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NEW ADVANCED ELECTRONICS TECHNOLOGIES CO., LTD.

NEW ADVANCED ELETRONICS TECHNOLOGIES CO., LTD.

Year 2024

Annual Report

Published on May 29, 2025

Enquiry of this annual report: <http://mops.twse.com.tw>
The company's website: <https://naeaudio.com>

- I. Company Spokesperson and Acting Spokesperson:
Spokeperson: Li, Jhih-Sian
Title: Chief Finance Officer
Telephone: (07)2291788
Email Address: official@naeaudio.com
Acting Spokesman: Huang, Chen-Ting
Title: Corporate Governance Officer
Telephone: (07)2291788
Email: jackie.huang@naeaudio.com
- II. Address and telephone number of head office, branch office and factory
- Head office
Address: 19F-1, No. 251 , Minguan 1st Rd, Sinsing District, Kaohsiung City
Telephone: (07)2291788
- Vietnam factory
Address: Plot CN2-3 in Yen Phong Industrial Zone (expansion phase), Yen Trung commune,
Yen Phong district, Bac Ninh Province, S.R Viet Nam
Telephone: +84-222-3979799
- Dongguan factory
Address: NO.1, Weixing Road, Chashan Town, Dong Guan City, Guang Dong Province,
China.
Telephone: +86-0769-87725650
- III. Name, address, website and telephone number of the share transfer institution
Name: Mega Securities co., LTD
Address: 1F., No.95, Sec. 2, Zhongxiao E. Rd., Zhongzheng Dist., Taipei City
Telephone: (02)33930898
Web site: <http://www.megasec.com.tw>
- IV. Name, firm name, address, website and telephone number of certified public accountants
Accountant Name: Wu, Chien-Chih, Wang, Chun-Kai
Firm Name: PWC Taiwan
Address: 22F., No.95, Minzu 2nd Rd., Xinxing Dist., Kaohsiung City
Telephone: (07)2373116
Web Site: <http://www.pwc.tw>
- V. The name of the trading place where the overseas securities are listed for trading and the way to inquire information about the overseas securities: none
- VI. Company website: <https://www.naeaudio.com>

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One. Report to Shareholders

Dear shareholders,

Firstly, thanks for your coming, advising, and long-term support, I would like to express my highest respect on behalf of all members of NEW ADVANCED ELECTRONICS TECHNOLOGIES CO.,LTD(NAE).

After enduring challenges such as global inflation, inventory build-up among brand owners and retail channels, and geopolitical tensions, the global professional audio market has shown a moderate recovery in 2024. With the joint efforts of all members of NAE, we still earn profit. The consolidated operating revenue in 2024 reached NT\$1,585,838 thousand dollars which was an increase of 28.65% compared to the year 2023. The earnings per share in 2024 was NT\$0.78, an increase of 116.67% compared to the year 2023. The following report will report on the business results for the year 2024, the business plan for the year 2025, the future company development strategy and the impacts from external competition environment, regulatory environment and overall business environment.

I. Business results report of year 2024

(I) Business plan and implementation results:

In 2024, the company's consolidated operating revenue amounted to NT\$1,585,838 thousand dollars, the consolidated operating income amounted to NT\$15,419 thousand dollars; the after-tax net profit amounted to NT\$19,801 thousand dollars and the consolidated comprehensive profit amounted to NT\$60,886 thousand dollars. Representing an increase NT\$353,151 thousand dollars (28.65%) of consolidated operating revenue, an increase NT\$1,133 thousand dollars (7.93%) of consolidated operating income, a decrease NT\$3,172 thousand dollars (13.81%) of after-tax net profit and an increase NT\$65,925 thousand dollars (1,308.30%) of consolidated comprehensive income over 2023.

(II) Budget implementation:

The company did not reveal 2024 financial budget, however, the overall sales budget was achieved well.

(III) Analysis of financial income and profitability:

Unit: NT\$1,000 ; %
(Except for earnings per share in dollars)

Item		2024	2023
Financial revenue and expenditure	Consolidated Operating Net Revenue	1,585,838	1,232,687
	Consolidated Operating Gross Profit	273,763	228,554
	Consolidated Operating Income	15,419	14,286
	Consolidated After-tax Net Profit	19,801	22,973
	Consolidated Comprehensive Income (Loss)	60,886	(5,039)
Profitability	Return on Assets (%)	2.25	1.87
	Return on Equity (%)	2.16	2.70

Item		2024	2023	
	Percentage of paid-up capital (%)	Operating Income	4.36	4.04
		Net Profit Before-tax	11.88	10.21
	Net Profit Margin (%)		1.24	1.86
	Earnings Per Share(dollars)		0.78	0.36

(IV) Research development status:

The consolidated R&D expenses in 2024 amounted to NT\$40,007 thousand dollars, an increase of NT\$7,667 thousand dollars compared to NT\$32,340 thousand dollars in 2023, accounting for 2.52% of the consolidated operating net revenue.

The company has a highly experienced R&D and manufacturing team in the fields of acoustics, mechanics, electronics, woodwork, and software. We are actively engaged in the development of high-quality speaker cabinets, ultra-high-power audio systems, and audio products that integrate various cutting-edge technologies. Through close cooperation with brand owners and suppliers and recruiting industry professionals, the Company has continued to accumulate R&D strength and manufacturing capabilities for speakers, to provide total product solutions to international audio brands.

II. 2025 annual business plan summary

(I) Business policy:

The company will continue to strengthen its R&D and manufacturing capabilities in audio products, while actively seeking collaboration with strategic partners to create new business opportunities and achieve steady growth. We are committed to becoming a leading professional loudspeaker manufacturer, fulfilling the corporate social responsibilities, and creating satisfying value for all shareholders.

(II) Expected sales volume and its basis:

The Company's main products are professional speakers, speaker units and related parts and accessories. We have close OEM/ODM cooperation with many international well-known brands. Through actively investing in research and development of product and manufacturing process, provide customers with one-stop services from design and development to manufacturing in the fields of structure, acoustics, electronics and software to strengthen competitiveness and strive to achieve stable sales growth targets.

(III) Important production and marketing policies:

1. Strengthen partnerships with existing customers while actively developing new clients and new products.
2. Implement effective supply chain management and enhance product quality standards to earn customer trust.
3. Optimize product and process design to improve production efficiency.

III. Future company development strategy, impact from external competition environment, regulatory environment and overall business environment

(I) Impact of external competitive environment and strategies:

North America, Europe, and Japan are the primary consumer markets for professional speaker products globally. The manufacturing of professional speakers is a labor- and capital-intensive industry, mainly based on OEM/ODM production. The supply chain is mainly concentrated in China and Southeast Asia, resulting in intense price competition. With the continuous advancement of technology, audio products are evolving toward increased intelligence, multifunctionality, and miniaturization. Faced with cross-industry competition from consumer electronics and related OEM manufacturers, the company will continue to recruit and cultivate talent in various acoustics-related fields, actively strengthen our R&D and manufacturing capabilities, and enhance product quality, functionality, and smart features through collaboration with leading brand partners and suppliers. At the same time, the company is proactively seeking opportunities to enter niche audio product markets.

(II) Impact of regulatory environment and strategies:

Corporate sustainability is an important issue at present. In the face of the regulations on environmental protection, energy usage, human rights, occupational safety and health, and corporate governance in the main operating countries, the company will continue to optimize product and process design, gradually implement the net zero carbon emission policy, improve talent training and employee care policies, strengthen the company's internal control system and employees' awareness of occupational safety and compliance.

(III) Impact of the macroeconomic environment and strategies:

In the face of global trade disputes, worldwide inflation, major countries' monetary policies, and geopolitical risks, which may lead to supply chain restructuring, reshuffling of brand owners and manufacturers, rising operating costs, and an overall economic slowdown, the company leverages its global sales network and production bases to provide customers with flexible and timely comprehensive services. At the same time, we are committed to developing high value-added products and services, strengthening partnerships with customers, and enhancing overall profitability.

Looking ahead to 2025, despite the many challenges in the overall environment, NAE will continue to maintain its foothold through comprehensive talent training programs, strengthening R&D and manufacturing capabilities, flexible procurement and production strategies, actively exploring new customer sources and seeking opportunities to enter niche products, and strengthening corporate governance, in order to continue to grow steadily after the overall economic variables are eliminated. At the same time, NAE will also fulfill its corporate sustainability responsibilities, continue to invest in corporate sustainability, environmental protection, social inclusion and corporate governance, and practice the role of corporate citizenship in pursuit of a sustainable future.

To all shareholder

All's well that ends well

Chairman:
Hsing, Chia-Chen

General manager:
Hsing, Chia-Chen

Accounting Director:
Li, Jhieh-Sian

Two. Corporate Governance Report

I. Information on the company's directors, independent directors, general manager, deputy general managers, deputy assistant general managers, and the supervisors of all the company's divisions and branch units

(I) Information of directors(Note 1)

April 30, 2025 / Unit : Shares ; %

Job title	Citizenship or Registered address	Name	Gender Age	Select (as of) Date	Term	First time selected Date	When selected as A stake		Now Shares held		Shares held by Spouse and children of minor age		In the name of others A stake		Main education and experience	Currently hold concurrent post in the company and other companies	If has a spouse or a relative within the second degree of kinship among other, directors or supervisors			Note
							Shares held	Holding ratio	Shares held	Holding ratio	Shares held	Holding ratio	Shares held	Holding ratio			Job title	Name	Relationship	
Chairman of the board of directors	R.O.C.	Tai Hong Asset Management Co., Ltd.	-	2024.6.27	3 years	2021.7.29	6,317,000	17.88	6,317,000	17.88	-	-	-	-	None	None	None	None	None	
	R.O.C.	Representative: Hsing, Chia-Chen	Female 61-65			2018.8.29	1,463,925	4.14	1,463,925	4.14	-	-	5,421,000 (Note 2)	15.34	Education: EMBA of National Sun Yat-Sen University	Note 3	Representative of director/ Representative of director	Huang, Tse-Lin /Huang, Chen-Ting	Son /Daughter	Note 4
Director	R.O.C.	Tai Hong Asset Management Co., Ltd.	-	2024.6.27	3 years	2021.7.29	6,317,000	17.88	6,317,000	17.88	-	-	-	-	None	None	None	None	None	
	R.O.C.	Representative: Huang, Tse-Lin	Male 26-30			2018.11.28	850,000	2.40	850,000	2.40	-	-	-	-	Education:Kingston University (London, UK) Experience: Executive Assistant to General Manager and Marketing Department Manager of the Company	Deputy general manager of the Company, Director of Tai Hong Asset Management Co., Ltd., Supervisor of New Advanced Asset Management Co., Ltd., Nae Technologies, Inc., Ltd. and Hongzhen Asset Management Co., Ltd..	Representative of Chairman / Representative of director	Hsing, Chia-Chen / Huang, Chen-Ting	Mother / Sister	

Director	R.O.C.	Tai Hong Asset Management Co., Ltd.	-	2024.6.27	3 years	2021.7.29	6,317,000	17.88	6,317,000	17.88	-	-	-	-	None	None	None	None	None
	R.O.C.	Representative: Huang, Chen-Ting	Female 31-35			2018.8.29	850,000	2.40	850,000	2.40	-	-	-	-	-	Education:Queen Mary, University (London, UK)	Chairman Executive Assistant and Corporate Governance Officer of the Company, Director of Tai Hong Asset Management Co., Ltd., New Advanced Asset Management Co., Ltd. and NAE Technologies, Inc.,	Representative of Chairman / Representative of director	Hsing, Chia-Chen / Huang, Tse-Lin
Director	R.O.C.	New Advanced Asset Management Co., Ltd.	-	2024.6.27	3 years	2021.7.29	6,114,000	17.30	6,114,000	17.30	-	-	-	-	None	None	None	None	None
	R.O.C.	Representative: Wang, Cong-Zhi	Female 61-65			2018.11.28	20,000	0.05	20,000	0.05	-	-	-	-	-	Education:Ming Chuan University	Director and Financial supervisor of Nae Technologies, Inc.	None	None
Director	R.O.C.	New Advanced Asset Management Co., Ltd.	-	2024.6.27	3 years	2021.7.29	6,114,000	17.30	6,114,000	17.30	-	-	-	-	None	None	None	None	None
	R.O.C.	Representative: Wang, Chen-Wen	Male 71-75			2018.11.28	181,710	0.51	180,710	0.51	-	-	-	-	-	Education:National Chia-Yi Industrial Vocational High School	Vice chairman of OXTOP (Dongguan) Electronics Co., Ltd.	None	None
Independent director	R.O.C.	Wu, Gang-Kui	Male 61-65	2024.6.27	3 years	2018.11.28	-	-	-	-	-	-	-	-	Education:Master of information management, I-Shou University	Wu, Gang-Kui law firm lawyer	None	None	None
Independent director	R.O.C.	Zhang, Zhong-Yuan	Male 46-50	2024.6.27	3 years	2018.11.28	-	-	-	-	-	-	-	-	Education:Department of Accounting, National Chengchi University Experience: CPA Taiwan, Assistant manager of Pwc, Internal auditor of Hanpin Electron Co., Ltd., CFO of Ezfly International Travel Agent Co., Ltd., CFO of American Hotel Group Co., Ltd. Taiwan Branch(Cayman)	CFO of Friendwell Hotel Co., Ltd.	None	None	None

Independent director	R.O.C.	Fang, Chih-Min	Male 66-70	2024.6.27	3 years	2021.7.29	-	-	-	-	-	-	-	-	-	Education: Doctor of University of Maryland Experience: Professor of department of business administration, National Sun Yat-Sen University	Independent director of Yen Sun Technology Corp, Jong Shyn Shipbuilding Co., Ltd. and Walrus Pump Co., Ltd., Adjunct Professor of department of business administration, National Sun Yat-Sen University, 12th Senior Advisor of Taiwan Excellent Brand Association	None	None	None
Independent director	R.O.C.	Chen,Nai-Rong	Male 46-50	2024.6.27	3 years	2024.6.27	15,000	0.04	15,000	0.04	-	-	-	-	-	Education: Soochow University Department of Economics	Deputy general manager of Investment Research Department of Hongda Investment Co., Ltd., Director of Hiroca Holdings Ltd., Director of Glory Material Co., Ltd., Director of Semisils Applied Materials Corp., Ltd., Director of Syner-g Technology Co., Ltd., and Supervisor of Image Match Design Inc.	None	None	None

Note 1 : The NAE shareholders elected NAE's 14th Board of Directors at its 2024 Annual Shareholders' Meeting on June 27, 2024. The nine Directors (including four Independent Directors). After the Annual Shareholders' Meeting, NAE held the first meeting of the 14th Board of Directors, where the Board unanimously elected Hsing, Chia-Chen Mrs. as Chairman.

Note 2 : The total shares held by Nae Technologies, Inc. and Hongzhen Asset Management Co., Ltd..

Note 3 : General Manager of the company, Chairman of New Advanced Electronics Technologies (Hong Kong), Chairman of New Advanced Electronics Technologies (Vietnam), Chairman of Advanced Sound Technologies, Inc., Chairman of OXTOP (Dongguan) Electronics Co., Ltd., Chairman of Jensen Electronics (Dongguan) Co., Ltd., Chairman of Tai Hong Asset Management Co., Ltd., Chairman of New Advanced Asset Management Co., Ltd., Chairman of Nae Technologies, Inc., Chairman of Hongzhen Asset Management Co., Ltd..

Note 4: When the Chairman of the Board of Directors and the President or equivalent (top manager) are the same person or spouses or primary relatives, the reason, rationality, necessity, and relevant information of future improvement measures (such as increasing the number of independent directors, and more than half of the directors shall be non-concurrent employees or managers) shall be stated:

The Chairman of the Board of Directors is also the President of the Company in order to improve the operating efficiency and decision execution. However, to strengthen the independence of the Board of Directors, the Company has been actively training suitable candidates internally. In addition, the Chairman of the Board of Directors also closely communicates with the directors about the Company's operation and policies to achieve corporate governance. An additional independent director has been added in the 14th session director re-election to enhance the function of the Board of Directors and strengthen the supervision function. At present, the Company has the following specific measures in place:

- (1) The current four independent directors have expertise in the fields of financial accounting and law, and can effectively play the role of supervision.
- (2) The Company arranges the directors to attend professional director courses from external institutions such as the Securities & Futures Institute every year to improve the operation efficiency of the Board of Directors.
- (3) Independent directors can fully discuss and provide suggestions to the Board of Directors in each functional committee for the implementation of corporate governance.
- (4) More than half of the directors of the Board of Directors are not concurrent employees or managers.

1. Major shareholders of the legal director:

April 30, 2025

Name of legal person shareholder	The principal shareholder of a corporate shareholder
Tai Hong Asset Management Co., Ltd.	Hsing, Chia-Chen(41.14%)、Huang, Tse-Lin(39.79%)、 Huang, Chen-Ting(19.07%)
New Advanced Asset Management Co., Ltd.	Huang, Tse-Lin(51.07%)、Hsing, Chia-Chen(29.31%)、 Huang, Chen-Ting(19.62%)

2. Disclosure of information on the professional qualifications of directors and the independence of independent directors:

April 30, 2025

Condition Name	Professional qualifications and experience	Independence situation	Concurrently number of independent directors of other public companies
Hsing, Chia-Chen Chairman	<ul style="list-style-type: none"> Professional qualifications : Business operations, factory manufacturing management, finance/accounting, with more than 30 years of experience required in company business. Main experience : Please refer to the information of directors in this annual report (page 4). None of the conditions of Article 30 of the Company Act. 	Not applicable.	0
Huang, Tse-Lin Director	<ul style="list-style-type: none"> Professional qualifications : Marketing, with more than 5 years of experience required in company business. Main experience : Please refer to the information of directors in this annual report (page 4). None of the conditions of Article 30 of the Company Act. 		0
Huang, Chen-Ting Director	<ul style="list-style-type: none"> Professional qualifications : Finance/accounting, with more than 5 years of required experience in company business. Main experience : Please refer to the information of directors in this annual report (page 4). None of the conditions of Article 30 of the Company Act. 		0

Condition Name	Professional qualifications and experience	Independence situation	Concurrently number of independent directors of other public companies
Wang, Cong-Zhi Director	<ul style="list-style-type: none"> ● Professional qualifications : Finance/accounting, with more than 5 years of required experience in company business. ● Main experience : Please refer to the information of directors in this annual report (page 4). ● None of the conditions of Article 30 of the Company Act. 		0
Wang, Chen-Wen Director	<ul style="list-style-type: none"> ● Professional qualifications : Enterprise operation management, factory manufacturing management, with more than 5 years of experience required in company business. ● Main experience : Please refer to the information of directors in this annual report (page 4). ● None of the conditions of Article 30 of the Company Act. 		0
Wu, Gang-Kui Independent director	<ul style="list-style-type: none"> ● Professional qualifications : Law, with more than 5 years of required experience in company business ● Main experience : Please refer to the information of directors in this annual report (page 4). ● None of the conditions of Article 30 of the Company Act. 	<p>All independent directors meet the following conditions :</p> <ol style="list-style-type: none"> 1. Comply with Article 14-2 of the Securities and Exchange Act and the relevant provisions of "Regulations on the establishment of independent directors of public companies and matters to be followed". 	0
Zhang, Zhong-Yuan Independent director	<ul style="list-style-type: none"> ● Professional qualifications : Finance/accounting, with more than 5 years of required experience in company business. ● Main experience : Please refer to the information of directors in this annual report (page 4). ● None of the conditions of Article 30 of the Company Act. 	<ol style="list-style-type: none"> 2. I (or in the name of others), my spouse and minor children collectively hold 15,000 shares of the company, representing for 0.04% of the shares. 3. None of remuneration 	0

Condition Name	Professional qualifications and experience	Independence situation	Concurrently number of independent directors of other public companies
Fang, Chih-Min Independent director	<ul style="list-style-type: none"> Professional qualifications : Enterprise operations management, marketing, with more than 5 years of required experience in company business Main experience : Please refer to the information of directors in this annual report (page 4). None of the conditions of Article 30 of the Company Act. 	received from providing business, legal, financial, accounting and other services to the company or its affiliates in the last two years.	3
Chen,Nai-Rong Independent director	<ul style="list-style-type: none"> Professional qualifications : Business, with more than 5 years of required experience in company business. Main experience : Please refer to the information of directors in this annual report (page 4). None of the conditions of Article 30 of the Company Act. 		0

3. Diversity and Independence of the Board of Directors :

(1) Diversity of the Board of Directors :

The election of the Company's board should take into consideration not only basic criteria, values (such as gender, age and culture , etc.), professional knowledge and competence (such as professional background, skills, industrial experience , etc.), but also individual ethical conduct and reputation as leaders. Board members should generally possess the knowledge, skills, and qualities necessary to perform their duties. Overall, all members of the board of directors should have abilities such as operational judgment, accounting and financial analysis, business management, crisis management, product knowledge, international market understanding, leadership, and decision-making skills.

①The implementation of Board member diversity policy is as follows:

Job title	Chairman	Director				Independent director			
Name	Hsing, Chia-Chen	Huang, Tse-Lin	Huang, Chen-Ting	Wang, Cong-Zhi	Wang, Chen-Wen	Wu, Gang-Kui	Zhang, Zhong-Yuan	Fang, Chih-Min	Chen,Nai-Rong
Gender	Female	Male	Female	Female	Male	Male	Male	Male	Male
Age	61-65	26-30	31-35	61-65	71-75	61-65	46-50	66-70	46-50
Professional Background									
Business	V	V	V	V	V		V	V	V
Finance/ Accounting	V		V	V			V		
Law						V			
Marketing	V	V						V	
Operation manufacturing	V				V			V	

Others									
Professional skills and industrial experience									
Operational Judgment	V	V	V	V	V	V	V	V	V
Accounting and financial analysis skills	V		V	V			V		
Management ability	V		V		V	V	V	V	V
Crisis management ability	V	V	V	V	V	V	V	V	V
Industrial Knowledge	V	V	V	V	V				
International View	V	V			V	V	V	V	V
Leadership	V	V			V	V	V	V	V
Decision - making ability	V				V	V	V	V	V
Business -developing	V	V							

②The management objective for director diversity is as follow:

Management objectives	Achievements
1. The overall board members should cover all levels of professional background, professional skills and industry experience.	Achieved
2. Directors of each gender account for more than one-third (inclusive) of the board of directors.	Achieved
3. Directors with relevant industry experience of the company account for more than half (inclusive) of the board of directors.	Achieved
4. The term of office of independent directors shall not exceed three terms.	Achieved

(2) Independence of the Board of Directors :

For the nine directors, four are independent directors, which constitute 44% of the board; three directors are relatives within the second degree of kinship, which complies with the provision of Securities and Exchange Act, Article 26-3, Paragraph 3 and 4.

(II) Information of the general manager, deputy general manager, assistant manager and the supervisors of all units

Job title	Nationality	Name	Gender	Select (on) any Date	A stake		Spouse and children of minor age holding shares		Holding shares in the name of another person		Main education and experience
					Shares held	Holding ratio	Shares held	Holding ratio	Shares held	Holding ratio	
The general manager	R.O.C.	Hsing, Chia-Chen	Female	2020.1.2	1,463,925	4.14	-	-	5,421,000 (Note 1)	15.34	Education: EMBA of National Sun Yat-Sen University
Deputy general manager	R.O.C.	Huang, Tse-Lin	Male	2023.3.23	850,000	2.40	-	-	-	-	Education: Kingston University (London, UK) Experience: Executive Assistant to General Manager and Marketing Department Manager of the Company
Corporate governance officer	R.O.C.	Huang, Chen-Ting	Female	2024.8.13	850,000	2.40	-	-	-	-	Education: Queen Mary, University (London, UK)

Job title	Nationality	Name	Gender	Select (on) any Date	A stake		Spouse and children of minor age holding shares		Holding shares in the name of another person		Main education and experience	Currently holding other company positions	If has a spouse or a relative within the second degree of kinship among general managers			Note
					Shares held	Holding ratio	Shares held	Holding ratio	Shares held	Holding ratio			Job title	Name	Relationship	
Chief financial officer	R.O.C.	Li, Jhih-Sian	Male	2024.8.13	5,000	0.01	-	-	-	-	Education:Department of Accounting,National Chung Hsing University. Experience: Manager of the Audit Department of PwC Taiwan, Audit office manager of the Company	None	None	None	None	
R&D department manager	R.O.C.	Pao, Polo	Male	2019.8.1	-	-	-	-	-	-	Education:Department of Electronic Engineering, Feng Chia University Experience: Consultant of Jingfeng Technology Co., Ltd. R&D Section Chief of Huai I Electronics Co., Ltd.	None	None	None	None	
Materials department manager	R.O.C.	Hsing, Pin-Ling	Female	2021.7.1	460,000	1.30	-	-	-	-	Education:Kaohsiung Municipal Kaohsiung Senior Business Vocational School	Director of OXTOP (DONGGUAN) Electronics Co., Ltd., Supervisor of Tai Hong Asset Management Co., Ltd, Director of New Advanced Asset Management Co., Ltd..	The general manager	Hsing, Chia-Chen	Sister	

Job title	Nationality	Name	Gender	Select (on) any Date	A stake		Spouse and children of minor age holding shares		Holding shares in the name of another person		Main education and experience	Currently holding other company positions	If has a spouse or a relative within the second degree of kinship among general managers			Note
					Shares held	Holding ratio	Shares held	Holding ratio	Shares held	Holding ratio			Job title	Name	Relationship	
Management department manager (Information Security officer)	R.O.C.	Tsao, Ting-Wei	Male	2020.11.9 (2023.11.10)	-	-	-	-	-	-	Education:Department of information management, He chun institute of technology Experience:Information manager of Nae Technologies, Inc.	None	None	None	None	
Internal audit officer	R.O.C.	Li, Ming-Chin	Male	2024.11.12	-	-	-	-	-	-	Education:Master of Accounting, National Kaohsiung University Of Applied Sciences. Experience: Director of Finance Department of Harmony Electronics Corporation.	None	None	None	None	

Note 1 : The total shares held by Nae Technologies, Inc. and Hongzhen Asset Management Co., Ltd..

Note 2 : Chairman of New Advanced Electronics Technologies (Hong Kong), Chairman of New Advanced Electronics Technologies (Vietnam), Chairman of Advanced Sound Technologies, Inc., Chairman of OXTOP (Dongguan) Electronics Co., Ltd., Chairman of Jensen Electronics (Dongguan) Co., Ltd., Chairman of Tai Hong Asset Management Co., Ltd., Chairman of New Advanced Asset Management Co., Ltd., Chairman of Nae Technologies, Inc., Chairman of Hongzhen Asset Management Co., Ltd..

Note 3 : When the Chairman of the Board of Directors and the President or equivalent (top manager) are the same person or spouses or primary relatives, the reason, rationality, necessity, and relevant information of future improvement measures (such as increasing the number of independent directors, and more than half of the directors shall be non-concurrent employees or managers) shall be stated:

The Chairman of the Board of Directors is also the President of the Company in order to improve the operating efficiency and decision execution. However, to strengthen the independence of the Board of Directors, the Company has been actively training suitable candidates internally. In addition, the Chairman of the Board of Directors also closely communicates with the directors about the Company's operation and policies to achieve corporate governance. An additional independent director has been added in the 14th session director re-election to enhance the function of the Board of Directors and strengthen the supervision function. At present, the Company has the following specific measures in place:

- (1)The current four independent directors have expertise in the fields of financial accounting and law, and can effectively play the role of supervision.
- (2)The Company arranges the directors to attend professional director courses from external institutions such as the Securities & Futures Institute every year to improve the operation efficiency of the Board of Directors.
- (3)Independent directors can fully discuss and provide suggestions to the Board of Directors in each functional committee for the implementation of corporate governance.
- (4)More than half of the directors of the Board of Directors are not concurrent employees or managers.

II. Remuneration paid during the most recent fiscal year to directors (including independent directors), supervisors, the general manager, and assistant general managers

1. Remuneration for directors and independent directors

Unit: NT \$1000 ; %

Job title	Name	Director's Remuneration								The total amount of A, B, C and D and their proportion to the net profit after tax		Relevant Remuneration Received by Directors Who Are Also Employees								The total amount of seven items A, B, C, D, E, F and G and their proportion to the net profit after tax		Compensation Paid to Directors from Non-consolidated Affiliates or Parent Company			
		Remuneration (A)		Retirement pension (B)		Director's remuneration (C)		Business execution costs (D)				Salary, bonus and special expenses (E)		Retirement pension (F)		Employee compensation (G) (Note1)									
		The company	All companies in financial reports	The company	All companies in financial reports	The company	All companies in financial reports	The company	All companies in financial reports	The company	All companies in financial reports	The company	All companies in financial reports	The company	All companies in financial reports	Cash amount	Amount of stock	Cash amount	Amount of stock	The company	All companies in financial reports				
Chairman	Tai Hong Asset Management Co., Ltd Representative: Hsing, Chia-Chen	0	0	0	0	150	150	12	12	2,126 7.71%	2,126 7.71%	4,600	4,600	0	0	0	0	0	0	10,446 37.88%	12,601 45.69%	0			
Director	Tai Hong Asset Management Co., Ltd Representative: Huang, Tse-Lin	0	0	0	0			15	15			2,400	2,400	0	0	0	0	0	0			0	0	0	
Director	Tai Hong Asset Management Co., Ltd Representative: Huang, Chen-Ting	0	0	0	0			15	15			1,320	1,320	0	0	0	0	0	0			0	0	0	0
Director	New Advanced Asset Management Co., Ltd. Representative: Wang, Cong-Zhi	0	0	0	0	150	150	18	18			0	0	0	0	0	0	0	0			0	0	0	0
Director	New Advanced Asset Management Co., Ltd. Representative: Wang, Chen-Wen	0	0	0	0			15	15			0	2,155	0	0	0	0	0	0			0	0	0	0
Director	New Advanced Asset Management Co., Ltd. Representative: Wang, Jen-Tsung (Note2)	0	0	0	0			3	3			0	0	0	0	0	0	0	0			0	0	0	0
Independent director	Wu, Gang-Kui	480	480	0	0	0	0	18	18			0	0	0	0	0	0	0	0			0	0	0	0
Independent director	Zhang, Zhong-Yuan	480	480	0	0	0	0	18	18			0	0	0	0	0	0	0	0			0	0	0	0

Job title	Name	Director's Remuneration								The total amount of A, B, C and D and their proportion to the net profit after tax		Relevant Remuneration Received by Directors Who Are Also Employees						The total amount of seven items A, B, C, D, E, F and G and their proportion to the net profit after tax		Compensation Paid to Directors from Non-consolidated Affiliates or Parent Company	
		Remuneration (A)		Retirement pension (B)		Director's remuneration (C)		Business execution costs (D)				Salary, bonus and special expenses (E)		Retirement pension (F)		Employee compensation (G) (Note1)					
		The company	All companies in financial reports	The company	All companies in financial reports	The company	All companies in financial reports	The company	All companies in financial reports	The company	All companies in financial reports	The company	All companies in financial reports	The company		All companies in financial reports		The company	All companies in financial reports		
		Cash amount	Amount of stock	Cash amount	Amount of stock																
Independent director	Fang, Chih-Min	480	480	0	0	0	0	18	18			0	0	0	0	0	0	0	0	0	0
Independent director	Chen, Nai-Rong (Note3)	245	245	0	0	0	0	9	9			0	0	0	0	0	0	0	0	0	0

1. Please state the remuneration policy, system, standards, and structure of the independent directors, and state the relevance with the amount of remuneration according to the responsibility, risk, time invested, and other factors:
The remuneration of the Company's independent directors shall be reviewed by the Remuneration Committee to the extent of each director's participation in the Company's operation and the value of the contribution, and the proposal shall be submitted to the Board of Directors for resolution after considering the Company's operation performance and the general level of payment of the same industry.
2. Except the sheet disclosed above, remuneration received by company directors for their services in the most recent year. (For example, serving as a consultant for non-employees of the parent company/financial report of all companies/reinvested businesses, etc.): The company appointed Mr. Wang, Jen-Tsung as a legal consultant and a lawyer for litigation cases. The total professional remuneration in 2024 was NT\$50 thousand dollars..

Note1 : The annual employee remuneration distribution plan of 2024 was approved by the board of directors on March 13, 2025 and paid in cash. However, the distribution personnel and amount have not yet been decided, and it is temporarily listed as not being distributed to directors who are concurrent employees.

Note2 : As the Company's shareholders' meeting re-elected the 14th board of directors on June 27, 2024, he was dismissed on the same day.

Note3 : First elected on June 27, 2024.

2. Remuneration for general manager and deputy general manager(Note 1)

Unit: NT \$1,000 ; %

Job title	Name	Remuneration (A)		Retirement pension (B)		Bonuses and Special expenses and so on (C)		Employee compensation amount (D) (Note 2)				The total amount of the four items A, B, C and D and their proportion to the net profit after tax (%)		Compensation Paid to Directors from Non-consolidated Affiliates or Parent Company
		The company	All companies in financial reports	The company	All companies in financial reports	The company	All companies in financial reports	The company		Finance report all companies in		The company	All companies in financial reports	
								Cash amount	Stock amount	Cash amount	Stock amount			
The general manager	Hsing, Chia-Chen	2,400	2,400	0	0	2,200	2,200	0	0	0	0	4,600 16.68%	4,600 16.68%	0
Deputy general manager	Huang, Tse-Lin	1,800	1,800	0	0	600	600	0	0	0	0	2,400 8.70%	2,400 8.70%	0
Chief financial officer (Corporate governance officer) (Note 3)	Chen, Mei Fang	800	800	0	0	0	0	0	0	0	0	800 2.90%	800 2.90%	0
Corporate governance officer(Note 4)	Huang, Chen-Ting	440	440	0	0	320	320	0	0	0	0	760 2.76%	760 2.76%	0
Chief financial officer(Note 5)	Li, Jhih-Sian	500	500	0	0	320	320	0	0	0	0	820 2.97%	820 2.97%	0

Note 1 : The Company's "managers" who meet the requirements of the Ministry of Finance Securities and Futures Management Commission's Letter No. 0920001301 dated March 27, 2003 are the general manager, deputy general manager, corporate governance officer and chief financial officer.

Note 2 : The annual employee remuneration distribution plan of 2024 was approved by the board of directors on March 13, 2025 and paid in cash, However, the distribution personnel and amount have not yet been decided, and it is temporarily listed as not being distributed to managers.

Note 3 : Resigned from the positions of corporate governance officer and chief financial officer of the Company due to job adjustments on August 13, 2024.

Note 4 : Appointed as the Company's corporate governance officer effective August 13, 2024, pursuant to the resolution passed by the Board of Directors on August 12, 2024.

Note 5 : Appointed as the Company's chief financial officer effective August 13, 2024, pursuant to the resolution passed by the Board of Directors on August 12, 2024.

3. Name and distribution of managers who distribute employee compensation

The annual employee remuneration distribution plan of 2024 was approved by the board of directors on March 13, 2025 and paid in cash, However, the distribution personnel and amount have not yet been decided, and it is temporarily listed as not being distributed to managers.

4. Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, general managers, and assistant general managers, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance.

(1) Analysis of the proportion of the total remuneration paid to directors, supervisors, general manager and deputy general managers of the Company to the net profit after tax in the recent two years:

Unit: NT \$1,000; %

Title	The year in 2023				The year in 2024			
	The total amount of fees		Net profit after tax		The total amount of fees		Net profit after tax	
	The company	All companies in financial reports	The company	All companies in financial reports	The company	All companies in financial reports	The company	All companies in financial reports
Directors	1,778	1,778	14.85	14.85	2,126	2,126	7.71	7.71
The general manager	4,041	4,041	33.74	33.74	4,600	4,600	16.68	16.68
Deputy general manager	1,841	1,841	15.37	15.37	2,400	2,400	8.70	8.07

(2) Explanation of remuneration policies, standards and packages, the procedure for determining remuneration, and its linkage to operating performance

The compensation of Directors include salary, remuneration and honorarium. According to the Company's Articles of Association and the provisions of procedures for compensation disbursement of directors and independent directors, the director salary is determined by the board of directors based on the participation level and contribution value of individual in the management of the company, as well as the industry standard. The independent directors are compensated with a fixed monthly director salary and do not receive director remuneration. For a profitable fiscal year, the company shall appropriate not more than 5% of the profit as director remuneration. For any year, the director remuneration is subject to the approval of majority vote by resolution of the remuneration committee and board of directors meeting attended by two thirds of the Directors before reporting to the shareholders' meeting. The honorarium is determined by referring to industry standard and the actual claims made by directors.

The remuneration of the general manager and deputy general manager includes salary, bonus and employee remuneration, which is based on the position held, responsibilities and operating performance, while also taking into account factors such as the amount of remuneration, payment method, the company's future risks, and industry standards, and approved by the remuneration committee and the board of directors.

The Company's directors' remuneration for 2024 increased by NT\$ 348 thousands compared to 2023, mainly due to the addition of an independent director, the increase in monthly fixed director remuneration, and the increase in directors' remuneration linked to the overall operating performance evaluation results due to the growth in operating profits in 2024. The Company's general manager and deputy general manager remuneration for 2024 increased by NT\$ 1,188 thousands compared to 2023, mainly due to the increase in bonuses linked to the overall operating performance evaluation results due to the growth in operating profits in 2024.

III. Implementation of corporate governance

(I) Operations of the board of directors

The 13th board of directors held 2 (A1) meetings in 2024. The attendance of directors is as follows :					
Job Title	Name	Attendance (Presence) in Person (B1)	Attendance by Proxy	Attendance (Presence) Rate (%) (B1/A1)	Note
Chairman	Tai Hong Asset Management Co., Ltd. Representative: Hsing, Chia-Chen	1	1	50%	
Director	Tai Hong Asset Management Co., Ltd. Representative: Huang, Tse-Lin	1	1	50%	
Director	Tai Hong Asset Management Co., Ltd. Representative: Huang, Chen-Ting	1	1	50%	
Director	New Advanced Asset Management Co., Ltd. Representative: Wang, Cong-Zhi	2	0	100%	
Director	New Advanced Asset Management Co., Ltd. Representative: Wang, Chen-Wen	2	0	100%	
Director	New Advanced Asset Management Co., Ltd. Representative: Wang, Jen-Tsung	0	2	0%	
Independent director	Wu, Gang-Kui	2	0	100%	
Independent director	Zhang, Zhong-Yuan	2	0	100%	
Independent director	Fang, Chih-Min	2	0	100%	
The 14th board of directors held 4 (A2) meetings in 2024. The attendance of directors is as follows :					
Job Title	Name	Attendance (Presence) in Person (B2)	Attendance by Proxy	Attendance (Presence) Rate (%) (B2/A2)	Note
Chairman	Tai Hong Asset Management Co., Ltd. Representative: Hsing, Chia-Chen	3	1	75%	
Director	Tai Hong Asset Management Co., Ltd. Representative: Huang, Tse-Lin	4	0	100%	
Director	Tai Hong Asset Management Co., Ltd. Representative: Huang, Chen-Ting	4	0	100%	
Director	New Advanced Asset Management Co., Ltd. Representative: Wang, Cong-Zhi	4	0	100%	
Director	New Advanced Asset Management Co., Ltd. Representative: Wang, Chen-Wen	3	1	75%	
Independent director	Wu, Gang-Kui	4	0	100%	
Independent director	Zhang, Zhong-Yuan	4	0	100%	
Independent director	Fang, Chih-Min	4	0	100%	

Independent director	Chen,Nai-Rong	4	0	100%	
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Other matters to be recorded :

I. Should any of the following circumstances occur at the Board of Directors meeting, the date of the board meeting, term, proposal content, opinions of all independent directors and the Company's handling of such opinions, should be specified:

(I) Article 14 (3) of the Securities Exchange Act: The Company has established an audit committee. For matters listed in Article 14-5 of the Securities and Exchange Act include the matters listed in Article 14-3 of the Securities and Exchange Act, please refer to the information on the operation of the Audit Committee in this annual report (page 21).

(II) Other matters of the board of directors which are subject to objection or reservation by the independent directors and which are recorded or stated in writing, other than the matters previously set fort: None.

II. If directors recuse the execution of the bill of interest, directors shall state the name of the director, the content of the bill, the reasons reasons for recusal at the request of interest and participation in the voting:

The Board of Directors meeting	Name of Directors	Content of Proposal	Reason for Recusal and Participation in Voting	Result of Voting
17 th meeting, 13 th session March 14, 2024	Hsing, Chia-Chen, Huang, Chen-Ting, Huang, Tse-Lin, Wang, Cong-Zhi, Wang, Chen-Wen	The company's remuneration distribution plan for directors and employee of 2023.	Due to conflict of interest.	Approved by all other directors present.
17 th meeting, 13 th session March 14, 2024	Hsing, Chia-Chen, Huang, Chen-Ting, Huang, Tse-Lin, Wang, Chen-Wen	Renting of 19F-1 and 17F-1, Asia Business Centre in Kaohsiung.	Due to conflict of interest.	Approved by all other directors present.
2 nd meeting, 14 th session August 12, 2024	Huang, Chen-Ting	Change in the Company's corporate governance officer and salary case.	Due to conflict of interest.	Approved by all other directors present.
4 th meeting, 14 th session December 19, 2024	Hsing, Chia-Chen, Huang, Chen-Ting, Huang, Tse-Lin, Wang, Chen-Wen	The company's 2024 year manager year-end bonus case.	Due to conflict of interest.	Approved by all other directors present.
4 th meeting, 14 th session December 19, 2024	Hsing, Chia-Chen, Huang, Chen-Ting, Huang, Tse-Lin, Wang, Chen-Wen	The special allowance case of the chairman of the company.	Due to conflict of interest.	Approved by all other directors present.

III. Evaluation cycles, evaluation periods, evaluation scopes, evaluation methods and evaluation procedures, etc. for evaluating the performance of the company's board of directors and members are disclosed as below:

Assessment cycles	Assessment period	Assessment range	Assessment methods	Assessment contents	Score /Assessment result
Implement once a year	From January 1, 2024 to December 31, 2024	Board of Directors	Internal self-evaluation of the board of directors	1. Involvement in the company's operations 2. Enhancement in decision-making quality of the board 3. Board composition and structure 4. Election and continued education of directors 5. Internal control	4.5/Well

Implement once a year	From January 1, 2024 to December 31, 2024	Individual board members	Self-evaluation of board members	1.Understanding of the company's goals and missions 2.Acknowledgement of a director's responsibilities 3.Involvement in the company's operations 4.Management and communication of internal relations 5.Professionalism and continued education of directors 6.Internal control	4.7/Well
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- IV. Evaluation of the objectives and execution of strengthening the functions and power of the board of directors in the current and the most recent years:
1. The Company has established a Remuneration Committee and an Audit Committee in accordance with the law. In order to implement sustainable development goals such as environmental protection, social responsibility and corporate governance, the Company established a Sustainable Development Committee on May 2, 2025.
 2. The Company has appointed four independent directors with professional backgrounds in business, finance/accounting, law, marketing, and operations. All independent directors participate in the functional committees to assist the Board of Directors in fulfilling their supervisory responsibilities.
 3. The Company has purchased directors and key officers liability insurance to protect the Company's directors and key officers from liability risks incurred when performing their duties.
 4. In order to enhance the professional knowledge of directors and corporate governance-related personnel, the Company arranges relevant training courses for directors every year, and fully subsidizes corporate governance-related personnel to participate in training. The 2024 directors' training situation has been disclosed on the Market Observation Post System website in accordance with the law. For the 2024 corporate governance-related personnel training situation, please refer to Employee education and Training (page 78) of this annual report.
 5. In order to enhance information transparency, the Company voluntarily discloses the attendance and important resolutions of the Board of Directors and various functional committees on the Company's website, and sets up "Investor", "Stakeholders" and "Sustainable Development" on the company website.

(II) Annual key tasks and implementations of the Audit Committee

1. The audit committee of the company is composed of all independent directors. Its main responsibilities are to assist the board of directors in oversight, and have achieved the following objectives:
 - (1)Fair representation of the company's financial statements.
 - (2)Selection (dismissal) of certified accountants and assessment of their independence.
 - (3)Effective implementation of the company's internal control.
 - (4)The company follows relevant laws and regulations.
 - (5)Management and control of existing or potential risks of the company.
2. Annual key tasks of the Audit Committee are as follows:
 - (1)Establish or amend the internal control system in accordance with Article 14-1 of the Securities and Exchange Law.
 - (2)Assessment of the effectiveness of the internal control system.
 - (3)In accordance with Article 36-1 of the Securities and Exchange Act, formulate or amend the procedures for the acquisition or disposal of assets, dealing in derivatives, lending funds to others, or endorsing or providing guarantees for others.
 - (4)Matters involving the interests of directors themselves.
 - (5)Significant asset or derivative product transactions.
 - (6)Significant capital loan, endorsement or guarantee.

- (7) Raising, issuing or private placement of equity securities.
- (8) Appointment, dismissal or remuneration of certified public accountants.
- (9) Appointment and removal of financial, accounting or internal audit supervisors.
- (10) Annual and quarterly financial reports signed or stamped by the chairman, general manager and accounting director.
- (11) Other major matters stipulated by the company or the competent authority.

3. The implementations status of Audit committee:

The 2nd audit committee held 2 (A1) meetings in 2024. The attendance of independent directors is as follows :

Job Title	Name	Attendance (Presence) in Person (B1)	Attendance by Proxy	Attendance (Presence) Rate (%) (B1/A1)	Note
Independent director (convener)	Wu, Gang-Kui	2	0	100%	
Independent director	Zhang, Zhong-Yuan	2	0	100%	
Independent director	Fang, Chih-Min	2	0	100%	

The 3rd audit committee held 3 (A2) meetings in 2024. The attendance of independent directors is as follows :

Job Title	Name	Attendance (Presence) in Person (B2)	Attendance by Proxy	Attendance (Presence) Rate (%) (B2/A2)	Note
Independent director (convener)	Fang, Chih-Min	3	0	100%	
Independent director	Zhang, Zhong-Yuan	3	0	100%	
Independent director	Wu, Gang-Kui	3	0	100%	
Independent director	Chen, Nai-Rong	3	0	100%	

Other matters to be recorded:

- I. In case of any of the following circumstances in the operation of the audit committee, the Audit Committee meeting date, period, proposal content, content of objections, reserved comments or major suggestions made by independent directors, results of the Audit Committee resolution, and the Company's handling of the Audit Committee opinions should be described:

(I) The matters listed in Article 14(5) of the Securities Exchange Act.

Audit Committee	Motion Contents and Resolution Results
16 th meeting, 2 th session March 14, 2024	<ol style="list-style-type: none"> 1. Appointment of certified accountants. 2. The company's 2023 business report and financial statements. 3. Distribution of capital surplus. 4. 2023 surplus earnings distribution proposal. 5. The company's 2023 annual internal control system statement. 6. Re-evaluation of the benefit of the subsidiary of the company, New Advanced Electronics Technologies (Vietnam). 7. The company's fund loan to New Advanced Electronics Technologies (Vietnam). 8. The company's endorsement guarantee for New Advanced Electronics Technologies (Hong Kong). 9. Renting of 19F-1 and 17F-1, Asia Business Centre in Kaohsiung. 10. Release the Prohibition on New Directors (Including Independent Directors) and Their Legal Representatives from Participation in Competitive Business 11. Amendment of the Company's Rules and Procedures of Board's Meetings. 12. Amendment to the Company's "Organizational Rules of the Audit Committee". 13. Application for credit quota with Shin Kong Commercial Bank. 14. Application for credit quota with CTBC Bank.

	<p>Opinions of Review Committee members: No objection or reservation. The Company's treatment of the Audit Committee's opinion: Not applicable. Result of the resolution: It was adopted after the Chairman's consultation with all members present.</p>
17 th meeting, 2 th session May 9, 2024	<p>1. Reporting on the company's consolidated financial report for the first quarter of 2024. 2. Proposal of earnings distribution for the first quarter of 2024.</p> <p>Opinions of Review Committee members: No objection or reservation. The Company's treatment of the Audit Committee's opinion: Not applicable. Result of the resolution: It was adopted after the Chairman's consultation with all members present.</p>
1st meeting, 3 th session August 12, 2024	<p>1. Election of the convener of the 3th Audit Committee. 2. Pre-approved certified accountants, their firms and firm affiliates to provide non-assurance services to the company and the subsidiaries. 3. Reporting on the company's consolidated financial report for the second quarter of 2024. 4. Proposal of earnings distribution for the second quarter of 2024. 5. The company's endorsement guarantee for OXTOP (DONGGUAN) Electronics Co., Ltd. 6. The company's fund loan to OXTOP (DONGGUAN) Electronics Co., Ltd. 7. Amendment to the Company's "Organizational Rules of the salary and remuneration committee" 8. The company's board of directors authorizes director to sign the audit reports. 9. Change in the Company's financial officer and accounting officer. 10. Change in the Company's internal audit officer.</p> <p>Opinions of Review Committee members: No objection or reservation. The Company's treatment of the Audit Committee's opinion: Not applicable. Result of the resolution: It was adopted after the Chairman's consultation with all members present.</p>
2nd meeting, 3 th session November 11, 2024	<p>1. Reporting on the company's consolidated financial report for the third quarter of 2024. 2. Proposal of earnings distribution for the third quarter of 2024. 3. Application for credit quota with Mega International Commercial Bank. 4. Change in the Company's internal audit officer. 5. Amendment to the Company's "management regulations on insider trading". 6. Amendment to the Company's "Corporate Governance Best Practice Principles".</p> <p>Opinions of Review Committee members: No objection or reservation. The Company's treatment of the Audit Committee's opinion: Not applicable. Result of the resolution: It was adopted after the Chairman's consultation with all members present.</p>
3 th meeting, 3 th session December 19, 2024	<p>1. The Company's 2025 Business Plan. 2. The Company's 2025 Internal Audit Plan. 3. The company's endorsement guarantee for New Advanced Electronics Technologies (Vietnam). 4. Formulate the company's "Sustainable Development Best Practice Principles". 5. Formulate the company's " Sustainable Information Management Operating Procedures". 6. Formulate the company's " Greenhouse Gas Inventory Management Procedure".</p> <p>Opinions of Review Committee members: No objection or reservation. The Company's treatment of the Audit Committee's opinion: Not applicable. Result of the resolution: It was adopted after the Chairman's consultation with all members present.</p>

(II) Other than the matters mentioned in the preceding paragraph, other matters that have not been approved by the audit committee but have been agreed by more than two-thirds of all the directors: None.

II. The independent director shall state the name of the independent director, the content of the bill, the reasons for recusal at the request of interest, and the participation in the voting: None.

III. The communication between the independent director and the internal audit supervisor and the accountant (including the major issues, methods and results of the communication on the company's financial and business conditions).

(I) The independent directors and the audit office manager may contact each other by email, telephone, or meeting at any time as necessary, and may convene a meeting at

any time in case of any major abnormal event. The communication channels are multiple and smooth. The audit office manager of the company shall submit an audit report or follow-up report of the previous month to each independent director for review every month, and the independent directors shall give feedback or opinions if necessary. There is no significant abnormality in the audit results of 2024, and the independent directors have no objection.

(II) The independent auditor of the Company reports to the independent directors on the audit or review of the financial statements. Usually the independent directors and the independent auditor contact each other by email, telephone, or meeting as necessary. The independent directors of the company and the independent auditor have good communication channels.

(III) A summary of the communication among the independent directors and the audit office manager and the independent auditor during 2024 is as follows:

evaluation procedures, etc. for evaluating the performance of the company's audit committee

Date	Communication mode	Object of communication	Matter of communication	Communication results
March 14, 2024	Audit Committee	Internal audit officer Independent auditor	1. Internal audit report. 2. 2023 statement of internal control system. 3. 2023 annual individual financial report and consolidated financial report.	Independent directors have no opinion or suggestion.
May 9, 2024	Audit Committee	Internal audit officer Independent auditor	1. Internal audit report. 2. Consolidated financial report for the first quarter of 2024.	Independent directors have no opinion or suggestion.
August 12, 2024	Audit Committee	Internal audit officer Independent auditor	1. Internal audit report. 2. Consolidated financial report for the second quarter of 2024.	Independent directors have no opinion or suggestion.
November 11, 2024	Audit Committee	Internal audit officer Independent auditor	1. Internal audit report. 2. Consolidated financial report for the third quarter of 2024. 3. Communication with the governance during the 2024 annual financial statement audit planning stage.	Independent directors have no opinion or suggestion.
December 19, 2024	Audit Committee	Internal audit officer	2025 internal audit plan	Independent directors have no opinion or suggestion.

IV. Evaluation cycles, evaluation periods, evaluation scopes, evaluation methods and members are disclosed as below:

Assessment cycles	Assessment period	Assessment range	Assessment methods	Assessment contents	Score /Assessment result
Implement once a year	From January 1, 2024 to December 31, 2024	Audit committee	Internal self-evaluation of the audit committee	1. Involvement in the company's operations 2. Acknowledgement of the audit committee's responsibilities 3. Enhancement in decision-making quality of audit committee 4. Audit committee composition and member selections 5. Internal control	4.8/Well

(III) The differences between corporate governance operations and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons for these differences:

Evaluation of project	Operation situation			The differences between corporate governance operations and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons for these differences
	Yes	No	Summary description	
I. Does the Company set and disclose corporate governance code of practice according to corporate governance practice principles for TWSE/GTSM-Listed companies?	✓		The company had formulated the Corporate Governance Best Practice Principles which had been published on the company's website and public information observatory.	No difference
II. The company's equity structure and shareholders' equity				No difference
(I) Has the company set internal operating procedures to deal with shareholder proposals, doubts, disputes and litigation matters, and does it implement these in accordance with its procedures?	✓		(I) The company has set up spokespersons, acting spokespersons, stock affairs and appeal window , and has dedicated personnel to deal with shareholders' suggestions or disputes and other issues.	
(II) Does the Company have a list of those who ultimately control the major shareholders of the Company?	✓		(II) The Company has established a stock affair unit and engaged a stock transfer agency through the information on shareholding changes in the previous month voluntarily provided by directors, managers and major shareholders at the beginning of each month, the declaration mechanism for substantial share acquisitions and the shareholder register on the day when transfers are stopped, The Company can actually grasp the list of major shareholders and their ultimate controllers.	

Evaluation of project	Operation situation			The differences between corporate governance operations and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons for these differences
	Yes	No	Summary description	
(III) Does the Company establish its risk management mechanism and firewalls involving related enterprises?	✓		(III) According to the company's " The operating procedures of financial business between related parties " and relevant operation procedures of internal control system.	
(IV) Has the Company set internal standards to prohibit the use of undisclosed insider information to trade securities on the market?	✓		(IV) (1) The Company has established "Procedures for Handling Material Inside Information" and "Regulations for the Prevention of Insider Trading" to regulate the securities trading activities of insiders. (2)The Company's " Corporate Governance Best Practice Principles " stipulates that directors may not trade the Company's shares during the closed period of thirty days prior to the announcement of the annual financial report and fifteen days prior to the announcement of each quarterly financial report. The Company also notifies each director of the closed period prohibiting the trading of the Company's shares after the scheduled date for submission of each financial report to the Board of Directors for resolution.	
III. Composition and duties of the board of directors				No difference
(I) Does the Board of Directors set and	✓		(I) The Corporate Governance Best-Practice Principles of	

Evaluation of project	Operation situation			The differences between corporate governance operations and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons for these differences
	Yes	No	Summary description	
<p>implement a diversification policy?</p> <p>(II) Has the Company establish other functional committees besides the Compensation Committee and Audit Committee?</p>	✓		<p>the Company provides that diversity factor should be taken into consideration for the Board's composition. Appropriate guidelines on diversity should be structured to accommodate its functioning, operational model and development needs. Board members should be in general equipped with the necessary knowledge, competences and literacy for performing their duties. Please see the section on Diversity and Independence of the Board of Director in the annual report (page 9).</p> <p>(II) In order to achieve the goals of sustainable development in environmental protection, social responsibility, and corporate governance, the Company established a Sustainability Committee on May 2, 2025. The committee consists of the chairman of the board and four independent directors. Its responsibilities are as follows:</p> <p>(1) Formulate, promote, and strengthen the Company's sustainability policies, annual plans, and strategies.</p> <p>(2) Review, track, and revise the implementation and effectiveness of sustainability initiatives.</p>	

Evaluation of project	Operation situation			The differences between corporate governance operations and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons for these differences
	Yes	No	Summary description	
(III) Has the company established its performance evaluation method and mode for the Board of Directors, and reported the results of the performance evaluation to the Board of Directors, and applied them as the reference for individual directors' remuneration and nomination for term renewal?	✓		(3) Supervise the disclosure of sustainability-related information and review the sustainability report. (4) Oversee the implementation of the Company's sustainability code of conduct and other sustainability-related tasks as resolved by the Board of Directors. (III) The company has formulated a board of directors performance evaluation method and disclosed it on the company's website and public information observatory. According to the company's board of directors performance evaluation method, the board of directors should conduct an internal board performance evaluation at least once a year. It may also appoint an external professional independent agency or an external team of experts and scholars performs the evaluation, and the results of the board's performance evaluation will be used as a reference for selecting and nominating directors, as well as setting the salary and remuneration of individual directors.	
(IV) Does the company regularly evaluate the independence of the	✓		(IV) According to the "Corporate Governance Best Practice Principles,"	

Evaluation of project	Operation situation			The differences between corporate governance operations and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons for these differences
	Yes	No	Summary description	
CPA?			the audit committee annually evaluates the independence and competency of the CPA with reference to the Audit Quality Indicators (AQIs). The results of the annual evaluation are consistent with the independence and competency standards presented to the Audit Committee and the Board of Directors for review and approval on March 13, 2025. Please see page 32 of this Annual Report for more information on evaluation indicators.(note)	
IV. Has the listed and OTC company allocated competent and an appropriate number of corporate governance personnel, and appointed a corporate governance director to be responsible for corporate governance-related affairs? (including but not limited to providing information required for director/supervisor's operations, convening board/shareholder meetings in compliance with the law, apply for/change company registry, and producing meeting minutes of board/shareholder meetings)?	✓		The company's board of directors passed a resolution on August 12, 2024, appointing the Chairman Executive Assistant, Huang, Chen-Ting as the top executive in charge of corporate governance-related matters, and her main responsibilities are as follows: <ol style="list-style-type: none"> 1. Handle matters related to meetings of the board of directors, audit committee, remuneration committee and shareholders' meeting according to law. 2. Prepare the minutes of the board of directors, audit committee, remuneration committee and shareholder meetings. 3. Assist directors in their appointment and continuing education. 	No difference

Evaluation of project	Operation situation			The differences between corporate governance operations and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons for these differences
	Yes	No	Summary description	
			<p>4. Provide the information required by the directors to execute their duties.</p> <p>5. Assist directors to comply with laws and regulations.</p> <p>The training details of the company's corporate governance officer of 2024 are on page 78 of this annual report.</p>	
V. Does the Company establish communication channels and dedicate section for stakeholder on its website to respond to important issues of corporate social responsibility concerns?	✓		The company has spokesmen and acting spokesmen, and set up a special area for stakeholders on the company's website to establish a good communication channel with stakeholders, and has appropriate responses to stakeholders .	No difference
VI. Has the company appointed a professional stock affairs agency for shareholders affairs?	✓		The company appointed professional stock agency - Maga securities co., LTD.	No difference
VII. Information disclosure (I) Does the Company set up website to disclose financial operations and corporate governance information?	✓		(I) The company has a website https://www.naeaudio.com to introduce the company and related businesses; In accordance with the regulations of the competent authority, the financial information has been announced and reported at the open information observatory.	No difference
(II) Has the Company adopted other measures (such as English website, a designated person responsible for the collection and disclosure of information,	✓		(II) The company has set up websites, and has set up a spokesman system, which is responsible for the company's external communication.	

Evaluation of project	Operation situation			The differences between corporate governance operations and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons for these differences
	Yes	No	Summary description	
<p>implementation of the spokesman system, the legal entities announcements uploaded to website, etc.) to disclose information?</p> <p>(III) Has the company announced and reported the annual financial statements within two months after the end of the fiscal year, and announced and reported the first, second, and third quarter financial statements and the operation of each month ahead of the required time limit?</p>	✓		<p>(III) The Company has completed all the financial statements and operation announcement within the time limit prescribed by the competent authority.</p>	
<p>VIII. Does the Company have other important information for better understanding the Company's corporate governance system (including but not limited to interests and rights of employees, care for employees, relation with investors, relation with suppliers, relation with interested parties, continuing education of directors and supervisors, execution of risk management policies and risk measuring standards, execution of customer policies, liability insurance for the Company's directors and supervisors)?</p>	✓		<p>(I) The company has set up staff welfare committee in accordance to the law to allocate staff welfare funds.</p> <p>(II) The Company has established relevant regulations, including the "Work Rules," "Occupational Safety and Health Guidelines," "Measures for Prevention, Complaint, and Disciplinary Actions of Workplace Sexual Harassment," "Salary Management Measures," and the "Employee Rewards and Disciplinary Measures." In addition, the Company has set up appeal Window and holds regular labor-management</p>	No difference

Evaluation of project	Operation situation			The differences between corporate governance operations and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons for these differences
	Yes	No	Summary description	
			<p>meetings to protect employees' rights and interests.</p> <p>(III) The company has established the " The operating procedures of financial business between related parties ", so that each related party of the company can avoid the situation of conflict of interest.</p> <p>(IV) Information on directors' training: disclosed in the corporate governance area of the open information observatory (http://mops.twse.com.tw)</p> <p>(V) The company has covered liability insurance for all directors and officers.</p>	
<p>IX. Please specify the measures adopted by the Company to improve the items listed in the corporate governance review result from Taiwan Stock Exchange's Corporate Governance Center and the improvement plans for items yet to be improved.</p> <p>1. According to the corporate governance evaluation results for 2023, the improvement measures undertaken in 2024 are as follows:</p> <p>(1)According to the Gender Equality and Diversity Policy, we will implement the members of board diversity policy and publish the latest status on the website and annually report.</p> <p>(2)The audit committee annually evaluates the independence and competency of the CPA through Audit Quality Indicators (AQIs). The evaluation process is detailed in the annual report.</p> <p>(3)The NAE website and annual report disclosed various employee welfare, labor retirement plans, and their current implementation status.</p> <p>(4)The company implemented the Gender Equality and Diversity Policy and their current implementation status.</p> <p>2. Important strengthening measures:</p> <p>(1)A written policy has been established to govern financial and business matters between this corporation and its related parties. The policy includes management procedures for transactions such as purchases and sales of goods, procedures for acquisition or disposal of assets, etc., and relevant major transactions should be submitted to the board of directors for approval and submitted to the shareholders' meeting for approval or report.</p>				

Evaluation of project	Operation situation			The differences between corporate governance operations and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons for these differences
	Yes	No	Summary description	
			<p>(2)The company creates an English-language website that includes information related to finance, business, and corporate governance.</p> <p>(3)Establish and disclose on the company’s website internal regulations prohibiting directors, employees, and other insiders from trading securities using non-public information, along with the status of implementation.</p> <p>(4)Set up a dedicated (or concurrent) unit responsible for promoting sustainable development. Based on the principle of materiality, conduct risk assessments related to company operations, formulate relevant risk management policies, and have the Board of Directors oversee the promotion of sustainable development, with disclosures made on the company’s website and in the annual report.</p> <p>(5)Referencing international human rights conventions, formulate policies to protect human rights and implement concrete management plans, with relevant policies and implementation status disclosed on the company’s website or in the annual report.</p> <p>(6)Disclose on the company’s website or in the annual report the integrity management policy approved by the Board of Directors, specifying concrete practices and preventive measures against unethical conduct, along with an explanation of implementation status.</p>	

Note: CPA’s Competence and Independence Assessment

Evaluation Items	Evaluation Result	Compliant with Competence and Independence
Scope I: Profession		
1.Do the senior auditors have sufficient audit experience to carry out the audit work?	Yes	Yes
2.Do the CPA and the senior auditors receive sufficient training every year to continuously acquire professional knowledge and skills?	Yes	Yes
3.Does the firm maintain enough senior human resources?	Yes	Yes
4.Does the firm have enough professionals to support the audit team?	Yes	Yes
Scope II: Quality Control		
1.Is the CPA's workload too heavy?	No	Yes
2.Is the input of audit team members in each audit stage appropriate?	Yes	Yes
3.Does the EQCR CPA devote enough time to review audit cases?	Yes	Yes
4.Does the firm have sufficient manpower on quality control to support the audit team?	Yes	Yes
Scope III: Independence		
1.Does the CPA have a direct or significant indirect relation with the Company and associates and joint ventures in financial interests?	No	Yes
2.Does the CPA have any financing or guarantee with the Company or its directors?	No	Yes
3.Does the CPA have a close business relationship or potential employment relationship with the Company?	No	Yes
4.Does the CPA provide non-audit services or fee which could impact the independence auditing process for the Company?	No	Yes
5.Does the CPA have kinship with the Company's directors, supervisors, managerial officers or any post with significantly influences on the auditing	No	Yes

Evaluation Items	Evaluation Result	Compliant with Competence and Independence
work?		
6.Does the CPA declare the Statement of Independent?	Yes	Yes
7.Does the total number of years that the audit case has been included in the firm's annual financial report impact its independence?	No	Yes
Scope IV: Monitor		
Is the accounting firm's quality control and audit cases implemented in accordance with relevant laws and regulations?	Yes	Yes
Scope V: Creativity		
Does the firm implement it's committed to enhancing the quality of audits, improving innovative capabilities, and strategic planning?	Yes	Yes

(IV) If a company has set up a remuneration committee, it shall disclose its composition, responsibilities and operation:

The Company established the Remuneration Committee and formulated its organizational charter in accordance with the "Securities and Exchange Act" and the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter." The responsibilities of the Remuneration Committee is to assess the remuneration policy and system for the Company's directors and executive officers in a professional and objective manner and make recommendations to the Board of Directors for reference.

1. The members of the company's salary and remuneration committee are as follows:

Title	Name	Conditions	Professional qualifications and experience	Independence situation	Number of members who are concurrently members of the compensation and remuneration committees of other public offering companies
Independent director(Convener)	Fang, Chih-Min	Please refer to the disclosure information on professional qualifications of directors and independence of independent directors in this annual report (pages 7 to 9).			3
Independent director	Zhang, Zhong-Yuan				0
Independent director	Wu, Gang-Kui				0
Independent director	Chen, Nai-Rong				0

2. Information about the operation of the company's remuneration committee is as follows:

- (1) The company has four members of the remuneration committee.
- (2) The term of the remuneration committee members: The terms of the 6th and 7th remuneration committee members are July 29, 2021 to June 26, 2024 and June 27, 2024 to June 26, 2027 respectively. During 2024, the remuneration committee has held 4 meetings (A1 and A2). The attendance of the members are as follows:

The 6th salary and remuneration committee held 1 (A1)meetings in 2024. The attendance of independent directors is as follows :

Job title	Name	Attendance in Person (B1)	Attendance by Proxy	Attendance Rate (%) (B1/A1)	Note
Convener	Wu, Gang-Kui	1	0	100%	
Member	Zhang, Zhong-Yuan	1	0	100%	
Member	Fang, Chih-Min	1	0	100%	

The 7th salary and remuneration committee held 3 (A2) meetings in 2024. The attendance of independent directors is as follows :

Job title	Name	Attendance in Person (B2)	Attendance by Proxy	Attendance Rate (%) (B2/A2)	Note
Convener	Fang, Chih-Min	3	0	100%	
Member	Zhang, Zhong-Yuan	3	0	100%	
Member	Wu, Gang-Kui	3	0	100%	
Member	Chen, Nai-Rong	1	0	100%	Note

Note : On August 12, 2024, the company's board of directors appoint him as the company's member of salary and remuneration committee.

Other matters to be recorded:

I. Proposals and resolutions of the remuneration committee of 2024:

Date	Content of Proposal	Result of Voting	Execution
March 14, 2024	The company's remuneration distribution plan for directors and employee of 2023.	Approved by all members present.	The resolution was submitted to the board of directors for approval and has been implemented in accordance with the resolution.
June 27, 2024	Select the convener of the Remuneration Committee	Approved by all members present.	The resolution was submitted to the board of directors for approval and has been implemented in accordance with the resolution.
August 12, 2024	Salary project for Finance and Accounting Officer	Approved by all members present.	The resolution was submitted to the board of directors for approval and has been implemented in accordance with the resolution.
	Salary project for corporate governance officer	Approved by all members present.	The resolution was submitted to the board of directors for approval and has been implemented in accordance with the resolution.
December 19, 2024	Review the company's 2025 salary and remuneration projects	Approved by all members present.	The resolution was submitted to the board of directors for approval and has been implemented in accordance with the resolution.
	The company's 2024 year manager year-end bonus case.	Approved by all members present.	The resolution was submitted to the board of directors for approval and has been implemented in accordance with the resolution.
	The special allowance case of the chairman of the company.	Approved by all members present.	The resolution was submitted to the board of directors for approval and has been implemented in accordance with the resolution.

II. If the board does not accept or amend what salary remuneration committee suggested, the date, period, content of the proposal, resolution of the board of directors, and the company's opinion on the compensation committee should be stated (For example, the salary paid by the board of directors is better than the salary compensation committee's recommendations, and the differences and reasons should be stated): None.

III. In the case of any objection or reservation made by a member to a decision of the remuneration committee, the date, period, contents of the proposal, all members' comments and the handling of the member's comments, if any, shall be clearly stated: None.

IV. Evaluation cycles, evaluation periods, evaluation scopes, evaluation methods and evaluation

procedures, etc. for evaluating the performance of the company's remuneration committee and members are disclosed as below:

Assessment cycles	Assessment period	Assessment range	Assessment methods	Assessment contents	Score /Assessment result
Implement once a year	From January 1, 2024 to December 31, 2024	Remuneration committee	Internal self-evaluation of the remuneration committee	1.Involvement in the company's operations 2.Acknowledgement of the remuneration committee's responsibilities 3.Enhancement in decision-making quality of remuneration committee 4.Remuneration committee composition and member selections 5.Internal control	4.8/Well

(V) Performance of corporate sustainable development and the differences between the Corporate Sustainable Development Best-Practice Principles for TWSE/TPE Listed Company and reasons.

Evaluation of project	Operation situation			The differences between the Corporate Sustainable Development Best-Practice Principles for TWSE/TPE Listed Company and reasons.
	Yes	No	Summary description	
I. Whether the company establish a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, which is authorized by the board of directors to handle senior management, and the board of directors supervises the situation? (The listed companies should report the implementation status instead of compliance or explanation.)	✓		The Board of Directors of the company is the highest supervisory unit for the company to promote sustainable development. In order to achieve the goals of sustainable development in environmental protection, social responsibility, and corporate governance, the company established a Sustainable Development Committee on May 2, 2025. Its responsibilities are as follows: (1)Formulate, promote, and strengthen the Company's sustainability policies, annual plans, and strategies. (2)Review, track, and revise the implementation and effectiveness of sustainability initiatives. (3)Supervise the disclosure of sustainability-related information and review the sustainability report. (4)Oversee the implementation of the Company's sustainability code of conduct and other sustainability-	No difference

Evaluation of project	Operation situation			The differences between the Corporate Sustainable Development Best-Practice Principles for TWSE/TPE Listed Company and reasons.						
	Yes	No	Summary description							
			<p>related tasks as resolved by the Board of Directors.</p> <p>The Chairman and the General Manager's Office of the Company have formed a cross-departmental Corporate Sustainability Promotion and Risk Assessment Team, with the General Manager as the convener. The team consists of a cross-departmental Corporate Governance Team, a Sustainable Environment Team, a Social Welfare Team, and a Sustainable Information Disclosure Team. The teams are responsible for planning and executing corporate sustainability-related operations and activities, and report to the Sustainability Committee and the Board of Directors at least once a year.</p>							
<p>II. Does the company conduct risk assessment on environmental, social, and corporate governance issues related to the company's operation in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (The listed companies should report the implementation status instead of compliance or explanation.)</p>	✓		<p>1. This note covers the risk assessment, management and policies of environmental, social and corporate governance issues in the company's main operations and production bases, including Taiwan, China and Vietnam, as of the date of publication of this annual report.</p> <p>2. Risk assessment standards, processes, results and risk management policies or strategies for material issues:</p> <table border="1"> <thead> <tr> <th>Material issues</th> <th>Risk assessments</th> <th>Risk management policies or strategies</th> </tr> </thead> <tbody> <tr> <td>Environment</td> <td>Environment and Ecological Protection</td> <td>The Company seeks to undertake effective measures that are helpful in improving environmental pollution and resource protection so as to implement</td> </tr> </tbody> </table>	Material issues	Risk assessments	Risk management policies or strategies	Environment	Environment and Ecological Protection	The Company seeks to undertake effective measures that are helpful in improving environmental pollution and resource protection so as to implement	No difference
Material issues	Risk assessments	Risk management policies or strategies								
Environment	Environment and Ecological Protection	The Company seeks to undertake effective measures that are helpful in improving environmental pollution and resource protection so as to implement								

Evaluation of project	Operation situation			The differences between the Corporate Sustainable Development Best-Practice Principles for TWSE/TPE Listed Company and reasons.												
	Yes	No	Summary description													
			<table border="1"> <tr> <td></td> <td></td> <td>environmental sustainability.</td> </tr> <tr> <td>Social</td> <td>Occupational safety</td> <td>The Company has established standard procedures for production processes and operating manual for equipment. Also, each year, the Company performs fire drills and equipment checks on a regular basis to strengthen operational safety and emergency response capability of employees.</td> </tr> <tr> <td></td> <td>Cargo safety</td> <td>The hazardous material purchased, including its transportation, storage, use and scrapping, is handled in accordance with the relevant regulations so as to prevent occurrence of accidents.</td> </tr> <tr> <td>Corporate Governance</td> <td>Social economic and legal compliance</td> <td>By establishing corporate governance framework and implementing internal control mechanism, the Company ensures all personnel and operating procedures are in line with the</td> </tr> </table>			environmental sustainability.	Social	Occupational safety	The Company has established standard procedures for production processes and operating manual for equipment. Also, each year, the Company performs fire drills and equipment checks on a regular basis to strengthen operational safety and emergency response capability of employees.		Cargo safety	The hazardous material purchased, including its transportation, storage, use and scrapping, is handled in accordance with the relevant regulations so as to prevent occurrence of accidents.	Corporate Governance	Social economic and legal compliance	By establishing corporate governance framework and implementing internal control mechanism, the Company ensures all personnel and operating procedures are in line with the	
		environmental sustainability.														
Social	Occupational safety	The Company has established standard procedures for production processes and operating manual for equipment. Also, each year, the Company performs fire drills and equipment checks on a regular basis to strengthen operational safety and emergency response capability of employees.														
	Cargo safety	The hazardous material purchased, including its transportation, storage, use and scrapping, is handled in accordance with the relevant regulations so as to prevent occurrence of accidents.														
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Evaluation of project	Operation situation			The differences between the Corporate Sustainable Development Best-Practice Principles for TWSE/TPE Listed Company and reasons.
	Yes	No	Summary description	
			<p>law and regulations.</p> <p>Strengthen the functions of directors</p> <p>(1) Each year, the Company plans for the continuing education of the Directors, providing them with information on the latest regulations, system development and policies.</p> <p>(2) The Company has purchased liability insurance for its Directors to protect them from litigation and complaints made against them.</p> <p>(3) There are 4 independent directors with professional backgrounds covering business, finance/accounting, law, marketing and operations, and all of them participate in various functional committees to assist the board of directors in fulfilling its supervisory responsibilities.</p> <p>Stakeholder Communication</p> <p>At the Investor section on the Company website, a channel for complaint filing and spokesperson contact details are provided to promptly handle the concerns of stakeholders.</p>	
III. Environmental Issues				

Evaluation of project	Operation situation			The differences between the Corporate Sustainable Development Best-Practice Principles for TWSE/TPE Listed Company and reasons.
	Yes	No	Summary description	
(I) Whether the company has established an appropriate environmental management system according to its industrial characteristics?	✓		At the points of product design, production processes and R&D design, construction of plant and installation of equipment, selection of suppliers, the Company has applied various pollution prevention and environmental protection regulations, and certification of ISO 9001 quality management systems. By constantly improving the pollution prevention infrastructure and energy conservation equipment, and adopting 100% RoHS certified raw material, the Company seeks to implement environmental sustainability.	No difference
(II) Whether the company is committed to improving energy efficiency and using recycled materials with low impact on the environment	✓		The company continues to promote the concept of energy saving, and strengthen the promotion in daily operation management, such as waste sorting and recycling, not providing disposable tableware, electronic policy, lights out and air conditioning use regulations, in order to achieve effective use of resources.	No difference
(III) Whether the company assess the current and future potential risks and opportunities of climate change for the company, and taken relevant countermeasures?	✓		The Company has performed short, medium and long-term risk and opportunity assessments on climate change. With regard to occurrences of typhoons, draughts, greenhouse effect and other extreme weather incidents, the Company proactively seeks to strengthen raw material management, and flexibility in production procedures and logistics to mitigate the impact of weather factors. The Company also seeks to implement energy conservation, carbon reduction and waste reduction measures to curtail negative influences caused by	No difference

Evaluation of project	Operation situation			The differences between the Corporate Sustainable Development Best-Practice Principles for TWSE/TPE Listed Company and reasons.
	Yes	No	Summary description	
			climate change. The Company's implementation of climate-related information is detailed on page 43 of this annual report (note).	
(IV) Whether the company count greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulated policies for greenhouse gas reduction, water use reduction or other waste management?	✓		<p>The Company regular collects information on electricity and water use, and total waste weight to implement the following policies:</p> <ol style="list-style-type: none"> 1. Energy conservation: Light-out policy, sensor/LED lighting, air conditioning use restriction and paperless policy. 2. Increase the utilization rate of renewable energy: Actively evaluate various renewable energy solutions, including solar power, green electricity purchase plans, etc. 3. Pollution prevention: Install infrastructure for dust removal, waste water treatment, separation of oily water separation, waste tank, etc. 4. Waste management: Elevate product design and optimize production processes to enhance yield and reduce waste generation. Process and upgrade trash material; effectively control waste collection, sorting, storage and transportation. 5. Green procurement: The Company shall integrate energy efficient use as one of the criteria for supplier selection, equipment procurement, material selection, etc. In the future, the Company shall continue to increase the use of green products and recycled resources. 	No difference
IV. Social Issues				
(I) Whether the company has established relevant management policies and procedures in accordance	✓		The Company conforms to the Universal Declaration of Human Rights, United Nations Global Compact (UNGC), basic principles	No difference

Evaluation of project	Operation situation			The differences between the Corporate Sustainable Development Best-Practice Principles for TWSE/TPE Listed Company and reasons.
	Yes	No	Summary description	
with relevant laws and regulations and international human rights conventions?			and rights proposed by International Labor Organization, Labor Standards Act of ROC, Labor Law of the People's Republic of China, The Labor Code of The Socialist Republic of Vietnam, etc. so as to forestall any human rights violation. The management measures undertaken include: 1. Child labor ban. 2. Forced labor ban. 3. Protection of employee rights to freedom of assembly and association. 4. Opposition to discrimination, bullying and sexual harassment. 5. Provision of a safe, hygienic and healthy work environment. 6. Improvement of education and training mechanism.	
(II) Whether the company has established and implemented reasonable employee welfare measures (including compensation, vacation, and other benefits), and appropriately reflected the operating performance or results in the employee compensation?	✓		The Company has established and implemented reasonable employee welfare measures. Furthermore, based on employee performance appraisal, the Company also allows its operating performance or results to be reflected on the salaries of employees. For more information, please see the Labor-Management Relationship section (page 77) and Employee Compensation, and Director and Supervisor Remuneration section (page 62) in the annual report.	No difference
(III) Whether the company has provided a safe and healthy working environment and regular safe and health education for employees?	✓		The Company provides employee health checks, and safety and health seminar in accordance with the Occupational Safety and Health Act and other regulations. For work environment wise, the Company has installed firefighting equipment and pollution prevention infrastructure, and performed drinking water inspection	No difference

Evaluation of project	Operation situation			The differences between the Corporate Sustainable Development Best-Practice Principles for TWSE/TPE Listed Company and reasons.
	Yes	No	Summary description	
			and elevator maintenance, etc. By having the Staff Benefit Committee collecting and passing employee opinion to the management regularly and organizing meeting for both parties, the Company maintains good communication with employees.	
(IV) Whether the company has established effective career development training programs for employees?	✓		Aside from strengthening training to cultivate professional competence development of employees, the Company also arranges for employees to attend courses held by the relevant agencies.	No difference
(V) Does the company comply with the relevant laws and regulations and international standards on customer health and safety, customer privacy, marketing and labeling of products and services, and has it formulated relevant policies and complaint procedures to protect the rights and interests of consumers?	✓		The Company complies with the Restriction Of The Use Of Certain Hazardous Substances In Electrical And Electronic Equipment (RoHS), quality and specifications required by customers, and regulations governing product safety, consumer rights in different regions. The Company has also established complaint and group planning avenues to take charge of matters regarding consumer right and customer service.	No difference
(VI) Does the company have a supplier management policy that requires suppliers to follow the relevant regulations and their implementation in environmental protection, occupational safety, and human rights issues regarding health or labor?	✓		By examining the organization, quality management procedures, condition of equipment, labor conditions and effective quality and quantity or environmental certification of suppliers, the Company weighs in these factors in the selection of suppliers. The Company also requires the suppliers to submit certification for non-use of Substances of Concern (SOC); the Company also ensures the compliance of suppliers with regulations for environmental protection, occupational safety and health, and labor rights on a regular basis via supplier rating mechanism.	No difference

Evaluation of project	Operation situation			The differences between the Corporate Sustainable Development Best-Practice Principles for TWSE/TPE Listed Company and reasons.
	Yes	No	Summary description	
V. Has the company referenced the internationally accepted reporting standards or guidelines for preparation of corporate sustainable reports and other reports that disclose the company's non-financial information? Are these disclosure reports confirmed or guaranteed by a third party verification unit?	✓		The company has established a sustainability disclosure team responsible for the preparation of the Sustainability Report. The 2024 Sustainability Report is expected to be completed and publicly released in August 2025. At the same time, the Company continues to invest in sustainability initiatives related to environmental protection, social responsibility, and corporate governance. In the future, third-party assurance or verification may be commissioned as needed to enhance the reliability of the disclosed information.	Plans have been made to prepare a 2024 sustainability report.
VI. If the company has its own corporate social responsibility regulations in accordance with the Regulations of Practice for Corporate Social Responsibility of Listed Companies, please describe the difference between its operation and the regulations: The Company has established Sustainable Development Practice Principles and has been operating in accordance with it.				
VII. Other important information that helps to understand the operation of corporate social responsibility: <u>Environmental Protection</u> In 2024, the Chashan plant in Dongguan, which is equipped with photovoltaic power generation facilities, was selected as a new important production base to increase the proportion of renewable energy use. <u>Social prosperity</u> 1. Fulfill social welfare responsibilities by donating to the 2024 RUN FOR FUTURE 4th Shunfa Gangdu Charity Road Run, Friends of Police Association and folk religious festivals. 2. Organize blood donation activities and participate in first aid teaching lectures. Being enthusiastic about public welfare also improves the basic medical knowledge of colleagues.				

Note : Climate-related information implementation status

Items	Execution
1. Describe board and management oversight and governance of climate-related risks and opportunities.	(1) The board of directors is the supervisory unit responsible for monitoring the management of risks and opportunities related to climate change. The Board of Directors has established a Sustainable Development Committee to formulate, promote and supervise the progress and results of transformation strategies in response to climate change, greenhouse gas inventory and reduction plans, energy conservation and waste reduction, and other issues. (2) The Chairman and the General Manager's Office of the Company have

Items	Execution			
	<p>formed a cross-departmental Corporate Sustainability Promotion and Risk Assessment Team, with the General Manager as the convener. The Sustainable Environment Team is the executive unit for climate change risks and opportunities. It is responsible for staying informed on climate data, environmental protection regulations, international and industry trends, and coordinating human and other resources. Additionally, they are responsible for formulating and implementing plans to work on climate change transformation, greenhouse gas reduction, energy conservation, and waste reduction. They also report progress and results to the Sustainability Committee and the board of directors.</p>			
<p>2. Description on how the identified climate risks and opportunities impact the company's business, strategy and finances (short, medium, long-term).</p>	<p>The climate risks, opportunities and impacts identified by the Company are as follows :</p>			
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Transition Risks and Physical Risks</p>	<p>Short-term (1~3 year)</p>	<p>Medium-term (3~5 year)</p>	<p>Long-term (More than 5 years)</p>	
	<ul style="list-style-type: none"> ● Requirements of domestic and foreign governmental policies and regulations. ● Extreme weather leads to increased operating costs or operational disruptions. 	<ul style="list-style-type: none"> ● Consumers demand low-carbon products, leading to the selection of suppliers that meet criteria and design products for speaker brands. ● Climate change also results in higher operating costs and capital expenditures. 	<ul style="list-style-type: none"> ● The company's reputation will be impacted by global efforts to achieve net zero emissions and take action on climate change. ● Climate change has necessitated the replacement of machinery, equipment, and technology, as well as the relocation of operations and production facilities. 	
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Measures and Opportunities</p>	<ul style="list-style-type: none"> ● Comply with domestic and foreign governmental policies and regulations in advance in order to improve adaptability. ● By decentralizing operations, production sites, suppliers, and logistics transportation, we can mitigate the impact of sudden extreme weather on a single area. 	<ul style="list-style-type: none"> ● Consistently investing in the development of energy-saving products and reducing carbon emissions. We also maintain close cooperative relationships with companies that produce speaker boards in order to achieve mutual benefits while addressing climate change. 	<ul style="list-style-type: none"> ● Enhance and create value-added products and corporate reputation, develop a resilient workforce, and ensure sustainable development. 	

Items	Execution		
	Impact on business, strategic, and finance	<ul style="list-style-type: none"> The verification of carbon footprint (CFV), renewable energy, carbon tax/carbon fees, fines, and operational interruptions all contributed to an increase in the company's operating costs. The operational interruptions also caused a decrease in sales revenues. 	<ul style="list-style-type: none"> Weak customer demand is impacting the decline in revenue. Investing in low carbon products, process development, and energy-efficient appliances and equipment will also increase costs. Increasing customer loyalty and customer development results in higher and more consistent revenue growth. The company's reputation will be impacted by global efforts to achieve net zero emissions and take action on climate change. Climate change has necessitated the replacement of machinery, equipment, and technology, as well as the relocation of operations and production facilities. Enhance the product value and corporate reputation to maintain steady profits for the company and ensure sustainable development.
3. Description on the financial impact of extreme weather events and transformative actions.	<p>(1) Extreme weather events:Typhoons, floods, droughts, and heat waves can impact the supply of raw materials, disrupt transportation and movement, damage equipment, and affect the quality of certain products. These factors can lead to reduced production and marketing efficiency; disrupt normal business operations, decrease revenue, and increase operating costs.</p> <p>(2) Transformative actions:Consider domestic and foreign governmental policies and regulations, the changing consumer market, technology transfer, and Corporate Social Responsibility (CSR) in order to enhance energy efficiency, promote the use of renewable energy and material utilization, and invest in low-carbon product and process research and development.</p>		
4. Description on how are climate risk identification, assessment, and management processes integrated into the overall risk management system?	<p>The Company's climate risk management process includes the identification of risks and opportunities, risk and opportunity assessment, response strategies and analysis of financial impact, strategy and target setting, as well as management and oversight.</p> <p>The risk assessment team analyzes the entire value chain, identifies climate risks and opportunities that may be faced in short-, medium- and long-term operations, including transition risks, physical risks and opportunities in terms of policies and regulations, resources and technology, and markets, and assesses the likelihood and impact of such risks and opportunities.</p> <p>The risk assessment team develops appropriate response strategies and actions for major risks and opportunities faced, and quantifies their financial impact. After analysis and discussion, the team clearly defines strategic actions, goals, and assigns responsible units or personnel, and continuously monitors the progress and results of the actions.</p>		
5. If scenario analysis is used to assess resilience against climate change risks, the scenario, parameters, assumptions, analysis factors, and major financial impacts should be described.	<p>The Company has not used the scenario analysis to evaluate the resilience in the face of climate change risks, but will implement this in the future based on actual needs.</p>		
6. If there is a transformation plan in response to the	<p>The Company has no transformation plan for climate-related risks and will implement this in the future based on actual needs.</p>		

Items	Execution
management of climate-related risks, describe the contents of the plan and the indicators and targets used to identify and manage physical risks and transformation risks.	
7. If the internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	The Company has not used the internal carbon pricing as a planning tool and will implement this in the future based on actual needs.
8. If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, the planning period and the progress achieved each year shall be explained. If carbon offsets or RECs are used to achieve the relevant goals, the source and volume of carbon offsets or the number of RECs shall be explained.	The Company has not set any climate-related targets and will implement them based on actual needs.
9. Greenhouse gas inventory and assurance: In order to decrease greenhouse gas emissions, we need to develop goals, strategies, and a specific action plan.	According to the "Sustainable Development Roadmap for Listed Companies" issued by the Financial Supervisory Commission in March 2022, the company has implemented greenhouse gas survey and verification operations. Further details will be disclosed upon completion.

(VI) Performance of ethical corporate management, and the difference from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons:

Review project	Operation situation			The differences between corporate governance operations and Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons for these differences:
	Yes	No	Summary description	
I. The formulation of integrity management policies and programs (I) Has the company established an ethical corporate management policy approved by the Board of Directors, and	✓		(I) The company has established a regulations of conduct for ethical business practices, which clearly states the Company's	No difference

<p>clearly stated the ethical corporate management policy and practice in the regulations and external documents, as well as the commitment of the Board of Directors and senior management to actively implement the policy?</p>			<p>integrity management policies and practices and regulates the commitment of directors, managers, employees, assignees or those with actual control to actively implement the integrity policy.</p>	
<p>(II) Has the company established an evaluation mechanism for the risk of unethical conduct, regularly analyzed and evaluated the business activities with high risk of unethical conduct within its business scope, and formulated a plan for preventing unethical conduct accordingly, which at least covers the preventive measures for the conduct under paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”?</p>	<p>✓</p>		<p>(II) The Company establishes the following assessment mechanisms each year to address the risk of dishonest behavior:</p> <p>(1) The company has established a "Code of Ethical Conduct" to regulate all employees of the company to prevent conflicts of interest, avoid opportunities for personal gain, confidentiality, fair trade, protect and properly use company assets, and comply with laws and regulations, etc., and have established relevant disciplinary regulations, which are continuously communicated when new colleagues take office and every year.</p> <p>(2) An appeal window has been set up to encourage all stakeholders to report any illegal acts or violations of the ethical code.</p> <p>(3) Irregular internal audits are conducted to examine compliance.</p>	
<p>(III) Has the company set out unethical conduct prevention plan procedures, conduct guidelines, and disciplinary and grievance systems for violations, implemented them, and regularly reviewed and revised the plan?</p>	<p>✓</p>		<p>(III) The company has established an integrity management procedure and behavior guideline to specifically regulate matters that the directors, managers, employees, assignees and persons with actual control over the Company and its subsidiaries should pay attention to when</p>	

			performing business. The Company has also established an effective internal control system, audit system, punishment regulations and complaint mechanism to ensure the implementation of integrity management.	
II. The implementation of integrity management				No difference
(I) Has the company assessed the integrity records of its trading counterparties and specified the terms of good faith conduct in its contracts with its trading counterparties?	✓		(I) The company has provisions in its business contracts for conducts of good faith to avoid conducts of dishonesty.	
(II) Has the company set up a special unit under the Board of Directors to promote ethical corporate management, and regularly (at least once a year) reported to the Board of Directors its ethical corporate management policy and unethical conduct prevention plan, and supervised the implementation accordingly?	✓		(II) The company provides appropriate channels to remind directors and managers of the potential conflicts of interest between the company and the company. The directors of the company are highly self-disciplined. They can make comments and answer questions about the resolutions of the board of directors that are of interest to themselves or the legal persons they represent, and do not participate in the discussion and voting. They are also avoided when discussing and voting, and they are not allowed to act on behalf of other directors to exercise their voting rights.	
(III) Whether the company takes measures to protect the whistleblower from improper disposal due to the whistleblowing?	✓		(III) The company has channels to prevent conflicts of interest in daily life and for making regular representations.	
(IV) Has the company established an effective accounting system and internal control system for the implementation of	✓		(IV) The company established effective accounting system and internal control system and review them from time to time to ensure the design	

<p>ethical corporate management, and has the internal audit unit drawn up the relevant audit plan according to the assessment results of the risk of unethical conduct and checked the compliance with the plan to prevent unethical conduct, or entrusted the independent auditor to carry out the audit?</p> <p>(V) Whether the company regularly conducts internal and external education and training on integrity management?</p>	<p>✓</p>		<p>and implementation of the system to be continuously effective. Internal auditors and appointed accountants regularly check the compliance with the foregoing regulations and prepare audit reports to be submitted to the board of directors.</p> <p>(V) The Company has established relevant regulations such as the "Code of Integrity Management", "Procedures for Ethical Management and Guidelines for Conduct" and "Code of Ethical Conduct", and has placed them on the company website for all stakeholders to refer to. The Company arranges relevant training courses for directors every year, conducts relevant publicity at employee meetings at least once a year, and fully subsidizes relevant employees to participate in training.</p>	
<p>III. The operation of the company's whistleblowing system</p> <p>(I) Whether the company has established a specific whistleblowing and reward system, established a convenient whistleblowing channel, and assigned appropriate persons to handle the whistleblowing?</p> <p>(II) Whether the company established the investigation standard operating procedures, follow up measures to be taken</p>	<p>✓</p> <p>✓</p>		<p>The company has an website to accept reports and provide channels for the appeal and relief of those who violate integrity and morality. If the directors and managers of the company violate the regulations of ethical conduct, the board of directors shall discuss disciplinary measures. Where an employee violates the regulations of ethical conduct, the chairman of the board shall decide on disciplinary measures. Those involved in moral violations may state their reasons at the board meeting, and the violators shall be recused when the board</p>	<p>No difference</p>

<p>after the investigation is completed and related confidentiality mechanisms for the matter to be reported?</p> <p>(III) Whether the company takes measures to protect the whistleblower from improper disposal due to the whistleblowing?</p>	<p>✓</p>		<p>makes resolutions. The special unit is strictly confidential about the identity of the whistleblower and the content of the report, and let the staff know that the company will do its utmost to protect the safety of the whistleblower, and does not allow retaliation against the whistleblower in good faith.</p>	
<p>IV. Strengthen information disclosure</p> <p>Whether the company has disclosed the contents of its regulations of ethics and the effectiveness of its promotion through its website and open information observatory?</p>	<p>✓</p>		<p>The company will disclose information related to business integrity on its website, in accordance with relevant laws and regulations, in the open information observatory and the annual report of the board of shareholders.</p>	<p>No difference</p>
<p>V. If the company has its own regulations of conduct in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe the difference between its operation and the regulations: No difference.</p>				
<p>VI. Other important information that helps to understand the company's integrity operation:</p> <p>(I) According to the Company's Rules and Procedures of Board Meetings, if a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the meeting. When the relationship is likely to prejudice the interest of the Company, the director concerned shall not participate in discussion or voting and may not exercise voting rights as a proxy for another director. The director concerned should also recuse himself or herself from the discuss and the voting.</p> <p>(II) The Company has formulated the Operating Procedures for Handling of Internal Material Information and Prevention of Insider Trading. Its directors, managers, employees and consultants should exercise due care of a good manager and fiduciary duties, act with honesty and integrity and sign confidentiality agreements. The directors, managers, employees and consultant who have learned about the Company's internal and material information may not divulge such information to others before the Company's spokesperson system speaks openly and formally to external parties.</p> <p>(III) All the staff have signed the "regulations of ethics for employee business conduct".</p>				
<p>(VII) Other important information sufficient to enhance the understanding of the operation of corporate governance may be disclosed together: The company has formulated and implemented relevant standards such as the "Code of Corporate Governance Practice", "Code of Integrity Management", "Rules on the Scope of Responsibilities of Independent Directors" and "Code of Ethical Conduct", which can be inquired in the company's website (http://www.naeaudio.com).</p>				
<p>(VIII) The implementation status of the internal control system shall disclose the following:</p> <ol style="list-style-type: none"> 1. Internal control statement: It has been disclosed on the website of the Market Observation Post System. (https://mops.twse.com.tw/mops/#/web/t06sg20). 				

2. Those who entrust accountants to review the internal control system shall disclose the audit report of accountants: Not applicable.

(IX) Important decisions of the shareholders' meeting and the board of directors in the most recent year and up to the date of publication of the annual report:

1. Important resolutions of the general shareholders' meeting of 2024.

Date	Important resolutions	Execution
June 27, 2024	Adoption of the 2023 Business Report and Financial Statements.	Approved.
	Adoption of the 2023 Surplus Earnings Distribution Proposal.	Approved.
	Complete Re-Election of Directors (Including Independent Directors)	Approved.
	Release the Prohibition on New Directors (Including Independent Directors) and Their Legal Representatives from Participation in Competitive Business	Approved.

2. Important resolutions of the board of directors

Date	Important resolutions	Section 14-3 of the securities and exchange act	Opinions of independent directors and handling of opinions of the company	Resolution of the board of directors
March 14, 2024	1. Appointment of certified accountants.	V	None	All present directors agree
	2. The company's remuneration distribution plan for directors and employee of 2023.	V	None	All present directors agree
	3. The company's 2023 business report and financial statements.	V	None	All present directors agree
	4. Distribution of capital surplus.	V	None	All present directors agree
	5. 2023 surplus earnings distribution proposal.	V	None	All present directors agree
	6. The company's 2023 annual internal control system statement.	V	None	All present directors agree
	7. Evaluation of the benefit of the subsidiary of the company, New Advanced Electronics Technologies (Vietnam).	V	None	All present directors agree
	8. The company's fund loan to New Advanced Electronics Technologies (Vietnam).	V	None	All present directors agree
	9. The company's endorsement guarantee for New Advanced Electronics Technologies (Hong Kong)	V	None	All present directors agree
	10. The company rents the 19F-1 and 17F-1 of Kaohsiung Asia Business Center.	V	None	All present directors agree
	11. Complete Re-Election of Directors (Including Independent Directors)	V	None	All present directors agree
	12. Formulate relevant operational matters for accepting the nomination rights of directors (including independent directors) from shareholders holding more than 1% of the shares.	V	None	All present directors agree

Date	Important resolutions	Section 14-3 of the securities and exchange act	Opinions of independent directors and handling of opinions of the company	Resolution of the board of directors
	13. Release the Prohibition on New Directors (Including Independent Directors) and Their Legal Representatives from Participation in Competitive Business	V	None	All present directors agree
	14. Nomination review case for candidates for the 14th term of directors (including independent directors)	V	None	All present directors agree
	15. Amendment of the Company's Rules and Procedures of Board's Meetings.	V	None	All present directors agree
	16. Amendment to the Company's "Organizational Rules of the Audit Committee"	V	None	All present directors agree
	17. Application for credit quota with Shin Kong Commercial Bank.	V	None	All present directors agree
	18. Application for credit quota with CTBC Bank.	V	None	All present directors agree
	19. Matters related to the 2024 annual general meeting of shareholders of the company.	V	None	All present directors agree
May 9, 2024	1. Reporting on the Company's consolidated financial report for the first quarter of 2024.	V	None	All present directors agree
	2. Proposal of earnings distribution for the first quarter of 2024.	V	None	All present directors agree
June 27, 2024	1. The 14th new directors elected chairman	V	None	All present directors agree
	2. Appointment of the 7th Salary and Remuneration Committee	V	None	All present directors agree
August 12, 2024	1. Pre-approved certified accountants, their firms and firm affiliates to provide non-assurance services to the company and the subsidiaries.	V	None	All present directors agree
	2. Reporting on the company's consolidated financial report for the second quarter of 2024.	V	None	All present directors agree
	3. Proposal of earnings distribution for the second quarter of 2024.	V	None	All present directors agree
	4. The company's endorsement guarantee for OXTOP (DONGGUAN) Electronics Co., Ltd.	V	None	All present directors agree
	5. The company's fund loan to OXTOP (DONGGUAN) Electronics Co., Ltd.	V	None	All present directors agree
	6. Amendment to the Company's "Organizational Rules of the salary and remuneration committee"	V	None	All present directors agree
	7. The Company's new appointment of the Compensation Committee member	V	None	Approved with the consent of a majority of the directors present
	8. The company's board of directors authorizes director to sign the audit reports.	V	None	All present directors agree

Date	Important resolutions	Section 14-3 of the securities and exchange act	Opinions of independent directors and handling of opinions of the company	Resolution of the board of directors
	9. Changes and salary in the Company's financial officer and accounting officer	V	None	All present directors agree
	10. Change in the Company's spokesperson	V	None	All present directors agree
	11. Change in the Company's internal audit officer.	V	None	All present directors agree
	12. Changes and salary in the Company's corporate governance officer	V	None	All present directors agree
November 11, 2024	1. Reporting on the Company's consolidated financial report for the third quarter of 2024.	V	None	All present directors agree
	2. Proposal of earnings distribution for the third quarter of 2024.	V	None	All present directors agree
	3. Application for credit quota with Mega International Commercial Bank.	V	None	All present directors agree
	4. Change in the Company's internal audit officer.	V	None	All present directors agree
	5. Amendment to the Company's "management regulations on insider trading."	V	None	All present directors agree
	6. Amendment to the Company's "Corporate Governance Best Practice Principles."	V	None	All present directors agree
December 19, 2024	1. The Company's 2025 Business Plan.	V	None	All present directors agree
	2. The Company's 2025 Internal Audit Plan.	V	None	All present directors agree
	3. The company's endorsement guarantee for New Advanced Electronics Technologies (Vietnam).	V	None	All present directors agree
	4. Formulate the company's "Sustainable Development Best Practice Principles."	V	None	All present directors agree
	5. Formulate the company's " Sustainable Information Management Operating Procedures."	V	None	All present directors agree
	6. Formulate the company's " Greenhouse Gas Inventory Management Procedure."	V	None	All present directors agree
	7. Review the company's 2025 salary and remuneration projects.	V	None	All present directors agree
	8. The company's 2024 manager year-end bonus case	V	None	All present directors agree
	9. The special allowance case of the chairman of the company.	V	None	All present directors agree
March 13, 2025	1. Appointment of certified accountants.	V	None	All present directors agree
	2. The company's remuneration distribution plan for directors and employee of 2024.	V	None	All present directors agree
	3. The company's 2024 business report and financial statements.	V	None	All present directors agree
	4. Distribution of capital surplus.	V	None	All present directors agree

Date	Important resolutions	Section 14-3 of the securities and exchange act	Opinions of independent directors and handling of opinions of the company	Resolution of the board of directors
	5. 2024 surplus earnings distribution proposal.	V	None	All present directors agree
	6. The company's 2024 annual internal control system statement.	V	None	All present directors agree
	7. The company's fund loan to New Advanced Electronics Technologies (Vietnam).	V	None	All present directors agree
	8. Amendment to the Company's Articles of Incorporation	V	None	All present directors agree
	9. Amendment to the Company's "Standard Operating Procedures for Handling Directors' Requests."	V	None	All present directors agree
	10. Matters related to the 2025 annual general meeting of shareholders of the company.	V	None	All present directors agree
May 2, 2025	1. Reporting on the Company's consolidated financial report for the first quarter of 2025.	V	None	All present directors agree
	2. Proposal of earnings distribution for the first quarter of 2025.	V	None	All present directors agree
	3. Application for credit quota with CTBC Bank.	V	None	All present directors agree
	4. Application for credit quota with Shin Kong Commercial Bank.	V	None	All present directors agree
	5. Application for credit quota with E. Sun Bank.	V	None	All present directors agree
	6. Formulate the company's " Sustainable Development Committee Charter" and establishment of Sustainable Development Committee.	V	None	All present directors agree
	7. Formulate the company's " Sustainability report preparation and verification procedures."	V	None	All present directors agree
	8. The company cancels endorsement guarantee for New Advanced Electronics Technologies (Hong Kong).	V	None	All present directors agree

(X) In the most recent year and up to the date of the publication of the annual report, the directors or supervisors have different opinions on the important resolutions adopted by the board of directors and have recorded or made written statements, the main contents of which are: None.

IV. Information on CPA professional fees:

(I) Information on public accounting fees

Unit: NT \$1,000

Accounting firm name	Accountant name	Audit period	Audit fee	Non-audit fee	Total	Note
PWC Taiwan	Wu, Chien-Chih	Year 2024	2,420	1,260	3,680	Non-audit fee includes tax compliance auditing, transfer pricing reports, greenhouse gas inventory and sustainability report consulting services, etc.
	Wang, Chun-Kai					

(II) If the accounting firm is changed and the audit fee paid in the year of change is less than the audit fee paid in the year before the change: None.

(III) Audit fees reduced by more than 10% compared with the previous year: None.

V. **Information of the change of accountant:** None.

VI. **The company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters who has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm:** None.

VII. During the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, any transfer of equity interests and/or pledge of or change in equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10%:

(I) Details of share changes:

Unit: Shares

Job title	Name	The year in 2024		As of April 30, 2025	
		The increase (decrease) in the number of shares held	The increase (decrease) in the number of pledged shares	The increase (decrease) in the number of shares held	The increase (decrease) in the number of pledged shares
Chairman , Director, Major shareholder	Tai Hong Asset Management Co., Ltd.	—	—	—	—
The general manager	Representative: Hsing, Chia-Chen	1,000	—	—	—
Deputy general manager	Representative: Huang, Tse-Lin	—	—	—	—
Corporate governance officer	Representative: Huang, Chen-Ting	—	—	—	—
Director, Major shareholder	New Advanced Asset Management Co., Ltd.	—	—	—	—
—	Representative: Wang, Cong-Zhi	(5,000)	—	—	—
—	Representative: Wang, Chen-Wen	(19,000)	—	—	—
Independent director	Zhang, Zhong-Yuan	—	—	—	—
Independent director	Wu, Gang-Kui	—	—	—	—
Independent director	Fang, Chih-Min	—	—	—	—
Independent director	Chen, Nai-Rong	—	—	—	—
Chief Financial Officer (Finance and Accounting Supervisor)	Li, Jih-Sian	5,000	—	—	—

(II) The relative person of the equity transfer is a related person: None.

(III) The counterparty in any such transfer or pledge of equity interests is a related party: None.

VIII. Relationship information, if among the company's 10 largest shareholders any one is a related party, a spouse or a relative within the second degree of kinship of another:

April 27, 2025

Name	Shareholding		Spouse & minor current shareholding		Current shareholding by nominee arrangement		Name and relationship of the top 10 largest shareholders with parties, spouses, or relatives within the second degree of kinship		Note
	Shares held	Holding ratio	Shares held	Holding ratio	Shares held	Holding ratio	Name	Relationship	
Tai Hong Asset Management Co., Ltd. Representative: Hsing, Chia-Chen	6,317,000	17.88	—	—	—	—	None	None	—
	1,463,925	4.14	—	—	—	—	Huang, Chen-Ting / Huang, Tse-Lin / Hsing, Pin-Ling	Daughter/ Son/ Sister	—
New Advanced Asset Management Co., Ltd Representative: Hsing, Chia-Chen	6,114,000	17.30	—	—	—	—	None	None	—
	1,463,925	4.14	—	—	—	—	Huang, Chen-Ting / Huang, Tse-Lin / Hsing, Pin-Ling	Daughter/ Son/ Sister	—
Hongzhen Asset Management Co., Ltd. Representative: Hsing, Chia-Chen	3,033,000	8.58	—	—	—	—	None	None	—
	1,463,925	4.14	—	—	—	—	Huang, Chen-Ting / Huang, Tse-Lin / Hsing, Pin-Ling	Daughter/ Son/ Sister	—
Nae Technologies, Inc. Representative: Hsing, Chia-Chen	2,388,000	6.75	—	—	—	—	None	None	—
	1,463,925	4.14	—	—	—	—	Huang, Chen-Ting / Huang, Tse-Lin / Hsing, Pin-Ling	Daughter/ Son/ Sister	—
Hsing, Chia-Chen	1,463,925	4.14	—	—	—	—	Huang, Chen-Ting / Huang, Tse-Lin / Hsing, Pin-Ling	Daughter/ Son/ Sister	—
Capital Securities CORP. trusted custody of Lukfook securities investment account	1,428,509	4.04	—	—	—	—	None	None	—
Huang, Chen-Ting	850,000	2.40	—	—	—	—	Hsing, Chia-Chen / Huang, Tse-Lin	Mother/ Brother	—
Huang, Tse-Lin	850,000	2.40	—	—	—	—	Hsing, Chia-Chen / Huang, Chen-Ting	Mother/ Sister	—
Xu, Hong-Zhao	654,000	1.85	—	—	—	—	None	None	—
Hsing, Pin-Ling	460,000	1.30	—	—	—	—	Hsing, Chia-Chen	Sister	—

IX. The total number of shares and total equity stake held in any single enterprise by the company, its directors and supervisors, managers, and any companies controlled either directly or indirectly by the company:

May 29, 2025

The name of the enterprise (Note1)	Investment by the company		Enterprise of directors, supervisors, managers and directly or indirectly controlled company		Comprehensive investment	
	Shares held	Holding ratio %	Shares held	Holding ratio %	Shares held	Holding ratio %
New Advanced Electronics Technologies (Hong Kong)	—	100%	—	—	—	100%
New Advanced Electronics Technologies (Vietnam)	—	100%	—	—	—	100%
Jensen Electronics (Dongguan) Co., Ltd.	—	100%	—	—	—	100%
Advanced Sound Technologes, Inc. (Note2)	—	80%	—	20%	—	100%

Note 1: The Company invests via equity method.

Note 2: Holds 100% of the capital contribution of OXTOP (DONGGUAN) Electronics Co., Ltd.

Three: Information on Capital Raising Activities

I. Capital and shares:

(I) Source of capital stock:

1. Formation process of capital stock:

May 29, 2025

Year / Month	Issue price	Authorized capital stock		Paid-up capital stock		Note		
		Shares held (1,000 shares)	Amount (NT \$1,000)	Shares held (1,000 shares)	Amount (NT \$1,000)	Source of capital stock	Using property other than cash as the capital stock	Other
1993.4	10	500	5,000	500	5,000	Incorporation by stock floatation	None	-
1999.12	10	800	8,000	800	8,000	Surplus to increase capital	None	-
2000.12	10	2,000	20,000	2,000	20,000	Surplus transferred capital increase: NT \$9,338,000 Cash transferred capital increase: NT \$2,662,000	None	Note 1
2001.12	10	3,000	30,000	3,000	30,000	Surplus transferred capital increase: NT \$8,691,000 Cash transferred capital increase NT \$1,309,000	None	Note 2
2002.11	10	4,187	41,870	4,187	41,870	Surplus and employee bonus transferred capital increase:	None	Note 3
2003.11	10	5,000	50,000	5,000	50,000	Surplus to increase capital	None	Note 4
2004.8	10	8,000	80,000	8,000	80,000	Surplus and employee bonus transferred capital increase: NT \$ 11,050,000 Cash transferred capital increase NT \$18,950,000	None	Note 5
2005.8	10	35,000	350,000	14,790	147,900	Surplus and employee bonus transferred capital increase: NT \$18,000,000 Cash transferred capital increase NT \$49,900,000	None	Note 6
2006.10	10	35,000	350,000	17,700	177,000	Surplus and employee bonus transferred capital NT \$19,508,000 Capital reserve transferred capital increase NT \$ 9,592,000	None	Note 7
2008.2	16	35,000	350,000	20,060	200,600	Cash transferred capital increase	None	Note 8
2008.10	10	35,000	350,000	21,418	214,183	Surplus to increase capital	None	Note 9
2009.9	6.77	35,000	350,000	28,803	288,038	Corporate bond conversion	None	Note 10
2011.4	10	35,000	350,000	28,409	284,098	Capital reduction in Treasury stocks	None	Note 11
2014.5	9.02	35,000	350,000	28,631	286,312	Corporate bond conversion	None	Note 12
2014.10	9.02	35,000	350,000	28,964	289,641	Corporate bond conversion	None	Note 13
2015.1	10	35,000	350,000	17,333	173,326	Capital reduction	None	Note 14
2015.5	8	35,000	350,000	24,333	243,326	Private equity	None	Note 15
2015.9	13.86	35,000	350,000	26,321	263,207	Corporate bond conversion	None	Note 16

Year / Month	Issue price	Authorized capital stock		Paid-up capital stock		Note		
		Shares held (1,000 shares)	Amount (NT \$1,000)	Shares held (1,000 shares)	Amount (NT \$1,000)	Source of capital stock	Using property other than cash as the capital stock	Other
2016.10	10	35,000	350,000	13,160	131,603	Capital reduction	None	Note 17
2018.6	10.4	35,000	350,000	17,160	171,603	Private equity	None	Note 18
2018.12	10.5	35,000	350,000	21,160	211,603	Private equity	None	Note 19
2020.4	25.17	35,000	350,000	28,160	281,603	Private equity	None	Note 20
2020.4	25.02	35,000	350,000	32,160	321,603	Private equity	None	Note 20
2020.6	10	60,000	600,000	32,160	321,603	Increase of authorized capital	None	Note 21
2023.3	227.1	60,000	600,000	32,330	323,298	Corporate bond conversion	None	Note 22
2023.8	74.5	60,000	600,000	35,330	353,298	Cash capital increase	None	Note 23

Note 1: (90) No.090931644180

Note 3: Authorized no. 09132672500

Note 5: Authorized no. 09332620820

Note 7: Authorized no. 09533017970

Note 9: Authorized no. 09733285820

Note 11: Authorized no. 10031893420

Note 13: Authorized no. 10333755870

Note 15: Authorized no. 10433376210

Note 17: Gov authorized no. 10590831390

Note 19: Gov Industry Business no. 10757691410

Note 21: Kaohsiung City Government's Official Letter Economy-Business No. 10952135920

Note 22: Kaohsiung City Government's Official Letter Economy-Business No. 11150887810

Note 23: Kaohsiung City Government's Official Letter Economy-Business No. 11253033700

Note 2: Authorized no. 09131531740

Note 4: Authorized no. 09233129020

Note 6: Authorized no. 09432680270

Note 8: Authorized no. 09731756520

Note 10: Authorized no. 09833040690

Note 12: Authorized no. 10333366870

Note 14: Authorized no. 10433024190

Note 16: Authorized no. 10433715680

Note 18: Gov authorized no. 10790932340

Note 20: Gov Industry Business no. 10948085910

2. Type of stock:

April 27, 2025 / Unit: Shares

Type of stock	Authorized capital stock;			Note
	Circulating stock	Unissued stock	Total	
Common stock	35,329,862	24,670,138	60,000,000	Stock of OTC listed companies

3. General information of the declaration system: Not applicable.

(II) Major shareholders :

Name, number and ratio of shareholding held by a shareholder with a shareholding ratio of more than 5% or a shareholder with a shareholding ratio in the top ten:

April 27, 2025

Name of major shareholder	Shares held(Shares)	Percentage of shareholdings (%)
Tai Hong Asset Management Co., Ltd.	6,317,000	17.88
New Advanced Asset Management Co., Ltd	6,114,000	17.30
Hongzhen Asset Management Co., Ltd.	3,033,000	8.58
Nae Technologies, Inc.	2,388,000	6.75
Hsing, Chia-Chen	1,463,925	4.14
Capital Securities CORP. trusted custody of Lukfook securities investment account	1,428,509	4.04

Name of major shareholder	Shares held(Shares)	Percentage of shareholdings (%)
Huang, Chen-Ting	850,000	2.40
Huang, Tse-Lin	850,000	2.40
Xu, Hong-Zhao	654,000	1.85
Hsing, Pin-Ling	460,000	1.30

(III) Company dividend policy and implementation status:

1. Corporate dividend policy:

According to Article 20-1 of the Company's Articles of Incorporation, earnings shall be distributed and accumulated losses shall be offset at the end of each quarter. Where the Company records a profit in its quarterly accounts, it shall first pay all taxes and dues, offset its prior losses (including adjustment of undistributed earnings), estimate remunerations to employees and directors, and then set aside ten percent of earnings as a legal reserve. However, when the legal reserve amount is equal to the authorized capital, this shall not apply. If required by laws, a special reserve may be recognized or reversed. In case of remaining earnings, the Company may distribute the earnings along with cumulative undistributed earnings at the beginning of the period. The board shall propose earnings distributions. If earnings are to be distributed with the issuance of new shares, resolution from the shareholders' meeting is required.

To take into consideration of the Company's business environment and growth stage and to fund future capital requirements and long-term financial planning, the distribution of earnings should be conducted in the following manners: In consideration of the Company's business environment and growth stage and with a view to future capital requirements and long-term financial planning, the total of stock and cash dividends to shareholders shall not fall below 10% of the cumulative distributable earnings. This includes cash dividends no less than 10% of the total dividends.

According to the Company's board meeting attended by over two thirds of directors and the resolution by more than half of the attending directors, the dividends from earnings, capital reserve or legal reserve should be, in part or in all, distributed in cash, and reported to the shareholders' meeting. The requirement for resolution by the shareholders' meeting specified by the first paragraph of Article 20-1 of the Company's Articles of Incorporation shall not apply.

2. The proposed dividend distribution for the year 2024:

Unit: NT dollars

Quarter	Approval Date	Release Date	Cash Dividend Per Share (NT)	Total Cash Dividends (NT)
Quarter 1	2024/05/09	-	-	-
Quarter 2	2024/08/12	-	-	-
Quarter 3	2024/11/11	-	-	-
Quarter 4	2025/03/13	2025/08/08 (Tentative)	1.0	35,329,862
Total			1.0	35,329,862

Note: Including the cash dividends from capital reserve NT\$12,365,452 (NT\$0.35 per share.)

(IV) The effect of the proposed free share placement at the shareholders' meeting on the company's operating performance and earnings per share: Not applicable.

(V) Remuneration of staff and directors:

1. The percentage or scope of remuneration for employees and directors prescribed in the Articles of Incorporation:

According to Article 20 of the Company's Articles of Incorporation, the Company shall allocate no less than 1% of the employee's remuneration and no more than 5% of the director's remuneration based on the profit of the current year. However, when the company still has accumulated losses, it should reserve the amount in advance.

2. The basis for estimating the remuneration of employees and directors in the current period, the basis for calculating the remuneration of employees distributed in shares and the accounting treatment if there is any difference between the actual amount and the estimated amount: The employee remuneration and director remuneration for the current period are estimated based on the profit of the current year and in accordance with the percentage range stipulated in the Articles of the company. If the actual amount distributed is different from the estimated amount according to the resolution of the Board of Directors, it will be handled as a change in accounting estimate.

3. The distribution of compensation passed by the board of directors:

(1) Distribution of cash or stocks as remunerations to employees and directors. In event of discrepancy with the recognized annual expenses, it is necessary to disclose the difference in amount, reasons and accounting treatments:

The employee compensation and Director remuneration for 2024 were estimated based on a certain percentage of the profit for the year. The Board of Directors approved by resolution NT\$500 thousand and NT\$300 thousand for disbursements respectively, both of which, were made in cash. The amount of remuneration to be distributed to employees and directors as resolved by the

board of directors is consistent with the amount recognized in the 2024 financial report.

(2) Value of employees' remunerations in stocks as a percentage of net incomes and as a percentage of total employees' remunerations during the period: Not applicable.

4. The actual distribution of the remuneration of employees and directors in the previous year (including the number, the amount and the share price of shares distributed), difference between which and the actual distribution of the remuneration of recognized employees and directors shall be specified of the number, the causes and the handling situation:

The actual distribution amount of employee and director remuneration for 2023 approved by the board of directors is consistent with the amount recognized in the 2023 financial report.

(VI) Situation of the company purchasing back the shares of the company:

None.

II. The company's issuance of corporate bonds:

(I) Corporate bonds

Unit: NT\$1,000

Type of corporate bonds	The fourth unsecured convertible bonds in Taiwan
Issuance date	May 11, 2023
Face value	100
Issuance and trading locations	Taipei Exchange
Issuance price	Issued with 100.2% of face value
Total amount	400,800
Interest rate	0%
Maturity	Three years; maturity date on May 11, 2026
Guarantor	Not applicable.
Trustee	Shin Kong Commercial Bank
Underwriter	Fubon Securities Co., Ltd.
Lawyer	Handsome Attorney-at-Law, Ya-Wen Qiu
Independent Auditor	CPA Wu, Chien-Chih and CPA Liao, A-Shen, PwC Taiwan
Repayment method	Except for the conversion of the holders of the convertible corporate bonds into ordinary shares of the company in accordance with Article 10 of these Measures, or the exercise of the sell-back option in accordance with Article 19 of these Measures, or early redemption by the Company in accordance with Article 18 of these Measures, or the Unless the company buys back and cancels the convertible corporate bonds at the business place of the securities firm, the company will, within ten business days after the maturity date of the convertible corporate bonds, transfer the convertible corporate bonds held by the convertible corporate bond holders of the company in cash at one time according to the face value of the bonds.
Outstanding principal	2,100(as of May 29, 2025)

Type of corporate bonds	The fourth unsecured convertible bonds in Taiwan					
Early redemption or callable clauses	<p>The Company may redeem corporate bonds before maturity in the following circumstances:</p> <ol style="list-style-type: none"> 1. If the closing price of the Company's ordinary shares is 30% or higher than the conversion price for 30 consecutive business days from August 12, 2023, i.e., the following day after three months into the issuance of the convertible bonds to April 1, 2026, i.e., 40 days before expiration of the issuance period, the Company may redeem all the bonds in cash at the face value. 2. If the outstanding balance of the convertible bonds falls below 10% of the original issued amount from August 12, 2023, i.e., the following day after three months into the issuance of the convertible bonds to April 1, 2026, i.e., 40 days before expiration of the issuance period, the Company may redeem all the outstanding convertible bonds in cash at the face value. 3. If the creditor fails to reply in writing to the company's stock affairs agency before the bond recovery benchmark date stated in the "Bond Recovery Notice" (it will become effective when it is delivered, and the postmark date will be used as proof if it is mailed). Within five business days after the benchmark date of bond withdrawal, the convertible corporate bonds held by it shall be redeemed in cash according to the face value of the bonds. 					
Covenant	None.					
Name of credit rating agencies, date of credit ratings and ratings on the corporate bonds	None.					
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td data-bbox="170 1108 331 1478" style="width: 15%; vertical-align: top;">Other rights attached</td> <td data-bbox="331 1108 604 1478" style="width: 20%; vertical-align: top;">As of the published date of the annual report, amount of the ordinary shares (exchanged or subscribed), overseas depositary receipts or other marketable securities converted</td> <td data-bbox="604 1108 1536 1478" rowspan="2" style="width: 65%; vertical-align: top;">None.</td> </tr> <tr> <td data-bbox="170 1478 331 1662"></td> <td data-bbox="331 1478 604 1662" style="vertical-align: top;">Regulations governing issuance and conversion (exchange or share subscription)</td> </tr> </table>	Other rights attached	As of the published date of the annual report, amount of the ordinary shares (exchanged or subscribed), overseas depositary receipts or other marketable securities converted	None.		Regulations governing issuance and conversion (exchange or share subscription)	<p>None.</p> <p>Please refer to Appendix 2 "Regulations Governing Issuance and Conversion of the Fourth Unsecured Convertible Bonds in Taiwan in the Company's prospectus for the corporate bonds.</p>
Other rights attached	As of the published date of the annual report, amount of the ordinary shares (exchanged or subscribed), overseas depositary receipts or other marketable securities converted	None.				
	Regulations governing issuance and conversion (exchange or share subscription)					
Possible dilution of equity and impact on the current shareholders' equity due to issuance, conversion, exchange or share subscription and issuance conditions	Please refer to pages 79~84 of the Company's prospectus for corporate bonds.					
Name of the custodian for the exchangeable underlying	None.					

(II) Convertible bonds

Unit: NT dollars

Type of corporate bonds		The fourth unsecured convertible bonds in Taiwan	
Year		In 2024	As of May 29, 2025
Item			
Market price of the underlying	Highest	99.95	101.10
	Lowest	97.10	99.75
	Average	99.08	100.35
Conversion price		90.50	90.50
Issuance date and conversion price at issuance		May 11, 2023; 98.00	
Exercise of conversion obligations		Issuance of new shares	

(III) Exchangeable bonds: None.

(IV) Corporate bonds issued with shelf registration: None.

(V) Corporate bonds with attached warrants: None.

III. Preferred shares: None.

IV. Global depository receipts: None.

V. Employee share subscription warrants: None.

VI. New restricted employee shares: None.

VII. New shares in connection with mergers or acquisitions or with acquisitions of shares of other companies: None.

VIII. Implementation of the company's capital allocation plans: None.

Four. Overview of Business Operation

I. Business content

(I) Business scope

1. The company is mainly engaged in:

- (1) Manufacturing of electrical appliances and A/V electronics.
- (2) Manufacturing of computer and its peripherals.
- (3) Manufacturing of electronic parts and components.
- (4) Wholesale of electrical appliances.
- (5) Wholesale of computer and transactional machinery and device.
- (6) Wholesale of electronic materials.
- (7) Mold manufacturing.
- (8) Wholesale of mold.
- (9) Retailing of mold.
- (10) Manufacturing of industrial plastic products.
- (11) Import of RF devices telecommunication control
- (12) In addition to the licensed ones, businesses not prohibited or restricted by business regulations may be operated.

2. The proportion of the main products:

Unit: NT\$1,000 ; %

Products	Operating sales in 2023	Proportion	Operating sales in 2024	Proportion
Speaker systems	1,176,827	95.47	1,502,909	94.77
Wall-mounted speakers	28,097	2.28	46,810	2.95
Others	27,763	2.25	36,119	2.28
Total	1,232,687	100.00	1,585,838	100.00

3. Current products or services of the Company:

Subwoofer, standing speakers, shelf speakers, outdoor speakers;, center-channel speakers, home theater systems, wall-mounted speakers and related parts and accessories.

4. New products to be developed:

- (1) Integration and development design for Hi-Res Music Streamer, combining multi-room synchronized super control with 360-degree, no-dead-angle playback design.
- (2) High-end mini bookshelf speakers (3.5inch 、4inch 、5inch and 6inch Support Dolby Digital /DTS).
- (3) High-end subwoofer (with 1000W ultra-high power, equipped with DSP digital signal processor and integrated app control functionality.)
- (4) Introducing high-end home theaters equipped with Dolby ATMOS and smart audio systems.
- (5) Built-in WISA wireless transmission technology series speakers.

(II) Industrial overview

1. Industrial status quo and development

Demand side

The primary sales markets for professional speakers worldwide are North America,

Europe, and Japan. After facing challenges such as global inflation, inventory overstocking by brands and retail channels, and geopolitical tensions, the global professional audio market began to show moderate recovery in 2024. Leading global professional speaker brands include companies such as Bowers & Wilkins, Harman Kardon, JBL, Bose, Sony, Klipsch, Dynaudio, and Paradigm. Mergers and acquisitions are common among international audio brands, for example, in 2024, Bose announced the acquisition of McIntosh, and in 2025, Harman Kardon announced the acquisition of Sound United. Big gets bigger.

Supply side

Since the US-China trade war in 2018, the United States has imposed protective tariffs of 7.5% to 25% on Chinese-made speakers, audio amplifiers and other products. In response to the impact of the US-China trade war and geopolitics, and in line with customers' strategic needs to promote "China+1", consumer electronics manufacturers have set up production bases in Southeast Asia, among which professional audio manufacturers mainly set up factories in Vietnam and Indonesia. With the resurgence of Trump's 2.0 tariff war, facing the uncertainty brought by tariffs, the supply chain is on high alert, responding by increasing product added value, expanding new products and non-US markets, and adjusting global production capacity flexibly and elastically.

2. The correlation between upstream, midstream and downstream industries

As far as the supply chain for speakers and stereo components is concerned, the upstream consists of electronic parts manufacturing, metal processing, and wood product processing. These components are further processed by mechanical, electric engineering, acoustic and woodwork facilities for cabling, assembly and testing. Completed products are sold via internal or external channels to brands in the downstream.

Upstream(raw materials)	Midstream(where the Company operates)	Downstream(applications)
Electromagnets, wire loops and a variety of electronic components Connectors/wires manufacturing Metal stamping and electroplating Wood products processing Plastic products processing Synthetic plastics and resins	Speaker design, manufacturing and distribution	Audio/video entertainment Home appliances Automobiles other

3. Product development trend

(1) Technological integration with the electronics and digital systems

In the past, the development of the industry relied on breakthroughs in materials and forming technologies. The pace of changes was relatively slow. The evolution of technology and Internet, the popularity of smart, portable and wearable consumer electronic products, and the emergence of content streaming platforms over recent years have contributed to the significant change in consumers' demand for audio/video entertainment. To cater to consumers' demand for the sensory experience with audio/video entertainment, the speaker industry has changed, by offering different speaker systems to meet with the trend in the consumer electronics market. Hence, the technological integration of stereo products and electronics/digital systems pursues multi-functionality, wireless, compactness, lightweight, and innovative designs.

(2) Products are increasingly digitalized, multi-functional, Internetized, smart, and Miniaturization.

Due to changing requirements from consumers, evolution of electronics products, and advancement of wireless transmission technology, HTiB (Home Theater in a Box)

equipped with wireless functions has become the mainstream product in the marketplace. The wireless transmission feature opens up and integrates the home theater system to other mobile devices. Users may use the remote control function on the smartphone for the home theater system and access multimedia contents streamed via wireless transmission. Digitalization and Internetization have lowered the cost and made it a lot easier for consumers to access entertainment. This is a driver for higher sales of digital and consumer electronics products. As the supply chain of the smart home industry gradually matures and the voice interaction technology rapidly develops, speakers are becoming smarter and smaller.

As technology progresses, the innovation of consumer electronics continues. Lifestyle and entertainment are becoming smarter, increasingly multi-functional and convenient. Acoustic entertainment products are moving towards Internet-of-Things (IoT), smart voice assistance, multi-functionality and material design. To meet with the mega trend, most of the traditional acoustic component manufacturers have jumped on the bandwagon of electro-acoustic products. Branding is important in the consumer electronics market and consumers care about price-performance ratio. As a result, pricing power sits with brands. Meanwhile, large electronics contract manufacturers have entered the game. The cost-oriented strategy of the OEM business model means constant reduction of gross margin for manufacturers. Therefore, using its expertise in professional speaker and the relevant components, the Group engages in technology collaboration with international speaker brands via product and technology development. The group consistently improves its product quality, integrates its products with more technological functions, and enhances product value-add.

4. Product competition

The speaker industry is labor-intensive and capital-intensive. It has a long history and has entered the maturity stage. Cluster effects are obvious, and manufacturers produce mainly on OEM/ODM orders. Price competition is fierce. Manufacturers achieve economies of scale with cheap labor, equipment expansion and technical standardizations and create profits via cost control or product differentiation.

The Group has been in the professional speakers field for more than 30 years. Through cooperation with internationally renowned speaker brands, the group seeks to boost competitiveness via optimization of personnel and manufacturing processes, full integration and production with scale. Effective reductions of production costs, along with betterment of product quality, so as to fortify the leading position in the speaker manufacturing industry.

(III) Technology and R&D overview

1. Research and development expenses invested in the recent years and on the published date of the annual report:

Unit: NT\$1,000 ; %

Items	Year	2024	2025 First quarter
	R&D expenses		40,007
Operation revenue		1,585,838	442,613
Percentage of R&D expenses in operation revenue(%)		2.52	2.94

2. Technologies or products successfully developed in the last five years:

Year	Items
2020	Active speakers
2021	Subwoofer (Power 500W & 800W), high-end home theaters and smart audio products with DSP and support for HDMI, 5.1 Satellite Speaker Set
2022	Four-inch wireless active speaker system, Four new series of subwoofer speakers with power of 300W/400W/500W/800W, High-end home theater and smart audio products with DSP and support for HDMI and others, Satellite Speaker Set
2023	High-end active floor-standing subwoofer speakers (with narrow-profile enclosure containing DSP subwoofer, AMT aluminum ribbon tweeter, planar radiator, and long-throw subwoofer unit), New series of subwoofers (power upgraded to 1000W), 60W/65W/100W/150W high-end home speakers, 4-inch speakers (integrating HDMI ARC, BT5.3, USB Audio in active bookshelf design, 80W, wireless 2.4G subwoofer).
2024	High-performance reflex subwoofer speaker (10-inch 500W/ 12-inch 800W), High-performance sealed subwoofer speaker (10-inch 500W/ 12-inch 800W), All in one 4-inch bookshelf speaker, 12-inch long-throw woofer with PP diaphragm, 8-inch woofer with diaphragm, 2.4G TX/RX wireless input kit.

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

1. Short-term development plan

(1) Marketing

- A. Seeking technology cooperation with famous brands and professional suppliers in Europe, the U.S. and Japan and providing customized and fully integrated services in order to establish long-term relationships as a supplier.
- B. Offering of comprehensive services including product development, professional and technical consultation, real-time delivery and after-sale services, to enhance customers' satisfaction and stickiness.
- C. Establishment of overseas sales units, collaborating with customers for their procurement model, offering of real-time services in the proximity in order to boost market shares.

(2) Production

- A. Through global capacity allocation, flexibly adjust production methods and locations to meet customer demands.
- B. Deepen the cooperative relationship with key component suppliers, increase the proportion of on-site procurement of raw materials, and stabilize the supply and quality of raw materials.
- C. Continuously optimizing product structure and production processes, enhancing production technology capabilities and automation levels, establishing product material consumption and labor standards, and reducing unnecessary waste.

(3) Operations and financials

- A. Development of a comprehensive HR system to recruit talents in R&D, production, quality control and management.

- B. Proactive business development, close cooperation with suppliers, working with shareholders and financial institutions based on mutual trust and mutual benefit, in order to continue the improvement of financial metrics in liquidity and profitability.

(4) R&D

- A. Adherence with product planning and requirements from customers, in order to develop products and deploy manufacturing processes.
- B. Continuously developing new products and improving the performance of existing products, such as adding multifunctionality, incorporating advanced technology, and increasing power output, and proactively proposing new product development product upgrade plans to cooperative clients.

2. Long-term development plan

(1) Marketing

- A. Establishment of long-term, stable, and close-knit relations and collaboration in technology, supply, and marketing with internationally renowned brands. Smart systems such as demand analysis, sales data, real-time inventory, and transportation scheduling to accurately forecast customers' demand and prepare in advance, in order to shorten delivery lead-times and help customers to gain market shares.
- B. Deployment of comprehensive databases for the industry and products, offering of real-time and complete advice in product development and after-sale services to customers.
- C. Development of potential customers by offering products and through cooperation with upstream/downstream players.

(2) Production

- A. Implementation of ISO quality management flows to ensure quality consistency with standardized production procedures.
- B. Gradual reduction of dependence on extensive labor through automation, smart equipment and manufacturing process transformation.
- C. Increasing the proportion of renewable energy and green materials usage, continuously optimizing product structure and production processes, and achieving gradual reduction of greenhouse gas emissions.

(3) Operations and financials

- A. Establishment of a comprehensive talent development system for in acoustics, machinery and management.
- B. Continued improvement of the Company's health and financial structure, in order to distribute steady dividends.
- C. Leverage of the Company's industry leadership to secure strategic alliances with advantageous peers or players in other sectors.
- D. Implement corporate sustainable actions such as environmental protection, social inclusion and corporate governance, and fulfill corporate social responsibility.

(4) R&D

- Strengthening the research and development team, actively investing in niche, low-carbon product development, and product performance optimization, and proactively presenting new product concepts and suggestions to cooperative clients.

II. Market and production / sales overview

(I) Market analysis

1. Sales area of major products

Unit: NT\$1,000 ; %

Sales area \ Year		2023		2024	
		Amount	Percentage(%)	Amount	Percentage(%)
Domestic sales		-	-	-	-
Export sales	United States	1,025,750	83.21	1,273,884	80.33
	Japan	168,431	13.66	158,440	9.99
	Canada	26,856	2.18	134,490	8.48
	Others	11,650	0.95	19,024	1.20
Total net revenue		1,232,687	100.00	1,585,838	100.00

2. Market shares

The group has been engaged in professional audio production for more than 30 years, established cooperation with multiple internationally renowned brands. The group has established leadership in the professional speaker manufacturing field. Although there is currently a lack of relevant data to objectively measure the Company's market share. However, the group's increasing amounts of transactions from multiple internationally renowned speaker brands will speak for the group's presence in the professional speaker market.

3. Supply and demand and future growth

(1) Demand and growth

Listening to music is one of the main purposes consumers purchase stereo products for. The electro-acoustic products offering sound quality and high fidelity satisfy people's needs for appreciation of fine details in music and enjoyment of a great auditory experience. As the number of online music users keeps growing around the world, consumers' demand for speakers is lasting and straightforward. The in-depth development of online music in program styles, communication formats, and content quality is raising the bar for speaker quality and functionality.

As global inflation is effectively controlled and per capita disposable income increases, consumers are more willing to spend on improving the quality of life and entertainment, so it is expected that the consumer market demand for professional audio products will steadily recover. According to the Global Market Insight report, the global audio system market size will be US\$33.4 billion in 2023, and the estimated annual compound growth rate between 2024 and 2032 will be 5.5%. The North American audio system market size will be US\$8.8 billion in 2023 and is expected to reach US\$14.4 billion in 2032.

Going forward, entertainment and media will become increasingly for long-distance, virtual, streaming, and personalized. Centered at the home setting, the frequency and use cases of stereo products will continue to gather momentum. As a result, the demand for mid-end and high-end stereo products will stabilize.

(2) Supply and growth

A. High market share concentration of speaker brands and manufacturers

The speaker industry has established a global division of labor. European and American companies are engaged in branding, design, sales & marketing.

Manufacturers from Japan, Korea and China are responsible for R&D and production. In recent years, manufacturers have set up production bases in Southeast Asia. Speaker brand companies focus on branding, operations and manufacturing, and compete against each other in distribution, marketing, creative design, and core technology in the global market. In this regard, international players have advantages. Speaker companies from the U.S., Germany and Japan have well-developed channel resources, brand equity managed over time, leading core technologies, extensive operational experience and powerful brand influence. They collectively have the lion's share of the global market for mid-end and high-end speakers. The market concentration is relatively high. The specialist speaker companies with strong brands and market shares in the global market include Bowers & Wilkins, Harman Kardon, JBL, Bose, Sony, Klipsch, Dynaudio, and Paradigm.

Furthermore, M&As among brand companies as a way to boost competitiveness are commonplace. For example, In 2025, Harman Kardon, a subsidiary of Samsung, announced the acquisition of Sound United, the parent company of brands such as Bowers & Wilkins, Denon, and Polk Audio. Against the backdrop of M&A activities, speaker brands continue to adjust the ecosystem of their suppliers by electing the leaders of technological capability, capacity scale and product quality. As a result, the concentration is also increasing among speaker manufactures.

B. Enterprises accelerate production base outside China

The speaker manufacturing industry has entered the maturity stage after years of development. The competitiveness of speaker manufacturers primarily depends on clientele resources, production scale, R&D capability, and delivery timeliness. This is particularly the case in the mid-end and high-end segments. With previously cheap labor, land incentives, and transportation accessibility, the industry has clustered in Guangdong, China. It is now the main producer and exporter of speakers, with over 70% industry players in the province.

In recent years, due to the impact of the U.S.-China trade war, tech war, tariffs, and geopolitical tensions along with rising labor, land, and other production costs in China, many major consumer electronics brands have adopted an "Out of China" strategy to reduce supply chain risks. In response to customer demands, OEM/ODM manufacturers have increasingly established key production bases in Southeast Asian countries, where production costs are lower and advantages such as tax incentives and demographic dividends are present.

4. Competitive niche

The group controls activities from product R&D to marketing. The analysis of competitive niches is as follows:

(1) Long-term and stable cooperation with famous international brands

With professional capability and extensive experience, the Group provides integrated services to speaker brands from product design & development to manufacturing. Known for excellent product quality and comprehensive after-sale services, the group is well recognized by many renowned international speaker brands and has established strong partnerships in product R&D and supplies. Therefore, it is difficult for competitors to challenge the group's market position.

(2) Economies of scale

The group is a specialist speaker producer and distributor which has over three decades of experience in speaker products. With the R&D and manufacturing capabilities, we are able to meet the requirement from leading brands about product quality, quantity and delivery. With economies of scale in raw material procurement and product manufacturing, the Group can effectively control costs and maintain profits.

(3) Strong R&D capability

The group cooperates closely with brands and suppliers, recruits and nurtures talents in acoustic components, electronics and machinery, continues to accumulate R&D and manufacturing capability in professional speakers, in order to provide products and total solutions to international speaker brands.

(4) Global coverage of sales and production allocations

The group has a sales offices in Taiwan and Hong Kong to offer real-time and comprehensive services by working with customers' procurement model. The group has production bases in China and Vietnam, and can adopt the most favorable production configuration for customer orders.

5. Positive and negative factors for development, and responding strategies

(1) Positive factors

A. Popularity of audio/video entertainment

Given the growing penetration of digital audio/video equipment and smart home systems, consumers are demanding for high-quality audio experience and surrounding sound effects of immediacy and authenticity, with the same effects as the movie theater in the comfort of homes. This is pushing up the demand for home theater and audio systems, and will benefit the Group's future development.

B. Effective Inflation Control, Stable Economic Growth, and Rising Per Capita Income

According to the International Monetary Fund (IMF) (April 2025), global economic growth rates for 2025 and 2026 are projected at 2.8% and 3.0%, respectively. The increase in per capita GDP and disposable income, along with the recent effective control of inflation across major global economies, all contribute to a favorable environment for the steady growth of demand in the professional speaker market.

C. Leading brands as the main customers

In the audio/video entertainment market, major brands from Europe, the U.S. and Japan are leading the way in product innovation and industry development. The Group maintains close-knit collaboration with many heavyweight international brands, by meeting brand requirements for production technology and catering to market needs with product development and optimization. All these strengths will help the Group's future development.

(2) Negative factors

A. Impact of US tariff policy

The global demand market for professional audio products is mainly in North America and Europe, with the United States being the largest single consumer. As a result of the global division of labor over the past few decades, the supply chain is mainly concentrated in China. The recent tariff policy issued by the United States has greatly affected the existing structure and layout of the professional audio supply chain.

Responding strategy

- a. Flexibly and promptly adjust order intake, production, and shipping schedules between the China and Vietnam facilities.
- b. Accelerate the implementation of plans to expand production capacity at the Vietnam facility to meet customer order demand.
- c. Develop new customers and new products to reduce dependency on a single market or client.

B. The issue of rising operational costs such as materials and labor

The professional speaker industry is labor and capital-intensive, with direct materials and labor costs accounting for a significant portion of overall manufacturing costs. Recently, factors such as trade disputes, geopolitical turmoil, environmental regulations, and energy supply issues have led to a stacking effect of costs including materials, labor, manufacturing, and marketing, resulting in an overall increase in operating costs and longer turnover cycles.

Responding strategy

- a. Through continuous R&D and technical cooperation with international brand manufacturers, optimizing the product structure and process, then improve the efficiency usage of materials, labor and equipment.
- b. Invest in the purchases and constructions of automation, energy saving, precision production and testing equipment to increase production capacity and reduce dependence on labor.
- c. Establishment of a robust human resource plan, including the accumulation of hands-on experience, development of professional competence, and transparency of benefits and promotions, in order to boost employees' loyalty and reduce staff turnovers, as well as to enhance human resource effectiveness and lower personnel costs.
- d. Proactively seek cooperation in stable storage and transportation.

C. Competition from consumer electronics products

Many traditional products are increasingly smarter, miniature and becoming Internet-of-Things (IoT), as a result of technological transformation and consumers' behavior change. The launch of Amazon Echo has redefined speakers as a product. Smart speakers are becoming the mainstream product by offering smart voice assistants, Internet-of-Things, all-in-one features. This has squeezed the demand for traditional speakers. The OEM model of production and distribution for smart speakers has attracted electronics manufacturing service (EMS) providers to the game. This has prompted traditional speaker manufacturers to enter the electro-acoustics field or the EMS market.

Responding strategy

Branding is important in the consumer electronics market and consumers care about price-performance ratio. As a result, pricing power sits with brands. Meanwhile, large electronics contract manufacturers have entered the competition. The cost-oriented strategy of the OEM business model means constant reduction of gross margin for manufacturers. Using its expertise in professional speaker and the relevant components, the Group engages in technology collaboration with international speaker brands via product and technology development. The Company consistently improves its product quality, integrates its products with more technological functions, and enhances product value-add so as to fortify the leading position of the Group in the speaker manufacturing industry.

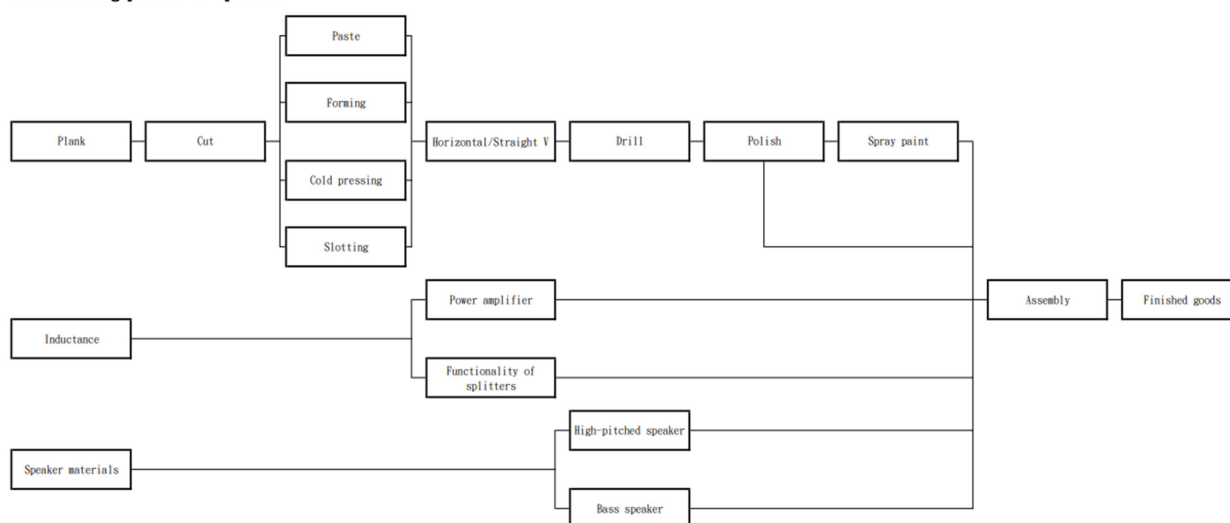
(II) Important use of the main products and production process

1. Main products and uses

Product category	Utilization
Speaker systems	Subwoofer, standing speakers, shelf speakers, center-channel speakers, surround speakers, home theater systems and outdoor speakers
Wall-mounted speakers	Speaker units
Others	Speaker accessories and others

2. Production and manufacturing process

Manufacturing process of speakers :



(III) Supply of main raw materials

Main materials	Sources	Supply status
MDF planks	China	Stable
Magnet, yoke, voice coil, bracket and other	China, Vietnam	Stable
SMD IC, passive components and other electronic components	United State, China	Stable

Due to consideration for quality, yields, delivery reliability and cost control, the Group chooses to work with quality suppliers on a long-term basis. Main materials come from a few suppliers to ensure stable and sufficient supplies.

(IV) In any of the previous two years of consolidated report, the name, the amount and the proportion of the client who accounted for more than 10% of the total amount of goods purchased(sold), and explain the reasons for the increase or decrease :

1. Information on major suppliers: There is no single supplier whose net purchasing amount exceeds 10% in 2023, 2024 and the first quarter of 2025 of the group.
2. Information on major sales customers:

Unit: NT \$1,000; %

Project	The year in 2023				The year in 2024				End of the first quarter in 2025			
	Name	Amount	Percentage of annual net sales [%]	Relationship with the issuer	Name	Amount	Percentage of annual net sales [%]	Relationship with the issuer	Name	Amount	Percentage of net sales as at the end of the preceding quarter of the current year [%]	Relationship with the issuer
1	B	983,573	79.79	None	B	1,212,268	76.44	None	B	324,995	73.43	None
2	A	167,655	13.60	None	A	158,440	9.99	None	A	72,462	16.37	None
	Others	81,459	6.61	None	Others	215,130	13.57	None	Other	45,156	10.20	None
	Net sales	1,232,687	100.00		Net sales	1,585,838	100.00		Net sales	442,613	100.00	

Reasons for increase or decrease:

In 2024, the sales amount to Customer B increased due to the increase in demand in the overall U.S. market; in the first quarter of 2025, the sales amount to Customer A increased due to the increase in demand in the overall Asian market.

III. The number of employees employed, average years of service, average age, and educational background distribution ratio for the 2 most recent fiscal years, and during the current fiscal year up to the date of publication of the annual report

Year		The year in 2023	The year in 2024	April 30, 2025
The number of employees (people)	Manager or above	39	37	37
	The general staff	142	143	142
	Production line staff	419	524	574
	Total	600	704	753
Average age (years-old)		41.56	40.01	40.00
Average length of service (years)		6.56	4.79	4.61
Educational attainment distribution ratio(%)	Doctor	—	—	—
	Master	0.67	0.71	0.67
	Associate	14.83	13.07	14.74
	High school	29.33	38.49	35.19
	Under senior high school	55.17	47.73	49.40

IV. Disbursements for environmental protection

Disclosure of loss due to environmental pollution in the most recent year and up to the date of publication of the annual report (including compensation and environmental protection audit results for violations of environmental laws and regulations, which should specify the date of the penalty, penalty number, violation of the law, violation of the law, and the content of the penalty), and the estimated amount and corresponding measures that may occur at present and in the future. If it is impossible to reasonably estimate, the fact that it is impossible to reasonably estimate should be explained:

As of the printing date of this annual report, the company has not incurred any losses or disposals due to environmental pollution. The company has always adhered to environmental regulations and advocated environmental protection. The likelihood of incurring losses or disposals due to environmental pollution in the future is considered minimal.

V. Labor Relations

(I) The company's employee welfare measures, training, education, retirement system and its implementation, as well as the agreements between labor and management and the situation of various measures to safeguard employee rights.

1. Employee benefit plans

In addition to the basic protections provided by the Labor Standards Act and related regulations, our company's employee welfare measures also include:

- (1) Year-end bonuses and employee rewards.
- (2) Bonuses for festivals, wedding, childbirth, and birthday.
- (3) Education and training subsidies.
- (4) Employee trips.
- (5) Year-end party lucky draw, tea and gift, gatherings, and various team-building activities.
- (6) Assistance for injuries, funerals, and emergencies.

2. Continuing education and training

The company's education and training system is divided into pre-service training and on-the-job training. It is hoped that every employee can learn about the company's operation situation and continuously strengthen their own professional skills after serving.

(1) Employee training in year 2024:

Job Title/Name	Teaching unit	Course name	Hours
Chief Financial Officer Li, Jhih-Sian	Accounting research and development foundation	Introductory Training Course for Accounting Officers of Issuers, Securities Firms, and Stock Exchanges.	30
Accounting Supervisor Agent Cheng, Hsin-Yu	Accounting research and development foundation	Practical Analysis of Internal Control Management in Corporate Greenhouse Gas Inventory.	6
		Overview of the Latest Regulations and Internal Control Practices for Annual Reports, Sustainability Information, and Financial Report Preparation.	6
Internal audit officer Li, Ming-Chin	The institution of internal auditors-Chinese Taiwan	Pre-Employment Training Workshop for Newly Appointed Internal Auditors.	18
Audit agent Gao, Ji-Yun	The institution of internal auditors-Chinese Taiwan	Practical Guide to Self-Assessment.	6
		Legal Risks in Business Management and the Role of Internal Auditors in Response.	6
All employees of the company	Internal Training	Laws and case analysis related to insider trading	1

(2) Continuing education and training related to managers' participation in corporate governance:

Job Title/Name	Teaching unit	Course name	Hours
General Manager Hsing. Chia-Chen	Securities and Futures Institute	Risks and Opportunities of Climate Change and Net-Zero Emission Policies for Corporate Operations.	3
		Corporate Governance Evaluation: Strategies and Applications.	3
Deputy general manager Huang, Tse-Lin	Securities and Futures Institute	Risks and Opportunities of Climate Change and Net-Zero Emission Policies for Corporate Operations.	3
		Corporate Governance Evaluation: Strategies and Applications.	3
Corporate Governance Officer Huang, Chen-Ting	Securities and Futures Institute	Risks and Opportunities of Climate Change and Net-Zero Emission Policies for Corporate Operations.	3
		Corporate Governance Evaluation: Strategies and Applications.	3
	Taipei Exchange	Seminar on Insider Shareholding Compliance for Emerging and OTC-listed Companies	3

(3) Obtaining relevant certificates and licenses by personnel related to financial information transparency: None.

3. Retirement system and its implementation
The company allocates 6% of employees' salaries monthly to their individual accounts with the Labor Insurance Bureau, in accordance with the Labor Standards Act. To date, there have been no instances of overdue payments or fines related to retirement funds.
 4. Agreement between labor and management and various protection measures of employee rights and interests
To safeguard the rights and interests of both labor and management and to foster harmonious labor relations, our company is committed to enhancing communication and coordination between labor and management to address issues. As a result, our labor relations have remained harmonious and cordial to date, with no significant labor disputes occurring.
- (II) As of the printing date of the most recent annual report and the end of the fiscal year, there have been no losses incurred due to labor disputes or violations of labor laws, including the results of labor inspections. Therefore, there are no details regarding penalties, violation dates, violation regulations, or estimated amounts and corresponding measures disclosed in the report:
As of the printing date of this annual report and the end of the current fiscal year, the company has not incurred any losses due to labor disputes. The labor relations within the company have always been harmonious and cordial. The likelihood of significant losses arising from labor disputes in the future is considered minimal.
- (III) Regulations of conduct or ethics for employees
1. The company has established a "Code of Ethics" and other related regulations as guidelines for employees to adhere to in their business conduct and ethical behavior. The main contents include:
 - (1) Prevention of conflicts of interest
 - (2) Avoidance of opportunities for personal gain
 - (3) Confidentiality responsibilities
 - (4) Fair trade practices
 - (5) Protection and proper use of company assets
 - (6) Compliance with laws and regulations
 - (7) Encouragement to report any illegal or unethical behavior
 2. To date, there have been no instances of employees violating significant codes of conduct and ethics.
- (IV) Measures and implementation of employee personal safety and working environment protection:
1. The company has established a "Workplace Safety and Health Code" in accordance with the Occupational Safety and Health Act. We have appointed occupational safety and health management personnel responsible for planning, supervising, and implementing various occupational safety and health operations, as well as providing employees with occupational safety and health training.
 2. The company has installed round-the-clock surveillance, facial recognition/password access control, and security systems to ensure the safety of both employees and company assets.
 3. The company has flexibly adjusts the working hours of employees commuting from other counties and cities and provides taxi subsidies for commuting during extreme weather conditions to reduce the risk of occupational accidents.
 4. The company has formulated a "Written Declaration Prohibiting Workplace Violence," which clearly defines patterns of workplace violence, prevention and handling measures,

consultation and complaint channels, in order to establish a friendly workplace environment.

As of the most recent annual report printing date and the end of the current fiscal year, our company has not violated any occupational safety and health laws and regulations, nor have there been any significant occupational accidents or incidents of workplace violence.

VI. Information and communication security management

- (I) Information and communication security risk management framework, policy, specific management plan and resources invested in it.
1. Information security risk management framework
The group has established an Information Security Team composed of 6 members from the information units of various important entities within the group. The team is coordinated by the Information Security Manager of our company and reports to the General Manager of our company. In 2024, the Group invested a total of NT\$213 thousand in information and security management related expenditures.
 2. Information security policy
Via the Plan-do-check-act (PDCA) cycle, the Company seeks to ensure the completeness, confidentiality, safety and usability of information pertaining to the scope of business of the Group, as well as personal information protection. The Company also seeks to lower risks of theft, misuse, leak, tampering or damage of information due to human error, sabotage or natural disasters, etc.
 3. Concrete management policies and resources invested in information security management
 - (1) For trainings held for new recruits and during cross-departmental routine meetings, information security shall be held to raise awareness on the topic. From time to time, phishing website simulation exercise shall be held to strengthen the information security awareness amongst employees.
 - (2) On a regular basis, the Company shall perform local, external and offsite backups to enable data recovery the soonest possible after exposure of corporate information to ransomware, accidental deletion and data damage.
 - (3) The Company has installed firewall and antivirus software according to different types of computers, and phased out or upgraded information equipment on a regular basis.
 - (4) Confidential electronic documents are encrypted, whilst paper documents are sealed or transferred using folders of designated colors.
 - (5) Engine rooms and key information equipment are linked to uninterruptible power system, provided with fire prevention equipment, and subject to access and storage control.
 - (6) For core operating system, disaster recovery exercise is held on a regular basis.
- (II) List the losses, possible impacts and countermeasures of major Information and communication security incidents in the most recent year and up to the date of publication of the annual report: None.

VII. Important Contracts:

Nature of contract	The parties concerned	Start/end date	Main content	Restrictive clauses
Land lease	Viglacera Corporation - JSC	November 20, 2019 to November 15, 2066	Plot CN2-3, Yen Phong Industrial Zone (Expansion Phase) land lease	-
House lease	KENNX Electronics (Dongguan) Ltd.	January 01, 2024 to February 28, 2034	NO.1, Weixing Road, Chashan Town, Dong Guan City, Guang Dong Province, China.	-

Five. Review and analysis of financial status and financial performance and risk issues

I. Financial status

Unit: NT\$1,000

Items \ Year	2023	2024	Difference	
			Amount	%
Cash and cash equivalents	350,095	233,041	(117,054)	(33.43)
Financial assets at amortised cost(current and non-current)	77,603	17,674	(59,929)	(77.23)
Net accounts receivable	220,711	481,149	260,438	118.00
Other current assets(Note 1)	425,555	345,807	(79,748)	(18.74)
Plant, property and equipment	434,941	486,046	51,105	11.75
Right-of-use assets	149,343	368,895	219,552	147.01
Other non-current assets(Note 2)	82,568	80,421	(2,147)	(2.60)
Total assets	1,740,816	2,013,033	272,217	15.64
Short-term loans	99,438	130,687	31,249	31.43
Accounts payable	150,218	197,106	46,888	31.21
Other current liabilities(Note 3)	100,431	132,406	31,975	31.84
Bonds payable(Including the due within one year)	462,515	386,859	(75,656)	(16.36)
Other non-current liabilities(Note 4)	24,887	237,092	212,205	852.67
Total Liabilities	837,489	1,084,150	246,661	29.45
Share capital	353,298	353,298	–	–
Capital reserves	320,400	295,669	(24,731)	(7.72)
Retained earnings	148,840	165,820	16,980	11.41
Other equity	5,680	43,904	38,224	672.96
Non-controlling interest	75,109	70,192	(4,917)	(6.55)
Total equity	903,327	928,883	25,556	2.83

Analysis of change for at least 20% and at an amount higher than NT\$10 million.

1. Cash and cash equivalents: The decrease in bank deposits was primarily due to the repayment of the third secured convertible bonds.
2. Financial assets at amortised cost: The decrease in restricted deposits in 2024 was mainly due to the reserved cash capital for the repayment of the third secured convertible bonds.
3. Net accounts receivable: The increase in accounts receivable was mainly due to the sales revenue in the fourth quarter of 2024 compared to the fourth quarter of 2023, and a decrease in reclassification adjustments (transfer Accounts receivable factoring to Other receivables.)

4. Right-of-use assets: The increase was primarily due to the leasing of a new factory by the subsidiary, OXTOP (DONGGUAN).
5. Short-term loans: The increase in bank borrowings was primarily due to operational needs and funding strategy planning.
6. Accounts payable: The increase in purchase amount was mainly due to the sales revenue from the fourth quarter of 2024 to the first quarter of 2025, compared to the fourth quarter of 2023 to the first quarter of 2024.
7. Other current liabilities 、 Other non-current liabilities: The increase in lease liabilities was primarily due to the new factory lease by the subsidiary, OXTOP (DONGGUAN).
8. Other equity: The increase was mainly due to currency exchange gain of the VND and RMB to the NTD and the exchange gain from translation of financial statements of foreign operations in 2024.

Note 1: Including Other receivables, Inventories, Prepayments and Other current assets, others.

Note 2: Including Intangible assets, Deferred income tax assets, Prepayments for business facilities, Guarantee deposits paid and other non-current assets, others.

Note 3: Including Current financial liabilities at fair value through profit or loss, Other payables, Current income tax liabilities, Current lease liabilities, and Other current liabilities, others.

Note 4: Including Deferred income tax liabilities, Non-current lease liabilities and Other non-current liabilities, others.

II. Financial performance

(I) Comparison of operating results:

Unit: NT\$1,000

Items \ Year	2023	2024	Difference	
			Amount	%
Sales revenue	1,232,687	1,585,838	353,151	28.65
Operating costs	1,004,133	1,312,075	307,942	30.67
Net operating margin	228,554	273,763	45,209	19.78
Operating expenses	214,268	258,344	44,076	20.57
Operating profit	14,286	15,419	1,133	7.93
Non-operating income and expenses	21,805	26,585	4,780	21.92
Profit before income tax	36,091	42,004	5,913	16.38
Income tax expense	13,118	22,203	9,085	69.26
Profit for the year	22,973	19,801	(3,172)	(13.81)
Other comprehensive profit (loss)	(28,012)	41,085	69,097	246.67
Total comprehensive income for the year	(5,039)	60,886	65,925	1,308.30

Analysis of change for at least 20% and at an amount higher than NT\$10 million.

1. Sales revenue, Operating costs, and Operating Expenses: The main reason is that inflation in major economies around the world will gradually slow down in 2024, and product demand will increase, which will lead to growth in operating income and relatively increase in operating costs and expenses.
2. Non-operating income and expenses: The increase was mainly due to changes in exchange rates and net gain in foreign currency exchange in 2024.
3. Income tax expense: The increase was mainly due to an increase in profit in 2024.
4. Other comprehensive profit (loss): The increase was mainly due to currency exchange gain of the VND and RMB to the NTD and the exchange gain from translation of financial statements of foreign operations in 2024.
5. Total comprehensive income for the year: The increase is the result of above point 1, 2, 3 and 4.

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

The group is principally engaged in the R&D design, production and trading of professional speaker systems, single speakers and related spare parts. We have close OEM/ODM cooperation with many international well-known brands. Through actively investing in research and development of product and manufacturing process, strengthening automated production and the new production bases in Vietnam to strengthen competitiveness and strive to achieve stable sales targets.

(III) Impact on the company's future financial business: No significant impact.

(IV) Future Response Plan: Not applicable.

III. Cash flow

(I) Analysis of changes in cash flow in recent years

Unit: NT\$1,000

Project	2023	2024	Chang in amount
Net cash flows from (used in) operating activities	112,165	(21,157)	(133,322)
Net cash flows from (used in) investing activities	(64,060)	(3,749)	60,311
Net cash flows from (used in) financing activities	(81,432)	(109,952)	(28,520)
Analysis of change:			
1. Operating activities: The decrease was mainly due to the increase in accounts receivable.			
2. Investing activities: The decrease in restricted deposits in 2024 was mainly due to the reserved cash capital for the repayment of the third secured convertible bonds.			
3. Financing activities: Financing activities: The decrease was due to the repayment of the third domestic secured convertible corporate bonds.			

(II) Improvement plan of liquidity shortage: There is no liquidity shortage.

(III) Analysis of cash liquidity in the coming year (individual)

Unit: NT\$1,000

Cash at the beginning of the period Balance	Expected net cash flows from operating activities for the year	Expected net cash flows from investing and financing activities for the year	Expected cash gap	Planned to fill in the cash gap	
				Investment plan	Financial plan
143,630	73,687	(107,219)	110,098	Not applicable	Not applicable
1. Analysis of cash flow changes in 2025:					
Operating activities: The company expects that the increase in net profits in 2025 will be reinvested in working capital.					
Investing and financing activities: The company expects the majority funds to come from bank loans, which will be used to repay bank loans, the fourth domestic unsecured convertible corporate bonds, and pay dividends.					
2. Planned measures to meet the cash flow gap: Not applicable.					

IV. The impact of recent major capital expenditures on financial operations:None.

V. The re-investing policies in recent years, the main reasons for its profit or loss, the improvement plan and the investment plan for the coming year:

Unit: NT\$1,000

Investee	Investment policy	Investment Income(loss) recognized by the company for the year 2024	The main reason for profit or loss	Improved plan	Investing plan for the coming year

New Advanced Electronics Technologies (Hong Kong)	Long-term investment	14,381	Due to the stable in demand for speakers.	None.	Depending on the operating conditions.
New Advanced Electronics Technologies (Vietnam)	Long-term investment	(30,858)	Attributed to not yet reaching the scale of operational economy.	Actively strive for customer orders.	Depending on the operating conditions.
Jensen Electronics (Dongguan) Co., Ltd.	Long-term investment	6,200	Benefit from the increase in shipments of speaker raw materials.	None.	Depending on the operating conditions.
Advanced Sound Technologes, Inc.	Long-term investment	(31,114)	Investment loss from OXTOP (DONGGUAN) Electronics Co., Ltd.	None.	Depending on the operating conditions.
OXTOP (DONGGUAN) Electronics Co., Ltd.	Long-term investment	(31,114)	Due to reduced terminal demand for products in the half of 2024 and factory relocation expenses.	Actively strive for customer orders.	Depending on the operating conditions.

VI. Analysis and assessment of risk issues in the recent year and as of the date of publication of the annual report

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

1. The impact of interest rate and exchange rate changes on the Company's profit and loss and future countermeasures:

(1) Interest rate:

The group's consolidated interest expenses in 2024 and the first quarter of 2025 were NT\$28,195 thousand and NT\$7,013 thousand respectively, accounting for 1.78% and 1.58% of the consolidated operating income respectively. The group's consolidated interest income in 2024 and the first quarter of 2025 were NT\$9,288 thousand and NT\$1,472 thousand respectively, accounting for 0.59% and 0.33% of the consolidated operating income respectively. Generally speaking, the impact of changes in interest rates on the group's profit and loss is limited.

(2) Exchange rate:

The group's net foreign currency exchange gains (losses) in 2024 and the first quarter of 2025 were NT\$44,344 thousand and NT\$8,943 thousand respectively, accounting for 2.80% and 2.02% of the consolidated operating income respectively. Overall, the exchange factor has not yet constituted a risk burden of the profit situation. The specific measures taken by the group in response to the risks arising

from exchange rate changes on the company's profit and loss are as follows:

- A. When Quotations and negotiating on prices, contact person take into consideration of the costs arising from exchange rate changes, in order to protect the Company's reasonable profits.
- B. Natural hedge can mitigate the overall exchange rate risks via offsetting foreign-currency receivables from exports and foreign-currency payables due to procurement; foreign-currency deposits and loans; foreign-currency assets and liabilities.
- C. Finance and accounting departments maintain close conversations with foreign exchange departments of financial institutions, in order to regularly collect information on currency movements, stay abreast of exchange rate trends and changes in Taiwan and overseas, and mitigate adverse effects caused by exchange rate fluctuations.

2. The impact of inflation on the Company's profit and loss and future countermeasures:

The basis of quotations by the group is to reflect the changes in the prices of raw materials, labor and other costs simultaneously. Therefore, inflation does not have material influence on the group.

(II) The policies for engaging in high-risk, high-leverage investment, lending capitals to others, endorsement guarantee and derivative commodity trading, the main reasons for profit or loss and the future countermeasures:

1. High-risk, high-leverage investment and derivative transactions.

The Group is mainly engaged in the design, research and development, manufacturing and trading of speakers, and does not engage in high-risk and high-leverage investments and derivative transactions.

2. Lending capitals to others, endorsement guarantee

(1) In 2024 and the first quarter of 2025, the company's fund loan objects were subsidiaries OXTOP (DONGGUAN) Electronics Co., Ltd. and New Advanced Electronics Technologies (Vietnam). The purpose of these fund loan was business transactions. On December 31, 2024 and March 31, 2025, no actual amounts have been made. The transaction process is all handled in accordance with the company's " Management Procedures for Fund Loans to Others ", which should not have a major impact on the company's profit and loss.

(2) In 2024 and the first quarter of 2025, the company's endorsement and guarantee objects were subsidiaries New Advanced Electronics Technologies (Hong Kong), New Advanced Electronics Technologies (Vietnam) and OXTOP (DONGGUAN) Electronics Co., Ltd.. The ending balances of the endorsement guarantees on December 31, 2024 and March 31, 2025 were NT\$32,785 thousand, NT\$65,570 thousand, NT\$131,140 thousand, NT\$33,205 thousand, NT\$66,410 thousand and NT\$132,820 thousand. The transaction process is handled in accordance with the company's " Management Procedures for Endorsement and Guarantee ", which should not have a major impact on the company's profit and loss.

(III) Future R&D plan and estimated investment in R&D:

The development of products and designs of the group has always been in line with the needs of customers and the market. It has been continuously improved through research and development and technical exchanges with brand owners. It also pays close attention to industry trends and future development, and develops products with market growth, future and potential. The annual investment R&D expenses are expected to be 2% to 3%

of sales revenue.

- (IV) The impact of changes in important domestic and international policies and laws on the Company's financial business and the corresponding countermeasures:

The group complies with domestic and foreign laws and regulations. Relevant departments shall assess the changes in important policies and laws, and recommend the corresponding countermeasures to support the adjustment of the Company's internal control system and operational activities, so as to comply with the requirements of the laws and regulations and reduce the impact on the Company's financial businesses. During the most recent year and as of the published date of the prospectus, there has been no events or matters with material influence on the financials or businesses of the company or its subsidiaries.

- (V) The impact of technological innovation (including information and communication security risk) and industrial changes on the Company's financial businesses and the corresponding countermeasures:

The Company pays close attention to the development of technological trends and seeks to promote information of technological application, e.g. designated team takes charge of the maintenance, optimization and development of ERP and other operating systems; the Group provides database sharing and establishes entity-wide teleconferencing system and Voice over Internet Protocol (VoIP) to improve business cost reduction, and efficiency of decision making and execution; the Group has established entity-wide information security team to effectively lowers the information security risk via measures of PDCA cycle.

As technology progresses, consuming electronic products are developing towards intelligence, functional diversification and convenience, which is of positive benefit to the speaker market. Using its expertise in professional speaker and the relevant components, the group engages in technology collaboration with international speaker brands via product and technology development. The group consistently improves its product quality, integrates its products with more technological functions to effectively reduce industrial changes and the risks brought about by them.

Therefore, in the most recent year and up to the date of the annual report, technological innovation (including information and communication security risk) and industrial changes have no significant impact on the group.

- (VI) The impact of changes in corporate image on corporate crisis management and the countermeasures:

The Company believes in reformation and innovation. Both ideas motivate the Company to engage in consistent improvement via R&D and technological collaboration with other brands so as to meet the largest target of the Company, which is to satisfy customer needs. As products are facing much vigorous competition and resources are limited nowadays, the Company puts in concerted effort to improve product quality and cost effectiveness to create optimal value for the Company itself, customers and shareholders. At the same time, the Company also seeks to fulfil corporate social responsibility and maintain good corporate image. As of the publication date of the annual report, there has been no significant incident that influences the corporate image of the Company negatively.

- (VII) Expected benefits and possible risks for the merger and the corresponding countermeasures:

None.

- (VIII) Expected benefits and possible risks for the plant expansion and the corresponding countermeasures: None.

- (IX) Risks for concentrated purchase or sales of goods and corresponding countermeasures:

1. Risks and countermeasures of concentrated procurement.

The main raw materials of the group consist of medium-density fiberboard (MDF), magnet, yoke and other materials for fabricating the drivers of speakers, as well as surface-mount IC and passive components. There is no single supplier whose net purchasing amount exceeds 10% in 2024 and the first quarter of 2025 of the group. The group maintains more than two suppliers for each main raw material. Furthermore, the group has also maintained long-term and stable collaborative relationship with suppliers so as to mitigate the risk of material shortage and lower the negative influence arising from low quality material. Therefore, there should be no risk of concentration of purchases.

2. Risks and countermeasures of concentrated sales.

The main business of the Group comprises the design and R&D, manufacturing and sales of professional speakers. The Group has fostered close OEM/ODM collaborative relationship with many renowned international brands. Nevertheless, merger and acquisition are common amongst international electroacoustic businesses. The industry leaders tend to remain dominant. As such, the Group is exposed to the risk of concentrated sales. Apart from strengthening products and R&D capability of production process, the Company provides one-stop shop solutions to increase the customer loyalty. Meanwhile, via competitive advantage in product quality and collaborative relationship with upstream and downstream businesses, the Company proactively develops potential customers to lower the negative influence arising from concentrated sales.

- (X) The impact of a large number of share transfer or replacement of the directors, supervisors or major shareholders holding more than 10% of the shares on the Company, the related risks and the corresponding countermeasures: None.
- (XI) The impact of changes in management rights on the company, the related risks and the response countermeasures: None.
- (XII) Litigation or non-litigation incidents shall state the major lawsuit, non-litigation or administrative dispute events determined by the company and the company's directors, supervisors, general manager, substantive person in charge, major shareholders holding more than 10% of the shares and subordinate companies or under jurisdiction; if the results have significant impact on the shareholders' equity or the price of the securities, provide the contentious facts, the amount of the subject matter, the commencement date of the lawsuit, the parties involved in the proceedings and the status as of the date of publication hereof: None.
- (XIII) Other significant risks and the response countermeasures: None.

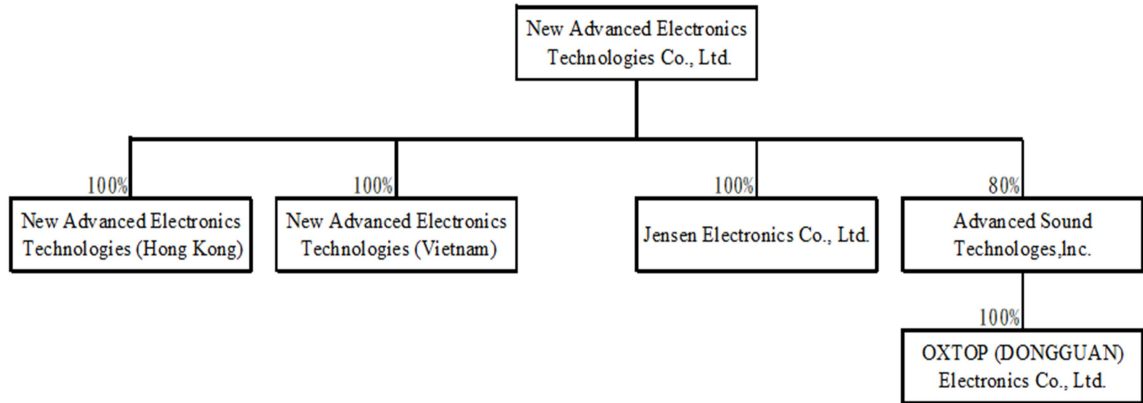
VII. Other important matters: None.

Six. Special Records

I. Information of Affiliated Companies

(I) Consolidated Operation Report of the Affiliates

1. Organization chart of affiliated enterprises



2. Information on affiliated enterprises

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

Name	Date of establishment	Location	Paid-in capital	Main business items or production items
New Advanced Electronics Technologies (Hong Kong)	June 14, 2019	Suite 1003, 10Th FL., Ocean Center, Harbour City, 5 Canton Rd.,Tst, Kowloon, Hong Kong.	USD193	Design, research and development and trade of speakers
New Advanced Electronics Technologies (Vietnam)	November 13, 2019	Plot CN2-3 in Yen Phong Industrial Zone (expansion phase), Yen Trung commune, Yen Phong district, Bac Ninh Province, S.R Viet Nam	USD23,100	Manufacture of speakers
Jensen Electronics (Dongguan) Co., Ltd.	March 26, 2022	Suite 104, NO.1, WEIXING ROAD, CHASHAN TOWN, DONG GUAN CITY, GUANG DONG PROVINCE, CHINA.	USD250	Trading company
Advanced Sound Technologes, Inc.	January 14, 2013	Samoa	USD11,000	Holding company

Name	Date of establishment	Location	Paid-in capital	Main business items or production items
OXTOP (DONGGUAN) Electronics Co., Ltd.	May 31, 2007	NO.1, WEIXING ROAD, CHASHAN TOWN, DONG GUAN CITY, GUANG DONG PROVINCE, CHINA.	USD11,000	Manufacture of speakers

3. Information on the shareholders of the companies shall be concluded as the existence of the controlling and subordinate: None.
4. Industries Covered and Division of Responsibilities Within the Group's Overall Business Operations:
 - (I) The scope of business covered by the entire affiliated entity network includes the design and R&D, manufacturing and sales of speakers.
 - (II) The Company mainly takes charge of the group operation, product design and R&D, procurement and sales; New Advanced Electronics Technologies Company Limited (Hong Kong) mainly takes charge of product design and R&D, procurement and sales; New Advanced Electronics Technologies (Vietnam) and OXTOP (DONGGUAN) Electronics Co., Ltd. mainly take charge of production and manufacturing and Jensen Electronics (Dongguan) Co., Ltd. mainly takes charge of raw material trading.
5. Information on Directors, Supervisors, and Presidents of affiliates:

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

Name of enterprise	Position title	Name or representative	Shareholding	
			Shares (Investment Amount)	(Shareholding Holding %) (Investment Holding %)
New Advanced Electronics Technologies (Hong Kong)	Director	Hsing, Chia-Chen	USD193(note)	100
New Advanced Electronics Technologies (Vietnam)	Director	Hsing, Chia-Chen	USD23,100(note)	100
Jensen Electronics (Dongguan) Co., Ltd.	Director	Hsing, Chia-Chen	USD250(note)	100
Advanced Sound Technologes, Inc.	Director	Hsing, Chia-Chen	USD8,800(note)	80
OXTOP (DONGGUAN) Electronics Co., Ltd.	Chairman	Hsing, Chia-Chen	USD8,800(note)	80
	Director	Hsing, Pin-Ling		
	Director	Wang, Chen-Wen		
	Supervisor	LU, Kai-Ning		

Note : Direct and indirect investment amount of NAE.

6. Affiliated enterprises' operational review:

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

Company	Capital Stock (note1)	Assets (note1)	Liabilities (note1)	Net Worth (note1)	Net Revenues (note2)	Income (Loss) from Operation (note2)	Net Income (Loss) (note2)	Basic Earnings (Loss) Per Share
New Advanced Electronics Technologies (Hong Kong)	6,319	80,813	48,747	32,066	210,209	2,553	14,381	(note3)
New Advanced Electronics Technologies (Vietnam)	725,957	658,439	99,391	559,048	252,787	(27,867)	(30,858)	(note3)
Jensen Electronics (Dongguan) Co., Ltd.	8,196	64,623	31,491	33,132	104,594	12,572	13,098	(note3)
Advanced Sound Technologies, Inc.	360,635	350,659	-	350,659	-	(2)	(39,070)	(note3)
OXTOP (DONGGUAN) Electronics Co., Ltd.	360,635	777,780	427,571	350,209	1,166,447	(27,348)	(39,084)	(note3)

Note1 : Based on the exchange rate on December 31, 2024.

Note2 : Based on the average exchange rate for 2024.

Note3 : Not applicable for unissued shares.

(II) Consolidated financial declaration statement of affiliated enterprises and consolidated financial statement: It has been disclosed on the website of the Market Observation Post System.(https://mops.twse.com.tw/mops/#/web/t57sb01_q1).

(III) Affiliation report: It has been disclosed on the website of the Market Observation Post System.(https://mopsov.twse.com.tw/mops/web/t57sb01_q10).

II. Private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

III. Other matters that require additional description: None.

IV. Any of the situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

**NEW ADVANCED ELECTRONICS
TECHNOLOGIES CO., LTD.**

Chairman and General Manager : Hsing, Chia-Chen