

# Wendell Industrial Co., Ltd.

## 2024 Annual Report

Website: <https://www.wendell.com.tw/zh/>  
(MOPS) Market Observation Post System website:  
<https://mops.twse.com.tw/mops/web/index>  
Published on March 31, 2025

- I. Contact Information of the Spokesperson and Deputy Spokesperson  
Spokesperson: YANG, CHENG-NAN  
Title: Chief Financial Officer  
Tel: (02)2917-5770  
Email: invest@wendell.com.tw  
Deputy Spokesperson: LIN, CHIA-HUA  
Title: Vice President  
Tel: (02)2917-5770  
Email: invest@wendell.com.tw
- II. Contact Information of the Headquarters, Branches and Plants  
Headquarters and Plants Address: 6F & 6F.-1, No. 188, Baoqiao Rd., Xindian Dist., New Taipei City, Taiwan (R.O.C.)  
Tel: (02)2917-5770
- III. Contact Information of the Stock Transfer Agency  
Name: Fubon Securities Co. Ltd.  
Address: 11F, No. 17, Xuchang St., Zhongzheng Dist., Taipei City, Taiwan (R.O.C.)  
Website: <https://www.fubon.com/securities/>  
Tel: (02)2361-1300
- IV. Contact Information of the CPAs for the Latest Financial Statements  
CPAs: CHEN, CHIN-CHANG, CHIU, CHAO-HSIEN  
Accounting Firm: PwC Taiwan  
Address: 27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City, Taiwan (R.O.C.)  
Website: <https://www.pwc.tw/>  
Tel: (02)2729-6666
- V. Name of the Offshore Stock Exchange and Method for Accessing Information on Offshore Securities: N/A.
- VI. Company Website: <https://www.wendell.com.tw/zh/>

# Table of Contents

<b>I.</b>	<b>Letter to Shareholders .....</b>	<b>1</b>
	(I) 2024 Business Report .....	1
	(II) Summary of 2025 Business Plan .....	3
	(III) Future Corporate Development Strategy .....	3
	(IV) Impact of External Competitive Environment, Regulatory Environment, and Overall Business Climate .....	4
<b>II.</b>	<b>Corporate Governance Report .....</b>	<b>5</b>
	(I) Details of Directors and Senior Management .....	5
	(II) Remuneration for general directors, Independent directors, supervisors, Presidents and Vice Presidents .....	16
	(III) Implementation of Corporate Governance .....	24
	(IV) Information on CPA professional fees .....	70
	(V) Information on the replacement of CPAs .....	70
	(VI) The Company's chairman, president, or any managerial officer in charge of finance or accounting matters 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 .....	71
	(VII) Any transfer of equity interests and pledge of, or change in, equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10% in the most recent fiscal year and as of the publication date of the annual report .....	72
	(VIII) Information on relationship among the top ten shareholders, who are related parties or spouses, relatives within the second degree of kinship of another shareholder .....	74
	(IX) Consolidated number of shares owned by the Company, directors, supervisors, managerial officers, and business controlled directly or indirectly by the Company ...	75
<b>III.</b>	<b>Capital Overview .....</b>	<b>76</b>
	(I) Capital and Shares .....	76
	(II) Handling of corporate bonds .....	80
	(III) Handling of special shares .....	81
	(IV) Handling of overseas depositary receipts .....	81
	(V) Handling of employee subscription certificates and new shares with limited employee rights .....	81
	(VI) Issuance of New Shares in Connection with Mergers and Acquisitions .....	81
	(VII) Finance Plans and Implementation .....	81
<b>IV.</b>	<b>Operational Highlights .....</b>	<b>85</b>
	(I) Description of the business .....	85
	(II) Market and sales overview .....	98

(III)	Employees information.....	104
(IV)	Environmental protection expenditure.....	104
(V)	Labor relations.....	104
(VI)	Cybersecurity management.....	106
(VII)	Material Contracts .....	108
<b>V.</b>	<b>Review and Analysis of the Company’s Financial Position, Performance, and Risk Management.....</b>	<b>110</b>
(I)	Financial Position .....	110
(II)	Financial Performance .....	112
(III)	Cash Flow .....	114
(IV)	The Effect of Major Capital Expenditures on Financials and the Business During the Most Recent Fiscal Year.....	115
(V)	Investment Policy, the Main Reasons for Profit or Loss as well as the Improvement Plan Over the Past Year, and an Investment Plan for Next Year.....	115
(VI)	Risk Analysis and Assessment for the Most Recent Fiscal Year and as of the Publication Date of the Annual Report .....	117
(VII)	Other Major Events.....	121
<b>VI.</b>	<b>Special Disclosure .....</b>	<b>122</b>
(I)	Information on Affiliated Companies .....	122
(II)	Private placement of securities in the most recent fiscal year and as of the publication date of the annual report .....	122
(III)	Other necessary statements .....	122
<b>VII.</b>	<b>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 occurring in the most recent fiscal year as of the publication date of the annual report .....</b>	<b>122</b>

# I. Letter to Shareholders

## (I) 2024 Business Report



### A. Implementation of Business Plan

In 2024, benefiting from the rising demand for network infrastructure in emerging markets and the steady growth of automotive electronics applications—along with increased momentum from the integration of thermal materials with EMI solutions—both revenue and profitability reached record highs. In 2025, the Company will continue to develop new products and align with emerging market applications. In addition to strengthening its presence in networking, automotive electronics, industrial PCs, security surveillance, and AI cloud server applications, the Company will leverage its newly established laboratory to provide customers with more comprehensive and professional services. At the same time, low-margin product lines will be phased out to generate greater returns for shareholders. Consolidated net revenue for 2024 was NT\$2,020,873 thousand, representing a 15.91% increase compared to NT\$1,743,459 thousand in 2023. The gross profit margin was 32.14%, and the net margin after tax was 10.61%. Earnings per share (EPS) for the year was NT\$7.25.

### B. Budget Implementation Status

In accordance with current regulations, the Company did not publicly disclose financial forecasts for 2024.

### C. Analysis of Financial Revenue, Expenditures, and Profitability

Unit: NT\$ Thousand

Item/Year		2024	2023	Increase (Decrease) %
Financial Revenue and Expenditure	Net Revenue	2,020,873	1,743,459	15.91%
	Gross Profit	649,583	503,996	28.89%
	Gross Profit Margin (%)	32.14	28.91	11.17%
	Net Income After Tax	214,380	101,329	111.57%
Profitability Analysis	Return on Total Assets (%)	10.23	5.95	71.93%
	Return on Equity attributable to Shareholders of the Parent (%)	17.69	10.09	75.32%
	Operating Income to Paid-in Capital Ratio (%)	78.01	58.94	32.35%
	Pre-tax Income to Paid-in Capital Ratio (%)	87.59	52.43	67.06%
	Net Margin (%)	10.61	5.81	82.62%
	Earnings Per Share (NT\$)	7.25	4.04	79.46%

Note 1: The above figures are based on the 2024 and 2023 consolidated IFRS financial statements.

#### Explanation of Changes in Gross Profit and Net Income:

- In 2024, due to a rebound in end-market demand and increased shipments, total gross profit increased by 28.89% compared to the previous year. The gross profit margin rose to 32.14%, up 11.17 percentage points year-over-year. In terms of product mix, revenue contributions in 2024 from own-brand products, agency-brand products, and testing & certification services were 46.91%, 44.73%, and 8.36%, respectively, reflecting continued optimization of the product portfolio.

2. Total gross profit increased by NT\$145,587 thousand compared to the previous year, with the operating expense ratio managed at 20.19%. Regarding non-operating income and expenses, the appreciation of the U.S. dollar led to the recognition of foreign exchange gains amounting to NT\$29,023 thousand and an increase in bond interest income of NT\$8,059 thousand. As a result, net income for the period reached NT\$214,380 thousand, representing a 111.57% increase compared to the previous year.

D. Research and Development Status

**In 2024, the Company obtained a patent for a "Protection Device for Network Communication Connector."**

This patent focuses on a protection device for network communication connectors, primarily designed to guard against surges such as lightning strikes or noise, thereby protecting the internal circuits of communication equipment from damage. The device effectively dissipates surges and prevents them from entering the internal circuit through the signal output or PoE, thus preserving functional integrity. Compared with common products on the market, this patented device demonstrates higher surge tolerance, enhancing its reliability in real-world applications.

**In 2024, the Company obtained a patent for a "Semiconductor Packaging Structure with Enlarged Chip Area."**

The small-sized package lead frame base island structure mainly increases the contact area between the chip and the lead frame base island, effectively improving production capacity and yield rate.

**In 2024, the Company was granted a patent for a "Universal Test Circuit Structure for Semiconductor Packaging and Its Associated Testing Equipment."**

The universal test socket for semiconductor packaging integrates test bases for different pin configurations, enhancing testing accuracy and efficiency for components while reducing resource consumption associated with the traditional one-to-one testing board approach.

**In 2024, the Company obtained a patent for an "External Lightning Protection Device for Network."**

The primary advantage of this external lightning protection device for networks lies in its plug-and-play functionality, differing from common market products that require additional bridging cables. In addition, compared to standard products available on the market, this device is not only smaller in size but also offers greater surge tolerance, demonstrating superior overall performance.

**In 2025, the Company plans to apply for patents for a "10-Gigabit Ethernet Communication Connector Protection Device" and a "10-Gigabit Ethernet Lightning Protection Isolation Transformer."**

The 10-Gigabit Ethernet Communication Connector Protection Device is a lightning protection module designed to bridge high-speed network cables and PoE equipment. Its primary advantage lies in its adaptability—allowing seamless integration with new tasks without replacing existing network cables or connectors. It significantly enhances communication speed from 1Gbps to 10Gbps while incorporating high-energy surge protection to prevent damage to high-speed communication devices. Furthermore, compared to existing market products, the patented design demonstrates superior surge endurance and reliability in practical use.

The 10-Gigabit Ethernet Lightning Protection Isolation Transformer is designed to meet the booming demand in network communication products and applications. As a component that bridges high-speed communication cables and PoE equipment, it enhances both communication speed and protection. This patent not only increases transmission speed from 1Gbps to 10Gbps, but also provides high conduction tolerance, lightning resistance, and EMS protection. It also features electromagnetic wave suppression at higher frequencies, rates, and bandwidths, making it a high-performance Ethernet lightning protection isolation transformer.

## **(II) Summary of 2025 Business Plan**

### **A. Business Strategy and Sales Policy**

1. Continue developing new products and aligning with emerging market applications, with a proactive focus on areas such as 5G, WiFi 7, automotive electronics and electric vehicles/scooters/bicycles, Internet of Things (IoT), high-speed computing for data centers, low Earth orbit satellites, low-carbon green energy and energy storage, artificial intelligence (AI), and smart cities. These are the Company's primary development directions for the year.
2. Strengthen product coverage in automotive peripheral electronics and vehicle-to-everything (V2X) communication, and continue increasing the proportion of revenue from automotive clients.
3. Increase capital expenditures for the battery testing laboratory to expand testing capacity and scope.
4. Utilize the laboratory to enhance electromagnetic compatibility (EMC) solutions and deepen engagement with customers across various sectors, thereby boosting the Company's performance.

### **B. Expected Sales Volume**

Based on industry trends and future business direction, the Company expects to sell approximately 1,412,372 thousand components and around 8 thousand testing and certification services in 2025.

### **C. Production and Sales Policy**

1. Establish strategic partnerships with major upstream raw material suppliers, wafer foundries, and packaging and testing facilities to ensure stable supply and quality of raw materials and production capacity, while reducing costs and enhancing overall competitiveness.
2. Expand the component and certification markets, and continue developing new products to meet emerging market applications and demands. Through professional experience and a fully equipped testing environment, the Company aims to provide customers with one-stop integrated services, accelerating their time-to-market.

## **(III) Future Corporate Development Strategy**

- A. Promote a complete one-stop EMC certification service and expand global laboratory platforms to achieve win-win collaboration with clients.
- B. Actively develop new product lines to offer customers the most suitable EMC and circuit protection solutions.
- C. Continue expanding laboratory certification capabilities and collaborate with overseas laboratories to broaden customer service coverage.
- D. Foster long-term partnerships with clients under the service spirit of "A TEAM OF CUSTOMER ORIENTATION."

#### **(IV) Impact of External Competitive Environment, Regulatory Environment, and Overall Business Climate**

In terms of the external competitive environment, the Company possesses a well-established and comprehensive product line, an experienced and professional team of engineers, fully equipped laboratory testing facilities, and product certification services. These elements are integrated into a unique and hard-to-replicate one-stop EMC and circuit protection business model, distinguishing the Company from typical component suppliers and laboratories. This allows the Company to build strong partnerships with clients and maintain a competitive edge in the industry.

With respect to the regulatory environment, the Company complies with all regulatory amendments, making timely adjustments to internal rules and management procedures, while formulating supporting measures. It is expected that changes in regulations will have a minimal impact on the Company.

Regarding the overall business climate, ongoing geopolitical uncertainties and potential changes in U.S. tariff policies may affect the global supply chain. The Company will maintain strong communication channels with both clients and suppliers to stay informed of operational developments, and will adjust its strategies and directions in alignment with international trends to ensure stable operations and sustained profitability.

Chairman: KAO, CHIH-HUNG

**II. Corporate Governance Report**  
**(I) Details of Directors and Senior Management**



A. Directors  
 1. Profile of Directors

March 31, 2025; Unit: Shares

Title	Nationality / place of incorporation	Name	Gender	Date elected	Term (years)	Date first elected	Shareholding when elected		Current shareholding		Spouse & minor shareholding		Shareholding by nominee arrangement		Experience (education)	Other position	Executives, Directors or Supervisors who are spouses or within the second degree of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
								R.O.C.	Bo Hong Investment Co., Ltd.	-	2022/06/16	3	2019/11/12	4,419,053			18.48 %	4,715,586	13.82 %	
Chairman	R.O.C.	Representative: KAO, CHIH-HUNG	Male/ 51~60	2022/06/16	3	2019/11/12	802,921	3.36 %	992,433	2.91%	8,441	0.02 %	9,431,172	27.65 %	Department of Advertising, National Chengchi University Chairman & President, Wendell Industrial Co., Ltd. Chairman & President, Wendell Electrical Testing Co., Ltd.	Chairman & CEO, Wendell Industrial Co., Ltd. Chairman, Bo Hong Investment Co., Ltd. Chairman, Wei Hong Asset Co., Ltd. Chairman, Wendell Electrical Testing Co., Ltd. Director, Wendell Co., Ltd. Director, Nichteck Industrial Co., Limited	Director	KAO, MIN-HUNG	Brothers	Note 1
	R.O.C.	Hung Hui Co., Ltd.	-	2022/06/16	3	2019/11/12	916,975	3.84 %	962,821	2.82%	-	-	-	-	-	-	-	-	-	-
Vice Chairman	R.O.C.	Representative: KAO, MIN-HUNG	Male/ 51~60	2022/06/16	3	2019/11/12	442,650	1.85 %	541,206	1.59%	-	-	962,821	2.82%	Graduate Institute of Shipping and Transportation Management, National Taiwan Ocean University President, Wendell Industrial Co., Ltd. Vice President, Wendell Industrial Co., Ltd. Supervisor, We Hong Asset Co., Ltd. Supervisor, Bo Hong Investment Co., Ltd.	Chief Sustainability Officer, Wendell Industrial Co., Ltd. Chairman, Hong Hui Co., Ltd. Chairman, Shenzhen Qianhong Electronic Co., Ltd. Chairman, Wendell Co., Ltd. Chairman, Wendell Korea Co., Limited Director, Wendell Pte., Ltd. Chairman, Nichteck Industrial Co., Limited Director, Wendell Electrical Testing Co., Ltd. Chairman, Morisawa Power Energy Co., Ltd.	Director	KAO, CHIH-HUNG	Brothers	-
	R.O.C.	Wei Hong Assets Co., Ltd.	-	2022/06/16	3	2022/06/16	4,419,053	18.48 %	4,715,586	13.82 %	-	-	-	-	-	-	-	-	-	-
Director	R.O.C.	Representative: CHAN, PO-HSIANG	Male/ 41~50	2022/06/16	3	2019/06/19	84,984	0.36 %	116,561	0.34%	-	-	-	-	York University Information Technology Vice President, Wendell Industrial Co., Ltd. Head of Marketing Division, Wendell Industrial Co., Ltd. Supervisor, Shenzhen Qianhong Electronic Co., Ltd. Supervisor, Suzhou Lianhong Electronic Co., Ltd. Product Manager, GIGA-BYTE Technology Co., Ltd.	President, Wendell Industrial Co., Ltd. Chief Operating Officer, Wendell Electrical Testing Co., Ltd.	-	-	-	-
Director	R.O.C.	LIU, SHENG-CHANG	Male/ Over 60	2022/06/16	3	2022/06/16	23,000	0.10 %	29,756	0.09%	-	-	100,000	0.29%	EMBA, National Chengchi University Bachelor of Commerce, National Taiwan University	Director, Everest CPA & Co. Vice President, CPA Associations R.O.C. (Taiwan) Resident Supervisor, Mega International Commercial Bank	-	-	-	-

Title	Nationality / place of incorporation	Name	Gender	Date elected	Term (years)	Date first elected	Shareholding when elected		Current shareholding		Spouse & minor shareholding		Shareholding by nominee arrangement		Experience (education)	Other position	Executives, Directors or Supervisors who are spouses or within the second degree of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
																Director, Richang Investment Co., Ltd. Executive Director, Accounting Research and Development Foundation				
Independent Director	R.O.C.	HO, TZU-SHUN	Male/ 51~60	2022/06/16	3	2019/11/12	-	-	-	-	-	-	-	-	LL.M., Soochow University LL.B., National Taiwan University Managing Attorney, Chiu-Yang Law Firm Independent Director, Choice Development, Inc. Prosecutor, Taiwan High Prosecutors Office Chief Prosecutor, Shilin District Prosecutors Office Prosecutor, Taoyuan District Prosecutors Office	Attorney, Shih Hsuan-Hsu Law Firm Supervisor, Temei Biotech Co., Ltd.	-	-	-	-
Independent Director	R.O.C.	LIN, CHIN-FENG	Female/ 41~50	2022/06/16	3	2019/11/12	-	-	-	-	-	-	-	-	Master's in Accounting, Soochow University Business Administration, National Taiwan University of Science and Technology Certified Public Accountant (Taiwan) Certified Tax Agent (China) Partner CPA, Dingxin CPAs Audit Director, Huizhong CPAs	Practicing CPA, Crowe (TW) CPAs	-	-	-	-
Independent Director	R.O.C.	TSENG, HSIAO-CHUAN	Female/ Over 60	2023/08/30	3	2023/08/30	-	-	-	-	-	-	-	-	Master's in Management, National Taiwan University of Science and Technology Chief Auditor, Yuanta Commercial Bank Co., Ltd. Vice President / Senior Vice President, Yuanta Commercial Bank Co., Ltd. Assistant Vice President / Senior AVP, Yuanta Commercial Bank Co., Ltd. Audit Manager, Yuanta Financial Holding Co., Ltd.	Independent Director, Protrade Applied Materials Corp.	-	-	-	Note 2

Note 1: The Chairman of the Company concurrently serves as the CEO for the purpose of improving the operational efficiency and decision execution capacity. To implement corporate governance, the Company has designated 3 independent directors, and more than half number of directors haven't concurrently served as employees or managerial officers of the Company.

Note 2: Independent Director Tseng, Hsiao-Chuan was appointed as an Independent Director of Protrade Applied Materials Corp. on October 8, 2024.

2. Major shareholders of corporate shareholders if directors are representatives of these shareholders

Table1: Major shareholders of corporate shareholders

March 31, 2025

Name of corporate shareholder	Major shareholders of corporate shareholders	Shareholding ratio
Bo Hong Investment Co., Ltd.	KAO, CHIH-HUNG	99.87%
	SUN, LO-YUN	0.13%
Hung Hui Co., Ltd.	KAO, MIN-HUNG	1.55%
	CHEN, KUAN-YU	1.55%
	KAO, PEI-TI	48.45%
	KAO, YU-TSAI	48.45%
Wei Hong Assets Co., Ltd.	KAO, CHIH-HUNG	99.87%
	SUN, LO-YUN	0.13%

Major shareholders of corporate shareholders in the table above: Not applicable.

3. Professional qualifications and independence analysis of directors and independent directors:

Condition Name	Professional qualifications and experience	Independence status	Number of other public companies where the director holds a concurrent post of independent director
Bo Hong Investment Co., Ltd. Representative: KAO, CHIH-HUNG	<ul style="list-style-type: none"> <li>➤ With work experience in management, commerce, legal affairs, finance, and accounting, or work experience needed for corporate business.</li> <li>➤ Currently serving as Chairman &amp; CEO of the Company and previously serving as President of the Company, specialized in operational judgment, accounting and financial skills, operation and management ability, crisis management, industrial knowledge, international market view, leadership, and decision-making ability.</li> <li>➤ Currently not involved in each situation specified in Article 30 of the Company Act.</li> </ul>	N/A	None
Hung Hui Co., Ltd. Representative: KAO, MIN-HUNG	<ul style="list-style-type: none"> <li>➤ With work experience in management, commerce, legal affairs, finance, and accounting, or work experience needed for corporate business.</li> <li>➤ Currently serving as the</li> </ul>	N/A	None

Condition Name	Professional qualifications and experience	Independence status	Number of other public companies where the director holds a concurrent post of independent director
	<p>Chief Sustainability Officer of the Company and previously serving as President and Vice President of the Company, specialized in operational judgment, accounting and financial skills, operation and management ability, crisis management, industrial knowledge, international market view, leadership, and decision-making ability.</p> <ul style="list-style-type: none"> <li>➤ Currently not involved in each situation specified in Article 30 of the Company Act.</li> </ul>		
Wei Hong Assets Co., Ltd. Representative: CHAN, PO-HSIANG	<ul style="list-style-type: none"> <li>➤ With work experience in management, commerce, legal affairs, and finance, or work experience needed for corporate business.</li> <li>➤ Currently serving as President of the Company and previously serving as Vice President of the Company and product manager of GIGA-BYTE Technology Co., Ltd., specialized in operational judgment, accounting and financial skills, operation and management ability, crisis management, industrial knowledge, international market view, leadership, and decision-making ability.</li> <li>➤ Currently not involved in each situation specified in Article 30 of the Company Act.</li> </ul>	N/A	None
LIU, SHENG-CHANG	<ul style="list-style-type: none"> <li>➤ With work experience in management, commerce, finance, and accounting, or work experience needed for corporate business.</li> <li>➤ Currently serving as director of Everest CPA &amp;</li> </ul>	N/A	None

Condition Name	Professional qualifications and experience	Independence status	Number of other public companies where the director holds a concurrent post of independent director
	<p>Co., Vice President of CPA Associations R.O.C. (Taiwan), resident supervisor of Mega International Commercial Bank and executive director of Accounting Research and Development Foundation and previously serving as the President of CPA Associations R.O.C. (Taiwan). specialized in operational judgment, accounting and financial skills, operation and management ability, crisis management, international market view, leadership, and decision-making ability.</p> <ul style="list-style-type: none"> <li>➤ Currently not involved in each situation specified in Article 30 of the Company Act.</li> </ul>		
HO, TZU-SHUN	<ul style="list-style-type: none"> <li>➤ With work experience in commerce, legal affairs, and finance, or work experience needed for corporate business.</li> <li>➤ Currently serving as a practicing lawyer of Shih Hsun Hsu Law Firm, and previously serving as procurator of Taiwan High Prosecutors Office, head procurator of Taiwan Shilin District Prosecutors Office and procurator of Taiwan Taoyuan District Prosecutors Office, specialized in operational judgment, accounting and financial skills, operation and management ability, crisis management, industrial knowledge, international market view, leadership, and decision-making ability.</li> <li>➤ Currently not involved in each situation specified in</li> </ul>	<ul style="list-style-type: none"> <li>➤ The director, his/her spouse, and relatives within the second degree of kinship haven't served as director, supervisor, or employee of the Company or its affiliated companies.</li> <li>➤ The director, his/her spouse, and relatives within the second degree of kinship (or in the name of others) haven't held shares in the Company.</li> <li>➤ The director hasn't served as director, supervisor, or employee of any company that has a specific relation with the Company.</li> <li>➤ The director hasn't received any rewards from the Company or its affiliated companies for relevant services provided, including</li> </ul>	None

Condition Name	Professional qualifications and experience	Independence status	Number of other public companies where the director holds a concurrent post of independent director
	Article 30 of the Company Act.	commerce, legal affairs, finance, accounting and other relevant services, in the last 2 years.	
LIN, CHIN-FENG	<ul style="list-style-type: none"> <li>➢ With work experience in commerce, finance, and accounting, or work experience needed for corporate business.</li> <li>➢ Currently serving as a practicing CPA of Crowe (TW) CPAs and previously serving as Head of Auditing Department, Weizhong Certified Public Accountants, specialized in operational judgment, accounting and financial skills, operation and management ability, crisis management, international market view, leadership, and decision-making ability.</li> <li>➢ Currently not involved in each situation specified in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>➢ The director, his/her spouse, and relatives within the second degree of kinship haven't served as director, supervisor, or employee of the Company or its affiliated companies.</li> <li>➢ The director, his/her spouse, and relatives within the second degree of kinship (or in the name of others) haven't held shares in the Company.</li> <li>➢ The director hasn't served as director, supervisor, or employee of any company that has a specific relation with the Company.</li> <li>➢ The director hasn't received any rewards from the Company or its affiliated companies for relevant services provided, including commerce, legal affairs, finance, accounting and other relevant services, in the last 2 years.</li> </ul>	None
TSENG, HSIAO-CHUAN	<ul style="list-style-type: none"> <li>➢ With work experience in commerce, finance, and accounting, or work experience needed for corporate business.</li> <li>➢ Currently serves as a member of the Company's Compensation Committee and Sustainability Development Committee, and also holds the position of Independent Director at Protrade Applied Materials Corp. Formerly served as Chief Auditor at Yuanta</li> </ul>	<ul style="list-style-type: none"> <li>➢ The director, his/her spouse, and relatives within the second degree of kinship haven't served as director, supervisor, or employee of the Company or its affiliated companies.</li> <li>➢ The director, his/her spouse, and relatives within the second degree of kinship (or in the name of others) haven't held shares in the Company.</li> </ul>	1 company

Condition Name	Professional qualifications and experience	Independence status	Number of other public companies where the director holds a concurrent post of independent director
	<p>Commercial Bank. specialized in operational judgment, accounting and financial analysis, business management, crisis management, global market perspective, leadership, and decision-making.</p> <p>➤ Currently not involved in each situation specified in Article 30 of the Company Act.</p>	<p>➤ The director hasn't served as director, supervisor, or employee of any company that has a specific relation with the Company.</p> <p>➤ The director hasn't received any rewards from the Company or its affiliated companies for relevant services provided, including commerce, legal affairs, finance, accounting and other relevant services, in the last 2 years.</p>	

#### 4. Diversity of the Board of Directors

The constitution of the members of the Board of Directors of the Company complies with “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”, and the Company has established “Procedures for Election of Directors” to dedicate to the improvement of the diversity of the Board of Directors of the Company. As for election of directors, the Company requires the following capabilities from the overall Board of Directors in accordance with Article 20 of “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”: Operational judgment, accounting and financial skills, operation and management ability, crisis management, industrial knowledge, international market view, leadership, and decision-making ability, for the purposes of strengthening the functionality of the Board of Directors and achieving the ideal target of corporate governance.

Title	Name	Basic composition							Diversified professional and industrial experience								
		Nationality	Gender	Concurrent employee of the	Age			Tenure of Independent Director		Operational judgment	Accounting and financial	Operation and management ability	Crisis management	Industrial knowledge	International market view	Leadership	Decision-making ability
					41~50	51~60	Over 61	Less than 3 years	More than 3 years								
Chairman	Bo Hong Investment Co., Ltd. Representative: KAO, CHIH-HUNG	R.O.C.	Male	✓	-	✓	-	-	-	✓	✓	✓	✓	✓	✓	✓	✓
Vice Chairman	Hung Hui Co., Ltd. Representative: KAO, MIN-HUNG	R.O.C.	Male	✓	-	✓	-	-	-	✓	✓	✓	✓	✓	✓	✓	✓
Director	Wei Hong Assets Co., Ltd. Representative: CHAN, PO-HSIANG	R.O.C.	Male	✓	✓	-	-	-	-	✓	✓	✓	✓	✓	✓	✓	✓
Director	LIU, SHENG-CHANG	R.O.C.	Male	-	-	-	✓	-	-	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director	HO, TZU-SHUN	R.O.C.	Male	-	-	✓	-	-	✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director	LIN, CHIN-FENG	R.O.C.	Female	-	✓	-	-	-	✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director	TSENG, HSIAO-CHUAN	R.O.C.	Female	-	-	-	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	✓

The seventh Board of Directors of the Company comprises 7 directors, among whom 3 directors are served by the employees of the Company who are specialized in leadership, decision-making, operational judgment, operation and management ability and crisis management with industrial knowledge and international market view; director LIU, SHENG-CHANG currently serves as the director of Everest CPA & Co. and the vice president of CPA Associations R.O.C. (Taiwan), specialized in management, accounting, and finance analysis; 3 independent directors, i.e., HO, TZU-SHUN, LIN, CHIN-FENG, and TSENG, HSIAO-CHUAN, are specialized in law, finance and accounting, management, and financial investments, which are important professional skills needed for the operation of the Company. The diversified and professional backgrounds of the directors facilitate the Company to make most timely and crucial decisions and improve its operational performance and management benefits.

The Company has a total of 7 directors, including 3 independent directors. The directors served by employees of the Company account for 42.86%, and the independent directors account for 42.86%, and the female directors account for 28.57% of the total number of directors respectively. The seniority of 2 independent directors lasts for 5-6 years. The seniority of 1 independent director lasts for 1-2 years. There are 2 directors

aged 41-50, 3 directors aged 51-60, and 2 directors aged above 61. The Company emphasizes gender equality in the composition of its Board of Directors, with the goal of having board seats held by directors of different genders account for at least one-third of the total. Currently, due to the resignation of a director and subsequent by-election at the Extraordinary Shareholders' Meeting, an additional female director has been appointed. Although the proportion of female directors has not yet reached one-third, the Company plans to further balance gender representation in the upcoming re-election of directors (including independent directors) scheduled for 2025, in line with the national policy objective of promoting gender equality.

5. Independence of the Board of Directors

The Company appointed 3 independent directors in 2024, accounting for 42.86% of all directors. None of these independent directors were involved in any circumstances stipulated in paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act (the number of directors with spousal relationship or kinship within the second degree does not exceed half number of the directors). All the independent directors comply with the restrictions on concurrent positions stipulated in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and there were fewer than 3 other public companies where they concurrently served as independent directors.

B. Profile of directors, supervisors, and the management team

March 31, 2025; unit: Share

Title	Nationality	Name	Gender	Date elected	Shareholding		Spouse & minor shareholding		Shareholding by nominee arrangement		Experience (education)	Other position	Managers who are spouses or within two degrees of kinship			Remark
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
CEO	R.O.C.	KAO, CHIH-HUNG	Male	1996.01.01	992,433	2.91%	8,441	0.02%	9,431,172	27.65%	Department of Advertising, National Chengchi University Chairman & President, Wendell Industrial Co., Ltd. Chairman & President, Wendell Electrical Testing Co., Ltd.	Chairman, Bo Hong Investment Co., Ltd. Chairman, Wei Hong Asset Co., Ltd. Chairman, Wendell Electrical Testing Co., Ltd. Director, Wendell Co., Ltd. Director, Nichteck Industrial Co., Limited	Chief Sustainability Officer	KAO, MIN-HUNG	Brothers	Note 1
Chief Sustainability Officer	R.O.C.	KAO, MIN-HUNG	Male	2023.03.08	541,206	1.59%	-	-	962,821	2.82%	Graduate Institute of Shipping and Transportation Management, National Taiwan Ocean University President, Wendell Industrial Co., Ltd. Vice President, Wendell Industrial Co., Ltd. Supervisor, We Hong Asset Co., Ltd. Supervisor, Bo Hong Investment Co., Ltd.	Chairman, Hong Hui Co., Ltd. Director, Wendell Electrical Testing Co., Ltd. Chairman, Shenzhen Qianhong Electronic Co., Ltd. Chairman, Wendell Co., Ltd. Chairman, Wendell Korea Co., Limited Director, Wendell Pte., Ltd. Chairman, Nichteck Industrial Co., Limited Chairman, Morisawa Power Energy Co., Ltd.	CEO	KAO, CHIH-HUNG	Brothers	-
President	R.O.C.	CHAN, PO-HSIANG	Male	2023.03.08	116,561	0.34%	-	-	-	-	York University Information technology Vice President, Wendell Industrial Co., Ltd. Head of Marketing Division, Wendell Industrial Co., Ltd. Supervisor, Shenzhen Qianhong Electronic Co., Ltd. Supervisor, Suzhou Lianhong Electronic Co., Ltd. Product Manager, GIGA-BYTE Technology Co., Ltd.	Chief Operating Officer, Wendell Electrical Testing Co., Ltd.	-	-	-	Note 2
Vice President	R.O.C.	HSU, SHIH-CHIEH	Male	2003.02.07	145,415	0.43%	-	-	-	-	Department of Electronics, Hwa Hsia Institute of Technology Business Division 1, Vice President, Wendell Industrial Co., Ltd. Deputy Manager, LINPO PRECISION LTD.	-	-	-	-	-
Vice President	R.O.C.	HUANG, CHAO-YUNG	Male	2023.03.08	142,242	0.42%	-	-	-	-	Department of Information Management, Takming Institute of Technology Administration Division, Director, Wendell Industrial Co., Ltd. Manager, MITSUTECH INTERNATIONAL CORP.	Supervisor, Shenzhen Qianhong Electronic Co., Ltd. Supervisor, Shenzhen Qianhong Electrical Testing Co., Ltd. Supervisor, Suzhou Lianhong Electronic Co., Ltd.	-	-	-	-
Vice President	R.O.C.	LIN, LI-CHING	Female	2023.03.08	72,633	0.21%	-	-	-	-	Department of Business Japanese, Yuda High School Logistic Management Division, Director, Wendell Industrial Co., Ltd. Purchasing Manager, Pao Te Electronic Co., Ltd.	-	-	-	-	-
Vice President	R.O.C.	LIN, CHIA-HUA	Female	2023.03.08	79,155	0.23%	-	-	-	-	Department of Economics, Fu Jen Catholic University Sales Division 2, Director, Wendell Industrial Co., Ltd. Project Deputy Manager, YuME Jewelry	Director and President, Wendell Electrical Testing Co., Ltd.	-	-	-	Note 2
Director	R.O.C.	LI, YIN-LIN	Female	2002.04.01	42,332	0.12%	-	-	-	-	College of Journalism and Communications - Shih Hsin University Material Division, Head, Wendell Industrial Co., Ltd.	-	-	-	-	-

Title	Nationality	Name	Gender	Date elected	Shareholding		Spouse & minor shareholding		Shareholding by nominee arrangement		Experience (education)	Other position	Managers who are spouses or within two degrees of kinship			Remark
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	R.O.C.	YANG, CHENG-HSIEN	Male	2006.07.17	218,426	0.64%	-	-	-	-	Department of Civil Engineering, National Chung Hsing University Division Head, Wendell Industrial Co., Ltd.	Chief Operating Officer, Shenzhen Qianhong Electronic Co., Ltd. Chairman, Shenzhen Qianhong Electrical Testing Co., Ltd.	-	-	-	-
Senior Manager	R.O.C.	CHANG, JUNG-FU	Male	2015.11.01	112,415	0.33%	-	-	-	-	College of Communication, National Chengchi University Senior Manager, Wendell Industrial Co., Ltd.	Director, Wendell Pte., Ltd	-	-	-	-
Chief Information Security Office	R.O.C.	CHIANG, YUEH-LIN	Male	2022.03.08	2,000	0.01%	-	-	-	-	Vanung University Project Manager, Wendell Industrial Co., Ltd.	-	-	-	-	-
Chief Financial Officer & Corporate Governance Officer	R.O.C.	YANG, CHENG-NAN	Male	2020.06.11	78,495	0.23%	-	-	-	-	Department of Accounting, Providence University Junior Professional and Technical Examination for Accounting Bookkeepers passed Senior Professional and Technical Examination for CPAs passed Finance and Accounting Department, Head, Wendell Industrial Co., Ltd. Special Assistant to the President, Wendell Industrial Co., Ltd. Auditor, Whole Time CPAs Listing Department, Manager, Nexia Sun Rise	-	-	-	-	-
Chief Accountant	R.O.C.	HSU, YU-WEN	Female	2016.12.05	18,634	0.05%	-	-	-	-	Department of Accounting, China University of Technology Accounting Department, Manager, Wendell Industrial Co., Ltd. Audit/Bookkeeping Supervisor, Far East CPAs	-	-	-	-	-
Chief auditor	R.O.C.	LIN, YI-CHING	Female	2022.08.09	9,000	0.03%	-	-	-	-	Department of Accounting, Feng Chia University Assistant Vice Manager of the Audit Office, Wendell Industrial Co., Ltd. Accountant, POWER WIND HEALTH INDUSTRY INC. Auditor, Ernst & Young Global Limited	-	-	-	-	-

Note 1: The Chairman of the Company concurrently serves as the CEO for the purpose of improving the operational efficiency and decision execution capacity. To implement corporate governance, the Company has designated 3 independent directors, and more than half number of directors haven't concurrently served as employees or managerial officers of the Company.

Note 2: As approved by the Board of Directors on April 25, 2024, President CHAN, PO-HSIANG was appointed as COO and Vice President LIN, CHIA-HUA was appointed as President of Wendell Electrical Testing Co., Ltd.

**(II) Remuneration for general directors, Independent directors, supervisors, Presidents and Vice Presidents**

A. 1. Remuneration of directors and independent directors (summarization of remuneration scale and name disclosing method)

December 31, 2024; Unit: NT\$ Thousand

Title	Name	Remuneration of directors								Ratio of total remuneration (A+B+C+D) to net income (Note 10)		Relevant remuneration received by directors who are also employees						Ratio of Total Remuneration (A+B+C+D+E+F+G) to net income (%) (Note 10)		Compensation paid to directors from an invested company other than the Company's subsidiaries or parent company (Note 11)		
		Base compensation (A) (Note 2)		Severance pay (B)		Directors' compensation (C) (Note 3)		Allowance (D) (Note 4)				Salary, bonuses, and allowances (E) (Note 5)		Severance pay (F)		Employee compensation (G) (Note 6)						
		The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company		Companies in the consolidated financial statements (Note 7)			The Company	Companies in the consolidated financial statements
																Cash	Stock	Cash	Stock			
Chairman	Bo Hong Investment Co., Ltd. Representative: KAO, CHIH-HUNG																					None
Vice Chairman	Hung Hui Co., Ltd. Representative: KAO, MIN-HUNG	-	-	-	-	2,834	2,834	36	36	1.34%	1.34%	13,578	13,578	181	181	336	-	336	-	7.91%	7.91%	None
Director	Wei Hong Assets Co., Ltd. Representative: CHAN, PO-HSIANG																					None
Director	LIU, SHENG-CHANG																					None
Independent Director	LIN, CHIN-FENG																					None
Independent Director	HO, TZU-SHUN	-	-	-	-	2,126	2,126	175	175	1.07%	1.07%	-	-	-	-	-	-	-	-	1.07%	1.07%	None
Independent Director	TSENG, HSIAO-CHUAN																					None

- Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration:  
The remuneration paid by the Company to independent directors is included in the distribution of directors' compensation and transportation expenses paid to the attending directors in accordance with the provisions of Article 20 of the Articles of Incorporation. The remuneration to the directors of the Company includes fixed remuneration of transportation expenses, as well as variable remuneration paid based on the performance evaluation of the Board of Directors conducted in consideration of the value contributed by directors including participation in Board meetings, participation in the Company's operation and decision-making, full communication inside the Company and with CPAs, and evaluation of potential risks. The evaluation results are equivalent to the contributions made by the directors, and therefore the directors' compensation is distributed equally.
- Compensation received by the directors of the Company for providing services to all companies in the financial report (e.g., serving as consultants rather than employees) in recent years except those disclosed above: None.

Table of Range of Remuneration

Range of remuneration	Name of directors			
	Total remuneration (A+B+C+D)		Total remuneration (A+B+C+D+E+F+G)	
	The Company (Note 8)	Companies in the consolidated financial statements (Note 9)	The Company (Note 8)	Companies in the consolidated financial statements (Note 9)
Under NT\$1,000,000	Bo Hong Investment Co., Ltd. Representative: KAO, CHIH-HUNG, Hung Hui Co., Ltd. Representative: KAO, MIN-HUNG, Wei Hong Assets Co., Ltd. Representative: CHAN, PO- HSIANG, LIN, CHIN-FENG, HO, TZU- SHUN, LIU, SHENG-CHANG, TSENG, HSIAO-CHUAN	Bo Hong Investment Co., Ltd. Representative: KAO, CHIH-HUNG, Hung Hui Co., Ltd. Representative: KAO, MIN-HUNG, Wei Hong Assets Co., Ltd. Representative: CHAN, PO- HSIANG, LIN, CHIN-FENG, HO, TZU- SHUN, LIU, SHENG-CHANG, TSENG, HSIAO-CHUAN	LIN, CHIN-FENG, HO, TZU-SHUN, LIU, SHENG-CHANG, TSENG, HSIAO- CHUAN	LIN, CHIN-FENG, HO, TZU-SHUN, LIU, SHENG-CHANG, TSENG, HSIAO- CHUAN
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	-	-	-	-
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	-	-	Hung Hui Co., Ltd. Representative: KAO, MIN-HUNG	Hung Hui Co., Ltd. Representative: KAO, MIN-HUNG
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	-	-	-	-
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	-	-	Bo Hong Investment Co., Ltd. Representative: KAO, CHIH-HUNG Wei Hong Assets Co., Ltd. Representative: CHAN, PO-HSIANG	Bo Hong Investment Co., Ltd. Representative: KAO, CHIH-HUNG Wei Hong Assets Co., Ltd. Representative: CHAN, PO-HSIANG
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	-	-	-	-
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	-	-	-	-
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)	-	-	-	-
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)	-	-	-	-
Over NT\$100,000,000	-	-	-	-
Total	7	7	7	7

Note 1: The names of directors shall be listed separately. Corporate shareholders shall be listed separately with the names of corporate shareholders and representatives along with the names of general directors and independent directors to disclose the payment amounts in an aggregate manner.

Note 2: Refers to the remuneration of the directors for the recent years, including directors' salary, office addition, retirement pension, severance pay, various bonuses, and incentive payments.

Note 3: Refers to the amount of directors' remuneration approved by the board of directors for the recent years.

Note 4: Refers to the director's relevant business execution expenses for the recent years, including carriage expenses, special expenses, various allowances, dormitory, car allocation and other kind provision, etc. In case that houses, cars and other means of transport or exclusive personal expenses are offered, the nature and cost of the assets provided, as well as the actual or fair market rent, fuel and other payments shall be disclosed. In addition, if a driver is assigned, please note that the Company pays the driver relevant compensation, but not included in the remuneration.

Note 5: Refers to the compensation, job bonus, retirement pension, severance pay, various bonuses, incentive payments, car expenses, special expenses, various allowances, dormitory, car allocation and other in-kind provision received by the director concurrently employees (including President, Vice President, other Presidents and employees acted as concurrently) in

the recent years. In case that houses, cars and other means of transport or exclusive personal expenses are offered, the nature and cost of the assets provided, as well as the actual or fair market rent, fuel and other payments shall be disclosed. In addition, if a driver is assigned, please note that the Company pays the driver relevant compensation, but not included in the remuneration. In addition, the salary expenses recognized in accordance with IFRS2 "Share Based Payment", including the acquisition of stock warrants of employees, the restriction of employee rights of new shares and participation in cash capital increase subscription shares, shall also be included in the remuneration.

Note 6: Refers to the employee remuneration (including stock and cash) obtained by the director concurrently acting as employee (including the President, Vice President, other President and employees) in the most recent year. The employee remuneration amount allocated by the board of directors in the recent years shall be disclosed. If it is impossible to estimate it, the proposed allocation amount for this year shall be calculated based on the proportion of the actual allocation amount in last year, and the Appendix 1-3 as attached shall also be completed.

Note 7: The total amount of remuneration paid by all companies, including the Company, to the directors included in the consolidated statement shall be disclosed.

Note 8: The Company shall pay each director the total amount of remuneration and disclose the names of directors in their respective grades.

Note 9: The total amount of remuneration paid by all companies, including the Company, to the directors included in the consolidated statement shall be disclosed.

Note 10: After-tax net benefit means the after-tax net benefit during the recent years.

Note 11: a. This column shall clearly indicate that the directors of the Company receive the relevant remuneration from the reinvested business outside the subsidiary or the parent company.  
b. If a director of the Company receives any remuneration from a sub-company or from a parent company, the remuneration received by the director of the Company from a sub-company or from a parent company shall be incorporated into column I of the scale of remuneration and the name of the column shall be changed to "the parent company and all sub-invested companies".  
c. Remuneration refers to the remuneration, compensation (including that of employee, director and Supervisor), business execution expenses and other relevant remuneration received by a director of the Company who serves as a director, supervisor or President of a business other than a subsidiary or the parent company.

2. The Audit Committee has been set up in the Company, so there is no remuneration for supervisor.

3. Remuneration of president and vice-presidents (summarization of remuneration scale and name disclosing method)

December 31, 2024; Unit: NT\$ Thousand

Title	Name	Salary (A)		Severance pay (B)		Bonuses and allowances (C) (Note 3)		Employee compensation (D) (Note 4)				Ratio of total compensation (A+B+C+D) to net income (%) (Note 8)		Compensation paid to directors from an invested company or from the Company's subsidiary (Note 9)
		The Company	Companies in the consolidated financial statements (Note 5)	The Company	Companies in the consolidated financial statements (Note 5)	The Company	Companies in the consolidated financial statements (Note 5)	The Company		Companies in the consolidated financial statements (Note 5)		The Company	Companies in the consolidated financial statements (Note 5)	
								Cash	Stock	Cash	Stock			
Chairman & CEO	KAO, CHIH-HUNG	16,164	16,164	593	593	9,048	9,048	665	-	665	-	12.35%	12.35%	None
Vice Chairman & Chief Sustainability Officer	KAO, MIN-HUNG													
President	CHAN, PO-HSIANG													
Vice President	HSU, SHIH-CHIEH													
Vice President	HUANG, CHAO-YUNG													
Vice President	LIN, LI-CHING													
Vice President	LIN, CHIA-HUA													

Table of Range of Remuneration

Range of remuneration paid to president and vice-presidents	Name of presidents and vice-presidents	
	The Company (Note 6)	Companies in the consolidated financial statements (Note 7)
Under NT\$1,000,000	-	-
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	-	-
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	KAO, MIN-HUNG, HSU, SHIH-CHIEH, LIN, CHIA-HUA, HUANG, CHAO-YUNG, LIN, LI-CHING	KAO, MIN-HUNG, HSU, SHIH-CHIEH, LIN, CHIA-HUA, HUANG, CHAO-YUNG, LIN, LI-CHING
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)		
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	KAO, CHIH-HUNG, CHAN, PO-HSIANG	KAO, CHIH-HUNG, CHAN, PO-HSIANG
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	-	-
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	-	-
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)	-	-
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)	-	-
Over NT\$100,000,000	-	-
Total	7	7

Note 1: The names of the President and Vice Presidents shall be listed separately, and the payment amounts shall be disclosed in a summary manner.

Note 2: The salary, job bonus, retirement pension and severance pay to the President and Vice President in the recent years shall be presented.

Note 3: Various bonuses, incentives, carriage expenses, special expenses, various allowances, in-kind provision of dormitory, car allocation and other remuneration amounts of the President and Vice President in the recent years shall be presented. In case that houses, cars and other means of transport or exclusive personal expenses are offered, the nature and cost of the assets provided, as well as the actual or fair market rent, fuel and other payments shall be disclosed. In addition, if a driver is assigned, please note that the Company pays the driver relevant compensation, but not included in the remuneration. In addition, the salary expenses recognized in accordance with IFRS2 "Share Based Payment", including the acquisition of stock warrants of employees, the restriction of employee rights of new shares and participation in cash capital increase subscription shares, shall also be included in the remuneration.

Note 4: The amount of compensation for the President and Vice Presidents approved by the board of directors for the recent years (including stock and cash if it is not possible to estimate, the proposed amount of this year's distribution shall be calculated in proportion to the actual amount of last year's distribution.

Note 5: The total amount of remuneration paid by all companies, including the Company, to the President and Vice President included in the consolidated statement shall be disclosed.

Note 6: The Company shall pay each President and Vice President the total remuneration, and disclose the names of President and Vice President in the relevant level.

Note 7: The total amount of remuneration paid by all companies, including the Company, to the President and Vice President included in the consolidated statement shall be disclosed, and the names of Presidents and Vice Presidents shall be disclosed in the relevant level.

Note 8: After-tax net profit refers to the after-tax net profit of an individual or individual financial report for the recent years.

Note 9: a. The amount of remuneration received by the President and Vice President from other subsidiaries or the parent company shall be filled in this column. If no amount is received, please fill in "none".

- b. If the President and Vice President of the Company receive remuneration from the reinvested business outside the subsidiary or the parent company, they shall incorporate the remuneration received by the President and Vice President from the reinvested business outside the subsidiary or the parent company into column E of the remuneration range table, and change the name of the column to "the parent company and all the reinvested business".
- c. Remuneration refers to the remuneration, compensation (including that of employee, director and Supervisor), business execution expenses and other relevant remuneration received by a director of the Company who serves as a director, supervisor or President of a business other than a subsidiary or the parent company.

B. The name of the President who is paid the employee compensation and distribution thereof

December 31, 2024; Unit: NT\$ Thousand

	Title	Name	Stock	Cash	Total	Ratio of total amount to net income (%)
Managerial officers	CEO	KAO, CHIH-HUNG	-	1,021	1,021	0.48%
	Chief Sustainability Officer	KAO, MIN-HUNG				
	President	CHAN, PO-HSIANG				
	Vice President	HSU, SHIH-CHIEH				
	Vice President	LIN, CHIA-HUA				
	Vice President	LIN, LI-CHING				
	Vice President	HUANG, CHAO-YUNG				
	Director	LI, YIN-LIN				
	Chief Financial Officer	YANG, CHENG-NAN				
	Director	YANG, CHENG-HSIEN				
	Senior Manager	CHANG, JUNG-FU				
	Chief Information Security Officer	CHIANG, YUEH-LIN				
	Chief Accountant	HSU, YU-WEN				
	Chief auditor	LIN, YI-CHING				

- Note 1 Individual names and titles shall be disclosed, but the profit distribution may be disclosed by means of summarization.
- Note 2 The amount of employee compensation (including stock and cash) distributed to managerial officers based on the resolution of the Board of Directors in the most recent fiscal year shall be filled out. If this amount cannot be predicted, the amount proposed for distribution in current year will be calculated according to the ratio of amount distributed last year. Net income after tax refers to the net income after tax in the most recent fiscal year; if IFRS is already adopted, net income after tax refers to the net income after tax indicated in the individual or separate financial statements in the most recent fiscal year.
- Note 3 The applicable scope of managerial officers is as follows in accordance with the provisions of Tai-Tsai-Cheng-San-Tzu No. 0920001301 Order issued by the Commission on March 27, 2003:
- (1) President and officers of equivalent rank
  - (2) Vice-presidents and officers of equivalent rank
  - (3) Director and officers of equivalent rank
  - (4) Head of Finance Department
  - (5) Head of Accounting Department
  - (6) Other personnel take charge of the managerial affairs of the Company with signing right.
- Note 4 If directors, president, and vice-presidents have received employee compensation (including stock and cash), this table shall also be filled out in addition to Schedule 1-2.

- C. Comparative analysis of the total amount of remuneration paid to the directors, Presidents and Vice Presidents of the Company in the most recent two years as a percentage of net profit after tax in individual or individual financial reports by the Company and all companies in the consolidated statements respectively, and explain the policy, standard and mix of remuneration, the procedure for determining remuneration, and its correlation with business performance and future risks.
1. The proportion of the total amount of remuneration paid to the director, President and Vice President of the Company to the after-tax net profit in the recent years:

Unit: NT\$ Thousand; %

Title	2023		2024	
	The proportion of the total amount of remuneration paid to the after-tax net profit		The proportion of the total amount of remuneration paid to the after-tax net profit	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Director	3.64%	3.64%	2.41%	2.41%
CEO, President and Vice-Presidents	25.02%	25.02%	12.35%	12.35%

2. The policies, standards and mix of remuneration payments, procedures for determining remuneration and their relevance to business performance and future risks:

Article 20 of the Articles of Incorporation: If the Company makes a profit in the current year (i.e., profit obtained by before deduction of employee compensation and directors' compensation distributed from the before-tax profit), and there is still a remaining amount after deduction of accumulated losses, the Board of Directors shall set aside at least 1.5% of the profit as employee compensation and no more than 3% of the profit as directors' compensation respectively. The employee compensation mentioned in the preceding paragraph may be paid in stock or cash, and the payees may include employees from companies controlled by or subordinate to the Company that comply with certain conditions which shall be established by the Board of Directors. Directors' compensation shall be paid in cash only.

The remuneration to the directors of the Company includes fixed remuneration of transportation expenses, as well as variable remuneration paid based on the performance evaluation of the Board of Directors conducted in consideration of the value contributed by directors including participation in Board meetings, participation in the Company's operation and decision-making, full communication inside the Company and with CPAs, and evaluation of potential risks. The evaluation results are equivalent to the contributions made by the directors, and therefore the directors' compensation is distributed equally.

In accordance with the provisions of "Regulations Governing the Remuneration and Compensation of Directors and Managerial Officers", the Company discusses and determines the managerial officer's remuneration, including salary, bonus, and employee compensation, in accordance with their positions, responsibilities and contributions to the Company, such as operational management, revenue contribution, customer service improvement, process optimization, and cross-departmental collaboration, etc. And with reference to the standards in the same industry and the Company's performance assessment, as well as the Articles of Incorporation and the approval authority; when paying remuneration to the managerial officers, the Company has already considered the future operating risks and the positive relevancy of such risks to its operational performance, to pursue the balance between sustainable management and risk control.

### (III) Implementation of Corporate Governance

#### A. Operations of the Board of Directors

A total of 8 meetings (A) of the Board of Directors were held in the most recent year and as of the publication date of the annual report. The attendance records of directors are as follows:

Title	Name	Attendance in person (B)	By proxy	Attendance rate (%) [B/A]	Remarks
Chairman	Bo Hong Investment Co., Ltd. Representative: KAO, CHIH-HUNG	8	0	100%	-
Vice Chairman	Hung Hui Co., Ltd. Representative: KAO, MIN-HUNG	8	0	100%	-
Director	Wei Hong Assets Co., Ltd. Representative: CHAN, PO-HSIANG	8	0	100%	-
Director	LIU, SHENG-CHANG	8	0	100%	-
Independent Director	LIN, CHIN-FENG	8	0	100%	-
Independent Director	HO, TZU-SHUN	7	1	87.50%	-
Independent Director	TSENG, HSIAO-CHUAN	8	0	100%	-

Other mentionable items:

- If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the Company's response should be specified:
  - Matters referred to in Article 14-3 of the Securities and Exchange Act: Pursuant to Section 14-3 of the Securities and Exchange Act, an Audit Committee has been set up by the Company and so the provision is not applicable.
  - Except for those previously stated, there is no the case with respect to board decisions on which the Independent Director has objected or reserved an opinion and which have been recorded or stated in writing.
- Regarding recusals of directors from voting due to conflicts of interests, the names of the directors, contents of motions, reasons for recusal, and results of the voting shall be specified:

Name	Content of proposal	Reason for recusal due to conflict of interest	Participation in voting
KAO, CHIH-HUNG, KAO, MIN-HUNG, CHAN, PO-HSIANG	Proposal for deliberation of remuneration of managerial officers of the Company in coordination with the annual salary adjustment of the Company.	Identity of KAO, CHIH-HUNG, KAO, MIN-HUNG, and CHAN, PO-HSIANG as managerial officers	After individual recusal of directors KAO, CHIH-HUNG, KAO, MIN-HUNG, and CHAN, PO-HSIANG due to conflict of interest, the chairperson inquired the opinions from all attending directors who raised no objection unanimously and approved the proposal as submitted.
CHAN, PO-HSIANG	The appointment of the manager of the subsidiary Wendell Electrical Testing Co., Ltd. was ratified.	Identity of CHAN, PO-HSIANG as a managerial officer	After individual recusal of director CHAN, PO-HSIANG due to conflict of interest, the chairperson inquired the opinions from all attending directors who raised no objection unanimously and approved the proposal as submitted.
KAO, CHIH-HUNG, KAO, MIN-HUNG, CHAN, PO-HSIANG	Proposal for deliberation of the payment of Mid-Autumn Festival bonus to managerial officers of the Company.	Identity of KAO, CHIH-HUNG, KAO, MIN-HUNG, and CHAN, PO-HSIANG as managerial officers	After individual recusal of directors KAO, CHIH-HUNG, KAO, MIN-HUNG, and CHAN, PO-HSIANG due to conflict of interest, the chairperson inquired the opinions from all attending directors who raised no objection unanimously and approved the proposal as submitted.
KAO, CHIH-HUNG, KAO, MIN-HUNG, CHAN, PO-HSIANG	Proposal for deliberation of payment of year-end bonus to managerial officers of the Company.	Identity of KAO, CHIH-HUNG, KAO, MIN-HUNG, and CHAN, PO-HSIANG as managerial officers	After individual recusal of directors KAO, CHIH-HUNG, KAO, MIN-HUNG, and CHAN, PO-HSIANG due to conflict of interest, the chairperson inquired the opinions from all attending directors who raised no objection unanimously and approved the proposal as submitted.

3. The evaluation cycle, duration, scope, method and content of the board's self-or peer evaluation:

Evaluation cycle	Evaluation period	Scope of assessment	Evaluation approach	Evaluation content
1. Internal evaluation executed once every year	2024.1.1 – 2024.12.31	1. Performance evaluation of the Board of Directors 2. Self-evaluation of performance of the Board members 3. Performance evaluation of functional committees	Internal self-evaluation of the Board of Directors and self-evaluation of the Board members	<b>1. Performance evaluation of the Board of Directors</b> <ul style="list-style-type: none"> <li>•Participation in the Company's operation</li> <li>•Improvement in the Board of Directors' decision-making quality</li> <li>•Composition and structure of the Board of Directors</li> <li>•Election and continuing education of directors</li> <li>•Internal control</li> </ul> <b>2. Self-evaluation of performance of the Board members</b> <ul style="list-style-type: none"> <li>•Understanding of the Company's goals and missions</li> <li>•Understanding of the directors' responsibilities</li> <li>•Participation in the Company's operation</li> <li>•Management and communication of internal relations</li> <li>•Expertise and continuing education of directors</li> <li>•Internal control</li> </ul> <b>3. Performance evaluation of functional committees</b> <ul style="list-style-type: none"> <li>•Participation in the Company's operation</li> <li>•Understanding of the functional committees' responsibilities</li> <li>•Improvement in the functional committees' decision-making quality</li> <li>•Composition of the functional committees and election of members</li> <li>•Internal control</li> </ul>
2. External evaluation executed once every three years	2022.11.1 – 2023.10.31	Performance evaluation of the Board of Directors	Entrustment of an external professional agency (Taiwan Corporate Governance Association) to implement evaluation through online questionnaire, document review, and field survey.	<ul style="list-style-type: none"> <li>•Composition of the Board of Directors</li> <li>•Guidance of the Board of Directors</li> <li>•Authorization of the Board of Directors</li> <li>•Supervision of the Board of Directors</li> <li>•Communication of the Board of Directors</li> <li>•Internal control and risk management</li> <li>•Self-discipline of the Board of Directors</li> <li>•Other aspects like board meetings, and support systems</li> </ul>

A.The performance evaluation of the Board of Directors was internally conducted per the preceding regulations in 2024. The average score obtained ranged from 4.47 points (Excellent) to 5 points (Superb), representing the directors' recognition of current operation and corporate governance performance of the Board of Directors and each functional committee. The report was submitted to the Board of Directors on March 5, 2025.

Performance evaluation of the Board of Directors	Self-evaluation of performance of the Board members	Performance evaluation of functional committees
Evaluation result: 4.86 points	Evaluation result: 4.90 points	Evaluation result: 4.47~5.00 points

Evaluation options: 5 points-Superb; 4 points-Excellent; 3 points-Moderate; 2 points-Poor; 1 point-Extremely poor

B.The external professional agency entrusted (Taiwan Corporate Governance Association) was not a related party of the Company, and it didn't have a business relationship that affected the independence. Participants didn't hold any positions with material impact, or have a direct or indirect financial interest relationship with the Company. A report of performance evaluation of the Board of Directors of the Company was already issued on December 27, 2023. The evaluation results are described as follows:

[General comments]

- (1) Your company values the diversity of composition of the Board of Directors and there are 2 female directors among all 7 directors. Also, your company has elected independent directors based on the future development demand. 3 independent directors have the professional background in law, audit, and accounting. All of them are outstanding specialists in the industry who actively participate in the operation of the Board of Directors and contribute their expertise. The combination of expertise and talents of the overall Board of Directors comply with the operational development of your company as well as your demand for achieving strategic objectives.
- (2) The chairman of your company respects professionalism, is open to suggestions, and communicates with the Board members smoothly, thus giving play to his leadership effectively. Besides, the Board of Directors has an enlightened atmosphere for discussing official matters. To ensure the full discussion of each proposal submitted to the Board of Directors, independent directors' opinions would be consulted with prior to meetings where major proposals are to be discussed, thus assisting the Company in making the best decisions and forming a favorable deliberative culture of the Board of Directors.

- (3) Your company appointed Chief Sustainability Officer and established "Sustainable Development Committee" this year. This committee regularly reports the implementation status of ESG to the Board of Directors every quarter. Your company completed the planning of carbon inventory and verification 2 years in advance compared to TPEX listed companies of same scale. Your company also willingly prepared and published its first sustainability report this year, indicating your emphasis on corporate social responsibility and sustainable corporate management.
- (4) Your company regularly arranges independent directors, chief auditor, and external CPAs to attend closed-door meetings and communicate the annual review planning, key audit matters, review results of financial statements, changes in latest regulations, and relevant issues, to give full play to the functionality of independent directors and ensure the effectiveness of the Company's internal control system.
- (5) Your company has already drawn up "Risk Management Policy and Procedure" are expected to be reported to the board of directors for approval in 2024, and planned the establishment of a risk management team administered by the Sustainable Development Committee in the coming year. This risk management team will regularly report the implementation status to the Board of Directors, so that the Board of Directors can supervise and guide the control of the Company's operational risks more efficiently.

[Suggestions and Actual Improvement Measures]

Suggestions	Actual Improvement Measures
It is suggested that your company should better consider the opinions of the independent directors when assessing the Chief internal auditor; to strengthen the independence of internal audit and the supervision and guidance of the internal audit by the Audit Committee.	Starting from 2024, the Company has provided assessment-related information to independent directors and incorporated their feedback into the performance evaluation of the head of internal audit.
Your company provided information regarding relevant laws and regulations, industry of the Company, etc. to newly appointed directors, and it is thus suggested that you company should document and institutionalize this practice.	The Company has formulated the "Guidelines for New Onboarding Directors" based on actual operational practices, which were discussed and approved by the Board of Directors on November 5, 2024.
It is suggested that your company should set up a complaint mailbox for independent directors (or the Audit Committee) to synchronously receive relevant information with the chief auditor, to further strengthen the functions of the whistleblower mechanism.	In 2024, the Company established a whistleblowing mailbox accessible simultaneously by independent directors and the head of internal audit to ensure timely awareness of reported issues.
It is suggested that your company should establish a definite reporting system to address occasional major incidents, with contents including type of information reported, reporting period, reporting method and hierarchies, etc.	The Company has developed a "Major Incident Reporting Procedure" with appropriate reporting levels, which was discussed and approved by the Board of Directors on November 5, 2024.
Your company conducts performance evaluation of senior managers once every half a year. It is suggested that your company should further include performance indicators linked with the Company's long-term development objectives.	The performance assessment items for senior management have been formulated in 2024 to align with the Company's long-term development goals.
It is suggested that your company should draw up improvement plans to address corporate governance appraisal indicators not scored yet, and assign the Board of Directors to supervise the improvement status, to improve the corporate governance appraisal grade.	In 2024, the Company has implemented the improvement plan as scheduled, including disclosing financial reports, shareholders' meeting annual reports, and meeting manuals in English, obtaining third-party assurance for the sustainability report, and disclosing the intellectual property management plan, all contributing to enhancing the overall evaluation score.

The evaluation results of 2023 were already reported to the Board of Directors on March 7, 2024. For the full content, please refer to the company's website ([https://www.wendell.com.tw/Investor/Corporate Management/Implementation Status/ Performance Evaluation of The Board and Functional Committees](https://www.wendell.com.tw/Investor/Corporate%20Management/Implementation%20Status/Performance%20Evaluation%20of%20The%20Board%20and%20Functional%20Committees))

4. Measures taken (e.g., establishment of the Audit Committee, improvement of information transparency, etc.) to strengthen the functionality of the Board in the current and the latest year, and implementation status:
  - (1) The Company has established "Rules of Procedure for Board of Directors" according to "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" for observation, and immediately announced important resolutions on MOPS after the board meetings, to achieve full information disclosure and safeguard shareholders' rights and interests.
  - (2) The Board of Directors of the Company has relied on the labor division and cooperation of each functional committee, e.g., Remuneration Committee, Audit Committee, and Sustainable Development Committee, to assist its performance of supervisory responsibilities. Also, the Company has coordinated Net-Zero by 2050 of Taiwan and actively strengthened the functionality of the Board of Directors and implemented corporate governance and sustainable development.
  - (3) The Company has purchased director liability insurance for all directors.
  - (4) The Company regularly arranges directors to participate in professional continuing education courses, and appointed an external professional agency, i.e., (Taiwan Corporate Governance Association), to conduct external performance evaluation of the Board of Directors in 2023, to strengthen the functionality of the directors and improve the participation of directors in corporate operation and their performance. All recommended actions were completed in 2024 in accordance with the improvement plan.

B. Operation of the Audit Committee

1. Professional qualifications of members of the Audit Committee:

Title	Name	Professional qualification	Main experience (education)
Independent director (Convener)	LIN, CHIN-FENG	Passed the national examination and obtained a CPA certificate, with work experience needed for the accounting business.	Master, Department of Accounting, Soochow University (TW) CPAs/Practicing CPA
Independent director	HO, TZU-SHUN	Passed the national examination and obtained a lawyer certificate, with work experience needed for the lawyer business.	Master of Law, Soochow University Shih Hsun Hsu Law Firm/Lawyer Procurator, Taiwan High Prosecutors Office Head Prosecutor, Taiwan Shilin District Prosecutors Office Procurator, Taiwan Taoyuan District Prosecutors Office
Independent director	TSENG, HSIAO-CHUAN	With work experience needed for the commerce	Master of Management, National Taiwan University of Science and Technology Yuanta Commercial Bank/General Auditor Yuanta Commercial Bank/Vice President and Senior Vice President

2. The annual work highlights of the Audit Committee and matters deliberated mainly include:

- (1) Establishment or amendment of the internal control system according to the provisions of Article 14-1 of the Securities and Exchange Act
- (2) Effectiveness assessment of the internal control system
- (3) Establishment or amendment of procedures for acquisition or disposal of assets, engaging in derivatives trading, lending funds to others, providing endorsement for others, or conducting major finance and business behaviors that endorse or provide guarantee for others according to the provisions of Article 36-1 of the Securities and Exchange Act
- (4) Matters involving the interest relationships of directors
- (5) Major asset or derivatives trading
- (6) Major fund lending, endorsement, or provision of guarantee
- (7) Raising, issuance, or private placement of securities with nature of equity
- (8) Appointment, dismissal, or remuneration of CPAs
- (9) Appoint and dismissal of finance and accounting officers, or chief internal auditor
- (10) Annual financial reports signed or sealed by the Chairman, managerial officers, and chief accountant, as well as financial reports of the second quarter to be audited and certified by CPAs
- (11) Major matters stipulated by other companies or the competent authority

3. Review of financial reports

The Board of Directors prepared the business report, financial statements, proposal for profit distribution, etc. for the year 2024. The financial statements were already audited by PwC Taiwan, and relevant audit report was issued. It was regarded that no inconsistency existed in the aforesaid business report, financial statements, and proposal for profit distribution reviewed by the Audit Committee.

4. Effectiveness assessment of the internal control system

The Company regularly conducts self-evaluation of the internal control system according to “Regulations Governing Establishment of Internal Control Systems by Public Companies”, and judges the effectiveness of the design and execution of the internal control system in accordance with the effectiveness judgment items of the internal control system released by the competent authority. The Company is capable of reasonably assuring the realization of the objectives of the internal control system.

5. Appointment of CPAs

The Audit Committee is assigned with the responsibility to supervise the independence of the CPA firm to ensure the fairness of the financial statements. To assure the independence of the accounting firm, the Company evaluates the independence, professionalism, and eligibility of CPAs with reference to Audit Quality Indicators (AQIs), and assess whether the CPAs are related parties of the Company or have business or financial interest relationship with the Company. It was deliberated and approved in the 16<sup>th</sup> meeting of the 2<sup>nd</sup> Audit Committee held on March 5, 2025 and the 20<sup>th</sup> meeting of the 7<sup>th</sup> Board of Directors held on March 5, 2025 that CPAs CHEN, CHIN-CHANG and CHIU, CHAO-HSIEN from PwC China complied with the independence evaluation standards, and they adequately served the finance and tax CPAs for the Company.

6. A total of six Audit Committee meetings (A) were held in the most recent year and as of the publication date of the annual report. The attendance of independent directors is as follows:

Title	Name	Attendance in person (B)	By Proxy	Attendance rate (%) (B/A)	Remarks
Independent Director	HO, TZU-SHUN	5	1	83.33%	-
Independent Director	LIN, CHIN-FENG	6	0	100.00%	-
Independent Director	TSENG, HSIAO-CHUAN	6	0	100.00%	-

Other matters to be recorded:

1. With regard to the implementation of the Audit Committee, if any of the following circumstances occur, the dates, terms of the meetings, contents of motions, all Audit Committee resolutions, and the Company’s handling of such resolutions shall be specified:

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

Audit Committee	Contents of motions and subsequent treatment	Matters referred to in Article 14-5 of the Securities and Exchange Act	Resolutions not passed by the Audit Committee and approved by more than 2/3 of all directors
11 <sup>th</sup> meeting of the 2 <sup>nd</sup> session	1. Proposal for distribution of directors’ compensation and employee compensation of the Company in 2023.	V	
	2. Proposal for business report and financial reports for the year 2023.	V	
	3. Proposal for profit distribution of the Company in 2023.	V	
	4. Proposal for the the statement of internal control system of the Company in 2023.	V	
	5. Proposal for amendments to some provisions of “Rules of Procedure for Shareholders’ Meeting” of the Company.	V	
	6. Proposal for amendments to some provisions of "Rules of Procedure for Board of Directors", "Rules of Organization of Audit Committee", "Management of Deliberation Operation of Audit	V	

	Committee", and "Regulations Governing Performance Evaluation of Board of Directors".		
	7. Proposal for amendments to some provisions of "Regulations Governing the Remuneration and Compensation of Directors and Managerial Officers" of the Company.	V	
	8. Proposal for employment and eligibility and independence evaluation of CPAs in 2024.	V	
	Resolution result of the Audit Committee (March 7, 2024): Discussed, approved and passed by all members of the Audit Committee.		
	The Company's response to the opinion of the Audit Committee: Discussed, approved and passed by all attending directors.		
12 <sup>th</sup> meeting of the 2 <sup>nd</sup> session	1. Proposal for the Change of the Certified Public Accountant for the Company's Financial Report Audit.	V	
	2. Proposal for the consolidated financial reports of the first quarter of 2024.	V	
	3. Proposal of the Company for applying to the financial institution for transaction quota of derivative financial products due to business operation demand.	V	
	Resolution result of the Audit Committee (May 9, 2024): Discussed, approved and passed by all members of the Audit Committee.		
	The Company's response to the opinion of the Audit Committee: Discussed, approved and passed by all attending directors.		
13 <sup>th</sup> meeting of the 2 <sup>nd</sup> session	1. Proposal for the consolidated financial reports of the second quarter of 2024.	V	
	2. Proposal for determination of the base date for capital increase in the conversion of "Domestic First Unsecured Convertible Corporate Bond" of the Company to issue new shares.	V	
	3. Proposal for application of the increase of transaction quota of investment in bond financial products.	V	
	4. Proposal for the Investment Structure Adjustment of the Company's Indirect Subsidiary "Shenzhen Qianhong Electronic Co., Ltd." in Mainland China.	V	
	Resolution result of the Audit Committee (August 1, 2024): Discussed, approved and passed by all members of the Audit Committee.		
The Company's response to the opinion of the Audit Committee: Discussed, approved and passed by all attending directors.			
14 <sup>th</sup> meeting of the 2 <sup>nd</sup> session	1. Proposal for the consolidated financial reports of the third quarter of 2024.	V	
	2. Proposal for determination of the base date for capital increase in the conversion of "Domestic First Unsecured Convertible Corporate Bond" of the Company to issue new shares.	V	
	3. Establishment of the Company's "Sustainable Information Management Guidelines," "Procedures for the Preparation and Assurance of the Sustainability Report," and "Risk Management Policy and Procedures."	V	
	4. Establishment of the Company's "Major Incident Reporting Procedure" and "Guidelines for New Onboarding Directors."	V	
	Resolution result of the Audit Committee (November 5, 2024): Discussed, approved and passed by all members of the Audit Committee.		
The Company's response to the opinion of the Audit Committee: Discussed, approved and passed by all attending directors.			

15 <sup>th</sup> meeting of the 2 <sup>nd</sup> session	1. Proposal for the internal audit plan of the Company in 2025.	V	
	2. Proposal for the operation plan and budget of the Company in 2025.	V	
	3. Proposal of the Company for applying to the financial institution for extension of the comprehensive financing contract due to business operation and development demand.	V	
	4. Proposal for the Purchase of Presale Real Estate by the Company.	V	
	Resolution result of the Audit Committee (December 13, 2024): Discussed, approved and passed by all members of the Audit Committee. Agenda Items 4 independent directors HO, TZU-SHUN and LIN, CHIN-FENG raised questions and suggestions to avoid potential damage to purchase rights and ownership disputes. They recommended reconfirming whether the counterparty, Wei-Li International Development Co., Ltd., has the legal right to dispose of the subject property—9th to 12th floors of the Global Startup Technology Center presale office project and 48 parking spaces—as well as whether the landowners have all signed joint construction and separate sale/separate property agreements. And the company should pay attention to financial planning when fulfilling its obligations in the future; Independent Director LIN, CHIN-FENG suggested that the appraisal report should be read carefully and the progress of the entire project should be tracked at any time. Independent Director TSENG, HSIAO-CHUAN reminded the company to consider whether the funds are sufficient.		
The Company’s response to the opinion of the Audit Committee: Agenda Items 1 to 3 were approved by all attending directors after discussion and inquiry by the Chairperson. Regarding Agenda Item 4, independent directors HO, TZU-SHUN and LIN, CHIN-FENG raised questions and suggestions to avoid potential damage to purchase rights and ownership disputes. They recommended reconfirming whether the counterparty, Wei-Li International Development Co., Ltd., has the legal right to dispose of the subject property—9th to 12th floors of the Global Startup Technology Center presale office project and 48 parking spaces—as well as whether the landowners have all signed joint construction and separate sale/separate property agreements. Additionally, independent director TSENG, HSIAO-CHUAN suggested that the Company confirm the total area of the acquired land shares. Since the Chairperson regarded this as a major proposal, it was resolved that supplemental documents addressing the independent directors’ suggestions should be provided before the proposal could be finalized. After consultation with all attending directors, it was decided that the related documents must be submitted for review and that the proposal would be resubmitted to the Board for reconsideration prior to contract signing.			
16 <sup>th</sup> meeting of the 2 <sup>nd</sup> session	1. Proposal for business report and financial reports for the year 2024.	V	
	2. Proposal for profit distribution of the Company in 2024.	V	
	3. Proposal for determination of the base date for capital increase in the conversion of “Domestic First Unsecured Convertible Corporate Bond” of the Company to issue new shares.	V	
	4. Proposal for the the statement of internal control system of the Company in 2024.	V	
	5. Proposal for amendments to some provisions of “Articles of Incorporation” of the Company.	V	
	6. Proposal for amendments to some provisions of “Corporate Governance Best Practice Principles” of the Company.	V	
	7. Proposal for employment and eligibility and independence evaluation of CPAs in 2025.	V	
	Resolution result of the Audit Committee (March 5, 2025): Discussed, approved and passed by all members of the Audit Committee.		
The Company’s response to the opinion of the Audit Committee: Discussed, approved and passed by all attending directors.			

- (2) Other matters not approved by the Audit Committee and approved by more than two-thirds of all directors, except those previously mentioned: None.
2. Regarding recusals of independent directors from voting due to conflicts of interests, the names of the independent directors, contents of motions, reasons for recusal, and results of the voting shall be specified: None.
3. Communications between the independent directors, the Company's chief internal auditor and CPAs (including major events, methods, results, etc. of communication regarding corporate finance and business conditions)
- (1) The auditors of the Company submitted audit reports to the independent directors according to law after completion of each audit project, and the independent directors didn't raise any objection.
- (2) The auditors of the Company attended each meeting of the Audit Committee as a nonvoting party and prepared audit reports at the regular board meetings, and the independent directors didn't raise any objection to the reported matters.
- (3) The independent directors of the Company and the CPAs communicated and learned about relevant matters including the contents of financial reports face-to-face or in writing.
- (4) Summary of communication of independent directors with the chief internal auditor and CPAs:

Date	Personnel attending as a voting/non-voting party	Communicated matter	Communication result
March 7, 2024	Independent director: LIN, CHIN-FENG Independent director: HO, TZU-SHUN Independent director: TSENG, HSIAO-CHUAN CPA: CHEN, CHIN-CHANG Chief auditor: LIN, YI-CHING	1. Internal audit and review report of 2023. 2. Suggestions on internal audit in 2023 or adoption of suggestions by each unit. 3. Report of work highlights of internal audit in 2024. 4. Regulatory updates.	No Discrepancy
March 5, 2025	Independent director: LIN, CHIN-FENG Independent director: TSENG, HSIAO-CHUAN CPA: CHIU, CHAO-HSIEN Chief auditor: LIN, YI-CHING	1. Internal audit and review report of 2024. 2. Suggestions on internal audit in 2024 and adoption of suggestions by each unit. 3. Regulatory updates and audit response measures.	No Discrepancy
February 19, 2024 March 8, 2024 April 15, 2024 May 17, 2024 June 17, 2024 July 8, 2024 August 13, 2024 September 12, 2024 October 14, 2024 November 15, 2024 December 6, 2024 January 13, 2025 February 8, 2025 March 12, 2025	Monthly audit reports were delivered to or emailed to the independent directors before the end of the following month.	January 2024 Audit Report February 2024 Audit Report March 2024 Audit Report April 2024 Audit Report May 2024 Audit Report June 2024 Audit Report July 2024 Audit Report August 2024 Audit Report September 2024 Audit Report October 2024 Audit Report November 2024 Audit Report December 2024 Audit Report January 2025 Audit Report February 2025 Audit Report	No Discrepancy

C. Corporate Governance implementation status and deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof:

Evaluation item	Implementation status		Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No		
1. Has the Company established and does it disclose its Corporate Governance Best Practice Principles based on the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company passed its Corporate Governance Best Practice Principles through the Board of Directors on March 20, 2020. The amendment to this regulation was already approved by the Board of Directors and implemented on March 8, 2023. The amended Corporate Governance Best Practice Principles were already submitted to the Shareholders' Meeting on May 30, 2023.	No material discrepancy
2. Shareholding structure & shareholders' rights (1) Has the Company established internal operating procedures to deal with shareholders' suggestions, concerns, disputes and litigation, and does the Company implement such procedures in accordance with the procedures? (2) Does the Company keep a list of its major shareholders with controlling power as well as the ultimate owners of those major shareholders?	✓		(1) The Company has established "Regulations Governing Whistleblowing System" and a spokesperson window to deal with shareholders' suggestions, concerns, or disputes. Also, it has entrusted a stock transfer agency to deal with shareholders' meetings on the behalf of the Company. Currently, the Company hasn't been involved in any disputes.  (2) The company reports the shareholdings of directors, managers and major shareholders on a monthly basis, and regularly discloses information regarding the equity of directors, managerial officers and major shareholders according to law; the Company discloses a list of shareholders holding 5% or more of the corporate shares every quarter; the Company discloses a list of top-10 shareholders and the ultimate owners of those major shareholders in the annual report and on its official website every year.	No material discrepancy  No material discrepancy
(3) Has the Company established	✓		(3) The Company has established "Procedure for Finance and Business Operations between Related Parties" to expressly standardize the transactions between affiliated enterprises. Also, the Company has	No material discrepancy

Evaluation item	Implementation status		Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No		
<p>and does it execute a risk management and firewall system within its affiliated companies?</p> <p>(4) Has the Company established internal rules against insider trading and the use of undisclosed information in securities trading?</p>	✓		<p>followed each operating procedure in the internal control system to achieve a risk control mechanism.</p> <p>(4) The Company has established "Regulations Governing the Prevention of Insider Trading" to avoid the violation of relevant provisions on insider trading by directors, managerial officers, and employees of the Company due to unfamiliarity with relevant regulations. The Company also regularly publicizes relevant laws and regulations to insiders. It is clearly stipulated insiders of TWSE/TPEX listed companies who have learned financial reports or relevant performance contents of the Company are subject to stock transaction control measures; insiders including directors are not allowed to trade their stocks in period 30 days prior to the announcement of the annual financial report and 15 days prior to the announcement of the quarterly financial reports respectively.</p>	No material discrepancy
<p>3. Composition and responsibilities of the Board of Directors</p> <p>(1) Does the Board of Directors develop and implement a diversity policy for the composition of its members?</p>	✓		<p>1. The Board of Directors of the Company passed and established "Corporate Governance Best Practice Principles" on March 20, 2020. In Chapter 3 "Strengthening of Functionality of the Board of Directors", the Company has established a diversity policy. A candidate nomination system is adopted for nomination and selection of the Board members of the Company in accordance with the provisions of the Articles of Incorporation. In addition to the evaluation of education, work experience, and qualifications of each candidate, the Company also abides by "Procedures for Election of Directors and Supervisors" and "Corporate Governance Best Practice Principles", to assure the diversity and independence of the Board members.</p> <p>2. The seventh Board of Directors of the Company comprises 7 directors, among whom 3 directors are served by the employees of the Company who are specialized in leadership, decision-making, operational judgment, operation and management ability and crisis management with industrial knowledge on electronic component industry, semiconductor industry, and electronic terminal products and international market view; director LIU, SHENG-CHANG currently serves as the director of Everest CPA &amp; Co. and the vice president of CPA Associations R.O.C. (Taiwan), specialized in management, accounting, and finance analysis; 3 independent directors, i.e., HO, TZU-SHUN, LIN, CHIN-FENG, and TSENG, HSIAO-CHUAN, are specialized in law, finance and accounting, management, and financial investments, which are important professional skills needed for the operation of the Company. The diversified and professional backgrounds of the directors facilitate the Company to make most timely and crucial decisions and improve its operational performance and management benefits.</p> <p>3. The directors served by employees of the Company account for 42.86%, and the independent directors account for 42.86%, and the female directors account for 28.57% of the total number of directors respectively. The seniority of 2 independent directors lasts for 5-6 years. The seniority of 1 independent director lasts for 1-2 years. There are 2 directors aged 41-50, 3 directors aged 51-60, and 2 directors aged above 61. The Company emphasizes gender equality in the composition of its Board of Directors, with the goal of having board seats held by directors of different genders account for at least one-third of the total. Currently, due to the resignation</p>	No material discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			<p>of a director and subsequent by-election at the Extraordinary Shareholders' Meeting, an additional female director has been appointed. Although the proportion of female directors has not yet reached one-third, the Company plans to further balance gender representation in the upcoming re-election of directors (including independent directors) scheduled for 2025, in line with the national policy objective of promoting gender equality.</p> <p>4. The diversity policy drafted by the Board of Directors regarding the constitution of the Board members is disclosed on the Company's website.</p>	
(2) In addition to the legally required Remuneration Committee and Audit Committee, has the Company voluntarily established other functional committees?	✓		(2) The Company approved the establishment of a Sustainable Development Committee through the Board of Directors on March 8, 2023, and this committee is designated as a dedicated unit for promoting sustainable development. The members of this committee comprise directors and supervisors from each related department. This committee is required to regularly report relevant implementation status of sustainable development to the Board of Directors every year.	It is expected that such committees will be gradually established according to law and in consideration of the practical needs of the Company.
(3) Has the Company established standards and methods to evaluate the performance of the Board of Directors, conduct evaluations annually and regularly, report the evaluation results to the Board of Directors, and use them as a reference for individual directors' remuneration, nomination and renewal?	✓		<p>(3) The Company has formulated the "Rules for Performance Evaluation of Board of Directors" on April 26, 2021 and shall evaluate the performance of the Board, the directors and the Functional Committee (including Audit Committee, Remuneration Committee and the Sustainable Development Committee) at least once a year. For the internal evaluation, performance evaluation of the current year shall be conducted per the Rules upon end of each year.</p> <p>The items of the performance evaluation on the board shall involve the following five aspects from January 1, 2024 to December 31, 2024:</p> <p>(A) The performance evaluation on the board</p> <ul style="list-style-type: none"> <li>• The extent of its involvement in the operation of the Company</li> <li>• Improvement to the board's decision-making quality</li> <li>• Composition and structure of the board of directors</li> <li>• Appointment and continuous training of the directors</li> <li>• Internal control</li> </ul> <p>(B) The performance evaluation of directors</p> <ul style="list-style-type: none"> <li>• Understanding the Company's goals and tasks</li> <li>• Understanding the directors' duties</li> <li>• The extent of its involvement in the operation of the Company</li> <li>• Internal relationship management and communication</li> <li>• Disciplines and continuous training of the directors</li> <li>• Internal control</li> </ul> <p>(C) The performance evaluation of the Functional Committee</p> <ul style="list-style-type: none"> <li>• The extent of its involvement in the operation of the Company</li> <li>• Understanding the duties and responsibilities of Functional Committee</li> <li>• Improvement to the decision-making quality of the Functional Committee</li> <li>• Composition of Functional Committee and election of members</li> <li>• Internal control</li> </ul> <p>The results of performance evaluation of the Board of Directors and functional committees of the Company conducted from January 1, 2024 to December 31, 2024 were mostly between 5 points "Highly agree" and 4 points "Agree". Most directors highly agreed on the operation of each evaluation indicator, and the overall operation of the Board of Directors and each functional committee was favorable, complied with the requirements for corporate governance, and effectively strengthened the functionality of</p>	No material discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			the Board of Directors and safeguarded shareholders' interests. Also, the results were submitted to the Board of Directors on March 5, 2025. The remuneration to the directors of the Company includes fixed remuneration of transportation expenses, as well as variable remuneration paid based on the performance evaluation of the Board of Directors conducted in consideration of the value contributed by directors including participation in Board meetings, participation in the Company's operation and decision-making, full communication inside the Company and with CPAs, and evaluation of potential risks. The evaluation results are equivalent to the contributions made by the directors, and therefore the directors' compensation is distributed equally.	
(4) Does the Company regularly evaluate the independence of the CPAs?	✓		<p>(4) The Company evaluates the independence and suitability of the CPA appointed annually, and then submits the evaluation results to the Board of Directors. The latest evaluation was approved by the Audit Committee with a corresponding resolution on March 5, 2025, and submitted to the Board of Directors for a resolution on March 5, 2025.</p> <p>The evaluation mechanism is as follows:</p> <p>(A) Not an employee of the Company or its affiliated enterprise.</p> <p>(B) Not a director of the Company or its affiliated enterprise (however, it does not apply to independent directors of the Company or its parent company, or a subsidiary where the Company directly or indirectly holds more than fifty percent of shares with voting rights).</p> <p>(C) Not an individual shareholder holding or with his/her spouse, underage children or others holding more than 1% of total shares already issued by the Company or ranking the top 10 in terms of shareholding ratio.</p> <p>(D) Not the spouse, a relative within the second degree of kinship, or an immediate blood relative within the third degree of kinship of personnel listed in the aforesaid three paragraphs.</p> <p>(E) Not a director, supervisor or employee of a corporate shareholder directly holding more than 5% of total shares issued by the Company, or ranking the top 5 in terms of shareholding ratio</p> <p>(F) Not a director (council member), supervisor or manager or shareholder with shareholding ratio above 5% of a specific company or institution that has financial or business contact with the Company.</p> <p>(G) Not the spouse or a relative within second degree of kinship to any other director.</p> <p>(H) Not having any of the circumstances stipulated in Article 30 of the Company Act.</p> <p>(I) Not elected as government, legal person, or its representative according to Article 27 of the Company Act.</p> <p>(J) Not allowed to serve as director or managerial officer of the Company, or serve a position that has a material impact on the audit case within the last two years.</p> <p>(K) Not allowed to get involved in the management functions of decision-making of the Company.</p> <p>(L) Whether AQI information has been acquired from the CPA law firm as reference for appointment of CPAs.</p> <p>(M) AQIs have been obtained from the CPA law firm to conduct evaluation of professionalism, quality control, independence, supervision and innovation ability as reference for appointment of CPAs.</p> <p>After evaluation, it was confirmed that the CPAs appointed didn't have the situations mentioned in the independent evaluation items above, and complied with the eligibility evaluation criteria. As a result, the financial reports issued by these CPAs can be confirmed as reliable.</p>	No material discrepancy
4. Does the Company appoint adequate persons and a chief	✓		The Company has appointed a Corporate Governance Officer through the Board of Directors on March 8, 2023, and assigned CFO YANG, CHENG-NAN to serve a concurrent post of Corporate Governance Officer. The Corporate Governance	No material discrepancy

Evaluation item	Implementation status		Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No		
governance officer in charge of corporate governance matters (including, but not limited to, providing directors and supervisors with the required information for business execution, assisting directors and supervisors in following laws and regulations, handling matters in relation to Board Meetings and Shareholders' Meetings and keep minutes at Board Meetings and Shareholders' Meetings as required by law)?			Office is assigned to handle matters related to Board Meetings and Shareholders' Meetings according to law, keep minutes at Board Meetings and Shareholders' Meetings, assist directors in taking office and engaging in continuing education, provide directors with data needed for executing the business, assist directors in complying with laws and regulations, and deal with matters related to corporate governance.	
5. Has the Company established communication channels and build a dedicated section on its website for stakeholders (including, but not limited to, shareholders, employees, customers, and suppliers) to respond to material corporate social responsibility issues in a proper manner?	✓		The Company has already established a dedicated section on its website ( <a href="https://www.wendell.com.tw/zh/">https://www.wendell.com.tw/zh/</a> ) for investors, and regularly updates relevant finance and business information for investors' reference. Stakeholders may contact the responsible unit of the Company in case of any needs. The Company will respond to them as appropriate based on the actual circumstances. The Company has additionally established "Regulations Governing Whistleblowing System" as a whistleblowing pipeline for insiders and outsiders to protect the whistleblowers, accused personnel and relevant personnel in charge of handling relevant cases from being disclosed to the outside world. Also, the Company bears a confidentiality responsibility to ensure that the whistleblowers will not be treated unfairly or even retaliated or threatened. The whistleblowers and relevant personnel are obliged to accept queries and faithfully reply to and provide relevant data.	No material discrepancy
6. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The Company has already appointed the stock agency department of Fubon Securities Co., Ltd. to deal with shareholder affairs.	No material discrepancy
7. Information disclosure (1) Does the Company have a corporate website to disclose both the Company's financial	✓		(1) The Company maintains a website and discloses financial, business and corporate governance information on the Company website and the market observation post system.	No material discrepancy

Evaluation item	Implementation status		Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No		
standing and corporate governance status?				
(2) Does the Company have other information disclosure channels (e.g., an English website, appointing designated people to handle information collection and disclosure, a spokesperson system, and webcasting investor conferences)?	✓		(2) The Company has established a spokesman system, and specially assigned persons are responsible for collecting and disclosing company information, and disclosing relevant information to shareholders on the market observation post system regularly or from time to time.	No material discrepancy
(3) Does the Company announce and file annual financial reports within two months after the close of the given fiscal year and publicly announce and file the first, second, and third quarterly financial reports and the operation of each month ahead of the required deadline?	✓		(3) The Company announces and files annual financial reports as stipulated, and publicly announces and files the first, second, and third quarterly financial reports and the operation of each month ahead of the required deadline.	No material discrepancy
8. Is there any other important information to facilitate a better understanding of the Company's corporate	✓		Employees' rights and interests and Care for employees: In addition to the purchasing of insurance for employees, the implementation of a pension system, and the establishment of an Employee Welfare Committee according to law, the Company also actively establishes pipelines for labor-management communication, and has established relevant work rules to standardize employees' rights and obligations. Investor relations: The Company has appointed spokesperson and deputy	No material discrepancy

Evaluation item	Implementation status		Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof																																				
	Ye s	N o																																						
governance practices (including, but not limited to, employee rights, employee wellness, investor relations, supplier relations, stakeholder rights, directors' and supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by directors and supervisors)?			<p>spokesperson to take charge of communication of external relations of the Company. Also, it has assigned special personnel to disclose the Company's information in MOPS according to relevant statutory and regulatory provisions.</p> <p>Supplier relationship: The Company establishes long-term partnerships featuring mutual trust and mutual benefit with suppliers according to its corporate policy.</p> <p>Rights of Stakeholders: The Company maintains favorable communication pipelines with employees, customers, suppliers, etc., and respects and safeguards their legitimate rights and interests.</p> <p>Implementation of risk management policies and risk measures: The Company has already established and executed various rules and regulations according to law, for management and evaluation of various risks.</p> <p>Directors' training: The Company arranged seven directors to participate in continuing education courses held by the institution designated in "Key Points for Promotion of Continuing Education of Directors of TWSE/TPEX Listed Companies" for six hours on December 13, 2024. The continuing education of relevant directors was already registered in MOPS.</p> <p>2024 Annual Training Status of Directors:</p> <table border="1"> <thead> <tr> <th>Title</th> <th>Name</th> <th>Further study date</th> <th>Organizer</th> <th>Course name</th> <th>Study Hours</th> <th>Total training hours for the year</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Representative Director of Juristic Person</td> <td rowspan="2">KAO, CHIH-HUNG</td> <td>2024/12/13</td> <td>TCGA</td> <td>ESG Competitiveness vs. Survival – Introduction to Net Zero Emissions, Climate Change, and Corporate Sustainability Reporting.</td> <td>3.0</td> <td rowspan="2">6.0</td> </tr> <tr> <td>2024/12/13</td> <td>TCGA</td> <td>Business Operations and Crisis Management.</td> <td>3.0</td> </tr> <tr> <td rowspan="2">Representative Director of Juristic Person</td> <td rowspan="2">KAO, MIN-HUNG</td> <td>2024/12/13</td> <td>TCGA</td> <td>ESG Competitiveness vs. Survival – Introduction to Net Zero Emissions, Climate Change, and Corporate Sustainability Reporting.</td> <td>3.0</td> <td rowspan="2">6.0</td> </tr> <tr> <td>2024/12/13</td> <td>TCGA</td> <td>Business Operations and Crisis Management.</td> <td>3.0</td> </tr> <tr> <td>Representative Director of Juristic Person</td> <td>CHAN, PO-HSIANG</td> <td>2024/12/13</td> <td>TCGA</td> <td>ESG Competitiveness vs. Survival – Introduction to Net Zero Emissions, Climate Change,</td> <td>3.0</td> <td>6.0</td> </tr> </tbody> </table>	Title	Name	Further study date	Organizer	Course name	Study Hours	Total training hours for the year	Representative Director of Juristic Person	KAO, CHIH-HUNG	2024/12/13	TCGA	ESG Competitiveness vs. Survival – Introduction to Net Zero Emissions, Climate Change, and Corporate Sustainability Reporting.	3.0	6.0	2024/12/13	TCGA	Business Operations and Crisis Management.	3.0	Representative Director of Juristic Person	KAO, MIN-HUNG	2024/12/13	TCGA	ESG Competitiveness vs. Survival – Introduction to Net Zero Emissions, Climate Change, and Corporate Sustainability Reporting.	3.0	6.0	2024/12/13	TCGA	Business Operations and Crisis Management.	3.0	Representative Director of Juristic Person	CHAN, PO-HSIANG	2024/12/13	TCGA	ESG Competitiveness vs. Survival – Introduction to Net Zero Emissions, Climate Change,	3.0	6.0	
Title	Name	Further study date	Organizer	Course name	Study Hours	Total training hours for the year																																		
Representative Director of Juristic Person	KAO, CHIH-HUNG	2024/12/13	TCGA	ESG Competitiveness vs. Survival – Introduction to Net Zero Emissions, Climate Change, and Corporate Sustainability Reporting.	3.0	6.0																																		
		2024/12/13	TCGA	Business Operations and Crisis Management.	3.0																																			
Representative Director of Juristic Person	KAO, MIN-HUNG	2024/12/13	TCGA	ESG Competitiveness vs. Survival – Introduction to Net Zero Emissions, Climate Change, and Corporate Sustainability Reporting.	3.0	6.0																																		
		2024/12/13	TCGA	Business Operations and Crisis Management.	3.0																																			
Representative Director of Juristic Person	CHAN, PO-HSIANG	2024/12/13	TCGA	ESG Competitiveness vs. Survival – Introduction to Net Zero Emissions, Climate Change,	3.0	6.0																																		

Evaluation item	Implementation status						Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof	
	Yes	No	Description					
						and Corporate Sustainability Reporting.		
			2024/12/13	TCGA	Business Operations and Crisis Management.	3.0		
		Director	LIU, SHENG-CHANG	2024/12/13	TCGA	ESG Competitiveness vs. Survival – Introduction to Net Zero Emissions, Climate Change, and Corporate Sustainability Reporting.	3.0	6.0
				2024/12/13	TCGA	Business Operations and Crisis Management.	3.0	
		Independent Director	HO, TZU-SHUN	2024/12/13	TCGA	ESG Competitiveness vs. Survival – Introduction to Net Zero Emissions, Climate Change, and Corporate Sustainability Reporting.	3.0	6.0
				2024/12/13	TCGA	Business Operations and Crisis Management.	3.0	
		Independent Director	LIN, CHIN-FENG	2024/12/13	TCGA	ESG Competitiveness vs. Survival – Introduction to Net Zero Emissions, Climate Change, and Corporate Sustainability Reporting.	3.0	6.0
				2024/12/13	TCGA	Business Operations and Crisis Management.	3.0	
		Independent Director	TSENG, HSIAO-CHUAN	2024/12/13	TCGA	ESG Competitiveness vs. Survival – Introduction to Net Zero Emissions, Climate Change, and Corporate Sustainability	3.0	6.0

Evaluation item	Implementation status							Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof	
	Ye s	N o	Description						
						Reporting.			
			2024/12/13	TCGA	Business Operations and Crisis Management.	3.0			
			<p>Implementation of customer policy: The Company has maintained stable and sound relationships with customers, to create profits.</p> <p>Liability insurance purchased for directors and supervisors: The Company has already purchased liability insurance for all directors, to strengthen the safeguarding of shareholders' interests.</p>						
9.	<p>Please explain the improvements made in accordance with the Corporate Governance Evaluation results released by the Taiwan Stock Exchange's Corporate Governance Center, and provide the priorities and plans for improvement with items yet to be improved.</p> <p>The items that did not receive a score in the 2023 corporate governance assessment of the Company have been gradually improved, and the implementation status will be disclosed on the Company's corporate website in 2024 (<a href="https://www.wendell.com.tw/zh/Investor">https://www.wendell.com.tw/zh/Investor</a>); The improvement measures include disclosing financial reports, shareholders' meeting annual reports, and meeting manuals in English, obtaining third-party assurance for the sustainability report, and disclosing the intellectual property management plan, among others; other items not improved yet will be implemented according to the Company's planning, to improve information transparency and comply with the standards for corporate governance.</p>								

D. Composition, duties and operations of the Remuneration Committee

1. Professional qualifications and independence analysis of Remuneration Committee members:

March 31, 2025

Title	Qualification  Name	Professional qualification and experience	Independence status	Number of other public companies where the individual concurrently serves as a Remuneration Committee member
Independent Director	HO, TZU-SHUN (Convenor)	<ul style="list-style-type: none"> <li>➤ With work experience in commerce, legal affairs, and finance, or work experience needed for corporate business.</li> <li>➤ Currently serving as a practicing lawyer of Shih Hsun Hsu Law Firm, and previously serving as procurator of Taiwan High Prosecutors Office, head procurator of Taiwan Shilin District Prosecutors Office and procurator of Taiwan Taoyuan District Prosecutors Office, specialized in operational judgment, accounting and financial skills, operation and management ability, crisis management, industrial knowledge, international market view, leadership, and decision-making ability.</li> <li>➤ Currently not involved in each situation specified in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>➤ The director, his/her spouse, and relatives within the second degree of kinship haven't served as director, supervisor, or employee of the Company or its affiliated companies.</li> <li>➤ The director, his/her spouse, and relatives within the second degree of kinship (or in the name of others) haven't held shares in the Company.</li> <li>➤ The director hasn't served as director, supervisor, or employee of any company that has a specific relation with the Company.</li> <li>➤ The director hasn't received any rewards from the Company or its affiliated companies for relevant services provided, including commerce, legal affairs, finance, accounting and other relevant services, in the last 2 years.</li> </ul>	None
Independent Director	LIN, CHIN-FENG	<ul style="list-style-type: none"> <li>➤ With work experience in commerce, finance, and accounting, or work experience needed for corporate business.</li> <li>➤ Currently serving as a practicing CPA of Crowe (TW) CPAs and previously serving as Head of Auditing Department, Weizhong Certified Public Accountants, specialized in operational judgment, accounting and financial skills, operation and management ability, crisis management, international market view, leadership, and decision-making ability.</li> <li>➤ Currently not involved in each situation specified in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>➤ The director, his/her spouse, and relatives within the second degree of kinship haven't served as director, supervisor, or employee of the Company or its affiliated companies.</li> <li>➤ The director, his/her spouse, and relatives within the second degree of kinship (or in the name of others) haven't held shares in the Company.</li> <li>➤ The director hasn't served as director, supervisor, or employee of any company that has a specific relation with the Company.</li> <li>➤ The director hasn't received any rewards from the Company or its affiliated companies for relevant services provided, including commerce, legal affairs, finance, accounting and other relevant services, in the last 2 years.</li> </ul>	None

Title	Qualification  Name	Professional qualification and experience	Independence status	Number of other public companies where the individual concurrently serves as a Remuneration Committee member
Independent Director	TSENG, HSIAO-CHUAN	<ul style="list-style-type: none"> <li>➤ With work experience in commerce, finance, and accounting, or work experience needed for corporate business.</li> <li>➤ Currently serves as a member of the Company ' s Compensation Committee and Sustainability Development Committee, and also holds the position of Independent Director at Protrade Applied Materials Corp. Formerly served as Chief Auditor at Yuanta Commercial Bank. specialized in operational judgment, accounting and financial analysis, business management, crisis management, global market perspective, leadership, and decision-making.</li> <li>➤ Currently not involved in each situation specified in Article 30 of the Company Act.</li> </ul>	<ul style="list-style-type: none"> <li>➤ The director, his/her spouse, and relatives within the second degree of kinship haven't served as director, supervisor, or employee of the Company or its affiliated companies.</li> <li>➤ The director, his/her spouse, and relatives within the second degree of kinship (or in the name of others) haven't held shares in the Company.</li> <li>➤ The director hasn't served as director, supervisor, or employee of any company that has a specific relation with the Company.</li> <li>➤ The director hasn't received any rewards from the Company or its affiliated companies for relevant services provided, including commerce, legal affairs, finance, accounting and other relevant services, in the last 2 years.</li> </ul>	1 company

2. Operational status of the Remuneration Committee:

- (1) There are three members of the Remuneration Committee of the Company, and the committee was established on November 20, 2019.
- (2) Term of office of members: From June 16, 2022 to June 15, 2025. A total of five Remuneration Committee meetings (A) were held in the most recent year and as of the publication date of the annual report. The attendance of the members is as follows:

Title	Name	Attendance in person (B)	By Proxy	Attendance rate (%) [B/A] (Note 2)	Remarks
Convener	HO, TZU-SHUN	4	1	80%	-
Committee member	LIN, CHIN-FENG	5	0	100%	-
Committee member	TSENG, HSIAO-CHUAN	5	0	100%	-

Other matters to be recorded:

1. If the Board of Directors refuses to adopt or amend a recommendation of the Remuneration Committee, the date of the meeting, session, the content of the motion, resolution of the Board of Directors, and the Company's response to the Remuneration Committee's opinion (e.g., if the remuneration passed by the Board of Directors exceeds the recommendation of the Remuneration Committee, the circumstances and reason for the difference) shall be specified: None.
2. If there were resolutions of the Remuneration Committee to which members objected or expressed reservations, and for which there is a record or declaration in writing, the date of the meeting, session, the content of the motion, all members' opinions and the response to members' opinion shall be specified: None.

3. Responsibilities of the Remuneration Committee

The committee shall exercise due care of a prudent administrator, faithfully performs the following duties, and submits the suggestions proposed to the Board of Directors for discussion.

- (1) Establish and regularly review performance evaluation of directors and managerial officers as well as remuneration policy, system, standards, and structure.
- (2) Regularly evaluate and determine the remuneration of directors and managerial officers.

4. Information on the meetings of the Remuneration Committee

Information on the meetings convened by the Remuneration Committee of the Company in the most recent fiscal year as well as review and evaluation of remuneration for the Company is as follows:

Remuneration Committee	Content of proposal and subsequent treatment
8 <sup>th</sup> meeting of the 2 <sup>nd</sup> session	1. Proposal for distribution of directors' compensation and employee compensation of the Company in 2023.
	2. Proposal for amendments to some provisions of "Regulations Governing the Remuneration and Compensation of Directors and Managerial Officers" of the Company.
	Resolution result of the Remuneration Committee (March 7, 2024): The chair inquired all attending members who discussed, approved and passed all the proposals submitted.
	All attending directors discussed and unanimously approved the opinions and recommendations of the Compensation Committee.
9 <sup>th</sup> meeting of the 2 <sup>nd</sup> session	1. Proposal for deliberation of remuneration of managerial officers of the Company in coordination with the annual salary adjustment of the Company.
	Resolution result of the Remuneration Committee (April 25, 2024): The chair inquired all attending members who discussed, approved and passed all the proposals submitted.

Remuneration Committee	Content of proposal and subsequent treatment
	All attending directors discussed and unanimously approved the opinions and recommendations of the Compensation Committee.
10 <sup>th</sup> meeting of the 2 <sup>nd</sup> session	<p>1. Proposal for deliberation of the payment of Mid-Autumn Festival bonus to managerial officers of the Company.</p> <p>Resolution result of the Remuneration Committee (August 1, 2024): The chair inquired all attending members who discussed, approved and passed all the proposals submitted.</p> <p>All attending directors discussed and unanimously approved the opinions and recommendations of the Compensation Committee.</p>
11 <sup>th</sup> meeting of the 2 <sup>nd</sup> session	<p>1. Proposal for deliberation of payment of year-end bonus to managerial officers of the Company.</p> <p>2. Proposal for establishment of “Work Plan of 2025” of the Remuneration Committee.</p> <p>Resolution result of the Remuneration Committee (December 13, 2024): The chair inquired all attending members who discussed, approved and passed all the proposals submitted.</p> <p>All attending directors discussed and unanimously approved the opinions and recommendations of the Compensation Committee.</p>
12 <sup>th</sup> meeting of the 2 <sup>nd</sup> session	<p>1. Proposal for distribution of directors’ compensation and employee compensation of the Company in 2024.</p> <p>Resolution result of the Remuneration Committee (March 5, 2025): The chair inquired all attending members who discussed, approved and passed all the proposals submitted.</p> <p>All attending directors discussed and unanimously approved the opinions and recommendations of the Compensation Committee.</p>

E. Implementation status of promotion of sustainable development, deviations from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof:

Evaluation item	Implementation status		Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	
1. Has the Company established a governance structure to promote sustainable development and set up a full-time (or part-time) unit to promote sustainable development which is handled by senior management authorized by the Board of Directors and supervised and guided by the Board of Directors?	✓		No material discrepancy
2. Has the Company implemented a risk evaluation of issues related to corporate operations, including environment, society and corporate governance, according to the materiality principle and established relevant risk management policies or strategies?	✓		No material discrepancy

Evaluation item	Implementation status		Description	Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof													
	Yes	No															
			<table border="1"> <thead> <tr> <th>Material topic</th> <th>Risk assessment items</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Environment</td> <td>Environmental impact and management</td> <td> <ol style="list-style-type: none"> <li>1. Obtain ISO-14001 QMS certificate and comply with international provisions on environmental protection.</li> <li>2. Obtained ISO 14064-1 Greenhouse Gas Verification in 2024.</li> </ol> </td> </tr> <tr> <td>Climate change</td> <td> <ol style="list-style-type: none"> <li>1. Calculated greenhouse gas emissions, water consumption, and total waste generated. Established energy-saving and carbon reduction policies, as well as policies for greenhouse gas reduction, water conservation, and other waste management initiatives, which have been implemented accordingly.</li> <li>2. Conducted risk and opportunity analysis, such as assessing the impacts of climate change and environmental issues on the Company's operations, in order to minimize the Company's impact on climate change through its business activities.</li> </ol> </td> </tr> <tr> <td rowspan="2">Society</td> <td>Occupational safety</td> <td>Regularly organize fire drills every half a year, and employee health checkup every year, to cultivate employees' ability to address emergencies and self-safety management.</td> </tr> <tr> <td>Product safety</td> <td> <ol style="list-style-type: none"> <li>1. Wendell ensures compliance with the Conflict Minerals Reporting Template (CMRT) principles and EU hazardous substances regulations, from raw material procurement to the use of auxiliary materials in production processes. The Material Safety Data Sheets (MSDS) for each material are made available on customer platforms, clearly disclosing material sources to ensure the protection of clients and consumers.</li> <li>2. All epoxy materials used in production comply with the UL94-V-0 flammability safety standard and pass IEC 6100-4-2/4-5 testing, depending on the product line, to guarantee electrical specifications and product safety.</li> <li>3. Wendell offers a "comprehensive product line," "professional engineer consulting services," and a "high-quality testing and certification laboratory," all of which comply with international regulations. These are combined with big data for advanced debugging and integration to further enhance service quality.</li> </ol> </td> </tr> </tbody> </table>	Material topic	Risk assessment items	Description	Environment	Environmental impact and management	<ol style="list-style-type: none"> <li>1. Obtain ISO-14001 QMS certificate and comply with international provisions on environmental protection.</li> <li>2. Obtained ISO 14064-1 Greenhouse Gas Verification in 2024.</li> </ol>	Climate change	<ol style="list-style-type: none"> <li>1. Calculated greenhouse gas emissions, water consumption, and total waste generated. Established energy-saving and carbon reduction policies, as well as policies for greenhouse gas reduction, water conservation, and other waste management initiatives, which have been implemented accordingly.</li> <li>2. Conducted risk and opportunity analysis, such as assessing the impacts of climate change and environmental issues on the Company's operations, in order to minimize the Company's impact on climate change through its business activities.</li> </ol>	Society	Occupational safety	Regularly organize fire drills every half a year, and employee health checkup every year, to cultivate employees' ability to address emergencies and self-safety management.	Product safety	<ol style="list-style-type: none"> <li>1. Wendell ensures compliance with the Conflict Minerals Reporting Template (CMRT) principles and EU hazardous substances regulations, from raw material procurement to the use of auxiliary materials in production processes. The Material Safety Data Sheets (MSDS) for each material are made available on customer platforms, clearly disclosing material sources to ensure the protection of clients and consumers.</li> <li>2. All epoxy materials used in production comply with the UL94-V-0 flammability safety standard and pass IEC 6100-4-2/4-5 testing, depending on the product line, to guarantee electrical specifications and product safety.</li> <li>3. Wendell offers a "comprehensive product line," "professional engineer consulting services," and a "high-quality testing and certification laboratory," all of which comply with international regulations. These are combined with big data for advanced debugging and integration to further enhance service quality.</li> </ol>	
Material topic	Risk assessment items	Description															
Environment	Environmental impact and management	<ol style="list-style-type: none"> <li>1. Obtain ISO-14001 QMS certificate and comply with international provisions on environmental protection.</li> <li>2. Obtained ISO 14064-1 Greenhouse Gas Verification in 2024.</li> </ol>															
	Climate change	<ol style="list-style-type: none"> <li>1. Calculated greenhouse gas emissions, water consumption, and total waste generated. Established energy-saving and carbon reduction policies, as well as policies for greenhouse gas reduction, water conservation, and other waste management initiatives, which have been implemented accordingly.</li> <li>2. Conducted risk and opportunity analysis, such as assessing the impacts of climate change and environmental issues on the Company's operations, in order to minimize the Company's impact on climate change through its business activities.</li> </ol>															
Society	Occupational safety	Regularly organize fire drills every half a year, and employee health checkup every year, to cultivate employees' ability to address emergencies and self-safety management.															
	Product safety	<ol style="list-style-type: none"> <li>1. Wendell ensures compliance with the Conflict Minerals Reporting Template (CMRT) principles and EU hazardous substances regulations, from raw material procurement to the use of auxiliary materials in production processes. The Material Safety Data Sheets (MSDS) for each material are made available on customer platforms, clearly disclosing material sources to ensure the protection of clients and consumers.</li> <li>2. All epoxy materials used in production comply with the UL94-V-0 flammability safety standard and pass IEC 6100-4-2/4-5 testing, depending on the product line, to guarantee electrical specifications and product safety.</li> <li>3. Wendell offers a "comprehensive product line," "professional engineer consulting services," and a "high-quality testing and certification laboratory," all of which comply with international regulations. These are combined with big data for advanced debugging and integration to further enhance service quality.</li> </ol>															

Evaluation item	Implementation status		Description	Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No		
			<p>Economic and regulatory compliance</p> <p>Strengthening of directors' functionality</p> <p>Communication with stakeholders</p> <p>Innovation and R&amp;D of patents</p> <p>Supply chain management</p>	<p>1. Implement an internal control mechanism, and ensure that all personnel and operations of the Company practically abide by relevant laws and regulations.</p> <p>2. The Company applies for patents of products researched and developed, to protect its rights and interests.</p> <p>1. Arrange at least 6 hours' continuing education courses for directors every year to urge directors to improve their professional knowledge and skills as well as legal accomplishment.</p> <p>2. Purchase director liability insurance for directors to cover their lawsuit or claims.</p> <p>3. Strengthened information flow to ensure that board members can make effective judgments and foster discussion and collaboration.</p> <p>Establish various communication pipelines to facilitate active communication and reduce confrontation and misunderstanding. Set up an investor mailbox and assign the spokesperson to handle and respond to investors' feedback.</p> <p>Establish the control operations for "R&amp;D Cycle" according to "Regulations Governing the Establishment of Internal Control Systems by Public Companies", including policies and procedures governing basic research, product design, technical R&amp;D, product trial manufacturing and testing, retention of R&amp;D records and documents, acquisition, maintenance and application of intellectual property, etc.</p> <p>In addition to the adoption of the existing QMS (ISO 9001) to evaluate and select suppliers, we have also asked suppliers to provide test reports of RoHS hazardous substances. Also, besides the investigation of conflict minerals of upstream suppliers, filling of a list of Substances of Very High Concern (SVHCs) under REACH and the signing of statement of green environmental protection, we have completed the verification of suppliers' certificate status through "ESG Evaluation Questionnaire", required the suppliers to sign "Statement of Supplier's Sustainability Commitments", and perform irregular audits over the suppliers every year, so as to establish a highly resilient and continually operable sustainability supply chain.</p>

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			<p>Cybersecurity management</p> <p>1. Follow "Cybersecurity Incident Reporting and Response Mechanism" and regularly advocate information security.</p> <p>2. Service equipment installed in the Company including anti-virus software, network firewall, and mail filtering are continually used, and software and hardware are updated and upgraded as appropriate and necessary.</p>	
3. Environmental issues				
(1) Has the Company established an environmental management system suitable for the industry in which it operates?	✓		(1) Coordinate relevant laws and regulations in the industry in which the Company operates, pay attention to environmental protection issues, and target at "Implementation of Environmental Protection and Cherishing of Resources; Reduction of Waste and Assurance of Safety;" as the environmental policy under the third-party ISO-14001 certification system (Certificate validity period: 2024/07/24~2027/07/23), to create a safe, sanitary and comfortable work environment as expected.	No material discrepancy
(2) Does the Company endeavor to utilize all resources more efficiently and use renewable materials that have a low impact on the environment?	✓		(2) In the spirit of cherishing of resources, the Company continually promotes waste reduction and reutilization, e.g., recycling of packaging materials and cartons, utilization of both sides of paper in official documents, electronic reduction of paper, self-preparation of environment-friendly chopsticks, etc. All the products of Wendell, including upstream raw materials purchased and auxiliary materials and consumable used in processes, comply with the RoHS and REACH of the EU, standards regarding the prohibition/restricted use of hazardous substances. Besides, each product part number is provided with MSDS and disclosed on customers' platforms. Therefore, the Company dedicates to the reduction of the impact of hazardous substances on environmental pollution.	No material discrepancy
(3) Does the Company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	✓		(3) The Company has already evaluated the potential risks and opportunities in climate change with respect to the present and future of its business, and determined the Sustainable Development Committee as the top organization of environmental climate change management. The Chief Sustainability Officer serves as the chairperson of this committee to regularly deliberate the Company's objectives and strategies for sustainable development and report to the Board of Directors. The Company's environmental indicator assessment for 2024 identified purchased electricity as the primary source of carbon emissions. In addition to the ongoing Russia-Ukraine conflict and escalating tensions in the Middle East, which have led to increased soil pollution and fuel price volatility, the stability of global energy supply has become increasingly uncertain. To mitigate these risks, especially potential spillover effects into Asia, the Company has actively implemented energy-saving and carbon reduction measures in daily operations. The Tucheng laboratory building has adopted green building practices, including solar energy storage, to effectively stabilize power supply fluctuations and enhance the Company's sustainable operation capability. The Company evaluates the risks and opportunities brought by climate change according to the framework of recommendations of TCFD released by the Financial Stability Board, and restarts complete evaluation every three years and reviews updates annually.	No material discrepancy

Aspect	Disclosures recommended by TCFD	The Company's responsive actions
Governance	The Board of Directors' supervision of climate-related risks and opportunities	The Board of Directors monitors the management of climate change-related risks and opportunities through the Sustainability Committee. The Chief Sustainability Officer serves as the Chairman of the Sustainability Committee and reports to the Board of Directors on the assessment of ESG and climate change-related issues and the progress of sustainable development goals on a regular basis each year. The Board of Directors will supervise and review the progress.
	Role of the management in the evaluation and management of climate-related risks and opportunities	<ul style="list-style-type: none"> <li>▪Set up a cross-departmental climate change risk team to identify climate risks and evaluate and respond to climate impact within each scope of responsibility.</li> <li>▪The top manager of climate issues in the management is the Chief Sustainability Officer who shall lead level-1 supervisors to implement management work related to climate change and directly report to the Board of Directors.</li> <li>▪Set up a Sustainability Development Committee and assign the Chief Sustainability Officer to serve as the convener and promote environmental sustainability management.</li> <li>▪Set up a risk management team to identify main risks, discuss relevant response measures with each business unit of the Company, and report to the Sustainable Development Committee.</li> </ul>
Strategy	Short-term, medium-term, and long-term climate-related risks and opportunities identified	<p><b>Short-term</b></p> <ul style="list-style-type: none"> <li>▪Transition risks: In response to climate change, many countries are now implementing low-carbon economy. The Company will pay continual attention to relevant local and foreign laws and regulations, and complete relevant operations.</li> <li>▪Physical risks: The severity of extreme weather events, such as typhoons, floods, and droughts, may increase, directly damaging production facilities, impacting operational assets, and affecting supply chains and delivery schedules.</li> <li>▪Market opportunities: Develop or expand low-carbon products and services, conduct R&amp;D and innovation of new products and services, create low-carbon business opportunities, and</li> </ul>

			<p>develop green energy or energy storage related applications.</p> <p><b>Medium-term</b></p> <ul style="list-style-type: none"> <li>▪ Transition risks: Strengthening of emission reporting obligation and transformation to low-carbon and high-efficiency technologies to affect the cost, changes in customers' behaviors, increase of stakeholders' concerns and negative feedback, and requirements and supervision of products and services.</li> <li>▪ Market opportunities: Currently, the Company is establishing a green building laboratory which is expected to provide diversified EMC, EMI, and battery tests.</li> </ul> <p><b>Long-term</b></p> <ul style="list-style-type: none"> <li>▪ Transition risks: Increase in the prices of greenhouse gas emissions (Total volume control/Carbon tax/Energy tax).</li> <li>▪ Physical risks: Rising average temperatures</li> <li>▪ Market opportunities: Use of more efficient production and distribution processes</li> </ul>		
		<p>Impact of climate-related risks and opportunities with respect to planning of business, strategies, and finance</p>	<p>The significant climate risks faced by the Company mainly come from the requirements of customers, investors and other important stakeholders regarding the greenhouse gas emission reductions of the enterprise and the compliance with product energy efficiency standards; the opportunities brought by climate change mainly exist in products and services. The Company provides one-stop purchasing services, from provision of products to product testing service certification and product lines that comply with sustainability trends, so that it can respond to market demand and develop new markets with energy-saving and carbon-reducing products and services.</p> <p><b>Main transition risks</b></p> <p>In response to the risks of regulatory compliance and changes in green standards, the Company actively aligns with relevant international standards to reduce the cost risk of renewable energy.</p> <p>The Company actively conducts research and development in green design, and offers product portfolios featuring high energy conversion rate and low carbon generation to assist customers in reducing cost and improving efficiency. The green design is</p>		

			<p>based on the thinking of life cycle and the Company aims to provide environment-friendly products including non-hazardous products and products with low energy consumption.</p> <p><b>Main physical risks</b> To lower the impact of drought events, relevant offices have successively implemented water-saving policy to strengthen the water resource utilization. At the same time, they have studied and drafted emergency response plans to lower the operating losses resulting from the risks of disasters.</p> <p><b>Main climate opportunities</b> The Company has already laid a profound foundation regarding long-term sustainability, maintained long-term, close trust relationship with customers, actively invested in research and development based on market demand. As a result, amidst the wave of sustainability, the Company will have the chance to win customer with priority and increase its operating revenue by relying on its innovative and optimized products and solutions.</p>
		Strategic resilience and consideration given to different climate-related scenarios	The Company provides one-stop services from product supply to product testing and certification. However, given the risks posed by extreme weather, particularly heavy rainfall, the laboratory equipment on the first floor faces a higher risk of damage. Equipment relocation will be considered as part of the Company's operational strategy adjustments.
	Risk management	Identification and evaluation processes of climate-related risks	Each unit searches information regarding external market, regulations, technology, and physical climate development trends, lists climate risks and opportunities possibly faced by the Company, and identifies material climate risks and opportunities in consideration of the degree of impact and possibility of occurrence. Then, in consideration of the influence of risks and opportunities, the Company sorts the risks and opportunities with priority in consideration of possibility and severity of risks, and establishes relevant countermeasures. As for higher risks indicated in the evaluation results, climate scenarios will be analyzed additionally, and the current operation layout is considered to

				calculate the potential financial impact.
			Management process of climate-related risks	Each business unit of the Company originally identified main risks, explored relevant response measures, and submitted relevant risk assessment to the Company's regular business meetings. The management was responsible for supervision. In 2024, the Company established a Risk Management Task Force under the Sustainability Development Committee. This task force collaborates with various departments to implement risk management policies set by the Sustainability Development Committee and regularly reports to the Board of Directors, which oversees and reviews these activities.
			How the identification, evaluation and management processes of climate-related risks are integrated to the Company's overall risk management system	Include climate change into a material topic of corporate sustainable development and a key major risk item. All business units shall implement a risk management plan and plan response measures in terms of operation, products, and supply chain management.
		Indicators and targets	Describe the indicators used by the Company to evaluate climate-related risks and opportunities according to strategies and risk management process	To mitigate climate change, the Company adopts the greenhouse gas emissions per unit of operating revenue as the main quantified key evaluation indicator. In 2023, the Company planned the construction of laboratories in Tucheng District and applied for LEED Gold green building certification. At the same time, solar panels are built on the roof of the laboratory to increase the proportion of renewable energy used in the future and become an important indicator equipment for the company to reduce greenhouse gas emissions expected completion in 2025.
			Greenhouse gas emissions in Scope 1, Scope 2, and Scope 3 and related risks	The Company continues to conduct GHG (Greenhouse Gas) inventory in accordance with the EMS framework: ISO 14001, covering Scope 1 and Scope 2 emissions. ISO 14064-1 verification obtained in Q2 of 2025, based on the 2024 GHG inventory data of Wendell (the parent company). The parent company's GHG emissions for 2024 are as follows (in metric tons CO <sub>2</sub> e): Scope 1: 26.5 Scope 2: 269.9
			Targets for management of climate-related risks	In the process of developing energy-saving products and services, the Company is

Evaluation item	Implementation status			Description	Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No			
				<p>and opportunities, and performance in the implementation of these targets</p> <p>dedicated to improving the quality of parts and lowering customer's energy consumption. The Material Business Department of the Company successfully developed a composite product with the performance of EMI shielding and high heat dissipation. When the customers perform tests using our composite heat dissipation material under same conditions and scenarios, the temperature of CPU can be reduced by 5.591°C.</p> <p><b>Target for carbon emission and energy management</b> After determination of base year of Wendell, the short-term goal was to reduce 3% of carbon emissions in 3 years. In the future, the Company will pay continual attention to the implementation effect of energy-saving and carbon reduction measures and the making of adjustments at any time.</p> <p><b>Target for waste management</b> As the Company is not engaged in manufacturing, waste generated during operations is minimal and mainly consists of solder dross and scrap boards from testing instruments, with most test products supplied by customers. Therefore, the scope for waste reduction is limited. The Company entrusts qualified third-party contractors for proper waste disposal. Since the waste amount did not meet the disposal threshold in 2024, it will be accumulated and processed in 2025.</p> <p><b>Target for water resource management</b> The Company does not operate factories or production facilities and is classified as a low water consumption enterprise. Water use is mainly limited to daily office operations. Although overall water usage is relatively low, the Company continues to implement water-saving measures, including reducing faucet water pressure by 50% to minimize unnecessary water consumption.</p>	
(4) Has the Company	✓		(4)	Since 2023, the Company has cooperated with a system provider to prepare a low-carbon sustainable supply chain integrated	No material discrepancy

Evaluation item	Implementation status		Description	Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof																										
	Yes	No																												
calculated greenhouse gas emissions, water consumption, and the total weight of waste in the last two years, and established policies on energy conservation and carbon reduction, greenhouse gas reduction, water reduction, or waste management?			<p>establishment plan. In accordance with ISO 14064 1:2018, the Company simulated the greenhouse gas inventory operation of Wendell Industrial. The inventory organization boundary was established using "Operation Control Method" to verify the greenhouse gas emissions under the operational control right of the organization.</p> <p>The boundary scope includes the building in No. 188, Baoqiao Road, Xindian District, 5F, No. 4, Lane 7, Baogao Road, Xindian District, New Taipei City, 1F &amp; 2F, No. 119, Wugong 3rd Road, Wugu District, New Taipei City, 6F, No. 332, Mingcheng 2nd Road, Zuoying District, Kaohsiung (813), Room K (Shanghai Representative Office), 19F, Feizhou International, No. 899, Lingling Road, Xuhui District, Shanghai, and Room 216, No. 4, Lane 751, Lingling Road, Xuhui District, Shanghai.</p> <p>Greenhouse gas emissions in 2023:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Scope 1 (Unit: tCO<sub>2</sub>e)</th> <th>Scope 2 (Unit: tCO<sub>2</sub>e)</th> <th>Density CO<sub>2</sub>e/ NT\$ million</th> <th>Scope 3 (Unit: tCO<sub>2</sub>e)</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>29.3</td> <td>283.7</td> <td>0.21</td> <td>0</td> </tr> </tbody> </table> <p>Greenhouse gas emissions in 2024:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Scope 1 (Unit: tCO<sub>2</sub>e)</th> <th>Scope 2 (Unit: tCO<sub>2</sub>e)</th> <th>Density CO<sub>2</sub>e/ NT\$ million</th> <th>Scope 3 (Unit: tCO<sub>2</sub>e)</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>26.5</td> <td>269.9</td> <td>0.17</td> <td>0</td> </tr> </tbody> </table> <p>The emission coefficient quoted in this inventory verification is as follows:</p> <p>*Scope 1 refers to direct emissions from sources owned or controlled by the Company, including stationary combustion sources, process emissions, mobile combustion sources, and fugitive emissions. The emission factor is calculated with reference to the IPCC 2006 Guidelines for National Greenhouse Gas Inventories announcement.</p> <p>*Scope 2 refers to indirect emissions from the consumption of purchased electricity.</p> <p>*Greenhouse gases include seven types: Carbon Dioxide (CO<sub>2</sub>), Methane (CH<sub>4</sub>), Nitrous Oxide (N<sub>2</sub>O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulfur Hexafluoride (SF<sub>6</sub>), and Nitrogen Trifluoride (NF<sub>3</sub>).</p> <p>*The emission factor for purchased electricity is based on the announcement by the Bureau of Energy, Ministry of Economic Affairs. The electricity emission factor for 2023 is 0.494 kgCO<sub>2</sub>e/kWh; the factor for 2024 is 0.474 kgCO<sub>2</sub>e/kWh.</p> <p>Relevant data indicated that the consumption of electricity purchased by the Company in Scope 2 accounted for more than half of carbon emissions. The goal of energy conservation and carbon reduction focused on purchased electricity and the fixed temperature of air conditioners was adjusted to 25.5°C. Daily inspection was conducted to see if any abnormality existed. The main equipment related to energy conservation was lighting fixtures. It was planned to replace the old lamps with LED energy-saving lamps. Plans for zoned control of power supply, daily inspection of power shutdown, installation of thermal-insulated curtain, sharing of taxi, and regulation of hydraulic pressure have been implemented and maintained.</p> <p>Water consumption in the last two year(Wendell parent company Taiwan base):</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Water consumption (m<sup>3</sup>)</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>3,053</td> </tr> <tr> <td>2024</td> <td>3,128</td> </tr> </tbody> </table> <p>The Company does not operate any manufacturing plants and is not involved in production-related water use; therefore, there is no</p>	Year	Scope 1 (Unit: tCO <sub>2</sub> e)	Scope 2 (Unit: tCO <sub>2</sub> e)	Density CO <sub>2</sub> e/ NT\$ million	Scope 3 (Unit: tCO <sub>2</sub> e)	2023	29.3	283.7	0.21	0	Year	Scope 1 (Unit: tCO <sub>2</sub> e)	Scope 2 (Unit: tCO <sub>2</sub> e)	Density CO <sub>2</sub> e/ NT\$ million	Scope 3 (Unit: tCO <sub>2</sub> e)	2024	26.5	269.9	0.17	0	Year	Water consumption (m <sup>3</sup> )	2023	3,053	2024	3,128	
Year	Scope 1 (Unit: tCO <sub>2</sub> e)	Scope 2 (Unit: tCO <sub>2</sub> e)	Density CO <sub>2</sub> e/ NT\$ million	Scope 3 (Unit: tCO <sub>2</sub> e)																										
2023	29.3	283.7	0.21	0																										
Year	Scope 1 (Unit: tCO <sub>2</sub> e)	Scope 2 (Unit: tCO <sub>2</sub> e)	Density CO <sub>2</sub> e/ NT\$ million	Scope 3 (Unit: tCO <sub>2</sub> e)																										
2024	26.5	269.9	0.17	0																										
Year	Water consumption (m <sup>3</sup> )																													
2023	3,053																													
2024	3,128																													

Evaluation item	Implementation status		Description	Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No		
			wastewater discharge. Water consumption is limited to domestic use within office premises, and annual water usage remains relatively stable. However, the Company still implements water conservation measures, such as reducing faucet water pressure to avoid unnecessary water waste. Additionally, water usage is regularly monitored on a monthly basis, and designated personnel are assigned to check for abnormal water consumption or leakage issues. The Company hasn't established any plant and related production equipment, and therefore no waste has been produced.	
4. Social issues (1) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		(1) The Company adheres to internationally recognized human rights standards, including the International Bill of Human Rights, the Core Labor Standards of the International Labour Organization, and the Ten Principles of the United Nations Global Compact. The Company complies with local labor-related laws and regulations, such as the Labor Standards Act, the Employment Service Act, and the Gender Equality in Employment Act, and has established "Work Rules" to define the rights and obligations between the Company and employees. The Company is committed to ensuring that every employee is treated fairly, humanely, and with respect. In addition, the Company has implemented "Sexual Harassment Prevention Measures and Disciplinary Guidelines" and provides complaint channels to safeguard the rights and interests of employees. Also, the Company has established an Employee Welfare Committee to promote employee welfare. As for gender equality, relevant systems for maternity leave without pay, family care leave, and menstrual leave have been implemented; as for employees' rights and interests, we provide a friendly work environment to guarantee employees' work interests and prohibit employment discrimination.	No material discrepancy
(2) Has the Company established and offered proper employee benefits (including compensation, leave, and other benefits) and reflected the business performance or results in employee compensation as appropriate?	✓		(2) <b>Employee welfare measures</b> The employee welfare measures provided by the Company include regular employee health checkups, group insurance, cash gifts on the occasions of birthday, the Dragon Boat Festival, the Mid-Autumn Festival, childbirth and marriage, performance bonus, vocation leave, travel allowance, etc. The Employee Welfare Committee holds employee activities and after-work sports club every two months, and provides employees from each department with education and training irregularly. Female employees are supported with a maternity leave of 60 days more than the statutory requirement, and the Company also provides childbirth subsidy of NT\$ 20,000 per child. The subsidy will be granted in a lump-sum manner after application, with no limit on the number of births. Besides, the Company has begun to provide childbirth allowance for elderly parturient women since 2023. Female employees or spouses of employees aged 34 or reaching the age of 34 in during pregnancy can enjoy this policy, with additional subsidy of NT\$ 20,000 per birth. As for childcare, family care leave and flexible working hour system are provided. <b>Retirement system</b> To take care of employees' retirement life and promote good labor-management relations, the Company has adopted a defined contribution system per the Labor Pension Act and appropriated and deposit retirement funds to the workers' personal pension accounts established at the Bureau of Labor Insurance every month. The Company has stipulated the following provisions according to the Labor Pension Act. (A) Voluntary retirement Employees who comply with any of the following circumstances may apply for voluntary retirement: a. Those who have worked for more than 15 years and are aged 55 or above; b. Those who have worked for more than 25 years; c. Those who have worked for more than 10 years and are aged 60 or above.	No material discrepancy

Evaluation item	Implementation status		Description	Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No		
			<p>(B) Mandatory retirement If an employee hasn't any of the following circumstances, the Company shall not force the employees to retire:</p> <ul style="list-style-type: none"> <li>a. Aged 65 or above;</li> <li>b. Unable to conduct the work due to physical and mental disabilities.</li> </ul> <p>As for the age limit specified in the first paragraph above, the Company may apply to the central competent authority for approval and adjustment of the age of retirement as at least 55 for those engaged in special types of work that involve certain danger or require strong physical demands.</p> <p>(C) Pension payment standards Employees' pension payment standards are as follows:</p> <ul style="list-style-type: none"> <li>a. For the working seniority prior to the application of the Labor Standards Act, the pension payment standard shall be calculated according to the provisions of applicable laws and regulations then; if there are no laws and regulations available for calculation, the pension will be calculated according to the provisions established by the Company or based on the negotiation between labor and management. Two base numbers are provided for each full year based on employees' working seniority. However, for the working seniority above 15 years, one base number is provided for each full year, up to 45 base numbers in total. If an employee works for less than half a year, it will be calculated as half a year; if an employee works for more than half a year, it will be calculated as a year.</li> <li>b. For the working seniority under the pension system (old system) stipulated in the Labor Standards Act, the pension payment standard shall be calculated according to the provisions of Article 55 of the Labor Standards Act. However, if the physical and mental disabilities of employees forced to retire according to the provisions of the subparagraph 2, paragraph 1 of Article 35 of the Labor Standards Act are caused due to execution of their job duties, additional 20% of the pension will be provided for them according to the provisions of subparagraph 2, paragraph 1 of Article 55 of the Labor Standards Act.</li> <li>c. The Company has withdrawn and deposited 6% of employees' monthly salaries to their personal pension accounts every month since July 1, 2005 when the Company began to apply the Labor Standards Act.</li> </ul> <p>(D) Pension payment Pension payable by the Company to employees according to the provisions of the Labor Standards Act on pension shall be paid within thirty days since the date of retirement.</p> <p>(E) Request for pension The right of employees who comply with the provisions of the Labor Standards Act on pension to claim pension will disappear within five years since the next month after retirement if not exercised. The number of employees who applied for retirement was 0 in 2024.</p> <p><b>Workplace diversity and equality</b> The Company provides male and female employees with equal pay for equal work and equal opportunities for promotion, to promote the sustainable and inclusive economic growth. In 2024, female employees accounted for approximately 55%, and female supervisors at various levels accounted for 53% on average. An annual employee satisfaction survey is conducted, and the results are disclosed on the Company's website.</p>	

Evaluation item	Implementation status		Description	Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No		
			<p><b>Reflection of business performance in employees' overall remuneration policy</b></p> <p>The overall remuneration provided by the Company includes employee compensation, salary, and bonus, and the Company adjusts employees' remuneration with reference to the market salary level in the same industry, economic trends, and assessment of personal performance, to maintain the competitiveness of overall remuneration.</p> <p>(A) Employee compensation Article 20 of the Articles of Incorporation: If the Company obtains profits in the current year (i.e., profit obtained by before deduction of employee compensation and directors' compensation distributed from the before-tax profit), and there is still a remaining amount after deduction of accumulated losses, the Board of Directors will set aside at least 1.5% of the profits obtained in the year as employee compensation which may be distributed either in stock or cash. The objects for distribution may include employees from companies controlled by or subordinate to the Company who have complied with certain conditions. Such conditions are established by the Board of Directors. The directors' compensation may be distributed in cash only.</p> <p>(B) Bonus The Company sets aside a certain portion of profits obtained in the first half of the year and provides it to the employees as bonus; the performance bonus is determined based on two assessments conducted annually according to the measures for performance assessment. The work performance of colleagues in the current year is assessed in terms of work objectives and functional behaviors. To encourage more talents, the Company has established a recommendation bonus in the hope that colleagues can recommend excellent talents. In addition to performance bonus, colleagues with outstanding performance are also entitled to order receipt bonus and new customer establishment bonus, in the hope that business colleagues' willingness to develop new customers can be motivated.</p> <p>(C) Salary adjustment policy The Company adjusts employees' salaries every April with reference to the price growth index in the current year, salary adjustment data in the same industry, and the Company's operating revenue. In the recent years, employees' salaries have maintained a growth rate of 3-5%.</p>	
(3) Does the Company provide a safe and healthy work environment, and does it organize health and safety training for its employees on a regular basis?	✓		(3) The Company has established work rules according to law, and abided by all statutory provisions. <i>Regulations Governing the Appeal, Reward and Punishment Regarding Workplace Sexual Harassment Prevention and Control Measures</i> can ensure that employees work at the workplaces relaxedly; <i>Work Code for Safety and Health</i> guarantees the security of workplaces. Also, the Company has installed various kinds of safety and health protection equipment for the workplaces, machinery, and equipment, and established rules on preventing electrical disasters; employees will be educated and trained before work, and annual employee health checkup and health checkup for new employees are organized, in 2024, the Company organized health checkups for 168 person-times and physical examinations for 60 person-times; the Company conducts fire drills once every half a year so that colleagues can bear in mind the fire escape routes. In 2024, no fire or casualties occurred; the Company also sets aside labor pension according to law; it has established an Employee Welfare Committee to hold activities periodically, making employees healthier physically and mentally. In 2024, a total of 7 meetings were convened by the Employee Welfare Committee; furthermore, the Company regularly convenes labor-management meetings to enhance the two-way communication	No material discrepancy

Evaluation item	Implementation status		Description	Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No		
			between labor and management and improve each condition. In 2024, a total of 4 labor-management meetings were convened.	
(4) Has the Company established effective career development and training plans for its employees?	✓		(4) The Company values the career development of employees and enhances their professional skills and competitiveness through diverse training programs. The current training and development system includes: 1. Self-Directed Learning and Professional Development: Employees are encouraged to propose participation in external professional courses based on their career development needs, and the Company provides support and subsidies based on relevance and necessity. 2. Regular Professional Training: The Company arranges six hours of annual training for directors and supervisors and ensures that the training hours required by law for accounting officers, their deputies, audit personnel, and corporate governance officers are met. 3. Internal and External Training Resources: Depending on departmental and job requirements, the Company provides internal professional skills training and opportunities for external studies, covering areas such as technology, management, and sustainability (ESG). 4. Career Development Support: The Company encourages internal job rotation, cross-departmental learning, and internal trainer development programs to help employees develop diverse skill sets and enhance career growth opportunities.	No material discrepancy
(5) Do the Company's products and services comply with related regulations and international rules for customers' health and safety, privacy, sales, labeling and set policies to protect consumers' rights and consumer appeal procedures?	✓		(5) All the products of Wendell, including upstream raw materials purchased and auxiliary materials and consumable used in processes, comply with the RoHS and REACH of the EU, standards regarding the prohibition/restricted use of hazardous substances. Besides, each product part number is provided with MSDS and disclosed on customers' platforms. Therefore, customers and consumers' interests can be guaranteed in a transparent manner; besides, epoxy used for encapsulation complies with the fire-resistant safety grade of UL94-V-0. Furthermore, in consideration of different product lines, IEC 6100-4-2/4-5 test has been conducted to ensure the conformity of the products to the electrical performance characteristics indicated in the specifications. In addition, the Company also provides EMC testing services in accordance with customers' different applications, so that customers' systems can be smoothly sold to each country. Besides, our products are provided with designated markings which represent not only the products sold but also the conformity of product quality to the regulatory requirements. Customers may submit complaints regarding the Company's products or services. The complaint handling process follows the ISO-9001_WI87-03 Complaint Handling Procedure. Customers are required to complete the relevant form, after which the responsible unit (Quality Assurance) will confirm the solution and implement preventive measures.	No material discrepancy
(6) Has the Company established supplier management policies that require suppliers to comply with relevant laws and regulations related to environmental protection,	✓		(6) Specific administrative measures for supply chain The Company expects an environment-friendly, long-term partnership with the suppliers. In addition to the adoption of the existing QMS (ISO 9001) to evaluate and select suppliers, we have also asked suppliers to provide test reports of RoHS hazardous substances, investigate conflict minerals of upstream suppliers, and fill out a list of Substances of Very High Concern (SVHCs) under REACH. To strengthen sustainable management of suppliers, we promote the application of "Questionnaire for Acquisition of Wendell Supplier Certificate" and "Supplier ESG Evaluation Questionnaire" and ask the supply chain to evaluate the administrative measures regarding three aspects, i.e., environment/governance/corporate responsibility of suppliers. In 2024, out of the existing 53 suppliers, 46 active suppliers	No material discrepancy

Evaluation item	Implementation status		Description	Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No		
occupational health and safety or labor rights and supervised its implementation?			were surveyed. Among these, the signing rates for the "Sustainability Commitment Statement" and the "Supplier ESG Assessment Questionnaire" were 91% and 83%, respectively, and the foregoing was included in QMS system as a method to evaluate and select suppliers. The Company executes irregular audits over suppliers every year, and vendors evaluated as grade D will be notified to improve within a certain time limit, during which the order quantity will be reduced. The normal order quantity may be recovered only after the required improvements are achieved; also, the supplier management policy of the Company is announced on the corporate website.	
5. Has the Company, referring to the international standards or guidelines for the preparation of reports, prepared CSR reports to disclose non-financial information of the Company? Are the reports certified or assured by a third-party accreditation institution?	✓		With reference to the international universal report preparation standards, the Company completed the preparation and disclosure of the sustainable development report of 2023 in the third quarter of 2024, the Company's 2023 Sustainability Report was verified by Afnor Asia, an independent third-party professional assurance body. The assurance was conducted in accordance with AA1000AS v3 Type 1 Moderate Assurance Level, with the assurance statement disclosed on the Company's official website and within the Sustainability Report.	No material discrepancy
6. If the Company has established corporate social responsibility principles based on the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies, describe the implementation and any discrepancy: The Company has already established "Sustainable Development Best Practice Principles", and it has been committed to the promotion of sustainable development. No material discrepancy with the Sustainable Development Best Practice Principles established has been seen.				
7. Other important information to facilitate a better understanding of the Company's corporate social responsibility practices: (1) The Company has established "Work Rules" according to the Labor Standards Act and other relevant laws and regulations, and operated according to relevant laws and regulations including "Act of Gender Equality in Employment", "Sexual Harassment Prevention Act", etc., to provide employees with a favorable work environment and assure their work rights. (2) The Company attaches importance to human rights, provides employees with equal work rights regardless of race, gender, and age, and offer them opportunities to express and develop freely, to realize the goal of respecting personal dignity. (3) With emphasis placed on the management of employees' occupational safety and health, the Company has already appointed occupational safety and health personnel to control the execution of laws and regulations related to safety and health, observe the provisions of worker safety and health laws and regulations issued by the government, and deal with various kinds of safety and health tasks. (4) For "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please refer to relevant documents on MOPS (website: mops.twse.com.tw).				

## Climate-Related Information of TWSE/TPEX Listed Company

### Related Development of Climate Change Associated Risks to the Company

Item	Implementation
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	To assist the Board of Directors in promoting risk assessment and response measures regarding corporate environment, social responsibility, corporate governance, and other relevant aspects, and for the purpose of practicing sustainable corporate management, the Company approved the establishment of a Sustainable Development Committee as a dedicated unit for promoting sustainable development through the Board of Directors on March 8, 2023, and assigned Chief Sustainability Officer KAO, MIN-HUNG to serve as the convener to take general charge of all affairs related to sustainable development. The members of the committee are served by independent directors and the senior management authorized by the Board of Directors to promote the implementation of relevant matters related to environment, corporate governance and risk control. The Company has already established a complete governance structure. Each unit aims at sustainable development and reports the specific promotion plans and their implementation status to the Board of Directors for supervision and deliberation.
2. Describe the impact of identified climate risks and opportunities on the business's short, medium, and long-term finances, strategy, and operations.	<p><b>Short-term</b></p> <ul style="list-style-type: none"> <li>▪ Transition risks: In response to climate change, many countries are now implementing low-carbon economy. The Company will pay continual attention to relevant local and foreign laws and regulations, and complete relevant operations.</li> <li>▪ Physical risks: The severity of extreme weather events, such as typhoons, floods, and droughts, may increase, directly damaging production facilities, impacting operational assets, and affecting supply chains and delivery schedules.</li> <li>▪ Market opportunities: Develop or expand low-carbon products and services, conduct R&amp;D and innovation of new products and services, create low-carbon business opportunities, and develop green energy or energy storage related applications.</li> </ul> <p><b>Medium-term</b></p> <ul style="list-style-type: none"> <li>▪ Transition risks: Strengthening of emission reporting obligation and transformation to low-carbon and high-efficiency technologies to affect the cost, changes in customers' behaviors, increase of stakeholders' concerns and negative feedback, and requirements and supervision of products and services.</li> <li>▪ Market opportunities: Currently, the Company is establishing a green building laboratory which is expected to provide diversified EMC, EMI, and battery tests.</li> </ul> <p><b>Long-term</b></p> <ul style="list-style-type: none"> <li>▪ Transition risks: Increase in the prices of greenhouse gas emissions (Total volume control/Carbon</li> </ul>

Item	Implementation
	tax/Energy tax). ▪Physical risks: Rising average temperatures ▪Market opportunities: Use of more efficient production and distribution processes
3. Describe the financial impact of extreme weather events and transformative actions.	As estimated according to the financial impact of risks related to climate change, the various carbon reduction costs related to market and technology generated from the Net-Zero emission pathway by 2050 were mainly involved, e.g., relevant expenditure of energy conservation and carbon reduction facilities, premium price invested in purchasing of green electricity, or expenses of renewable energy vouchers, expenses for purchasing of carbon rights, and extra green electricity or carbon right purchasing expenses derived from uncertainty of new energy conservation and carbon reduction technologies.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The identification, assessment, and management of climate risks have been integrated into the Company's overall risk management system. Each department regularly identifies and evaluates climate-related risks and submits the results to management for review. In 2024, the Company established a Risk Management Task Force under the Sustainability Development Committee, which is responsible for executing climate risk management plans and reporting regularly to the Board of Directors for oversight. This process ensures the effective integration of climate risk management within the Company's overall risk management framework, facilitating the achievement of sustainability development goals.
5. If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analysis factors and major financial impacts used.	The Company analyzes the future impact of specific transition and physical risks on the corporate operation or supply chain under the global control of different greenhouse gas emissions according to TCFD framework, and include the results into strategic resilience. Since the future climate change is filled with high uncertainty, the Company will conduct assessment with multiple possible scenarios and plan internal operating strategies, to master the long-term overall climate development trends in a more comprehensive way.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	Due to the impact of carbon pricing policies and regulations and in consideration of the situation that the carbon prices implemented under different carbon pricing systems (greenhouse gas aggregate control and carbon tax /carbon cost) differ significantly with high uncertainty, the Company raises assumptions according to the locally current or future planning of operating sites to evaluate possible financial impact, for the purpose of assuring the compliance of overall reduction strategies with future development trends of policies and regulations. Take (scenarios with high-

Item	Implementation
	carbon price) as an example. If the Company does not continually adopt carbon reduction management measures, the financial impact will reach a relatively higher ratio in operating revenue. Therefore, facing the global Net-Zero trend, the Company will inevitably and actively execute greenhouse gas emission reductions per the Net-Zero pathway, so as to effectively lower the financial impact from the regulatory carbon price and minimize the impacted ratio of operating revenue.
7. If internal carbon pricing is used as a planning tool, describe the basis for setting the price.	Currently, the Company hasn't used carbon pricing as the instrument.
8. If climate-related targets have been set, the activities covered, it's important to specify the activities that are covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved every year. If you plan to use carbon credits or renewable energy certificates (RECs) to achieve your targets, you should also mention the source and quantity of the carbon credits or RECs that will be offset.	Short- and medium-term targets for greenhouse gas emissions in the Company: Reduction of 3% of greenhouse gas emissions within 3 years. The Company passed ISO-14064 greenhouse gas verification in 2024; long-term target: The greenhouse gas emission for each operating site shall be zero before 2050.
9. Greenhouse gas inventory and assurance status.	Please refer to the table below.

### 1-1-1 Greenhouse gas inventory information

Describe the emissions volume (metric tons CO<sub>2</sub>e), intensity (metric tons CO<sub>2</sub>e/NT\$ million), and data coverage of greenhouse gases for the two most recent fiscal years.

Carbon emissions in 2023 (All operating sites of Wendell (parent company: Scope 1 + Scope 2): 313.0tCO<sub>2</sub>e; 0.21(Tco<sub>2</sub>e/ NT\$ million)

Carbon emissions in 2024 (All operating sites of Wendell (parent company: Scope 1 + Scope 2): 296.4 tCO<sub>2</sub>e;0.17(Tco<sub>2</sub>e/ NT\$ million)

Note 1 Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (scope 3, i.e., emissions from Company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).

Note 2 The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Paragraph 2, Article 10 of the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies. Other indirect emissions information may be voluntarily disclosed.

Note 3 Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4 The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least the data calculated in terms of revenue (NT\$ 1 million) shall be disclosed.

### 1-1-2 Greenhouse gas assurance information

Describe the status of assurance for the two most recent fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

The Company is expected to confirm the carbon emission data in the second quarter of 2025. The complete assurance information will be disclosed in the sustainability report.

Note 1 It shall be handled according to the schedule determined in paragraph 2, Article 10 of this standard. If the Company hasn't obtained a complete opinion on greenhouse gas emission assurance as of the publication date of the annual report, it shall specify "The complete assurance information will be disclosed in the sustainability report". If the Company hasn't prepared a sustainability report, it shall specify "The complete assurance information will be disclosed in MOPS", and disclose the complete assurance information in the annual report of the coming year.

Note 2 Assurance institutions shall meet the directions regarding the assurance of sustainability reports prescribed by the TWSE and TPEX.

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Describe the base year of greenhouse gas emissions and its data, reduction targets, strategy, and concrete action plan as well as the fulfillment status of the reduction target.

After determination of the base year of the Company, the short-term target will be reduction of 3% of greenhouse gas emissions within 3 years. The Company will pay continual attention to the implementation effect of energy conservation and carbon reduction measures and make adjustments at any time in the future.

Note 1 This information shall be disclosed in compliance with the schedule prescribed in the order issued under Paragraph 2, Article 10 of the Regulations.

Note 2 The base year shall be the fiscal year in which the greenhouse gas inventory is completed based on the consolidated financial reporting scope. For example, under the order issued under Paragraph 2, Article 10 of the Regulations, a company with a capital of NT\$10 billion shall complete the inventory for its 2024 annual consolidated financial report in 2025, so the base year will be 2024. If a company has disclosed its inventory in its consolidated financial report in an earlier year, it may take the earlier fiscal year as its base year. The data for the base year may also be calculated based on a single fiscal year or the average of multiple fiscal years.

F. Ethical corporate management and deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof:

Evaluation item	Implementation status		Description	Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No		
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Has the Company established ethical corporate management policies approved by the Board of Directors and specified in its rules and external documents the ethical corporate management policies and practices and the commitment of the Board of Directors and senior management to rigorous and thorough implementation of such policies?</p> <p>(2) Has the Company established a risk assessment mechanism against unethical conduct, and analyze and assess on a regular basis the business activity within its business scope which is at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which shall at least include those specified in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?</p> <p>(3) Does the Company provide any solutions to prevent unethical conduct, stipulate procedures, conduct guidelines, punishment for violation as well as appeals and put into practice, review and revise on a regular basis the aforesaid solutions?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>(1) The Company, with the approval of the Board of Directors, has established the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct," which are disclosed on the Company's official website and the Market Observation Post System (MOPS). A robust corporate governance and risk control mechanism has been built. During the formulation of prevention programs, the Company communicates with employees, labor unions, key business partners, and other stakeholders. Every year, all directors and newly hired employees are required to sign the Ethical Business Policy Declaration.</p> <p>(2) The Company has clearly defined prevention programs against unethical behavior (including illegal political contributions, improper charitable donations or sponsorships, and unfair competition practices) and has corresponding preventive measures in place. The Company also regularly reviews and revises its business activities to manage risks related to unethical conduct.</p> <p>(3) The Company has established "Code of Ethics", irregularly publicized relevant corporate ethics to employees, and expressly stipulated relevant reward and punishment measures in "Work Rules".</p>	<p>No material discrepancy</p> <p>No material discrepancy</p> <p>No material discrepancy</p>
<p>2. Fulfillment of ethical corporate management</p> <p>(1) Does the Company evaluate business partners' ethical records and include ethics-related clauses in the business contracts signed with the counterparties?</p> <p>(2) Has the Company set up a dedicated unit under the Board of Directors to promote ethical corporate management and regularly (at least once every year) report to the Board of Directors the implementation of ethical corporate management policies</p>	<p>✓</p> <p>✓</p>		<p>(1) The Company is engaged in commercial activities in a fair and transparent manner, and conducts customer credit investigation and supplier evaluation before business contracts, to avoid unethical corporate transactions. Business partners are required to sign an "Integrity and Anti-Corruption Commitment Letter" as part of contractual agreements.</p> <p>(2) A. The Legal Department is responsible for the formulation and implementation of the Company's Ethical Corporate Management Best Practice Principles and Procedures for Ethical Management and Guidelines for Conduct. The status of ethical management implementation was reported to the Board of Directors on November 5, 2024.</p>	<p>No material discrepancy</p> <p>No material discrepancy</p>

Evaluation item	Implementation status		Description	Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No		
and unethical conduct prevention programs?			<p>B. The main responsibilities include:</p> <p>(A)Assisting in integrating ethical and moral values into business strategies and formulating preventive measures to ensure ethical operations in line with legal requirements.</p> <p>(B)Regularly analyzing and assessing the risk of unethical behavior within business operations, formulating prevention plans accordingly, and establishing standard operating procedures and behavioral guidelines related to each plan.</p> <p>(C)Planning internal organizational structure and responsibilities, and implementing mutual checks and balances for business activities identified with higher risks of unethical conduct.</p> <p>(D)Promoting and coordinating ethics policy awareness and training.</p> <p>(E)Planning a whistleblowing system to ensure its effective implementation.</p> <p>(F)Assisting the Board of Directors and management in auditing and evaluating the effectiveness of the prevention measures for ethical operations and regularly reviewing compliance within business processes, with reporting.</p> <p>(G)Preparing and properly maintaining documentation related to the ethical management policy, including declarations of compliance, implementation commitments, and execution status.</p> <p>C. In the current fiscal year, 51 newly hired employees signed the Ethical Business Policy Declaration, achieving a 100% execution rate. All 7 directors also signed, achieving a 100% execution rate.</p>	
(3) Has the Company established policies to prevent conflicts of interest, provide appropriate communication channels, and implement them accordingly?	✓		(3) The Company has been set up "Moral Codes of Conduct" and "Ethical Corporate Management Best Practice Principles" to prevent conflicts of interest. In case of any conflicts of interest existing in each proposal of the Board of Directors, directors related to these proposals shall excuse themselves in principle of recusal and shall not participate in discussion and voting.	No material discrepancy
(4) Has the Company established effective accounting and internal control systems to implement ethical corporate management and have its internal audit department, based on the results of the assessment of the risk of involvement in unethical conduct, formulate audit plans and audit compliance with prevention programs accordingly or	✓		(4) To assure the implementation of ethical corporate management, the Company has already established effective accounting system and internal control system; also, it has established an internal audit plan, and internal auditors shall regularly review the observation of the aforesaid systems per the audit plan. If any unethical conducts are found to be true, they shall be immediately reported to the Audit Committee and the Board members. The Company hasn't been involved in any unethical conducts at present.	No material discrepancy

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
entrusted a CPA to conduct the audit? (5) Does the Company regularly hold internal and external training on ethical corporate management?	✓		(5) To facilitate the directors and new employees of the Company to learn about, advocate, and practically observe integrity and morality standards, these personnel shall sign ethical management policy before the end of each year. In 2024, the policy signing rate of directors and new employees of the Company reached 100%.	No material discrepancy
3. Operation of the whistleblowing system (1) Has the Company established both a reward/whistleblowing system and convenient whistleblowing channels? Are appropriate personnel assigned to investigate the accused party?	✓		(1) The Company passed "Regulations Governing Whistleblowing System" on December 13, 2022, announced relevant procedures on its website, and set up a reporting mailbox. Also, dedicated personnel have been assigned to deal with relevant affairs including whistleblowing. Furthermore, employee opinion appeal pipelines have been expressly stipulated in the Work Rules.	No material discrepancy
(2) Has the Company established standard operating procedures for investigating reported misconduct, follow-up measures to be adopted after investigation, and related confidentiality mechanisms?	✓		(2) The Company will assign dedicated personnel to learn about the reported matters. The whistleblowers and the reported matters shall remain confidential as appropriate. Also, relevant individual cases shall be reported to the responsible executive through proper approaches based on nature of such cases.	No material discrepancy
(3) Does the Company protect whistleblowers against improper treatment?	✓		(3) In addition to the strict confidentiality of whistleblowers' identity, the Company guarantees that the whistleblowers will not be treated improperly due to whistleblowing.	No material discrepancy
4. Strengthening information disclosure Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?	✓		The Company has disclosed the Ethical Corporate Management Best Practice Principles on its official site, and disclosed information on ethical corporate management in the annual report at market observation post system.	No material discrepancy
5. If the Company has established its own ethical corporate management policies based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe the implementation and any discrepancies: The Company has already established "Ethical Corporate Management Best Practice Principles" and "Operating Procedure and Guidelines for Corporate Ethical Management", the operation status of which does not have a material discrepancy with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies".				
6. Other important information to facilitate a better understanding of the Company's ethical corporate management: (e.g., review and amend its policies): In response to the amendment to "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies", the Company will also review its "Ethical Corporate Management Best Practice Principles" and "Operating Procedure and Guidelines for Corporate Ethical Management", to ensure their compliance with the Company's practical operations; for "Ethical Corporate Management Best Practice Principles", please refer to MOPS (website: mops.twse.com.tw).				

G. Other important information regarding corporate governance: None.

H. Status of the Internal Control System

The Internal Control System Statement for the year 2024 can be found on the Market Observation Post System (MOPS) > Single Company > Corporate Governance > Corporate Governance/Internal Control > Internal Control Statement Announcement: <https://mops.twse.com.tw/mops/#/web/t06sg20>

I. Major resolutions of Shareholders' Meetings and Board Meetings during the most recent fiscal year up to the date of publication of the annual report:

Shareholders' Meetings	Date	Important resolution	Implementation status
Shareholders' Meetings	2024.06.18	<ol style="list-style-type: none"> <li>Proposal for business report and financial statements of 2023</li> <li>Proposal for profit distribution in 2023</li> <li>Proposal for amendment to some provisions of "Rules of Procedure for Shareholders' Meeting"</li> </ol>	<p>This proposal was already recognized at the regular Shareholders' Meeting on June 18, 2024.</p> <p>The base date of ex-dividends was determined as July 30, 2024 and they were fully distributed on August 23, 2024. The cash dividends amounted to NT\$ 120,419,768. The number of outstanding shares of the Company was changed due to the conversion of convertible corporate bonds, thus affecting shareholders' dividend payout ratio. The actual number of outstanding shares was calculated as 30,153,064. The amount distributed per share was adjusted from NT\$ 4 to NT\$ 3.99361630.</p> <p>This proposal was already passed at the regular Shareholders' Meeting on June 18, 2024, and the operation was conducted according to the amended rules.</p>

Board of Directors	Important resolution
1st meeting of the 7th session, 2024	1. The Company's 2023 compensation allocation plan for employee, directors and supervisors adopted.
	2. The Company's 2023 annual business report and financial report adopted.
	3. Proposal for profit distribution of the Company in 2023.
	4. The Company's 2023 internal control statement adopted.
	5. Proposal for amendments to some provisions of "Rules of Procedure for Shareholders' Meeting" of the Company.
	6. Proposal for amendments to some provisions of "Rules of Procedure for Board of Directors", "Rules of Organization of Audit Committee", "Management of Deliberation Operation of Audit Committee", and "Regulations Governing Performance Evaluation of Board of Directors".
	7. Proposal for amendments to some provisions of "Regulations Governing the Remuneration and Compensation of Directors and Managerial Officers" of the Company.
	8. Proposal for amendment to some provisions of "Rules of Organization of Sustainable Development Committee" of the Company.
	9. The annual 2024 evaluation of the eligibility and independence of CPA adopted.
	10. Matters on the convening of the 2024 shareholders' meeting adopted.
Resolution result of the Board of Directors (March 8, 2024): The chairperson inquired all attending directors (including independent directors) who discussed, approved, and passed all the proposals.	
2nd meeting of the 7th session, 2024	1. Revision of major issues in the company's 2023 sustainability report.
	2. Proposal for deliberation of remuneration of managerial officers of the Company in coordination with the annual salary adjustment of the Company.
	3. Ratification of the appointment of the manager of the subsidiary Wendell Electrical Testing Co., Ltd.
Resolution result of the Board of Directors (April 25, 2024): The chairperson inquired all attending directors (including independent directors) who discussed, approved, and passed all the proposals.	
3rd meeting of the 7th	1. Proposal for the Change of the Certified Public Accountant for the Company's Financial Report Audit.
	2. Proposal on Consolidated Financial Statements for Q1 2024 adopted.

Board of Directors	Important resolution
session, 2024	3. Proposal of the Company for applying to the financial institution for transaction quota of derivative financial products due to business operation demand. Resolution result of the Board of Directors (May 9, 2024): The chairperson inquired all attending directors (including independent directors) who discussed, approved, and passed all the proposals.
4th meeting of the 7th session, 2024	1. Proposal on Consolidated Financial Statements for Q2 2024 adopted. 2. The Company's 2023 Corporate Governance Evaluation Indicator Improvement Plan. 3. Proposal for determination of the base date for capital increase in the conversion of "Domestic First Unsecured Convertible Corporate Bond" of the Company to issue new shares. 4. The Company's 2023 Sustainability Report Proposal. 5. Proposal for application of the increase of transaction quota of investment in bond financial products. 6. Proposal for the Investment Structure Adjustment of the Company's Indirect Subsidiary "Shenzhen Qianhong Electronic Co., Ltd." in Mainland China. 7. Proposal for deliberation of the payment of Mid-Autumn Festival bonus to managerial officers of the Company. Resolution result of the Board of Directors (August 1, 2024): The chairperson inquired all attending directors (including independent directors) who discussed, approved, and passed all the proposals.
5th meeting of the 7th session, 2024	1. Proposal on Consolidated Financial Statements for Q3 2024 adopted. 2. Proposal for determination of the base date for capital increase in the conversion of "Domestic First Unsecured Convertible Corporate Bond" of the Company to issue new shares. 3. The Company's 2024 Sustainability Report Material Topics Proposal. 4. Establishment of the Company's "Sustainable Information Management Guidelines," "Procedures for the Preparation and Assurance of the Sustainability Report," and "Risk Management Policy and Procedures." 5. Establishment of the Company's "Major Incident Reporting Procedure" and "Guidelines for New Onboarding Directors." 6. Proposal for Establishing the "2025 Work Plan" of the Sustainability Development Committee. Resolution result of the Board of Directors (November 5, 2024): The chairperson inquired all attending directors (including independent directors) who discussed, approved, and passed all the proposals.
6th meeting of the 7th session, 2024	1. Proposal for deliberation of payment of year-end bonus to managerial officers of the Company. 2. Proposal for establishment of "Work Plan of 2025" of the Remuneration Committee. 3. 2025 internal audit annual plan adopted. 4. Proposal for the operation plan and budget of the Company in 2025. 5. Proposal of the Company for applying to the financial institution for extension of the comprehensive financing contract due to business operation and development demand. 6. Proposal for the Purchase of Presale Real Estate by the Company. Resolution result of the Board of Directors (December 13, 2024): Agenda Items 1 to 5 were approved by all attending directors (including independent directors) after discussion and inquiry by the Chairperson. Regarding Agenda Item 6, independent directors HO, TZU-SHUN and LIN, CHIN-FENG raised questions and suggestions to avoid potential damage to purchase rights and ownership disputes. They recommended reconfirming whether the counterparty, Wei-Li International Development Co., Ltd., has the legal right to dispose of the subject property—9th to 12th floors of the Global Startup Technology Center presale office project and 48 parking spaces—as well as whether the landowners have all signed joint construction and separate sale/separate property agreements. Additionally, independent director Ms. TSENG, HSIAO-CHUAN suggested that the Company confirm the total area of the acquired land shares. Since the Chairperson regarded this as a major proposal, it was resolved that supplemental documents addressing the independent directors' suggestions should be provided before the proposal could be finalized. After consultation with all attending directors, it was decided that the related documents must be submitted for review and that the proposal would be resubmitted to the Board for reconsideration prior to contract signing.
1st meeting of the 7th session, 2025	1. Proposal for the Purchase of Presale Real Estate by the Company. Resolution result of the Board of Directors (January 13, 2025): The chairperson inquired all attending directors (including independent directors) who discussed, approved, and passed all the proposals.
2st	1. The Company's 2024 compensation allocation plan for employee, directors and supervisors

Board of Directors	Important resolution
meeting of the 7th session, 2025	adopted.
	2. The Company's 2024 annual business report and financial report adopted.
	3. Proposal for profit distribution of the Company in 2024.
	4. Proposal for determination of the base date for capital increase in the conversion of "Domestic First Unsecured Convertible Corporate Bond" of the Company to issue new shares.
	5. The Company's 2024 internal control statement adopted.
	6. Amendments to some provisions of "Articles of Incorporation" adopted.
	7. Amendments to some provisions of "the Corporate Governance Best Practice Principles" adopted.
	8. The annual 2025 evaluation of the eligibility and independence of CPA adopted.
	9. Election of 7 Directors for the 8th Term (Including 4 Independent Directors).
	10. Board Nomination and Review of the List of 8th-Term Director (Including Independent Director) Candidates.
	11. Lifting the Non-Competition Restrictions on the Newly Elected Directors.
	12. Matters on the convening of the 2025 shareholders' meeting adopted.
	Resolution result of the Board of Directors (March 5, 2025): The chairperson inquired all attending directors (including independent directors) who discussed, approved, and passed all the proposals.

- J. Any dissenting opinion expressed by a director or supervisor with respect to a major resolution passed by the Board of Directors during the most recent fiscal year and up to the date of publication of the annual report, where said dissenting opinion has been recorded or prepared as a written declaration: None.

#### (IV) Information on CPA professional fees

The Company shall disclose CPA professional fees under the following circumstances:

- A. If the non-audit fees paid to CPAs, the accounting firm where CPAs belong, and their affiliated enterprises account for one quarter of the audit fees or above, the amounts of audit fees and non-audit fees shall be disclosed together with the contents of non-audit services:

Unit: NT\$ Thousand

Name of accounting firm	Name of CPA	CPA audit period	Audit fee	Non-audit fee	Total	Remark
PwC Taiwan	CHEN, CHIN-CHANG; CHIU, CHAO-HSIEN	2024.01.01 ~ 2024.12.31	2,556	593	3,149	The non-audit fee mainly includes tax certification fee, other information reading and consideration, consolidated non-supervisor remuneration checklist, and issuance of new shares by capital increase through cash.
NEXIA Sun Rise CPAs & Co.,	CHEN, I-LING CHANG, YU-MING	N/A	-	105	105	This refers to agency service fees for company registration changes and Mainland China investment structure adjustments.

- B. When the Company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: Not involved.
- C. When the audit fees paid for the current year are lower than those for the previous year by 10% or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) thereof shall be disclosed: Not involved.

#### (V) Information on the replacement of CPAs

##### A. Former CPAs

Date of Change	Approved by BOD on May 9, 2024		
Reasons and Explanation of Changes	Due to internal organizational adjustments within the CPA firm, effective from May 9, 2024, the Company's attesting CPAs were changed from CHEN, CHIN-CHANG and TU, PEI-LING to CHEN, CHIN-CHANG and CHIU, CHAO-HSIEN.		
State Whether the Appointment Is Terminated or Rejected by the Consignor or CPAs	Client	CPA	Consignor
	Appointment terminated automatically	N/A	N/A
	Appointment rejected (discontinued)	N/A	N/A
The Opinions Other than Unmodified Opinion Issued in the Last Two Years and the Reasons for the Said Opinions	None		

Is There Any Disagreement in Opinion with the Issuer	Yes		Accounting principle or practice
			Disclosure of financial statements
			Auditing scope or procedures
			Others
	No	V	
Explanation			
Supplementary Disclosure (Disclosures Specified in Article 10.6.1.4~7 of the Standards)	None		

B. Successor CPAs

Accounting Firm	PwC Taiwan
CPA	CHEN, CHIN-CHANG and CHIU, CHAO-HSIEN
Date of Engagement	May 9, 2024
Prior to the Formal Engagement, Any Inquiry or Consultation on the Accounting Treatment or Accounting Principles for Specific Transactions, and the Type of Audit Opinion that Might Be Rendered on the Financial Report	None
Written Opinions from the Successor CPAs that Are Different from the Former CPA's Opinions	None

**(VI) The Company's chairman, president, or any managerial officer in charge of finance or accounting matters 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) Any transfer of equity interests and pledge of, or change in, equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10% in the most recent fiscal year and as of the publication date of the annual report.**

A. Any transfer of equity interests and pledge of, or change in, equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10%:

Unit: Share

Title	Name	2024		As of March 31, 2025	
		Shareholding increase (decrease)	Pledged share increase (decrease)	Shareholding increase (decrease)	Pledged share increase (decrease)
Chairman and also major shareholder holding at least 10% of the shares	Bo Hong Investment Co., Ltd.	75,590	-	-	-
	Representative: KAO, CHIH-HUNG	809	-	-	-
Vice Chairman & Chief Sustainability Officer	Hung Hui Co., Ltd.	-	-	-	-
	Representative: KAO, MIN-HUNG	76,425	-	-	-
Director and also major shareholder holding at least 10% of the shares	Wei Hong Assets Co., Ltd.	75,590	-	-	-
	Representative: CHAN, PO-HSIANG	27,328	-	-	-
Director	LIU, SHENG-CHANG	3,607	-	2,000	-
Independent Director	HO, TZU-SHUN	-	-	-	-
Independent Director	LIN, CHIN-FENG	-	-	-	-
Independent Director	TSENG, HSIAO-CHUAN	-	-	-	-
Vice-President	HSU, SHIH-CHIEH	29,338	-	-	-
Vice-President	HUANG, CHAO-YUNG	26,316	-	-	-
Vice-President	LIN, LI-CHING	18,139	-	-	-
Vice-President	LIN, CHIA-HUA	20,727	-	-	-
Director	LI, YIN-LIN	5,631	-	(1,000)	-
Director	YANG, CHENG-HSIEN	43,177	-	-	-
CFO	YANG, CHENG-NAN	21,523	-	-	-
Senior Manager	CHANG, JUNG-FU	20,699	-	-	-
Chief Accountant	HSU, YU-WEN	17,212	-	-	-
Chief Auditor	LIN, YI-CHING	9,000	-	-	-
Chief Information Security Officer	CHIANG, YUEH-LIN	3,000	-	(1,000)	-

B. The relative information on the other party to equity transfer and also a related party:  
March 31, 2025; Unit: Share; NT\$ Thousand

Name	Reason for equity transfer	Date	Counterparty	Relationship between the counterparty and the directors, managerial officers, and shareholders of the Company with shareholding ratio above 10 percent	Shares	Price
KAO, CHIH-HUNG	Transaction	2019.01.08	YANG, CHENG-NAN	CFO of the Company	25,000	30.00
KAO, CHIH-HUNG	Transaction	2019.04.26	YANG, CHENG-NAN	CFO of the Company	25,000	30.00
KAO, CHIH-HUNG	Transaction	2019.05.11	LIN, LI-CHING	Vice President of the Company (Note 2)	10,000	30.00
KAO, CHIH-HUNG	Transaction	2019.07.25	CHAN, PO-HSIANG	President of the Company (Note 2)	10,000	30.00
KAO, CHIH-HUNG	Transaction	2019.07.25	LIN, CHIA-HUA	Vice President of the Company (Note 2)	45,000	30.00
KAO, CHIH-HUNG	Transaction	2019.07.30	LIN, LI-CHING	Vice President of the Company (Note 2)	5,000	30.00
KAO, CHIH-HUNG	Transaction	2019.07.30	HUANG, CHAO-YUNG	Vice President of the Company (Note 2)	20,000	30.00
KAO, CHIH-HUNG	Transaction	2019.08.13	CDIB Superior Advantage Venture Capital, L.P.	Director of the Company (Note 1)	1,000,000	34.00

Note 1 Began to serve as the director through election at the interim Shareholders' Meeting on November 12, 2019, and resigned upon early reelection at the regular Shareholders' Meeting on June 16, 2022. Therefore, only the change (increase/decrease) in the number of shares as of June 16, 2022 was presented.

Note 2 As approved by the Board of Directors on March 8, 2023, Vice President CHAN, PO-HSIANG was promoted to President; director LIN, LI-CHING was promoted to Vice President; director HUANG, CHAO-YUNG was promoted to Vice President; director LIN, CHIA-HUA was promoted to Vice President.

C. Information on the counterparty to equity pledges by directors, managerial officers, and shareholders holding more than 10% of shares, where the counterparty is a related party: None.

D.

**(VIII) Information on relationship among the top ten shareholders, who are related parties or spouses, relatives within the second degree of kinship of another shareholder**

March 31, 2025; Unit: Share; %

Name	Current Shareholding		Spouse & minor shareholding		Shareholding by nominees		Information on relationship among the top ten shareholders, who are related parties or spouses, relatives within the second degree of kinship of another shareholder		Remarks
	Shares	%	Shares	%	Shares	%	Designation (or Name)	Relation	
Bo Hong Investment Co., Ltd. Representative: KAO, CHIH-HUNG	4,715,586	13.82%	-	-	-	-	KAO, CHIH-HUNG	Person in charge	-
	992,433	2.91%	8,441	0.02%	9,431,172	27.65%	KAO, MIN-HUNG	Brothers	-
Wei Hong Assets Co., Ltd. Representative: CHAN, PO-HSIANG	4,715,586	13.82%	-	-	-	-	KAO, CHIH-HUNG	Person in charge	-
	116,561	0.34%	-	-	-	-	-	-	-
KAO, CHIH-HUNG	992,433	2.91%	8,441	0.02%	9,431,172	27.65%	KAO, MIN-HUNG	Brothers	-
							Bo Hong Investment Co., Ltd. Representative: ve: KAO, CHIH-HUNG	Person in charge	-
							Wei Hong Assets Co., Ltd. Representative: ve: CHAN, PO-HSIANG	Person in charge	-
Hung Hui Co., Ltd. Representative: KAO, MIN-HUNG	962,821	2.82%	-	-	-	-	KAO, MIN-HUNG	Person in charge	-
	541,206	1.59%	-	-	962,821	2.82%	KAO, CHIH-HUNG	Brothers	-
KAO, MIN-HUNG	541,206	1.59%	-	-	962,821	2.82%	KAO, CHIH-HUNG	Brothers	-
							Hung Hui Co., Ltd. Representative: ve: KAO, MIN-HUNG	Person in charge	-
Standard Chartered Bank (Custodian) Mizuho Securities Co., Ltd.	462,000	1.35%	-	-	-	-	-	-	-
CHEN, CHUN-JUNG	436,756	1.28%	-	-	-	-	KAO, MIN-HUNG	Relation by marriage Second degree of kinship	-
Yong Yueh Investment Co., LTD Representative: CHEN, YI-CHENG	352,931	1.03%	-	-	-	-	KAO, CHIH-HUNG KAO, MIN-HUNG	Relation by marriage Second degree of kinship	-
Gains Investment Corporation	314,748	0.92%	-	-	-	-	-	-	-
HUANG, YUN-SHAN	287,244	0.84%	-	-	-	-	-	-	-

**(IX) Consolidated number of shares owned by the Company, directors, supervisors, managerial officers, and business controlled directly or indirectly by the Company**

March 31, 2025; Unit: Share

Invested Company (Note)	Investment by the Company		Investment by directors/supervisors/managers and by companies directly or indirectly controlled by the Company		Total investment	
	Shares	%	Shares	%	Shares	%
Nichtek Industrial Co., Limited	18,591,400	100 %	-	-	18,591,400	100 %
Wendell Co., Ltd.	500	100 %	-	-	500	100 %
WENDELL PTE. LTD.	100,000	100 %	-	-	100,000	100 %
WENDELL KOREA CO.,LTD	10,000	100 %	-	-	10,000	100 %
Shenzhen Qianhong Electronic Co., Ltd.	-	100 %	-	-	-	100 %
Suzhou Lianhong Electronic Co., Ltd.	-	-	-	100 %	-	100 %
Shenzhen Qianhong Electrical Testing Co., Ltd.	-	-	-	100 %	-	100 %
Wendell Electrical Testing Co., Ltd.	10,020,000	100 %	-	-	10,020,000	100 %

Note: Investment made by the Company by equity method.

### III. Capital Overview

#### (I) Capital and Shares

##### A. Sources of Capital

##### 1. Types of shares:

Changes in share capital in the last five years and as of the publication date of the annual report

March 31, 2025; Unit: Share

Year/ Month	Issue Price (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital (NT\$)	Capital Increase by Assets Other than Cash	Other
2010.06	10	8,000	80,000	8,000	80,000	Capital increase by surplus of NT\$10,000,000	None	Note 1
2010.08	10	10,000	100,000	10,000	100,000	Capital increase by cash of NT\$20,000,000	None	Note 2
2016.02	10	11,000	110,000	11,000	110,000	Capital increase by cash of NT\$10,000,000	None	Note 3
2016.03	10	12,000	120,000	12,000	120,000	Capital increase by cash of NT\$10,000,000	None	Note 4
2017.07	30	30,000	300,000	13,000	130,000	Capital increase by cash of NT\$10,000,000	None	Note 5
2017.10	10	30,000	300,000	14,300	143,000	Capital increase by surplus of NT\$13,000,000	None	Note 6
2018.09	10	30,000	300,000	15,730	157,300	Capital increase by surplus of NT\$14,300,000	None	Note 7
2019.07	10	30,000	300,000	17,303	173,030	Capital increase by surplus of NT\$15,730,000	None	Note 8
2019.08	42	30,000	300,000	20,303	203,030	Capital increase by cash of NT\$30,000,000	None	Note 9
2020.08	10	30,000	300,000	21,318	213,181	Capital increase by surplus of NT\$10,151,000	None	Note 10
2021.08	10	30,000	300,000	21,745	217,445	Capital increase by surplus of NT\$4,264,000	None	Note 11
2021.11	68	30,000	300,000	23,908	239,085	Capital increase by cash of NT\$21,640,000	None	Note 12
2023.06	10	30,000	300,000	23,909	239,095	Conversion of corporate bonds to ordinary shares of NT\$ 10,000	None	Note 13
2023.06	10	60,000	600,000	23,909	239,095	-	None	Note 14
2023.08	10	60,000	600,000	25,104	251,049	Capital increase by surplus of NT\$11,954,000	None	Note 15
2024.03	52.5	60,000	600,000	30,104	301,049	Capital increase by cash of NT\$50,000,000	None	Note 16
2024.08	10	60,000	600,000	30,153	301,530	Conversion of corporate bonds to ordinary shares of NT\$ 481,000	None	Note 17
2024.11	10	60,000	600,000	30,406	304,060	Conversion of corporate bonds to ordinary shares of NT\$ 2,530,000	None	Note 18
2025.03	10	60,000	600,000	30,968	309,681	Conversion of corporate bonds to ordinary shares of NT\$ 5,620,000	None	Note 19

Note 1: On June 28, 2010, according to Pei-Fu-Ching-Ssu-Tzu No. 0993095643 Document, it was approved to increase the capital by NT\$ 10,000,000.

Note 2: On August 27, 2010, according to Pei-Fu-Ching-Ssu-Tzu No. 0993151391 Document, it was approved to increase the capital by NT\$ 20,000,000.

Note 3: On February 18, 2016, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1055131116 Document, it was approved to increase the capital by NT\$ 10,000,000.

Note 4: On March 25, 2016, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1055149683 Document, it was approved to increase the capital by NT\$ 10,000,000.

Note 5: On July 19, 2017, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1068045353 Document, it was approved to increase the capital by NT\$ 10,000,000.

Note 6: On October 11, 2017, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1068065645 Document, it was approved to increase the capital by NT\$ 13,000,000.

Note 7: On September 17, 2018, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1078060609 Document, it was approved to increase the capital by NT\$ 14,300,000.

Note 8: On July 2, 2019, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1088043627 Document, it was approved to increase the capital by NT\$ 15,730,000.

Note 9: On August 23, 2019, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1088057971 Document, it was approved to increase the capital by NT\$ 30,000,000.

Note 10: On August 5, 2020, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1098056093 Document, it was approved to increase the capital by NT\$ 10,151,000.

Note 11: On August 19, 2021, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1108058226 Document, it was approved to increase the capital by NT\$ 4,264,000.

Note 12: On November 25, 2021, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1108081807 Document, it was approved to increase the capital by NT\$ 21,640,000.

Note 13: On June 1, 2023, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1128037804 Document, it was approved to increase the capital by NT\$ 10,000.

Note 14: On June 21, 2023, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1128041199 Document, it was approved to increase the Authorised capital by NT\$ 600,000,000.

Note 15: On August 22, 2023, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1128059492 Document, it was approved to increase the capital by NT\$ 11,954,000.

Note 16: On March 8, 2024, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1138015738 Document, it was approved to increase the capital by NT\$ 50,000,000.

Note 17: On August 20, 2024, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1138059783 Document, it was approved to increase the capital by NT\$ 481,000.

Note 18: On November 26, 2024, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1138084226 Document, it was approved to increase the capital by NT\$ 2,530,000.

Note 19: On March 19, 2025, according to Hsin-Pei-Fu-Ching-Ssu-Tzu No. 1148019411 Document, it was approved to increase the capital by NT\$ 5,620,000.

March 31, 2025; Unit: Share

Type of Stock	Issued Shares			Remarks
	Outstanding shares (Note 1)	Not TWSE/TPEX Listed	Total	
Nominal Common Stock	34,112,821	25,887,179	60,000,000	TWSE/TPEX Listed

- If the Company is approved to raise and issue securities under the shelf registration system, relevant information regarding approved amount, scheduled issuance, and securities already issued shall be disclosed: Not applicable.

#### B. List of major shareholders

March 31, 2025; Unit: Share; %

Name of Major Shareholders	Shareholding	
	Current Shareholding	Shareholding (%)
Bo Hong Investment Co., Ltd.	4,715,586	13.82%
Wei Hong Assets Co., Ltd.	4,715,586	13.82%
KAO, CHIH-HUNG	992,433	2.91%
Hung Hui Co., Ltd.	962,821	2.82%
KAO, MIN-HUNG	541,206	1.59%
Standard Chartered Bank (Custodian) Mizuho Securities Co., Ltd.	462,000	1.35%
CHEN, CHUN-JUNG	436,756	1.28%
Yong Yueh Investment Co., LTD	352,931	1.03%

Name of Major Shareholders	Shareholding	Current Shareholding	Shareholding (%)
Gains Investment Corporation		314,748	0.92%
HUANG, YUN-SHAN		287,244	0.84%

C. Dividend policy and implementation

1. Dividend policy:

If the Company makes a surplus after final accounting of revenue and expenditure, it shall be used to pay taxes, make up the loss, and then appropriate 10% of the remaining amount as statutory surplus reserve; however, it does not apply to the situation in which the accumulated amount of the statutory surplus reserve already reaches the total capital of the Company. Also, special surplus reserve may be set aside or reversed according to relevant laws and regulations or the provisions of the competent authority. If there is still a remaining amount of surplus, the Board of Directors may draft a distribution proposal with the balance plus the accumulated undistributed surplus, and submit it to the Shareholders' Meeting for a resolution on distribution of dividends to the shareholders.

To coordinate the present and future development plans, in consideration of investment environment, capital demand and domestic and foreign competition, and with equal consideration to factors like shareholders' interest, the Company may set aside at least 10% of the surplus available for distribution in the preceding paragraph to distribute dividends to shareholders either in stock or cash. The cash dividends distributed shall not be lower than 10% of the total dividends.

2. 2025 dividend distribution proposed at shareholders' meeting:

The surplus distribution proposal of the Company in 2024 was approved by the Board of Directors on March 5, 2025. It is expected that this proposal will be passed at the regular Shareholders' Meeting with a resolution on May 28, 2025 to distribute cash dividends of NT\$ 195,719,000 (NT\$ 6.32 per share) to the shareholders.

D. Impact on the business performance and earnings per share of the Company resulting from stock dividend distribution proposed at the Shareholders' Meeting: The Company distributes dividends according to its dividend policy. Stock dividends and employee stock compensation were not distributed this time, and therefore, no impact was imposed on the Company's business performance and earnings per share.

E. Compensation of employees, directors:

1. Percentages and scope of employees' compensation and directors' compensation specified in the Articles of Incorporation

If the Company makes a profit in the current year (i.e., profit obtained by before deduction of employee compensation and directors' compensation distributed from the before-tax profit), and there is still a remaining amount after deduction of accumulated losses, the Board of Directors shall set aside at least 1.5% of the profit as employee compensation and no more than 3% of the profit as directors' compensation respectively. The employee compensation mentioned in the preceding paragraph may be paid in stock or cash, and the payees may include employees from companies controlled by or subordinate to the Company that comply with certain conditions which shall be established by the Board of Directors. Directors' compensation shall be paid in cash only.

2. Accounting treatment in case of a discrepancy of the estimation basis of the amount of employee compensation and directors' compensation estimated in current period, the basis for calculation of number of shares distributed for employee compensation, and the amount distributed with the estimated amount

When a significant change occurred to the amount distributed based on the resolution of the Board of Directors prior to the publication date of the annual financial report, such change should be used to adjust the originally drawn annual expenses. If the amount is still changed after the publication date of the annual financial report, it should be handled as changes in accounting estimates, and adjusted and entered to accounts in the coming year.

3. Approval of compensation distribution by the Board of Directors:
  - (1) If the amount of employee compensation and directors' compensation distributed in cash or stock is different from the annually estimated amount of the recognized expenses, the amount of difference and reason thereof as well as the handling status shall be described:

The amount of employee compensation and directors' compensation of the Company was already passed by the Board of Directors on March 5, 2025. A resolution was made to distribute employee compensation of NT\$ 4,158,000 and directors' compensation of NT\$ 4,960,000 respectively in cash, which didn't have any discrepancy with the annually estimated amount of the recognized expenses.
  - (2) Ratio of employee compensation distributed in stock to the net profit after tax in the current period and the total amount of employee compensation: Not applicable.
4. For the actual distribution of employees' and directors' compensation for the previous fiscal year (including number of shares distributed, amount and stock price), the amount of difference with recognized employees' and directors' compensation, reason thereof, and handling status shall be described:

The proposal for distribution of employee compensation and directors' compensation of the Company in 2023 was already reported to the regular Shareholders' Meeting on June 18, 2024. Employee compensation of NT\$ 2,012,000 and directors/supervisors' compensation of NT\$ 3,502,000 were distributed, which didn't present a discrepancy between the estimated distribution amount and the actual distribution amount.

F. Share repurchases: None.

## (II) Handling of corporate bonds

Type of corporate bonds	Domestic First Unsecured Convertible Corporate Bond	
Date of issuance (handling)	June 8, 2022 (Note 1)	
Face value	NT\$100,000	
Place of issuance and trading(Note 2)	N/A	
Issue price	101% (issued at premium)	
Total amount	NT\$400,000,000	
Interest rate	0%	
Term	3 years Date of Expiration: June 8, 2025	
Guarantor	N/A	
Trustee	Taipei Fubon Commercial Bank Co., Ltd.	
Underwriter	Fubon Securities Co. Ltd.	
Certified lawyer	Handsome Attorneys-at-Law Lawyer: CHIU, YA-WEN	
CPA	PwC Taiwan CPAs: CHEN, CHIN-CHANG, TU, PEI-LING	
Repayment method	The bond will be repaid in cash per bond face value in a lump-sum manner upon maturity except conversion to ordinary shares of the Company, or exercising of put right, and early recovery by the Company, or repurchase and cancelation by the securities dealer's office.	
Unpaid principal	NT\$70,300,000	
Clause of redemption or premature repayment	Please refer to Measures for Issuance and Conversion of Domestic First Unsecured Convertible Corporate Bonds of the Company.	
Qualifying clause(Note 3)	None	
Name of credit rating agency, date of rating, and corporate bond rating result	N/A	
Attached other rights	Amount of converted (swap or share subscription) ordinary shares, GDRs or other valuable securities as of the publication date of the annual report	The ordinary shares converted amounted to NT\$ 40,088,830.
	Measures for issuance and conversion (swap or share subscription)	Please refer to Measures for Issuance and Conversion of Domestic First Unsecured Convertible Corporate Bonds of the Company.
Issuance and conversion, measures for swap or share subscription, possible dilution of equity due to issuance conditions, and influence of issuance conditions on the existing shareholders' equity	No material impact imposed yet	
Name of agency entrusted for custody of swap object	N/A	

Note 1: The handling status of corporate bonds include publicly offered and privately placed corporate bonds being handled. The publicly offered corporate bonds being handled refer to those already enforced (approved) by this commission; the privately placed corporate bonds being handled refer to those already passed by the Board of Directors with a resolution.

Note 2: Filled out for overseas corporate bonds.

Note 3: Restriction on distribution of cash dividends, external investments, or requirement for the maintenance of certain asset ratio, etc.

Note 4: For convertible corporate bonds, exchangeable corporate bonds, corporate bonds issued under the shelf registration system, or corporate bonds with warrants, the data of these bonds shall be disclosed per their nature and the formats listed in the table.

### **Information of Convertible Corporate Bond**

Type of corporate bonds		First Unsecured Convertible Corporate Bond	
Item	Year	From January 1, 2024 to December 31, 2024	As of March 31, 2025 (Note 3)
	Price of convertible corporate bond(Note 1)	Highest	140.00
Lowest		102.00	106
Average		123.92	127.245
Conversion price		82.20	82.20
Date of issuance (handling) and conversion price upon issuance		June 8, 2022 105.90	June 8, 2022 105.90
Way to perform the conversion obligation (Note 2)		Issuance of 863,182 new shares	Issuance of 3,144,697 new shares

Note 1: If overseas corporate bonds involve multiple places of trading, they shall be presented separately per the places of trading.

Note 2: Delivery of issued shares or issuance of new shares

Note 3: The data for the current year as of the publication date of the annual report shall be filled out.

**(III) Handling of special shares**

None.

**(IV) Handling of overseas depositary receipts**

None.

**(V) Handling of employee subscription certificates and new shares with limited employee rights**

None.

**(VI) Issuance of New Shares in Connection with Mergers and Acquisitions**

None.

**(VII) Finance Plans and Implementation**

A. Issuance of domestic first unsecured convertible corporate bond in 2022

1. Contents of the plan

(1) Date of approval by the competent authority and document number:  
Jin-Guan-Zheng-Fa-Tzu No. 1110338861

(2) Total amount of funds needed for the plan: NT\$559,312,000

(3) Sources of funds:

Acquisition of land and construction of plants:

An amount of NT\$ 502,918,000 is needed. It will be realized through the raising and issuance of domestic first unsecured convertible corporate bond with issuance period of three years. The face value of each bond is NT\$ 100,000 only at a nominal interest rate of 0%. The total number of bonds issued is up to 4,000, and the total face value issued is up to NT\$ 400,000,000. It is issued at 100%~101% of the face value. The total issue amount is up to NT\$ 404,000,000. The remaining amount of NT\$ 98,918,000 will be paid by self-owned capital, bank loans, or other means. If the funds raised this time are insufficient, the insufficient amount will be covered by self-owned capital, bank loans, or other means.

Construction of laboratories:

An amount of NT\$ 56,394,000 will be paid by self-owned capital, bank loans, or other means.

## (4) Planned projects and predetermined progress of fund use

Unit: NT\$ Thousand

Planned projects	Estimated date of completion	Total amount of funds needed	Predetermined progress of fund use															
			2022			2023				2024				2025				2026
			Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Acquisition of land	2022 Q2	238,800	238,800	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction of plants	2026 Q1	264,118	-	-	-	-	-	13,206	63,388	60,747	55,465	44,900	13,206	5,282	-	-	-	7,924
Construction of laboratories	2025 Q4	56,394	-	-	-	-	-	-	-	-	-	17,500	17,500	5,348	5,348	5,349	5,349	-
Total		559,312	238,800	-	-	-	-	13,206	63,388	60,747	55,465	62,400	30,706	10,630	5,348	5,349	5,349	7,924

## (5) Expected benefits

In response to laboratory resource integration, improvement of certification capacity and parts debugging efficiency, and the bettering of efficiency for providing testing and certification services to customers, the Company plans to raise NT\$ 404,000,000 for acquiring land and constructing plants in Tucheng District, New Taipei City. In addition to the increase of plant space and satisfy the needs for enlargement of production capacity and business development of the Company in the future, these plans will also save rental expenditure and increase the operating revenue, operating margin and profiting income of the Company by NT\$ 24,489,417,000, NT\$ 4,011,717,000, and NT\$ 338,304,000 respectively in a period from 2026-2059. Additionally, relying on its complete product lines, the Company provides customers with complete electromagnetic compatibility and line protection components as well as EMC solutions and certified one-stop purchasing service model, to accelerate the efficiency of provision of solutions, shorten product marketing time, and increase customer stickiness. The business model adopted by the laboratories of the Company differs from those in the same industry. By assisting customers in testing and certification services, the Company manages to attract customers to adopt electronic component products presented or self-owned by the Company, leading to the stable growth of the scale of overall operating revenue of the Company.

## (6) Changes of plan contents and sources and use of funds, reasons for change, benefits before and after changes, and dates of submission of changed plans to the Shareholders' Meeting: None.

2. Implementation status and benefit analysis  
 (1) Implementation

Unit: NT\$ Thousand

Planned project	Implementation status as of 2024 Q4			Reason for advance or lagged progress and improvement plan
Acquisition of land Payment of project funds	Amount paid	Predetermined	524,712	The primary reason for the delay was due to design changes in the laboratory, which caused the overall construction and payment schedule to be postponed, resulting in the actual progress falling slightly behind the original estimate.
		Actual	416,589	
	Implementation progress	Predetermined	93.81%	
		Actual	74.48%	

(2) Benefit evaluation

This plan is expected to be completed in the first quarter of 2026. So far, the Company is still continually executing this plan according to the progress. The expected benefits will gradually emerge only after completion of this plan.

## IV. Operational Highlights

### (I) Description of the business

#### A. Scope of business:

##### 1. The Company operates the following businesses

The company is mainly engaged in the sales of electromagnetic compatibility and line protection components and integrated services of electromagnetic compatibility and wireless radio frequency certification testing. Our products are widely used in network communications, security monitoring, industrial computers, automotive electronics, and power supplies. and other consumer electronics fields, and sells its own brand "Nichtek" components around the world. The main contents of the company's business are as follows:

- (1) Wholesale of Electronic Materials
- (2) Wholesale of Machinery
- (3) Wholesale of Electrical Appliances
- (4) Wholesale of Precision Instruments
- (5) Wholesale of Computer Software
- (6) Retail Sale of Electronic Materials
- (7) Retail Sale of Electrical Appliances
- (8) Retail Sale of Precision Instruments
- (9) Retail Sale of Computer Software
- (10) International Trade
- (11) Electronics Components Manufacturing
- (12) Wholesale of Chemical Feedstock
- (13) Wholesale of Other Chemical Products
- (14) All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

##### 2. Business ratios at present

Unit: NT\$ Thousand; %

Main Product(s)	Year	2023		2024	
		Amount	%	Amount	%
Component sales-Agent		873,392	50.10	903,936	44.73
Component sales-Self-owned		699,029	40.09	948,056	46.91
Revenue from rendering of labor service-Testing and certification		171,038	9.81	168,881	8.36
Total		1,743,459	100.00	2,020,873	100.00

##### 3. Current products (services)

Products	Usage
Component sales-Protection Devices	Used for the functions of electrostatic protection/overcurrent and overvoltage protection during PCB design, and applied in various types of PCs, laptops, industrial PCs, network communication products, IoT, security monitoring, and applications related to automotive electronics and electric motor car/cars.
Component sales-EMI Devices	Used to improve the problem of electromagnetic interference during PCB design, and applied in various types of PCs, laptops, industrial PCs, network communication products, IoT, security monitoring, and applications related to automotive electronics and electric motor car/cars.
Component Sales - MOSFET & Rectifier Components	These components are used in PCB circuit board designs for power switching and rectification applications, covering a wide range of products including PCs, laptops,

Products	Usage
	industrial computers, network communication products, IoT devices, security surveillance systems, automotive electronics, and electric scooters/vehicles.
Component sales- Modular Products	These modular integrated overvoltage protection products can save the space for customers in design, and be applied in network communication products, security monitoring, and outdoor power supply related purposes.
Material sales-Heat-conducting interface material EMI shielding material	Heat-conducting interface material: It can fill the gap between the chip heat source and the heat sink, accelerate the heat conduction, and effectively transmit the chip heat to the heat sink fins. EMI shielding material: It can block and attenuate electromagnetic interference from shielded areas to the outside world. Both materials can be widely applied in various types of PCs, laptops, industrial PCs, network communication products, IoT, security monitoring, automotive electronics and electric motor car/cars, and other relevant fields. Composite product: The shielded honeycomb ventilation panel is applied at ventilation openings with the functions of shielding electromagnetic interference and heat convection. Also, it can be used to reduce noise and mitigate the impact of noise on the hard disk read heads. Therefore, it is applicable to servers, switch products, and medical measurement equipment.
Certification test- Electromagnetic compatibility	The Company provides EMI and EMS test reports for products like computer information consumer products, monitoring and access control products, residence/commerce-light industry products, medical instruments, alarm equipment, industrial medical products, network communications (wired/wireless), servers, coolant distribution devices products, offers testing premises, and provides design modifications of specifications and functions of electronic products, to comply with the standards specified in the EMC regulations of related countries.
Certification test- Wireless RF	The Company provides wireless low-power RF testing and certification services (WIFI, BT, RFID, NFC, LPWAN) to comply with the standards specified in RF regulations of related countries, including CE of Europe, FCC of America, ISED of Canada, NCC of Taiwan, MIC of Japan, etc., and obtains wireless RF ID and certificates.
Certification test- Safety certification	The Company provides testing and certification of safety specifications, safety testing and certification of electronic, electrical, and lithium battery products, international certification of electronic and electrical products, and other relevant services.

4. New products to be developed

Wendell has been continuously committed to the research and development of new types of electromagnetic interference (EMI) resistant and circuit protection components, while also aligning its laboratory safety compliance services with market changes. In the future, fields such as advanced driver assistance systems (ADAS), Internet of Things (IoT), servers, and coolant distribution devices will all require higher frequency, higher speed, and higher bandwidth electromagnetic wave suppression, along with miniaturized and high-performance interference suppression solutions

including transient surge absorbers, high-energy surge protection devices, metal-oxide semiconductor field-effect transistors (MOSFETs) with high electrostatic discharge (ESD) resistance, high-speed Ethernet communication protection modules, and high-durability automotive-grade EMI absorption and suppression filters and surge protection devices designed for automotive and new energy-related applications—all of which remain the target products that Wendell continues to plan and develop with dedication.

## B. Industry overview

### 1. Current status and development of the industry

#### **Component sales**

With the rapid advancement of AI computing, 6G communications, low-earth orbit (LEO) satellites, vehicle-to-everything (V2X), electric vehicles (EV/HEV), IoT, cloud computing, and smart cities, global demand for electromagnetic compatibility (EMC) and power protection (Safety) has become increasingly stringent. Electromagnetic interference (EMI) generated by electronic products may impact the stability of both the devices themselves and surrounding equipment, posing potential risks to human health. As a result, regulatory standards for EMC and Safety continue to tighten globally, driving strong growth in the electronics testing and certification market.

#### (1) Network communication

- A. Driven by the needs of AI computing, 6G communications, smart cities, and high-definition video applications, the global network communications market continues to expand.
- B. Wi-Fi technology is gradually being adopted commercially in access points (AP), smart TVs, set-top boxes, VR/AR devices, improving connection speed and stability.
- C. The ongoing expansion of 5G fixed wireless access (FWA) is boosting demand for high-end base stations, routers, and gateway devices.
- D. The rapid development of LEO satellite communications is increasing demand for satellite internet devices, gateways, and ground stations, fueling market growth for high-frequency communication modules and anti-interference components.
- E. Global fiber optic infrastructure expansion, with the U.S. infrastructure bill investing billions in broadband development, along with growing infrastructure needs in emerging markets, is promoting the development of emerging sectors such as 5G CPE, network communications equipment, cloud computing, and AI.

#### (2) Security monitoring

- A. The integration of AI technologies such as image analysis, facial recognition, and cloud storage is driving demand growth in the smart security market.
- B. Accelerated global smart city development is boosting demand for IP cameras, edge computing, and surveillance data centers.
- C. The U.S.-China trade war and national security regulations are leading U.S. and European markets to seek non-Chinese security suppliers, benefiting Taiwanese manufacturers through order transfers and creating more market opportunities.
- D. According to a survey report by The Business Research Company, the global security market is expected to exceed USD 40 billion by 2025, with Video Surveillance as a Service (VSaaS) becoming mainstream,

further driving innovation and demand growth in surveillance technologies.

(3) Industrial PC(IPC)

- A. Industrial automation and smart manufacturing are driving the demand for IPC embedded computers, unmanned systems, and smart devices.
- B. Edge computing and IoT are continuously promoting the development of industrial IoT applications, including smart factories, unmanned stores, and automated logistics systems.
- C. The demand for industrial-grade computers continues to expand, especially for applications in harsh environments (dustproof, waterproof, anti-static) and for long-term stable operations in industrial settings.
- D. According to a survey report by The Business Research Company, the global industrial PC market is projected to exceed USD 6.2 billion by 2025, fueling the development of edge AI computing and intelligent manufacturing equipment.

(4) Automotive electronics

- A. The electric vehicle (EV/HEV) and charging station markets are growing rapidly, according to Bloomberg estimates, with the global EV market expected to reach 30 million vehicles by 2030.
- B. The development of autonomous driving technologies (ADAS) is driving demand for automotive-grade sensors, radar modules, and power management ICs.
- C. Vehicle-to-everything (V2X) technology is propelling the growth of automotive communication devices, automotive-grade Wi-Fi, smart navigation, and remote diagnostic systems.
- D. Taiwan's automotive electronics industry chain is well established, including in-vehicle cameras, driving computers, and automotive power management modules, benefiting from the global expansion of the EV market.

(5) Cloud computing(Cloud Computing)/AI Server(CDU/BDU)

- A. AI technology is penetrating data centers, high-performance computing (HPC), and enterprise cloud applications, driving the demand for cloud servers (CDU/BBU).
- B. Cloud data storage, machine learning, and AI inference requirements are boosting the growth of high-performance servers and hyperscale data centers.
- C. According to IDC statistics, the AI cloud market is projected to reach USD 62 billion by 2027, driving demand for high-performance servers, liquid cooling technology, and electromagnetic protection solutions.
- D. Telecom infrastructure upgrades are pushing the application of high-frequency, high-speed, high-power electromagnetic protection solutions.
- E. The expansion of 5G base station construction in India and Southeast Asia is driving growth in the network communication equipment supply chain.

**Testing and certification**

The electrical testing laboratory mainly provides testing and certification services for electronic and electrical products, including electromagnetic compatibility (EMC), safety standards (Safety), radio frequency (RF), energy efficiency (Energy), and AI server (CDU/BDU) testing. With the advancement of technology, global regulations on electromagnetic interference (EMI) and

power safety (Safety) for electronic products are becoming increasingly stringent. Governments and enterprises worldwide are progressively raising mandatory requirements for testing standards and regulations, driving continuous growth in the testing and certification market.

#### (1) Electromagnetic compatibility (EMC)

With the rapid development of technologies such as AI servers, 6G, low-earth orbit satellites, smart vehicle systems, Internet of Things (IoT), and electric vehicles (EV/HEV), electromagnetic radiation issues in electronic products have become increasingly severe. All electronic and electrical products generate electromagnetic waves during operation, which may interfere with other electronic devices and even cause direct or indirect harm to human life and property.

To ensure that equipment does not emit excessive electromagnetic interference (EMI) during use, countries including Taiwan, the United States, the European Union, Japan, South Korea, China, and India have established stringent EMC testing standards and regulations, such as FCC (USA), CE (EU), BSMI (Taiwan), VCCI (Japan), CCC (China), among others. These regulations require products to pass compliance testing before being launched in the market.

Specifically, in the field of AI servers and high-performance computing (HPC) data centers, the electromagnetic interference generated by high-density computing equipment is much more severe than that of general consumer electronics. To ensure server operation stability and data transmission integrity, global data center operators are enhancing server EMC testing, electromagnetic shielding standards for liquid cooling equipment (CDU/BDU), and other key technical requirements, further boosting market demand for EMC certification.

#### (2) Safety regulations

If the design, material selection, and usage of electronic products do not meet safety regulations, they may pose risks of electric shock, fire, radiation, or chemical hazards, threatening human life and property. Therefore, governments around the world have established mandatory safety regulations covering products such as information technology equipment, household appliances, communication devices, medical equipment, batteries, charging stations, AI servers, and more, ensuring compliance with safety requirements to minimize usage risks.

With the equipment standards of data centers and AI servers being upgraded, there is an increase in testing requirements for rack-mounted servers and liquid cooling systems (CDU/BDU) to ensure long-term operational safety and stability.

As smart cities, Industry 4.0, electric vehicles, and energy storage systems become more prevalent, governments will continue to strengthen product safety standards.

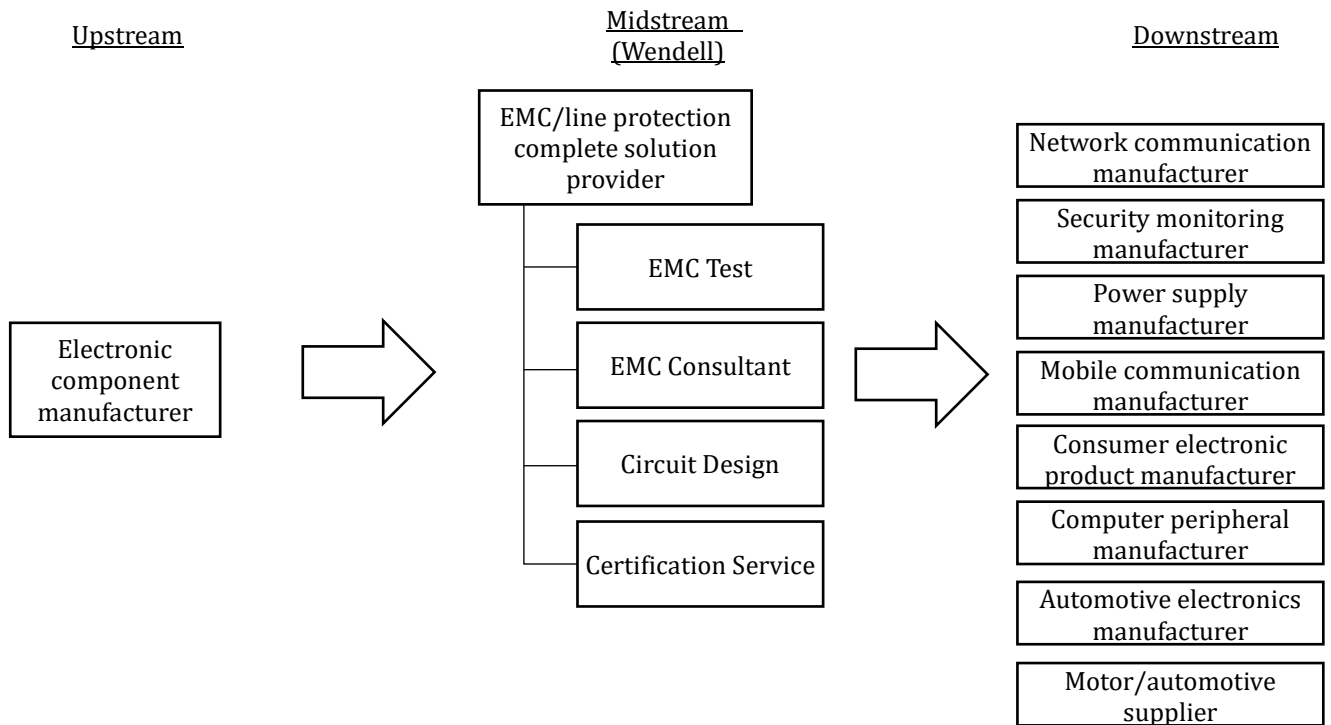
#### (3) Radio frequency (RF)

The application of wireless technologies is rapidly expanding, leading to increased demand for various wireless communication devices such as routers, access points (AP), smart terminals, AI servers, and satellite communication modules. However, these devices emit stronger electromagnetic waves, which may disrupt the normal operation of other electronic products. Therefore, governments worldwide have set strict testing standards for radio frequency (RF) products to ensure that communication devices comply with regulations and do not produce excessive interference.

2. The relationship between industry supply chains

Located in the midstream of the industrial chain, Wendell provides customers with one-stop purchasing service process. Relying on the EMC experience accumulated in the past, as well as complete product lines and resource integration for construction of EMC and safety certification laboratories, Wendell can substantially reduce the product certification expenses payable by downstream customers and shorten the marketing time of new products, thus assisting customers in acquiring the greatest business opportunities.

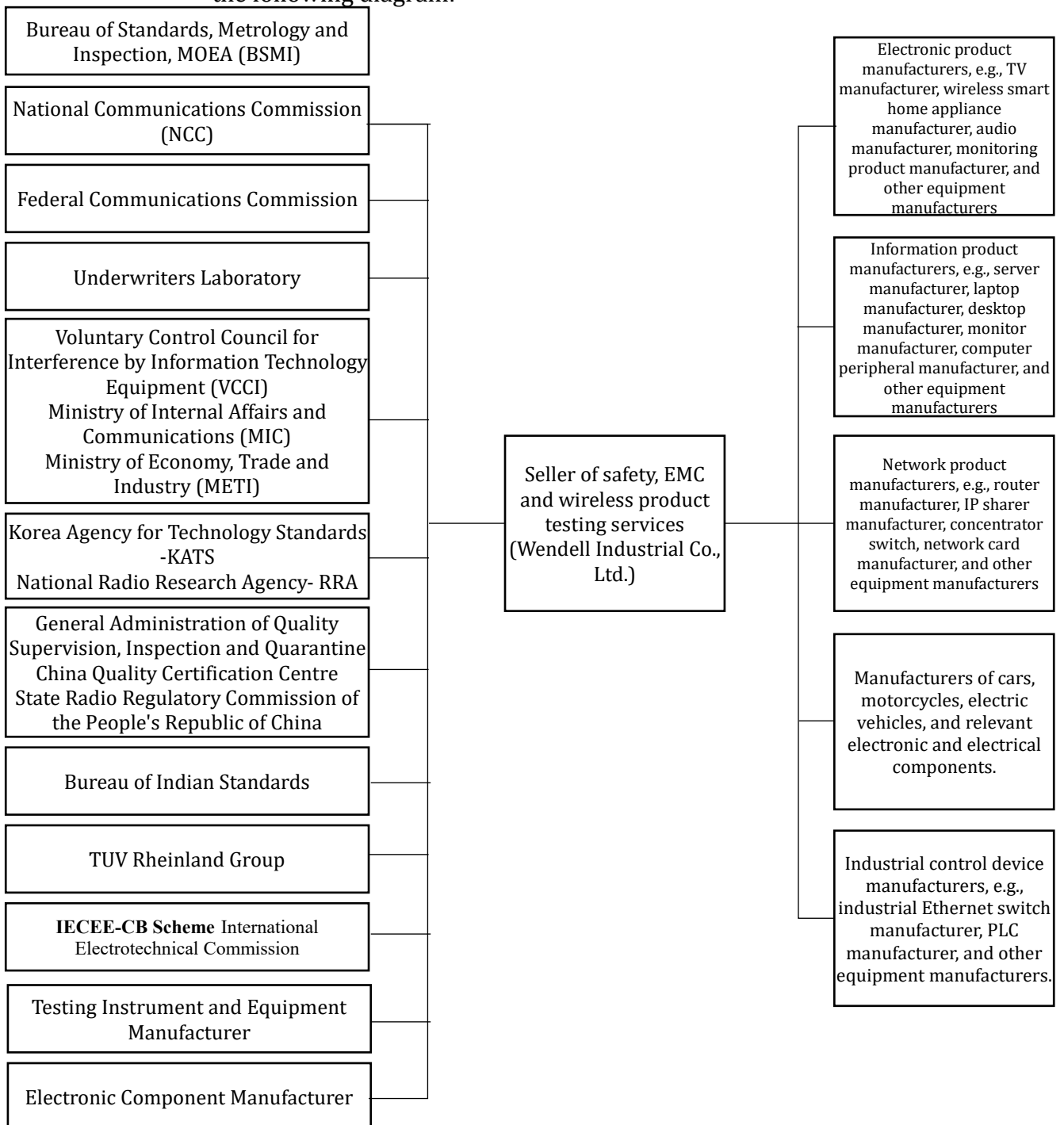
**Component sales**



## Testing and certification

The testing services of EMC, safety and RF provided by the Company are mainly to execute product testing work on behalf of national governments or major verification units. Therefore, in addition to the testing equipment manufacturers and electronic component manufacturers, the upstream part of this industry also includes laboratories and verification units authorized by government agencies or governments of related countries. The downstream industry mainly includes manufacturers of information hardware products, home appliances, network communication products, etc. Therefore, products with the risk of EMI or safety, or required to comply with technical specifications regarding radio regulations are included in the service scope of the testing industry.

The relations of EMC, Safety and RF testing services with the upstream, midstream, and downstream parts of the parts vendors are demonstrated in the following diagram:



### 3. Development trend

#### (1) Vertical, integrated development of service products

In the traditional industrial chain, there are barriers in upstream, midstream and downstream sectors, making it difficult to cross over into others' fields.

However, Wendell sticks to the tenet of service provision, and utilizes its professional judgment and analysis to assist downstream customers in working out solutions with upstream manufacturers in consideration of the customers' problems and needs. Therefore, perfect results can be achieved, and Wendell can set foot in all these three sectors and serve as a perfect bridge that connects the whole industrial chain. Wendell is also an ideal partner for the manufacturers and customers in each field.

Wendell persistently develops the service industry and continually strengthen the vertical integration of its service products, in the hope that it can continually upgrade and develop with the industry.

#### (2) Cross-domain combination of application service products

In the past, the design, R&D and application of a single product only focuses on a single target market, but required support from multiple technical teams, to achieve successful product verification, test, and layout. It was time-consuming and labor-consuming, and the costs were extremely high.

Now, single products can be designed and applied for different markets. However, under different applications, different needs for integrated applications and regulatory test verification will be raised. Wendell provides a powerful technical team, and has integrated the past application experience and the resources of verification and testing platform to assist the accelerated design verification and market layout of the industry.

#### (3) R&D of parts products marching towards multi-function applications and high reliability

The design of lighter, thinner, shorter and smaller parts has already become a trend. Given the thriving of products and applications, the maximization and high reliance of sharing of parts in various fields and applications can increase product competitiveness in order to speed up the product layout planning.

### 4. Product competitiveness

In the market, there are few companies that can provide customers with one-stop purchasing service processes like Wendell which adopts "a complete business model from EMC line design and parts supply to regulatory certification". As one of few manufacturers capable of providing EMC solutions and acquiring certification service platforms in the market, Wendell Industrial adopts this business model to provide customers with complete integrated services. Therefore, Wendell has already initiatively seized the market business opportunities and won favorable goodwill. Additionally, the technical team of the Company has already integrated the previous application experience as well as verification and testing platforms, and have matched with complete sales of electronic components to provide one-stop purchasing services for customers.

## C. Technology and research overview

### 1. Technical levels and R&D

With the rapid advancement of AI computing, cloud computing, 6G communication, smart manufacturing, intelligent transportation, and new energy technologies, the global technology market is moving toward higher performance and smarter applications. The deepening of Industry 4.0,

combined with emerging technologies such as edge computing, smart sensing, vehicle-to-everything (V2X), electric vehicles (EV), autonomous driving (ADAS), artificial intelligence (including generative AI), and quantum computing, has become the core focus of current and future technological development.

In terms of market technology applications, product design, and customized development for different customer needs, Wendell leverages its complete EMC/Safety product line built through years of strategic deployment, along with the expertise of its experienced R&D team. This enables effective integration across the upstream, midstream, and downstream supply chains, providing a comprehensive one-stop service from design, testing to verification. This approach helps clients across industries accelerate their market deployment, shorten product development cycles, and enhance competitive advantages.

In line with market trends and application demands, Wendell is dedicated to developing EMC and circuit protection component modules that comply with various regulatory requirements. Through professional technology and extensive experience, Wendell continuously innovates to create patented products and solutions applicable across multiple fields.

## 2. Main Technology Development Directions

In the future, with growing demand for high frequency, high-speed transmission, and efficient electromagnetic interference (EMI) suppression in areas such as AI servers, 6G/5G communication, smart IoT (AIoT), and new energy technologies, Wendell is actively investing in the following technical and product developments:

- (1) High Bandwidth Electromagnetic Suppression Technology: Development of next-generation high-frequency, high-speed EMI filters and surge suppressors for applications in AI servers, high-performance computing (HPC), and data centers.
- (2) High-Energy Surge Protection Technology: Development of high-efficiency surge protectors for smart grids, charging stations, EVs, and industrial automation equipment to enhance system reliability.
- (3) High-Speed Ethernet Protection Modules: Development of high-performance ESD/TVS protection solutions for 800G Ethernet, optical communication modules (optical transceivers), and data center applications.
- (4) Automotive-Grade EMI Suppression and Protection Components: Development of highly durable automotive-grade EMI absorption filters, surge suppressors, and high-efficiency thermal modules that meet AEC-Q200 certification, for use in EVs, ADAS systems, and V2X applications.
- (5) High-Performance Thermal Management and EMI Shielding Solutions: Development of low thermal resistance conductive materials, shielding materials, and liquid cooling thermal modules for high-power applications such as AI servers, HPC, EVs, and 5G communication base stations to improve system stability.

## 3. Wendell's Core Competitiveness and Technology Barriers

Through long-term technological deployment, Wendell has established a comprehensive capability for upstream, midstream, and downstream integration and a cross-disciplinary R&D service platform. The company has accumulated rich experience in high-frequency, high-speed transmission, electromagnetic protection, thermal management, and reliability testing. These core strengths have built solid technology barriers that are difficult for competitors to replicate or surpass, ensuring Wendell's continued leadership

in fields such as AI computing, electric vehicles, smart IoT, and 6G communication. Wendell remains committed to providing clients with high-efficiency, reliable, and innovative solutions.

4. R&D personnel’s education experience

Unit: Person

Item	2023		2024		March 31, 2025	
	Number	%	Number	%	Number	%
University/ College	9	90.0%	10	91.0%	10	91.0%
Graduate School	1	10.0%	1	9.0%	1	9.0%
PhD		-		-		-
Total	10	100%	11	100%	11	100%

5. R&D expenses annually invested in the last five years

Unit: NT\$ Thousand

Year	2020	2021	2022	2023	2024
R&D expenses (A)	12,304	11,932	13,164	14,561	19,659
Net operating revenue (B)	1,464,275	1,894,207	1,923,029	1,743,459	2,020,873
Ratio of R&D expenses to the net operating revenue (A/B)	0.84%	0.63%	0.68%	0.84%	0.97%

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

**New projects of component sales in Taiwan**

- Patent of “10G Transmission Rate Anti-interference Network Transformer Module” obtained in 2024.
- Patent of “External Network Surge Protector patent licensed ” obtained in 2024.
- Patent of “Semiconductor package general circuit test structure and test equipment including the same ” obtained in 2024.
- Patent of “Network Communication Connector Protection Device - TR189001” “Connected Network Lightning Protector” obtained in 2024.
- Patents of “Anti-interference Network Transformer Module EMS Trans” obtained in 2024.
- Patent of “Semiconductor Packaging Structure with Improved Upper Core Area” obtained in 2024.
- Patent of “Composite Material Structure with High Thermal Conductivity” obtained in 2023.
- Patent of “Electromagnetic Interference Housing with High Thermal Conductivity” obtained in 2023
- Patents of “Power Conducted Noise Attenuation Device” obtained in 2023.
- Patents of “Automotive Power Filter (China)” obtained in 2022.
- Patents of “Non-notch Bottom with Merger Package Structure” obtained in 2022.
- Patents of “Automotive Power Filter” obtained in 2021.
- Patents of “Non-lead Merger Package Structure” obtained in 2021.
- Patents of “Conductive Polymeric Composition and Fiber Yarn” obtained in 2021.
- Patents of “Electrical fast-transient attenuator patent licensed ” obtained in 2021.

- Patents of “Conducted Noise Interference Attenuation System” and “Load Dump Protection Device” obtained in 2020.

### **Product testing and certification**

Testing and certification technologies as well as qualifications and standards of relevant certification and accreditation recognized by international laboratories and the competent authority are presented as follows:

(1) Acquisition of accreditation qualifications

- (A) Taiwan Accreditation Foundation (TAF), and acquisition of accreditation qualifications of designated product inspection laboratory of Bureau of Standards, Metrology and Inspection (BSMI) of the Ministry of Economic Affairs, telecommunications equipment test laboratory of National Communications Commission (NCC), accredited laboratory of Federal Communications Commission (FCC) of the United States, accredited laboratory of Innovation, Science and Economic Development Canada (ISED), and Energy Star laboratory of the United States through relevant certification service plan.
- (B) IECEE CBTL
- (C) UL Third Party Test Data Program (TPTDP)
- (D) Registered Measurement Facilities of Voluntary Control Council for Interference by Information Technology Equipment (VCCI)

(2) Accreditation standards

- EMC:

Item	Standard	Usage
1	FCC Part 15 Subpart B, ICES-003	EMC testing of electronic and electrical unintentional emission and information products
2	EN 55032, CISPR 32, AS/NZS CISPR 32, VCCI-CISPR 32	EMC testing of multimedia products
3	CISPR 11, EN55011, AS/NZS CISPR 11, ICES-001, 47 CFR FCC Part 18	EMC testing of industrial, scientific, and medical products
4	CISPR 24, EN 55024	EMS testing of information products and office equipment
5	CISPR 35, EN 55035	EMS testing of multimedia products
6	IEC/EN 60601-1-2	EMC testing of medical instruments and equipment
7	IEC 61326-1, IEC 61326-2-2	EMC testing of laboratory measurement and control equipment
8	EN 50130-4	EMC testing of alarm equipment
9	EN 50155, EN 50121-1, EN 50121-4, EN 50121-3-2, IEC 60571, IEC 62236-4, IEC 62236-3-2	EMC testing of electronic equipment used in railway rolling stock
10	EN 60945	EMC testing of marine celestial navigation and radio communication equipment and systems
11	ITU-T K.21	EMC testing of communication network equipment

➤ Site verification:

Item	Standard	Usage
1	CISPR 16-1-4 ANSI C63.4, ANSI C63.4a-2017	Measurement of normalized site attenuation (NSA) Measurement of site voltage standing wave ratio (SVSWR)

➤ RF:

Item	Standard	Usage
1	ETSI EN 301 489-1, ETSI EN 301 489-3, ETSI EN 301 489-17	EMC testing of radio frequency products
2	ETSI EN 300 328 ETSI EN 300 220-1 ETSI EN 300 220-2 ETSI EN 300 330 ETSI EN 300 440 ETSI EN 301 893 ETSI EN 302 208 AS/NZS 4268	RF testing of short-range/low-power RF products
3	ETSI EN 303 687	RF testing of 6GHz wireless LAN equipment
4	ETSI EN 300 328	2.4GHz spread spectrum modulation technical product test
5	NCC LP0002	Low-power RF product testing in Taiwan
6	47 CFR FCC Part 15 Subpart C, E	U.S. intentional emission device test
7	RSS-Gen, RSS210, RSS-247, RSS-248, RSS-102	Radio product testing of Canada, including 6GHz frequency band

➤ Safety tests:

Item	Standard	Usage
1	UL/IEC/EN 62368-1, -3 CNS 15598-1	Safety tests of audios and videos, information, and communication technical equipment
2	UL/IEC/EN60950-1, CNS 14336-1 AS/NZS 60950.1	Safety test of IT equipment
3	UL/IEC/EN60065, CNS 14408	Safety test of audio and video products
4	IEC/EN60601-1	Safety test of medical products
5	UL/IEC61010-1, UL/IEC61010-2-201	Safety tests of measurement, control, and laboratory electrical equipment

➤ Energy-saving test:

Item	Standard	Usage
1	EN 50563, EN 50564 AS/NZS 4665.1, AS/NZS 4665.2	Energy consumption testing of power supplies and peripheral information products
2	ENERGY STAR Program Requirements for Displays	Energy consumption testing of computer monitor (Energy Star of the United States)

➤ Lithium battery safety tests:

Item	Standard	Usage
1	IEC/EN 61960-3, CNS 14857-2	Electrical tests of secondary single cells and battery packs containing alkaline or other non-acidic electrolytes/secondary lithium single cells and battery packs for portable applications
2	IEC/EN 62133, -1, -2 CNS 62133-1, CNS 62133-2, CNS 15364 (and other harmonized regulations)	Secondary single cells and battery packs containing alkaline or other non-acidic electrolytes-Secondary lithium single cells and battery packs for portable applications, 3C secondary lithium single batteries/packs, and 3C secondary lithium mobile power supplies
3	CNS 15387	Secondary lithium batteries/packs for electric vehicles/bicycles/help-move-vehicles

➤ Enclosure and environment tests:

Item	Standard	Usage
1	IEC/EN 60529, CNS 14165	Protection classification grade of electrical enclosures (IP waterproof and dust-proof test)
2	IEC 60068-2-11, ISO 9227, ASTM B117, CNS 3627, CNS 8886, UL 50E Clause 8.7.1 and 8.9.1	Salt spray test
3	UL 50E Clause 8.13.2	Strain rate test of tensile strength of gasket

D. Long- and short-term business development plans

1. Short-term plan

(1) Deepen Market Applications and Technological Innovation

Continue to develop new products and actively deploy in markets such as AI servers (CDU/BBU), Telecom (5G/6G FWA, WiFi7), low-earth orbit satellites, smart grids, new energy (EV/HEV, energy storage, charging stations), high-performance computing (HPC) in data centers, smart cities, and AIoT. Further expand into cloud computing and edge computing fields to enhance the value of the core product portfolio.

(2) Strengthen Deployment in Automotive Electronics and New Energy Markets

Continue to expand in automotive electronics, electric vehicles (EV/HEV), electric motorcycles/e-bikes, V2X vehicle networking technology, deepen automotive-grade EMC and power protection solutions, and strengthen automotive-grade surge protection, transient absorption, and high-frequency filtering technologies, aiming to continuously increase the revenue contribution from automotive customers.

(3) Expand Battery Testing and Safety Certification Markets

Focusing on the new energy application market, strengthen battery testing and BMS (Battery Management System) testing solutions to ensure customer products comply with global safety standards (IEC, UL), accelerate time-to-market efficiency, and expand the global new energy application market.

- (4) Enhance Testing Laboratory Capabilities and Global Certification Standards  
Add integrated high-power testing facility capacity, improve testing throughput and automated testing efficiency, expand the AI server (CDU, BBU) and networking industry customer base, thereby increasing the Company's revenue and technological competitiveness.
- (5) Strengthen Supply Chain Collaboration and Cost Optimization  
Engage in strategic cooperation with wafer fabs, packaging and testing houses, and upstream raw material suppliers to ensure supply chain stability, cost control, and quality enhancement, improving the overall market competitive advantage.
- (6) Expand Electromagnetic Interference and Thermal Management Solutions  
Expand high-performance thermal management technology solutions and electromagnetic interference shielding (EMI shielding), and introduce these solutions into the AI server and data center fields, providing comprehensive electromagnetic protection and thermal solutions to enhance product value-added benefits.

2. Long-term plan

- (1) Promote Global EMC Certification and One-Stop Solutions  
Actively promote one-stop EMC certification and service solutions, upholding the service philosophy of "A TEAM OF CUSTOMER ORIENTATION," deepening long-term cooperation with customers, and providing comprehensive solutions from design, testing, verification to mass production to meet global market demands.
- (2) Strengthen Global Laboratory Deployment and International Collaboration  
Expand the global testing and certification laboratory platform, increase international testing standard certifications, and establish partnerships with overseas laboratories (North America, Europe, Asia) to enhance the breadth and depth of global customer service.

**(II) Market and sales overview**

A. Market analysis

1. Major sales regions

Unit: NT\$ Thousand; %

Sales regions		2023		2024	
		Amount	%	Amount	%
Domestic sales	Taiwan	824,141	47.27	950,614	47.04
Export	China	557,907	32.00	667,611	33.04
	Korea	191,380	10.98	199,033	9.85
	Other	170,031	9.75	203,615	10.07
Total		1,743,459	100.00	2,020,873	100.00

2. Market share

**Component sales**

In Taiwan, there are Amazing Microelectronic Corp., Thinking Electronic industrial Co., Ltd., Polytronics Technology Corp., etc. which sell EMI and line protection components like the Company. Furthermore, there are other competitive companies like Littelfuse, ON Semiconductor, EPCOS, Vishay, and ST Microelectronics overseas. The categories of components provided by these manufacturers are different. The product lines of Wendell are complete and diversified in patterns, and therefore it is not easy to estimate its market share.

### **Testing and certification**

Focusing on the system certification of Underwriter Laboratories Inc. (UL) of the United States and IEC CB Scheme, Wendell Electrical Testing Laboratory currently holds an important position in Taiwan and it is capable of providing local real-time testing and verification services.

### 3. Future market supply, demand and growth

#### **Component sales**

With the rapid development of technologies such as AI servers, electric vehicles (EV/HEV), smart Internet of Things (AIoT), low-earth orbit satellites, smart cities, and new energy storage, the trend toward high performance and miniaturized designs in electronic products has become increasingly evident. This has led to growing concerns regarding electromagnetic interference (EMI) and safety issues, making electromagnetic compatibility (EMC) and safety certification mandatory requirements in the global market, thereby driving the continuous growth of circuit protection and EMI suppression components.

Governments and corporations around the world are continuously raising regulatory requirements for EMI, electrostatic discharge (ESD), transient voltage suppression (TVS), surge protection, and radio frequency (RF) management. As a result, electronic products must comply with increasingly stringent international standards; otherwise, they cannot be launched in the market. This further promotes the sustained growth in demand for EMC components, safety protection devices, filters, EMI shielding materials, and high-performance thermal modules.

Looking ahead, the global regulatory trend will continue toward refinement and mandatory enforcement, which will drive the steady increase in demand for EMC/Safety-related products and enhance the market penetration of EMC solutions, surge protection, and power management solutions.











#### **Testing and certification**

With continuous technological innovation, the application scenarios for products in networking, consumer electronics, industrial equipment, and automotive electronics are becoming more diversified. EMC, safety, and RF-related testing and certification have become essential conditions for ensuring user safety and asset protection.

As governments worldwide tighten regulations on emerging technologies such as environmental protection, smart manufacturing, electric vehicles, low-earth orbit satellites, and smart grids, the demand for EMC testing, safety testing, and RF testing for electronic products is expected to continue rising, driving the growth of the related testing and certification market.

Currently, in addition to countries such as the United States, Europe, Japan, Canada, and Australia that have already established stringent regulations, countries like Taiwan, Korea, China, India, and Southeast Asia have also begun to implement stricter product certification standards in recent years. These include electromagnetic interference testing (CISPR), telecom equipment certification for North America and Europe (GR1089, ITU-T K.21/ITU-T K.44), and wireless communication certifications (FCC, CE, CCC), further boosting the demand for testing and certification services.

Wendell provides regulatory certification services of each country as follows:

Country	Mark	Standards
Taiwan		CNS/NCC series standards
USA		FCC Part 15 Subpart B/C/E, FCC Part 18 UL series standards for Safety
Canada		ICES/RSS series standards
EU		EN series standards
UK		BS EN series standards
Japan		V32/MIC ARIB/J series standards
China		GB series standards
Australia and New Zealand		AS/NZS series standards
Korea		KS series standards
India		IS series standards
Mexico		NOM series standards

#### 4. Competitive niches

Currently, three sectors in the electronic industrial chain, including component suppliers, line design and debugging, and laboratory certification, have been integrated into a service operation model, and one-stop purchasing service processes are provided to the customers. Relying on the EMC experience accumulated in the past, as well as complete product lines and resource integration for construction of EMC and safety certification laboratories, Wendell can reduce the product certification expenses and shorten the marketing time of new products, thus acquiring the greatest business opportunities.

#### 5. Advantages, disadvantages and responsive strategy in future development

##### (1) Advantages

- Possession of complete EMC and production component product lines;
- Well-experienced EMC professional technical team;
- Operation of an integrated high-power testing laboratory building;
- Complete EMC&Safety certification and testing equipment and environment;
- Favorable goodwill established due to years' experience in selling products to local and foreign enterprises;
- It is not easy for other competitors to copy the operation model of Wendell.

##### (2) Disadvantages and correspondent strategies

- Due to the quick updating of various regulations and technologies in the electronics industry, a company may lose its market competitive advantages if it fails to promptly update them. The technical team of Wendell will intensively study new regulations and technical specifications, and provide relevant testing equipment and solutions to the customers.

- Currently, electronic products become increasingly diversified and more complicated. As a result, more human resources are needed to solve the problem of EMI and comply with certification.

Amidst the violent and unpredictable world economic situation, the Company will continually expand its sales sites and industries, to maintain stable growth and avoid being affected by the decline of a single industry.

B. Important purposes and production process

1. Important purposes

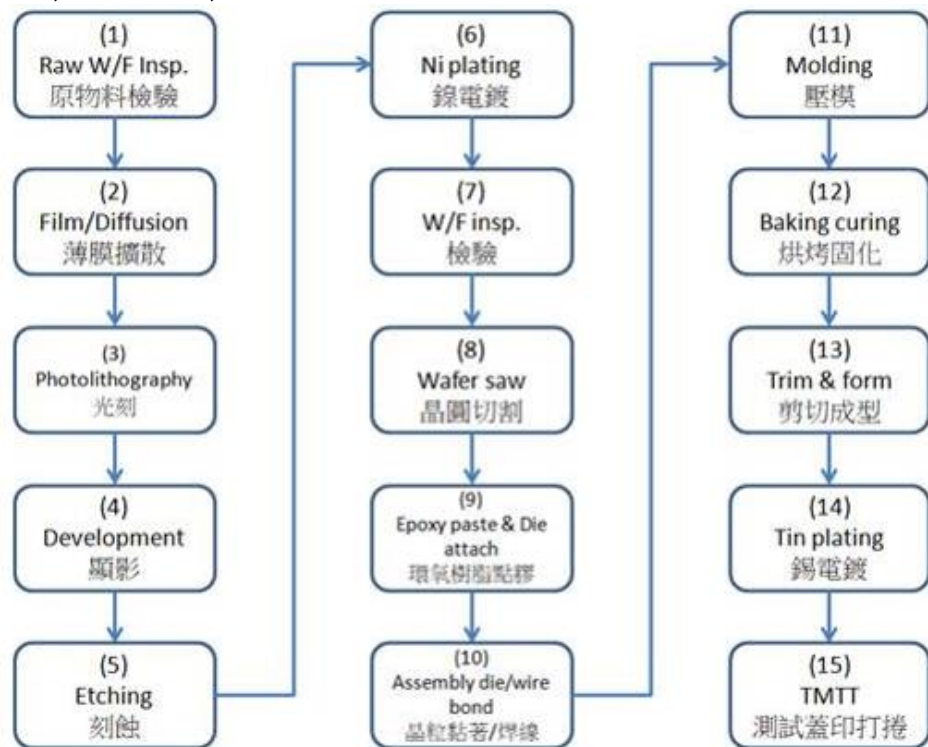
Main Products	Usage
Transient Voltage Suppressor (TVS)	Extensively applied in the overvoltage protection of electronic products, and mainly including consumer products, communication, computers, security monitoring, automotive electronics, power supplies, military, aviation and aerospace navigation systems, control systems, etc.
Electrostatic Discharge Diode (ESD Diode)	The electrostatic protection is applied in USB, Ethernet, T1/E1, LAN Port, ISDN S/T Interface, AV, PDA, MOBILE, RS232, GPS, LCD, ADSL, SIM, IEE1394, DVI, HDMI, MP4, STORAGE, PRINTERS & SCANNER, etc.
Thyristor Surge Suppressor (TSS)	The overvoltage protection is applied in cable modems, line card and CPE, SLICS, T-1/E-1, ISDN, LAN/WAN and Xdsl transmission equipment, PBXs, etc.
Self-restoring Fuse (PTC)	Extensively applied in desktop, laptop, automobile, communication equipment, home appliances, battery, and other industrial fields.
Gas Discharge Tube (GDT)	It may be used for lightning protection in communication lines, security units of communication distribution frames as well as high-frequency circuits. Scope of application: Lightning arrester, stabilizer, power supply, surge protector, and communication equipment.
EMI Electromagnetic Wave Suppression (Inductor/Bead/Common mode filter/EMIESD Filter)	Mainly used for electromagnetic wave suppression in circuit design, and widely applied in desktop, laptop, automobile, communication equipment, security monitoring system, home appliances, battery, and other industrial fields.
Network Transformer (LAN Transformer)	Mainly used for signal transmission, impedance matching, waveform restoration, signal noise suppression, high-voltage isolation, etc., and widely applied in desktop, laptop, communication equipment, security monitoring system and other industrial fields.
Separated Rectifier Assembly (Schottky/Zener/Bridge/Transistor)	Widely applied in desktop, laptop, communication equipment, security monitoring system, power supply, and other industrial fields
Metal Oxide Semiconductor Field	Widely used as field-effect transistor in

Main Products	Usage
Effect Transistor (Mosfet)	analog and digital circuits, featuring low conduction resistance, low loss, simple drive circuit, favorable thermal resistance, etc. and thus especially suitable for applications in power control fields like PC, mobile phone, mobile power supply, vehicle navigation, electric vehicles, and UPS.
RS Transceiver (RS232/485 Transceiver)	Widely used in industrial automation, communication equipment, POS systems, medical devices, smart meters, automotive electronics, and building automation, featuring high noise immunity, long-distance transmission capability, and strong electromagnetic interference resistance, making it suitable for various serial communication applications.

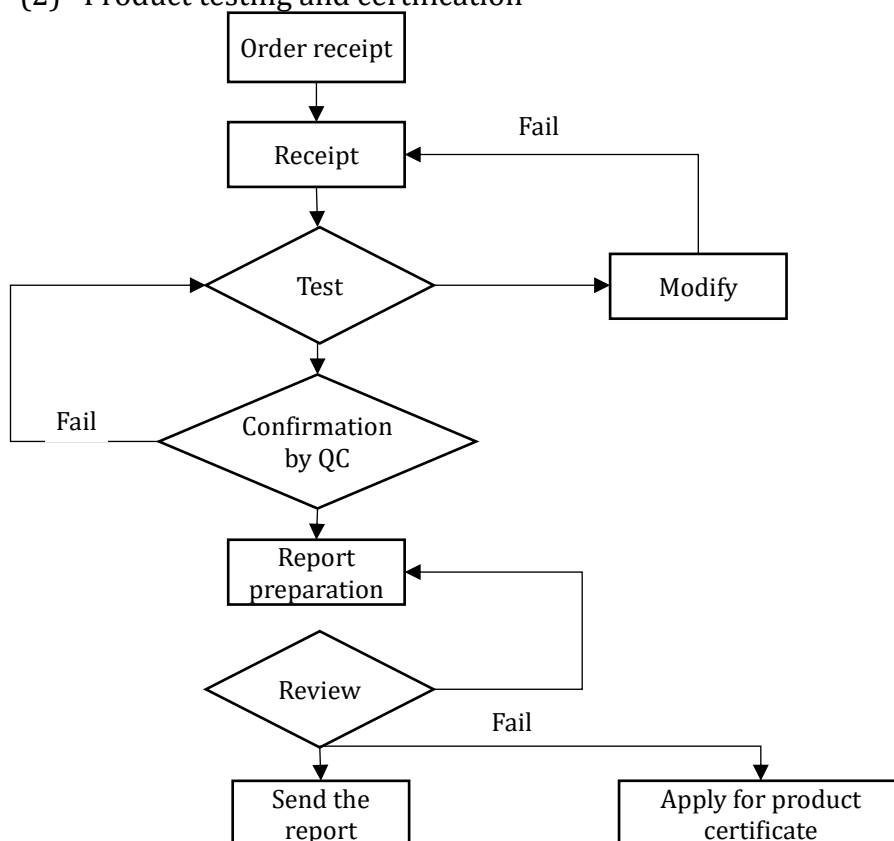
2. Production process

The Company is mainly engaged in the sales of electromagnetic compatibility and line protection components as well as integrated certification and testing services. The Company hasn't built any plant. The production and certification/testing processes are shown in the diagram below:

(1) TVS, ESD Diode, TSS



(2) Product testing and certification



C. Supply of major materials

The main products of the Company are line protection and EMC protection components. It mainly purchases from major manufacturers at home and abroad which have already developed favorable and long-term stable supply-demand relationship with the Company. So far, the supply of main components of the Company is in good condition, and no situations like shortage of supply or other disputes have occurred.

D. Names of customers accounting for more than 10% of the total purchasing (sales) amount in either of the last two years as well as their purchasing (sales) amount and ratios, and a description of reason for change (increase/decrease)

- Suppliers that account for 10% or more total purchases in any one of the past two years

Unit: NT\$ Thousand

Item	2023				2024				As of the first quarter of 2025 (Note 1)			
	Name	Amount	Proportion of net purchase for the year (%)	Relationship with the Issuer	Name	Amount	Proportion of net purchase for the year (%)	Relationship with the Issuer	Name	Amount	Proportion of net purchase for the year (%)	Relationship with the Issuer
1	Bourns	578,384	49.24	None	Bourns	532,343	40.24	None				
2	Other	596,181	50.76	None	Other	790,676	59.76	None				
	Net purchase	1,174,565	100.00		Net purchase	1,323,019	100.00					

Note: As of the publication date of the annual report, financial data of the first quarter of 2025 already audited and certified, or verified and reviewed by CPAs was unavailable, and therefore it was not disclosed.

Analysis of change: Bourns, a supplier of the Company, was engaged in the agency of line protection components. The primary reason for the change lied in the normal operating activities, and the change was to coordinate the actual business demand without any special nature.

2. Name of customers of the past two years  
Since the Company has many customers with decentralized selling amount, the Company didn't have any customer accounting for more than 10% of total sales volume in either of the past two years.

### (III) Employees information

Number of employees, average service seniority, average age, and education distribution ratios in the last two years and as of the publication date of the annual report:

Unit: Person; Year; %

Year		2023	2024	As of March 31, 2025
No. of Employee	Direct staff	37	45	47
	Indirect staff	202	219	215
	Total	239	264	262
Average Age		39.33	39.44	39.71
Average experience		7.28	8.06	8.37
Education (%)	Above Graduate School	5.9	5.3	5
	University/ College	84.9	85.6	86.3
	Senior High School	9.2	9.1	8.7
	Others	-	-	-

### (IV) Environmental protection expenditure

- A. Description of application for receipt, payment, or establishment if it is required by laws and regulations that the Company should apply for receipt of polluting facility establishment license or pollution discharge license or permit, or establish dedicated unit and dedicated personnel to take charge of environmental protection:  
It is not applicable since the Company is mainly engaged in the sales of EMC and line protection components and the integrated services of certification and testing, and the Company hasn't built any plant and relevant production equipment.
- B. Present the investments of the Company in the main environmental pollution prevention and control equipment and their usage, as well as possible benefits: Not applicable.
- C. Describe the process of the Company's improvement of environmental pollution in the last two years and as of the publication date of the annual report, as well as the treatment process if the Company was involved in any pollution dispute: None.
- D. The total amount of losses and punishments suffered as a result of environmental pollution in the recent 2 years and up to the date of issuing the annual report, together with future countermeasures and possible expenditures (including potential loss, estimated penalty and compensation amount. If the amount cannot reasonably be estimated, explain the reason): None.
- E. Impact of the status quo and improvement of the pollution on the Company's surplus, competitive position, and capital expenditure, as well as estimated major environmental protection expenditure in the next two years: None.

### (V) Labor relations

- A. Employee welfare measures, education, training, retirement mechanism and implementation, as well as agreements and measures to protect the rights of employees
  1. Employee welfare, education and training measures  
According to the provisions of relevant laws and regulations, the Company has established an Employee Welfare Committee to promote welfare measures regular employee health checkups, group insurance, cash gifts on

the occasions of birthday, the Dragon Boat Festival, the Mid-Autumn Festival, childbirth and marriage, performance bonus, vocation leave, travel allowance, etc. The Employee Welfare Committee holds employee activities and after-work sports club every two months, and provides employees from each department with education and training irregularly. Female employees are supported with a maternity leave of 60 days more than the statutory requirement, and the Company also provides childbirth subsidy of NT\$ 20,000 per child. The subsidy will be granted in a lump-sum manner after application, with no limit on the number of births. Besides, the Company has begun to provide childbirth allowance for elderly parturient women since 2023. Female employees or spouses of employees aged 34 or reaching the age of 34 in during pregnancy can enjoy this policy, with additional subsidy of NT\$ 20,000 per birth. As for childcare, family care leave and flexible working hour system are provided.

2. Retirement mechanism

To take care of employees' retirement life and promote good labor-management relations, the Company has adopted a defined contribution system per the Labor Pension Act and appropriated and deposit retirement funds to the workers' personal pension accounts established at the Bureau of Labor Insurance every month. The Company has stipulated the following provisions according to the Labor Pension Act:

**Voluntary retirement**

Employees who comply with any of the following circumstances may apply for voluntary retirement:

- (1) Those who have worked for more than 15 years and are aged 55 or above;
- (2) Those who have worked for more than 25 years;
- (3) Those who have worked for more than 10 years and are aged 60 or above.

**Mandatory retirement**

If an employee hasn't any of the following circumstances, the Company shall not force the employees to retire:

- (1) Aged 65 or above;
- (2) Unable to conduct the work due to physical and mental disabilities.

As for the age limit specified in the first paragraph above, the Company may apply to the central competent authority for approval and adjustment of the age of retirement as at least 55 for those engaged in special types of work that involve certain danger or require strong physical demands.

**Pension payment standards**

Employees' pension payment standards are as follows:

- (1) For the working seniority prior to the application of the Labor Standards Act, the pension payment standard shall be calculated according to the provisions of applicable laws and regulations then; if there are no laws and regulations available for calculation, the pension will be calculated according to the provisions established by the Company or based on the negotiation between labor and management. Two base numbers are provided for each full year based on employees' working seniority. However, for the working seniority above 15 years, one base number is provided for each full year, up to 45 base numbers in total. If an employee works for less than half a year, it will be calculated as half a year; if an employee works for more than half a year, it will be calculated as a year.
- (2) For the working seniority under the pension system (old system) stipulated in the Labor Standards Act, the pension payment standard shall be calculated according to the provisions of Article 55 of the Labor Standards Act. However, if the physical and mental disabilities of

employees forced to retire according to the provisions of the subparagraph 2, paragraph 1 of Article 35 of the Labor Standards Act are caused due to execution of their job duties, additional 20% of the pension will be provided for them according to the provisions of subparagraph 2, paragraph 1 of Article 55 of the Labor Standards Act.

- (3) The Company has withdrawn and deposited 6% of employees' monthly salaries to their personal pension accounts every month since July 1, 2005 when the Company began to apply the Labor Standards Act.

**Pension payment**

Pension payable by the Company to employees according to the provisions of the Labor Standards Act on pension shall be paid within thirty days since the date of retirement.

**Request for pension**

The right of employees who comply with the provisions of the Labor Standards Act on pension to claim pension will disappear within five years since the next month after retirement if not exercised.

3. Labor agreements and measures to protect employees' interests

According to the provisions of relevant laws and regulations, the labor and the management handle relevant matters according to service contract, work rules, and all other management rules and regulations with contents clearly specifying employees' rights and obligations as well as welfare projects. Also, labor-management meetings are regularly convened to safeguard employees' rights and interests. The labor-management relationship of the Company has been harmonious since its establishment. Also, two-way, open communication methods have been actively established. No major labor-management disputes and losses have occurred.

- B. Losses arising from labor disputes in the most recent fiscal year and as of the publication date of the annual report, and disclosure of the potential estimated amount and response measures to date and in the future: The Company and its subsidiaries have properly planned human resources, and reviewed relevant personnel system as appropriate in response to the changes of the social and economic environments. Also, they attach importance to employees' welfare, provide a favorable work environment, and maintain unimpeded communication pipelines and harmonious labor-management relationship. Therefore, no risk of labor-management disputes may occur.

**(VI) Cybersecurity management**

- A. Describe the cybersecurity risk management framework, cybersecurity policies, concrete management programs, and investments in resources for cybersecurity management

1. Information security organization

- (1) The Company has assigned the Information Management Office to take charge of information security policy management and planning, and the information security team to take charge of handling and reporting information security related incidents.

- (2) Regularly summarize information security mechanisms intended for prevention of viruses, disasters, hackers, and leakage and report to the responsible supervisor on a regular basis.

2. Information security policy

The Company has established relevant specifications for information security management to ensure the confidentiality, security and legal compliance of information assets for the Company. Also, it has established a hazard handling procedure to minimize the impact.

3. Concrete management programs:
  - (1) In response to emergencies and to ensure replies to information data, the Company has already begun the planning of information disconnection backup drills and asset inventory for backup. Also, the Company further learns about the currently insufficient measures, equipment, proficiency of personnel, and other response capabilities through drills. With subsequent reinforcement planning, the Company strives to better its overall strain capacity and crisis handling capability.
  - (2) The main server equipment and the power supply facilities in the equipment room are regularly maintained by relevant vendors, to guarantee a sound maintenance and operation environment through disaster prevention, fire protection planning, and UPS.
  - (3) A firewall mechanism is used to classify internal units and groups requiring the use of network and services and conduct application service control. Also, time period management and application mechanism are employed to strengthen network management and flexible applications.
  - (4) The mail service is matched with SPAM mechanism and mounted with anti-virus module and advanced defense module, to benefit the comparison with advanced malware. Therefore, it can resist incidents like spear-phishing attacks, fraudulent transfers, APT attack emails, ransomware, and other new attacks.
  - (5) Data files and systems backups are scheduled for automatic regular backups and stored remotely.
  - (6) Server virtualization technology is used to conduct quick system mounting and service recovery of the previous system backup versions through the system backup mechanism upon occurrence of emergencies.
  - (7) All Windows computers used in the Company are configured with anti-virus software, and the operating systems are regularly updated, thus effectively avoiding system vulnerabilities, improving system security, and securing the reliability and safety of overall application, network, and management of the enterprise.
  - (8) As for the use of each system in the Company, the passwords set by the employees shall not be less than 8 characters in combination of special symbols, numbers, and uppercase and lowercase English letters. Besides, these passwords shall not be identical to previous ones.
  - (9) The Company regularly advocates information security policy and provides improving measures and other relevant planning, to avoid increasing the Company's internal risks and causing indirect, abnormal damages due to Internet-surfing behaviors of colleagues, contents of emails, plug-and-play USB, and use and operations of devices personnel held.
4. Resources invested in the cybersecurity management:
  - (1) Plan and promote information security personnel to receive training through professional information security courses every year in response to appropriate needs.
  - (2) Service devices installed inside the Company, including anti-virus software, network firewall, email filtering, etc. are continually used, and software and hardware are updated and upgraded as appropriate and necessary.

- B. List any losses suffered by the Company in the most recent fiscal year and up to the publication date of the annual report due to significant cybersecurity incidents, the possible impact therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of why shall be provided: None.

### (VII) Material Contracts

Type of Contract	Party	Contract Duration	Major Content	Restriction
House leasing contract	FIVETECH TECHNOLOGY INC.	2025/1/1 ~ 2029/12/31	House leasing contract	None
House leasing contract	FIVETECH TECHNOLOGY INC.	2025/1/1 ~ 2029/12/31	House leasing contract	None
House leasing contract	YUEA CHING BUSINESS CO., LTD.	2025/1/1 ~ 2026/12/31	House leasing contract	None
House leasing contract	HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD.	2020/9/1 ~ 2025/8/31	House leasing contract	None
House leasing contract	Tien Yu Industrial Co., Ltd.	2024/3/1 ~ 2027/2/28	House leasing contract	None
House leasing	Li Yi Construction Co., Ltd.	2021/5/1 ~ 2026/4/30	House leasing contract	None
House leasing	Suzhou Wuzhong District Wuzhong Shopping Mall Co., Ltd.	2021/7/5 ~ 2025/7/4	House leasing contract	None
House leasing	LIN, MENG-SHENG	2022/10/1 ~ 2025/9/30	House leasing contract	None
Procurement contract	Company A	Since 2019/4/26	Procurement contract	Confidentiality agreement
Procurement contract	Company B	Since 2018/10/4	Procurement contract	Confidentiality agreement
Procurement contract	Company G	Since 2020/1/1	Procurement contract	Confidentiality agreement
Procurement contract	Company F	Since 2014/4/11	Procurement contract	Confidentiality agreement
Procurement contract	Company D	Since 2015/10/8	Procurement contract	Confidentiality agreement
Procurement contract	Company H	Since 2016/12/21	Procurement contract	Confidentiality agreement
Procurement contract	DONGCHEN ELECTRONICS CO., LTD.	Since 2018/10/3	Procurement contract	Confidentiality agreement
Procurement contract	Company E	Since 2015/4/1	Procurement contract	Confidentiality agreement
Sales contract	Pegatron Corporation	Since 2009/8/26	Procurement contract	None
Sales contract	Cal-Comp Electronics (Thailand) Public Company Limited	2019/8/1 ~ 2024/8/1	Procurement contract	None
Sales contract	ANJIECHENG (H.K) ELECTRONIC CO. LIMITED	Since 2020/7/30	Procurement contract	None
Sales contract	Meanwell (Guangzhou) Electronics Co., Ltd.	Since 2020/1/14	Procurement contract	None
Sales contract	TOPVIEW OPTRONICS CORP.	Since 2015/5/25	Procurement contract	None
Loan contract	Bank SinoPac	2024/05/14 ~ 2025/05/31	Short-term borrowing	None
Loan contract	E.SUN Bank	2024/06/18 ~ 2025/06/18	Short-term borrowing	None
Loan contract	Taipei Fubon Bank	2024/05/31 ~ 2025/06/01	Short-term borrowing	None
Loan contract	First Bank	2024/06/19 ~ 2025/06/19	Short-term borrowing	None
Loan contract	The Shanghai Commercial &	2025/01/24 ~	Short-term	None

Type of Contract	Party	Contract Duration	Major Content	Restriction
	Savings Bank, Ltd.	2026/01/24	borrowing	
Loan contract	KGI Bank	2025/01/24 ~ 2026/01/24	Short-term borrowing	None
Industry- university cooperation	Lunghwa University of Science and Technology	Since 2019/11/8	Industry- university cooperation	None
Industry- university cooperation	Lunghwa University of Science and Technology	2021/08/01 ~ 2026/07/31	Industry- university cooperation	None
Industry- university cooperation	Lunghwa University of Science and Technology	Since 2022/02/18	Industry- university cooperation	None
Sale and purchase contract	Wei-Li International Development Co., Ltd.	Since 2025/01/13	Sale and purchase contract	None



## V. Review and Analysis of the Company's Financial Position, Performance, and Risk Management

### (I) Financial Position

Primary reasons for the significant changes in assets, liabilities, and equity in the last two years and impact thereof:

#### A. Financial Position

##### 1. Financial Position - Consolidated Financial

Unit: NT\$ Thousand; %

Item	Year	2023	2024	Difference	
				Amount	%
Current assets		1,512,269	1,794,347	282,078	18.65
Property, plant and equipment		347,206	556,257	209,051	60.21
Right-of-use assets		58,053	53,794	(4,259)	(7.34)
Other non-current assets		37,065	36,119	(946)	(2.55)
Total assets		1,954,593	2,440,517	485,924	24.86
Current liabilities		914,023	948,149	34,126	3.73
Non-current liabilities		46,891	62,425	15,534	33.13
Total liabilities		960,914	1,010,574	49,660	5.17
Share capital		251,049	309,681	58,632	23.35
Capital surplus		326,681	614,044	287,363	87.96
Retained earnings		418,271	512,368	94,097	22.50
Other equity interest		(2,322)	(6,150)	3,828	164.86
Total equity		993,679	1,429,943	436,264	43.90

1. Description of major change items (With amount of difference reaching NT\$ 10,000,000 and change ratio reaching 20%):
  - (1) Property, plant and equipment: Mainly due to the increase in costs for the construction of the Tucheng Laboratory in 2024..
  - (2) Non-current liabilities: Mainly due to the addition of NT\$14 million in long-term borrowings in 2024.
  - (3) Share capital: Mainly due to the issuance of new shares through cash capital increase and the conversion of corporate bonds in 2024.
  - (4) Capital surplus: Mainly due to the premium from the cash capital increase and bond conversion in 2024.
  - (5) Retained earnings: Mainly due to the increase in profit in 2024, resulting in a corresponding increase in retained earnings.
2. Future response plan to those with a significant impact:  
 The aforesaid changes didn't have a material adverse impact on the Company, and no significant abnormalities occurred to the Company's overall performance. Therefore, it was not required to draw up any response plan.

## 2. Financial Position - Individual Financial

Unit: NT\$ Thousand; %

Item	Year	2023	2024	Difference	
				Amount	%
Current assets		1,266,316	1,553,573	287,257	22.68
Property, plant and equipment		313,920	491,489	177,569	56.57
Right-of-use assets		36,630	30,400	(6,230)	(17.01)
Other non-current assets		274,918	336,160	61,242	22.28
<b>Total assets</b>		<b>1,891,784</b>	<b>2,411,622</b>	<b>519,838</b>	<b>27.48</b>
Current liabilities		862,634	931,763	69,129	8.01
Non-current liabilities		35,471	49,916	14,445	40.72
<b>Total liabilities</b>		<b>898,105</b>	<b>981,679</b>	<b>83,574</b>	<b>9.31</b>
Share capital		251,049	309,681	58,632	23.35
Capital surplus		326,681	614,044	287,363	87.96
Retained earnings		418,271	512,368	94,097	22.50
Other equity interest		(2,322)	(6,150)	3,828	164.86
<b>Total equity</b>		<b>993,679</b>	<b>1,429,943</b>	<b>436,264</b>	<b>43.90</b>
<p>1. Description of major change items (With amount of difference reaching NT\$ 10,000,000 and change ratio reaching 20%):</p> <p>(1) Current assets: Mainly due to the cash capital increase carried out in 2024.</p> <p>(2) Property, plant and equipment: Mainly due to the increase in costs for the construction of the Tucheng Laboratory in 2024.</p> <p>(3) Other non-current assets: Mainly due to the adjustment in 2024 whereby the ownership of the subsidiary Shenzhen Qianhong was transferred from Nichtek to direct ownership by Wendell.</p> <p>(4) Non-current liabilities: Mainly due to the addition of NT\$14 million in long-term borrowings.</p> <p>(5) Share capital: Mainly due to the issuance of new shares through cash capital increase and the conversion of corporate bonds in 2024.</p> <p>(6) Capital surplus: Mainly due to the premium from the cash capital increase and bond conversion in 2024.</p> <p>(7) Retained earnings: Mainly due to the increase in profit in 2024, resulting in a corresponding increase in retained earnings.</p> <p>2. Future response plan to those with a significant impact: The aforesaid changes didn't have a material adverse impact on the Company, and no significant abnormalities occurred to the Company's overall performance. Therefore, it was not required to draw up any response plan.</p>					

## (II) Financial Performance

A. Primary reasons for the significant changes in operating revenue, operating income, and net income before tax in the last two years:

1. Analytical Statement of Operating Results - Consolidated Financial

Unit: NT\$ Thousand; %

Item	Year	2023	2024	Difference	
				Amount	%
Operating revenue		1,743,459	2,020,873	277,414	15.91
Operating costs		1,239,463	1,371,290	131,827	10.64
Gross profit		503,996	649,583	145,587	28.89
Operating expenses		356,019	407,993	51,974	14.60
Net operating income		147,977	241,590	93,613	63.26
Non-operating income and expenses		(16,365)	29,662	46,027	281.25
Net income before tax		131,612	271,252	139,640	106.10
Income tax expense		30,283	56,872	26,589	87.80
Net profit for the period		101,329	214,380	113,051	111.57
<p>1. Description of major change items (With amount of difference reaching NT\$ 10,000,000 and change ratio reaching 20%):</p> <p>(1) Gross profit: Mainly due to the increase in revenue of NT\$277,414 thousand in 2024 compared to the previous year, resulting in a corresponding increase in gross profit.</p> <p>(2) Net operating income: Mainly due to strong order intake in 2024, leading to an increase in operating profit.</p> <p>(3) Non-operating income and expenses: Mainly due to the depreciation of the NTD from 30.71 to 32.78 in 2024, resulting in an increase of NT\$38,370 thousand in exchange gains compared to the previous year. In addition, bond interest income increased by NT\$6,257 thousand and bank deposit interest income increased by NT\$2,043 thousand compared to the previous year.</p> <p>(4) Net income before tax, Income tax expense and Net profit for the period: Mainly due to the increase in revenue of NT\$277,414 thousand and the increase in gross profit of NT\$145,587 thousand in 2024 compared to the previous year. Additionally, the increase in exchange gains and bond interest income contributed to the increase in profit before tax, income tax expense, and net profit for the period.</p> <p>2. Future response plan to those with a significant impact: The aforesaid changes didn't have a material adverse impact on the Company, and no significant abnormalities occurred to the Company's overall performance. Therefore, it was not required to draw up any response plan.</p>					

2. Analytical Statement of Operating Results - Individual Financial

Unit: NT\$ Thousand; %

Item	Year	2023	2024	Difference	
				Amount	%
Operating revenue		1,483,623	1,755,190	271,567	18.30
Operating costs		1,086,542	1,231,692	145,150	13.36
Gross profit		398,662	525,591	126,929	31.84
Operating expenses		265,446	316,616	51,170	19.28
Net operating income		133,216	208,975	75,759	56.87
Non-operating income and expenses		(4,965)	57,670	62,635	1,261.53
Net income before tax		128,251	266,645	138,394	107.91
Income tax expense		26,922	52,265	25,343	94.13
Net profit for the period		101,329	214,380	113,051	111.57
<p>1. Description of major change items (With amount of difference reaching NT\$ 10,000,000 and change ratio reaching 20%):</p> <p>(1) Gross profit: Mainly due to the increase in revenue of NT\$271,567 thousand in 2024 compared to the previous year, resulting in a corresponding increase in gross profit.</p> <p>(2) Net operating income: Mainly due to strong order intake in 2024, leading to an increase in operating profit.</p> <p>(3) Non-operating income and expenses: Mainly due to the depreciation of the NTD from 30.71 to 32.78 in 2024, resulting in an increase of NT\$36,221 thousand in exchange gains compared to the previous year. In addition, bond interest income increased by NT\$6,257 thousand and bank deposit interest income increased by NT\$1,182 thousand compared to the previous year.</p> <p>(4) Net income before tax, Income tax expense and Net profit for the period: Mainly due to the increase in revenue of NT\$271,567 thousand in 2024 compared to the previous year. Additionally, the increase in exchange gains and bond interest income contributed to the increase in profit before tax, income tax expense, and net profit for the period.</p> <p>2. Future response plan to those with a significant impact: The aforesaid changes didn't have a material adverse impact on the Company, and no significant abnormalities occurred to the Company's overall performance. Therefore, it was not required to draw up any response plan.</p>					

- B. The impact of the expected sales volume in the next year and its basis on the Company's future financial business
- Since the Company didn't issue any financial forecast, the expected sales quantity and its basis were thus not applicable. The Company will continually provide high-quality products to satisfy customers' needs in different aspects. It is expected to maintain certain growth momentum and keep the financial structure complete and stable. Besides, no significant abnormalities occurred to the Company's overall performance. Therefore, it is not required to draw up any response plan.

### (III) Cash Flow

#### A. Analysis of changes in Cash Flow for the most recent fiscal year (2024).

Unit: NT\$ Thousand

Item \ Year	2023	2024	Difference	
			Amount	%
Net cash inflows from operating activities	170,616	256,654	86,038	50.43%
Net cash outflows from investing activities	(8,494)	(198,479)	(189,985)	(2,236.70%)
Net cash inflows (outflows) from financing activities	(54,240)	118,083	172,323	317.70%

With changed amount reaching 20% and absolute changed amount reaching 1% of the total assets in the current year:

1. The increase in net cash inflow from operating activities was mainly due to the significant growth in profit before tax in 2024 compared to 2023.
2. The increase in net cash outflow from investing activities was mainly due to the substantial increase in the acquisition of property, plant, and equipment in 2024, as investments were made for the construction of the Tucheng Laboratory.
3. The increase in net cash inflow from financing activities was mainly due to the cash capital increase carried out in 2024.

B. Improvement plan for insufficient liquidity: The Company was not involved in insufficient cash liquidity.

C. Cash Flow analysis for the coming year (2025) and improvement plan for insufficient liquidity (individual)

Unit: NT\$ Thousand

Opening cash balance (1)	Estimated net Cash Flow from operating activities for the year (2)	Estimated net Cash Flow from investment activities for the year (3)	Estimated net Cash Flow from financing activities for the year (4)	Cash surplus (shortfall) (5)=(1)+(2)+(3)+(4)	Remedial measures for cash inadequacy	
					Investment plan	Financing plan
520,756	410,138	(295,279)	(133,694)	501,921	-	-

1. Analysis of change in the cash flow in the coming year
  - (1) Business activities: Net cash inflows will be obtained mainly due to the stable growth of performance and stable profits and operations in 2025.
  - (2) Investment activities: The capital expenditure will increase mainly due to the estimated purchasing and commencement of the construction of laboratory building in Tucheng District in 2025, for the purpose of integrating the testing laboratories in Wugu and Baoqiao Road in the future.
  - (3) Financing activities: Mainly resulted from the payment of cash dividends in 2025.
2. Remedial measure for expected cash inadequacy and liquidity analysis: The Company hasn't faced any risk of inadequacy of cash flow in recent years.

**(IV) The Effect of Major Capital Expenditures on Financials and the Business During the Most Recent Fiscal Year**

The Company acquired land, construction plants, and built laboratories in response to its operating demand. The use of its capital expenditures and the sources of funds are detailed in VII. Finance plans and implementation, which didn't have a material impact on the Company's finance and business operation.

**(V) Investment Policy, the Main Reasons for Profit or Loss as well as the Improvement Plan Over the Past Year, and an Investment Plan for Next Year**

A. Investment policy

The Company has established "Procedures for Acquisition or Disposal of Assets" in accordance with "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" established by the competent authority as the basis for investments of the Company, to master relevant business and financial position; The Company's current invested enterprises are 100% invested subsidiaries. It has already established "Regulations Governing the Supervision of Subsidiaries" in its internal management system, to regularly supervise the operating status of subsidiaries.

B. The main reasons for profit or loss as well as the improvement plan over the past year

Unit: NT\$ Thousand

Invested company	Holding ratio	Profit (loss) on investments recognized in the current period (2024)	Primary reason for profit or loss	Improvement plan
Nichtek Industrial Co., Limited	100%	3,892	As the Company operates as a holding company, the main factor affecting its profit or loss depends on the performance of its investee companies. Due to organizational restructuring, the holding period for Shenzhen Qianhong Electronics and its subsidiaries was from January 2024 to September 2024.	-
Shenzhen Qianhong Electronic Co., Ltd.	100%	3,943	The main source of profit was from investments in Suzhou Lianhong Electronics and Shenzhen Qianhong Electrical Testing, while the operational performance of the Company's core business has also gradually materialized.	Continually and profoundly develop local automotive, network communication, industrial PC, and IC design groups, and provide laboratory services to promote the sales of electronic components and

Invested company	Holding ratio	Profit (loss) on investments recognized in the current period (2024)	Primary reason for profit or loss	Improvement plan
				increase customers' stickiness.
Suzhou Lianhong Electronic Co., Ltd.	100%	1,550	Operating performance gradually emerging	-
Shenzhen Qianhong Electrical Testing Co., Ltd.	100%	1,937	Operating performance gradually emerging	-
Wendell Co., Ltd.	100%	(569)	Impacted by the local economic downturn and weaker-than-expected recovery, coupled with the depreciation of the Japanese yen and the resulting increase in procurement costs, leading to operating performance below expectations.	Continue to cultivate and expand local sales of electronic components to enhance customer loyalty.
WENDELL PTE., LTD.	100%	1,601	Operating performance gradually emerging	-
WENDEL KOREA CO., LTD	100%	20,105	Operating performance gradually emerging	-
Wendell Electrical Testing Co., Ltd.	100%	1,079	Operating performance gradually emerging	-

C. Investment Plan for Next Year: None.

## **(VI) Risk Analysis and Assessment for the Most Recent Fiscal Year and as of the Publication Date of the Annual Report**

### **A. Impact of interest rate and exchange rate fluctuation and inflation on the Company's profitability and future countermeasures**

#### **1. Changes in interest rate**

##### **(1) Impact on the Company's profit and loss**

The interest income of the Company and its subsidiaries reached NT\$ 6,755,000 and NT\$ 15,055,000 respectively in 2023 and 2024, accounting for 0.39% and 0.75% of the net operating revenue respectively; the interest expenditure reached NT\$ 17,697,000 and NT\$ 12,918,000 respectively, accounting for 1.02% and 0.64% of the net operating revenue respectively. In summary, the ratios of interest income and interest expenditure in the net operating revenue were not very high in 2023 and 2024. Therefore, the changes in market interest rate didn't have a material impact on the Company's finance and business operation.

##### **(2) Response Measures**

The Company continues to maintain close contract with banks, actively learns about the trends of interest rates, and observes the impact of change in market interest rate on the capital of the Company at any time. In case of any financing demand, the Company will, in consideration of the actual capital demand, adjust the idle capital, plan appropriate long-term and short-term bank loans, and strive for the most favorable loan interest rates, to lower the risk of changes in interest rate.

#### **2. Changes in exchange rates**

##### **(1) Impact on the Company's profit and loss**

The operating sites of the Company and its subsidiaries are located in Taiwan, Chinese mainland, South Korea, Singapore, and Japan, and most of its purchasing objects adopt USD and local currencies for pricing, which is also similar for selling objects. Therefore, risk exposure of changes in exchange rates emerges. The exchange gain (loss) of the Company and its subsidiaries reached NT\$ (NT\$ 9,347,000) and NT\$ 29,023,000 in 2023 and 2024 respectively, accounting for approximately (0.54%) and 1.44% of the net operating revenue of the Company. It indicated that the changes in exchange rates had a limited impact on the Company's operation. The exchange profit (loss) incurred in 2023 and 2024 was mainly resulted from the fluctuation of exchange rates of USD and RMB.

##### **(2) Response Measures**

The Company continues to maintain close contract with banks, actively learns about the trends of interest rates, and observes the impact of change in market interest rate on the capital of the Company at any time. Furthermore, the Company actively searches information related to exchange rates, consults the trends of exchange rates with relevant banks, continually observes the changes in exchange rates, and flexibly adjusts the holding volume of foreign currency positions in the spot market according to the actual capital demand and exchange rate level.

### 3. Inflation

#### (1) Impact on the Company's profit and loss

In recent years, due to the impact of relevant global resources and rising prices, the overall economic environment has presented a slight trend of inflation. However, the consolidated company has not been subject to the material impact of inflation in the most recent fiscal year and as of the publication date of the annual report. Therefore, the pressure from inflation only had a limited impact on the profit (loss) of the consolidated company.

#### (2) Response Measures

The Company and its subsidiaries pay attention to the fluctuation of market prices of electronic components at any time, maintain favorable interactive relationships with suppliers and customers, and predict the product trends, to avoid any material impact caused by inflation to the Company.

#### B. Policies, main causes of gains or losses and future measures with respect to high-risk, high-leveraged investments, lending or endorsement guarantees, and derivatives transactions

The Company's management policy focuses on the main business and sticks to the principle of practicability. Financially, the Company adheres to a stable and conservative strategy. Additionally, the Company has established operating procedures including "Procedures for Lending Funds to Others", "Procedures for Endorsement Guarantees", and "Procedures for Acquisition and Disposal of Assets" as basis for the Company to engage in relevant behaviors. The Company engages in derivative trades, such as operational hedging of foreign exchange, for the sole purpose of lowering its financial risk and conducts all transactions in accordance with the Company's internal control procedure.

#### C. Future research and development plans, and estimated expenditures

To profoundly improve its competitiveness, and maintain its market advantages, the Company spares no effort in R&D and innovation, and continues to develop products that satisfy various market demands and keep up with the technological trends. The R&D expenses expected to be spent by the Company will be gradually allocated according to the development progress of new products and new technologies, and the amount invested will be adjusted based on the operating status, to ensure the Company's competitive advantages.

#### D. Effect of important policies adopted on the Company's financial operations and changes in the legal environment at home and abroad, and measures to be taken in response

The daily operation of the Company and its subsidiaries is handled according to the provisions of relevant local and foreign laws and regulations. Also, they pay continual attention to the development trends of local and foreign important policies as well as legal changes, and search market-related information for the management's reference, to adjust the Company's operating strategies. In the most recent fiscal year and as of the publication date of the annual report, the finance and business operation of the Company and its subsidiaries haven't been subject to a material impact resulted from the changes in the important policies and laws at home and abroad.

- E. Effect of technological changes and industrial changes on the Company's financial performance and solutions  
The Company and its subsidiaries stay updated with the industrial trends at any time, pay attention to the technological changes and technical development of the industry, and learn about customer requirements, to ensure their market advantages and sustain the Company's competitiveness. In response to the changes in the market environment and the overall operating development strategy of the Company, the Company has begun integrating the resources of the Group for organizational restructuring and expansion of business scope to satisfy customer requirements since 2017. In the most recent fiscal year and as of the publication date of the annual report, no important technological changes have imposed a material impact on the Company's finance and business operation.
- F. Effect on the Company's crisis management of changes to the Company's corporate image, and measures to be taken in response  
Since their establishment, the Company and its subsidiaries have continually provided complete line protection and integrated testing and verification service platform for relevant industries at home and abroad and conducted industry-university cooperation with major junior colleges and universities in Taiwan, to train professional talents needed in the industry and provide internship for in-school students and jobs for the young people in society. Since its establishment, the Company has dedicated to the operation of its main business, abided by relevant statutory and regulatory provisions, and been committed to the maintenance of the corporate image. Therefore, the Company hasn't been involved in any management crisis resulting from the change in the corporate image. The Company will continually maintain a favorable corporate image, constantly improve its service quality to satisfy customer requirements, and actively strengthen internal management and improve management quality and performance, to lower the occurrence of corporate risks and their impact on the Company.
- G. Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken  
Currently, the Company and its subsidiaries haven't established any merger and acquisition plans.
- H. Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken
1. Expected benefits  
The main purposes of land acquisition and construction of plant and laboratories in 2022 were to respond to the integration of laboratory resources and expansion of business scale, improve certification capacity and debugging efficiency of parts, and avoid laboratories being too scattered to cause inconveniences to customers. Also, such moves were intended to support the enlargement of production capacity and business development of the Company in the future. To be specific, the Company purchased land and built a plant in Tucheng District. After the plant was constructed, the Company will combine and relocate EMC laboratory and RF laboratory which were originally leased in Xindian and Wugu, and then the overall testing energy of the laboratories based on actual needs.

2. Possible risks and mitigation measures

The Company expands its laboratories based on the market growth demand. If the industrial prosperity affects the market development, the possible risks may lower the laboratory utilization rate. However, the management team of the Company owns abundant industrial experience and learns about the demands of industry and products as well as development in new fields. Therefore, we can lower the risk of insufficient utilization rate of production capacity through conversion and updating of application plans.

I. Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken

1. Purchasing

As a supplier of protection components, the Company has begun to focus on the sales of EMC parts and the layout of product lines with the trends of smaller and multi-functional electronic products and the increasing strict requirements raised by countries for EMC standards. Also, the Company strives for the agency from major EMC and line protection parts manufacturers in the world, which can substantially increase the breadth of parts products and satisfy customers' requirements for parts. As a result, centralized purchasing will take place.

The Company and the original suppliers continue to strengthen cooperation and improve dependence. Also, the Company seeks diversified parts to improve the purchasing ratio of other suppliers. Furthermore, it is continually committed to developing its own brands and agency of other product lines. In the recent two years, the purchasing ratio has presented a declining trend year by year. The Company has already established distribution contracts to effectively lower the risks like delay in delivery period, unfavorable quality, and arbitrary quotations. Therefore, the centralized purchasing of the Company would not cause a major operating risk.

2. Sales

The Group is mainly engaged in EMC and line protection solutions which are applied in relevant industries like IoT, 5G, AI, smart city, automotive electronics, and electric motor car/car. In consideration of extensive product applications, the Company has many customers specialized in different industries. In the most recent fiscal year and as of the publication date of the public offering prospectus, the top-10 customers of the Company have been slightly changed. However, there was no such situation in which a single customer accounted for 10% of sales ratio. Therefore, the sales objects are relatively scattered, and there is no significant centralization of sales.

J. Effect upon and risk to the Company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10% stake in the Company is transferred or otherwise changes hands, and mitigation measures being or to be taken

None.

K. Effect upon and risk to the Company associated with any change in governance personnel or top management, and mitigation measures being or to be taken

None.

- L. Disclosure of issues in dispute, monetary amount of claims, filing date, parties involved, and status of any litigation or other legal proceedings within the latest fiscal year and as of the publication date of the annual report where the Company and/or any of its directors, supervisors, President, person in charge, shareholders with 10% or more share ownership, or affiliates involved in pending litigation, legal proceedings or administrative proceedings, or a final judgment or ruling which may have a material adverse effect on the Company's shareholder equity or price of securities
1. If the results of litigation, non-litigation, or administrative litigation events already confirmed or currently pending in the last two years and as of the publication date of the annual report may have a material impact on shareholders' equity or securities price, the dispute facts, target amount, starting date of litigation, main parties involved in litigation, and current handling status shall be disclosed: None.
  2. Litigation, non-litigation, or administrative litigation events already confirmed or currently pending as related to directors, president, substantial principal, shareholders holding more than 10% of shares, and subordinate companies of the Company in the last two years and as of the publication date of the annual report, with results possibly having a material impact on the equity of the shareholders of the Company or securities price: None.
  3. Involvement of directors, managerial officers, and shareholders holding more than 10% of shares of the Company in the situations stipulated in Article 157 of the Securities and Exchange Act in the last two years and as of the publication date of the annual report, as well as current handling status by the Company: None.
- M. Other important risks, and mitigation measures being or to be taken
- Information security risks:
1. Users privately install computers, network communication devices, and other relevant equipment in offices without authorization.
  2. The users' accounts are not immediately deactivated or removed when users do not continually use the cybersecurity system.
  3. The confidential information isn't encrypted during storage or transmission.
  4. Users fail to heighten vigilance when using emails, and read emails from unknown sources.
- Response measures for information security control:
1. The firewall policy guarantees the network security protection inside and outside the Company, including network security connection, malware, hacker invasion, etc.
  2. Computers of the Company are installed with anti-virus software to protect computers from viruses and improve security protection of computers.
  3. Email protection system is implemented to ensure the security of corporate emails through spam filtering, virus scanning, and prevention of email threats and attacks.
  4. Strengthen the advocacy, education, and training of information security, promote the personnel's awareness of information security, and enhance the recognition of relevant responsibilities.

## **(VII) Other Major Events**

None.



## **VI. Special Disclosure**

### **(I) Information on Affiliated Companies**

The consolidated business report, consolidated financial statements, and related party report for the most recent fiscal year were prepared in accordance with the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" issued by the Financial Supervisory Commission. For details, please refer to the Market Observation Post System (MOPS) > Single company > Electronic document download > Three documents and forms for related enterprises: [https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10). The Declaration of Consolidated Financial Statements for Affiliated Enterprises can be found in the Company's 2024 Consolidated Financial Report.

### **(II) Private placement of securities in the most recent fiscal year and as of the publication date of the annual report**

None.

### **(III) Other necessary statements**

None.

## **VII. 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 occurring in the most recent fiscal year as of the publication date of the annual report**

None.