(1) Ratifying the 2023 Business Report and Financial Statements.
	(2) Ratification of the 2023 earnings distribution of NT\$117,170,112 in cash dividends to shareholders, at NT\$ 0.8 per share. Resolution: The ex-dividend date was set on July 26, 2024 and distribution was made on August 20, 2024.

Board of Directors

Date	Summary of important resolution	Resolution
2024.3.15 11 term 11 th meeting	(1) Proposal for the Internal Control System Statement in 2023. (2) Evaluation and Appointment Proposal for the Independence and Qualification of the Auditor for the Year 2023	Passed by all attendants Passed by all attendants.

Date	Summary of important resolution	Resolution
	(3) Proposal for the Business Report, Consolidated Financial Statements, and Individual Financial Statements for the Year 2023 (4) Proposal Not to Distribute Employee and Director Remuneration for the Year 2023 (5) Proposal for Profit Distribution for the Year 2023 (6) Proposal to Determine the Date, Venue, and Purpose of the Shareholders' Meeting for the Year 2023 (7) Proposal to Determine the Procedures for Accepting Shareholder Proposals, the Period of Acceptance, and the Location of Acceptance for the Shareholders' Meeting for the Year 2023 (8) Proposal for Fund Loans to YUE FONG COMPANY LIMITED, a Subsidiary in Vietnam (9) Proposal for Bank Credit Line Application	Passed by all attendants. and propose to 2024 shareholder's meeting Passed by all attendant Passed by all attendants. and propose to 2024 shareholder's meeting Passed by all attendant Passed by all attendant Passed by all attendant Passed by all attendant
2024.5.7 11 term 12 th meeting	(1) 2024 Q1 Consolidated Financial Report. (2) Proposal of Sub-subsidiary Europower International Limited loan to the company and application for extension of partial loans upon maturity (3) Investment in sub-subsidiary YFC-BONEAGLE ELECTRONIC TECHNOLOGY PHILS. CORPORATION. (4) Proposal to application for bank credit line.	Passed by all attendant Passed by all attendant Passed by all attendant Passed by all attendant
2024.6.18 11 term 13 th meeting	(1) Proposal to Set the Record Date for Dividend Distribution	Passed by all attendant
2024.8.9 11 term 14 th	(1) Proposal for the Consolidated Financial Statements for the Second Quarter of 2024 (2) Proposal for the 2023 Sustainability Report (3) Proposal for Bank Credit Line Application	Passed by all attendant Passed by all attendant Passed by all attendant
2024.11.11 11 term 15 th	(1) Proposal for the Consolidated Financial Statements for the Third Quarter of 2024 (2) Proposal to Establish the Company's "Sustainability Information Management Procedures" (3) Proposal for the 2025 Audit Plan (4) Proposal for New Plant Construction in the Philippines (5) Proposal for Investment in the Philippine Sub-subsidiary YFC-BONEAGLE ELECTRONIC TECHNOLOGY PHILS. CORPORATION (6) Proposal for Extension of Fund Lending from Subsidiary EUROPOWER INTERNATIONAL LIMITED to the Company Upon Maturity (7) Proposal for Extension of Loan Maturity from Subsidiary YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD. to the Company and Related Parties (8) Proposal for Bank Credit Line Application	Passed by all attendant Passed by all attendant
2025.3.14	(1) Proposal for the Evaluation and Appointment of the Certifying CPA's Independence and Competency	Passed by all attendant

Date	Summary of important resolution	Resolution
11 term 16 th	(2) Proposal for the 2024 Business Report and the Consolidated and Standalone Financial Statements (3) Proposal to Issue the 2024 Statement on Internal Control (4) Proposal to Set the Date, Location, and Agenda for the 2025 Annual General Shareholders' Meeting (5) Proposal on the Period and Location for Shareholder Proposal Submissions (6) Proposal for the Re-election of Directors and the Acceptance of Director Nominations (7) Proposal to Establish the Company's "Risk Management Policies and Procedures" (8) Proposal for Intercompany Lending to the Vietnamese Subsidiary, YUE FONG COMPANY LIMITED (9) Proposal to Evaluate Reclassification of Overdue Accounts Receivable (Over Three Months Past Credit Terms) as Intercompany Lending (10) Proposal for Bank Credit Facility Applications	Passed by all attendants. and propose to 2024 shareholder's meeting Passed by all attendant Passed by all attendant
2025.5.7 11 term 17 th	(1) Proposal for the Approval of the Consolidated Financial Statements for the First Quarter of 2025 (2) Proposal for the Distribution of 2024 Employees' and Directors' Remuneration (3) Proposal for the 2024 Earnings Distribution (4) Proposal for the Election of Directors (including Independent Directors) (5) Proposal for Defining the Scope of Grassroots Employees (6) Proposal for the Amendment of Certain Provisions in the Company's Articles of Incorporation (7) Proposal for Bank Credit Line Application	Passed by all attendant Passed by all attendants. and propose to 2025 shareholder's meeting Passed by all attendants. and propose to 2025 shareholder's meeting Except for one independent director who, as a nominee, recused himself from the discussion and voting in accordance with the law, the proposal was passed by all other attending directors and will be proposed to the 2025 Shareholders' Meeting. Passed by all attendant Passed by all attendants. and propose to 2025 shareholder's meeting Passed by all attendant

(XI) In the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director has expressed a dissenting opinion with respect to an important resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration: None.

IV. CPA Fee Information

Information on the professional fees of the attesting CPAs

Unit: NT\$K

Accounting Firm	Name of CPA	Audit Period	Audit Fee	Non-audit Fee	Total	Note
KPMG Taiwan	Hsieh Chiu-Hua Lee Fang-Yi	2024.1.1 - 2024.12.31	5,970	2,207	8,177	See below

Note: Non-audit fees included NT\$955 thousand for transfer pricing analysis and tax consultation services for the Group's master file report, NT\$1,150 thousand for English translation of financial reports.

V. Replacement of CPA

None

VI. Chairman, President, or Manager in Charge of Finance or Accounting has Served at its CPA Firm or Affiliate of the Firm in the Past Year

None

VII. Share Transfer and Pledge Status by Directors, Executives, and Shareholders with 10% Shareholdings or More of the Past Year and up to the Annual Report Publication Date

(I) Change in equity by a director, officer, or major shareholder

As of the end of fiscal year 2024 and up to April 30, 2025, all changes in shareholding and pledge of shares by the Company's directors, managerial officers, and major shareholders have been duly reported in accordance with applicable regulations. Relevant information is available on the Market Observation Post System (MOPS) under: (Profiles>search for 6220> Insiders' holding, pledging and transfer of shares> Ex-post Filing of Insiders Shareholding Change)

<https://emops.twse.com.tw/server-java/t58query#9>

(II) Information on the transfer of the shares of counterparties by a director, officer and major shareholder of the equity transfer are related parties: None

(III) Information on the transfer of the shares of counterparties by a director, officer and major shareholder of the equity pledge are related parties: None.

VIII. Relationship Among the Top 10 Shareholders and their Spouses or Relatives within the Second Degree of Kinship

April 22, 2025

Name	Shareholding		Shares held by spouses and minor children		Total shareholding in the name of others		Among the company's 10 largest shareholders, any spouse or relative within the second degree of kinship of another, their titles, names and relationships.		Remark
	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Ratio	Name	Relationship	
Good Win Investment Co., Ltd.	8,020,359	5.48%	0	0%	0	0%	—	—	—
(Responsible Person: Andrew Yeh)	575,260	0.39%	305,117	0.21%	0	0%	Lun-Hao Investment Co., Ltd. Responsible Person: Chang, Hsiu-E	Spouse	—

Name	Shareholding		Shares held by spouses and minor children		Total shareholding in the name of others		Among the company's 10 largest shareholders, any spouse or relative within the second degree of kinship of another, their titles, names and relationships.		Remark
	Shares	Share-holding Ratio	Shares	Share-holding Ratio	Shares	Ratio	Name	Relationship	
Yeh, Tzuen-Yi	7,252,000	4.95%	0	0%	0	0%	—	—	—
Yu Yao Investment Co., Ltd. (Responsible Person: Chang, Chu-Tzu)	5,742,470	3.92%	0	0%	0	0%	—	—	—
	4,715,306	3.22%	0	0%	0	0%	Lu Yao-Ping	Mother & Daughter	—
							Lun-Hao Investment Co., Ltd. Responsible Person: Chang, Hsiu-E	Sister	
Good Win Investment Co., Ltd. Responsible Person: Andrew Yeh	Affinal relationship								
Chang, Chu-Tzu	4,715,306	3.22%	0	0%	0	0%	Lu Yao-Ping	Mother & Daughter	—
							Lun-Hao Investment Co., Ltd. Responsible Person: Chang, Hsiu-E	Sisters	
							Good Win Investment Co., Ltd. Responsible Person: Andrew Yeh	Affinal relationship	
Guang-Gu Investment Co., Ltd. (Responsible Person: Lin, Feng Shih)	4,205,344	2.87%	0	0%	0	0%	—	—	—
	883	0.00%	0	0%	0	0%	—	—	—
Wang, Po-Wen	3,674,000	2.51%	0	0%	0	0%	—	—	—
He Ding Investment Co., Ltd. (Responsible Person: Lin, Hsin-Yi)	3,562,407	2.43%	0	0%	0	0%	—	—	—
	53,222	0.04%	81,766	0.06%	0	0%	—	—	—
Lun-Hao Investment Co., Ltd. (Responsible Person: Chang, Hsiu-E)	3,475,846	2.37%	0	0%	0	0%	—	—	—
	305,117	0.21%	575,260	0.39%	0	0%	Good Win Investment Co., Ltd. Responsible Person: Andrew Yeh	Spouse	—
Yu Yao Investment Co., Ltd. Responsible Person: Chang, Chu-Tzu							Mother & Daughter		
Chang, Lung-Kwang	3,094,503	2.11%	2,009,041	1.37%	0	0%	—	—	—
Lu Yao-Ping	3,014,427	2.06%	0	0%	0	0%	Yu Yao Investment Co., Ltd. Responsible Person: Chang, Chu-Tzu	Mother & Daughter	—

Note 1: List the top 10 shareholders. If they are corporate shareholders, list the names of the corporate shareholders and their representatives separately.

Note 2: The calculation of the percentage of shareholding refers to the calculation of the percentage of shareholding in the name of the shareholder themselves, spouse, minor children or of another party.

Note 3: The shareholders for disclosure shall include corporate shareholders and natural people, with the relationships between the shareholders disclosed as required by the Criteria for the Compilation of Financial Statements by Securities Issuers.

IX. Number of Shares and Aggregate Shareholding Ratio of the Same Investee Held by the Company, its Directors, Executives, and Enterprises it Controls Directly or Indirectly

December 31, 2024; Unit: thousand shares

Investment Business	Investment by the Company		Investment by directors, supervisors, officers and any companies controlled either directly or indirectly by the company		Comprehensive Investment	
	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio
YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD.	53,906	100%	0	0%	53,906	100%
BESTLINK NETWARE, INC.	1,000	100%	0	0%	1,000	100%
UNC INVESTMENT & DEVELOPMENT, INC.	50	100%	0	0%	50	100%
PREMIUM-LINE KSI GMBH	0	100%	0	0%	0	100%
MONOPRICE HOLDINGS, INC.	100	100%	0	0%	100	100%
PREMIUM-LINE SYSTEMS GMBH	0	100%	0	0%	0	100%
YUE FONG COMPANY LIMITED	0	100%	0	0%	100	100%
YFC-EUROPOWER INTERNATIONAL CO., LTD.	50	100%	0	0%	50	100%
EUROPOWER INTERNATIONAL LIMITED	0	0%	4,890	100%	4,890	100%
YFC-BONEAGLE HOLDINGS (CAYMANS) CO., LTD.	0	0%	22,807	100%	22,807	100%
UNIVERSAL NETWORK CORPORATION	0	0%	20,000	100%	20,000	100%
MAX SYNERGY LIMITED	0	0%	720	80%	720	80%
PREMIUM LINE ASIA LTD.	0	0%	50	100%	50	100%
YFC-BONEAGLE INTERNATIONAL, INC.	0	0%	653	100%	653	100%
YFC DEVELOPMENT CORPORATION	0	0%	75	100%	75	100%
YFC BONEAGLE ELECTRONIC TECHNOLOGY PHILS. CORPORATION	0	0%	200	100%	200	100%
BESZIN CORPORATION INC.	0	0%	1,000	100%	1,000	100%
MONOPRICE, INC.	0	0%	500	100%	500	100%
PRIME WIRE & CABLE, INC.	0	0%	15,500	100%	15,500	100%
DONGGUAN YFC	0	0%	0	100%	0	100%
WUXI UNIVERSAL NETWORK CORPORATION	0	0%	0	100%	0	100%

C. Capital Overview

I. Capital and Shares

(I) Source of capital stock

1. Process of capital stock formation

Unit: NT\$K; thousand shares

Year & Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of Capital Stock	Offset by any Property Other than Cash	Capital Increase Approval Date and Letter Number
1983.09	10	1,200	12,000	1,200	12,000	Founding capital stock of NT\$12,000 thousand.	None	Established on 1983.09.03
1990.08	10	2,950	29,500	2,950	29,500	Capital increase of NT\$17,500 thousand in cash	None	1990.08.20 79 Jian-San-Yi-Zi No.281607
1996.07	10	4,200	42,000	4,200	42,000	Capital increase of NT\$12,500 thousand in cash	None	1996.07.10 85 Jian-San-Geng-Zi No.196527
1997.11	10	6,000	60,000	6,000	60,000	Capital increase of NT\$18,000 thousand in cash	None	1997.11.25 86 Jian-San-Geng-Zi No.268062
1998.12	10	7,050	70,500	7,050	70,500	Capital increase of NT\$10,500 thousand from earnings	None	1998.12.21 87 Jian-San-Ding-Zi No.279244
1999.12	10	14,778	147,780	14,778	147,780	Capital increase of NT\$66,000 thousand from earnings; Capital increase of NT\$11,280 thousand from earnings	None	1999.12.24 Jin(088)-Shan No.146370
2000.09	10	19,908	199,080	19,908	199,080	Capital increase of NT\$27,064 thousand from earnings; Capital increase of NT\$24,236 thousand from earnings	None	2000.09.14 Jin(089)-Shan No.133753
2001.08	10	70,000	700,000	35,000	350,000	Capital increase of NT\$96,322 thousand from earnings; Capital increase of NT\$54,598 thousand from earnings	None	2001.08.30 Jin(090)-Shan No.09001339750
2002.10	10	70,000	700,000	41,951	419,513	Capital increase of NT\$69,513 thousand from earnings	None	2002.10.08 Jing-Shou-Shang-Zi No.09101415110
2003.07	10	70,000	700,000	46,398	463,978	Capital increase of NT\$44,465 thousand from earnings	None	2003.07.23 Jing-Shou-Zhong-Zi No.0923241355
2005.10	10	62,677	626,774	48,974	489,744	Corporate bonds converted into common stock of NT\$25,766 thousand	None	2005.10.26 Jing-Shou-Zhong-Zi No.09433065460
2006.01	10	62,677	626,774	49,054	490,543	Corporate bonds converted into common stock of NT\$799 thousand	None	2006.01.17 Jing-Shou-Zhong-Zi No.09531580520
2006.07	10	62,677	626,774	53,573	535,725	Capital increase of NT\$41,595 thousand from earnings and additional paid-in capital; corporate bonds converted to common stock and employee warrants converted into common stock of NT\$3,687 thousand	None	2006.07.24 Jing-Shou-Shang-Zi No.09501155830
2006.11	10	150,000	1,500,000	72,960	729,601	Capital increase of NT\$130,000 thousand from private placement; corporate bonds converted to common stock of NT\$58,206 thousand and	None	2006.11.13 Jing-Shou-Shang-Zi No.09501252010

Year & Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of Capital Stock	Offset by any Property Other than Cash	Capital Increase Approval Date and Letter Number
						employee warrants converted into common stock of NT\$5,670 thousand		
2007.01	10	150,000	1,500,000	75,166	751,662	Corporate bonds converted to common stock of NT\$18,961 thousand and employee warrants converted into common stock of NT\$3,100 thousand	None	2007.01.10 Jing-Shou-Shang-Zi No.09601012650
2007.04	10	150,000	1,500,000	75,394	753,947	Employee warrants converted into common stock of NT\$2,285 thousand	None	2007.04.19 Jing-Shou-Shang-Zi No.09601078150
2007.07	10	150,000	1,500,000	75,474	754,746	Employee warrants converted into common stock of NT\$800 thousand	None	2007.07.17 Jing-Shou-Shang-Zi No.09601168690
2007.09	10	150,000	1,500,000	82,786	827,863	Earnings and employee bonus transferred to capital of NT\$73,116 thousand.	None	2007.09.29 Jing-Shou-Shang-Zi No.09601239070
2007.10	10	150,000	1,500,000	102,821	1,028,213	Capital increase of NT\$200,000 thousand in cash and employee warrants converted into common stock of NT\$350 thousand	None	2007.10.05 Jing-Shou-Shang-Zi No.09601241530
2008.01	10	150,000	1,500,000	102,841	1,028,413	Employee warrants converted into common stock of NT\$200 thousand	None	2008.01.17 Jing-Shou-Shang-Zi No.09701011370
2008.04	10	150,000	1,500,000	100,841	1,008,413	Cancellation of treasury stock to reduce capital of common stock of NT\$20,000 thousand	None	2008.04.15 Jing-Shou-Shang-Zi No.0970108610
2008.09	10	150,000	1,500,000	97,835	978,353	Cancellation of treasury stock to reduce capital of common stock of NT\$30,060 thousand	None	2008.09.08 Jing-Shou-Shang-Zi No.09701228380
2008.10	10	150,000	1,500,000	103,260	1,032,604	Earnings and employee bonus transferred to capital of NT\$54,251 thousand.	None	2008.10.17 Jing-Shou-Shang-Zi No.09701263270
2008.12	10	150,000	1,500,000	98,326	983,264	Cancellation of treasury stock to reduce capital of common stock of NT\$49,340 thousand	None	2008.12.19 Jing-Shou-Shang-Zi No.09701319950
2009.06	10	150,000	1,500,000	97,143	971,434	Cancellation of treasury stock to reduce capital of common stock of NT\$11,830 thousand	None	2009.06.30 Jing-Shou-Shang-Zi No.09801135650
2009.09	10	150,000	1,500,000	102,001	1,020,006	Capital increase of NT\$48,572 thousand from additional paid-in capital	None	2009.09.18 Jing-Shou-Shang-Zi No.09801216370
2010.04	10	150,000	1,500,000	109,916	1,099,164	Corporate bonds converted to common stock of NT\$79,158 thousand	None	2010.04.15 Jing-Shou-Shang-Zi No.09901074980
2010.07	10	150,000	1,500,000	110,910	1,109,100	Corporate bonds converted into common stock of NT\$9,936 thousand	None	2010.07.06 Jing-Shou-Shang-Zi No.09901142950
2010.09	10	150,000	1,500,000	113,489	1,134,898	Earnings and employee bonus transferred to capital of NT\$25,798 thousand.	None	2010.09.16 Jing-Shou-Shang-Zi No.09901211460
2010.10	10	150,000	1,500,000	114,127	1,141,279	Corporate bonds converted into common stock of NT\$6,381 thousand	None	2010.10.22 Jing-Shou-Shang-Zi No.09901239330

Year & Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of Capital Stock	Offset by any Property Other than Cash	Capital Increase Approval Date and Letter Number
2011.01	10	150,000	1,500,000	114,145	1,141,458	Corporate bonds converted into common stock of NT\$179 thousand	None	2011.01.24 Jing-Shou-Shang-Zi No.10001011340
2011.04	10	150,000	1,500,000	114,413	1,144,130	Corporate bonds converted into common stock of NT\$2,671 thousand	None	2011.04.12 Jing-Shou-Shang-Zi No.10001070260
2011.10	10	150,000	1,500,000	116,054	1,160,548	Corporate bonds converted into common stock of NT\$16,417 thousand	None	2011.10.24 Jing-Shou-Shang-Zi No.10001244210
2012.05	10	150,000	1,500,000	113,608	1,136,088	Cancellation of treasury stock to reduce capital of common stock of NT\$24,460 thousand	None	2012.05.07 Jing-Shou-Shang-Zi No.10101081920
2013.01	10	150,000	1,500,000	110,829	1,108,298	Cancellation of treasury stock to reduce capital of common stock of NT\$27,790 thousand	None	2013.01.10 Jing-Shou-Shang-Zi No.10201005430
2014.05	10	150,000	1,500,000	114,388	1,143,885	Corporate bonds converted into common stock of NT\$35,587 thousand	None	2014.05.22 Jing-Shou-Shang-Zi No.10301094510
2014.12	10	150,000	1,500,000	114,513	1,145,136	Corporate bonds converted into common stock of NT\$1,251 thousand	None	2014.12.10 Jing-Shou-Shang No.10301249210
2015.02	10	150,000	1,500,000	128,332	1,283,321	Corporate bonds converted into common stock of NT\$138,185 thousand	None	2015.02.02 Jing-Shou-Shang No.10401015430
2015.05	10	150,000	1,500,000	130,814	1,308,146	Corporate bonds converted into common stock of NT\$24,825 thousand	None	2015.05.26 Jing-Shou-Shang No.10401096890
2015.09	10	150,000	1,500,000	130,935	1,309,346	Corporate bonds converted into common stock of NT\$1,200 thousand	None	2015.09.02 Jing-Shou-Shang No.10401185100
2015.12	10	150,000	1,500,000	130,990	1,309,901	Corporate bonds converted into common stock of NT\$1,745 thousand; cancellation of treasury stock to reduce capital of common stock of NT\$1,190 thousand	None	2015.12.14 Jing-Shou-Shang No.10401267480
2016.01	10	150,000	1,500,000	132,533	1,325,329	Corporate bonds converted into common stock of NT\$15,428 thousand	None	2016.01.26 Jing-Shou-Shang No.10501017100
2016.06	10	150,000	1,500,000	127,197	1,271,966	Corporate bonds converted into common stock of NT\$6,377 thousand; cancellation of treasury stock to reduce capital of common stock of NT\$59,740 thousand	None	2016.06.01 Jing-Shou-Shang No.10501114760
2016.08	10	150,000	1,500,000	123,827	1,238,268	Corporate bonds converted into common stock of NT\$6,302 thousand; cancellation of treasury stock to reduce capital of common stock of NT\$40,000 thousand	None	2016.08.24 Jing-Shou-Shang No.10501210790
2016.12	10	150,000	1,500,000	123,860	1,238,602	Corporate bonds converted into common stock of NT\$334 thousand	None	2016.12.01 Jing-Shou-Shang No.10501278420
2017.02	10	150,000	1,500,000	124,554	1,245,544	Corporate bonds converted into common stock of NT\$6,942 thousand	None	2017.02.08 Jing-Shou-Shang No.10601015910
2020.11	10	180,000	1,800,000	131,046	1,310,466	Corporate bonds converted into	None	2020.11.13

Year & Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of Capital Stock	Offset by any Property Other than Cash	Capital Increase Approval Date and Letter Number
						common stock of NT\$64,921 thousand		Jing-Shou-Shang No.10901208940
2021.02	10	180,000	1,800,000	131,504	1,315,036	Corporate bonds converted into common stock of NT\$4,570 thousand	None	2021.02.02 Jing-Shou-Shang No.11001018750
2021.05	10	180,000	1,800,000	131,972	1,319,723	Corporate bonds converted into common stock of NT\$4,687 thousand	None	2021.06.07 Jing-Shou-Shang No.11001092540
2022.09	10	180,000	1,800,000	139,472	1,394,724	Capital increase of NT\$75,000 thousand in cash	None	2022.09.21 Jing-Shou-Shang No.11101177140
2022.11	10	180,000	1,800,000	143,868	1,438,672	Corporate bonds converted into common stock of NT\$43,958 thousand	None	2022.11.03 Jing-Shou-Shang No.11101207600
2023.02	10	180,000	1,800,000	144,185	1,441,851	Corporate bonds converted into common stock of NT\$3,168 thousand	None	2023.02.20 Jing-Shou-Shang No.11230023190
2023.04	10	180,000	1,800,000	144,868	1,448,682	Corporate bonds converted into common stock of NT\$6,831 thousand	None	2023.04.28 Jing-Shou-Shang No.11230073940
2023.11	10	180,000	1,800,000	146,463	1,464,626	Capitalization of Employee Compensation of NT\$15,945 thousand	None	2023.11.27 Jing-Shou-Shang No.11230213410

2. Type of shares

Unit: shares

Type of Shares	Authorized Capital Stock			Remark
	Outstanding Shares	Unissued Shares	Total	
Registered Common Shares	146,462,640	33,537,360	180,000,000	TPEX-listed Shares

3. If the company adopts the shelf registration method for the issuance of new shares, it shall disclose relevant information including the total amount registered for issuance, the total amount already issued, and the balance amount of the shelf registration: None.

(II) List of major shareholders (shareholders holding 5% or more of the shares or names, numbers of shareholding and ratio of the top 10 shareholders)

April 22, 2025

Name of Major Shareholder	Number of Shares Held	Shareholding Ratio
Good Win Investment Co., Ltd.	8,020,359	5.48%
Yeh, Tzuen-Yi	7,252,000	4.95%
Yu Yao Investment Co., Ltd.	5,742,470	3.92%
Chang, Chu-Tzu	4,715,306	3.22%
Guang-Gu Investment Co., Ltd.	4,205,344	2.87%
Wang, Po-Wen	3,674,000	2.51%
He Ding Investment Co., Ltd.	3,562,407	2.43%
Lun-Hao Investment Co., Ltd.	3,475,846	2.37%
Chang, Lung-Kwang	3,094,503	2.11%
Lu Yao-Ping	3,014,427	2.06%

(III) The Company's dividend policy and implementation status

1. Company dividend policy:

Article 20-1 of the Articles of Incorporation: Any earnings shall be first set aside for paying taxes and losses accumulated over the years. 10% of the remaining balance shall be set aside as the legal reserve; however, when the legal reserve has read the paid-in capital, further withdrawal may be exempted and the special reserve set aside or reversed in accordance with the law. The remaining balance, if there is any, may be distributed as dividends from preferred stock for the year. The Board of Directors proposes a motion for distribution of any balance, together with undistributed earnings for previous years, to be submitted to the shareholders' meeting for resolution.

Considering the stable development and robust financial structure, earnings distribution shall not be less than 50% of the distributable earnings less than previous years. However, where distributable earnings less earnings of previous years are less than 1% of the paid-in capital, no distribution of earnings may be proposed.

The Company's dividend payout policy is based on three methods: capital increase from earnings, capital increase from additional paid-in capital, and cash dividends. Depending on the future development and growth stage, the Company will strive to improve its financial structure and protect the rights and interests of shareholders. Among the three methods of dividend payout policy, cash dividends shall account for at least 10% of all dividends.

Pursuant to the provisions of Articles 240 and 241 of the Company Act, the Company shall surplus profit distributable to dividends and bonuses in whole or in part distributed to shareholders in proportion to their existing shares in the form of new shares to be issued by the Company. Where distribution is made in the form of cash, a resolution shall be made by the meeting of the Board of Directors attended by at least two-thirds of the directors and most of the directors present and shall be reported to the shareholders' meeting. A resolution for distribution made in the form of new shares shall be adopted by the shareholders' meeting prior to distribution.

2. Dividend distribution reported at the shareholders' meeting:

At the beginning of fiscal year 2024, the Company had retained earnings of NT\$4,671,273. Adding the actuarial gains of NT\$1,637,678 and the after-tax net income of NT\$135,912,084 for the year, and after setting aside the statutory legal reserve of NT\$13,754,976 in accordance with the law, the distributable earnings amount to NT\$128,466,059. The Company proposes to distribute cash dividends of NT\$102,523,848 to shareholders. Based on the latest number of outstanding shares totaling 146,462,640, this represents a cash dividend of NT\$0.7 per share.

(IV) The effect of the current bonus shares on the operating performance, EPS and return on shareholder's investment: Not applicable.

(V) Remuneration to employees and directors

1. The percentages ranges with respect to employee and director remuneration, as set forth in the Company's Articles of Incorporation:

Article 20 of the Articles of Incorporation:

The Company's profit, if any, for the year shall be distributed at not more than 6% as remuneration to directors; provided, accumulated losses should be made first.

Profits for the year referred to in the preceding paragraph is defined as net income for the year before employee remuneration and director remuneration are deducted.

In addition, the employees of the Company also distributes remuneration to employees of subordinate companies who directly or indirectly own 50% or more of the Company's shares

2. Information on proposed remuneration to employees and directors passed by the Board of Directors:

(1) Amount of remuneration for employees and directors:

On May 7, 2025, the Board of Directors resolved to approve the proposal for employee and director remuneration for fiscal year 2024. The Company proposes to allocate NT\$11,000,000 as employee compensation (7.37%) and NT\$4,000,000 as director compensation (2.68%).

(2) If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed:

None.

(3) The amount of any remuneration to employees distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income:

Not applicable.

(4) Calculated EPS after considering the proposed distribution of remuneration to employees or remuneration to directors:

Not applicable.

3. Employee bonuses and director remuneration distributed with the earnings of previous years:

Due to losses incurred in fiscal year 2023, the Company did not distribute employee or director compensation.

(VI) Buyback of the company shares in the past 3 years: None.

II. Issuance of Corporate Bonds: None

III. Issuance of Preferred Shares: None

IV. Issuance of Global Depository Receipts (GDRs): None

V. Employee Stock Options: None

VI. Employee Restricted Stock Awards: None

VII. New Shares Issuance in Connection with Mergers, Acquisitions, and Transfer of Shares: None

VIII. Financing Plans and Implementation: None

D. Operational Highlights

I. Business Activities

(I) Scope of Business

1. Main Business

- i. LAN cable manufacturing
- ii. Electronic component manufacturing
- iii. Information socket and integrated network wiring product manufacturing
- iv. Trading of network and fiber optic peripheral products
- v. Trading of power cords and related products
- vi. Production and trading of audio-visual and data high-speed transmission lines
- vii. Production and trading of in-vehicle ADAS high frequency transmission lines and high voltage power lines for new energy vehicles
- viii. Production and trading of robotic arms and high-speed data transmission control lines for automated production
- ix. Manufacturing and sale of high-speed data transmission control cables through automated production processes.

2. Business Revenue Composition

Unit: NT\$K; %

Main Product \ Year	2024		2023	
	Net Operating Income	Ratio %	Net Operating Income	Ratio %
Manufacturing (ODM/OEM)	4,130,435	40.90	3,301,901	33.56
Channel and Distribution Trade	3,142,111	31.11	2,909,190	29.57
E-Commerce	2,827,127	27.99	3,626,840	36.87
Total	10,099,673	100.00	9,837,931	100.00

Main Product \ Year	2024		2023	
	Net Operating Income	Ratio %	Net Operating Income	Ratio %
Cable	2,835,838	28.08	2,873,596	29.21
Power Cord	5,320,828	52.68	4,587,914	46.63
Consumer Electronics	1,533,830	15.19	1,990,121	20.23
Others	409,177	4.05	386,300	3.93
Total	10,099,673	100.00	9,837,931	100.00

3. Current Products and Service

- i. Cables and patch cords for local area network (LAN) wiring, including shielded and unshielded cables in various flame-retardant grades for Cat.5e, Cat.6, Cat.6A, Cat.7, and Cat.8 standards.
- ii. USB transmission electronic cable assemblies.
- iii. Internal wiring for other information, communication, and consumer electronic (3C) products.
- iv. Production and trading of in-vehicle ADAS high frequency transmission lines and high voltage power lines for new energy vehicles.
- v. Teflon CMP grade wire, that meets the needs of the high-end wiring market in North America.
- vi. Low-smoke halogen-free (LSZH) shielded network and power transmission cables (PoE) compliant with European market standards.
- vii. Manufacturing and sale of various types of power extension cords.
- viii. Manufacturing and trading of industrial signal transmission line sets.
- ix. Manufacturing and trading of control line sets for automated production equipment (robotic arms).
- x. Production and sale of solar energy / energy storage transmission lines
- xi. Sale of fiber optic patch cords and accessories.

4. Future Developing Products and Service

- i. Cables for robotic and robotic arm transmission applications.
- ii. Ultra-fine (short-length) cables for data center applications.
- iii. Multifunctional power cords.

(II) An Overview of the Industry

1. Status quo and development of industry

The Company and its subsidiaries are dedicated to the production of 3C power cord sets, LAN cables, network cable peripherals, and in-vehicle high frequency transmission lines. In addition to selling self-manufactured cable products, the Company's subsidiaries also sells consumer 3C products such as TV stands, and audio sound box. These products are sold directly or indirectly to end consumers through online sales platforms and physical channels. The Company's connector cables are basic components of computer hosts and their peripherals, communication devices, and transmission devices, which are closely linked to the development of information technology and online communication industries. With the rise of 5G network, AI, automation system and robot in recent years, the Company will invest in research, development, and production of high-precision data transmission cables. The current status and development of network cables, power cords and modular data centers are described as follows:

- i. Overview and development of the network cable industry:

(1) Current Development of Ethernet:

Ethernet has become the mainstream technology for local area networks (LANs) and continues to expand into various application fields, such as data centers, industrial automation, and in-vehicle networks. With the widespread adoption of the Internet of Things (IoT), Ethernet plays a critical role in connecting a wide range of smart devices. As a mature and continuously evolving network technology, Ethernet will keep advancing in areas such as higher speeds, lower latency, Time-Sensitive Networking (TSN), edge computing, and industrial applications. Details are as follows:

- (i) **Continuous Speed Advancements:** Ethernet speed has evolved from the initial 10Mbps to 10Gbps, 40Gbps, 100Gbps, and beyond to meet the growing demand for data transmission. New Ethernet standards such as 2.5GE, 5GE, 25GE, and 50GE have emerged to suit different application scenarios.

- (ii) Automotive Ethernet: The rise of autonomous driving and Advanced Driver Assistance Systems (ADAS) is driving the growing demand for in-vehicle Ethernet. Automotive Ethernet provides high bandwidth and low latency transmission, becoming a key technology for data exchange within vehicle systems.
- (iii) Ethernet Controller Market: The Ethernet controller market is expected to continue growing, driven by data centers, cloud computing, and big data applications.
- (iv) Growth of Data Centers and Cloud Computing: With the rapid development of cloud computing, big data, and artificial intelligence, the demand for data centers continues to rise, fueling the need for high-speed Ethernet cables—particularly those supporting higher bandwidths such as Cat6a, Cat7, and Cat8. Large-scale data centers require vast amounts of Ethernet cabling to connect servers, switches, and other networking equipment, contributing positively to market growth.

(2) Future Trends of Ethernet:

- (i) Higher Speeds: With the rapid development of data centers and cloud computing in recent years, the demand for high-speed Ethernet cables has increased significantly. This shift is reshaping the market's cable composition, with higher-bandwidth cables such as Cat6a and Cat7 being increasingly adopted in data center environments.
- (ii) Low Latency: For applications requiring real-time responsiveness—such as autonomous driving and industrial automation—low-latency Ethernet technologies are becoming increasingly critical.
- (iii) Time-Sensitive Networking (TSN): TSN technology extends Ethernet into applications that require deterministic time transmission, such as industrial control systems and in-vehicle networks.
- (iv) Edge Computing: Ethernet will serve as a key infrastructure for edge computing, enabling high-speed data transmission between edge devices and cloud.
- (v) Industrial Ethernet: Ethernet technology will continue to deepen its application in industrial automation, enabling more efficient and flexible production processes. The growing adoption of Ethernet in industrial settings also increases the demand for high-quality, durable Ethernet cables capable of withstanding harsh conditions such as extreme temperatures, vibration, and electromagnetic interference.

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ii. Overview and development of the power cord industry:

In 2023, the global power cable market size reached \$176.9 billion. It is expected to grow to \$284.1 billion by 2032, with a compound annual growth rate (CAGR) of 5.2% from 2023 to 2028. Power cables, also known as power lines, are cables that consist of one or more conductors held together by an overall sheath. They are commonly used for power transmission and distribution in electronic devices such as computers, printers, monitors, and heating, ventilation, and air conditioning (HVAC) systems. These cables can withstand high operating voltages, transmit large currents, adapt to various environments, and provide adequate insulation and current-carrying capacity. Due to their widespread application in tunnels, indoors, cable trenches, conduits, and areas prone to fire and severe corrosion, the global demand for power cables is continually increasing.

The surge in global power consumption and the increasing focus on upgrading existing power grid infrastructure are key factors positively impacting the demand for power cables. Additionally, the expansion of residential, commercial, and industrial spaces contributes to market growth. Activities involving the upgrading and renovation of airports, shopping malls, offices, and stores are driving the demand for durable power cables. Furthermore, the rapid urbanization and rising personal income levels have led to increased automobile sales, which in turn drives the use of power cables to operate various devices in the automotive industry. Besides, there is a growing demand for advanced power cables to improve mining equipment conditions, productivity, and safety, creating a positive outlook for the market. Moreover, power cables are extensively used in the chemical industry due to their high mechanical flexibility and excellent resistance to chemical reagents and oils.

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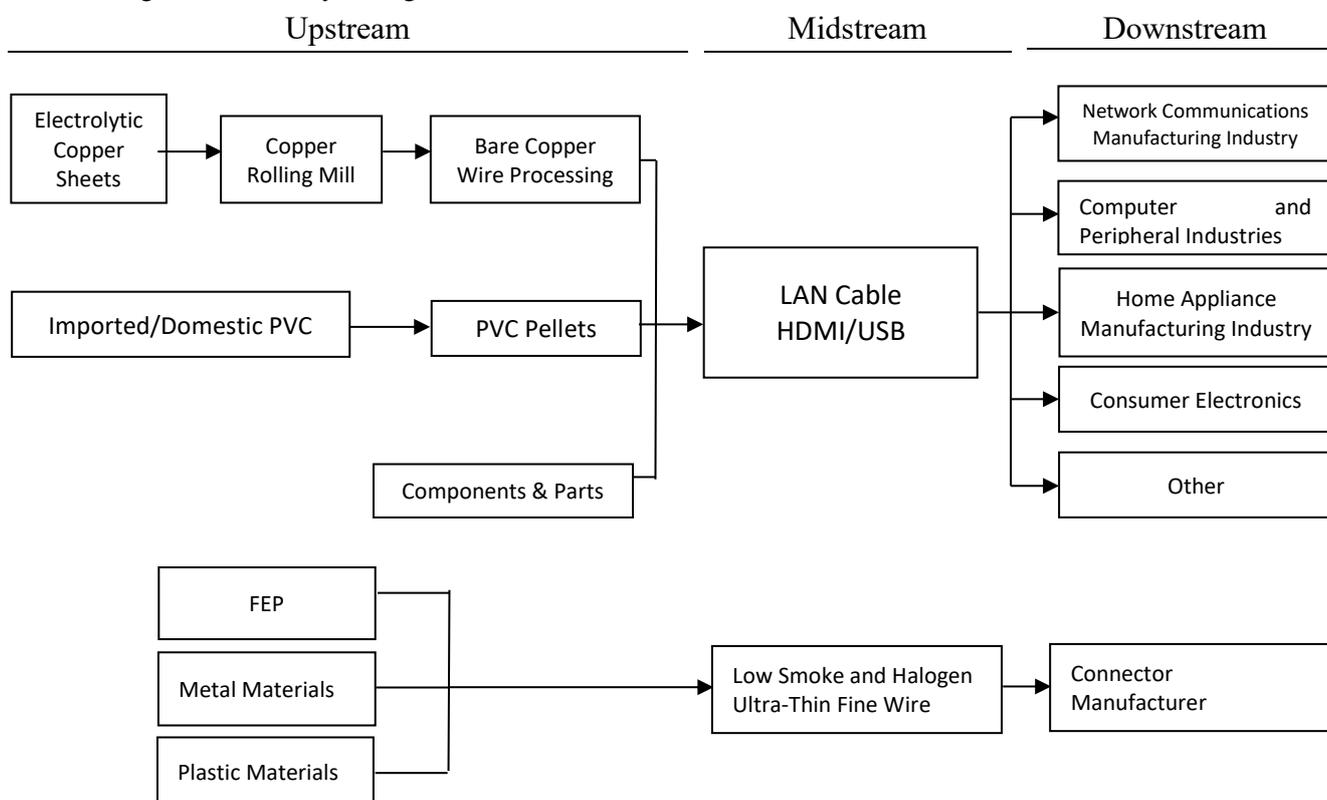
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2. Connection between the upstream, midstream, and downstream of the industry

The Company’s major products are cables for 3C products covering information communication and consumer electronics, including power cord sets, UTP/FTP/SFTP/PIMF network cable, USB cables – basic components of communication equipment, transmission equipment, computer hosts and their peripherals.

Diagram of industry linkage is shown below:



3. Development trends of products

i. As product life cycles are short, the development of new products is very important:

In recent years, due to the fierce competition of cables for 3C products and the popularity of low-priced electronic products, the room for price negotiation has narrowed. How to achieve high gross margins when new products are launched is the objective that all manufacturers must meet and constant development of market leading products or high tech-intensive niche products must be built into their strategies. The Company and its subsidiaries are committed to the development and sales of Cat6A, Cat7, Cat8 and Teflon wire with higher flame resistance. With outstanding quality of Cat6A and Cat7 network cables and Teflon cables, we continue to receive orders. For jumper wires, we have adjusted our customer mix, shifting from price-oriented wholesale distribution customers to high-end OEM and factory-supported network customers. Data transmission at high speed is the key demand of intelligent life. With many years of cultivation in the Japanese market, the Company and its subsidiary have teamed up with a major Japanese connector manufacturer to develop audio-visual and data transmission line sets for automobiles, accelerating the business in the Japanese market.

ii. Product development toward miniaturization:

In recent years, information products have seen a trend of lighter, thinner, shorter, and smaller in their design and development. Due to this, their relevant components and parts have also

followed this trend. Collaborating with the factory to develop smaller-sized power and network cable connectors not only helps reduce space requirements but also enables us to offer more competitive pricing to OEM customers.

iii. Production will be integrated upwards, moving towards capital- and technology-intensive development:

As competition intensifies among manufacturers of cables for 3C (computer, communication, and consumer electronics) products, and downstream customer specifications become increasingly diversified, production technology is expected to move toward upstream integration to enhance competitiveness. In addition to the subsidiary MONOPRICE, INC., closer collaboration will be established with external distribution companies within the group to jointly develop a wide range of electronic cables. This approach will support vertical integration between product development and sales at the manufacturing end.

4. An Overview of the Competition of the Industry:

i. US Market:

Due to recent tariff policies introduced by the United States, the global market has gradually split into two camps: one aligned with the U.S. (requiring production outside of China), and the other still accepting production within China. YFC has already shifted its production base for the U.S. market to its Philippine factory. While other manufacturers are also relocating production outside of China, current global capacity still falls short—covering less than 60% of what was previously produced in China, including power cords and network cables.

ii. EU Market:

The European market currently remains open to production from China. As a result of U.S. tariffs, many Chinese manufacturers have redirected their production focus toward Europe, intensifying price competition across all product lines and raising concerns about product quality. In addition to Chinese competitors, Turkish manufacturers have also entered the European market over the past two years. This presents significant challenges for YFC, which has long invested in the European market. While the Wuxi factory continues to improve the stability of LSZH and high-end shielded cables, it must also address the dual challenge of maintaining quality while staying price-competitive.

(III) Technology and R&D Overview

1. Technical level of business

i. High-speed Ethernet products:

The Company's major products are UTP/FTP/SFTP/PIMF LAN cables as well as high-level Keystone Jacks and Patch Panels, essential components for high-speed data transmission between servers, switches, hubs, and PC workstations on a LAN.

The speed and stability of the data transmission rate of the above products is the key to product quality. Appropriately adjusting the design materials and dimensions to meet the communication rate, bandwidth, signal interference and transmission distance, etc., is a very high-level technology. Over the years, the Company's R&D and manufacturing departments have been constantly refining their R&D and process improvement capabilities, developing new technologies and products. Due to this, we have accumulated excellent high-frequency testing technology, making us a leading manufacturer of this technology with high market share in Europe. We are now able to provide all the connectors and cables in the high-speed Ethernet LAN cabling system:

- (1) From 100Base-T (CAT.5e 100Mbps network) and 1000Base-T (CAT.6/CAT.7/CAT7A 1 Gbps network) to 10G network (CAT6A 10Gbps network) for higher speed transmission, we are the only manufacturer in Taiwan who can produce all the connectors and cables for network wiring systems.
- (2) 100W Power over Ethernet (PoE++) integrates power and data transfer into the same cable system, eliminating the need for AC power at each location.
- (3) In the coming years, we will focus on R&D and process development of CAT.8 for 40GBase-T, a high-speed Ethernet wiring system.
- (4) Development of outdoor high-speed Ethernet products in response to special environment application requirements.
- (5) In response to high price fluctuations, we will work with local manufacturers in the development of new materials to replace imported materials. The new materials developed will be used for high-speed Ethernet products.

ii. Power cord and plug products:

The Company's power cord products ranging from cords, cables, plugs, sockets, and connectors are commonly used in the U.S., Japan, China, Australia and EU countries. All of the Company's power cords have received safety approvals from national certification bodies in various countries.

Cables, plugs, sockets and connectors, and all power cord products have been certified as safe by certification bodies of many countries.

The following products are at the leading technical position in the industry:

- (1) LED red and blue double flashing light power cord extension series – used in the transmission of AC power cord ends via a plug and a socket at both ends of the power cord. In the plug and socket are one of the two embedded light-emitting devices (including a light emitting diode and its DC conversion circuit) which are electrically connected to the power cord, so that the light-emitting diode light indicates the location of the power extension cable. The power status of the extension cable is also easy to observe and judge. We have patented this product.
- (2) Low-smoke and halogen-free power cord extension series products – used in places with rated voltage of 450V/750V and below that require high flame retardant power cords. As these power cords have halogen-free and low smoke properties, it is easy for personnel to evacuate in the event of a fire thanks to the slow spreading speed, low smoke concentration, high visibility, and small amount of harmful gas release. As the corrosive nature of combustion gas is small, damage to instruments and equipment is prevented. The low halogen and halogen-free properties make the power cord material much more resistant to aging and UV rays and other radiation. Due to this, the service life of the power cord is prolonged. The standards are UL 62 and EN 50525-3-11.
- (3) High temperature and low temperature cold resistant power cord extension series – at present, we have successfully developed halogen-free and PVC series products, which have been certified by UL. The temperature resistance range is +105°C to -50°C, meeting the needs of customers while gradually moving towards eco-friendly products.
- (4) Luminescent wire/power cord series products – with PVC as the base material, light storage materials are added. After being irradiated by natural light, daylight, and ultraviolet light, the light energy is stored. When released, the light can still be seen at

night or in the dark, and lasts for more than ten hours. Can prevent accidents from tripping over invisible wires in the dark. This product has been patented in China.

- (5) Camouflage power cord series – produced by changing the paper wrapping structure to a non-woven fabric printed with various colors without changing the structure of the original cable. Suitable for use in the field, field photography in particular. Camouflage power cords blend in with the natural environment, look good and play a concealing role. This product has been successfully sold in the market and is patented in China and Taiwan.

iii. 3C (Consumers\Computers\Communication) transmission line development:

In recent years, the Company has made a name for itself in the field of 3C wire development, especially in the Japanese market, as we have a stable business conducive for rapid expansion:

- (1) We assisted a major Japanese electronics manufacturer in developing the world's first multi-functional composite cable for high-speed audio-visual and data transmission, with extremely low signal latency, used for the latest ultra-high resolution (UHD) 4K TV. This product has been well received and adopted by customers and patented in Taiwan and China.
- (2) An opportunity to develop car audio/video transmission cables for Japan was taken, with samples sent to related customers. The product meets the conditions of the automotive mechanical environment and the high frequency transmission settings. As the product has now been certified, small volume production will begin shortly.
- (3) In line with specification updates from various associations, we have been proactively investing in the development of HDMI2.0, MHL3.2, and USB3.1 cables. Meanwhile, we have been gradually completing the specification requirements of 18Gbps for HDMI, low power consumption and anti-electromagnetic interference for MHL, and 10Gbps for USB. The new generation of smart and high-definition TVs and mobile phones will meet the needs of the next-generation smart and HD TVs and mobile phones, as well as cloud servers with vast amounts of data transmission and storage.
- (4) The development of ultra-thin coaxial cables has also moved from being applied to LVDS to higher-level silver-plated coaxial cables, such as Apple's 10Gbps Thunderbolt and high-end servers. In addition to high-frequency requirements, flexibility is also a key requirement. The new generation of USB3.1, that also defines the specifications of coaxial cables, will also be included in the development.

iv. 3C (Consumers\Computers\Communication) cable assembly:

YFC has been investing in 3C cable assembly for many years. Recently, the Company has completed various automated processes such as hot-bar and laser welding. Highly praised by Japanese customers, the Company received high-volume orders and has also undertaken many high-end products. At the request of customers, the Wuxi factory passed the TS16949 management system certification required by the automotive industry. The development of high-end engineering:

- (1) Cable assembly of Japanese car audio/video transmission line.
- (2) Development of waterproof cable assembly.
- (3) Assembly design and process development for major Japanese game machine manufacturers.

- (4) Assembly and development of HDMI2.0/MHL3.2/USB3.1, in the low skew, low power consumption and anti-EMI (electromagnetic interference) and other technical requirements.
- (5) Transmission lines for high-end cloud servers and storage applications, such as miniSAS HD and QSFP, and the high-frequency precision processing required.

v. IPC (Industrial Personal Computer) cable assembly:

In terms of industrial computer cables, we develop professional signal, video, audio, and power processes according to the needs of customers. Our services have been recognized by major European manufacturers with mass production underway. At present, we have delivered outstanding results.

vi. Auto (Automotive) cable assembly:

In terms of automotive cable harnesses, we have already obtained the first-tier customer (Anmeike/Shanghai Mingdian/Qingdao Xingdian/Taicang Shenlian) production qualification for OE depots and Tire1 automotive parts. We have entered mass production and have already achieved outstanding results. At present, we are developing products for new energy and energy storage, which is strongly supported by the Chinese government.

2. R&D overview

Year	Item
2020	<ul style="list-style-type: none"> A. China National Standard RVVP shielded wire development and 3C certification application. B. Halogen-free Euro-spec product development certification: such as SF-82F/SF-83F(IEC C14), SF-300, and SF-300, SF-01F, SF-03F, SF-04F. C. Network cable UL 4Port PoE UL-LP has been certified by CMP. D. New product development of outdoor cables for network cables – water-blocking powder/water-blocking tape for harsh environments. E. IEC type-C plug connector UL 60320 has been certified. Such as SF-83, SF-85B, SF-80. F. Cat.8 S/FTP data center cable development. G. Product line technology transferred to Taiwan and Southeast Asia.
2021	<ul style="list-style-type: none"> A. SF-03/SF-04/SF-06 rubber wire has been certified. B. Utility model – RVVP shielded cable. C. Application for VDE certification of Euro-spec halogen-free plugs (10 models). D. IEC type-C plug connector UL 60320 has been certified – SF-85C&SF-84&SF-80&SF-85A. E. SF-223 & SF-224 US-spec plug has been certified by ETL & cETL. F. The new product development evaluation passed the VDE swing test 250,000 times. G. UL-certified new Philippine’s factory (SF-31, SF-191, SF-82S). H. DMI 2.1 (Type AM to Type AM Cable Assembly). I. USB 4.0 (Type C to Type C Cable Assembly). J. USB 3.1 Type CM TO CF elbow 32AWG. K. GFCI component self-inspection function. L. 90° PCB-free model KJ design. M. 90° KJ panel color management. N. T03A electronic control harness project (12 harnesses in total). O. SFP 10G 2P 30AWGCable Assembly L=0.5M.

	<p>P. Cat.8 S/FTP data center cable has been certified</p> <p>Q. Cable products (including network cables) have been certified by PoE++.</p> <p>R. Collaborate with industry to develop 5G foaming materials and LAN cable applications.</p> <p>S. CAT.6A U/FTP CMP physical foam development.</p>
2022	<p>A. Cat.8 S/FTP Data Center Cable product line production technology development.</p> <p>B. Certification of outdoor and harsh environments for networking cables.</p> <p>C. H03VV-F, H05VV-F Wire & Cord set with KC.</p> <p>D. UL listed CL2/CL3 rated speaker wires.</p> <p>E. Fully automated production line, new Keystone Jack.</p> <p>F. Cable harness 10-100-00341-345 series with 10-100-00521-00 ground wire.</p> <p>G. Industrial robot cable assembly.</p> <p>H. New energy car charging gun.</p> <p>I. Extension cord with spring strain relief.</p> <p>J. Patented IEC C13 locking connector.</p> <p>K. VCTF 0.75mm² X3C SF-31 to SF-87 certified by BSMI in Taiwan.</p> <p>L. LAN CABLE EN 50575 CPR System 1+ has been certified by UKCA.</p> <p>M. UKCA certification.</p> <p>N. STARLINK CABLE.</p> <p>O. Jointly developed 5G material for network cable, and improved and upgraded each cable specification.</p> <p>P. CAT.6A UTP test application technology improvement and upgrade</p> <p>Q. Localized material development testing for network cables.</p> <p>R. Mass production of CMP physical foaming cable.</p>
2023	<p>A. Lan CM grade PVC wire – Cat.6 UTP series.</p> <p>B. Lan CMP PVC – Cat.6 UTP&FTP and Cat.5e UTP series.</p> <p>C. Lan CMR PVC – Cat.6/Cat.5e UTP cable.</p> <p>D. Certification for D.Lan LSOH Cable - Cat.6/Cat.6A F/UTP with CPR Dca rating.</p> <p>E. Lan Cat.6 F/UTP 24AWG Non-Foam Cable.</p> <p>F. UL certification for SJTW/SJTOW/SJEOW/SJEOW cables for increased -50°C rating.</p> <p>G. PVC UL CM development.</p> <p>H. Network cable product certified – Philippines Factory.</p> <p>I. POE CAT.6/6A shielded/unshielded module.</p> <p>J. Wuxi factory product lines certificated in various countries: * CPR-rated LAN cable * Euro-spec halogen-free wire/plug certified by VDE. * 20 Australia-spec/Euro-spec for certification in various countries * 17 certificates were CCC-updated</p> <p>K. UL 758 UL10269\UL11627\UL3817 certified.</p> <p>L. RG-174/U certified by CM.</p> <p>M. PV energy storage rechargeable battery (outdoor waterproof).</p> <p>N. PV1-F solar panels connected to PV extension cable.</p> <p>O. US-spec 3-prong plug LED lighting male plug/female plug (outdoor waterproof).</p> <p>P. Wire harness assembly board and electrical test board.</p> <p>Q. Large square wire harness riveting and ultrasonic welding production capability (>50 square).</p> <p>R. 3-in-1 terminal machine development.</p>
2024	<p>A. Development and ETL Certification of Cat.8 S/FTP Data Center Cable.</p> <p>B. Design and Development of Molds and Fixtures for Cat.6A Shielded Cable with</p>

	<p>Aluminum Foil (S-shape) Wrapping Structure.</p> <p>C. Reelex Air Tube Winding Packaging Test and Evaluation.</p> <p>D. Localization of Materials for 5G Foamed Insulation Applications – Chemical Foaming Development.</p> <p>E. VDE Certification for Halogen-free Cables/Plugs (EU Standards).</p> <p>F. Special Locking Cord for NEMA 5-15R Plug (US Standard).</p> <p>G. UL Certification for IEC 60320 C19 & C21 Angled Plugs (Left and Right).</p> <p>H. CCTV Cable.</p> <p>I. UL 1332 22AWG + 2.5mm² XLPE YG HSG to XH2.5 HSG Cable Assembly.</p> <p>J. ETL Certification for SF-84S (90°).</p> <p>K. High-voltage Automotive Wiring Harnesses: AC600V/DC900V & AC1000V/DC1500V Single-core Shielded and Unshielded.</p> <p>L. LAN Cable CAT.6 U/UTP with B1 Flame-retardant Rating per GB/T 31247.</p> <p>M. CQC Certification for Conductive Charging System Cables for Electric Vehicles.</p>
2025 Key of development	<p>A. Localization of 5G Foamed Insulation Materials for Application Development – Physical Foaming.</p> <p>B. Cat.6A UTP 1/0.56 with Partitioned Aluminum Mylar Tape.</p> <p>C. Cat.6A U/FTP SLD S-FOIL Wrapping.</p> <p>D. Vietnam Fire-resistant Cables (Compliant with IEC 60331 and BS 6387 CWZ Standards).</p> <p>E. PSE Certification for Five Types of Japanese Standard Plugs.</p> <p>F. Certification for IEC Locking Plugs (300K/82K).</p> <p>G. Patch Cord with Boot for Cable Protection.</p> <p>H. Development of LAN Cable Series with Special Structures for Outdoor Applications.</p>

3. R&D personnel and their academic (experience)

Education		Year		
		2022	2023	Up to April 30, 2024
Academic Distribution	Master or above	0%	0%	0%
	College	69.23%	69.77%	68.29%
	High School	30.77%	30.23%	31.71%
Average Years of Experience (years)		6.3	6.8	7.7

4. R&D expenses for the past five years

Unit: NT\$K

Item	Year				
	2020	2021	2022	2023	2024
R&D Expenses	42,315	47,436	43,883	49,812	51,813
Operating Income	11,435,995	12,446,928	11,670,625	9,837,931	10,099,673
Ratio	0.37%	0.38%	0.38%	0.51%	0.51%

5. R&D patent applications for the past five years

Year	2020	2021	2022	2023	2024
Number Of Applications	3	2	1	0	9
Under Review	0	0	0	0	7
Application Approved	5	2	1	2	2

6. Technology or product successfully mass-produced
 - (1) Fiber optic jumper wire approved by the Directorate General of Telecommunications
 - (2) LAN cable certified by UL and ETL.
 - (3) LAN cable certified by 3P, GHMT.
 - (4) Teflon CMP wire, with the highest safety level required in the U.S. market, was certified by UL, now in mass production and on sale.
 - (5) The self-made LAN cable machine was completed. Patents have been obtained for separate drive type winding, the integrated shield for network cable connectors, and the one-piece mold for the protective interface of telecommunication connectors.
 - (6) Utility model for telecommunication connector plug was obtained.
 - (7) Finalized the development of a complete set of connectors and cable wiring system products for high-speed LAN and obtained the certification from third party. As high-end multi-connectors such as Cat.6 UTP 4-connector links have passed 3P certification testing and CAT.6 UTP 6-Connector Channel has passed ETL certification, mass production and sales are now in process.
 - (8) The structure and the features of Keystone Jack products have been improved and enhanced, including 0.5U UTP/FTP Patch Panel, LED KeyStone Jack, Cat.5e/Cat.6 mini KeyStone Jack, CAT 5e/6 1U 24port FTP in-line coupler type patch panel, and CAT 5e/Cat.6 Angle Type UTP 24 Ports Patch Panel 110 Type IDC. Development has been completed and mass production and sales are now in process.
 - (9) Automatic assembly machine for KeyStone Jack.
 - (10) USB 2.0/3.0 CABLE & CABLE ASSEMBLY has been certified and tested by the USB Association.
 - (11) HDMI CABLE & CABLE ASSEMBLY has been certified and tested by HDMI Association.
 - (12) The application and appearance of the equalizer IC chip embedded in the HDMI long cable and thin cable have been developed and the length of cable has been extended to meet market demand. These products are now in mass production and on sale.
 - (13) Cable products for HDMI mini (C type) and HDMI micro (D type) have been certified and tested by MHL Association.
 - (14) MHL Cable & Cable assembly is certified and tested by MHL Association. Standards are periodically updated. At present, MHL 3.2 has been certified for use in smartphone displays, and is now in mass production and on sale.
 - (15) High-frequency standard cables such as HDMI, USB2.0/3.0, MHL, and DisplayPort cables are produced and cable assembly products are stripped and soldered for automated production and assembly processing.
 - (16) Test fixtures and test techniques for various 3C high frequency products completed.
 - (17) Composite cable and cables for HDMI 2.0/USB for 4K TV have been successfully developed, with orders from Japanese customers received, and a utility model obtained in China and Taiwan.
 - (18) Cable products in USB for high current applications.

- (19) The development of high-temperature flame retardant ultra-fine electronic wire has been completed, and is now in mass production and on sale.
- (20) Product completion production and assembly processing for sensor line series applications.
- (21) Power cord set for LED flashlight has been patented, and is now in mass production and on sale.
- (22) Snowmelt series for the U.S. market have been certified by UL and are in mass production ready for market launch.
- (23) SF-31L+SF-52N high transparent plug and SF-31/SF-31L/SF-31S one-piece inner frame have been certified by UL for efficient terminal riveting automatic import.
- (24) In-line Outlets Cord.
- (25) GFCI outdoor use cord set has been certified by CSA/CSAus in North America to meet market demand, and is now in mass production and on sale.
- (26) Luminescent cable development.
- (27) The second/third/fourth generation laser projection lamp has been certified by ETL/FCC/FDA in the Americas. This product is manufactured by Wuxi factory and successfully sold in North American markets.
- (28) AWG thin wire for network cable 28/30/32/3430 has been successfully developed, and is now in mass production and on sale.
- (29) Industrial control high current output cable UL 2586 was developed and prototyped, thus entering the industrial control sector.
- (30) Camouflage wire development.
- (31) Integrated inner frame certification report (SF-21,SF-34,SF-35,SF-82) & electric wire components have been certified by CCC.
- (32) NEMA 5-15 (SF-195,SF-196,SF-197) new appearance and C19,C20 US-spec have been certified by UL & CUL.
- (33) Development of CAT.6A and CAT.7A series network cables completed.
- (34) Development of USB 3.1 Type C To USB 2.0 AM Cable Assembly completed and certified.
- (35) Development of Sensor Cable Project 11B and Sensor Cable Project 37A completed, and are now in mass production and on sale.
- (36) Developed two types of 4th generation laser projection lamps: high-end version and Northern Lights version to provide diverse options for customers. These have been certified by ETL/FCC/IC/FDA in the Americas, with orders received.
- (37) Wireless charging standard and self-developed long-distance charging two-in-one type, designed for automotive applications.
- (38) Stealth Bluetooth headphones, designed for automotive applications.
- (39) In-vehicle wireless functions to expand versatility.
- (40) In-vehicle electronic noise reduction (anti-noise).
- (41) Euro-spec halogen-free plug and power cord series products.

- (42) IEC type-C plug connector UL 60320 has been certified.
- (43) Power cords and power cord sets have been certified by BSMI in Taiwan.
- (44) EL cold light fluorescent line power cord.
- (45) The new factory for the production of power cord products has been tested and certified by UL and ETL.
- (46) Cat.6A U/FTP CMP physical foamed wire.
- (47) PoE Plus for LAN cable applications have been certified by UL.
- (48) Collaborate with industry to develop 5G foaming materials and LAN cable applications.
- (49) Waterproof product development and patent: For example, special waterproof outdoor cable is anticipated to replace the conventional outdoor cable.
- (50) New certifications (UL, ETL) of the Philippines Factory
- (51) Development of Cat.6 180° PCB-free module completed
- (52) Development of PCB-free KJ design product completed.
- (53) Development of GFCI component self-inspection function completed.
- (54) As European building regulations specify that halogen-free flame retardant and fire resistant network cables must be used, safety requirements have further improved the flame retardant performance and other requirements of smoke volume and non-corrosive gas release during combustion. With these regulations being widely implemented in Europe, other countries around the world have established regulations based on the Construction Products Regulation (CPR). The Company's common cable specifications have been tested under the CPR and will gradually complete other wire products to enhance competitiveness in the market.
- (55) Embossed power extension cable has been developed to enhance the appearance of product cables.
- (56) SF-03/04/06 add rubber wire H05RN-F 0.75-1.0mm VDE/ASTA have been certified.
- (57) Utility model application – RVVP shielded cable.
- (58) HDMI Premium Cable Assembly development and automated processing.
- (59) USB4.0 Type C to C Cable Assembly development and automated processing.
- (60) China National Standard 90 degree male plug + 2+3PIN 16A female plug developed.
- (61) SF-03 TO SF-87 has been certified by KC.
- (62) Speaker wire certified by UL CL2/ CL3 in the Philippines.
- (63) New energy car charging gun.
- (64) Industrial robot cable assembly.
- (65) Cable harness for new energy.
- (66) SF-31 & SF-87 has been certified by BSMI.
- (67) UKCA certification.
- (68) Cat.8 S/FTP Data Center Cable product line production technology development.
- (69) Jointly developed 5G material for network cable, and improved and upgraded each cable specification.
- (70) Certification for Cat.6 and Cat.6A F/UTP LSOH with CPR Dca rating.

- (71) Cat.5E UTP 24AWG and Cat.6 UTP 23AWG with dual-layer core insulation, CMR rating.
- (72) New structural design for Cat.6 UTP 23AWG w/o cross and Cat.5E UTP 24AWG CMP.
- (73) Cat.6 F/UTP 24AWG Non-Foam Cable.
- (74) Outdoor network cables for harsh environments with UL758 AWM certification.
- (75) Development of new PVC UL CM compound.
- (76) Network cable product certification - Philippines factory.
- (77) POE CAT.6/6A shielded/unshielded modules.
- (78) Various product certifications for Wuxi factory:
 - Lan Cable European CPR certification.
 - Australian/European 20 plug models certification for related countries.
 - Maintenance of 17 certificates for Chinese national standard CCC updates.
- (79) Evaluation of RG174 coaxial cable CM certification.
- (80) US standard 3-prong LED lighting plugs (male/female, outdoor waterproof).
- (81) PV1-F solar panel photovoltaic extension cable.
- (82) Production capability for large gauge wire harness crimping and ultrasonic welding (>50 sq mm).
- (83) European Standard Power Cord VDE Certification
- (84) LAN Cable Series – CPR Cca & B2ca Certification at Wuxi Plant.
- (85) NEMA 5-15R Plug Special Locking Cord (US Standard)
- (86) IEC 60320 C19 Angled Plugs (SF-300R, SF-300L) UL Certification.
- (87) IEC 60320 C21 Angled Plugs (SF-229, SF-229R, SF-229L) UL Certification.
- (88) CCTV Cable.
- (89) UL 1332 22AWG + 2.5mm² XLPE YG HSG to XH2.5 HSG Cable Assembly.
- (90) ETL Certification for SF-84S (90°).
- (91) In-vehicle High-voltage Wiring Harness AC600V/DC900V, 1.5mm²–70mm² Single-core Shielded and Unshielded; AC1000V/DC1500V, 10mm²–120mm² Single-core Shielded and Unshielded
- (92) LAN Cable CAT.6 U/UTP with B1 Flame-retardant Rating (GB/T 31247).
- (93) CQC Certification for AC Charging Cables for Electric Vehicles.
- (94) UKCA Certification for CAT.5E, CAT.6 U/UTP & CAT.6A U/FTP.

7. Long- and short-term R&D projects for new products or services

The Company's network cables, automotive wire harnesses, and solar cables are expected to grow alongside the development of the U.S. infrastructure, satellite industry, automotive and green energy industries. The Company's main future development direction will focus on the continuous development of related products for internet surveillance, industrial, and automotive system product lines.

- (1) Please refer to R&D overview for 2024.
- (2) The Company takes a proactive approach to utilizing sources and selecting suppliers in order to reduce costs.
- (3) In terms of cable products and ultra-thin electronic wire products, we will accelerate production capacity and efficiency at the Wuxi Factory in China while strengthening and evaluating our collaboration with the assembly factories. In doing this, we aim to capture new product markets and increase the Group's profitability.
- (4) In response to the pressures arising from decreasing profit margins, we will proactively integrate upstream and downstream suppliers to reduce costs. At the same time, the self-production of some key components including mold and plastic injection parts at the Wuxi factory has already started.
- (5) Taking into consideration the application of wiring products in construction, our cables will be developed with the aim of reducing the complicated manufacturing process. In doing so, we will be able to enhance the added value and competitiveness of products.
- (6) We will improve production technology, efficiency and quality systems and proactively invest in OEM/ODM consumer cable assembly products in Japan.
- (7) By integrating high-frequency technology and equipment, we have developed our own high-frequency tools and calibration programs.
- (8) We have proactively completed the development of cloud applications to meet the high-end demand for new installations in data.
- (9) At the same time, we have invested in high-speed audio, video and data transmission line sets for automotive applications.
- (10) Since Brexit we have developed and certified the cables used in the UK in accordance with the CPR in order to meet the demand in the UK, improving our competitiveness in that market.
- (11) 15 UL TPE\TPU\PVC products have been certified by UL.
- (12) Double-layer power cords have been developed.
- (13) RF Power wireless charging products are set as "for cars" and "portables" in the market, entering the wireless consumer product segment.
- (14) Development of in-vehicle cable products, including HVE1133-1134 26AWG*4C Waterproof Cable Ass'y, HVE1221 26AWG*4C Cable Ass'y, etc.
- (15) Development of industrial wires.
- (16) Cat.8 S/FTP Data Center Cable Product Certification.
- (17) Outdoor Network Cables and Certification for Harsh Environments.
- (18) US Standard Extension Cord with Dual Outlets.
- (19) New Energy Vehicle Charging Gun.
- (20) CAT.6A Toolless RJ45 Plug Module.
- (21) UL CM Compound Development and Certification.
- (22) Multinational Certifications for Product Lines at Wuxi Plant.
- (23) Localized Collaboration with Suppliers: Plastics and Packaging Materials for Network Cables.
- (24) UK Building Code Compliance – Mandatory CPR Standard and UKCA Certification for Four Cable Specifications.
- (25) Wire Harness Assembly and Electrical Testing Boards.
- (26) Industrial Network Cable with 10 million Drag Chain Cycles.
- (27) EV Cable Development (China GB Standard, UL, TUV Certification).
- (28) CAT.6A Toolless RJ45 Plug Connector.

- (29) Plug Appearance Enhancement.
- (30) Cat.6A Connecting Hardware with 180-degree Mini Keystone Jack.
- (31) UL Certification Application for New CMP-type Network Cable Materials.
- (32) Design and Development of Aluminum Foil (S-shaped) Wrapping Structure for Cat.6A Shielded Cable.
- (33) Development and Improvement of New Structure and Materials for PVC/LSOH Cables – Patented Structure for Cat.6A UTP Cable.
- (34) Reelex Air Tube Winding Packaging Test and Evaluation.
- (35) Localization of 5G Foamed Insulation Material Supply – Physical Foaming.
- (36) Compound Development: Colored PVC, TPE-like Insulation and Jacket Material, Modified Silicone, Elastic PVC.
- (37) Vietnam Fire-resistant Cables (Compliant with IEC 60331 and BS 6387 CWZ Standards).
- (38) PSE Certification for Five Types of Japanese Standard Plugs.
- (39) Certification for IEC Locking Plugs (300K/82K).
- (40) Patch Cord with Boot for Cable Protection.

(IV) Long-term and short-term business development plans

1. Short-term business plan:

- (1) Actively expand the customer base beyond the group by targeting key clients for technical services, fostering deep collaborations, and broadening the product line.
- (2) Continue to develop industrial, robotics, and automation-related cables to meet customer expectations for one-stop ordering by offering a diverse range of cables and harnesses.
- (3) In response to the smart manufacturing trend, expand into the industrial-grade network patch cord market to differentiate from the existing mid- to low-end consumer market and traditional distribution channels.
- (4) Focus on strengthening the European and Japanese markets for industrial and smart production equipment to boost development and sales of industrial cables.
- (5) Enhance production efficiency and shorten lead times at the Philippine plant to better meet demand from North American and non-North American markets in response to Trump Tariff 2.0.

2. Long-term business plan:

- (1) Continue collaborating with the group's sub-brand Prime on new product development.
- (2) Collaborate with the group's sub-brand Bestlink to expand the product line of industrial cables.
- (3) In response to Trump Tariff 2.0 and the ongoing diversification of global procurement markets, the Philippine plant is expanding its product lines beyond power cords and network patch cords to include industrial cables and ultra-fine wires.
- (4) Continue developing high-frequency automotive transmission cables suitable for hybrid and fully electric smart vehicles.
- (5) Develop low-Earth orbit (LEO) satellite cable products, which can be manufactured with minimal upgrades to existing equipment and support audio-visual and connector applications.
- (6) Work with factories to identify environmentally friendly production and packaging materials, and actively promote ESG-compliant solutions to customers.
- (7) Explore future opportunities in U.S. manufacturing or TAA (Trade Agreements Act) markets by identifying qualified suppliers for potential sales partnerships.

II. Market Analysis and Sales Overview

(I) Market Analysis

1. Sales Area

Unit: NT\$K

Sales Area		2024		2023	
		Amount	Ratio (%)	Amount	Ratio (%)
Domestic sales		491,299	4.86	319,090	3.24
Foreign Sales	US	8,276,137	81.94	8,367,740	85.06
	China	214,086	2.12	263,779	2.68
	Canada	325,359	3.22	305,851	3.11
	UK	60,645	0.60	52,156	0.53
	Austria	158,343	1.57	142,526	1.45
	Philippines	174,902	1.73	139,815	1.42
	Othes	398,902	3.95	246,974	2.51
Total Foreign Sales		9,608,374	95.14	9,518,841	96.76
Total		10,099,673	100.00	9,837,931	100.00

2. Market Share

The Company's power cord and plug products ranging from cords, cables, plugs, sockets, and connectors are commonly used in the U.S., Japan, China, Australia and EU countries. All of the Company's power cords have received safety approvals from national certification bodies. With leading levels of product technology, we have a relatively high market share in Europe. In terms of other products such as 3C transmission lines, solar energy, energy storage cable assembly and industrial automatic control system cables, we develop professional signal, video, audio, and power processes according to the needs of customers. Our services have been recognized by major European manufacturers with mass production underway. The Company's power cables are mainly used in extension cords in the U.S. retail market. Due to the large number of specifications and the lack of public information that can be used as a reference, no precise market share for the Company's power cords can be calculated. The estimated retail market share is approximately 25%. In addition to online retail channels, network cables are also sold through OEM channels. However, since OEM customers do not disclose their end customers, it is not possible to estimate—let alone accurately calculate—the overall market share.

3. Future Market Trends

(1) Network Cable

By 2030, the global network equipment market is projected to reach USD 175 billion, with a compound annual growth rate (CAGR) of 3.5% from 2024 to 2030. Within this, the Ethernet cable market is expected to reach USD 27.8 billion, growing at a CAGR of 11.4% over the forecast period. Key drivers of this growth include the increasing deployment of IoT-enabled devices across commercial, industrial, and consumer infrastructure, rising global digitalization, and the adoption of advanced technologies such as IoT, edge computing, and 5G. The global network equipment market holds strong growth potential, presenting opportunities for both telecom operators and enterprise markets.

Growth during the forecast period will be driven by security-focused network design, the adoption of IPv6, sustainability initiatives in green networking, and the ongoing evolution of connectivity standards. Major emerging trends include renewed interest in early networking technologies (pre-1990), increasing demand for edge computing devices, and a heightened focus on network security equipment

Wi-Fi 7 represents a significant leap in wireless technology, offering substantial improvements in performance and flexibility. It boosts maximum transmission speeds up to 46 Gbps—nearly five times faster than Wi-Fi 6, which offers 9.6 Gbps. These high transmission rates are well-suited for data-intensive applications such as 4K/8K video streaming and virtual reality (VR). According to IDC, the penetration rate of Wi-Fi 7-enabled network devices is expected to reach approximately 10%–15% in 2024. This includes Wi-Fi routers, wireless access points, network switches, firewalls, wireless controllers, and IoT devices, all of which provide wireless connectivity, expand network coverage, and manage multiple connected devices.

- A. High-speed network demand growth: There is increasing popularity in 5G technology development and the rapid spread of AIoT applications. In particular, the rapidly changing demand for high-speed networks in industrial automation, distance learning, and video conferencing will facilitate the growth of the network cable market.
- B. Pre-installed and high-end customized network cable increase: With digital transformation and the advancement of technology, there is an increase in demand for high-quality, customizable network cable products. For example, there will be an increase in demand for high-quality and highly reliable network cables for robots and automation devices, with network cables pre-installed and customized to specific requirements.
- C. The importance of environmental protection and sustainability: The common trend of energy-saving and carbon reduction globally will affect the network cable market. For example, the use of renewable materials and the economically durable design of products will be widely adopted to better reduce carbon emission and reduce resource waste.
- D. Market opportunities brought by 5G standardization: With the development and maturity of 5G technology, there will be new opportunities in the network cable market. For example, network cables with high speed, low latency and high reliability for 5G cell tower construction and smart appliance areas will become the new hot spot in the market.
- E. Power over Ethernet (PoE): In 2024, the global market value of Ethernet Power over Ethernet (PoE) chipsets is estimated at USD 1.28 billion and is projected to reach USD 2.96 billion by 2030, with a compound annual growth rate (CAGR) of 14.85% during the forecast period. PoE solutions provide power to devices such as IP cameras, wireless access points, VoIP phones, and other networked devices without the need for separate power sources. The growing adoption of smart devices, the expansion of the IoT ecosystem, and the increasing demand for simplified and cost-effective network solutions in commercial and industrial settings are key drivers of the PoE chipset market. Technological advancements—such as the development of more efficient and higher-capacity chipsets—have further accelerated market growth, along with ongoing efforts to standardize PoE protocols to ensure interoperability and scalability. The market also benefits from the rising demand for seamless connectivity in smart buildings, smart cities, and enterprise networks, establishing PoE as a critical component of modern network infrastructure.

Overall, with emerging technologies such as 5G technology and AIoT, the network cable prospects will be optimistic, providing a wide range of opportunities for related industries.

(2) Power cords:

According to market research, the power cord market will likely show the following trends:

- A. Importance of environmental protection and sustainability: The energy-saving and carbon reduction trend around the world will affect the network cable market. More companies will shift to products with renewable materials and economically durable design to better reduce carbon emission and reduce resource waste.
 - B. Thickness and plug standardization: To stand out in the competitive market, power cord manufacturers must constantly meet the demand of consumers in terms of thinner, simpler and more conveniently designed products. At the same time, standardized plugs must also be developed to meet the needs of different countries and regions.
 - C. Energy-efficiency: In recent years, energy-saving products have gained more and more attention. Given this, power cord manufacturers in the market will place emphasis on the development of reliable energy-saving technology to meet consumer demand for green technology.
 - D. Development of smart home market: With the development of smart home market, home appliances are becoming more and more intelligent. In the coming years, the power cord market will also be influenced by this trend. Hence, companies must be more flexible to smart home application and device needs, such as smart regulation and automatic power off, and USB socket
- In conclusion, the future power cord market will focus more on environmental protection and energy saving products. Together with the trend of intelligent technology, consumers' needs will be met through standardization.

4. Competitive Niche

(1) Diverse Network Cable Products Aligned with Market Trends and Demands

Given the rapidly evolving market for network cables, automation equipment wiring, and related assembly products, the Company actively develops network cable products in response to downstream application demands. This approach ensures alignment with industry trends and market dynamics.

(2) Excellent product quality, complete range of products, strong product competitiveness

The Company has accumulated a considerable amount of technology and experience in the production and manufacturing of wires used in networking and automatic industry products. Since its establishment, the Company has constantly improved its product quality and developed a variety of new products in order to meet the diverse requirements of customers. In addition to ISO 9001 (2000 version), IATF16949, UL, ETL and 3P certifications, the Company has also received the Rising Star Award and National Award of Outstanding SMEs from the Ministry of Economic Affairs. This shows that the Company's products have reached an outstanding level.

(3) Sales channels to expand product sales, boosting profit sources.

In an effort to effectively reduce production costs while at the same time providing versatile products to meet the diverse needs of customers, we have increased our investment overseas and expanded retailer trading services. We have a branch in the U.S. providing real-time services to large retailers and grasping the sales channels and customer sources for power cords. We also have a subsidiary that operates an e-commerce platform to expand sales channels, to be closer to the needs of the market and consumers.

(4) Multiple Production Sites

In addition to its facilities in Taiwan and Wuxi, China, the Company established a factory in the Philippines in 2018 in response to the U.S.-China trade war. This location has increasingly demonstrated strategic advantages amid prolonged tariff tensions. Looking ahead to 2025 and the emergence of Trade War 2.0 policies, U.S.-made or U.S.-approved country-of-origin manufacturing

may become a key focus for American procurement. Taiwan, being included in the Trade Agreements Act (TAA) list, is expected to offer a competitive advantage under these new policies.

5. Favorable and unfavorable factors of development and action taken in response

(1) Favorable factors

- A. The popularity of the internet contributing to future growth of internet cables:
The development of innovative applications will drive opportunities for the development of networking software communications technology, as the world enters an era of digital economy. As mobile broadband networks and multiple devices have become more and more common, together with the convergence of AI, big data, cloud computing and IoT, the “digital economy” will become the new economic strategy, shaping society, redefining consumer behaviors and business models. Based on this, the Company’s cables for online communications will see great potential in the future.
- B. Rise of Automation and Robotic:
With the advancement of AI, demand for robotics and automation is rapidly increasing. High-durability industrial cables, high-speed network cables, and ultra-fine cables—all of which are reliably produced by our Company—can be immediately supplied as part of comprehensive wire harness solutions, presenting new business opportunities.
- C. Immense business opportunities in 3C industries:
The development and growth in future information, communications, and consumer electronic products will provide ample room for the development of the Company’s UTP/FTP products. There will be tremendous business opportunities for the Company’s products alongside the continuous growth of the 3C industry.
- D. Excellent product quality, complete range of products with international competitiveness:
The Company has accumulated a considerable amount of experience and technology with respect to the production of LAN cables. Meanwhile, the Company makes every effort to improve its product quality and develop new products to meet the diverse needs of customers. At present, our products have been certified by safety standards, such as UL, ETL and 3P. The quality of our products is robust and well received by downstream customers and their products are highly internationally competitive.
- E. Mature production technology and high efficiency production:
We have accumulated many years of experience in the production of power transmission lines and LAN cables. With our highly efficient production model and efforts to continue to expand into new products, the quality of our products is guaranteed. Meanwhile, we provide information in a timely manner to facilitate management decisions.
- F. Trade War 2.0:
In response to the U.S.-China trade war and in an effort to reduce production costs, the Company acquired land in the Philippines in 2018 to establish a new manufacturing base. This facility was built to expand production capacity and mitigate the impact of protective tariffs arising from the trade conflict. Despite expectations, no tariff adjustments were made under the Biden administration, prompting U.S. customers to gradually shift their production to the Philippines. With Trump’s potential re-election in 2025 and the anticipated introduction of new tariff policies, the Philippine facility is expected to experience another wave of growth.

(2) Unfavorable factors

- A. Key raw material cost fluctuations will pose an impact on the Company’s profitability

The Company's primary raw materials are copper wire and PVC pellets, accounting for approximately 70% of the total purchase amount. As these two raw materials are mainly imported, a drastic change in international copper and oil prices will increase the risk of raw material prices. Therefore, international copper and oil prices will affect the Company's raw material purchase costs, further impacting the Company's profitability.

Action taken in response:

- a. The Company signs a supply contract with major raw material suppliers each year to ensure the stability of raw material sources and prices. We regularly lock in the copper price with the customers with an expiration period of more than 3 months. At the same time, we adopt a stability principle and request that major copper suppliers prepare materials with different delivery schedules. By doing this, we are able to ensure the stability of raw material sources and prices.
 - b. Information is collected to judge the price trend of raw materials while at the same time grasping the best purchasing time and quantity in line with safe stock levels and economic purchasing quantity.
 - c. In response to global environmental protection requirements, we will invest in the development of halogen-free materials in order to control the production and quality of raw materials.
- B. Rising costs of land, labor shortage and relocation of downstream industries
To reduce production costs and meet the needs of downstream vendors, cable manufacturers for 3C products have moved their production lines overseas to increase their competitiveness.

Action taken in response:

- a. Moving low value-added product lines to other countries for production and keeping the development of high-end products in Taiwan are the current trends within the industry. To reduce production costs and meet the needs of downstream manufactures, the Company has made plans for overseas investment by moving the production of low value-added products overseas and developing and producing high-level products in Taiwan. By taking this approach, we will enhance the competitiveness of the Company.
 - b. To tackle labor shortages and increasing wages of workers in China, we have invested in automation development that will replace many manual processes with automated or semi-automated equipment.
 - c. Entering e-commerce field with upstream and downstream integration
 - d. In response to the U.S. and China trade war, we have purchased a plot of land in the Philippines to build a factory to expand our production capabilities, further reducing the impact of the trade war and exchange rate risks
- C. Risks arising from changes in exchange rates.

The Company's products are mainly sold in Europe and the Americas, accounting for more than 95% of its operating income. In addition, as the Company's copper and PVC pellets are mainly imported, changes in exchange rates of New Taiwan dollar will have a considerable impact on the Company.

Action taken in response:

- a. The Company's financial unit always keeps a close eye on foreign currency trend. At the same time, we enhance the contact between our financial personnel and the banks to

ascertain their views on exchange rate trends and related information as a reference to hedge exchange rate change risk.

- b. To hedge the risk of exchange rate fluctuations, the foreign currency accounts obtained from foreign sales are kept in the foreign-currency deposit accounts at appropriate amounts, according to the exchange rate trend the Company's possible position in the future
- c. As the Company has been operating in the industry for such a long time, the quality of products and services is well received by customers. When there is a large fluctuation in international raw material prices, the Company is able to promptly reflect the fluctuation to the customers and adjust the selling price.

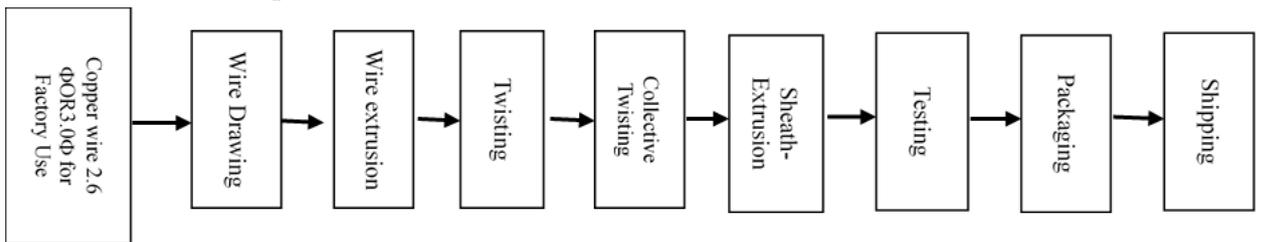
(II) Important applications and production processes of major products

1. Applications of major products

Product	Main Applications
LAN Cables	For use in computer networking configuration and peripherals
Network Information Sockets	Network Cable Connection
Power Cords and Plugs	Power Transmission

2. Production processes of major products

Process of LAN cable production



3. Supply situation of major raw materials

At present, the Company's main suppliers are major manufacturers in Taiwan. Due to longstanding cooperation, a stable supply relationship has been established. The major material for LAN cable and power cords is copper and delivery schedules meet the needs of the Company.

4. List of main import and export customers

(1) Information on major suppliers for the 2 most recent fiscal years

Unit: NT\$K

No.	2023				2024				Up to 2025 Q1			
	Name	Amount	Percentage of Net Imports for the Year	Relationship with the Issuer	Name	Amount	Percentage of Net Imports for the Year	Relationship with the Issuer	Name	Amount	Percentage of Net Imports for the Year	Relationship with the Issuer
1.	Other	9,791,990	100.00%	None	Other	8,771,115	100.00%	none	Other	1,722,486	100.00%	None
	Net Purchases	9,791,990	100.00%		Net Purchases	8,771,115	100.00%		Net Purchases	1,722,486	100.00%	

Note 1: List of suppliers accounting for 10 percent or more of the company's total procurement amount in the last two fiscal years and the amounts and percentages of their procurement. If the names of suppliers are not to be disclosed as set forth in the contract, or if the counterparties are individuals and not related parties, they may be listed under the code. For the last two years and up to the first quarter of 2025, the Company had no supplier that accounted for 10 percent or more of the Company's total procurement.

Note 2: Q1 2025 was reviewed by the accountants.

(2) Information on major sales customers for the 2 most recent fiscal year

Unit: NT\$K

No.	2023				2024				Up to 2025 Q1			
	Name	Amount	Percentage of Net Imports for the Year	Relationship with the Issuer	Name	Amount	Percentage of Net Imports for the Year	Relationship with the Issuer	Name	Amount	Percentage of Net Imports for the Year	Relationship with the Issuer
1.	Client A	1,718,968	17.47%	None	Client A	2,449,234	24.25%	None	Client A	572,349	25.05%	none
	Others	8,118,963	82.53%		Other	7,650,439	75.75%	-	Other	1,712,912	74.95%	-
	Net sales	9,837,931	100.00%		Net Purchases	10,099,673	100.00%		Net Purchases	2,285,261	100.00%	

Note 1: List of suppliers accounting for 10 percent or more of the company's total procurement amount in the last two fiscal years and the amounts and percentages of their procurement. If the names of suppliers are not to be disclosed as set forth in the contract, or if the counterparties are individuals and not related parties, they may be listed under the code.

Note 2: Q1 2025 was reviewed by the accountants.

III. Employee Data in the Past Two Years

Year		2023	2024	Up to 2025.4.30
Number of Employees	Direct Employees	920	1,069	1,043
	General Staff	844	585	644
	Total	1,764	1,654	1,687
Average Age		31.53	33.75	34.64
Average Length Of Service		4.82	4.22	4.88
Education Distribution Ratio	PhD	0%	0%	0%
	Master	0.38%	1.03%	1.11%
	College	24.12%	41.59%	45.15%
	High School	30.04%	23.60%	23.06%
	Below High School	45.46%	33.78%	30.68%

IV. Environmental Protection Expenditure

(I) According to the laws and regulations if it is required to apply for a permit for installing anti-pollution facilities, or permit of pollution drainage, or to pay anti-pollution fees, or to organize and set up an exclusively responsible unit/office for environmental issues, the description of the status of such applications, payment or establishment shall be made: The Company and its subsidiaries have obtained the Stationary Pollution Source Installation Permit and Water Pollution Prevention Permit, and have paid pollution prevention fees and selected employees to participate in training to obtain their environmental protection license in accordance with the regulations, as listed below:

1. Application for Pollution Facility Installation Permit or Pollution Discharge Permit:

Plant	Type of Permit	License No.	Validity
Taiwan Plant	Business Waste Removal Plan	H09310040003	2024.04-2029.04
Dongguan Plant	Business Waste Removal	91441900728770251T001W	2020.04-2025.04
Wuxi Plant	Business Waste Removal	91320205746840268D001X	2024.05-2029.05
Philippines Plant	Business Waste Removal	In compliance with local regulations, all waste is handled by certified waste disposal contractors.	2024.09-2027.09

2. Payment of pollution prevention and control fees

Plant	Category	2023	2024
Taiwan Plant	Business Waste Removal Fee	NT\$317K	NT\$276K
Dongguan Plant	Business Waste Removal Fee	NT\$22K	NT\$34K
Wuxi Plant	Business Waste Removal Fee	NT\$123K	NT\$421K

3. Establishment of dedicated environmental protection personnel: None.

(II) Setting forth the company's investment on the major anti-pollution facilities, the use purpose of such facilities and the possible effects to be produced:

Plant	Equipment Item	Investment Amount	Use Purpose and Possible Effects:
Dongguan Plant	Automatic Feeders	15,180 thousand	The original manual feeding was replaced with automatic feeders to enhance the quality and productivity of glue, and reduce the loss. Toxic substances such as the dust and oil in the working environment is reduced to significantly improve the environment and employee health.

(III) Describe any losses suffered by the company in the most recent fiscal year due to environmental pollution incidents (including any compensation paid and any violations of the environmental protection laws or

regulations found in environmental protection inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

(IV) Explain the current condition of pollution and the impact of its improvement to the profits, competitive position and capital expenditures of the company, as well as the projected major environment-related capital expenses to be made for the coming 2 fiscal years:

None

V. Labor Relations

(I) The Company's various employee welfare measures, continuing education, retirement system and their implementation, as well as the agreement between labor and management and measures for the maintenance of employee benefits

1. Employee welfare measures:

- (1) The Company has set up an Employee Welfare Committee and formulated Employee Welfare Measures for various employee benefits such as subsidies for weddings, funerals and childbirths, employee birthday gifts, employee trips and gathering. We also offer free food and parking discounts and flexible working hours.
- (2) The Company complies with legal requirements by enrolling employees in Labor Insurance and National Health Insurance programs and additionally provides group insurance coverage to further protect employees. Annual health checkups are conducted for all on-duty personnel. In addition to meeting regulatory standards, the Company engages in enhanced on-site medical collaboration by inviting registered nurses to the facilities to provide health education and consultation services. Health seminars are also held on an irregular basis to promote the physical and mental well-being of employees.
- (3) Employees are entitled to year-end bonuses according to the Company's operations and the performance of the employee, while remuneration is distributed in accordance with the Articles of Incorporation.

2. Implementation of education and training:

- (1) Each year, the Company surveys the training needs of each unit and draws up an education and training plan.
- (2) Education and training are provided each year on an unscheduled basis according to the needs of employees.
- (3) The Company's employees may take the initiative and take part in education and training courses from time to time or at the request of their supervisors depending on business needs.
- (4) After completing an education and training course, the employees shall submit a report on what they have learned so that the effectiveness of the course is tracked with the maximum effect achieved. In doing this, the Company can enhance the quality, knowledge and functions of employees.
- (5) We organize in-company seminars by inviting external instructors from different fields, enabling our employees to take in different perspectives and learn experiences while at work.
- (6) Implementation of internal and external education and training at the Company's head office in 2024:

The percentage of new employee training was 40.19%, 34.58% for professional function training, 3.74% for supervisor competence training, 15.89% for general knowledge training, and 5.61% for self-initiated training. The total training hours were 1,321 costing a total of NT\$261,038

3. Retirement system

The Company was approved to establish a Labor Retirement Reserve Supervisory Committee by Letter(76) Fu-She-Lao-Zi No.044813 in April 1987. Each month, the Company contributes 2% of the total wage of the employee to the Labor Pension Fund to be deposited into the employee's special account. In line with the implementation of the Labor Pension Act (New System), the Company amended its Employee Retirement Rules on July 1, 2005. Since then, the Company has made a monthly contribution of no less than 6% of the monthly wage of the employee to be deposited in a personal pension account.

4. Agreement between labor and management and various employee rights maintenance measures:

- (1) At YFC, we abide by the Labor Standards Act, the Employment Service Act, and the Act of Gender Equality in Employment. Moreover, we have established our "Personnel Management Regulations," serving as a basis for the management of attendance, employee benefits and business trips and leave. The Personnel Management Regulations were formulated in accordance with the Labor Standards Act with reference to industry and social order, protecting the legal rights and interests of employees.
 - (2) We regularly hold a labor-management meeting to promote the Company's policies and to understand the employees' opinions through grievance channels. The employees' opinions are valued and effectively communicated and appropriately handled.
 - (3) The Employee Welfare Committee consists of representatives elected by each department. Moreover, meetings are regularly held for employee welfare measures and activities.
- (II) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes, and disclosing an estimate of possible expenses that could be incurred currently and, in the future, and measures being or to be taken: The Company keeps open communication with its employees. There was one labor dispute in 2024, which was resolved during the year through third-party mediation.

VI. Cyber Security Management

(I) Cyber security risk management framework, cyber security policy, specific management plans and resources invested in cyber security management.

1. Cyber security risk management framework

The Information Department under the Group's General Management Department is responsible for coordinating and implementing the information security policy, and it is the information security authority and responsibility unit in the company. Company has hired one chief Information security officer who dedicated it. As well as this, the Information Department also oversees the promotion of information security, enhancement of the awareness of information security among employees, collection and improvement of the organization's information security management system. The audit unit conducts an information security audit in accordance with the internal control system – electronic computer cycle to evaluate the effectiveness of internal controls on the Company's information operations.

2. Information security policy

The Company's current cybersecurity measures are implemented in accordance with the Group's information security policy, aiming to strengthen information security management and ensure the

confidentiality, integrity, and availability of its information assets, thereby maintaining a stable environment for continuous operation of information services.

To implement information security management, the Company has formulated an internal control system – electronic computer cycle and report to the board of director periodic. Company is will to achieve the goals below through the joint efforts of all employees:

- Ensure the consistency of the computer information system operation and various processes
- Ensure that the computer information system is run properly, avoiding errors and improving work efficiency.
- Perform regular information security audits to ensure information security is implemented.

3. Specific management methods

Internet information security control	Data access control	Response and recovery mechanism	Promotion and verification
<ul style="list-style-type: none"> ♦ Group network built with VPN communication ♦ Firewall set up ♦ Periodic virus scanning of computer systems and data storage media ♦ The use of all network services shall be conducted in accordance with the information security policy ♦ Regular review of system logs for network services with abnormalities tracked 	<ul style="list-style-type: none"> ♦ Computer equipment shall be kept by a specific person and account number and complex password set ♦ Different access privileges are given according to function ♦ Privileges of departing personnel are cancelled ♦ Prior to disposing of equipment, confidential, sensitive and licensed software shall be removed or physically destroyed. ♦ Remote access management information systems shall be approved by the relevant supervisor 	<ul style="list-style-type: none"> ♦ Regular review of emergency response plan ♦ Regular system recovery drills each year ♦ Establish system backup mechanism and implement remote backup ♦ Regular review of computer network security control measures 	<ul style="list-style-type: none"> ♦ Promote information security information to build up awareness among employees ♦ Cyber security check is conducted each year by the audit unit

4. Implementation status

- The Company has not experienced any major cybersecurity incidents resulting in operational losses in the past three years.
- In the fourth quarter of 2024, the Company established the Information and Communication Security Management Promotion Committee and implemented its Information Security Policy, which was announced by the Group General Manager.
- The Company continues to implement its information security management objectives by regularly conducting recovery drills in accordance with its cybersecurity risk assessment plans and incident response and notification procedures, in order to safeguard the security of critical systems and data.

(II) List any losses suffered by the company in the most recent 2 fiscal years and up to the prospectus publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts as to why it cannot be made shall be provided: None.

VII. Major Contracts

Nature Of Contract	Parties Involved	Period	Main Contents	Restricted Terms
Long-term revolving guarantee loan	Shin Kong Commercial Bank	2013.10-2028.09	Land and plant as guarantee	None
Loan-term land purchase guarantee loan	Bank of Taiwan	2020.02-2040.02	Land guarantee	None
Long-term loan contract	Bank of Taiwan	2019.12-2026.12	Taiwanese businessmen returning to Taiwan for investment project	None
Long-term loan contract	Taiwan Business Bank	2024.08-2029.08	Credit loan	None
Contract for material purchase	Walsin Lihwa Corporation	2025.01-2025.12	Copper wire purchase	None
Contract for material purchase	Pacific Electric Wire & Cable Co., Ltd.	2025.02-2025.12	Copper wire purchase	None

E. Review & Analysis of Financial Position, Performance, and Risk Management

I. Analysis of Financial Status

Unit: NT\$ thousand

Item \ Year	2024	2023	Increase (decrease) amount	Change ratio
Current assets	6,878,439	6,597,019	281,420	4.27
Property, plant and equipment	1,125,712	1,011,516	114,196	11.29
Right-of-use assets	555,442	294,568	260,874	88.56
Intangible assets	637,134	564,583	72,551	12.85
Other assets	588,818	581,285	7,533	1.30
Total assets	9,785,545	9,048,971	736,574	8.14
Current liabilities	5,426,190	4,828,200	597,990	12.39
Non-current liabilities	1,047,729	1,159,083	(111,354)	(9.61)
Total liabilities	6,473,919	5,987,283	486,636	8.13
Share capital	1,464,627	1,464,627	0	0.00
Additional paid-in capital	988,829	988,829	0	0.00
Retained earnings	753,683	733,305	20,378	2.78
Other interests	99,267	(130,293)	229,560	(176.19)
Treasury stock	—	—	—	—
Non-controlling interests	5,220	5,220	0	0.00
Total equity	3,311,626	3,061,688	249,938	8.16
<p>1. Description of material changes:</p> <p>(1) The increase in right-of-use assets was primarily due to the renewal of warehouse lease agreements by a subsidiary in 2024 following the expiration of previous contracts.</p> <p>(2) The increase in other equity was mainly attributable to foreign exchange differences arising from the translation of subsidiary financial statements in 2024.</p> <p>2. Response plan: The above changes did not pose material impact on the Company</p>				

II. Analysis of Financial Performance

(I) Comparative analysis of operating results

Unit: NT\$K

Item \ Year	2024	2023	Increase (decrease) amount	Change ratio
Operating income	10,099,673	9,837,931	261,742	2.66
Operating costs	7,449,045	7,852,379	(403,334)	(5.14)
Gross profit	2,650,628	1,985,552	665,076	33.50
Operating expenses	2,321,453	2,604,559	(283,106)	(10.87)
Operating profits	329,175	(619,007)	948,182	153.18
Non-operating income and expenses	(133,867)	(12,859)	(121,008)	(941.04)
Pre-tax income	195,308	(631,866)	827,174	130.91
Income tax expense	59,397	(191,969)	251,366	130.94
Net income (loss)	135,911	(439,897)	575,808	130.90
Other comprehensive income (net after tax)	231,197	(21,565)	252,762	1,172.09
Total comprehensive income for the period	367,108	(461,462)	823,170	178.38

Description of material changes:

- (1) The increase in gross profit was primarily due to a decrease in operating costs in 2024.
- (2) The increase in operating profit was mainly attributable to a reduction in operating costs in 2024.
- (3) The decrease in non-operating income and expenses was due to a gain of NT\$98,247 thousand recognized in 2023 from the derecognition of right-of-use assets upon the mid-year lease termination by the U.S. subsidiary, UNC. No such gain occurred in 2024.
- (4) The increase in income tax expense was attributable to higher profitability resulting from reduced operating costs in 2024.
- (5) The increase in profit before tax and net income for the period was due to higher profitability resulting from lower operating costs in 2024.
- (6) The increase in other comprehensive income (net of tax) for the period was primarily due to a rise in cumulative translation adjustments in 2024.
- (7) The increase in total comprehensive income for the period was due to an increase in net income in 2024.

(II) Sales volume forecast and the basis therefor, and describe the effect upon the company's financial operations as well as measures to be taken in response:

According to the historical data of the Company's operating income and with reference to forecasts of professional forecasters in the power cord and cable industry, it is expected that the sales volume and revenue of the Company in the coming year will remain optimistic.

III. Analysis of Cash Flow

(I) Analysis of changes in cash flows in the past two years

Unit: NT\$K

Item	2024	2023	Increase (decrease) number	Change ratio
Net cash inflow (outflow) from operating activities	126,589	355,987	(229,398)	(64.44)
Net cash inflow (outflow) from investing activities	(276,230)	(235,873)	(40,357)	17.11
Net cash inflows (outflows) from financing activities	126,459	(865,338)	991,797	114.61

Description:

(1) Operating Activities: Net cash inflow from operating activities decreased in 2024 compared to 2023, primarily due to an increase in notes and accounts receivable and a decrease in notes and accounts payable.

(2) Financing Activities: Net cash flow from financing activities turned from an outflow to an inflow in 2024, mainly due to an increase in short-term borrowings, and decreases in long-term borrowings, short-term notes payable, and cash dividends paid..

(II) Liquidity analysis for the coming year.

Unit: NT\$K

Cash balance at the beginning of the period	Projected full-year net cash (out)flows from operating activities	Projected full-year cash (out)flows	Projected cash surplus amount	Remedies for projected cash shortfalls to maintain a comparable cash balance	
				Investment plan	Financing plan
1,420,208	126,589	(546,797)	1,000,000	0	0

Liquidity analysis: The net cash inflow from operating activities for the year was mainly due to the collection of sales revenues in 2025; the net cash outflow for the year was mainly due to the payment for raw materials and repayment of bank borrowings.

IV. Major Capital Expenditures and Impact on Financial and Business

In 2024, the Company or its subsidiaries did not have significant capital expenditures.

V. Reinvestment Policies and Main Profit/Loss Reason of the Past Year and Improvement Plans, with Investment Plans for the Coming Year

(I) Reinvestment profit or loss for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year:

Unit: NT\$K

Investment by the Company	Investment profit or loss for the most recent year	Policy	Main reason for profit or loss	Plan for improvement
YFC-BONEAGLE ELECTRIC (B.V.I)CO., LTD.	255,380	Holding company established to invest in the Philippines, China and the U.S.	Mainly for recognizing the profit or loss of YFC-BonEagle Holdings (Cayman) Co., Ltd., Europower International Limited, Universal Network Corporation, Max Synergy Limited, Premium Link Asia Ltd., YFC-BonEagle International, Inc., Beszin Corporation Inc.	Not applicable
BESTLINK NETWARE, INC.	6,548	Trading business	Stable operations with sustained profitability	Not applicable
UNC INVESTMENT & DEVELOPMENT INC.	24,331	Investment business	Business stable with continuous profitability.	Not applicable
PREMIUM-LINE KSI GMBH	(11,939)	Trading business	The loss was a result from the fact that economic scale was not reached.	Continued to develop business and expand customer orders.
MONOPRICE HOLDINGS, INC.	(173,973)	Holding company established to invest in the U.S.	Mainly for recognizing the profit or loss of Monoprice, Inc.	Not applicable
PREMIUM-LINE SYSTEMS GMBH	0	Trading business	None.	Not applicable
YUE FONG COMPANY LIMITED	(4,382)	Trading business	The loss was mainly attributable to revenue instability.	Continuing to expand business operations and increase customer orders.
YFC-Europower International Co., Ltd.	44,888	Trading business	Business stable with continuous profitability.	Not applicable
YFC-BONEAGLE HOLDINGS (CAYMAN) CO., LTD.	56,201	Holding company established to invest in China and the U.S.	Mainly for recognizing the profit or loss of Prime Wire & Cable, Inc.	Not applicable
EUROPOWER INTERNATIONAL LIMITED	(10,717)	Trading business	Orders have been transferred to the parent company Taiwan YFC-BonEagle Electric since 2019.	The subsequent operating expenses are supported by the parent company
UNIVERSAL NETWORK	(40,472)	Holding company	Mainly for recognizing the profit or loss of Wuxi Universal	Not applicable

Investment by the Company	Investment profit or loss for the most recent year	Policy	Main reason for profit or loss	Plan for improvement
CORPORATION		established to invest in China	Network Corporation.	
MAX SYNERGY LIMITED	0	Holding company established to invest in China	None.	Not applicable
PREMIUM LINE ASIA LTD.	65	Trading business	None.	Not applicable
YFC-BONEAGLE INTERNATIONAL, INC.	(6,136)	Trading business	The primary reason for the loss is the ongoing expansion of operations without the realization of economies of scale, leading to losses.	Continued to develop business and expand customer orders.
YFC DEVELOPMENT CORPORATION	(2,432)	Investment business	Primarily due to ongoing investments, revenue has not yet been sufficient to cover expenses.	Once the plant construction is completed, the associated rental income is expected to bring the Company into profitability.
YFC BONEAGLE ELECTRONIC TECHNOLOGY PHILS.	213,854	Production and sales of various types of electric wires, cables, plugs and sockets	Stable operations with sustained profitability	Not applicable
BESZIN COPORATION INC.	112	Trading business	The profit and loss was a result of exchange rate changes.	Not applicable
PRIME WIRE & CABLE, INC.	48,476	Sales of power cords, power cord sets, and network structured cabling systems	The main reason for the temporary loss is the decline in performance due to the impact of the global economic situation.	Continued to develop business and expand customer orders.
TAIPIN CIRCULATING ENTERPRISE CO., LTD.	—	Holding company established to invest in China	None.	Not applicable
MONOPRICE, INC.	(173,973)	Trading business	The main reason for the temporary loss is the continued impact of tariffs from the US-China trade war, which has delayed the reflection of sales prices, resulting in temporary losses.	Adjusting product prices to reflect cost increases aims to improve gross profit margin on sales.
Dongguan YFC	5,898	Production and sales of various types of electric wires, cables, plugs and sockets	Business stable with continuous profitability..	Not applicable
Wuxi Universal Network	(43,214)	Production and	The reduction in output and the	Continued to

Investment by the Company	Investment profit or loss for the most recent year	Policy	Main reason for profit or loss	Plan for improvement
Corporation		sales of high-speed broadband LAN communications networks	relocation of some production to the Philippines factory resulted in this.	develop business and expand customer orders.
Chenzhou YFC Boneagle Electronic Co., Ltd.	0	Processing and sales of network communication products, network cables	The liquidation of that subsidiary was completed by our company in the second quarter of 2023.	Not applicable

(II) Investment plans for the coming year: To meet the funding requirements for the construction of a new plant in the Philippines, the Company intends to increase investment by US\$8.6 million through its wholly owned subsidiary, YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD.

VI. Risk Items Analysis of the Past Year and up to the Annual Report Publication Date

(I) The impact of interest rate, foreign exchange rate, and inflation changes on the Company's financial performance and the corresponding response strategies :

1. Effect of interest rate changes

Interest expenses for the Company and subsidiaries in 2024 and 2023 were NT\$175,986 thousand and NT\$159,682 thousand, respectively, representing 1.74% and 1.62% of operating incomes for each year. In terms of measures in response to interest rate changes – the Company and its subsidiaries designate specialists to evaluate the interest rates over bank borrowings according to changes in market rates and keep in close contact with the banks to evaluate capital market and monetary market interest rates. Furthermore, various financial instruments (e.g., issuance of convertible bonds or cash capital increase) are used gain more favorable borrowing rates in order to reduce the risk of changes in interest rates. Based on this, there are no expected rate changes that will result in significant risk to the Company's gain or loss.

2. Effect of exchange rate changes

Net foreign currency exchange gains (losses) for the Company and subsidiaries in 2024 and 2023 were NT\$9,549 thousand and NT\$8,730 thousand, respectively. The Company's proposed future measures for changes in exchange rates are as follows:

- (1) The financial unit maintains close contact with the foreign currency department of our financial institutions and collects information associated with exchange rate changes at all times. As well as this, the financial unit also adopts timely and favorable measures to reduce the negative impact of exchange rate changes.
- (2) The products of the Company and subsidiaries are mainly sold overseas. In 2024, revenue from foreign sales accounted for 95.14% of total revenue. This was mainly due to the fact that major sales quotations and receipts were quoted and received in U.S. dollars. In addition to adopting the natural hedge of accounts receivable against accounts payable to hedge the risk of exchange rate fluctuations, in the event of a short-term imbalance, the U.S. dollar position is hedge by buying or selling foreign currencies at real-time exchange rates to ensure that the net exposure remains at an acceptable level.
- (3) Due to foreign exchange fund needs, foreign currencies are kept in foreign currency savings accounts. Foreign currencies held are adjusted in a timely manner according to the exchange rates in order to reduce the impact of exchange rate fluctuations.
- (4) When quoting customers, we take into account any possible impact arising from changes in exchange rates. Moreover, we will adopt a more stable exchange rate as the basis for quotation, so as to minimize the impact of exchange rate fluctuations on the interests of the orders received.

3. Inflation

Copper and PVC, the main raw materials of the Company and subsidiaries have been affected by international prices and this has posed a certain degree of impact on the Company's cost and profitability. In addition to signing long-term contracts with suppliers to ensure a stable source of supply, the Company quotes cooper prices to customers by locking in regular cooper prices for orders with 3 months or more deadline. At the same time, the Company will also adopt a pragmatic principle and asks major cooper suppliers to prepare materials with different delivery schedules.

4. Measures to adopt in response in the future

In response to changes in interest rates and exchange rates, the Company keeps close contact with the banks in order to grasp market change trends for careful evaluation which is served as a reference basis for transactions. In addition, prior to making appropriate and reasonable quotations to customers, the business unit first considers and evaluates future exchange rate trends and factors affecting the exchange rate. By

doing so, the adverse impact arising from exchange rate changes on revenue and profitability of the Company and subsidiaries can be avoided.

(II) High-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:

1. The Company and its subsidiaries uphold the principle of prudence and pragmatic management. In addition to focusing on the Company's business fields, the Company and its subsidiaries did not engage in high-risk, high-leverage investments.
2. The engagement in derivative transactions by the Company and its subsidiaries is based on the "Procedures for the Acquisition and Disposal of Assets" and "Procedures for Engagement in Derivative Transactions." As derivative transactions engaged in by the Company and its subsidiaries are to hedge the exchange rate risk exposed to operating activities and are not speculative operations, no significant foreign exchange gains or losses were incurred.
3. The formulation of the "Procedures for Loaning Funds to Others" of the Company and its subsidiaries was approved by the Board of Directors. In 2024 and up to the date of publication of the annual report, the Company and its subsidiaries performed relevant operations and announcements in accordance with the relevant regulations.
4. The formulation of the "Regulations Governing Making of Endorsements/Guarantees" of the Company and its subsidiaries was approved by the Board of Directors. In 2024 and up to the date of publication of the annual report, endorsements and guarantees were made only to the Company's 100%-owned subsidiaries and between its 100%-owned subsidiaries due to bank financing. No endorsements or guarantees were provided to others, and relevant operations and announcements were performed in accordance with the relevant regulations.

(III) Future research and development projects, and expenditures expected in connection therewith:

1. Network cables and information technology products:

Unit: NT\$ thousand

R&D plan	Current progress	Expected R&D expenses	Expected time for mass production completion	Main factors affecting the success of future R&D
Cat.8 S/FTP SLD Data Center Cable LSO certification. ETL CHANNEL & PERMANENT LINK certification	1. Improve the electrical characteristics of the finished product to address high-frequency oscillation issues. 2. Reduce the twist pitch of the pairs to shift the high-frequency oscillation point beyond the standard/limit range.	1,804	2025/Q4	High-frequency electrical characteristic requirements
Development of LAN Cable LDPE Special-Structure Outdoor Series	Cooperated with Sales to promote outdoor-use LAN products; finalized specifications and initiated trial production orders.	1,670	2025/Q3	Design of inner/outer extrusion dies and wrapping fixtures.
	Collaborated with Formosa Plastics to develop outdoor-use materials	100	2025/Q3	Outdoor performance verification of materials UL Certification for New Materials

R&D plan	Current progress	Expected R&D expenses	Expected time for mass production completion	Main factors affecting the success of future R&D
S-Foil Wrapping Method Using Aluminum Mylar to Replace Traditional Overlapping (Double-Wrapped) Structure	S-shaped Wrapping Die Structure Designed and Custom-Made; Performance Verification and Sample Submission in Progress.	200	2025/Q2	S-shaped tape mold mechanism
New Reelex Air Tube packaging and winding	Coordinate with the partner supplier to provide various wire gauges and diameters, and supply samples for winding evaluation.	100	2025/Q2	2024: Winding and Packaging Design Evaluation Completed in Q3. 2025: Scheduled for Mass Production Implementation
Development and improvement of new structure and materials for Lan PVC/LSOH cables - Patent structure for Cat.6A UTP cables	Confirmation of characteristics underway for new material structure (AL-MYLAR separator).	500	2024/Q3	Patent
	Confirmation of trial adjustments to reduce costs for the original structure.	176	2024/Q3	Patent
Development and application of physically foamed insulation materials for 5G through localized material sourcing	The partnering supplier has provided new material samples and proposed trial production conditions.	990	2025/Q4	1. Partnering Supplier Developing New Materials and Foaming Technology 2. Core Wire Extrusion: Temperature Control for Each Zone, Nitrogen Flow Rate Adjustment, and Inner/Outer Die DDR/DRB Mold Design
	Investment in Physical Foaming Equipment.	28,100	2025/Q4	Material and Foaming Technology
CAT.6A Toolless RJ45 Plug connector	Pilot run completed after T6 version verification; third-phase documentation currently in preparation.	0	2025/Q1	Product upgrade
Industrial network cable with 10/20 million drag chain cycles	Completed initial wire design in February 2024.	225	2026/Q4	Product upgrade
Rotatable Angle Ethernet Cable	Product structure under design	21	2024/Q2	Product Upgrade Design completed; project closed.
Easy-to-Detach Shield Module	Product structure under design	164	2025/Q4	Patent Technology
Vietnam Fire-Resistant Cable (Standards: IEC60331, BS6387 CWZ)	Passed flame test in Jan. 2025; customer requested additional unshielded 1.0 mm ² / 2.5 mm ² specs	1,302	2025/Q2	Compliant with Vietnam fire-resistant standards

2. 3C cable and cable set processing products:

R&D plan	Current progress	Expected R&D expenses	Expected time for mass production completion	Main factors affecting the success of future R&D
UL758 AWM STYLE NO.10269,11627,3817 certification	Specification evaluation has been completed, and UL testing is in progress for 2025.	278	2025/Q1	Product Certification
Hydrogen fuel cell large square high-voltage wiring harness	Under evaluation	8,181	2025/Q2	Product upgrade completed
Three-electric (motor/drive/control) wiring harness	Under evaluation	86	2025/Q2	Product upgrade completed

3. Power cord and power cord set products

R&D plan	Current progress	Expected R&D expenses	Expected time for mass production completion	Main factors affecting the success of future R&D
European Standard Halogen-Free Cables VDE Certification: H03Z1Z1H2-F/H03Z1Z1-F, H05Z1Z1H2-F, H05Z1Z1-F	Improvement of sample production and experimental testing in progress.	3,150	2025/Q1	Product Certification Completed
High-Voltage Automotive Harness	Evaluating prototyping/testing cost and material confirmation	8,299	2024/Q4	Product upgrade completed
IEC Locking Plug (300K/82K)	Sample testing in progress	2,300	2025/Q1	Product Certification
90° Plug (with EU certification)	Product structure under design	1,290	2024/Q4	Product certification completed
Plug Appearance Improvement	Product appearance and structure under design	1,120	2025/Q3	Product Upgrade Ongoing
EV Charger	Data collection in progress	7,557	2024/Q4	Product Certification Sample completed; project closed
Japan PSE Certification for 5 Plug Models	Sample production in progress	607	2025/Q2	Product Certification
SF-198 (IEC60320-C15) EU Certification	Evaluating prototyping/testing cost and material confirmation	203	2025/Q2	Product Certification

4. Pellet Development

R&D plan	Current progress	Expected R&D expenses	Expected time for mass production completion	Main factors affecting the success of future R&D
Pellets with colored PVC	Had found material with color	100	2025/Q1	Can be tailored to meet the specific requirements of each customer

R&D plan	Current progress	Expected R&D expenses	Expected time for mass production completion	Main factors affecting the success of future R&D
Simulated TPE insulation & sheathing material	1. The outer sheathing material exhibits unstable physical properties after exposure to cold and immersion in oil.	320	2025/Q2	Complies with the requirements of UL-62 in the U.S.
	2. The insulation properties of the core wire material are unstable.	150	2025/Q2	
Modified silicone gel pellets	Had found new material.	150	2025/Q1	Complies with the requirements of UL-62 in the U.S.
Elastic PVC pellets	Under evaluation	100	2025/Q2	Complies with the requirements of UL-62 in the U.S.

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

The Company and its subsidiaries keep a close eye on important domestic and foreign policies as well as legal changes and take the initiative to propose measures in response in a timely manner. In the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, the Company's financial business was not affected due to changes in important domestic and foreign policies.

(V) Effect on the company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response:

i. Eco-friendly products and wireless communication are the world's future trend and there are more and more upstream and downstream integration in industries. The Company and its subsidiaries will take advantage of our advantage in technology and quality of products and strive for industry integration, while at the same time seeking opportunities for strategic alliances with major domestic and foreign manufacturers, creating maximum profits for the Company.

ii. To implement information security management, the company has established an "Information Security Policy" and formulated relevant internal control systems. The Information Department, which is under the Group General Administration Department, oversees this. An information security officer and a dedicated staff member are appointed to coordinate and implement information security policies, promote information security awareness among employees, collect and improve the organization's information security management system, and ensure the proper operation of the company's business and related units.

(VI) The impact of changes in the company's image upon its crisis management, and the measures the company plans to adopt in response:

The corporate image of the Company and its subsidiaries is good as we have always upheld the principle of prudence and pragmatic management. By entering the capital market, we strive to attract more talented people to join the Company and its subsidiaries. By deepening the strength of the management team, we are able to

return the operating results to our shareholders, fulfilling our corporate social responsibility. There was no risk of endangering the corporate image or corporate crisis.

- (VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken:

In the most recent fiscal year or during the current fiscal year up to the date of publication of the prospectus, the Company or its subsidiaries did not have any merger or acquisitions.

- (VIII) The expected benefits and potential risks of any plant expansion, and measures to be adopted in response:

In the most recent fiscal year or during the current fiscal year up to the date of publication of the prospectus, the Company or its subsidiaries did not plan any plant expansion.

- (IX) The risks associated with any consolidation of sales or purchasing operations, and measures to be adopted in response:

1. Solving the risk of overconcentration of imports: The reason for the Company and its subsidiaries seeking several suppliers with excellent ratings is to ensure the quality of raw materials while also reducing the risk of supply shortage or interruption of supply.

2. Solving the risk of overconcentration of sales: The products of the Company and its subsidiaries are mainly sold to major international manufacturers located in Europe, Americas, and Asia, who the Company and its subsidiaries keep close and sound relationships with. In addition to continuing to stabilize existing customers, the Company and its subsidiaries also proactively expand and develop a new customer base in order to diversify the risk of concentration of sales

- (X) Effect upon and risk to the company if a substantial quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and measures to be adopted in response:

In the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, no substantial quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the Company was transferred or changed hands.

- (XI) Effect upon and risk to the company associated with any change in governance personnel or top management, and measures to be adopted in response:

In the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, there was no change in governance personnel or top management.

- (XII) Litigious and non-litigious matters: List major litigious, non-litigious or administrative disputes that: (1) involve the company and/or any company director, the president, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment, or are still under litigation, where such a dispute could materially affect shareholders' equity or the prices of the company's securities: None.

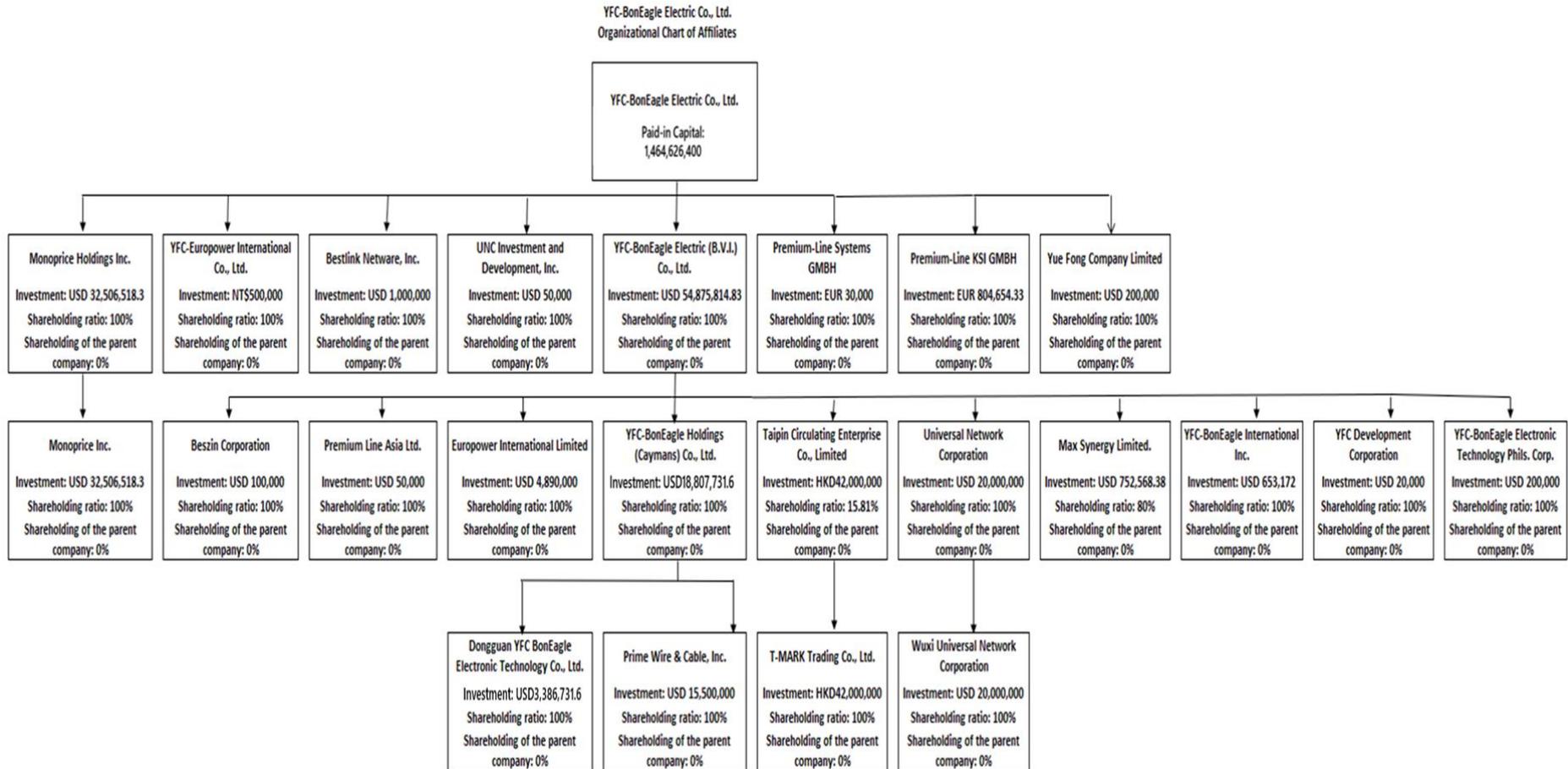
- (XIII) Other important risks and measures to be adopted in response:

VII. Other Material Information: None

F. Special Disclosure

I. Information on Affiliated Companies

(I) Organizational chart of affiliates



(II) Basic information of affiliates

Unit: NT\$K

Name of enterprise	Date of establishment	Main business or production items	Paid-in capital	Address
YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD.	1999.08.31	Holding company established to invest in China and the U.S.	1,665,613 (USD 50,876K)	P.O.BOX 957, OFFSHORE INCORPORATION CENTRE, ROAD TOWN, TORTOLA, BRITISH VIRGIN ISLANDS
BESTLINK NETWARE, INC.	2004.04.22	Trading business	31,393 (USD 1,000K)	16200 CARMENITA ROAD, CERRITOS, CA 90703
UNC INVESTMENT & DEVELOPMENT, INC.	2013.02.20	Investment business	1,496 (USD 50K)	16200 CARMENITA ROAD, CERRITOS, CA 90703
PREMIUM-LINE KSI GMBH	2016.08.11	Trading business	28,193 (EUR 600K)	Richard-Strauss-Straße 39, A-1230 Wien, Austria
MONOPRICE HOLDINGS, INC.	2016.11.18	Holding company established to invest in the U.S.	1,031,853 (USD 32,507K)	11701 6th Street,Rancho Cucamonga, CA 91730
PREMIUM-LINE SYSTEMS GMBH	2017.03.19	Trading business	1,077 (EUR 30K)	Rosenheimer Str.89,83064 Raubling
YUE FONG COMPANY LIMITED	2020.01.13	Trading business	5,989 (USD 200K)	NO.146/2/28, Road 30, Ward 6, Go Vap District, Ho Chi Minh City
YFC-EUROPOWER INTERNATIONAL CO., LTD.	2021.05.03	Trading business	500	NO12-9,130th LANE. SECTION 2,CHUNG SHAN E,ROAD,HSINWU,TAOYUAN
YFC-BONEAGLE HOLDINGS (CAYMANS) CO., LTD.	2000.03.29	Holding company established to invest in China and the U.S.	622,988 (USD 18,807K)	HUNTLAW BUILDING, P.O.BOX 2804, GEORGE TOWN, GRAND CAYMAN, CAYMAN ISLANDS
EUROPOWER INTERNATIONAL LIMITED	2001.11.16	Trading business	161,778 (USD 4,890K)	P.O.BOX 957, OFFSHORE INCORPORATION CENTRE, ROAD TOWN, TORTOLA, BRITISH VIRGIN ISLANDS
UNIVERSAL NETWORK CORPORATION	2002.05.07	Holding company established to invest in China	646,459 (USD 20,000K)	OFFSHORE CHAMBERS P.O.BOX217.APIA .SAMOA
MAX SYNERGY LIMITED	2010.05.21	Holding company established to invest in China	31,032 (USD 1,000K)	OFFSHORE CHAMBERS P.O.BOX 217. APIA. SAMOA

Name of enterprise	Date of establishment	Main business or production items	Paid-in capital	Address
PREMIUM LINE ASIA LTD.	2010.12.29	Trading business	1,472 (USD 50K)	Offshore Chambers, P.O. Box 217, Apia, Samoa
YFC-BONEAGLE INTERNATIONAL, INC.	2017.08.20	Trading business	18,558 (USD 653K)	Room 501, NO.1579 F.Benitez Street, Ermita, Manila Philippines
BESZIN CORPORATION INC.	2018.07.31	Trading business	3,085 (USD 100K)	Yong Kou Industrial Zone, Shijie Town, Dongguan City, Guangdong Province
YFC DEVELOPMENT CORPORATION	2020.05.27	Investment business	608 (USD 20K)	LOT 1-4,BLOCK 15,HERMOSA ECOZONE INDUSTRIAL PARK, Palihan, HERMOSA,REGION III,BATAAN,Philippines
YFC BONEAGLE ELECTRONIC TECHNOLOGY PHILS.CORPORATION	2020.05.21	Production and sales of various types of cables, power cords, plugs and sockets, online communication products and cables	6,170 (USD 200K)	LOT 1-4,BLOCK 15,HERMOSA ECOZONE INDUSTRIAL PARK, Palihan, HERMOSA,REGION III,BATAAN,Philippines
MONOPRICE, INC.	2016.11.18	Trading business	1,031,853 (USD 32,507K)	11701 6th Street,Rancho Cucamonga, CA 91730
PRIME WIRE & CABLE,INC.	1981.10.29	Sales of power cords, power cord sets, and network structured cabling systems	511,700 (USD 15,500K)	280 Machlin Court, City of Industry , CA 91789-3026
DONGGUAN YFC BONEAGLE ELECTRONIC TECHNOLOGY CO., LTD.	2001.06.01	LAN cables, computer peripherals, 3C power cords and cable processing, sockets, and online communication products	112,978 (USD 3,387K)	Yong Kou Industrial Zone, Shijie Town, Dongguan City, Guangdong Province
WUXI UNIVERSAL NETWORK CORPORATION	2003.04.24	High-speed broadband LAN equipment, optoelectronic components, optical communication transceiver modules, computer peripheral transmission equipment, high transmission power cord sets, broadband LAN system design	646,459 (USD 20,00K)	No.315, Youyi North Road, Xishan District, Wuxi City, Jiangsu Province

(III) For companies presumed to have a relationship of control and subordination: None.

(IV) Information on the directors, supervisors and presidents of each affiliate

Unit: NT\$K

Name of Enterprise	Title	Name of Representative	Shareholding	
			Number of Shares (Contribution Amount)	Shareholding Ratio (%)
YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD.	Chairman	Andrew Yeh	1,665,613 (USD 50,876K)	100.00
BESTLINK NETWARE,INC.	Chairman	Grow Lin	31,393 (USD 1,000K)	100.00
UNC INVESTMENT & DEVELOPMENT, INC.	Chairman	Grow Lin	1,496 (USD 50K)	100.00
PREMIUM-LINE KSI GMBH	Chairman	Andrew Yeh	28,193 (EUR 600K)	100.00
PREMIUM-LINE SYSTEMS GMBH	Chairman	Andrew Yeh	1,077 (EUR 30K)	100.00
YUE FONG COMPANY LIMITED	Chairman	Huang Chuan-Hsing	5,989 (USD 200K)	100.00
YFC-EUROPOWER INTERNATIONAL CO., LTD.	Chairman	Andrew Yeh	500	100.00
MONOPRICE HOLDINGS,INC.	Chairman	Grow Lin	1,031,853 (USD 32,507K)	100.00
YFC-BONEAGLE HOLDINGS (CAYMANS) CO., LTD.	Chairman	Andrew Yeh	622,988 (USD 18,807K)	100.00
EUROPOWER INTERNATIONAL LIMITED	Chairman	Andrew Yeh	161,778 (USD 4,890K)	100.00
UNIVERSAL NETWORK CORPORATION	Chairman	Andrew Yeh	646,459 (USD 20,000K)	100.00
MAX SYNERGY LIMITED	Chairman	Grow Lin	23,392 (USD 753K)	80.00
PREMIUM LINE ASIA LTD.	Chairman	Andrew Yeh	1,472 (USD 50K)	100.00

Name of Enterprise	Title	Name of Representative	Shareholding	
			Number of Shares (Contribution Amount)	Shareholding Ratio (%)
YFC-BONEAGLE INTERNATIONAL, INC.	Chairman	Eddy Ku	18,558 (USD 653K)	100.00
BESZIN CORPORATION INC.	Chairman	Grow Lin	3,085 (USD 100K)	100.00
YFC DEVELOPMENT CORPORATION	Chairman	Eddy Ku	608 (USD 20K)	100.00
YFC BONEAGLE ELECTRONIC TECHNOLOGY PHILS. CORPORATION	Chairman	Eddy Ku	6,170 (USD 200K)	100.00
MONOPRICE, INC.	Chairman	Grow Lin	1,031,853 (USD 32,507K)	100.00
PRIME WIRE & CABLE, INC.	Chairman	Chang, Lung-Kwang	511,700 (USD 15,500K)	100.00
DONGGUAN YFC BONEAGLE ELECTRONIC TECHNOLOGY CO., LTD.	Chairman	Andrew Yeh	112,978 (USD 3,387K)	100.00
WUXI UNIVERSAL NETWORK CORPORATION	Chairman	Grow Lin	646,459 (USD 20,000K)	100.00

(V) Business overview of affiliates

Unit: NT\$K

Name of enterprise	Amount of Capital	Total Assets	Total Liabilities	Net Value	Operating Income	Operating Income (Loss)	Gains / Losses for the Period (after tax)	EPS(NT\$) (after tax)
YFC-BONEAGLE ELECTRIC CO., LTD.	1,464,627	8,271,939	4,911,533	3,306,406	4,925,571	87,163	135,911	0.93
YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD.	1,665,613	3,496,579	2,526	3,494,053	0	0	234,963	—
BESTLINK NETWARE, INC.	31,393	133,816	89,268	44,548	272,222	7,756	6,548	—
UNC INVESTMENT & DEVELOPMENT, INC.	1,496	1,756,906	42,162	1,714,744	38,894	(14,882)	24,311	—
PREMIUM-LINE KSI GMBH	28,193	29,742	110,021	(80,279)	56,478	(716)	(11,939)	—
MONOPRICE HOLDINGS, INC.	1,031,853	2,694,899	2,579,814	115,085	0	0	(173,973)	—
YUE FONG COMPANY LIMITED	5,989	37,958	50,583	(12,625)	16,684	(2,663)	(4,382)	—
YFC-EUROPOWER INTERNATIONAL CO., LTD.	500	670,951	618,793	52,158	1,055,540	47,308	44,888	—
PREMIUM-LINE SYSTEMS GMBH	897	0	0	0	0	0	0	—
YFC-BONEAGLE HOLDINGS (CAYMANS) CO., LTD.	622,988	1,318,774	0	1,318,774	0	0	56,201	—
EUROPOWER INTERNATIONAL LIMITED	161,778	832,796	1,054	831,742	0	(11,280)	(10,717)	—
UNIVERSAL NETWORK CORPORATION	646,459	606,381	4,097	602,284	0	2,391	(40,472)	—
MAX SYNERGY LIMITED	23,392	26,102	0	26,102	0	0	0	—
PREMIUM LINE ASIA, LTD.	1,472	674,356	0	674,356	0	(5)	65	—
YFC-BONEAGLE INTERNATIONAL, INC.	18,558	279,108	287,100	7,992	174,685	(7,350)	(6,136)	—
YFC DEVELOPMENT CORPORATION	608	162,683	164,558	(1,875)	2,211	(2,433)	(2,432)	—
YFC BONEAGLE ELECTRONIC TECHNOLOGY PHILS. CORPORATION	6,170	831,513	762,761	68,752	2,361,505	234,664	213,854	—
BESZIN CORPORATION INC.	3,085	15,417	0	15,417	0	0	112	—
MONOPRICE, INC.	1,031,853	2,694,899	2,579,814	115,085	2,556,383	(158,343)	(173,973)	—
PRIME WIRE & CABLE, INC.	511,700	2,127,918	1,022,444	1,105,474	2,901,529	112,689	48,476	—
DONGGUAN YFC BONEAGLE ELECTRONIC TECHNOLOGY CO., LTD.	112,978	230,833	42,138	188,695	296,094	2,492	5,898	—
WUXI UNIVERSAL NETWORK CORPORATION	646,459	1,584,786	986,779	598,007	1,545,236	9,499	(43,214)	—

II. In the most recent fiscal year and up to the publication date of the annual report, there were no Private Placement of Securities

None

III. Other Required Supplementary Notes

None