



ABC Taiwan Electronics Corporation

2025 Shareholders' Meeting

Meeting Handbook

June 5, 2025

The meeting handbook in English version is an abstract of the Chinese version; therefore, the Chinese version shall prevail for any discrepancy found between the Chinese version and English version of this meeting handbook.

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ABC Taiwan Electronics Corp.
2025 Shareholders' Meeting Procedures

- One. Call Meeting to Order
- Two. Address of the Chairman
- Three. Report Items
- Four. Ratifications
- Five. Matters for discussion
- Six. Extraordinary Motions
- Seven. Adjournment

ABC Taiwan Electronics Corporation
2025 Shareholders' Meeting Agenda

Time and Date: 09:00 a.m. on June 5, 2025 (Thursday)

Location: No. 98, Lane 298, Huandong Road, Yangmei District, Taoyuan City Taiwan (R.O.C.) (The Company's Lobby, 1F)

Form of Shareholders' Meeting: Physical

I. Call the meeting to order

II. Chairman's opening remarks

III. Report items:

1. 2024 Business Report.
2. The Audit Committee's Review on the 2024 financial statements.
3. The 2024 employee remuneration and directors' remuneration distribution status report.

IV. Ratifications:

1. The Company's 2024 business report and financial statements.
2. The 2024 earnings distribution.

V. Matters for discussion:

1. Amendments to partial articles of the "Articles of Incorporation."

VI. Extraordinary Motions:

VII. Meeting adjourned

Report Items

Proposal 1

Case: Review of Business Report for 2024.

Explanation: For the Business Report for 2024, please refer to Attachment I on p.5-10 of this handbook.

Proposal 2

Case: The Audit Committee's Review on the 2024 financial statements.

Explanation: Please refer to p.11, Attachment II of this handbook for the Audit Committee's Review Report.

Proposal 3

Case: The 2024 employee remuneration and directors' remuneration distribution status report.

Explanation: 1. For the distribution of employees' and directors' remuneration, please refer to Appendix II on p.34 of this handbook.

2. The above distribution of employees' and directors' remuneration was discussed and approved in the 14th meeting of the 16th Board of Directors.

Ratifications

Proposal 1

Proposed by the Board of Directors

Case: The 2024 Business Report and financial statements are submitted for ratification.

Explanation: 1. The 2024 financial statements and the consolidated financial statements were approved by the Board of Directors on March 10, 2025 and audited by Wen, Chih-Yuan and Tung-Hui Yeh of Deloitte Taiwan.

2. The aforementioned financial statements and business report have been reviewed by the Audit Committee and has issued the audit report.
3. For the above statements, please refer to Attachment I on p.5-10, and Attachment III and IV on p. 12-29 of this handbook.

Resolution:

Proposal 2

Proposed by the Board of Directors

Case: The Company's earnings distribution proposal for 2024 is submitted for ratification.

Explanation: 1. The Company's profit after tax was NT\$4,446,333 in 2024, the actuarial gains were recognized as NT\$2,910,323 in the retained earnings, and the legal reserve was appropriated for NT\$735,666 and special reserve for reversal of NT\$65,908,239. Out of the NT\$87,560,098 of the undistributed earnings for the previous period, NT\$160,089,327 of the earnings are distributable. The earnings allocation for 2024: The cash dividends are proposed for distribution at NT\$0.35 per share, for a total distribution of NT\$36,750,215. Cash dividends are distributed to the nearest NTD (rounded down), and the fractional amount is recognized in the Company's other income.

2. Once the proposal is ratified by the shareholders' meeting, it will request the chairman to set another dividend record date and payment date, and to handle other related matters.
3. In the event that the change in the Company's share capital affects the quantity of outstanding shares and the dividend to shareholders, the chairman shall be authorized to handle the matter with full power.
4. Please refer to Attachment V on p.30 of this handbook for the Appropriation of Earnings for 2024.

Resolution:

Matters for discussion

Proposal 1

Proposed by the Board of Directors

Case: Partial amendments to the "Articles of Incorporation."

Explanation: 1. The Company's "Articles of Incorporation" will be amended partially in line with regulatory and operational needs.

2. The comparison table of the amendments to the "Articles of Incorporation" is attached. Please refer to p.31-32 of this handbook in Attachment VI.

Resolution:

Extraordinary Motions

Adjournment

2024 Business Report

In 2024, the global economy will face multiple challenges and opportunities in the post-pandemic recovery process. The geopolitical situation, supply chain pressure and inflation continue to affect various industries, and the electronic component industry is no exception. The Company has maintained a strategic focus on network communication, industrial automation, and automotive-related markets. However, this emphasis came at the expense of missed opportunities in consumer electronics, particularly in the mobile phone, notebook, and PC segments. As a result, the Company was not adequately responsive to the post-pandemic market shift toward AI development and smartphone upgrades, which hindered the pace of revenue recovery.

In fiscal year 2024, the Group reported consolidated revenue of NT\$1.864 billion and net income after tax of NT\$4.446 million, reflecting a year-over-year decline. Despite these headwinds, the ongoing acceleration of digital transformation and rising demand across sectors such as 5G, electric vehicles (EVs), artificial intelligence (AI), and industrial automation continue to support long-term market growth. In the face of these changes, the Company will focus on improving operational efficiency and technological innovation, flexibly responding to market challenges, and expanding the applications of emerging technologies, in order to gradually improve future performance and create long-term and stable value for shareholders.

I. Operating results for 2024

(I) Implementation results of business plan

Unit: NT\$ thousand

Item \ Year	2023	2024	Increase (decrease) amount	Change (%)
Net operating income	1,992,295	1,864,179	(128,116)	(6.43)
Operating cost	1,542,664	1,454,267	(88,397)	(5.73)
Gross profit	449,631	409,912	(39,719)	(8.83)
Operating expenses	414,288	430,484	16,196	3.91
Operating profit	35,343	(20,572)	(55,915)	(158.21)
Non-operating income and expenses	18,111	37,208	19,097	105.44
Income before tax	53,454	16,636	(36,818)	(68.88)
Income tax expenses	16,098	12,190	(3,908)	(24.28)
Net profit	37,356	4,446	(32,910)	(88.10)

Impacted by the macro environment and slowing demand, 2024 revenue decreased by NT\$128,116 thousand, or 6.43%, from 2023, with a net income of NT\$4,446 thousand and earnings per share of NT\$0.04.

(II) Budget execution

Not applicable (the Company did not release financial forecast for 2024).

(III) Revenues and profitability analysis

Net cash inflow was NT\$162,376 thousand from operating activities, net cash outflow was NT\$128,836 thousand from investing activities, and net cash inflow was NT\$89,152 thousand from financing activities.

Profitability	Item	2023	2024
	Return on assets (%)	1.65	0.63
	Return on equity (%)	2.49	0.29
	Net income before income tax as a percentage of paid-in capital (%)	5.09	1.58
	Net profit margin (%)	1.87	0.23
	Earnings per share (NTD)	0.36	0.04

(IV) Research and development status

We have set up the LTCC research team, and established industry-academia cooperation with universities to design, develop, and introduce the design of LTCC low-temperature co-firing products. We have also built specialized production facilities for surface treatment of alloy powder materials to enhance the research and development and application of new materials. We have also established systemic design technologies through magnetic, electrical, mechanical and circuit simulation software.

We have introduced and upgraded the SAP system to strengthen the systematic management of the Company, combining automatic production equipment and industrial control software, importing AOI+AI full automatic optical appearance inspection equipment to achieve SPC statistical process quality management system, in order to move towards Industry 4.0 smart manufacturing, precision production and supply. We provide high-efficiency, good-quality, and reliable inductor products, which are used in 5G personal smart communication devices, smart manufacturing 4.0 industrial control systems, long-term care and medical equipment, electric vehicles (EVs), and smart driving.

The Company has invested NT\$110,224 thousand in R&D in 2024 and has successfully developed the following technologies or products:

1. Small-size common mode filter component for Open Alliance MSF3425-1000T series.
2. Electric field shielding alloy powdered one-piece thin precision power inductor MHS0635, MHS0735, MHS1145, MHS1370 series.
3. Coupled alloy powdered one-piece thin precision power inductor MCH1040 series.
4. Electric field shielding alloy powdered one-piece thin precision power inductor MCE1145 series.
5. Standoff alloy powdered one-piece thin precision power inductor MHR0745 series.
6. Development of thin film power supply inductor series.
7. Vertical 150°C high-temperature magnetic shielding power inductor MCU6045, MCU7045, MCU1040, MCU1060, MCU1255 series with ferrite magnetic frame.
8. High frequency common mode filter AQF1560 series.
9. PE1230 series of low-profile low-loss power bead PE1230 series.
10. Development of LTCC low temperature co-fired ceramic filter.
11. Ultra-miniature RF inductor SWI0201 series.
12. Magnetically shielded power inductor ASS1514 series.

13. Alloy powdered one-piece thin precision power inductor DP2016 series.
II. Summary of 2025 business plan

(I) Management Approach:

In the AI industry, the Company accelerates the demand for AI and computer upgrades, and has established an Outsourcing Team to respond to the needs of IC design. Relocation of production capacity in China to expand the production of biotechnology products in Malaysia, and promotion of mass production process components to extend the sales reach. The Company will realize the replacement of old hardware and software equipment with a unified call center to expand the production scale.

Through organizational restructuring, optimize resource allocation, improve operational efficiency, and strengthen cross-department cooperation. Shortened decision-making time and enhanced market responsiveness to ensure more flexible and competitive corporate operations. Meanwhile, the Company has also improved its organizational issues, such as talent development, digital transformation and performance management, to ensure the steady development of the Company and enhance internal cooperation. Through systematic planning and implementation, we build a competitive culture of sustainable growth and promote corporate development.

Talent is the foundation of any enterprise organization. It is also an important indicator for ensuring organizational productivity, competitiveness, and sustainability. It is necessary to establish a talent development system and comprehensive management talent selection system; improve cultivation, utilization, retention, education and training, as well as learning and development planning; and to formulate training plans, plan the succession layout ahead of time, and build a good talent pool so that the talents can develop and the enterprise develops sustainably.

ABC Taiwan has fully implemented an information security management mechanism to protect the group's information assets from theft, improper use, leakage, tampering, or destruction, and it conducts internal information security drills and training on a regular basis to ensure that the company's operations run smoothly.

(II) Operation strategy

1. Strengthen strategic cooperation and insights of AI applications, expand market deployment; realize the expansion of orders for the expansion of the production line of LTCC, and promote revenue growth.
2. Optimize AAE fast response, improve customer experience, and module design corresponding technology.
3. Continue to improve product structure, improve automated process upgrades, improve AI+AOI performance, and develop smart monitoring and production.
4. Fast launch of MIM projects to expand the scale of economy and achieve the goal of securing the lives of adults and realizing profits.
5. Enhance PQE process analysis and verification, reduce the recurrence of quality abnormalities, and strengthen SQE to strengthen material source management.
6. Integrate the functions of the Group, strengthen the effectiveness of motivation, cultivate cross-disciplinary job talent, and certify the SA8000 system to strengthen social responsibility.
7. Build a professional electrical and mechanical technology maintenance team,

promote corporate growth, complete a talent team, and assist in long-term development.

8. Increase the proportion of renewable energy and promote innovative solutions for energy conservation.
9. Organize the administrative workflow process, establish an electronic system for forms, and introduce AI to some of the processes.
10. Strengthen the information security structure, promote information security for all employees, monitor and prevent risks, improve and respond to information security in a timely manner, and ensure information and communication security.
11. Optimize the process to reduce operating costs, improve resource efficiency, strictly control expenditure, and strengthen the effectiveness of departmental cooperation.

(III) Expected sales volume and basis

The global GDP growth outlook for 2025 is projected to be similar to that of 2024. With many countries initiating interest rate cuts, global trade volume is expected to continue rising, and traditional industries are also likely to experience gradual recovery. The U.S. economy may slow slightly but is expected to remain stable, supported by fiscal policies and productivity gains from generative AI. Europe's economic momentum is expected to improve from 2024, though it will likely remain weak. China's growth may be constrained by U.S. tariffs and uncertainty around domestic stimulus measures. Emerging markets are set to benefit from the rebound in global trade and commodity demand. The R&D department increased development efforts in 2024, with several new products scheduled for launch in 2025. Major customers have approved multiple new models, which will gradually enter mass production next year.

According to S&P Global Mobility, the global new car market is expected to grow modestly in 2025, reaching 89.6 million units. Electric vehicle (EV) sales are projected to rise significantly, potentially surpassing a 16% market share, with around 15 million EVs sold worldwide. The marketing team is focused on products such as electric drive systems, battery modules, automotive lighting, vehicle cameras, infotainment systems, wireless charging devices, and dash cams, with orders steadily increasing.

(IV) Important production and sales policies

1. Production strategy

- (1) The Group's production deployment and integration, expansion of the production capacity and quality of the Malaysia plant, and improvement of the Headquarters' self-made production line process.
- (2) Continue to promote the automation of key projects, the introduction of AOI&AI automated inspection system, the rationalization of production processes, and the construction of assembly lines to improve the stability of quality.
- (3) Master process quality monitoring of important materials (key materials for flour and new products, etc.).

2. Sales strategy

- (1) Continue to implement the Sales Funnel concept by enhancing business development efforts across all teams. Focus on expanding new customers and new product models, maintaining full oversight from customer design through to mass production, and gaining a clear understanding of the entire product life cycle.
- (2) Align departmental key tasks and KPIs with individual team members and sales personnel, with regular performance reviews to track effectiveness.

- (3) Strengthen the management and collaboration with agents, and expand both the breadth and depth of marketing channels.
- (4) Expand and operate the e-commerce platform to reach a wider market.
- (5) Empower the PM team to bridge customer needs and R&D resources, take the lead in product development, and plan for next-generation products.

III. Long-term development strategy

Recent global developments indicate escalating tensions between the U.S. and China. The U.S. has made the “War on Drugs and Revitalization of American Manufacturing” a key federal policy focus, and high tariffs may continue to be imposed. At the mean time, U.S. energy policy has shifted toward shale oil and gas, along with withdrawal from climate agreements—making industrial revitalization a national priority. In response, ABC Group must accelerate the deployment of its U.S. manufacturing footprint, prioritizing the localization of key processes to align with global supply chain restructuring and shifting market demands.

ABC Group's long-term development strategy is as follows:

- (I) Establish a transformer team to position the company as a comprehensive magnetic solutions provider.
- (II) Develop a mid-to-long-term plan for ATEC, based on AI-related demands and market trends.
- (III) Expand AAE’s IC design team, increase industry-academic collaborations, and enter the electric vehicle supply chain.
- (IV) Accelerate promotion of high-frequency LTCC applications, while exploring new fields of application.
- (V) Expedite the MIM project timeline and identify a new production site in the ASEAN region; concurrently, conduct a feasibility study for U.S.-based manufacturing facilities.
- (VI) Accelerate the development of "All-in-One Machines" in China and reassess the market strategy for the Chinese market.
- (VII) Establish dedicated production lines to optimize manufacturing efficiency.
- (VIII) Fully integrate the Group’s information systems and strengthen cybersecurity.
- (IX) Implement a Total Quality Control (TQC) audit system, with each subsidiary and business unit responsible for execution and mandatory participation by all department heads.

IV. Impacts of the competitive environment, regulatory environment, and overall business environment

In 2024, the international landscape has grown increasingly complex, with external competition shaped by a multitude of factors. Intensifying geopolitical tensions, escalating US-China tech rivalry, and a slowdown in global economic growth have all contributed to shrinking market demand. In response to these geopolitical dynamics, ABC Group has accelerated its production deployment in the United States and enhanced production capacity in the ASEAN region, aiming to strengthen the resilience of its regional supply chain.

In terms of the legal environment, all factories in Taiwan, China, and Malaysia are operating legally and fulfilling corporate social responsibilities. We also keep track of changes in the legal environment in a timely manner, and are able to comply with legal requirements through expert assistance and consultation. We will continue to monitor the direction of amendments to laws and regulations and implement the updates in a timely manner.

Despite the prevailing uncertainty and challenges in the global economy, ABC Group actively embraces change, staying aligned with emerging trends. We plan to

establish an outsourced mobile phone business function, while also boosting revenue through expanded investments in the AI and electric vehicle sectors. Guided by the spirit of “Service, Innovation, and Pursuit of Excellence,” we encourage total employee involvement under the principle of “What passes through our hands is the best.” This ensures that our products meet customer expectations in terms of quality, delivery time, and cost. By leveraging our strengths in quality, continuous R&D innovation, and our commitment to energy efficiency, carbon reduction, and environmental sustainability, we are steadily progressing toward our medium-to-long-term goal of achieving annual revenues of NT\$5 billion.

Responsible person: Joseph M. E. Hsu Managerial Officer: Francis Fan Accounting supervisor: Ya-Yun Cheng

ABC Taiwan Electronics Corp.

Audit Committee's Report

The Board of Directors prepared the Company's 2024 business report, financial statements, consolidated financial statements, and motion for earnings distribution. Among them, the financial statements and the consolidated financial statements were audited by CPAs Wen, Chih-Yuan and Yeh Tung-Hui of Deloitte Taiwan, with an audit report issued thereafter. The business report and financial statements as stated above have been audited by the Audit Committee with no discrepancy found. We have presented you the reports based on the provisions of the Securities and Exchange Act and Company Act.

To

2025 Shareholders' Meeting of ABC Taiwan Electronics Corp.

Audit Committee Convener: Wang Yung-Cheng

March 10, 2025

Independent Auditors' Report

To: ABC Taiwan Electronics Corp

Audit opinions

The individual balance sheets of ABC Taiwan Electronics Corporation as of December 31, 2024, and December 31, 2023, and the individual statements of comprehensive income, individual statements of changes in equity, individual statements of cash flows, and notes to the individual financial statements (including a summary of significant accounting policies) for the years from January 1 to December 31, 2024, and 2023, have been audited by our firm.

In our opinion, the accompanying individual financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers in all material respects and present fairly the individual financial position of ABC Taiwan Electronics Corporation as of December 31, 2024, and 2023, and its individual financial performance and individual cash flows for the years from January 1 to December 31, 2024, and 2023.

Basis for audit opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the responsibilities of auditors for the audit of the Parent Company Only Financial Statements. We are independent of ABC Taiwan Electronics Corp. in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that we have acquired sufficient and appropriate audit evidence to serve as the basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Parent Company Only Financial Statements of ABC Taiwan Electronics Corp for the year 2024. These matters were addressed in the context of our audit of the Parent Company Only Financial Statements as a whole, and by forming of our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the ABC Taiwan Electronics Corp's Parent Company Only Financial Statements for the year 2024 are stated as follows:

Key audit matters - Recognition of revenue

The main source of income of ABC Taiwan Electronics Corp is from the design, development, and manufacturing of inductance components, ceramic heat sinks, and various precision metal stamping parts, the income from the sale of these products. The 2024 operating revenue in net was NT\$1,669,406 thousand. For the accounting policies and information related to revenue recognition, please refer to Notes IV and XIX to the Parent Company Only Financial Statements. Since revenue is material to the overall financial statements of ABC Taiwan Electronics Corporation, the recognition of sales revenue to specific customers in the current year has been identified as a key audit matter for this year.

The appropriate audit procedures

The main audit procedures that we have implemented include:

1. Understand and evaluate the appropriateness of the internal control design and execution for the operating revenue recognition.
2. Testing is conducted on sales revenue and relevant transaction vouchers and payment receipts are sampled and checked to confirm the authenticity of the sales revenue recognition.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the Parent Company Only Financial Statements in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of the Parent Company Only Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Parent Company Only Financial Statements, management is responsible for assessing ABC Taiwan Electronics Corp's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, (including the audit committee), are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the Parent Company Only Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance. Still, it is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. Misstatements are considered material, individually or in aggregate, they could reasonably be expected to influence economic decisions of users taken on the basis of these Parent Company Only Financial Statements.

We exercise professional judgment and skepticism in conducting audits in accordance with the auditing standards generally accepted in the Republic of China. We also perform the following tasks:

1. Identify and assess the risks of material misstatement of the Parent Company Only Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of ABC Taiwan Electronics Corp's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Draw conclusions on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on ABC Taiwan Electronics Corp's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Parent Company Only Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause ABC Taiwan Electronics Corp to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the Parent Company Only Financial Statements, (including the related notes), and whether the Parent Company Only Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence of the standalone financial information or business activities of ABC Taiwan Electronics Corp to express an opinion on the Parent Company Only Financial Statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion on ABC Taiwan Electronics Corp.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, (including any significant deficiencies in internal control) that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the Norms of Professional Ethics for Certified Public Accountants of the Republic of China regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, (and where applicable, related safeguards).

From matters communicated with those charged with governance, we determined an issue that was most significant in the audit of the standalone financial statement of ABC Taiwan Electronics Corporation for the year ended December 31, 2024, and is, therefore, the key audit matter. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche
CPA Wen, Chih-Yuan

CPA Yeh, Tung-Hui

Approval reference number of the FSC
Jin-Guan-Zheng-Shen-Zi No. 1130349292

Approval reference number of the FSC
Jin-Guan-Zheng-Shen-Zi No. 0980032818

March 10, 2025

ABC Taiwan Electronics Corp
Parent Company Only Statements Of Balance Sheet
December 31, 2024 and 2023

Unit: NTD thousand

Code	Assets	December 31, 2024		December 31, 2023		Code	Liabilities and equity	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
	Current assets						Current liabilities				
1100	Cash and cash equivalents (Note VI)	\$ 378,547	13	\$ 462,854	15	2100	Short-term borrowings (Note XV)	\$ 190,000	6	\$ 230,000	8
1170	Notes and accounts receivable, net (Note VIII)	109,594	4	87,602	3	2110	Commercial paper payable (Note XV)	29,964	1	59,927	2
1180	Accounts receivable - related parties (Notes VIII and XXV)	107,910	4	109,371	4	2170	Notes and accounts payable	39,088	1	24,781	1
1200							Accounts payable- related parties (Notes XXV)	165,120	5	139,479	4
1210	Other receivables	9,182	-	10,870	-	2180					
	Other receivables - related parties (Note XXV)	425	-	352	-	2206	Employees' compensation and remuneration of directors payable (Note XX)	1,445	-	11,285	-
1220	Current income tax assets (Note XXI)	2,687	-	-	-	2219	Other payables (Note XVI)	48,106	2	55,925	2
130X	Inventories (Note IX)	64,647	2	57,405	2	2220	Other payable - related parties (Note XXV)	227	-	540	-
1410	Prepayments	14,945	-	18,328	1	2230	Current income tax liabilities (Note XXI)	-	-	25,673	1
1470	Other current assets (Note XIV)	104	-	837	-	2280	Lease liabilities - current (Note XII)	77	-	178	-
11XX	Total current assets	688,041	23	747,619	25	2322	Long-term loans with maturity within one year (Notes XV and XXVI)	257,191	9	211,653	7
	Non-current assets					2399	Other current liabilities (Notes XVI and XIX)	1,964	-	1902	-
1517	Financial Assets at Fair Value through Other Comprehensive Income - non-current (Note VII)	34,285	1	39,189	1	21XX	Total of current liabilities	733,182	24	761,343	25
1550	Investment under equity method (Note X)	1,247,580	42	1,121,113	37		Non-current liabilities				
1600	Property, plant and equipment (Notes XI, XXVI and XXVII)	946,775	32	893,960	30	2540	Long-term loans (Notes XV and XXVI)	628,769	21	668,751	22
1755	Right-of-use assets (Note XII)	75	-	251	-	2570	Deferred income tax liabilities (Note XXI)	81,224	3	88,889	3
1780	Intangible assets (Note XIII)	44,830	2	25,952	1	2580	Lease liabilities - non-current (Note XII)	-	-	77	-
1915	Prepayment for equipment purchase	12,430	-	56,390	2	25XX	Total non-current liabilities	709,993	24	757,717	25
1960	Prepaid investments (Note X)	-	-	119,606	4						
1975	Net defined benefit assets - non-current (Note XVII)	10,928	-	6,585	-	2XXX	Total liabilities	1,443,175	48	1,519,060	50
1990	Other non-current assets (Note XIV)	3,046	-	3,046	-		Equity (Note XVIII)				
15XX	Total non-current assets	2,299,949	77	2,266,092	75		Share capital				
						3110	Common stock share capital	1,050,006	35	1,050,006	35
						3200	Additional paid-in capital	181,063	6	181,063	6
							Retained earnings				
						3310	Legal reserve	152,922	5	148,446	5
						3320	Special reserves	152,144	5	128,123	4
						3350	Undistributed earnings	94,917	4	139,158	5
						3300	Total retained earnings	399,983	14	415,727	14
						3400	Other equity items	(86,237)	(3)	(152,145)	(5)
						3XXX	Total equity	1,544,815	52	1,494,651	50
1XXX	Total assets	\$ 2,987,990	100	\$ 3,013,711	100		Total liabilities and equity	\$ 2,987,990	100	\$ 3,013,711	100

The accompanying notes form part of the Parent Company Only Financial Statements.

Chairman: Joseph M. E. Hsu

Manager: Fan, Liang-Fang

Accounting Officer: Cheng, Ya-Yun

ABC Taiwan Electronics Corp
Parent Company Only Statements Of Comprehensive Income
For the years ended December 31, 2024 and 2023

Unit: NTD thousand, except Earnings Per Share at NTD

Code		2024		2023	
		Amount	%	Amount	%
4000	Net operating revenue (Notes XIX and XXV)	\$ 1,669,406	100	\$ 1,774,856	100
5000	Operating cost (Notes IX, XX and XXV)	1,336,525	80	1,402,541	79
5900	Gross profit	332,881	20	372,315	21
	Operating expenses (Notes XX and XXV)				
6100	Sales and marketing expenses	49,085	3	54,047	3
6200	Management expenses	157,578	10	155,538	9
6300	R&D expenses	73,305	4	64,041	3
6000	Total operating expenses	279,968	17	273,626	15
6900	Operating profit	52,913	3	98,689	6
	Non-operating income and expenses				
7100	Interest revenue (Note XX)	6,993	-	6,633	-
7010	Other income (Notes VII and XX)	969	-	969	-
7020	Other gains and losses (Notes XX and XXV)	30,321	2	30,550	2
7050	Financial costs (Note XX)	(19,059)	(1)	(17,341)	(1)
7070	Share of profit and loss of subsidiaries accounted for under the equity method	(63,951)	(4)	(64,402)	(4)
7000	Total non-operating income and expenses	(44,727)	(3)	(43,591)	(3)
7900	Profit before tax	8,186	-	55,098	3
7950	Income tax expenses (Note XXI)	(3,740)	-	(17,742)	(1)
8200	Net income for the year	4,446	-	37,356	2

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Code		2024		2023	
		Amount	%	Amount	%
	Other comprehensive income				
8310	Items not reclassified to profit or loss				
8311	Re-measurement of defined benefit plan (Note XVII)	\$ 2,910	-	\$ 7,409	-
8316	Unrealized gains (losses) from investments in equity instruments at fair value through other comprehensive income (Note XVIII)	(4,904)	-	11,777	1
8360	Items that may be reclassified subsequently as profit or loss				
8361	Exchange difference on translation of financial statements of foreign operations (Note XVIII)	70,812	4	(35,798)	(2)
8300	Total other comprehensive income	68,818	4	(16,612)	(1)
8500	Total comprehensive income for the year	\$ 73,264	4	\$ 20,744	1
	Earnings per share (Note XXII)				
9750	Basic	\$ 0.04		\$ 0.36	
9850	Diluted	\$ 0.04		\$ 0.35	

The accompanying notes form part of the Parent Company Only Financial Statements.

Chairperson: Joseph M. E. Hsu

Manager: Fan, Liang-Fang

Accounting Officer: Cheng, Ya-Yun

ABC Taiwan Electronics Corp
Parent Company Only Statements Of Changes In Equity
For the years ended December 31, 2024 and 2023

Unit: NTD thousand, unless stated otherwise

Code		Share capital		Additional paid-in capital	Retained earnings			Other equity		Total equity
		Shares (in thousand)	Amount		Legal reserve	Special reserves	Undistributed earnings	Foreign currency translation differences for foreign operations	Unrealized gain or loss on financial assets at fair value through other comprehensive profit or (loss)	
A1	Balance as of January 1, 2023	92,921	\$ 929,209	\$ 181,063	\$ 126,229	\$ 134,226	\$ 253,605	(\$ 142,738)	\$ 14,614	\$ 1,496,208
	Distribution of earnings for 2022									
B1	Legal reserve	-	-	-	22217	-	(22,217)	-	-	-
B3	Special reserves	-	-	-	-	(6,103)	6,103	-	-	-
B5	Cash dividend to shareholders	-	-	-	-	-	(22,301)	-	-	(22,301)
B9	Shareholder stock dividends	12,080	120,797	-	-	-	(120,797)	-	-	-
D1	2023 net income	-	-	-	-	-	37,356	-	-	37,356
D3	2023 Total other comprehensive income (loss)	-	-	-	-	-	7,409	(35,798)	11,777	(16,612)
D5	2023 Total comprehensive income (loss)	-	-	-	-	-	44,765	(35,798)	11,777	20,744
Z1	Balance as of December 31, 2023	105,001	1,050,006	181,063	148446	128123	139,158	(178,536)	26,391	1,494,651
	Distribution of earnings for 2023									
B1	Legal reserve	-	-	-	4476	-	(4,476)	-	-	-
B3	Special reserves	-	-	-	-	24021	(24,021)	-	-	-
B5	Cash dividend to shareholders	-	-	-	-	-	(23,100)	-	-	(23,100)
D1	2024 net income	-	-	-	-	-	4,446	-	-	4,446
D3	2024 Total other comprehensive income (loss)	-	-	-	-	-	2,910	70,812	(4,904)	68,818
D5	2024 Total comprehensive income (loss)	-	-	-	-	-	7,356	70,812	(4,904)	73,264
Z1	Balance as of December 31, 2024	105,001	\$ 1,050,006	\$ 181,063	\$ 152,922	\$ 152,144	\$ 94,917	(\$ 107,724)	\$ 21,487	\$ 1,544,815

The accompanying notes form part of the Parent Company Only Financial Statements.

Chairperson: Hsu, Ming-En

Manager: Fan, Liang-Fang

Accounting Officer: Cheng, Ya-Yun

ABC Taiwan Electronics Corp
Parent Company Only Statements Of Cash Flows
For the years ended December 31, 2024 and 2023

Unit: NTD thousand

Code		2024	2023
	Cash flow from operating activities		
A10000	Profit before tax for the current year	\$ 8,186	\$ 55,098
A20010	Income and expenses items:		
A20100	Depreciation expense	60,645	49,338
A20200	Amortized expenses	17,423	14,069
A20900	Financial cost	19,059	17,341
A21200	Income from interest	(6,993)	(6,633)
A21300	Dividend income	(969)	(969)
A22300	Share of profit and loss of subsidiaries accounted for under the equity method	63,951	64,402
A22500	Loss from disposal of property, plant and equipment	-	53
A23700	Loss on inventory devaluation and obsolescence	16,494	6,145
A24100	Net gains on foreign currency exchange	(22,980)	(7,143)
A30000	Net changes in operating assets and liabilities		
A31130	Notes and accounts receivable	(12,109)	69,775
A31160	Accounts receivable - related parties	1,461	90,070
A31180	Other receivables	1,688	3,712
A31190	Other receivables - related parties	(86)	(347)
A31200	Inventory	(23,736)	32,740
A31230	Prepayments	3,383	(10,467)
A31240	Other current assets	733	(833)
A32130	Notes and accounts payable	9,041	(15,896)
A32160	Accounts payable - related parties	25,641	(130,952)
A32180	Other payables	(3,878)	(8,430)
A32190	Other payables - related parties	(313)	540
A32200	Liability reserve	-	2,018
A32230	Other current liabilities	62	(255)
A32240	Net defined benefit liability	(1,433)	(449)
A32990	Employees' compensation and remuneration of directors payable	(9,840)	(44,917)
A33000	Cash from operations	145,430	178,010
A33100	Interest received	6,993	6,633
A33200	Dividends received	969	969
A33300	Interest paid	(19,059)	(17,341)
A33500	Income tax paid	(39,765)	(40,771)
AAAA	Net cash inflow from operating activities	94,568	127,500

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Code		2024	2023
	Cash flows from investing activities		
B02000	Increase in prepaid investments	\$ -	(\$ 119,606)
B02700	Acquisition of property, plant and equipment	(117,333)	(174,816)
B03700	Increase in refundable deposits	-	(10)
B04500	Acquisition of intangible assets	(36,301)	(8,108)
B07100	Increase in prepaid equipment purchase	-	(7,482)
B07200	Decrease in prepaid equipment purchase	43,960	-
BBBB	Net cash outflow from investing activities	(109,674)	(310,022)
	Cash flow from financing activities		
C00100	Increase in short-term borrowings	1,520,000	1,450,000
C00200	Decrease in short-term borrowings	(1,560,000)	(1,410,000)
C00500	Increase in short-term bills payable	-	59,927
C00600	Decrease in short-term notes payable	(29,963)	-
C01600	Proceeds from long-term debt	323,346	413,740
C01700	Repayments of long-term debt	(317,790)	(316,109)
C04020	Repayment of lease liability principal	(178)	(582)
C04500	Distribution of cash dividends	(23,100)	(22,301)
CCCC	Net cash (outflow) inflow from financing activities	(87,685)	174,675
DDDD	Effect of exchange rate fluctuations on cash and cash equivalents	18,484	(44)
EEEE	Net decrease in cash and cash equivalents for the current year	(84,307)	(7,891)
E00100	Cash and cash equivalents, beginning of the year	462,854	470,745
E00200	Cash and cash equivalents, end of the year	\$ 378,547	\$ 462,854

The accompanying notes form part of the Parent Company Only Financial Statements.

Chairperson: Hsu, Ming-En

Manager: Fan, Liang-Fang

Accounting Officer: Cheng, Ya-Yun

Independent Auditors' Report

To: ABC Taiwan Electronics Corp

Audit opinions

The consolidated balance sheets of ABC Taiwan Electronics Corp. and its subsidiaries as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows, and notes to the consolidated financial statements (including a summary of significant accounting policies) for the years from January 1 to December 31, 2024 and 2023, have been audited by our firm of certified public accountants.

In our opinion, the aforementioned consolidated financial statements have been prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretation Bulletins that have been endorsed and issued into effect by the Financial Supervisory Commission, and present fairly the consolidated financial position of ABC Taiwan Electronics Corp. and its subsidiaries as of December 31, 2024 and 2023, and their consolidated financial performance and consolidated cash flows for the periods from January 1 to December 31, 2024 and 2023.

Basis for audit opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the responsibilities of auditors for the audit of the Consolidated Financial Statements. We are independent of ABC Taiwan Electronics Corp. and subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that we have acquired sufficient and appropriate audit evidence to serve as the basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of ABC Taiwan Electronics Corp. and subsidiaries for the year 2024. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and by forming of our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Consolidated Financial Statements of ABC Taiwan Electronics Corp. and subsidiaries for the year 2024 are stated as follows:

Key audit matters - Recognition of revenue

The main source of income of ABC Taiwan Electronics Corp and subsidiaries is from the design, development, and manufacturing of inductance components, ceramic heat sinks, and various precision metal stamping parts, and subsequent sales of these products. The 2024 consolidated net operating revenue was NT\$1,864,179 thousand. For the accounting policies and information related to revenue recognition, please refer to Notes IV and XX to the Consolidated Financial Statements. As the operating revenue of ABC Taiwan Electronics Corp. and its subsidiaries is material to the overall financial statements for this fiscal year, the recognition of sales revenue for specific customers has been identified as a key audit matter for the current year.

The appropriate audit procedures

The main audit procedures that we have implemented include:

1. Understand and evaluate the appropriateness of the internal control design and execution for the operating revenue recognition.
2. Testing is conducted on sales revenue and relevant transaction vouchers and payment receipts are sampled and checked to confirm the authenticity of the sales revenue recognition.

Other matters

ABC Taiwan Electronics Corp. has prepared the Parent Company Only Financial Statements for the years 2024 and 2023, and an audit report has been presented by the CPAs without reservations for reference.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated Financial Statements in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of the consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management is responsible for assessing the ability of ABC Taiwan Electronics Corp. and subsidiaries to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and subsidiaries, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, (including the audit committee), are responsible for overseeing the financial reporting process of ABC Taiwan Electronics Corp. and subsidiaries.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance. Still, it is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. Misstatements are considered material, individually or in aggregate, they could reasonably be expected to influence economic decisions of users taken on the basis of these Consolidated Financial Statements.

We exercise professional judgment and skepticism in conducting audits in accordance with the auditing standards generally accepted in the Republic of China. We also perform the following tasks:

1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the internal control of ABC Taiwan Electronics Corp. and subsidiaries.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Draw conclusions on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of ABC Taiwan Electronics Corp. and subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause ABC Taiwan Electronics Corp. and subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the Consolidated Financial Statements, (including the related notes), and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence of the standalone financial information or business activities of ABC Taiwan Electronics Corp. and subsidiaries to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision, and implementation of the audit for ABC Taiwan Electronics Corp. and subsidiaries. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, (including any significant deficiencies in internal control) that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the Norms of Professional Ethics for Certified Public Accountants of the Republic of China regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, (and where applicable, related safeguards).

From matters communicated with those charged with governance, we determined an issue that was most significant in the audit of the standalone financial statement for the year ended December 31, 2024, and is, therefore, a key audit matter. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche
CPA Wen, Chih-Yuan

CPA Yeh, Tung-Hui

Approval reference number of the FSC
Jin-Guan-Zheng-Shen-Zi No. 1130349292

Approval reference number of the FSC
Jin-Guan-Zheng-Shen-Zi No. 0980032818

March 10, 2025

ABC Taiwan Electronics Corporation and Subsidiaries
Consolidated Statements Of Balance Sheet
December 31, 2024 and 2023

Unit: NTD thousand

Code	Assets	December 31, 2024		December 31, 2023		Code	Liabilities and equity	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
	Current assets						Current liabilities				
1100	Cash and cash equivalents (Note VI)	\$ 745,011	24	\$ 787,355	25	2100	Short-term borrowings (Note XVI)	\$ 190,000	6	\$ 230,000	7
1110	Financial assets measured at fair value through profit or loss - current (Note VII)	23,170	1	22,022	1	2110	Commercial paper payable (Note XVI)	29,964	1	59,927	2
1170	Notes and accounts receivable, net (Note IX)	162,947	5	139,376	4	2170	Notes and accounts payable	259,666	9	207,068	7
1180	Accounts receivable - related parties (Notes IX and XXVII)	107,910	4	109,371	3		Employees' compensation and remuneration of directors payable (Note XXI)	1,445	-	11,285	-
1200	Other receivables	28,700	1	28,297	1	2219	Other payables (Note XVII)	98,968	3	132,959	4
1220	Current income tax assets (Note XXII)	10,416	-	6,364	-	2230	Current income tax liabilities (Note XXII)	1,824	-	26,718	1
130X	Inventories (Note X)	260,743	8	272,721	9	2280	Lease liabilities - current (Note XIII)	1,275	-	1,115	-
1410	Prepayments	32,442	1	27,437	1	2322	Long-term loans with maturity within one year (Notes XVI and XXVIII)	257,191	8	211,653	7
1470	Other current assets (Note XV)	112	-	871	-	2399	Other current liabilities (Notes XVII and XX)	2,842	-	2,072	-
11XX	Total current assets	1,371,451	44	1,393,814	44	21XX	Total of current liabilities	843,175	27	882,797	28
	Non-current assets						Non-current liabilities				
1517	Financial Assets at Fair Value through Other Comprehensive Income - non-current (Note VIII)	34,285	1	39,189	1	2540	Long-term loans (Notes XVI and XXVIII)	628,769	20	668,751	21
1600	Property, plant and equipment (Notes XII, XXVIII and XXIX)	1,584,523	51	1,560,868	50	2570	Deferred income tax liabilities (Note XXII)	81,224	3	88,889	3
1755	Right-of-use assets (Note XIII)	6,699	-	19,323	1	2580	Lease liabilities - non-current (Note XIII)	488	-	218	-
1780	Intangible assets (Note XIV)	50,170	2	31,313	1	2630	Long-term deferred revenue (Note XXIV)	6,212	-	7,370	-
1915	Prepayment for equipment purchase	43,694	2	87,474	3	2670	Other non-current liabilities (Notes XVII)	2,136	-	1,693	-
1975	Net defined benefit assets - non-current (Note XVIII)	10,928	-	6,585	-	25XX	Total non-current liabilities	718,829	23	766,921	24
1990	Other non-current assets (Note XV)	5,069	-	5,803	-	2XXX	Total liabilities	1,562,004	50	1,649,718	52
15XX	Total non-current assets	1,735,368	56	1,750,555	56		Equity attributable to shareholders of the Company (Note XIX)				
							Share capital				
						3110	Common stock share capital	1,050,006	34	1,050,006	34
						3200	Additional paid-in capital	181,063	6	181,063	6
							Retained earnings				
						3310	Legal reserve	152,922	5	148,446	5
						3320	Special reserves	152,144	5	128,123	4
						3350	Undistributed earnings	94,917	3	139,158	4
						3300	Total retained earnings	399,983	13	415,727	13
						3400	Other equity items	(86,237)	(3)	(152,145)	(5)
							Total Equity Attributable to Owners of the Company	1,544,815	50	1,494,651	48
1XXX	Total assets	\$ 3,106,819	100	\$ 3,144,369	100		Total liabilities and equity	\$ 3,106,819	100	\$ 3,144,369	100

The accompanying notes form part of the Consolidated Financial Statements.

Chairman: Joseph M. E. Hsu

Manager: Fan, Liang-Fang

Accounting Officer: Cheng, Ya-Yun

ABC Taiwan Electronics Corporation and Subsidiaries
Consolidated Statements Of Comprehensive Income
For the years ended December 31, 2024 and 2023

Unit: NTD thousand, except Earnings Per Share at NTD

Code		2024		2023	
		Amount	%	Amount	%
4000	Net operating revenue (Notes XX and XXVII)	\$ 1,864,179	100	\$ 1,992,295	100
5000	Operating cost (Notes X and XXI)	1,454,267	78	1,542,664	77
5900	Gross profit	409,912	22	449,631	23
	Operating expenses (Notes XXI and XXVII)				
6100	Sales and marketing expenses	73,451	4	63,828	3
6200	Management expenses	246,135	13	247,218	13
6300	R&D expenses	110,224	6	104,404	5
6450	ECL impairment loss (reversal of gain)	674	-	(1,162)	-
6000	Total operating expenses	430,484	23	414,288	21
6900	Net operating profit (loss)	(20,572)	(1)	35,343	2
	Non-operating income and expenses				
7100	Interest revenue (Note XXI)	7,498	-	7,210	1
7010	Other income (Note VIII, XXI, and XXIV)	2,377	-	3,641	-
7020	Other gains and losses (Notes XXI and XXVII)	46,454	3	26,289	1
7050	Financial costs (Note XXI)	(19,121)	(1)	(19,029)	(1)
7000	Total non-operating income and expenses	37,208	2	18,111	1
7900	Profit before tax	16,636	1	53,454	3
7950	Income tax expenses (Note XXII)	(12,190)	(1)	(16,098)	(1)
8200	Net income for the year	4,446	-	37,356	2

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Code		2024		2023	
		Amount	%	Amount	%
	Other comprehensive income				
8310	Items not reclassified to profit or loss				
8311	Re-measurement of defined benefit plan (Note XVIII)	\$ 2,910	-	\$ 7,409	-
8316	Unrealized gains (losses) from investments in equity instruments at fair value through other comprehensive income (Note XIX)	(4,904)	-	11,777	1
8360	Items that may be reclassified subsequently as profit or loss				
8361	Exchange difference on translation of financial statements of foreign operations (Note XIX)	70,812	4	(35,798)	(2)
8300	Total other comprehensive income	68,818	4	(16,612)	(1)
8500	Total comprehensive income for the year	\$ 73,264	4	\$ 20,744	1
	Earnings per share (Note XXIII)				
9750	Basic	\$ 0.04		\$ 0.36	
9850	Diluted	\$ 0.04		\$ 0.35	

The accompanying notes form part of the Consolidated Financial Statements.

Chairman: Joseph M. E. Hsu

Manager: Fan, Liang-Fang

Accounting Officer: Cheng, Ya-Yun

ABC Taiwan Electronics Corporation and Subsidiaries
Consolidated Statements Of Changes In Equity
For the years ended December 31, 2024 and 2023

Unit: NTD thousand, unless stated otherwise

		Equity attributable to the Company's shareholders								
								Other equity		
Code		Share capital		Additional paid-in capital	Retained earnings			Foreign currency translation differences for foreign operations	Unrealized gain or loss on financial assets at fair value through other comprehensive profit or (loss)	Total equity
		Shares (in thousand)	Amount		Legal reserve	Special reserves	Undistributed earnings			
A1	Balance as of January 1, 2023	92,921	\$ 929,209	\$ 181,063	\$ 126,229	\$ 134,226	\$ 253,605	(\$ 142,738)	\$ 14,614	\$ 1,496,208
	Distribution of earnings for 2022									
B1	Legal reserve	-	-	-	22,217	-	(22,217)	-	-	-
B3	Special reserves	-	-	-	-	(6,103)	6,103	-	-	-
B5	Cash dividend to shareholders	-	-	-	-	-	(22,301)	-	-	(22,301)
B9	Shareholder stock dividends	12,080	120,797	-	-	-	(120,797)	-	-	-
D1	2023 net income	-	-	-	-	-	37,356	-	-	37,356
D3	2023 Total other comprehensive income (loss)	-	-	-	-	-	7,409	(35,798)	11,777	(16,612)
D5	2023 Total comprehensive income (loss)	-	-	-	-	-	44,765	(35,798)	11,777	20,744
Z1	Balance as of December 31, 2023	105,001	1,050,006	181,063	148,446	128,123	139,158	(178,536)	26,391	1,494,651
	Distribution of earnings for 2023									
B1	Legal reserve	-	-	-	4,476	-	(4,476)	-	-	-
B3	Special reserves	-	-	-	-	24,021	(24,021)	-	-	-
B5	Cash dividend to shareholders	-	-	-	-	-	(23,100)	-	-	(23,100)
D1	2024 net income	-	-	-	-	-	4,446	-	-	4,446
D3	2024 Total other comprehensive income (loss)	-	-	-	-	-	2,910	70,812	(4,904)	68,818
D5	2024 Total comprehensive income (loss)	-	-	-	-	-	7,356	70,812	(4,904)	73,264
Z1	Balance as of December 31, 2024	105,001	\$ 1,050,006	\$ 181,063	\$ 152,922	\$ 152,144	\$ 94,917	(\$ 107,724)	\$ 21,487	\$ 1,544,815

The accompanying notes form part of the Consolidated Financial Statements.

Chairman: Joseph M. E. Hsu

Manager: Fan, Liang-Fang

Accounting Officer: Cheng, Ya-Yun

ABC Taiwan Electronics Corporation and Subsidiaries
Consolidated Statements Of Cash Flows
For the years ended December 31, 2024 and 2023

Unit: NTD thousand

Code		2024	2023
	Cash flow from operating activities		
A10000	Profit before tax for the current year	\$ 16,636	\$ 53,454
A20010	Income and expenses items:		
A20100	Depreciation expense	170,273	160,252
A20200	Amortized expenses	17,444	14,414
A20300	ECL impairment loss (reversal of gain)	674	(1,162)
A20400	Net gains on financial assets and liabilities measured at fair value through profit or loss	(376)	(435)
A20900	Financial cost	19,121	19,029
A21200	Income from interest	(7,498)	(7,210)
A21300	Dividend income	(969)	(969)
A22500	Loss (profit) from disposal of property, plant and equipment	(34,979)	1,257
A23700	Loss on inventory devaluation and obsolescence	33,079	11,377
A24100	Net losses (gains) on foreign currency exchange	10,074	(16,559)
A24600	Government subsidies income	(1,408)	(2,672)
A29900	Loss from lease modification	13,338	-
A30000	Net changes in operating assets and liabilities		
A31130	Notes and accounts receivable	(14,290)	93,814
A31160	Accounts receivable - related parties	1,461	90,070
A31180	Other receivables	(416)	1,825
A31200	Inventory	(22,108)	107,439
A31230	Prepayments	(5,005)	(9,561)
A31240	Other current assets	759	(867)
A31990	Other assets	76	117
A32130	Notes and accounts payable	47,496	(106,162)
A32180	Other payables	(11,789)	(21,641)
A32200	Liability reserve	51	1,991
A32230	Other current liabilities	770	(901)
A32240	Net defined benefit liability	(1,433)	(449)
A32250	Long-term deferred revenue	-	10,159
A32990	Employees' compensation and remuneration of directors payable	(9,840)	(44,917)
A33000	Cash from operations	221,141	351,693
A33100	Interest received	7,498	7,210

(Continue to next page)

(Continued from previous page)

Code		2024	2023
A33200	Dividends received	\$ 969	\$ 969
A33300	Interest paid	(19,121)	(19,029)
A33500	Income tax paid	(48,111)	(53,404)
AAAA	Net cash inflow from operating activities	162,376	287,439
	Cash flows from investing activities		
B02700	Acquisition of property, plant and equipment	(195,239)	(235,541)
B02800	Proceeds from disposal of property, plant and equipment	58,266	4,807
B03800	Decrease in refundable deposits	658	45
B04500	Acquisition of intangible assets	(36,301)	(8,108)
B07200	Decrease in prepaid equipment purchase	43,780	10,971
BBBB	Net cash outflow from investing activities	(128,836)	(227,826)
	Cash flow from financing activities		
C00100	Increase in short-term borrowings	1,520,000	1,450,000
C00200	Decrease in short-term borrowings	(1,560,000)	(1,462,342)
C00500	Increase in short-term bills payable	-	59,927
C00600	Decrease in short-term notes payable	(29,963)	-
C01600	Proceeds from long-term debt	323,346	413,740
C01700	Repayments of long-term debt	(317,790)	(319,317)
C04020	Repayment of lease principal	(1,645)	(3,636)
C04500	Distribution of cash dividends	(23,100)	(22,301)
CCCC	Net cash (outflow) inflow from financing activities	(89,152)	116,071
DDDD	Effect of exchange rate fluctuations on cash and cash equivalents	13,268	(5,628)
EEEE	Net (decrease) increase of cash and cash equivalents for the current year	(42,344)	170,056
E00100	Cash and cash equivalents, beginning of the year	787,355	617,299
E00200	Cash and cash equivalents, end of the year	\$ 745,011	\$ 787,355

The accompanying notes form part of the Consolidated Financial Statements.

Chairman: Joseph M. E. Hsu
Ya-Yun

Manager: Fan, Liang-Fang

Accounting Officer: Cheng,

ABC Taiwan Electronics Corp.

2024 Profit Distribution Table

NTD: \$

Item	Amount
Undistributed earnings in the beginning of the period	87,560,098
Add: 2024 Net income after tax	4,446,333
Add: Actuarial gains recognized in retained earnings	2,910,323
Less: Provision of legal reserve (10%)	(735,666)
Less: Provision of special reserves	65,908,239
Distributable earnings for the current period	160,089,327
Distribution of earnings items:	
Shareholder dividend - cash dividend (NT\$0.35 per share)	36,750,215
Shareholder dividend - stock dividend (NT\$0 per share)	0
Undistributed earnings at the end of the period	123,339,112

Responsible person: Joseph M. E. Hsu Managerial officer: Francis Fan Accounting supervisor: Ya-Yun Cheng

ABC Taiwan Electronics Corp.

The comparison table of the amendments to the Articles of Incorporation

Original article number	After amendment	Before amendment	Description
Article 34	<p>If there is a profit within the Company in the year, 12%-16% of the profit shall be set aside for employee remuneration. The Board of Directors may decide to distribute the employees' remuneration in shares or cash. Employees who meet certain criteria are entitled to receive remuneration. The Company may set aside up to 6% of the profits as stated above as remuneration to directors by resolution adopted by the Board of Directors. The motion for the distribution of remuneration to employees and directors shall be reported at the shareholders' meeting.</p> <p>However, when the Company has accumulated losses, such amount shall be retained to cover the losses and then appropriated as remuneration to employees and remuneration to directors on a pro rata basis as referred to in the preceding paragraph.</p> <p>No less than 30% of the employee remuneration amount specified in Item 1 shall be allocated to rank-and-file employees.</p>	<p>If there is a profit within the Company in the year, 12%-16% of the profit shall be set aside for employee remuneration. The Board of Directors may decide to distribute the employees' remuneration in shares or cash. Employees who meet certain criteria are entitled to receive remuneration. The Company may set aside up to 6% of the profits as stated above as remuneration to directors by resolution adopted by the Board of Directors. The motion for the distribution of remuneration to employees and directors shall be reported at the shareholders' meeting.</p> <p>However, when the Company has accumulated losses, such amount shall be retained to cover the losses and then appropriated as remuneration to employees and remuneration to directors on a pro rata basis as referred to in the preceding paragraph.</p>	Added in accordance with Article 14 of the Securities and Exchange Act
Article 37	<p>The Articles of Incorporation are enacted on April 28, 1979.</p> <p>The Articles of Incorporation were first amended on June 20, 1979.</p> <p>The Articles of Incorporation were amended for the second time on August 22, 1982.</p> <p>The Articles of Incorporation were amended for the third time on November 4, 1982.</p> <p>The Articles of Incorporation were amended for the fourth time on June 5, 1986.</p> <p>The Articles of Incorporation were amended for the fifth time on May 11, 1990.</p> <p>The Articles of Incorporation were amended for the sixth time on June 16, 1992.</p> <p>The Articles of Incorporation were amended for the seventh time on October 1, 1993.</p> <p>The Articles of Incorporation were amended for the eighth time on June 23, 1996.</p> <p>The Articles of Incorporation were amended for the ninth time on September 1, 1998.</p> <p>The Articles of Incorporation was amended for the tenth time on July 9,</p>	<p>The Articles of Incorporation are enacted on April 28, 1979.</p> <p>The Articles of Incorporation were first amended on June 20, 1979.</p> <p>The Articles of Incorporation were amended for the second time on August 22, 1982.</p> <p>The Articles of Incorporation were amended for the third time on November 4, 1982.</p> <p>The Articles of Incorporation were amended for the fourth time on June 5, 1986.</p> <p>The Articles of Incorporation were amended for the fifth time on May 11, 1990.</p> <p>The Articles of Incorporation were amended for the sixth time on June 16, 1992.</p> <p>The Articles of Incorporation were amended for the seventh time on October 1, 1993.</p> <p>The Articles of Incorporation were amended for the eighth time on June 23, 1996.</p> <p>The Articles of Incorporation were amended for the ninth time on September 1, 1998.</p> <p>The Articles of Incorporation was amended for the tenth time on July 9,</p>	Add the amendment record for this time.

Original article number	After amendment	Before amendment	Description
	<p>2000. The Articles of Incorporation were amended for the eleventh time on June 29, 2002.</p> <p>The Articles of Incorporation were amended for the twelfth time on June 29, 2002.</p> <p>The Articles of Incorporation were amended for the thirteenth time on June 25, 2003.</p> <p>The Articles of Incorporation were amended for the fourteenth time on June 10, 2004.</p> <p>The Articles of Incorporation were amended for the fifth time on June 16, 2005.</p> <p>The Articles of Incorporation were amended for the sixteenth time on June 23, 2006.</p> <p>The Articles of Incorporation were amended for the seventeenth time on June 8, 2007.</p> <p>The Articles of Incorporation were amended for the eighteenth time on June 6, 2008.</p> <p>The Articles of Incorporation were amended for the nineteenth time on June 25, 2010.</p> <p>The Articles of Incorporation were amended for the twentieth time on June 5, 2012.</p> <p>The Articles of Incorporation were amended for the twenty-first time on June 28, 2016.</p> <p>The Articles of Incorporation were amended for the twenty-second time on December 22, 2016.</p> <p>The Articles of Incorporation were amended for the twenty-third time on June 26, 2018.</p> <p>The Articles of Incorporation were amended for the twenty-fourth time on March 25, 2020.</p> <p>These Articles of Incorporation were amended for the twenty-fifth time on June 9, 2022.</p> <p>The Articles of Incorporation were amended for the twenty-sixth time on June 9, 2023.</p> <p>The Articles of Incorporation were amended for the twenty-seventh time on June 3, 2024.</p> <p>The Articles of Incorporation were amended for the twenty-eighth time on X,X, 2025.</p>	<p>2000. The Articles of Incorporation were amended for the eleventh time on June 29, 2002.</p> <p>The Articles of Incorporation were amended for the twelfth time on June 29, 2002.</p> <p>The Articles of Incorporation were amended for the thirteenth time on June 25, 2003.</p> <p>The Articles of Incorporation were amended for the fourteenth time on June 10, 2004.</p> <p>The Articles of Incorporation were amended for the fifth time on June 16, 2005.</p> <p>The Articles of Incorporation were amended for the sixteenth time on June 23, 2006.</p> <p>The Articles of Incorporation were amended for the seventeenth time on June 8, 2007.</p> <p>The Articles of Incorporation were amended for the eighteenth time on June 6, 2008.</p> <p>The Articles of Incorporation were amended for the nineteenth time on June 25, 2010.</p> <p>The Articles of Incorporation were amended for the twentieth time on June 5, 2012.</p> <p>The Articles of Incorporation were amended for the twenty-first time on June 28, 2016.</p> <p>The Articles of Incorporation were amended for the twenty-second time on December 22, 2016.</p> <p>The Articles of Incorporation were amended for the twenty-third time on June 26, 2018.</p> <p>The Articles of Incorporation were amended for the twenty-fourth time on March 25, 2020.</p> <p>These Articles of Incorporation were amended for the twenty-fifth time on June 9, 2022.</p> <p>The Articles of Incorporation were amended for the twenty-sixth time on June 9, 2023.</p> <p>The Articles of Incorporation were amended for the twenty-seventh time on June 3, 2024.</p>	

Quantity of Shares Held by All Directors and Minimum Quantity of Shares That Shall Be Held by All Directors

I. The quorum and number of shares made up by the incumbent directors are as follows:

Number of issued common stock shares	105,000,613
Legal percentage of shares to be held by all of the Directors	8.00%
Legal number of shares to be held by all of the Directors	8,000,000

II. The number of shares held by each Director and the number of shares held by the Directors as a whole as recorded in the shareholders' register on the book closure date is as follows:

Unit: share

Title	Name	Number of shares held	Percentage in total issued shares
Chairman	Joseph Hsu	6,156,038	5.86%
Director	CTBC Bank was entrusted with the custody of the investment account of Bourns, Inc. Representative: Tan-Wei Kuo	9,117,736	8.68%
Director	Francis Fan	1,293,730	1.23%
Director	Tommy Hsu	1,638,600	1.56%
Director	Chen Chin-Yi	175,980	0.17%
Director	Polter Hong	188,766	0.18%
Director	Hsu Chen Huei-Tsung	1,017,992	0.97%
Independent Director	Wang Yung-Cheng	0	0%
Independent Director	Yu-Shan Chang	0	0%
Independent Director	You-shan Chen	0	0%
Independent Director	Gui-Hui Zheng	0	0%
Total of all directors		19,588,842	18.65%

III. The Company has appointed the Audit Committee, therefore there is no legal requirement on the minimum shareholdings of supervisors.

Employees' and directors' remuneration

The distribution of remuneration to employees and directors for 2024 has been resolved at the 14th meeting of the 16th Board of Directors held on March 10, 2025.

Regarding remuneration to employees and directors distributed in cash or in shares: if there is a difference between the amount estimated for the year and the actual amount for the year recognized, please disclose the difference, the cause of the difference, and the solution:

1. Resolution of the remuneration to employees and directors:

The Company's Board of Directors resolved to distribute NT\$1,155,741 as remuneration to employees and NT\$288,935 to directors, both in cash.

2. Where there is a difference with the estimated amount for the year, in which the expenses are recognized, the amount of difference, reason, and accounting treatment shall be disclosed:

There is no difference between the actual amount distributed as remuneration to employees and directors and the estimated amounts of NT\$1,155,741 and NT\$288,935 in the 2024 financial report.

Articles of Incorporation, ABC Taiwan Electronics Corp

Chapter 1 General Provision

- Article 1: The Company is incorporated under the Company Act of the Republic of China in Taiwan, with the Company English name being "ABC TAIWAN ELECTRONICS CORPORATION."
- Article 2: The Company is engaged in the following businesses:
1. CC01040 Lighting Equipment Manufacturing.
 2. CC01080 Electronics Components Manufacturing.
 3. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing.
 4. CB01010 Mechanical Equipment Manufacturing.
 - 5 F113020 Wholesale of Electrical Appliances.
 6. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
 7. F119010 Wholesale of Electronic Materials.
 8. F213010 Retail Sale of Electrical Appliances.
 9. F213080 Retail Sale of Machinery and Tools.
 10. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories.
 11. F219010 Retail Sale of Electronic Materials.
 12. F401010 International Trade
 13. CA02990 Other Metal Products Manufacturing.
 14. CC01110 Computer and Peripheral Equipment Manufacturing.
 15. CQ01010 Mold and Die Manufacturing.
 16. F106030 Wholesale of Molds.
 17. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Company is headquartered in Taoyuan County, Taiwan (R.O.C.) and may establish branches at home and abroad when necessary as approved by the resolution of the Board of Directors.
- Article 4: The Company's announcement method shall be handled in accordance with the provisions of Article 28 of the Company Act.
- Article 5: When the Company has re-invested in another company as a shareholder with limited liability due to business necessity, the total investment amount may not exceed 40% of the paid-in capital specified in Article 13 of the Company Act. Also, it may provide guarantees to external parties.

Chapter 2 Shares

- Article 6: The Company's total capital is NT\$1.5 billion, which is divided into 150 million shares, they are all ordinary shares, with a value of NT\$10 per share, and the Board of Directors is authorized to issue unissued shares in tranches.
- Article 7: The share certificates of the Company shall be in registered form, signed or sealed by director representing the Company and shall be certified by the competent authority or a registrar designated by the Company for issuance of share certificates. The shares issued by the Company may be exempted from printing stock certificates, but shall be registered with the Centralized Securities Depository Enterprise.
- Article 8: The Company's registered shares shall be assigned only by the holder thereof by way of endorsement, and the name or title of the assignee shall be indicated on the share certificate. In addition, the name and domicile of the assignee shall be recorded in the Company's shareholders' roster to enable adversary with the Company.
- Article 9: Unless otherwise specified in the securities regulations, the transfer of shares, pledge-setting, cancellation, loss reporting, inheritance, gift, and seal reporting, change, and address change of shares etc. shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies."
- Article 10: Deletion
- Article 11: The time limit for share changes shall be governed by Article 165 of the Company Act.
- Article 12: Delete.
- Article 13: Delete.

Chapter 3 Shareholders' Annual General Meeting

- Article 14: The shareholders' meeting is divided into ordinary shareholders' meetings and extraordinary shareholders' meetings. The ordinary shareholders' meeting shall be convened at least once a

year, and the Board of Directors shall convene the ordinary shareholders' meeting within six months after the end of each fiscal year in compliance with the laws. Extraordinary meetings are convened at any time when deemed necessary. The Company's shareholders' meeting can be held by means of visual communication network or other methods promulgated by the competent authority. A notice to convene a regular meeting of shareholders shall be given to each shareholder no later than 30 days prior to the scheduled meeting date. In case the Company intends to convene a special meeting of shareholders, a meeting notice shall be given to each shareholder no later than 15 days prior to the scheduled meeting date.

- Article 15: Any shareholder who is unable to attend a shareholders' meeting for any reason may appoint a proxy to attend the meeting by presenting a proxy form printed by the Company, indicating the scope of the authorization. A shareholder may appoint a proxy to attend the meeting in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" that is announced by the competent authority, in addition, to Article 177 of the Company Act.
- Article 16: During a shareholders' meeting, the Chairman of the Board shall be the Chair of the meeting. In the absence of the Chairman of the Board, the Chairman of the Board shall appoint a director to preside over the meeting; otherwise, the Directors shall nominate one Director from amongst themselves to preside over the meeting. Where the session is convened by a party with the power to convene other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
- Article 17: Each of the Company's shareholders shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.
- Article 18: Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.
- Article 19: Matters relating to the resolutions by a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The distribution of the preceding meeting minutes shall be processed in accordance with the Company Act. The essentials of the proceedings and the result of the discussions shall be recorded in the meeting minutes. The meeting minutes shall be kept with the attendance book and the proxy forms for custody at the Company.

Chapter 4 Board of Directors

- Article 20: The Company shall appoint 7 to 11 directors, who shall serve a term of 3 years and shall be elected at a shareholders' meeting from among the persons with legal capacity, and shall be eligible for re-elections. After the Company goes public, the total shareholding of all directors shall be governed by the regulations of the competent securities authority.
- Article 20-1: Among the number of directors as stated in the preceding article, there shall be no less than 3 Independent Directors, and no less than one fifth of the number of directors shall be Independent Directors.
- For the election of directors, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected. The total votes per share may be cast entirely for one candidate or split among two or more candidates. A candidate to whom the ballots cast represents more votes shall be deemed a director elected. Votes will proceed for both independent directors and non-independent directors concurrently, with the winning votes counted separately.
- For the election of the Company's directors, a candidate nomination system is adopted in accordance with Article 192-1 of the Company Act, and shareholders cast their votes from a list of director candidates. Matters related to the acceptance and announcement of the nomination for director candidates shall be handled in accordance with the Company Act, the Securities and Exchange Act and other applicable laws and regulations.
- The Company has appointed its Audit Committee in accordance with the Securities and Exchange Act during the 2020 Annual General Shareholders' Meeting, at which time the Company's supervisors were relieved from duty. Regulations regarding the supervisors as stated in the Articles of Incorporation ceased application immediately. The Audit Committee is composed of all the independent directors. The exercise of its powers and related matters are handled in accordance with the relevant laws and regulations, and shall otherwise be determined by the board of directors
- Article 20-2: Deleted.
- Article 21: When the number of vacancies in the board of directors equals one-third of the total number

of directors, the board of directors shall call, within 30 days, a special shareholders meeting to elect succeeding directors to fill the vacancies for the remaining terms of the dismissed directors. After the Company's shares are issued to the public, the special meeting of shareholders for electing succeeding directors shall be convened by the board of directors within 60 days.

- Article 22: In case no election of new directors is effected after the expiration of the terms of office of existing directors, the terms of office of out-going directors shall be extended until the time new directors have been elected and assumed their office.
- Article 23: The Board of Directors shall be organized by the directors. The Chairman shall be elected by more than half of the directors present at a board meeting attended by at least two-thirds of all directors from among themselves. The Chairman shall represent the Company externally.
- Article 24: The management policy and other important matters of the Company shall be resolved by the Board of Directors. The Chairman will preside over both the shareholders' meeting and the Board of Directors. When the Chairman is on leave or otherwise unable to exercise his or her powers, the Chairman shall designate a director to serve as chairperson; if the Chairman does not appoint a representative, the directors shall choose one from among themselves to serve as chair. In the case a meeting of the board of directors is conducted via visual communication network, the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.
- Article 24-1: For the convening of the Company's Board of Directors' meeting, a notice shall be provided to all Directors including the reason for the meeting and the notice shall be presented to all Directors no later than seven days in advance. However, in case of emergency, a meeting may be convened at any time. The notice for convening the Board of Directors' meeting of the Company may be made in writing, E-Mail or fax.
- Article 25: Unless otherwise specified in the Company Act, a board meeting shall be held with the attendance of a majority of the directors and shall be conducted with the consent of a majority of the attending directors. When a director is unable to attend the meeting, they may appoint another Director to attend the Board meeting as a proxy by providing the proxy form stating the scope of authorization for the agenda listed. However, one Director is allowed to act as a proxy for only one other Director.
- Article 26: Any resolutions made by the board of directors shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman and shall be distributed to all directors within 20 days after the meeting. The attendance register and the authorizations of proxies should be kept at the Company.
- Article 27: Deletion.
- Article 28: The remuneration to the Directors of the Company may be set according to the industry standard. The board is given the authorization to determine the payment standard.
- Article 28-1: During the term of office of a director, the Company shall purchase liability insurance for the indemnification liabilities payable in accordance with the law and the Chairman shall be authorized to handle the related matters with full authority.

Chapter 5 Managerial Officers

- Article 29: The Company shall have managerial officers, and the appointment, discharge and the remuneration of managerial officers shall be processed in accordance with Article 29 of the Company Act.
- Article 30: The Company may, upon resolution of the board of directors' meeting in accordance with Article 23 of the Articles of Incorporation, hire key employees and consultants at the Assistant Vice President level or above.
- Article 31: The appointment and dismissal of other employees of the Company shall be handled in accordance with personnel management rules and regulations of the Company's governing policies.

Chapter 6 Accounting

- Article 32: At the end of each fiscal year, the Board of Directors shall prepare the following reports and submit them to the auditors for review no later than 30 days before the regular session of the shareholders meeting and then present them to the regular meeting in accordance with the statutory procedures for ratification 1. Business report 2. Financial statements 3. Earnings distribution or loss make-up proposals.
- Article 33: Deleted.
- Article 34: If there is a profit within the Company in the year, 12%-16% of the profit shall be set aside for employee remuneration. The Board of Directors may decide to distribute the employees' remuneration in shares or cash. Employees who meet certain criteria are entitled to receive remuneration. The Company may set aside up to 6% of the profits as stated above as

remuneration to directors by resolution adopted by the Board of Directors. The motion for the distribution of remuneration to employees and directors shall be reported at the shareholders' meeting.

However, when the Company has accumulated losses, such amount shall be retained to cover the losses and then appropriated as remuneration to employees and remuneration to directors on a pro rata basis as referred to in the preceding paragraph.

Article 34-1: Any earnings at the end of the year are subject to tax, and reimbursement of accumulated losses according to laws, followed by 10% of the earnings as legal reserve, and the remainder as provision or reverse of special reserves, except if the legal reserve has reached the Company's paid-in capital. If there are earnings remaining, together with the undistributed earnings, the board of directors is to draft a motion for earnings distribution and submit to the shareholders' meeting for resolution and distribution of dividends to shareholders.

The Company's dividend policy will accommodate current and future development plans, consider the investment environment, fund requirements and domestic and external competition, and shareholders' interest to provide appropriation of earnings for at least 20% as the shareholders' dividends each year. However, when the accumulated earnings available for distribution falls below 2% of the paid-in capital, the distribution may not proceed. Any shareholders dividends are paid in the form of cash or shares, of which cash dividends shall not be less than 10% of the total dividends.

Chapter 7 Supplementary Provisions

Article 35: The organizational charter and handling rules of the Company shall be stipulated separately by the Board of Directors.

Article 36: Matters not specified in the Articles of Incorporation shall be handled in accordance with the Company Act and related laws.

Article 37: The Articles of Incorporation are enacted on April 28, 1979.

The Articles of Incorporation were first amended on June 20, 1979.

The Articles of Incorporation were amended for the second time on August 22, 1982.

The Articles of Incorporation were amended for the third time on November 4, 1982.

The Articles of Incorporation were amended for the fourth time on June 5, 1986.

The Articles of Incorporation were amended for the fifth time on May 11, 1990.

The Articles of Incorporation were amended for the sixth time on June 16, 1992.

The Articles of Incorporation were amended for the seventh time on October 1, 1993.

The Articles of Incorporation were amended for the eighth time on June 23, 1996.

The Articles of Incorporation were amended for the ninth time on September 1, 1998.

The Articles of Incorporation was amended for the tenth time on July 9, 2000.

The Articles of Incorporation were amended for the eleventh time on June 29, 2002.

The Articles of Incorporation were amended for the twelfth time on June 29, 2002.

The Articles of Incorporation were amended for the thirteenth time on June 25, 2003.

The Articles of Incorporation were amended for the fourteenth time on June 10, 2004.

The Articles of Incorporation were amended for the fifth time on June 16, 2005.

The Articles of Incorporation were amended for the sixteenth time on June 23, 2006.

The Articles of Incorporation were amended for the seventeenth time on June 8, 2007.

The Articles of Incorporation were amended for the eighteenth time on June 6, 2008.

The Articles of Incorporation were amended for the nineteenth time on June 25, 2010.

The Articles of Incorporation were amended for the twentieth time on June 5, 2012.

The Articles of Incorporation were amended for the twenty-first time on June 28, 2016.

The Articles of Incorporation were amended for the twenty-second time on December 22, 2016.

The Articles of Incorporation were amended for the twenty-third time on June 26, 2018.

The Articles of Incorporation were amended for the twenty-fourth time on March 25, 2020.

These Articles of Incorporation were amended for the twenty-fifth time on June 9, 2022.

The Articles of Incorporation were amended for the twenty-sixth time on June 9, 2023.

The Articles of Incorporation were amended for the twenty-seventh time on June 3, 2024

ABC Taiwan Electronics Corp
Chairman: Joseph M. E. Hsu

ABC Taiwan Electronics Corp

Rules of Procedure for Shareholders' Meetings

- I. The shareholders meeting matters of ABC Taiwan Electronics Corp. (hereinafter referred to as the "Company") shall be governed by these Rules unless otherwise specified by the laws and regulations.
- II. Shareholders may exercise their voting rights through voting by correspondence or electronic ballot during a meeting.
- III. The reporting time for shareholders' meetings referred to in the preceding paragraph shall be 30 minutes prior to the meeting start time. There should be clear signs at the reporting place with adequate staff assigned to handle the process.
Shareholders themselves or their appointed proxy (hereinafter referred to as the shareholders) shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.
The Company shall furnish the attending shareholders with a sign-in book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
The Company shall furnish attending shareholders with the meeting agenda handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, ballots shall also be furnished.
When the government or a juridical person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juridical person is appointed to attend as a proxy, it may designate only one person to represent it in the meeting.
- IV. The Company may appoint its attorneys, CPAs, or relevant persons retained by it to attend a shareholders' meeting in a non-voting capacity. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or armbands.
- V. The Company shall make an uninterrupted audio and video recording of the entire process of the shareholders' meeting beginning from shareholders' sign-in process, through the proceedings of the meeting, as well as the process of voting and vote counting.
The audio and video recording in the preceding paragraph shall be kept for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.
- VI. Attendance and voting at shareholders' meetings shall be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the shares indicated in the sign-in book or by the sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.
- VII. The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
- VIII. If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or unable to exercise the powers as the chair for any reason, the Vice Chairman shall chair the meeting on his behalf. Where there is no such a position as Vice Chairman or the Vice Chairman is on leave or unable to exercise the powers as the chair for any reason, the Chairman shall appoint one of the managing directors to act as the chair. Where there is no such a position as managing director, the Chairman shall appoint one of the directors to act as the chair. Where the Chairman fails to make such a designation, the managing directors or directors shall select, from among themselves, one person to serve as the chair.
It is advisable that shareholders' meetings convened by the Board of Directors be chaired by the Chairman in person and attended by a majority of the directors, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.
Where a shareholders' meeting is convened by a party with the power to convene other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
- IX. The chair shall call the meeting to order at the scheduled meeting time; however, the chair may have the meeting postponed if the attending shareholders do not represent more than half of the total shares issued. The meeting postponement is limited to 2 times for a total of less than 1 hour. If the number of shares held by the shareholders present at the meeting does not exceed one-third of the total outstanding shares after two postponements, the chair shall announce an adjournment. If there are not enough shareholders representing at least one third of issued shares attending the meeting after two postponements, tentative resolutions may be passed in accordance with Article 175, paragraph 1 of the Company Act. Shareholders shall be notified of the tentative resolutions,

and another shareholders' meeting will be convened within one month.

When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolutions for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

- X. If a shareholder meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.
The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene other than the Board of Directors.
The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including motions), except by a resolution of the shareholders' meeting. If the chairman declares the adjournment of the meeting in a manner that is in violation of such rules governing the proceedings of meetings, other members of the Board of Directors shall quickly assist the attending shareholders in the election of a new chairman of the meeting in accordance with the laws and regulations, by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting.
After the meeting is adjourned, shareholders may not select another chairman to continue the meeting at the original meeting place or any other place.
- XI. Delete.
- XII. Before speaking, an attending shareholder shall specify on a speaker's slip the subject of the speech, their shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.
A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech is not in alignment with the subject on the speaker's slip, the spoken content shall prevail.
Attending shareholders may not interfere with the speaking shareholders without the Chairman's consent and the speaking shareholders. The Chairman will have the violating shareholders stopped.
- XIV. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes.
If the attending shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
- XIV. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.
- XV. For the resolution of proposals, unless otherwise provided in the Company Act and the Articles of Incorporation, the consent of a majority vote of the attending shareholders shall prevail. During the voting process, the shareholders shall proceed to the voting on a case-by-case basis, and on the same day after the shareholders' meeting is convened, the results along with consents, objections, and waivers shall be entered into the Market Observation Post System.
- XVI. Delete.
- XVII. If there is an amendment or an alternative to a proposal, the chair shall decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected and no further voting shall be required.
- XVIII. The juridical person who has attended the shareholder's meeting by proxy can authorize only one representative to attend the meeting. When an institutional shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.
- XIX. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- XX. Scrutineers and vote counting personnel for the voting on proposals shall be appointed by the chair, provided all scrutineers be shareholders of the Company.
Vote counting for proposals or elections at a shareholders' meeting shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting and recorded.
The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and those who were not elected.
The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the scrutineers and kept in proper custody for at least one year. If, however, a

shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

- XXI. The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification badge or an armband, reading "Proctor."
At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.
When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.
- XXII. When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
If the meeting venue is no longer available for continued use and not all of the items (including extempore motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.
A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.
- XXIII. Matters not specified in these Rules are handled in accordance with the Company Act, other relevant laws and regulations, and the Company's Articles of Incorporation.
- XXIV. The "Rules" will be implemented after a resolution reached in the annual general meeting of shareholders, as will any amendments.
- XXV. These Rules are enacted on May 20, 2001.
These Rules were amended for the first time on June 10, 2004.
These Rules were amended for the second time on June 26, 2013.
These Rules were amended for the third time on June 23, 2020.