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IKKA HOLDINGS (CAYMAN) LIMTED

2024 ANNUAL REPORT

Date of publication: May 16th, 2025

IKKA Holdings (Cayman) Limited

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I. Letter to Shareholders

Ladies and gentlemen, shareholders:

Looking back at 2024, the shadow of global economic inflation has not dissipated, the Russia-Ukraine war continues, tensions in the Middle East have escalated, and competition between the United States and China in AI chips, technology, and trade has intensified. Interest rates and inflation have suppressed investment and consumption, leading to weak demand in the end market, which in turn has resulted in a slowdown in global growth. Although the external economic environment is sluggish, the Company has actively introduced production line automation with the efforts of all employees. The Company's annual revenue, net profit after tax, and earnings per share (EPS) have all grown. IKKA Holdings' consolidated revenue for 2024 is NTD 3.661 billion, net profit after tax is NTD 191.666 million, and EPS is NTD 6.17, achieving the best profitability level since its listing.

IKKA Holdings continues to adjust its pace in response to the impacts brought about by overall market changes and is developing a long-term automotive industry layout plan for the Group. By the end of March 2024, IKKA Holdings' new factory in Nagoya, Japan, was officially completed, fully expanding production capacity and establishing a research and development centre for new energy vehicles, in collaboration with its main customer, Toyota, to continue working on next-generation EPB-related products and components for future electric vehicle systems. In addition, the merger of the Group with Sol-plus Co., Ltd. in Japan and its subsidiary Hiraiseimitsu (Thailand) Co., Ltd. has successfully developed plastic components related to electric vehicle motors in recent years, and has entered the supply chain of Japanese brand electric vehicles as well as components and modules for new business areas such as the medical field. The production bases are located in Japan and Thailand, and through closer cooperation, they aim to jointly seize the electric vehicle supply chain market and develop new businesses. Leveraging existing business foundations and customer relationships, they will provide more total solutions by integrating resources from affiliated companies (such as imaging visual module development and manufacturing resources), Taiwanese enterprises, and technology resources from invested companies. Looking ahead, the Company will continue to develop new projects in the automotive sector and will also engage in the robotics field. Currently, the Company is extending its reach through group resource investments. In March 2025, the Company, along

with Ability (5392), Canon (2374), and ABICO Asia (7777), will jointly invest in the American startup collaborative robotics company Mantis Robotics, with an investment exceeding USD 2 million.

Currently, the largest major shareholder of Mantis is Amazon, primarily hoping to leverage this investment to establish a related supply chain, serve more customers, expand product sales channels, and enhance overall corporate value and equity for shareholders. We hope that all shareholders will continue to provide support and encouragement.

1. Operational Results for Y2024

(1) Business plan implementation results:

(In Thousands of New Taiwan Dollars)

Item	Y2024	Y2023	Amount Change	Percentage Change (%)
Revenue	3,661,555	3,645,414	16,141	0%
Gross Profit	721,892	670,235	51,657	8%
Net Profit (After tax)	191,666	119,162	72,504	61%

(2) Budget implementation: As, in accordance with the "Regulations Governing the Publication of Financial Forecasts of Public Companies", the Company is not required to disclose financial information for Y2023, it is therefore not applicable.

(3) Analysis of Financial Results and Profitability:

Item		Y2023	Y2022
Financial Structure (%)	Debt to Assets Ratio (%)	46%	54%
	Long-term Capital to Fixed Assets Ratio (%)	341%	304%
Solvency (%)	Current Ratio (%)	225%	178%
	Quick Ratio (%)	194%	148%
Profitability (%)	Return on Assets (%)	5.41%	3.61%
	Return on Stockholders' Equity (%)	10.30%	7.20%
	Net Profit Ratio (%)	5.23%	3.27%
	Basic Earnings per Share	6.17	4.07

(4) Research and development status

Our Japanese factory was established in 1963 and has worked in the field of precision plastic injection molding for 60 years. Over the years, we have continued developing and refining our technologies in plastic injection molding, gear module assembly, product measurement and evaluation, and process improvement. Under the trend of the decreasing cost of parts in recent years, the market demand for compound molding is growing rapidly. To meet this demand, the need for production equipment to switch from horizontal to vertical molding machines is also increasing. The Company has gradually introduced vertical molding machine to build a production system to fulfill market demand. To continue to produce injection molding products with higher precision and a larger variety, the Company continues to conduct research and development in the automobile and housing industries, combining this with the Company Group's technological skills to conduct research and development in the design and manufacturing of production processes, molds, automated processes, and gear modules of high-performance materials to meet customer demands.

Research and Development Expenses for the Last Two Years

(In Thousands of New Taiwan Dollars)

Item \ Year	2023	2022
R&D Expenses (A)	36,372	42,931
Revenue (B)	3,661,555	3,645,414
(A)/(B)	0.99%	1.18%

2. Outline of Y2025 Business Plan

(1) Operation Plan:

A. The Company maintains close partnerships with first-tier suppliers and continues to collaborate with them in the development and design of various products in response to the future trend of electrification, electronics, automation and light weighting in the automotive industry.

B. Continue to deepen and develop product cooperation projects and actively compete for orders.

C. Strengthen the management efficiency of the factory, optimize the production process and

production technology to reduce costs and improve production yields.

D. Continue to introduce operational automation to reduce labor requirements.

E. The Company will continue to develop towards continuous integration in line with the electric car development trend. In the future, the Company will utilize its industrial relationship to bring Taiwan's outstanding resources in optics and electronic modules (e.g., optical modules for Driver Monitoring System (DMS)) to the Company's existing Japanese customers, allowing the Company to create new added value for customers and expand new business opportunities in automotive electronics as electric vehicle development progresses.

(2). Expected Sales Volume and its Basis:

The Company will maintain good relationships with customers for joint development and continue to create a profit-sharing sales model in the automotive parts and components business and the home appliance parts business while cultivating the Japanese customer market and expanding the development of new energy vehicles and smart home appliances. The Company will also strengthen the production process to enhance the competitive advantage in the market. The Company expects stable growth in sales, annual revenue and profitability for 2025. In the financial aspect, the Company will continue to undertake sustain financial planning to adapt to future business growth with a sound financial structure.

3.The impact of the external competitive environment, the regulatory environment, and the overall business environment on the Company’s future development strategy.

(1) Future Development: The Company is actively developing parts and modules for the automotive industry. As the global awareness of environmental protection is on the rise, lightweight and low fuel consumption are the future trends of the automotive industry. In the future, automotive parts and components will develop in light weight, automation, and electronics, and it is expected that the application of plastic materials in automotive parts and components will become more extensive. With its "Precision Plastic Injection Molding Technology" and "Plastic Gear Module Technology", the Company will be able to replace some metal parts of automobiles. By actively laying out the automobile industry market in line with the future market application trend will contribute to the future operation and expansion of the Company.

(2)Impact of Regulatory Environment: The Company follows national policies and laws and regulations and has a firm grasp of important policies or legal changes in the financial, audit and legal affairs related units to comply with regulations and ensure smooth operations of the Company.

(3)Impact of the General Business Environment: Due to the increasing complexity of the general business environment, the Company will evaluate the resource investments and business strategies regarding the industry overview, general economic development observation, and integrate internal technology and development resources to seek the best business opportunities.

Chairman Hu, Shiang-Chi
General Manager Obara Masami
CFO Chiang, Shuo-Yen

II. Corporate Governance

1. Information of Directors, Supervisors, General Managers, Deputy General Managers, Assisting Managers, Department Supervisors

(1) Directors and Supervisors' information

A. Director's Information

2024/05/02; Unit: thousand shares; %

Job Title	Name	Gender Age	Nationality or place of registration	Initial Election Date	Election Date	Tenure	When Elected Shares Held		Current Shares Held		Shares Currently Held by Spouse & Minors		Shareholding in the name of others		Experience (Education)	Selected Current Position at IKKA and Other Related Companies	Executives, Other, Director or Supervisors who are spouses or within the second degree of kinship			Remarks
							Amount of Shares	Percentage of Shares Held	Amount of Shares	Percentage of Shares Held	Amount of Shares	Shareholding Ratio	Amount of Shares	Percentage of Shares Held			Job Title	Name	Relationship	
	ABICO AVY CO., LTD	-	Republic of China (ROC)	2020.06.29 (Note)	2020.06.29	3	4,000	13.67	4,198	12.13	-	-	-	-	-	-	-	-	-	

Chairman /	Representative: Hu, Hsiang-Chi	M 61~70 years old	Republic of China (ROC)	2020.06.29 (Note)	2020.06.29	3	-	-	221	0.64	-	-	-	-	Yageo Corporation Global General Manager Graduate Institute of International Business, National Taiwan University	ABICO AVY CO., LTD., General Manager /Director ABICO NETCOM CO., LTD., Chairman Jabon International Co., Ltd Chairman. Positive Energy Sport Co., Ltd. Chairman ABICO ASIA CAPITAL CO., LTD., General Manager ABILITY ENTERPRISE CO., LTD., Director Ya Li Electric Co., Ltd. Independent Director ISANLIN CONSTRUCTION CO., LTD., Independent Director Member of Remuneration Committee, Ren Jie Old Sichuan Catering Management Consulting Co., Ltd. IKKA Japan Director M.A.C Technology(Malaysia)Sdn.Bhd Chairman. IKKA(Hong Kong)Co., Limited Director. IKKA Technology DongGuan Co., Ltd.'s Director Sol-Plus(HK)Co.,Ltd. Director.	-	-	-	None

			Nationality or place				When Elected Shares Held	Current Shares Held	Shares Currently Held by Spouse & Minors	Shareholding in the name of others	Experience (Education)	Selected Current Position at IKKA and Other Related Companies	Executives, Other, Director or Supervisors who are spouses or within the second degree of kinship		Remarks

Job Title	Name	Gender Age	of registration	Initial Election Date	Election Date	Tenure	Amount of Shares	Percentage of Shares Held	Amount of Shares	Percentage of Shares Held	Amount of Shares	Shareholding Ratio	Amount of Shares	Percentage of Shares Held			Job Title	Name	Relationship	
																SOL-PLUS Corp. Director Hiraiseimitsu(Thailand)Co.,Ltd. Director.				
Director	ABICO AVY CO., LTD	-	Republic of China (ROC)	2020.06.29 (Note)	2020.06.29	3	4,000	13.67	4,198	12.13	-	-	-	-	-	-	-	-	-	
	representative: Tong ,Chun-Jen	M 51~60 years old	Republic of China (ROC)	2020.06.29 (Note)	2020.06.29	3	-	-	44	0.13	1	0.00	-	-	New Jersey Institute of Technology Master of Information Ability Int'l Director	ABICO AVY Co., Ltd. Chairman. AVY Chairman Abico Pictures Corporation Chairman Canon Airui Co., Ltd. Chairman ABICO NetCom Vice Chairman JIA WANG CAPITAL CO., LTD. Chairman. Ability Int' l Director ABILITY ENTERPRISE CO., LTD., Director Taishiba International Co., Ltd. Director. Sanyo Electric Co., Ltd. Director Jabon International Co. Ltd Director. Seinoh Optical Co., Ltd. Director. Ability I Venture Capital Director Honlynn Co., Ltd. Director E-PIN OPTICAL INDUSTRY CO., LTD. Director Jiatai International Investment Co., Ltd. Director HONLYNN CO., LTD., Director DONGGUAN CHENGGUANG METAL PRODUCTS CO., LTD., Director DONGGUAN CHENGGUANG PRECISION INDUSTRY CO., LTD., Director DONGGUAN CHENGGUANG TRADING CO., LTD., Director	Director	Chun-Yi Tong	Brother	None

Job Title	Name	Gender Age	Nationality or place of registration	Initial Election Date	Election Date	Tenure	When Elected Shares Held		Current Shares Held		Shares Currently Held by Spouse & Minors		Shareholding in the name of others		Experience (Education)	Selected Current Position at IKKA and Other Related Companies	Executives, Other, Director or Supervisors who are spouses or within the second degree of kinship			Remarks
							Amount of Shares	Percentage of Shares Held	Amount of Shares	Percentage of Shares Held	Amount of Shares	Shareholding Ratio	Amount of Shares	Percentage of Shares Held			Job Title	Name	Relationship	
																IKKA Japan Director Sol-Plus(HK)Co.,Ltd. Director. SOL-PLUS Corp. Director Hiraiseimitsu(Thailand)Co.,Ltd. Director.				
	ABICO AVY CO., LTD	-	Republic of China (ROC)	2020.06.29 (Note)	2020.06.29	3	4,000	13.67	4,198	12.13	-	-	-	-	-	-	-	-	-	

Job Title	Name	Gender Age	Nationality or place of regist	Initial Election	Election Date	Tenur	When Elected Shares Held	Current Shares Held	Shares Currently Held by Spouse & Minors	Shareholding in the name of others	Experience (Education)	Selected Current Position at IKKA and Other Related Companies	Executives, Other, Director or Supervisors who are spouses or within the second degree of kinship			Remarks
	representative: Tong ,Chun-Yi	M 51~60 years old	Republic of China (ROC)	2020.06.29 (Note)	2020.06.29	3	-	-	44	0.13	-	-	-	-	Bachelor of Economics, Unive Southern California Master of LSI, Waseda University ABICO AVY Co., Ltd. Vice Chairman.	Abico International Co., Ltd. Chairman. Abico Capital Co., Ltd. Chairman. Ability I Venture Capital Chairman Dong Guan Cheng Guang Metal Products Co., Ltd. Chairman. DONGGUAN CHENGGUANG PRECISION INDUSTRY CO., LTD., Chairman DONGGUAN CHENGGUANG TRADING CO., LTD., Chairman NENG DING INVESTMENT CO., LTD. Chairman. ABICO AVY Co., Ltd. Vice Chairman. Jabon International Co. Ltd Director. Ability Enterprise Co., Ltd. Director. Abico Pictures Corporation Director Seinoh Optical Co., Ltd. Director. JIA WANG CAPITAL CO., LTD. Director. Director of HONLYNN CO., LTD. Director of EKEEN PRECISION CO., LTD. Director of Jesper Co., Ltd. Director of SPEEDING ROCKET CO., LTD. IKKA Japan Director Sol-Plus(HK)Co.,Ltd. Director. SOL-PLUS Corp. Director Hiraiseimitsu(Thailand)Co.,Ltd Director. Independent Director	Director	Tong ,Chun-Jen	Brother	None

			ration	Date		e	Amount of Shares	Percentage of Shares Held	Amount of Shares	Percentage of Shares Held	Amount of Shares	Shareholding Ratio	Amount of Shares	Percentage of Shares Held			Job Title	Name	Relationship	
	ABICO AVY CO., LTD	-	Republic of China (ROC)	2020.06.29 (Note)	2020.06.29	3	4,000	13.67	4,198	12.13	-	-	-	-	-	-	-	-	-	
	representative: MASAMI OBARA	M 61~70 years old	Japan	2020.06.29 (Note)	2020.06.29	3	-	-	74	0.21	-	-	-	-	Saitama Omiya Technical High School	President of IKKA Japan Co., Ltd. The Company General Manager M.A.C Technology(Malaysia)Sdn.Bhd Director. IKKA Technology (Vietnam) Co., Ltd. Director. IKKA Technology DongGuan Co., Ltd. Director. SOL-PLUS Corp. Director Hiraiseimitsu(Thailand)Co.,Ltd. Director. AVY Precision Metal Components (SuZhou) Co., Ltd. Director.	-	-	-	None
Director	Obara Masam	M 41~50 years old	Japan	2020.03.20	2020.03.20	3	-	-	-	-	-	-	-	-	Takarazuka University Kansai University of Foreign Languages	General Manager McFeel Inc. Director	-	-	-	None
Director	Sugiyama Shimpei	M 51~60 years old	Japan	2020.03.20	2020.03.20	3	-	-	-	-	-	-	-	-	Meiji University School of Law	FM port Co., Ltd. SOUTHBOUND INC., Chairman	-	-	-	None

Job Title	Name	Gender Age	Nationality or place of registration	Initial Election Date	Election Date	Tenure	When Elected Shares Held		Current Shares Held		Shares Currently Held by Spouse & Minors		Shareholding in the name of others		Experience (Education)	Selected Current Position at IKKA and Other Related Companies	Executives, Other, Director or Supervisors who are spouses or within the second degree of kinship			Remarks
							Amount of Shares	Percentage of Shares Held	Amount of Shares	Percentage of Shares Held	Amount of Shares	Shareholding Ratio	Amount of Shares	Percentage of Shares Held			Job Title	Name	Relationship	
Independent Director Director	Chen, Wei-Yu	M 61~70 years old	Republic of China (ROC)	2020.03.20	2020.03.20	3	-	-	-	-	-	-	-	-	University of California, MBA Bachelor of International Trade, National Chengchi University Partner of Deloitte Taiwan	Partner of Grant Thornton Taiwan representative Independent Director Taishan Enterprise Co., Ltd. Independent Director	-	-	-	None
Independent Director Director	Lin, Tien-Sung	M seventy years or older	Republic of China (ROC)	2020.03.20	2020.03.20	3	-	-	-	-	-	-	-	-	Soochow University, BA Business Management Taiwan High Speed Rail, Senior Vice-President EVA Air, Deputy General Manager Evergreen Marine Corp. Assistant Vice Presidents CEO of Zhongfehang	Soochow University Adjunct Professor. Executive Committee member of the Taiwan Corporate Governance Association.	-	-	-	None
Independent Director Director	Chen, Che-Sheng	M 51~60 years old	Republic of China (ROC)	2020.03.20	2020.03.20	3	-	-	-	-	-	-	-	-	University of Tokyo, MS/PhD Materials Science Stanford University, BS Industrial Management	CHINA STEEL CO., LTD., Director BERLIN CO., LTD., General Manager	-	-	-	None

Note: Formerly elected at the 2020.3.20 shareholders' meeting. However, in order to comply with laws and regulations and meet the needs of the Company's application for a primary listing, he resigned and held the by-election on 2020.6.29, and he took office immediately after the election

B. Supervisor Information: The Company has set up an audit committee, so it is not applicable.

C. Major Shareholders of Corporate Shareholders

2025/05/02

Name of Corporate Shareholder	Major Shareholders of Corporate Shareholders
ABICO AVY CO., LTD.	ABICO INTERNATIONAL CO., LTD. (13.08%)
	ABILITY ENTERPRISE CO., LTD. (10.22%)
	HENG NENG INVESTMENT CO., LTD. (unofficial translation of 恒能投資股份有限公司) (4.67%)
	TASHIBA INTERNATIONAL CO., LTD. (1.00%)
	Chen,Sheng-Tzu (0.65%)
	AVY CO., LTD. (0.58%)
	Citibank Custody DFA Emerging Markets Core Securities Investment Account.(0.49%)
	Citibank Custody Barclays Capital SBL/PB Investment Account.(0.48%)
	Chen,Yu-Chuan (0.39%)
	Yeh, Yung-Hsiung (0.38%)

D. Major Shareholders who are Juristic Person Shareholders

2025/05/02

Name of Corporate Shareholder	Major Shareholders of Corporate Shareholders
ABICO INTERNATIONAL CO., LTD.	CHIA MEI INVESTMENT CO., LTD. (100%)
ABILITY ENTERPRISE CO., LTD.	ABICO AVY Co., Ltd. (11.22%)
	PEGATRON CORPORATION (6.22%)
	CHIA NINE INVESTMENT CO., LTD. (1.52%)
	Advanced Star Technology Composite International Stock Index by JPMorgan Chase Custody (0.88%)
	CHIA MEI INVESTMENT CO., LTD (0.78%)
	J.P. Morgan Chase Bank, Taipei Branch is entrusted to custody the Vanguard Group's Manager account for the Vanguard Emerging Markets Stock Index Fund. (0.77%)
	Viewquest Investment (0.73%)
	The Hong Kong Commercial Bank is entrusted to safeguard the Ability Enterprise (Limited) employees' restricted shares trust account with voting rights and dividend distribution rights - Issuance Regulations for the 113th year. (0.63%)
	HSBC Custody Mitsubishi UFJ Morgan Stanley Securities Trading Account (0.56%)
	HSBC (Taiwan) Commercial Bank Limited is entrusted to safeguard the investment account of Macquarie Bank Limited. (0.54%)
HENG NENG INVESTMENT CO., LTD. (unofficial translation of 恒能投資股份有限公司)	Dong, Yi-Nai (46%)
AVY Co., Ltd.	ABICO AVY Co., Ltd. (100%)
Taishiba International CO., LTD.	ABILITY INVESTMENT CO., LTD. (24.88%)
	Toshiba Technology Corporation (12.64%)
	CHIA NINE INVESTMENT CO., LTD. (12.28%)
	CHIA MEI INVESTMENT CO., LTD (10.67%)
	ABICO AVY Co., Ltd. (9.07%)

	Central Investment Holdings Limited (6.30%)
	Heng Neng Investment Co., Ltd. (4.41%)
	Chen,Tsang-Ku (2.49%)
	Cheng Wang,Mei-E (2.13%)
	CHII YING CO., LTD. (2.11%)

E. Major Shareholders who are Juristic Person Shareholders

Criteria / Name	Professional Qualifications and Experience (Note 1)	Independence (Note 2)	Number of independent directors of other public companies
ABICO AVY CO., LTD. Representative Director Hu, Hsiang- Chi	1. Master's degree in International Business from National Taiwan University. 2. Over 25 years of work experience in business, legal, financial, accounting, or corporate operations. 3. No circumstances falling under Article 30 of the Company Act.	–	4
ABICO AVY CO., LTD. Representative Director Tong, Chun-Jen	1. Master's degree in Information Systems from New Jersey Institute of Technology. 2. Over 25 years of work experience in business, legal, financial, accounting, or corporate operations. 3. No circumstances falling under Article 30 of the Company Act.	–	–
ABICO AVY CO., LTD. Representative Director Tong, Chun-Yi	1. Master's degree in LSI from Waseda University, Japan; Bachelor's degree in Economics from University of Southern California, USA. 2. Over 25 years of work experience in business, legal, financial, accounting, or corporate operations. 3. No circumstances falling under Article 30 of the Company Act.	–	1
ABICO AVY CO., LTD. Representative Director Obara Masami	1. Omiya Technical High School, Saitama Prefecture, Japan. 2. Over 25 years of work experience in business, legal, financial, accounting, or corporate operations. 3. No circumstances falling under Article 30 of the Company Act.	–	–
Director Yuya Takahashi	1. Graduate School of Takarazuka University; Kansai University of Foreign Studies. 2. Over 25 years of work experience in business, legal, financial, accounting, or corporate operations. 3. No circumstances falling under Article 30 of the Company Act.	–	–
Director Sugiyama Shimpei	1. Faculty of Law, Meiji University, Japan. 2. Over 25 years of work experience in business, legal, financial, accounting, or corporate operations. 3. No circumstances falling under Article 30 of the Company Act.	–	–

Criteria / Name	Professional Qualifications and Experience (Note 1)	Independence (Note 2)	Number of independent directors of other public companies
Independent Director Chen, Che- Sheng	1. Master's/Ph.D. in Materials Science from the University of Tokyo; Master's in Industrial Management from Stanford University. 2. Over 25 years of work experience in business, legal, financial, accounting, or corporate operations. 3. No circumstances falling under Article 30 of the Company Act.	1. Neither the director, the director's spouse, nor any immediate family members within the second degree of kinship are serving as directors, supervisors, or employees of the Company or its affiliated enterprises. 2. Neither the director, the director's spouse, nor any immediate family members within the second degree of kinship (or using another person's name) hold any shares of the Company. 3. In the past two years, no compensation has been received for providing business, legal, financial, accounting, or other services to the Company or its affiliated enterprises. 4. the director is not serving as a director, supervisor, or employee of any specific related companies of the Company.	2
Independent Director Lin, Tien- Sung	1. Bachelor's degree in Business Administration from Soochow University. 2. Over 25 years of work experience in business, legal, financial, accounting, or corporate operations. 3. No circumstances falling under Article 30 of the Company Act.	5. Neither the director, the director's spouse, nor any immediate family members within the second degree of kinship are serving as directors, supervisors, or employees of the Company or its affiliated enterprises. 6. Neither the director, the director's spouse, nor any immediate family members within the second degree of kinship (or using another person's name) hold any shares of the Company. 7. In the past two years, no compensation has been received for providing business, legal, financial, accounting, or other services to the Company or its affiliated enterprises. 8. the director is not serving as a director, supervisor, or employee of any specific related companies of the Company.	–

Criteria / Name	Professional Qualifications and Experience (Note 1)	Independence (Note 2)	Number of independent directors of other public companies
Independent Director Chen, Wei- Yu	1. Master's in Business Administration from the University of California, Bachelor's degree in International Trade from National Chengchi University. 2. Over 25 years of work experience in business, legal, financial, accounting, or corporate operations.Possesses an accountant license. 3. No circumstances falling under Article 30 of the Company Act.	9. Neither the director, the director's spouse, nor any immediate family members within the second degree of kinship are serving as directors, supervisors, or employees of the Company or its affiliated enterprises. 10. Neither the director, the director's spouse, nor any immediate family members within the second degree of kinship (or using another person's name) hold any shares of the Company. 11. In the past two years, no compensation has been received for providing business, legal, financial, accounting, or other services to the Company or its affiliated enterprises. 12. the director is not serving as a director, supervisor, or employee of any specific related companies of the Company.	–

F. Board Diversity and Independence

(a).Director diversification policy management objectives and achievements

The Company's Code of Conduct stipulates that the composition of the Board of Directors should be diversified and that the Company's directors are all managers with many years of experience in business practices.

The directors of the Company are managers with many years of experience in business practices and possess the necessary knowledge, skills and qualities to perform their duties. The Company's diversification policy and specific management objectives and achievement are as follows:

Management Objective	Achievement
At least one-third of the board of directors shall possess expertise in the computer industry, marketing, or technology.	Yes
At least one-third of the independent directors must have legal, accounting or technological expertise.	Yes
The person concurrently serving as the General Manager of the Company should not exceed one third of the total number of Directors.	Yes
Independent Director has not served more than three consecutive terms.	Yes

The achieved diversity of the current members of the Board of Directors in 2024 is as follows:

Diversity / Name of Director				Basic Composition						Industry Experience										Professional Competence			
	Nationality	Gender	Employee Status	Age				Length of service as independent director		Gold Metal and Machine Machinery	Information and Technology	Investment Business	Consumerism and Food & Beverage	Sports and Leisure	Optical Manufacturing	Architecture and Construction	Transportation	Financial Securities	Trade	Risk Management	Accounting	Law	sustainable development
				40-50	51-60	61-70	seventy years or older	Less than 3 years	6-9 years														
Hu, Shiang-Chi	ROC	M	V	–	–	V	–	–	–	V	V	V	V	V	V	–	–	○	V	V	○	○	○
Tong, Chun-Jen	ROC	M	–	–	–	V	–	–	–	V	V	V	V	V	V	–	–	○	V	V	○	○	V
Tong, Chun-Yi	ROC	M	–	V	–	–	–	–	–	V	V	V	V	V	V	–	–	○	V	V	○	○	–
Obara Masami	Japan	M	V	–	–	V	–	–	–	V	V	V	–	–	–	–	–	–	○	V	○	○	–
Yuya Takahashi	Japan	M	–	V	–	–	–	–	–	–	–	–	○	–	–	–	–	–	V	V	–	–	–
Sugiyama Shimpei	Japan	M	–	–	V	–	–	–	–	–	–	–	V	–	–	–	–	V	V	V	–	–	–
Chen, Wei-Yu	ROC	M	–	–	–	V	–	–	V	–	–	–	–	–	–	–	–	○	–	V	V	○	○
Lin, Tien-Sung	ROC	M	–	–	–	–	V	–	V	–	–	–	–	–	–	–	V	–	V	V	○	○	○
Chen, Che-Sheng	ROC	M	–	–	V	–	–	–	V	V	–	–	–	–	–	V	–	–	○	V	○	○	○

Note: The term “ability” or “capability” refers to partial ability.

(b). Independence of the Board of Directors

The Company's second board of directors consists of nine directors, including three independent directors (33%) and six non- independent directors (67%), all of whom possess business judgment, leadership and decision-making, management, international market perspective, crisis management and other abilities, as well as industry experience and professional capabilities. Among them, Mr. Chen, Wei-Yu holds an accounting license and has practical practice and management experience; Mr. Lin, Tien-Sung, an independent director, was formerly the CEO of Sino-Filipino Bank and has multinational management experience and international transportation expertise; Mr. Chen, Che-Sheng, an independent director, holds an M.S. and PhD from the University of Tokyo and an M.S. in Industrial Management from Stanford University, U.S.A. He has professional experience in industrial management and is currently serving his first term as an independent director. All three independent directors are currently serving their first term of office and all are nationals of their home countries. Among all directors, only Mr. Tong, Chun-Jen and Tong, Chun- Yi are brothers, and the rest of the directors have no spousal or immediate family relationships within the second degree of kinship with each other. Thus, none of the directors are subject to the provisions of Items 3 and 4 of Article 26-3 of the Securities and Exchange Act (please refer to the table of directors' information on page 9).

(c). Director's Further Training

Name	Job Title	Date of Studies		Course Title	Organiser	Training hours (hours)	Total hours
		From	To				
Hu, Shiang-Chi	Chairman	2024.07.10	2024.07.10	Enterprise risk management under ESG	Taiwan Investor Relations Association	3	9
		2024.07.22	2024.07.22	Functions and prospects of carbon exchanges & how the board of directors supervises the company to establish and improve risk management mechanisms	Taiwan Investor Relations Association	3	
		2024.08.06	2024.08.06	Corporate Governance and Securities Regulation	China Corporate Governance Association	3	
Tong,Chun-Jen	Director	2024.06.21	2024.06.21	Discussing the three practical codes and cases of honest management, corporate governance and sustainable development	China Corporate Governance Association	3	12
		2024.06.27	2024.06.27	Greenhouse Gas Carbon Management/Carbon Tariffs & Carbon Rights	Taiwan Investor Relations Association	3	
		2024.07.10	2024.07.10	Enterprise risk management under ESG	Taiwan Investor Relations Association	3	
		2024.08.30	2024.08.30	International Corporate Sustainability Trends-ESG Performance Management and Corporate Value Layout	Taiwan Investor Relations Association	3	
Tong,Chun-Yi	Director	2024.05.21	2024.05.21	Corporate Governance and Securities Regulation	Securities and Futures Market Development Foundation of the Republic of China	3	6

		2024.06.27	2024.06.27	Greenhouse Gas Carbon Management/Carbon Tariffs & Carbon Rights	Taiwan Investor Relations Association	3	
		2024.07.10	2024.07.10	Taiwan Investor Relations Association - Enterprise Risk Management under ESG	Taiwan Investor Relations Association	3	
Obara Masami	Director	2024.10.04	2024.10.04	2024 Prevention of Insider Trading Promotion Conference	Securities and Futures Market Development Foundation of the Republic of China	3	6
		2024.11.22	2024.11.22	Taiwan Investor Relations Association - Legal Analysis of Japanese Companies' Mergers and Acquisitions in Taiwan	Taiwan Investor Relations Association	3	
Sugiyama Shimpei	Director	2024.10.04	2024.10.04	2024 Prevention of Insider Trading Promotion Conference	Securities and Futures Market Development Foundation of the Republic of China	3	6
		2024.11.22	2024.11.22	2024 Insider Equity Trading Legal Compliance Seminar	Securities and Futures Market Development Foundation of the Republic of China	3	
Takahashi Yuya	Director	2024.10.18	2024.10.18	【TIRI Online Director and Corporate Governance Manager Training Course】Brand Communication and Stakeholder Management	Taiwan Investor Relations Association	3	6
		2024.11.22	2024.11.22	2024 Insider Equity Trading Legal Compliance Seminar	Securities and Futures Market Development Foundation of the Republic of China	3	
Chen Wei-Yu	Independent Director	2024.10.18	2024.10.18	Forensic accounting and fraud prevention	China Corporate Governance Association	3	6
		2024.11.01	2024.11.01	ESG trends and practical analysis	China Corporate Governance Association	3	
Lin Tian-Shiou	Independent Director	2024.04.19	2024.04.19	Business strategies in the digital age	Chinese Finance and Economic Development Association & Taiwan Listed Companies	3	12

					Association		
		2024.04.26	2024.04.26	Challenges and business thinking of Taiwanese companies in turbulent times	Corporate Management and Sustainable Development Association of the Republic of China	3	
		2024.09.26	2024.09.26	Net-zero strategy and low-carbon governance under the climate emergency	Chinese Finance and Economic Development Association & Taiwan Listed Companies Association	3	
		2024.10.23	2024.10.23	How can the board of directors ensure the sustainable operation of the enterprise? - Starting from the discovery and training of talents	Chinese Finance and Economic Development Association & Taiwan Listed Companies Association	3	
Chen,Che-Sheng	Independent Director	2024.08.20	2024.08.20	Business secrets and information security practices and legal risk management	Taiwan Investor Relations Association	3	6
		2024.09.20	2024.09.20	2024 Prevention of Insider Trading Promotion Conference	Securities and Futures Market Development Foundation of the Republic of China	3	

(2). General Manager, Deputy General Manager, Assistant Manager, Managerial Data in Departments & Affiliated Branches

2025.05.02 Unit: Thousand Shares

Job Title	Full Name	Gender	Nationality	Inauguration date	Shares Held		Shares held by Spouse, Minor Children		Shares Held by a Proxy Individual		Primary Career/Academic Experience	Positions Concurrently Held in Other Companies	Spouse/Second Degree Relatives Acting as Managers			Remarks
					Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held			Job Title	Full Name	Relationship	
Group Chairman, Chief Strategy Officer	Hu, Hsiang-Chi	Male	Republic of China (ROC)	109.03.25	221	0.64	-	-	-	-	Yageo Corporation Global General Manager National Taiwan University International Business Academy	ABICO AVY CO., LTD., General Manager /Director ABICO NETCOM CO., LTD., Chairman Jabon International Co., Ltd Chairman. Positive Energy Sport Co., Ltd. Chairman ABICO ASIA CAPITAL CO., LTD., General Manager ABILITY ENTERPRISE CO., LTD., Director Ya Li Electric Co., Ltd. Independent Director ISANLIN CONSTRUCTION CO., LTD., Independent Director Member of Remuneration Committee, Ren Jie Old Sichuan Catering Management Consulting Co., Ltd. IKKA Japan Director M.A.C Technology(Malaysia)Sdn.Bhd Chairman. IKKA(Hong Kong)Co., Limited Director. IKKA Technology DongGuan Co., Ltd.'s Director Sol-Plus(HK)Co.,Ltd. Director. SOL-PLUS Corp. Director Hiraiseimitsu(Thailand)Co.,Ltd. Director.	-	-	-	
Group General Manager, IKKA Japan Chairman	Obara Masami	Male	Japan	97.06.23	74	0.21	-	-	-	-	Saitama Omiya Technical High School	President of IKKA Japan Co., Ltd. M.A.C Technology(Malaysia)Sdn.Bhd Director. IKKA Technology (Vietnam) Co., Ltd. Director. IKKA Technology DongGuan Co., Ltd. Director. SOL-PLUS Corp. Director Hiraiseimitsu(Thailand)Co.,Ltd. Director. AVY Precision Metal Components (SuZhou) Co., Ltd. Director.	-	-	-	

Job Title	Full Name	Gender	Nationality	Inauguration date	Shares Held		Shares held by Spouse, Minor Children		Shares Held by a Proxy Individual		Primary Career/Academic Experience	Positions Concurrently Held in Other Companies	Spouse/Second Degree Relatives Acting as Managers			Remarks
					Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held	Number of Shares	Percentage of Shares Held			Job Title	Full Name	Relationship	
Taiwan Branch General Manager Company Governance Officer	Yang, Chao-Yu	Male	Republic of China (ROC)	109.03.25	52	0.15	-	-	-	-	SuperAlloy Industrial CO. LTD. General Manger National Defense University Executive Managerial Studies	ABICO AVY Co., Ltd. Director. DONGGUAN QUNSHENG DUST METALLURGY CO., LTD., Chairman DongGuan Best Achieve Industrial Ltd. Chairman. QUNSHENG TECH (SUZHOU) CO., LTD., Chairman Jabon International Director EKEEN Precision Co., Ltd. Director. JieCheng Co., Ltd. Director M.A.C Technology(Malaysia)Sdn.Bhd Director.	-	-	-	
Chairman and CEO of Dongguan IKKA.	Tatsuo Kikuchi	Male	Japan	113.11.07	-	-	-	-	3	0.01	Tochigi Prefectural Nasu Technical High School, Japan	General Manager of Yìng Huá Precision Metal Products (Suzhou) Limited Company.	-	-	-	
IKKA Hong Kong, IKKA Dongguan President/General Manager	Katsumi Nakagawa	Male	Japan	108.10.01	5	0.02	-	-	-	-	Business English Conversation, Tokyo SCHOOL College DAIICHI KASEI CO., LTD., Business Department Manager IKKA JAPAN, Executive Officer	-	-	-	-	
IKKA Vietnam President/General Manager	Hiroshi Aoki	Male	Japan	107.04.26	28	0.08	-	-	-	-	Chiba Institute of Tech Industrial Studies Department Industrial Operations Discipline DaiichiKasei Co., Ltd. Production Management Department Manager	-	-	-	-	
Group Chief Financial	Chiang,	Male	Republic of	109.03.25	32	0.09	-	-	-	-	Jabon International CO., LTD. Chief Financial Officer MS in Applied Math from Roosevelt	Dongguan Qunsheng Dust Metallurgy CO., LTD. Director DongGuan Best Achieve Industrial Ltd. Director.	-	-	-	

Job Title	Full Name	Gende r	Nationality	Inaugura tion date	Shares Held		Shares held by Spouse, Minor Children		Shares Held by a Proxy Individual		Primary Career/Academic Experience	Positions Concurrently Held in Other Companies	Spouse/Second Degree Relatives Acting as Managers			Re mar ks
					Numbe r of Shares	Percen tage of Shares Held	Number of Shares	Perce n tage of Share s Held	Numb er of Shares	Percenta ge of Shares Held			Job Titl e	Full Na me	Rel atio nshi p	
Officer	Shuo-Yen		China (ROC)								University (Chicago, IL)	QUNSHENG TECH (SUZHOU) CO., LTD., Director				
Group Chief Auditor	Peng, Lien-Chu	Femal e	Republic of China (ROC)	109.03.25	14	0.04	-	-	-	-	Jabon International CO., LTD. Audit Manager National Taichung University of Science and Technology	-	-	-	-	

（3）Chairman and General Manager or equivalent positions (the highest Executive) being the same person, spouses, or first-degree relatives, should explain the reasons, reasonableness, necessity, and corresponding measures: Our company's Chairman is Mr. Shiang-Chi Hu, and the General Manager is Mr. Masami Obara. There is no situation where the Chairman and the General Manager are the same person, and the two have no familial relationship.

2. Remuneration paid to directors, supervisors, general managers, and deputy general managers

(1). Remuneration paid to regular directors, independent directors

		Directors Remuneration				
			A、B、C、D Total amount and percentage of net profit after tax	Concurrent Status as Employee, Receiving of Relevant Remunerati	A、B、C、D、 E、F and G	Pare nt Com pany and All Inve sted Busi ness es

Job Title		Name	Compensation (A)		Retirement Pensions (B)		Director's Remuneration(C)		Functional Expense (D)				Salaries, Bonuses, Special Expenditures (E)		Retirement Pension (F)		Employee Compensation (G)						
			This Company	All Companies in the Financial Report This	This Company	All Companies in the Financial Report This	This Company	All Companies in the Financial Report This	This Company	All Companies in the Financial Report This	This Company	All Companies in the Financial Report This	This Company	All Companies in the Financial Report This	This Company	All Companies in the Financial Report This	This Company		All Companies in the Financial Report This		This Company	All Companies in the Financial Report This	
																	Cash	Stocks Amount	Cash	Stocks Amount			
juridical person director		ABICO AVY CO., LTD	0	0	0	0	4,179	4,179	0	0	4,179 2.18%	4,179 2.18%	0	0	0	0	0	0	0	0	4,179 2.18%	4,179 2.18%	0
Chairman /	ABICO AVY Co., Ltd.	Hu, Hsiang Chi	0	0	0	0	0	0	20	20	20 0.01%	20 0.01%	1,307	5,319	0	0	3,232	0	3,232	0	4,559 2.38%	8,571 4.47%	72
Director		Tong, Chun Jen	0	0	0	0	0	0	20	20	20 0.01%	20 0.01%	0	2,381	0	0	0	0	0	0	20 0.01%	2,401 1.25%	72
Director		Tong ,Chun	0	0	0	0	0	0	16	16	16 0.01%	20 0.01%	0	2,381	0	0	0	0	0	0	16 0.01%	2,397 1.25%	72
Director		MASAMI OBARA	0	0	0	0	0	0	16	96	16 0.01%	96 0.05%	0	8,000	0	0	2,200	0	2,200	0	2,216 1.16%	10,296 5.37%	0
Director		Obara Mas	0	0	0	0	0	669	669	16	16	685 0.36%	685 0.36%	0	0	0	0	0	0	0	0	685 0.36%	685 0.36%
Director		Sugiyama Shimpei	0	0	0	0	668	668	16	16	684 0.36%	684 0.36%	0	0	0	0	0	0	0	0	684 0.36%	684 0.36%	0

Independent Director	Chen, Wei-	660	660	0	0	0	0	52	52	712 0.37%	712 0.37%	0	0	0	0	0	0	0	0	712 0.37%	712 0.37%	0
Independent Director	Lin, Tien-S	660	660	0	0	0	0	52	52	712 0.37%	712 0.37%	0	0	0	0	0	0	0	0	712 0.37%	712 0.37%	0
Independent Director	Chen, Che-Sheng	660	660	0	0	0	0	52	52	712 0.37%	712 0.37%	0	0	0	0	0	0	0	0	712 0.37%	712 0.37%	0

1. Please describe the payment policy, system, standard and structure of Independent Director Remuneration, and describe the relationship with the amount of Remuneration according to the responsibilities, risks, time invested and other factors: The Company's Independent Director Remuneration does not participate in the distribution of Director remuneration in accordance with Director on 17 December 2020. Resolution, and its annual salary is submitted to Director, Resolution for approval after the discussion and decision of the Company's Remuneration Committee.
2. Apart from what is revealed in the above spreadsheet, remunerations collected by this company's directors for their services (such as non-employee consultation work) at subsidiary companies listed in the financial report this year: None.

Remuneration Interval Sheet

Remuneration Interval Sheet

Interval of Remunerations Paid to Various Directors of this Company	Name of Directors			
	Sum of First 4 Remuneration Amounts (A+B+C+D)		Sum of First 7 Remuneration Amounts (A+B+C+D+E+F+G)	
	This Company	All Companies in the Financial Report (H)	This Company	Parent Company and All Invested Firms in the Financial Report (I)
Lower than 1,000,000	Hu Hsiang-Chi Tong Chun-Jen Tong Chun-Yi Obara Masami Yuya Takahashi, Sugiyama Shimpei Chen Wei-Yu Lin Tien-Sung Chen Che-Sheng	Hu Hsiang-Chi Tong Chun-Jen Tong Chun-Yi Obara Masami Yuya Takahashi, Sugiyama Shimpei Chen Wei-Yu Lin Tien-Sung Chen Che-Sheng	Tong Chun-Jen Tong Chun-Yi Yuya Takahashi, Sugiyama Shimpei Chen Wei-Yu Lin Tien-Sung Chen Che-Sheng	Yuya Takahashi Sugiyama Shimpei Chen Wei- Yu Lin Tien-Sung Chen Che- Sheng
1,000,000 (including) -2,000,000(Not including)	–	–	–	
2,000,000 (including) -3,500,000 (Not including)	–	–	Obara Masami	Tong Chun-Jen Tong Chun-Yi
3,500,000 (including) -5,000,000 (Not including)	–	–	Hu Hsiang-Chi	–
5,000,000 (including) -10,000,000 (Not including)	–	–		Hu Hsiang-Chi
10,000,000 (including) -15,000,000 (Not including)	–	–	–	Obara Masami
15,000,000 (including) -30,000,000 (Not including)	–	–	–	–
30,000,000 (including) -50,000,000 (Not including)	–	–	–	–
50,000,000 (including) -100,000,000 (Not including)	–	–	–	–
100,000,000 (and above)	–	–	–	–
Total	9	9	9	9

(2) Supervisor Renumeration: Not applicable, this company has an audit committee installed.

(3) Remuneration for General Manager and Vice General Manager

Unit: New Taiwan Dollar (NTD), Thousand

Job Title	Full Name	Salaries (A)		Retirement Pensions (B)		Bonuses, Special Expenditures, etc (C)		Employee Compensation Amount (D)				Percentage of After Tax Net Profit that the 4 Items of A, B, C, and D Account For (%)		Parent Company and All Invested Businesses
								本公司		財務報告內所有公司				
		This Company	All Companies in the Financial Report	This Company	All Companies in the Financial Report	This Company	All Companies in the Financial Report	Cash Amount	Stock Amount	Cash Amount	Stock Amount	This Company	All Companies in the Financial Report	
Chairman & Chief Strategy Officer	Hu, Hsiang-Chi	480	480	-	-	827	4,839	3,232	-	3,232	-	4,539	8,551	72
Group General Manager, IKKA Japan Chairman	Obara Masami	-	3,988	-	-	-	4,012	2,200	-	2,200	-	2,200	10,200	-

Taiwan Branch General Manager	YANG, CHAO-YU	360	360	-	-	460	-	1,375	-	1,375	-	2,195	2,195	72
IKKA Hong Kong, IKKA Dongguan President/General Manager	Katsumi Nakagawa	-	3,894	-	-	-	-	340	-	340	-	340	4,234	-
IKKA Vietnam President/General Manager	Hiroshi Aoki	-	2,059	-	-	-	-	269	-	269	-	269	2,328	-

Remuneration Interval Sheet

Interval of Remunerations Paid to Various General, Deputy General Managers of this Company	Names of General, Deputy General Managers	
	This Company	All Companies in the Financial Report
Lower than 1,000,000	Hiroshi Aoki Katsumi Nakagawa	-
1,000,000 (including)-2,000,000 (not including)	-	-
2,000,000 (including)-3,500,000 (not including)	Obara Masami Yang Chao-Yu	Hiroshi Aoki Yang Chao-Yu
3,500,000 (including)-5,000,000 (not including)	Hu, Hsiang-Chi	Katsumi Nakagawa Hu, Hsiang-Chi
5,000,000 (including)-10,000,000 (not including)	-	Obara Masami
10,000,000 (including)-15,000,000 (not including)	-	
15,000,000 (including)-30,000,000 (not including)	-	-
30,000,000 (including)-50,000,000 (not including)	-	-
50,000,000 (including)-100,000,000 (not including)	-	-
100,000,000 and above	-	-
Total	5	5

Manager names and distribution of employee remuneration

2024/12/31 Unit: New Taiwan Dollar (NTD), Thousand

Job Title		Name	Share	Cash	Total -	Ratio of Total Amount to Net Income
Manager	Chairman & Chief Strategy Officer	Hu, Hsiang-Chi	-	7,416	7,416	3.87%
	General Manager and IKKA, Japan	MASAMI OBARA				
	Taiwan Branch General Manager	Chao-Yu Yang				
	IKKA Chairman and General Manager	Katsumi Nakagawa				
	IKKA Vietnam President/General Manager	Hiroshi Aoki				

(4) A separate comparison of the percentage of post-tax net profit that the remunerations paid to directors, supervisors, general managers, and vice general managers account for, for this company and subsidiary companies listed in the combined report alike, will reveal everything remuneration related, including

policies, standards, combinations, amount determination process, as well as KPI and relation to future risks.

(A).Analysis of this Company's Director, General Manager, and Vice General Manager Remuneration Total Amount and Proportion to Post-Tax Net Profit

Unit: Percentage (%)

Item	This Company		All Companies in the Financial Report	
	Y2023	Y2024	Y2023	Y2024
DirectorRemuneration	11,873	14,495	23,104	31,349
Proportion of total amount to net profit after tax (%)	9.9	7.56	19.39	16.36
Supervisor Remuneration	-	-	-	
Proportion of total amount to net profit after tax (%)	-	-	-	
General Manager and Vice General Manager Remuneration	8,870	9,543	22,935	27,508
Proportion of total amount to net profit after tax (%)	7.44	4.98	19.25	14.35
Net Profit (After tax)	119,162	191,666	119,162	191,666

From the above table, it can be seen that this company's Director and Presidents personnel Remuneration are all in line with the post-tax net profit and the following 2. Remuneration policy, standard.Combination, amount determination Remuneration process, and explanation of the relation to business performance and future risks change.

(B) Remuneration policy, standard, combination, amount determination process, as well as KPI and relation to future risks:

(a) Director Remuneration:

The Company's current Director Remuneration package is Independent Director salary, general Director remuneration, and travel expenses, etc., which are all handled in accordance with Articles of Incorporation. According to Article 34.1 of this Articles of Incorporation, if the Company makes a profit in the year, no more than 5% should be allocated to Director remuneration, and there is a "Director and Functional Committee Remuneration Payment Method." In addition, considering the Company's operating results and the value of its participation and contribution to the Company's operations, reasonable remuneration is given. The relevant remuneration is reasonable and reviewed by the Remuneration Committee and Director. In January 2025, the Company has completed the overall Director, individual Director members and Functional Committee performance evaluation for the period from 1 January 2024 to 31 December 2024 in accordance with the

Company's "Director Performance Evaluation Measures". The evaluation methods include Director and Functional Committee internal self-evaluation, Director members self-evaluation, and the evaluation results will be reported at the Director meeting on 14 January 2025. The Company's Director performance evaluation measures item, including the following five aspects:

- Participation in the operation of the company.
- Improve the decision-making quality of Director.
- Director composition and structure.
- Election and continuing education of the Director.
- Internal control.

The Company's Director member performance evaluation measures item, including the following six aspects:

- Alignment of the goals and missions of the Company.
- Director Awareness of duties.
- Participation in the operation of the company.
- Internal relationship management and communication.
- Professionalism and continuing education of Director.
- Internal control.

The company's Director member performance evaluation measures item(six major aspects), which is listed as important item and the proportion is described as follows:

Measurement aspect	Percentage	Explanation
Familiarity with the goals and missions of the Company	12%	Understand the characteristics and risks of the industry in which the Company (Group) operates, and the strategic goals at different stages (including finance and non-finance), and agree with the Company's core values of ethical management and the concept of sustainable corporate management (ESG).
Director Recognition of responsibilities	12%	The Company fully understands the legal obligations of Director, including and complies with the confidentiality obligation for the relevant internal information of the Company acquired when performing the duties of Director.
Participation in the operation of the company	38%	The Company attends the Company's Director and shareholders' meetings in person, and the meeting unit provides meeting documents seven days before the meeting, so that Director can have sufficient time to understand the proposals, and has a clear understanding of the Company (group)

		management team and the Company's industry to make professional and appropriate judgments, put forward specific suggestions, and supervise the Company's existing or potential risks (including various legal compliance, capital operation, ESG issues, etc.), and make effective contributions at the Director
Internal relationship management and communication	12%	The interaction with the Company's management team is good, and there is good communication with the members of Other Director. In the meeting (including Audit Committee and Director), it fully communicates and communicate with the certified accountant.
Director Expertise and continuing education	14%	Possess the expertise in business, legal, finance, accounting or corporate business as required by the decision-making of the Director, and continue to study and absorb new knowledge in accordance with laws and regulations, and invest in the development and activities of corporate sustainable operation.
Internal control	12%	Whether Director actually avoids the relevant resolutions that require Director to avoid conflicts of interest. Is the accounting system, financial status, and financial reports, audit report, and follow-up of the Company (Group) understood and its implementation and follow-up status supervised and evaluated.

The Company's Functional Committee performance evaluation measures item, including the following five aspects:

- Participation in the operation of the company.
- Functional Committee Awareness of duties.
- Improve the decision-making quality of Functional Committee.
- Makeup of Functional Committee and election of its members.
- Internal control.

The results of the Company's Director evaluation shall be used as a reference for the selection or nomination of Director. In accordance with the Company's "Director and Functional Committee Remuneration Payment Method", the results of individual Director performance evaluation are used as a reference basis for determining its individual salary and remuneration adjustments. After the completion of the above assessments, the results of the 2024 Director, members of the Director and Functional Committee performance evaluations ranged from 99.52

points to 100 points, and the Director and Functional Committee (Audit Committee and Remuneration Committee) overall operated well.

(b) Manager Remuneration

According to Article 34.1 of this Articles of Incorporation, no less than 8% of the pre-tax net profit of the current year before the deduction of employee remuneration and Director remuneration shall be distributed to employees, and no more than 15% of the employee remuneration shall be distributed. There are also "Salary Management Measures" and "Performance Management Measures". In accordance with the aforementioned measures, the Company’s Manager Remuneration includes salary and bonus, of which salary is approved according to its working years and rank; Bonuses include employee compensation and year- end bonuses. The method of approval and performance are as follows:

- Employee remuneration: The employee remuneration is allocated based on the Company's annual earnings, taking into account his/her position, responsibilities, seniority and special contribution to the Company, and is able to be allocated according to the Company's long-term development and other standards.
- Year-end bonus:
  (1) Department performance or financial performance: revenue and profit, achievement of budget targets, growth and new markets; Effective financial operations and risk management.
  (2) Talent cultivation: The cultivation of elite talents and the retention rate of personnel.
  (3) Quality and risk: Compliance with laws and regulations.
  In addition to the above three aspects, it will be split into personality traits and work attitude (qualitative) and routine and project work execution results (quantitative) based on individual performance

evaluation, and calculate the final results with 30% and 70% respectively

(4) According to the usual level of payment in the industry, consider the rationality of the relationship between personal performance, company operating performance and future risks, and review the Remuneration system at any time according to the actual operating conditions and relevant laws and regulations, so as to balance the company's sustainable operation and risk control.

(c) Relation to Future Risks:

A. This company has purchased liability insurance for all directors and managers, with a policy amount of US$15,000,000. This directors' and officers' liability insurance aims to mitigate the company's exposure to unknown risks, and to transfer potential damages arising from the directors and key managers' performance of their duties.

B. The remuneration system for the company's directors and appointed managers will be reviewed periodically, taking into account the overall economic environment, business strategies, and future risk assessments, to minimise the possibility of risks occurring.

3. Implementation of Corporate Governance

（1）Operation of Board of Directors

The Company’s second board of directors includes 9 seats, of which 3 seats are allocated for independent directors.

To the date of this 2024Annual Report, a total of 10 the meetings of the Company’s board of directors were held (A), and the status of directors’ attendance is recorded below

Job Title	Full Name	Number of Actual Attendance (B)	Number of Authorized Attendance	Actual Attendance Rate (%) (B/A)	Remarks
Chairman	ABICO AVY CO., LTD. Representative: Hu, Hsiang-Chi	10	0	100	
Director	ABICO AVY CO., LTD. Representative: Tong, Chun-Jen	10	0	100	
Director	ABICO AVY CO., LTD. Representative: Tong, Chun-Yi	10	0	100	
Director	ABICO AVY CO., LTD. Representative: Obara Masami	8	2	80	
Director	Yuya Takahashi	10	0	100	
Director	Sugiyama Shimpei	10	0	100	
Independent Director	Chen, Wei-Yu	10	0	100	

Independent Director	Lin, Tien-Sung	10	0	100	
Independent Director	Chen, Che-Sheng	10	0	100	

Other required disclosure matters:

1. If any of the following circumstances occur at the meeting of the board of directors, the dates of meetings, sessions, contents of motions, all independent directors' opinion and the Company's response to independent directors' opinion should be specified:

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

The independent directors were elected according to the shareholders' written resolutions on March 20, 2020, and at the same time, an audit committee was established. Therefore, the Article 14-3 of the Securities and Exchange Act are not applicable. For a description of the matters listed in Article 14-5 of the Securities and Exchange Act, please refer to the Operation of the Audit Committee.

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

2. If there is Directors' avoidance of motions in conflict of interest, the Directors' names, contents of motions, causes for avoidance and voting should be specified:

Board meeting date/term	Director's Name	proposal content	Due to conflict of interest reasons.	Voting participation status
2024/01/16 The third session, sixth meeting.	Mr. HU Shiang-Chi Mr.Tong, Chun-Jen Mr.Tong, Chun-Yi Mr. OBARA Masami	Cash Capital Increase for 2023: Allocation of New Share Allotment to Management Staff	Personal gain – holding the position of manager and being a manager of a company with control.	When the vote was taken, the director who was absent, after being consulted by Chairman Lin Tiansong, was passed without objection by the other attending directors.
2024/01/16 The third session, sixth meeting.	Mr. HU Shiang-Chi	2023 Annual Management Bonus Payment Proposal	Self-interest - manager	When the vote was taken, the director who was absent, after being consulted by Chairman Lin Tiansong, was passed without objection by the other attending directors.
2024/09/24 Third session, tenth meeting	Mr. HU Shiang-Chi Mr. OBARA Masami	2023 Manager Remuneration Proposal.	Self-interest - manager	When the vote was taken, the director who was absent, after being consulted by Chairman Lin Tiansong, was passed without objection by the other attending directors.
114.01.14 The third session, thirteenth meeting.	Mr. HU Shiang-Chi	2024 Annual Manager Bonus Payment Proposal	Self-interest - manager	When the vote was taken, the director who was absent, after being consulted by Chairman Lin Tiansong, was passed without objection by the other attending directors.

3. Implementation of evaluation by Director:

Evaluation cycle	Evaluation period	Scope	Method	Assessment content
Every year	2024/01/01 ~2024/12/31	Board of Directors' performance evaluation	Board members' internal self-assessment	A. Level of participation in company operations B. Improving the quality of board decisions C. Board composition and structure D. Appointment and ongoing training of directors E. Internal controls F. Other items
Every year	2024/01/01 ~2024/12/31	Individual director performance evaluation	Director's self-assessment	A. Understanding of the company's goals and tasks B. Understanding of directors' responsibilities C. Level of participation in company operations D. Management and communication of internal relationships E. Directors' professional expertise and continued development F. Internal controls G. Other items
Every year	2024/01/01 ~2024/12/31	Performance Evaluation of Functional Committees (Audit Committee and Remuneration Committee)	Committee members' self-assessment	A. Degree of participation in company operations B. Recognition of functional committee functions C. Enhancing the quality of decision-making by functional committees D. Composition and selection of members of functional committees E. Internal controls F. Other items
Performed every three years	2022/08/01 ~2023/07/31	Board performance evaluation	The incorporated association of the Chinese Corporate Governance Association.	A. The composition of the board of directors. B. The guidance of the board of directors. C. The authorisation of the board of directors. D. The supervision of the board of directors. E. The communication of the board of directors. F. Internal control and risk management. G. The self-regulation of the board of directors. H. Other matters such as board meetings, support systems, etc.

4.Goals for strengthening the functions of Director in the current year and the most recent year and the evaluation of the implementation:

(1)The Company holds a Director meeting at least once a quarter to review the Company's operating performance and discuss important operating strategies. In 2024, a total of 7 Director meetings were held, with an overall attendance rate of 98% for Director.

(2)The Company has established Audit Committee and Remuneration Committee, and established the Sustainable Development Committee on 8 May 2024 with Director Committee Resolution.

(3)When the Company’s Director is held, it is necessary to invite the Company’s certified public accountants and department heads to report the financial statement audit status, the Company’s recent financial, business, research and development status, sustainable development promotion plan and internal audit results to each Director and Independent Director to ensure that Director is informed of the most complete and detailed information.

(4)The Company has appointed dedicated personnel to be responsible for the disclosure of various information on the Company's website and Market Observation Post System, and formulated the

"Procedures for Handling Material Inside Information and Preventing Insider Trading" to enhance information transparency.

(5)In order to strengthen corporate governance, the Director of the Company has passed the “Corporate Governance Best Practise Principles”, “Ethical Corporate Management Best Practise Principles”, “Procedures for Ethical Management and Guidelines for Conduct”, “Sustainable Development Best-Practise Principles”, “Ethical Behaviour Standards”, “Risk Control Policy”, “Standard Operating Procedures for Handling Director Requirements”, and “Directions for the Implementation of Continuing Education of Director”, and will continue to amend the relevant regulations of Other to implement the highest principle of corporate governance.

(6)In order to implement corporate governance and enhance the functions of the Director Committee to strengthen the operational efficiency of the Director Committee, the Company’s Director Committee Resolution has approved the establishment of the “Director Committee Performance Evaluation Measures”, and regularly conducts internal evaluations of the performance of the Director Committee, Director Committee members, and Functional Committee each year, and reports the evaluation results to the Director Meeting on 14 January 2025; In 2023, “Director” will be appointed as “Taiwan Corporate Governance Association” to conduct an external performance evaluation of the Director from 1 August 2022 to 31 July 2023, and the evaluation results and improvement plan will be reported to the Director meeting on16 January 2024.

(1) Audit Committee’s Operation and Participation in the Operations of the Board of Directors Since March 20, 2019 the board of directors has established an audit committee in accordance with the law, consisting of three independent directors serve as members of the Audit Committee. The purpose of the Audit Committee is to assist the Board of Directors in fulfilling its oversight of the Company's quality and integrity in the implementation of accounting, auditing, financial reporting processes, and financial controls. Professional qualifications and experience of members are as follows:

Member	Professional qualifications and experience
Chen, Wei-Yu	Master of Business Administration from the University of California, and a degree in International Trade from National Chengchi University. Holds an accounting license and has practical professional and managerial experience.
Lin, Tien-Sung	Bachelor's degree in Business Administration from Soochow University. Former CEO of DIMERCO EXPRESS CORPORATION, with experience in cross- border management and expertise in international transportation logistics.
Chen, Che-Sheng	Master's/Ph.D. in Material Science from the University of Tokyo and Master of Industrial Management from Stanford University. Possesses industry-specific practical management experience.

A total of 7 meetings of the Audit Committee were held times in 2024 and up to the date of this Annual Report (A). The attendance status and deliberation operation status are listed in the table below:

Job Title	Name	Actual Attendance (B)	Authorized Attendance	Actual Attendance Rate (%) (B/A) (note)	Remarks
Independent Director	Chen, Wei-Yu	7	0	100	
Independent Director	Lin, Tien-Sung	7	0	100	
Independent Director	Chen, Che-Sheng	7	0	100	

Other noteworthy matters:

1. If any of the following circumstances occur at the meeting of the Audit Committee, the dates of meetings, sessions, contents of motions, all independent directors' opinion and the Company's response to independent directors' opinion should be specified.

(1) Items listed in the Securities and Exchange Act Section 14 Part 5:

Meeting Date Period	Motion Content	Audit Committee Resolution Results and the Company's handling of Independent Director opinions
2024/03/12 The 5th Session of the 2nd Session	1. Discussion of the 4th quarter audit report for 2023. 2. Proposal for the consolidated financial statements for 2023 and the 2023 operating report. 3. Proposal for the 2023 internal control statement. 4. Proposal for funding a loan to a subsidiary company.	Passed unanimously by all independent directors.
2024/05/08 The 6th Session of the 2nd Session	1.Discussion of the 1st Quarter 2024 Audit Report. 2.1st Quarter 2024 Consolidated Financial Report. 3.2023 Annual Profit Distribution Statement.	Passed unanimously by all independent directors.
2024/08/07 The 7th Session of the 2nd Session	1. Discussion of the 2nd Quarter 2024 Audit Report. 2. Discussion of the 2nd Quarter 2024 Consolidated Financial Report.	Passed unanimously by all independent directors.
2024/11/07 The 8th Session of the 2nd Session	1. Discussion on the 3rd Quarter 2024 Audit Report.	Passed unanimously by all independent directors.

	2. Discussion on the 3rd Quarter 2024 Consolidated Financial Report. 3. Proposal to amend the "Internal Control System". 4. Proposal to amend the "Internal Audit Implementation Procedures". 5. Proposal to amend the "Procedure for Lending Funds to Others" for the company and its subsidiaries.	
2024/12/25 The 9th Session of the 2nd Session	1. Audit Plan for 2025. 2. Full-year Financial Forecast for 2025. 3. 2025 Auditor Independence and Competence Assessment. 4. Auditor's Public Funding Proposals for 2025.	Passed unanimously by all independent directors.
2025/03/12 The 10th Session of the 2nd Session	1. Discussion of the 2024 Fourth Quarter Audit Report. 2. Resolution on the 2024 Internal Control Statement. 3. Resolution on the 2024 Consolidated Financial Statements and 2024 Business Report. 4. Resolution on the 2024 Profit Distribution Statement. 5. Resolution on the 2024 Profit Transfer and Issuance of New Shares.	Passed unanimously by all independent directors.
2025/05/06 The 11th session of the second	1. Audit report for Q1 2025. 2. Discussion of the Q1 2025 consolidated financial report.	Passed unanimously by all independent directors.

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

2.If there is Independent Directors' avoidance of motions in conflict of interest, the Independent Directors' names, contents of motions, causes for avoidance and voting should be specified: not applicable.

3.Communications between independent directors, the Company's chief internal auditor and CPAs (should include major developments, methods, and results reached in communications regarding corporate finance or business):

(1) Communications Between Independent Directors and Accountant:

Date	Communication Focus	The Company's handling and implementation
2024/03/12 The 5th Session of the 2nd Session	2023 Consolidated Financial Statements	Independent Director no objection, sending Director Resolution
	Communicate the governance matters learned in the audit of the 2023 consolidated financial report with Audit Committee	Independent Director No objection
2024/05/08 The 6th meeting of the 2nd session	2024 Q1 Consolidated Financial Report	Independent Director no objection, sending Director Resolution
	Communicate the governance matters learned in the audit of the consolidated financial report of the first quarter of 2024	Independent Director No objection

	with Audit Committee	
2024/08/07 The 7th meeting of the 2nd session	2024 Q2 Consolidated Financial Report	Independent Director no objection, sending Director Resolution
	Communicate the governance matters learned in the audit of the consolidated financial report of the second quarter of 2024 with Audit Committee	Independent Director No objection
2024.11.07 The 8th meeting of the 2nd session	2024 Q3 Consolidated Financial Report	Independent Director No objection
	Communicate the governance matters learned in the audit of the consolidated financial report of the third quarter of 2024 with Audit Committee	Independent Director No objection
2024/12/25 The 9th meeting of the 2nd session (this is a separate symposium)	1.Interpretation of Audit Committee Audit Quality (AQIs) Indicator Guidelines 2.Discussion on the 2025 audit plan	1.Independent Director no objection, internal communication Capacitive data storage. 2.Independent Director no objection, submitted for auditCommittee Resolution and submitted to Director for discussion.

(2)Communications Between Independent Directors and Internal Audit Managers:

Date	Communication Focus	The Company's handling and implementation
2024/03/12	Fourth Quarter 2023 Audit Report, Audit Follow-up Report, submitted to Independent Directors for review, and Internal Control System Statement Report for 2023.	No objections from independent directors
2024/05/08	2024 First Quarter Consolidated Management Report and Audit Committee Communication Regarding Identified Governance Matters.	No objections from independent directors
2024/08/07	Second Quarter 2024 Audit Report and Audit Follow-up Report submitted for review by independent directors.	No objections from independent directors
2024/11/07	1. Audit report and audit follow-up report for Q3 2024 submitted for review by independent directors. 2. Proposal to amend the "Internal Control System". 3. Proposal to amend the "Internal Audit Procedures".	No objections from independent directors
2024/12/25 (This is a separate seminar)	1.Interpretation of Audit Committee Audit Quality (AQIs) Indicator Guidelines 2.Discussion on the 2025 audit plan	No objections from independent directors

Corporate Governance Operations and Differences with Corporate Governance Best Practise Principles for TWSE/TPEx Listed Companies and Reasons

Item Evaluated	Operational Situation (Note)			Deviations from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Description	
Has the company established and does it disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Practice Principles for TWSE/TPEx Listed Companies?"	V		The company established its "Corporate Governance Guidelines" on September 29, 2020. The first revision was made on March 21, 2023, and the latest revision was made on May 6, 2025. These guidelines are disclosed on the Taiwan Stock Exchange's public information observation website and on the company's website.	No differences
4. Shareholding Structure & Shareholders' Rights				
(1) Has the company established an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement it based on the procedure?	V		1.The Company has appointed a stock agency in Taiwan to handle stock matters and set up a dedicated stock unit. 2.The Company has spokespersons and acting spokespersons, all of whom deal with shareholders' suggestions, doubts, disputes and lawsuits in accordance with the operating procedures.: Website http://www.ikka.com.tw→Investors→Shaeholder	No differences
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		The Company possesses the list of its major shareholders as well as the ultimate owners of those shares.	No differences
(3) Has the company established and does it execute the risk management and firewall system within its conglomerate structure?	V		The Company has established relevant control mechanisms within its internal regulations and internal control systems in accordance with laws and regulations (including "Rules for Regulating Related Party Transactions").	No differences
(4) Has the company established internal rules against insiders trading with undisclosed information?	V		On March 25, 2020, the Company passed the resolution of the board of directors and formulated the "Internal Significant Information Processing and Prevention of Insider Trading Operation Procedures", which clearly stipulated that the Company's personnel should abide by the provisions of the Securities and Exchange Act, and should not use the unpublished information that they know. Engage in insider trading, and shall not disclose it to others to prevent others from using the undisclosed information to engage in insider trading, and increase the reporting mechanism to achieve its effect.	No differences
3.Composition and Responsibilities of the Board of Directors				
(1) Does the Board develop, manage and implement a diversified policy?	V		1. The composition of the board of directors of the Company is based on the consideration of its own operation, operation type and business development needs. It is composed of people with industrial background, business management expertise, and financial	No differences

Item Evaluated	Operational Situation (Note)			Deviations from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Description	
			accounting expertise. 2. Please refer to of this manual for the description of the diversity and independence of the Board of Directors of the Company P.21 。	
(2) Has the company voluntarily established other functional committees in addition to the Remuneration Committee and the Audit Committee?	V		On 8 May 2024, the Company established the "Sustainable Development Committee" by the Director Committee Resolution, which will be gradually implemented in accordance with the annual plan.	No differences
(3) Has the company established a standard to measure the performance of the Board, and has it been implemented annually? Are the implemented results reported to the Board, and used as a reference for individual directors' compensation and nomination renewal?	V		Our company's board of directors approved the Board Performance Evaluation Regulations on September 29, 2020. The 2024 evaluation results were submitted to the board on January 14, 2025, and the board tasked relevant departments to develop improvement plans for those who did not achieve top scores. The evaluation results are available on our company website. Our company has established "Regulations on Remuneration for Directors and Functional Committees", which provides a framework for the payment of remuneration to directors, members of the audit committee, and members of the compensation committee, ensuring compliance with regulations.	No differences
(4) Does the company regularly evaluate the independence of CPAs?	V		This company's 2024 annual audit independence and competence assessment for the external auditor, including the auditor's declaration, external auditor review and assessment form, referencing the "Reference Guide for the Exercise of Powers of Independent Directors and Audit Committees" of the Chinese Corporate Governance Association and the Audit Quality Indicators (AQIs), was submitted to and approved by the Audit Committee on December 21, 2023, and subsequently approved by the Board of Directors on the same date. The external auditor review and assessment form evaluates the following three aspects: 1. Independence assessment (13 questions, 42%). 2. Competence assessment (9 questions, 29%). 3. Evaluation of audit work performance (9 questions, 29%).	No differences

Item Evaluated	Operational Situation (Note)			Deviations from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Description	
			Assessment results: The company's 2024 annual audit firm independence and competence assessment, comprising an auditor's statement, the audit firm's review and assessment form, and referencing the "Reference Guidelines for the Exercise of Powers of Independent Directors and Audit Committees" by the Taiwan Corporate Governance Association, and audit quality indicators (AQIs), was submitted to and approved by the audit committee on December 21, 2023. This was subsequently approved by the board of directors on the same date. The audit firm's review and assessment form evaluates the following three aspects: 1. Independence assessment (13 questions, accounting for 42%). 1. On 8 May 2023, the board of directors of this company resolved to appoint Mr. Chao-Yu Yang, General Manager of the Taiwan branch, as the company governance officer. His responsibilities include providing directors with the necessary information for conducting business, handling board and shareholder meeting procedures in accordance with regulations, managing company registration and changes to registration, and preparing minutes of board and shareholder meetings. 2. This company is incorporated in the Cayman Islands. Considering the need to comply with relevant cross-border regulations, the company has entrusted "協合國際律師事務所" (Xiéhé International Law Firm) with the task of handling corporate changes of registration in accordance with Cayman Islands regulations.	

Item Evaluated	Operational Situation (Note)			Deviations from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Description	
4. Does the company have an adequate number of corporate governance personnel with appropriate qualifications, and has a Chief Corporate Governance Officer been appointed to be in charge of corporate governance affairs (including but not limited to providing information for directors to perform their functions, assisting directors with legal compliance, handling matters relating to board meetings and shareholders meetings according to laws, producing minutes of board meetings, and shareholders meetings)?	V		1. The company's board of directors resolved on May 8, 2023, to appoint Mr. Yang Chaoyue, general manager of the Taiwan branch, as the company's governance officer. His responsibilities include providing directors with the data needed for their business operations, handling board and shareholder meeting procedures according to the law, managing company registration and changes to the registration, and preparing meeting minutes for board and shareholder meetings. 2. The company is incorporated in the Cayman Islands. Considering the necessity of compliance with cross-border regulations, the company has entrusted (International Cooperation Law Firm) with the handling of business registration changes according to Cayman Islands regulations.	No differences
5. Has the company established a communication channel and built a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), responded appropriately to stakeholders on corporate social responsibility issues?	V		The company's website has a special page for stakeholders in the special area of sustainable development, and has a special E-mail response function, and the company also has a spokesperson and agency spokesperson system. Stakeholders can establish communication channels with the spokesperson through the company's network, telephone and fax, and keep abreast of information to maintain the legal Equity of both parties. In order to ensure that "stakeholders" (including employees, customers, suppliers, shareholders, investors and correspondent banks) and other stakeholders have direct and smooth communication channels to respect and maintain their due legal Equity, the reporting platform, the Audit Committee composed of Independent Director, serves as the unit for receiving suggestions and complaints from stakeholders, and the Independent Director mailbox is disclosed on the company's website. Website link: Stakeholder area (ikka.com.tw)	No differences
6. Has the company appointed a professional shareholder service agency to deal with shareholder affairs?	V		The Company entrusts a professional organization - the agency department of China Trust Commercial Bank to handle the affairs of the shareholders' meeting and various stock affairs matters.	No differences
7. Information Disclosure				
(1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	V		The Company has a website at: www.ikka.com.tw Disclosures related to the Company's financial, business and corporate governance information Items are disclosed in the public information observatory and the Company in accordance with the regulations website.	No differences
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing	V		The Company's website has been set up with Chinese, English and Japanese websites (www.ikka.com.tw), and the Company's financial, business-related information and corporate governance information has been set up, and dedicated personnel have been designated to be responsible for the collection and disclosure of company information, and the Company has established a spokesperson and acting spokesperson system, and the information of the legal	No differences

Item Evaluated	Operational Situation (Note)			Deviations from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Description	
designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?			person briefing is placed on the Company's website for investors to check.	
(3) Does the company announce the annual financial report within 2 months after the end of the fiscal year, and announce the Q1, Q2, Q3 financial reports and monthly operation status before the deadlines?		V	The Company currently does not announce the financial report in advance. In the future, it will be evaluated according to actual needs or legal regulations.	The Company's financial reports are all announced within the specified time limit. Whether to announce and report in advance will be evaluated separately.
8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)?	V		Described as follows	No differences

(1) In the spirit of abiding by laws and regulations and attaching importance to corporate governance, the Company will continue to operate in a sustainable and practical manner. At present, other governance situations of the Company are as follows:

A. Operational performance:

In order to implement corporate governance, in addition to establishing an effective internal control system and implementing self-inspection operations, the Company has elected independent directors at the general meeting of shareholders on March 20, 2020, introduced an independent director system, and relied on

Item Evaluated	Operational Situation (Note)			Deviations from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Description	
the professional experience of independent directors., to increase the practical experience of the management team, and to formulate "rules of procedure" for the board of directors to strengthen the functions of the board of directors, and in order to protect the rights and interests of shareholders and improve information transparency, the Company has set up a spokesperson and proxy spokesperson system to disclose all major company information in a timely manner. A special person is responsible for handling the communication with shareholders. On the other hand, the Company has established a public information reporting operation in accordance with relevant regulations, so that shareholders and stakeholders can fully understand the Company's financial business status and the implementation of corporate governance. The Company is engaged in the development of auto parts manufacturing as its main operation, and expands marketing channels through reinvestment business. Through the introduction of ISO14001 and IATF16949 quality management systems in each subsidiary, the Company continues to strengthen product quality, thereby achieving stable growth in revenue and profitability. and strive to create value for shareholders. B. Environmental protection: In the heart of caring for the earth, fulfilling the social responsibility of environmental protection and energy saving, and adhering to the concept of actively reducing environmental pollution, to ensure that environmental performance can comply with environmental protection laws and regulations and commitment to continuous improvement and pollution prevention. At the same time, the Company also implements resource recycling and classification, and does its best to maintain the earth's environment, so as to achieve the sustainable operation of the enterprise, the earth will continue to thrive, and create a win-win situation for economic development and environmental protection. C. Employee Benefits and Care: Please refer to the Labour Relations section of this annual report (page 128). D. Investor Relations: In order to ensure that shareholders have the right to fully know, participate in and make decisions on major issues of the Company, in addition to sending a notice of meeting to shareholders before the shareholders' meeting, the Company also has the positions of spokesperson and acting spokesperson to serve as the Company and shareholders, investment Channels for communication between people and stakeholders. The Company has also set up a company website to introduce the Company's products and business content for the public to understand the Company's status. E. Supplier relationship: The Company has maintained a long-term good cooperative relationship with its suppliers. F. Rights of Stakeholders: The company fulfills its rights and obligations towards stakeholders, including banks and other business partners, in accordance with contracts and relevant operational regulations, to safeguard the legitimate interests of both parties. The company also provides banks with sufficient information to understand the company's operations and financial situation. The company will report on stakeholder communication activities for the 2024 fiscal year to the board of directors on January 14, 2025.				

Item Evaluated	Operational Situation (Note)			Deviations from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Description	

G. Directors' Training: Directors of this company are all compliant with the "Regulations for Training of Listed and Quoted Company Directors and Supervisors" by attending training courses on securities regulations and corporate governance. Please refer to page 22 of this annual report for details on directors' training this year.

H. Implementation of risk management policies and risk measurement standards: The Company's risk management policies and measurement standards are implemented through the following risk management organization tables to achieve their effectiveness.

ortant risk items	Direct response to risk	Risk Assessment and Control	Board and Audit Department
	First Mechanism	Second Mechanism	Third Mechanism
1. Interest Rate and financial risk	Finance Department	Finance Department General Manager Chief of Strategy	Audit Department: risk assessment, control, and follow up Board: final decisions on risk assessment and control.
2. High-risk and high-leverage investment, capital loan to others, derivative commodity trading, financial wealth management investment			
3. Investment, reinvestment and acquisition			
4. Policy and legal change	Administrative Department	Administrative Department General Manager Chief of Strategy	
5. Litigation and legal			
6. Corporate reputation			
7. Share transfer shareholder	Administrative Department and Share Registrar		
8. Change of ownership			
9. Environmental health and safety	Administrative Department		
10. Industrial change	Business Department	Business Department General Manager Chief Strategy Officer	

I. Implementation of customer policy:

The Company maintains a stable and good relationship with customers, adheres to the quality policy of "improving operation, continuous improvement, and customer

Item Evaluated	Operational Situation (Note)			Deviations from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Description	
satisfaction", and has become an industry giant that combines product yield, continuous improvement, and accuracy and precision, providing value-for-money products that meet customer needs. High-quality products to create company profits. J. The Company purchases liability insurance for directors: The Company has adopted the resolution of the board of directors on August 07, 2024 to renew the director's liability insurance, and completed the underwriting operation. The insurance period is from September 1, 2024 to August 31, 2025, in order to reduce and disperse directors due to mistakes or mistakes. Risk of significant damage to shareholders due to negligent conduct. K. Personnel related to transparency of financial information have obtained relevant certificates: 1 person with the certificate of qualified stock personnel of the Securities Foundation.				
9. Please explain the improvements made in the company governance assessment results recently released by the Corporate Governance Center of Taiwan Stock Exchange Corporation, and propose priority strengthening areas and measures for those that have not yet been improved. (Companies not included in the assessment do not need to fill this out): Our company was listed on May 2021, and participated in the company governance assessment for the third time in 2024. In the 2024 (11th edition) company governance assessment, the listed company ranking range was 51%~65%. We will continue to improve the items that did not score well. Projected achievements and improvement areas for 2025 (12th year): 3.13 Company annual report voluntary disclosure of directors' individual compensation. The 3.14 Company annual report reveals the link between director and manager performance evaluations and compensation. 3.21 Company Annual Report voluntarily discloses the individual compensation of the CEO and Deputy CEOs.				

(4) If the Company has a remuneration committee in place, the composition, duties, and operation of the remuneration committee:

A. Information on the Members of the Remuneration Committee

On March 20, 2020, the Company set up a remuneration committee through the resolution of the board of directors and formulated the "Organization Regulations of the Remuneration Committee", and the members of the first remuneration committee were independent director Lin Tien-Sung, independent director Chen Che-Sheng and independent director Chen Wei-Yu; the responsibility of the remuneration committee is to improve the salary and remuneration system of the Company's directors and managers; the information and operation of the committee members are as follows:

Members of Remuneration Committee

Title	Criteria / Name	Professional qualifications and experience	Independence	Number of other public companies in which the individual is concurrently serving as a remuneration committee
Independent Director (convener)	Lin, Tien-Sung	1. Bachelor's degree in Business Administration from Soochow University. 2. Over 25 years of work experience in business, legal, financial, accounting, or corporate affairs. No circumstances violating any provisions of Article 30 of the Company Act.	1. Neither the director, his spouse, nor any immediate family member within the second degree of kinship holds a position as a director, supervisor, or employee in this company or any of its affiliated enterprises. 2. Neither the director, his spouse, nor any immediate family member within the second degree of kinship (or under a false name) holds any shares in the Company. 3. The director has not received any remuneration in the past two years from providing services related to business, legal matters, finance, accounting, or any other services to this company or its affiliated enterprises. 4. The director does not hold a position as a director, supervisor, or employee in any company with a specific relationship to this company.	0
Independent Director	Chen, Wei-Yu	1. Master's degree in Business Administration from the University of California, and a Bachelor's degree in International Trade from National Chengchi University. 2. Over 25 years of work experience in business, legal, financial, accounting, or corporate affairs. 3. Holds a Certified Public Accountant (CPA) license.	1. Neither the director, his spouse, nor any immediate family member within the second degree of kinship holds a position as a director, supervisor, or employee in this company or any of its affiliated enterprises. 2. Neither the director, his spouse, nor any immediate family member within the second degree of kinship (or under a false name) holds any shares in the Company. 3. The director has not received any remuneration in the past two years from providing services related to business, legal matters, finance, accounting, or any other services to this company or its affiliated enterprises.	2

		No circumstances violating any provisions of Article 30 of the Company Act.	4. The director does not hold a position as a director, supervisor, or employee in any company with a specific relationship to this company.	
Independent Director	CHEN,CHE-SHENG	1. Master's/Doctoral degree in Materials Science from the University of Tokyo and a Master's degree in Industrial Management from Stanford University. 2. Over 25 years of work experience in business, legal, financial, accounting, or corporate affairs. 3. No circumstances violating any provisions of Article 30 of the Company Act.	1. Neither the director, his spouse, nor any immediate family member within the second degree of kinship holds a position as a director, supervisor, or employee in this company or any of its affiliated enterprises. 2. Neither the director, his spouse, nor any immediate family member within the second degree of kinship (or under a false name) holds any shares in the Company. 3. The director has not received any remuneration in the past two years from providing services related to business, legal matters, finance, accounting, or any other services to this company or its affiliated enterprises. 4. The director does not hold a position as a director, supervisor, or employee in any company with a specific relationship to this company.	0

B. Operation of the Remuneration Committee

(a). The Remuneration Committee of the Company consists of 3 members.

(b). The term of office of the current members is from June 30, 2023 to June 29, 2026. A total of 6 meetings in the most recent year to the date of this Annual Report (A) were held. The criteria and attendance of the members are as follows:

Job Title	Name	Actual Attendance (B)	Authorized Attendance	Actual Attendance Rate (%) (B/A)	Remarks
Convener	Lin, Tien-Sung	6	-	100%	-
Committee Member	Chen, Wei-Yu	6	-	100%	-
Committee Member	Chen, Che-Sheng	6	-	100%	-

Other noteworthy matters:

1. If the board of directors declines to adopt or amends a recommendation of the Remuneration Committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the Remuneration Committee's opinion (e.g., the remuneration adopted by the board of directors exceeds the recommendation of the Remuneration Committee, the circumstances and cause for the difference shall be specified): not applicable.
2. Resolutions of the Remuneration Committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: not applicable.

Note:

(a). If a member resigns before the end of the year, the date of resignation shall be indicated in the remarks column, and the actual attendance (presentation) rate shall be calculated based on the number of meetings of the Remuneration Committee and the number of actual attendance (presentation) during the term of office.

(b). Before the end of the year, if there is a re-election of the member, the former and current members shall be filled in. The remarks column should indicate that the member is the former

member, the current member or the member continues in office, and the date of re-election should be indicated. The actual attendance rate (%) is calculated based on the number of meetings of the Remuneration Committee and the number of actual attendance (percentage) during the term of office of such director or supervisor.

C ..The Company's salary and compensation committee met in the last year to review and evaluate the Company's salary and compensation information as follows:

Meeting Date	Proposal content and follow-up processing	Result	The Company's handling of the opinions of the remuneration committee
2024.01.16	1. Resolution on the allocation of employee share options for the company's cash increase capitalisation issue of new shares. 2. Proposal for the payment of managerial year-end bonuses for 2023.	Anonymously passed by the committee members	Proposal to the board of directors and approved by all directors present
2024.03.12	Discussion of the 2023 employee and director remuneration allocation plan	Anonymously passed by the committee members	Proposal to the board of directors and approved by
2024.09.24	2023 Management Staff Salaries Recommendation Proposal.	Anonymously passed by the committee members	all directors present
2024.11.07	Considering the salary proposal for the new manager.	Anonymously passed by the committee members	Proposal to the board of directors and approved by
2025.01.14	2024 Annual Management Performance Bonus Payment Proposal.	Anonymously passed by the committee members	all directors present
2025.03.12	Discussion of the 2024 employee and director remuneration allocation plan.	Anonymously passed by the committee members	Proposal to the board of directors and approved by

(5). Promotion of Sustainable Development:

A. In addition to focusing on the business development of its own business, the Company has long-term efforts for the Company's social responsibilities such as consumer rights and social welfare, and timely contributes to the public.

Promoted Item	Implementation Status (Note 1)			Differences from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary Description (Note 2)	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies"?	V		This company established a Sustainability Development Committee on May 8, 2024, by resolution of the board of directors. This committee is the highest guiding body for the company's sustainable governance operations. All members are directors, comprising two directors and three independent directors. Mr. Hu Xiangqi, the chairman, serves as the convenor. The committee will initially focus on the company's Taiwan liaison office as a development centre, gradually and effectively driving the establishment and implementation of the group's overall sustainability goals, incorporating ESG concepts into its operational strategies. The committee will report to the board of directors regularly (at least once a year) on ESG implementation plans and progress. In 2024, the Sustainability Development Committee held two meetings. On January 14, 2025, the convenor of the committee will report the ESG implementation results for 2024 and the work targets for 2025 to the board of directors. Board members will then assess and review the progress and make recommendations for adjustments.	No differences
2. Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?	V		1. This disclosure covers the sustainable development performance of the company in its primary locations from January 2024 to December 2024. Risk assessment boundaries primarily focus on the company's Taiwan locations. 2. The company regularly identifies and assesses risks related to significant ESG issues based on their importance. Based on the	No differences

Promoted Item	Implementation Status (Note 1)			Differences from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary Description (Note 2)	
			assessment, the following risk management policies and strategies have been established: I. Environment (A) Low-carbon Sustainability, Environmental Protection, and Resource Recycling 1. This year, the group's Taiwan office was used as the baseline for greenhouse gas inventory, and the ISO 14064-1:2018 greenhouse gas inventory standard system was implemented. 2. An eco-friendly office environment was promoted by planting indoor plants, bringing greenery into the office to reduce carbon dioxide levels and achieve the goal of purifying the indoor office air. 3. Continued promotion of paperless document management to save paper and improve efficiency. II. Social Responsibility (A) Friendly Workplace, Human Rights Protection, and Public Welfare Actions 1. Conducting employee health checks that exceed legal requirements. 2. Implementing gender equality in the workplace; continually reviewing and revising the company's regulations on workplace sexual harassment prevention, building a friendly work environment. 3. Implementing human rights policies to ensure compliance with labor rights-related laws. 4. Promoting employee participation in various social welfare activities, including educational support, environmental protection,	

Promoted Item	Implementation Status (Note 1)			Differences from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary Description (Note 2)	
			and public welfare activities. 5. Occupational Safety: The company has safety and health personnel who conduct hazard assessments and continuous risk improvement in the company's work areas. Through various occupational safety training, they reduce occupational accidents and fulfill their responsibility to protect employees. (B) Talent Development 1. Development training plans are formulated for employees of different levels and positions, serving as an important blueprint for talent development. 2. Diverse educational training courses are planned, and external resources are incorporated to broaden employee learning perspectives, enabling employees to keep up with digital knowledge and global trends. III. Corporate Governance (A) Enhancing Operational Performance and Promoting Sustainable Development 1. The company regularly reports on the progress of its sustainability initiatives to the Sustainability Committee and the Board of Directors, and submits the following year's sustainability work plan to the Sustainability Committee for approval before reporting it to the Board of Directors. 2. Strengthening employee awareness of intellectual property by conducting intellectual property management training courses. 3. The company's Nagoya plant in Japan was completed, enhancing operational performance.	

Promoted Item	Implementation Status (Note 1)			Differences from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary Description (Note 2)	
			(B) Integrity Management and Compliance with Laws 1. "Code of Business Conduct," "Code of Ethics," and "Internal Procedures for Preventing Insider Trading" were developed to protect the interests of investors and the company. 2. Regular integrity management education campaigns are conducted. 3. Management units, based on their respective responsibilities and professional scope, constantly review regulatory compliance trends to establish internal management policies.	
3. Environmental Issues				
(1). Does the company establish proper environmental management systems based on the characteristics of their industries?	V		1. The Company takes auto parts and components as the main revenue project, according to operation needs to establish a complete environmental and automotive quality certification, and has passed ISO14001 and IATF16949 certification. 2. To fulfill the corporate responsibility of environmental protection and to take care of the safety and health of colleagues, and based on the awareness of environmental protection and management needs such as pollution prevention, and environmental social responsibility.	No differences
(2). Does the company endeavor to utilize all resources more efficiently and use renewable	V		The Company is committed to the implementation of office waste reduction, resource classification and recycling and other activities, and entrusts qualified manufacturers to carry out recycling operations to maintain the earth's resources and protect environmental hygiene.	No major differences
(3). Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business,	V		For related information, please refer to page 77, section 2, "Climate-re information implementation status".	No major differences

Promoted Item	Implementation Status (Note 1)			Differences from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary Description (Note 2)	
and take appropriate action to counter climate change issues?				
(4). Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?	V		1. Greenhouse gas emissions: 2024 will be the base year for greenhouse gas inventory for the group's Taiwan office, adopting the ISO 14064-1:2018 greenhouse gas inventory standard system. 2. Water usage and total waste weight: The group's Taiwan office only generates general domestic wastewater, and water usage is not a significant issue for the company. 3. Establishing policies for energy conservation, carbon reduction, greenhouse gas reduction, water reduction, or other waste management: The group's Taiwan office's waste primarily consists of household garbage. Management and reduction measures involve commissioning a professional, qualified waste disposal company to collect and transport the waste to a waste incinerator for incineration; recyclable resources are sent to recycling companies for recycling and reuse, reducing environmental pollution and harm.	Depends on future needs and risk polices to evaluate
4.Social Issues				
(1). Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	V		The Company and its subsidiaries value the fundamental rights of employees, supply chain partners, and stakeholders. Human rights, committed to creating a friendly and dignified workplace environment, implemented in 2023 In accordance with the "UN Universal Declaration of Human Rights", "UN Global Compact", and the "United Nations Guiding Principles on Business and Human Rights", we have formulated the "Human Rights Policy" and "Anti-Discrimination and Anti-Sexual Harassment Policy", abide by the local laws and regulations of the Group's operating bases, and regularly promote the	Depends on future needs and risk polices to evaluate

Promoted Item	Implementation Status (Note 1)			Differences from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary Description (Note 2)	
			integration of human rights concepts into the lives of employees.	
(3). Whether the company has provided safe and healthy work environments for its employees, and organizes training on safety and health for its employees on a regular basis?	V		This company upholds a sustainable and friendly workplace environment, adhering to various labour laws and regulations. We provide comprehensive labour protection to our permanent employees and, within the available resources, offer appropriate mental and physical well-being measures, such as employee health checks exceeding legal requirements, summer high-temperature beverage coupons, various leisure activities, children's education incentives, and funeral/wedding/celebration subsidies. Our salary policy is structured around "guaranteed salary" and "variable rewards". Variable rewards are distributed based on operational performance and special contributions, acting as an incentive to encourage excellent employee performance and also reflecting the company's annual operational results. According to Article 34.1 of the company's articles of association, if the company earns a profit in a given year, the board of directors must decide to distribute employee bonuses at a rate of not less than 8% and not more than 15%, and report this to the shareholders' meeting. The 2023 employee bonus was proposed by the salary compensation committee to the board of directors on September 24, 2024, and was distributed by September 30, 2024. To promote workplace diversity and equality, the average proportion of female employees in the 113rd fiscal year was 61.10%, and women held 42.55% of all management positions.	Depends on future needs and risk polices to evaluate
(3). Whether the company has provided safe and healthy work environments for its employees, and organizes training on safety and health for its employees on a regular basis?	V		This company and its subsidiaries have dedicated teams that regularly maintain office and factory environments, and maintain equipment. They also conduct regular safety and health promotion sessions, individual health management, and fire drills.	No differences

<table>
<tr><th rowspan="2">Promoted Item</th><th colspan="3">Implementation Status (Note 1)</th><th rowspan="2">Differences from “The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary Description (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>1. A safety and health promotion session was held on February 6, 2024, and a health check-up was held on June 19, 2024.
2. The group's relevant verification status is shown in the table below:
<table>
<tr><th>company</th><th>Certification Name</th><th>Start and end date</th></tr>
<tr><td>Dongguan IKKA</td><td>ISO 14001</td><td>07/11/2023~06/11/2026</td></tr>
<tr><td>Dongguan IKKA</td><td>IATF：16949</td><td>15/11/2023~14/11/2026</td></tr>
<tr><td>Malay IKKA</td><td>ISO 9001</td><td>23/07/2023 ~ 24/06/2026</td></tr>
<tr><td>Malay IKKA</td><td>ISO 14001</td><td>19/10/2022 ~ 18/10/2025</td></tr>
<tr><td>Vietnamese IKKA</td><td>ISO 9001</td><td>15/11/2023~14/11/2026</td></tr>
<tr><td>Vietnamese IKKA</td><td>ISO 14001</td><td>20/12/2024~19/12/2027</td></tr>
<tr><td>Japanese Sol-Plus</td><td>ISO 14001</td><td>28/02/2024~27/02/2027</td></tr>
<tr><td>Japanese Sol-Plus</td><td>SBTi</td><td>24/11/2022~23/11/2027</td></tr>
<tr><td>Sol-Plus Thailand</td><td>ISO 9001</td><td>28/07/2023~27/07/2026</td></tr>
<tr><td>Sol-Plus Thailand</td><td>ISO 14001</td><td>31/03/2024~30/03/2027</td></tr>
<tr><td>Sol-Plus Thailand</td><td>IATF：16949</td><td>25/09/2023~24/09/2026</td></tr>
</table>
3. Our company's Taiwan branch had no work-related accidents in</td><td></td></tr>
</table>

Promoted Item	Implementation Status (Note 1)			Differences from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary Description (Note 2)	
			2024. We have staff dedicated to occupational health and safety and first aid management. 4. Our company and its subsidiaries had no fires in 2024. To maintain a safe workplace, we regularly conduct fire drills in cooperation with the local fire department, as detailed in Section 5, Operational Overview, and further elaborated in the Labour Relations section.	
(4). Whether the company has established an effective capacity development of career training program for employees?	V		Our company and its subsidiaries have a comprehensive training system, encouraging employees to actively participate in in-service training to strengthen their career development within the company. In 2024, we allocated NT$3,445,000 to training, including new employee training, professional development training, and management training.	No differences
(5). Do the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	V		Our company consistently participates in and passes the IATF 16949 audit every year, aiming to ensure that our automotive parts and related components meet international safety standards. We adhere to IATF's regulations for handling customer complaints and use this feedback for improvement, thereby enhancing customer satisfaction. We only conduct business with legitimate and reputable suppliers.	No differences
(6). Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.	V		This company is a holding office in Taiwan, and our dealings with suppliers are for general administrative purchases. We value long-term partnerships and work collaboratively to achieve sustainable, mutually beneficial growth.	No major differences

Promoted Item	Implementation Status (Note 1)			Differences from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary Description (Note 2)	
5. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third-party verification unit?		V	Our company currently does not have a sustainability report, but will plan one in the future according to actual needs and legal requirements. However, our website has a dedicated sustainability section to address the expectations of stakeholders and achieve sustainable operations.	Depends on future needs and risk polices to evaluate
6. If the Company has its own sustainable development code in accordance with "Sustainable Development Best Practise Principles for TWSE/TPEx Listed Companies", please describe the difference between its operation and the code: The Company passed the establishment of the Company's "Sustainable Development Best-Practise Principles" at the Director meeting in September 2020, and the latest revision of the code was approved by the Director meeting in March 2023 to strengthen the implementation of sustainable responsibility. the development trend of domestic corporate sustainable responsibility, the Resolution meeting on 8 May 2024 set up a sustainable development committee to promote various sustainable activities, and at this meeting, according to the assessed risks, formulate risk management strategies, formulate annual work plans, and report the promotion situation to the Director meeting on a regular basis (at least once a year), which has no significant difference from "Sustainable Development Best Practise Principles for TWSE/TPEx Listed Companies".				
7.Other important information to facilitate better understanding of the Company's promoted sustainable development implementation: The Company will do a good job in environmental protection and pollution prevention while taking into account environmental protection and economic needs, and will assume the responsibility of the enterprise for environmental protection. Our approach: (1) Promote the use of electronic documents to replace paper, and make good use of the blank surface of waste documents for recycling and reuse. (2) Set up resource recycling buckets for resource classification and implement resource recycling. (3) In summer, variable frequency household appliances will be used, and temperature control will be carried out, and energy will be used effectively to achieve the goal of energy saving and carbon reduction. (4) The Company will provide environmentally friendly tableware for employees to use. When employees eat in the employee cafeteria at noon, the use of disposable tableware will be reduced and the generation of garbage will be reduced. (5) Provide employment opportunities for local personnel, and give priority to personnel from adjacent areas.				

Promoted Item	Implementation Status (Note 1)			Differences from "The Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Summary Description (Note 2)	
(6) Assist the community development association in the activities of caring the elderly and implement the policy of dignifying relatives and neighbors.				

B. Implementation of climate-related information

Item	Implementation
1. Describe Director and the management's supervision and governance of climate- related risks and opportunities.	The Company takes Director as the highest supervisory unit to coordinate the overall climate strategy direction and supervise the implementation of climate-related risk management by relevant units. There are four functional groups under the Sustainable Development Committee, with Mr. Chairman Shiang- Chi Hu as the convener, who is responsible for managing and supervising the implementation of related climate risks and opportunities, and the convener of the Sustainability Committee regularly (at least once a year) to report to the Director Committee on the progress of corporate sustainability promotion, including the implementation results of climate-related issues and future planning.
2. Describe how the climate risks and opportunities identified affect the business, strategy, and finance (short-term, medium- term, and long-term).	With reference to the TCFD guidelines issued by the Task Force on Climate-related Financial Disclosures (TCFD) of the United Nations Financial Stability Board, the Company has identified 4 climate risks and 4 climate opportunities after internal discussion and evaluation, and the impact periods are divided into short-term (1 to 3 years), medium-term (3 to 10 years), and long-term (more than 10 years). 1. Climate risks

Risk type	Item	Risk factors	Potential impact	Impact period
Transition risks	Policies and Regulations	Carbon tax and carbon fee	The carbon tax or carbon fee imposed by the government will increase the operating costs; and facing the pass- through of supplier logistics costs.	Mid-term
	Market	Rising electricity prices	Increase in operating costs	Mid-term
Physical Risks	Immediate	Typhoons, floods, soil	Natural disasters can cause damage to equipment, loss of product	Short-term

		flows	wave, interruption of information system services or casualties, causing supply chain disruption or operational interruption.	
	Long-term	Rising temperatures	The demand for air conditioning operation has increased, resulting in an increase in operating costs such as electricity costs	Mid-term
		Sea level rise	Financial loss due to the flooding of operating bases	Long-term

2. Climate opportunities

Type	Opportunity factor	Potential impact	Impact period
Resource efficiency	Use of high-efficiency build	Improve the value of fixed Assets and reduce electricity consumption. Operating costs such as water charges	Mid-term
Energy source	Use of low-carbon energy	Use low-carbon energy to reduce potential carbon emissions Cost	Mid-term
Products and Servi	Develop and increase low-c productsand services	The demand for non-toxic and harmless components will continue Cooperate with customers to develop related parties business opportunities.	Mid-term
Resilience	Establish effective emergency response mea Change plan	Improve adaptability to risks	Short-term

3. Describe the financial impact of extreme weather events and transformation actions.	Extreme climate events (immediate and long-term) and transformation actions (policies, regulations markets). Please refer to the description of item 2 above.
4. Describe how the identification, assessment and management process of climate risks are	1. Risk Identification and Assessment: Identify and assess climate-related risks by designing and posing questions; evaluate the likelihood and impact of climate risks using internationally recognised standards; understand the relationships between climate risks and other risks through identification and assessment; regularly assess the potential risks of different periods of operations and business activities.

<table>
<tr>
<td></td>
<td>2. Risk Monitoring: Establish relevant management indicators considering the duration of climate risk impacts, and differences in industry and geographical location; regularly monitor progress towards achieving set targets; immediately implement responses to events that threaten finances, operations, or compliance with regulations.
3. Risk Response: Implement differentiated management measures to address actual or potential risks based on the frequency and severity of risk occurrences.
4. Risk Reporting: Each department, based on its area of responsibility and nature of business, shall report to the Administration department; the Administration department will compile the relevant information and report it to the Sustainability Committee and the Board of Directors; report major or unusual risks immediately.
5. Information Disclosure: Disclose the status of climate risk management implementation in accordance relevant authorities' policies, and international initiatives or guidelines; regularly disclose the managemer climate risks and opportunities to enhance the quality and transparency of information.</td>
</tr>
<tr>
<td>5. If the resilience to climate change risks is assessed using scenario analysis, the use of scenarios, parameters, assumptions, analysis factors and major financial impacts shall be explained.</td>
<td>In order to understand the risk impact caused by various possible climate paths in the future, the Company has used scenario analysis to evaluate 2 physical risks (flooding disasters, global average temperature rise) and 1 transformation risk (commodity transportation carbon emission cost transfer), and formulated appropriate response strategies to reduce the potential impact of climate risks. The use of risk scenarios, analysis factors and evaluation results are disclosed in the following table:
<table>
<tr><th>Risk scenario</th><th>Analysis factors</th><th>Climate Environment</th><th>Evaluation Result</th></tr>
<tr><td>Flooding disasters</td><td>Degree of Hazard</td><td>National Disaster Prevention Technology Centre (NCDR) Climate Change Disaster Risk Adaptation Platform
Issued flood disaster risk map (RCP 2.6, RCP 8.5)</td><td>Low risk</td></tr>
<tr><td>Rising temperatures</td><td>Air-conditioning energy expenses</td><td>Green finance cooperation network system (NGFS) simulation
The warming trend of RCP 6.0 and RCP 8.5</td><td>Financial impact Low</td></tr>
<tr><td>Transfer of carbon emission costs</td><td>Cost of transportation sales</td><td>Net Zero Emissions 2050 Scenario</td><td>The pass-through costs arising from carbon emissions will be estimated under the 2050 net-zero emissions scenario.</td></tr>
</table>
</td>
</tr>
</table>

6. If there is a transformation plan to manage climate-related risks, the content of the plan, and the indicators and goals used to identify and manage physical risks and transformation risks.	This company, to implement sustainable operations and comply with government policies to achieve net-zero emissions targets, will begin greenhouse gas inventories at its Taiwan branch. Future actions will involve verification by third-party organisations to confirm the reliability and consistency of emission data, as required by regulations. The scope of greenhouse gas inventories and verification will be continually expanded. Related climate-related financial disclosures will be publicly disclosed. The company has established short, medium, and long-term phased goals, as follows: 1. 2025: The Taiwan branch will complete the 2024 inventory and plan to obtain third-party verification in 2025. 2. 2027: Increase inventory coverage to 100% and continue developing inventory methodologies for other indirect emissions to help mitigate transition risks. 3. 2050: The overall group aims to achieve a net-zero emissions target. During this period, relevant tar and indicators will be adjusted dynamically in response to climate risks and opportunities.
7. If the internal carbon pricing is used as a planning tool, the price setting basis should be stated.	At present, internal carbon pricing has not been used, and will be evaluated and introduced in the future according to actual needs.
8. If there is a climate- related target, it should explain the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress of the progress; If the Carbon Offset or Renewable Energy Certificate (RECs) are used to achieve the relevant goals, the source and quantity of the carbon reduction quota offset or the quantity of the Renewable Energy Certificate (RECs) should be stated.	1. The Company’s climate-related goals are detailed in the description of item 6 above. 2. In order to achieve the goal of net zero emissions by 2050, the Company will take energy conservation as a priority reduction method, analyze the power consumption status of major operating bases, strengthen the power management of each base, and gradually expand the use of renewable energy, with "Procurement Certificates (REC), Procurement of Green Electricity" and other strategic tools, in order to achieve the Group's phased goal of renewable energy utilization.
9. Greenhouse gas inventory and assurance status, reduction targets, strategies and specific action plans.	Please refer to the following: (1) Greenhouse gas inventory and assurance review for the past two years and (2) Greenhouse gas emission reduction targets, strategies, and detailed action plans.

(1) Greenhouse gas inventory and verification status for the past two years

① Greenhouse gas inventory information:

category	Project Description	2023		2024	
		Emissions CO_2e	Density	Emissions CO_2e	Density
Category 1	Direct greenhouse gas emissions	160.1	-	673.2	-
Category 2	Indirect greenhouse gas emissions from energy sources	8194.3	-	8,904.2	-

Source Data: Information for the 2023 fiscal year relates to our wholly-owned Japanese subsidiary Solplus and our Thai subsidiary.

Information for the 2024 fiscal year relates to our company and our wholly-owned Japanese subsidiaries (two of them) and our Thai subsidiary.

② The aforementioned information is data independently reviewed by our company and its subsidiaries according to environmental protection regulations, and has not been verified by a reputable auditing firm.

(2) Greenhouse gas reduction targets, strategies, and specific action plans

Describe the baseline year for greenhouse gas reductions, its data, reduction targets, strategies, specific action plans, and the status of achieving reduction targets.
Sol-Plus Co., Ltd. (SPJ), our Japanese subsidiary, and Hiraiseimitsu (Thailand) Co., Ltd. (HST), our Thai subsidiary, have implemented the following greenhouse gas reduction management policies, including reduction targets, promotional measures, and progress reports: Environmental Policy: SBTi* (Science-Based Targets initiative): An initiative launched by an international non-governmental organisation, encouraging private companies and various organisations to set greenhouse gas emission reduction targets based on scientific evidence, to achieve the goals of the Paris Agreement. Operated by CDP, the World Resources Institute, and the World Wide Fund for Nature. SBTi certifies greenhouse gas reduction targets compliant with the Paris Agreement as scientifically-based targets. Reduction Target: Scope 1 + 2 targets a 50% reduction in GHG emissions by 2030, compared to 2018 levels.

(6). Ethical Corporate Management and Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"

Evaluated criteria	Implementation Status			Differences with Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and Reasons
	Yes	No	Summary Description	
1. Establishment of ethical corporate management policies and programs				
(1). Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?	V		The Company has established the "Ethical Corporate Management Best Practise Principles" and the "Procedures for Ethical Management and Guidelines for Conduct", and regularly publicises relevant regulations and whistleblowing mechanisms internally to implement the promotion of ethical corporate management, and has placed the "Ethical Corporate Management Best Practise Principles" and the "Procedures for Ethical Management and Guidelines for Conduct" on the Company's website as a policy declaration for external express ethical corporate management.	No difference
(2). Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?	V		The company's "Code of Honest Business Practices" explicitly prohibits dishonest conduct. Adhering to the principle of honesty, we operate in a stable and upright manner, refraining from business activities within our scope of operations that pose a high risk of dishonesty, and strengthening related preventive measures. Furthermore, the company maintains a politically neutral stance and does not engage in political donations. The company strictly prohibits managers and all employees from engaging in any bribery or illegal activities. Any violation will be dealt with according to the specific circumstances, resulting in disciplinary action or referral to the judicial authorities. All new employees are required to sign a "Confidentiality Agreement," an "Intellectual Property Assignment" document, and are given an employee handbook, clearly outlining employee rights and obligations.	

Evaluated criteria	Implementation Status			Differences with Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and Reasons
	Yes	No	Summary Description	
(3). Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?	V		The Company has stated in the "Operating Procedures and Behavior Guidelines for Integrity Management" the handling procedures, rewards and punishments, complaints and record punishments for violations of integrity management. Punishments or rewards can be reported immediately, and relevant systems are actually implemented.	
2. Implementation of ethical corporate management				
(1). Whether the Company has assessed the integrity of the record of counterparties, and entered into contracts with counterparties with the terms of integrity act provisions.	V		The code of conduct explicitly prohibits transactions with dishonest operators, and internal control procedures are used to assess transaction partners through various channels to determine whether they engage in fraudulent activities.	No difference
(2). Does the company have a unit responsible for ethical corporate management on a fulltime basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	V		To implement the principle of honest business practices, our company's Administrative Department is responsible for related matters. It reports the annual work progress to the Board of Directors at least once a year. The 2024 honest business practice promotion situation was reported to the Board of Directors on January 14, 2025. The internal audit unit, following the audit plan, formulates and implements audit procedures for the company's honest business practices policy and conduct. It regularly reports to the Board of Directors on the monitoring of implementation and the follow-up on improvement.	No difference
(3). Whether the Company has set up and implement policies to prevent conflict of interests and providing channels to report such conflict.	V		The Company has clearly defined the conflict avoidance policy in the "Ethical Corporate Management Best Practise Principles" and provided a smooth communication, management and complaint system for employees to	No difference

Evaluated criteria	Implementation Status			Differences with Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and Reasons
	Yes	No	Summary Description	
			respond to various management levels and human resources units through multiple channels. The Company has also set up an Independent Director mailbox reporting mechanism on the website to implement it.	
(4). Whether the Company has built an effective accounting system and internal control system to carry out ethical corporate management, with internal auditors auditing the process or to engage a certified public accountant to carry out the audit.	V		Every year, the Company's internal audit is based on the "Rules for Handling the Establishment of Internal Control Systems by Public Offering Company" and "Ethical Corporate Management Best Practise Principles", follows the Company's accounting system, internal control system and the implementation of ethical corporate management, draws up relevant audit plans for verification, and regularly (at least once a year) reports the implementation status to the Director meeting.	No difference
(5). Whether the Company has periodically organized internal and external training for integrity management.	V		Our company regularly holds training courses on ethical business practices. In 2024, we conducted 7 training sessions on ethical business conduct for all employees, with a total of 1,224 participants and a total training time of 3,672 hours.	No difference
3. Operating situation of whistle-blowing system				
(1). Whether the Company has adopted a concrete whistle-blowing system, established a convenient whistle-blowing channel and dedicated appropriated personnel appointed to handle the objects.	V		If any company colleague discovers that a company director, manager, employee, or person with substantial control capacity has engaged in dishonest conduct during business operations, such as violating honesty, committing illegal acts, or breaching fiduciary duties, they should provide specific details regarding personnel, location, and other relevant information and report it to the administrative authorities. If the report is processed and results in positive outcomes, a reward will be given. The company's website sustainability section contains a dedicated email address for independent directors, and interested parties can also report	No difference

Evaluated criteria	Implementation Status			Differences with Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and Reasons
	Yes	No	Summary Description	
			concerns via this channel.	
(2). Does the company have in place standard operating procedures for investigating accusation cases, as well as followup actions and relevant post-investigation confidentiality measures?	V		Our company's "Code of Conduct" outlines a whistleblowing system. Serious breaches of integrity by our employees will result in dismissal or termination, in accordance with relevant laws or company human resources procedures. The company has not received any whistleblowing reports during the most recent financial year up to the date of this report's publication.	
(3). Does the company provide proper whistleblower protection?	V		The Company provides a smooth communication channel and a complaint system, and the identity and content should be kept confidential. Employees can respond to various management levels and human resources units through multiple channels.	
4. Strengthening information disclosure Whether the Company has disclosed related information on ethical corporate management on the Company's website and Market Observation Post System.	V		This company discloses information about its commitment to honest business practices in the Sustainability section of its website. The 2024 progress in promoting honest business conduct is detailed within. An independent director's whistle-blowing email address has been set up, aiming to implement the responsibility of honest business practices through multiple channels.	No difference
5. The Company has established its ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies; please describe any discrepancy between the policies and their implementation: N/A				
6. Other important information helpful in understanding the company's honest and ethical operating practices (such as the company reviewing and amending its ethical conduct guidelines): (a) The company regularly schedules directors to attend corporate governance training courses and periodically uses internal meetings to promote ethical business policies. (b) The company strictly adheres to the Company Act, Securities Exchange Act, relevant regulations for listed and over-the-counter companies, and other relevant commercial laws, forming the foundation for implementing ethical business practices. (c) Please refer to the Sustainability section on our website at http://www.ikka.com.tw for further details.				

(7). Other important information that can enhance the understanding of the operation of corporate governance may be disclosed together:
You can go to the investor area of the Company's website and click on the corporate governance option (website: http://ikka.com.tw).

In addition, the Company has also enacted the " Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and "Employee Handbook" as the guidelines for the behavior of directors, managers and employees of the Company:

A. Employee code of conduct, its content and spirit are:

(a). All behaviors shall abide by the Company's rules and regulations and various regulations related to their duties.

(b). Remember the Company's business philosophy of sharing wealth and woe, and never do any words or deeds that damage the Company's honor.

(c). Any plans, materials, and information that know or hold the Company shall be kept strictly confidential, and shall not be leaked or made known to third parties in any way, and shall not be published to the public, nor shall it be for oneself or a third party. people use.

(d). Do not accept improper property, and do not ask for or accept hospitality.

(e). Do not install or use unauthorized software or hardware without authorization. Do not use information equipment for non-working activities use off.

(f). If there is a danger of violating the employee handbook or embezzling, accumulating property or other illegal acts, you shall be responsible for full liability for compensation.

B. Employee handbook, which contains:

(a). Employment
(b). Salary and benefits
(c). Training and development
(d). Welfare measures
(e). Communication channels
(f). Severance and resignation
(g). Working hours, rest, vacation
(h). Assessment, reward and punishment

(8). The execution status of internal control systems should disclose the following:

1. Internal Control System Statement: Please refer to the internal control statement announcement on the Open Information Observation Station.

   https://mops.twse.com.tw/mops/#/web/t06sg20

2. For projects entrusted to accountants for the review of internal control systems, the accountant's review report should be disclosed: Please refer to the internal control project review report on the Public Information Observation Station.

   https://mops.twse.com.tw/mops/#/web/t06sg20。

(9) Recent important resolutions of the shareholders' meeting and board of directors up to the date of printing the annual report.

1. Important resolutions of the shareholders' meeting on June 25, 2024:

Approval item 1: Approval of the company's 2023 annual business report and consolidated financial statements.

The total number of voting rights of attending shareholders at the time of the vote was 20,268,645.

Vote	Proportion of shares held by the shareholders present %
Approval votes: 20,168,529	99.50%
Disapproval votes: 5,080	0.02%
Invalid votes: 0	0.00%
Waived votes: 95,036	0.46%

Implementation status: the proposal has been submitted to the meeting of shareholders for recognition and, after the voting, has been approved as proposed.

Approval Item No. 2: Approval of the Company's 2023 Profit Distribution Plan.

The total number of voting rights of shareholders present during the vote was 20,268,645.

Vote	Proportion of shares held by the shareholders present %
Approval votes: 20,168,078	99.50%
Disapproval votes: 5,082	0.02%
Invalid votes: 0	0.00%
Waived votes: 95,485	0.47%

Execution Status: Submitted for shareholder meeting approval and passed as proposed, distributing cash dividends of NT$100,246,106. The record date for cash dividend distribution is September 10, 2024, and the distribution will be completed on October 8, 2024.

2.Important Resolutions of the Board of Directors:

Date/Meeting	Board of Directors Important Resolutions
The sixth meeting of the third session 2024.01.16	**Proposal 1: Performance evaluation of the board and functional committees for the year 2023.** Resolution situation: Nine directors were present, and after the chairman consulted all attending members, the proposal was approved without objection.
	Proposal 2: Establishment of the allocation plan for the number of new shares to be issued for cash capital increase in 2023 to be granted to managerial personnel and employees. Resolution situation: Nine directors were present. Chairman Mr. Hu Xiangqi, Director Mr. Dong Junren, Director Mr. Dong Junyi, and General Manager Mr. Xiao Yuanzheng recused themselves due to conflicts of interest. The representative of Nenglv Innovation (Stock) Company, Mr. Hu Xiangqi, appointed independent director Mr. Lin Tiansong to act as chairman. After the acting chairman, Mr. Lin Tiansong, consulted the other directors, the proposal was approved without objection.
	Proposal 3: Proposal for the payment of year-end bonuses to managers for the year 2023. Resolution situation: Nine directors were present. Chairman Mr. Hu Xiangqi recused himself due to conflicts of interest. The representative of Nenglv Innovation (Stock) Company, Mr. Hu Xiangqi, appointed independent director Mr. Lin Tiansong to act as chairman. After the acting chairman, Mr. Lin Tiansong, consulted the other directors, the proposal was approved without objection.
The seventh meeting of the third session 2024.03.12	**Proposal 1: Discussion on the Q4 2023 Audit Report.** Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 2: Proposal for the 2023 Consolidated Financial Statements and 2023 Business Report. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 3: Proposal for the 2023 Internal Control Declaration. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all
	Proposal 4: Proposal for funding loans to subsidiary DaiichiKaseiCo., Ltd. (abbreviated: Japan IKKA). Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.

	Proposal 5: Control of greenhouse gas inventory and verification progress for the company and its subsidiaries. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 6: Setting the date, time, location, method, and agenda for the 2024 Annual Shareholders' Meeting. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 7: Proposal for the distribution of employee compensation and director remuneration for 2023. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
The eighth meeting of the third session 2024.05.08	**Proposal 1: Discussion on the Q1 2024 Audit Report.** Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 2:Discussion on the Q1 2024 Consolidated Financial Report. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 3:Proposal for the distribution of earnings for 2023. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 4:Proposal for the renewal of financing from financial institutions. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 5:Control of greenhouse gas inventory and verification progress for the company and its subsidiaries. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.

	Proposal 6:Proposal to amend the "Board Meeting Rules." Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 7:Proposal to establish the "Sustainable Development Committee Organizational Regulations." Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 8:Establishment of the company's Sustainable Development Committee and appointment of members. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
The 9th meeting of the 3rd session 2024.08.07	**Proposal 1:Discussion on the Q2 2024 Audit Report.** Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 2:Discussion on the Q2 2024 Consolidated Financial Report. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 3:Control of greenhouse gas inventory and verification progress for the company and its subsidiaries. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 4:Proposal regarding the ex-dividend date and related matters for the company's 2023 earnings distribution. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
The 10th meeting of the 3rd session 2024.09.24	**Proposal 1:Proposal for the compensation payment recommendations for managerial personnel in 2023.** Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.

The 11th meeting of the Third Session 2024.11.07	**Proposal 1:Discussion on the Q3 2024 Audit Report.** Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 2:Proposal to amend the "Internal Control System." Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 3:Proposal to amend the "Implementation Rules for Internal Audit." Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 4:Discussion on the Q3 2024 Consolidated Financial Report. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 5:Proposal to amend the "Procedures for Lending Funds to Others" for the company and its subsidiaries. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 6:Proposal to establish "Major Incident Reporting Procedures." Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 7:Proposal for the renewal of financing from financial institutions. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 8:Control of greenhouse gas inventory and verification progress for the company and its subsidiaries. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.

	Proposal 9:Proposal for the appointment of managers. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 10:Proposal to lift the non-compete restriction on managers. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 11:Proposal for manager compensation. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
The 12th meeting of the 3rd session 2024.12.25	**Proposal 1:Proposal for the 2025 Audit Plan.** Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 2:Proposal for the full-year financial forecast for 2025. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 3:Assessment of the independence and suitability of the auditor for 2025. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.
	Proposal 4:Proposal for the public expense of the auditor for 2025. Resolution situation: there were nine directors in attendance. It was unanimous approved after chairman consulted with all present members.

(10).Different opinions of directors or supervisors on record or in written statement on major resolutions approved by the board of directors in the recent year and as of the date of this Annual Report:
Board resolutions were passed unanimously by all present directors, there were no contrary opinions.

4. Information on CPA Fees

Unit: Thousand NTD

Name of Accounting Firm	Name of Accountant	Duration of Accountant Audit	Audit Costs	Non-Audit Costs	Total	Notes
PricewaterhouseCoopers (PWC) Taiwan	Juan Lu, Man-Yu Tsai, Yi-Tai	2024.01.01 ~2024.12.31	5,850	3,336	9,186	Non-audit public expenses: 1. Internal control special examination NT$1,500 thousand. 2. Transfer pricing NT$1,836 thousand.

(1) Replacement of CPA and a decrease in audit costs paid for the current year compared to the previous year should disclose the amount, percentage, and reasons for the decrease: No such matters.

(2) If the audit costs decrease by more than ten percent compared to the previous year, the amount, percentage, and reasons for the decrease should be disclosed: No such matters.

5. Information on replacement of CPA: if the Company has replaced it's CPA in the most recent two years or has plans to do so in the future, such information should be revealed below:

None.

6. The Chairman, General Manager, and Manager responsible for finance or accounting affairs of the Company who have served in the past year at the accounting firm or its affiliated enterprises shall disclose their names, positions, and the duration of their employment at the accounting firm or its affiliated enterprises:

None.

7. Changes in shareholding transfer or shareholding pledge by Directors or Officers, and major shareholders in the most recent year and as of the date of this Annual Report:

(1). Changes in shareholding transfer by directors or officers, and major shareholders

Unit: share

Job Title	Name	2024		As of May 2, 2025	
		Increase/Decrease in Shares Held	Increase/Decrease in Pledged Shares	Increase/Decrease in Shares Held	Increase/Decrease in Pledged Shares
Director and major shareholder	ABICO AVY CO., LTD.	197,742	-	-	-
Major shareholder	Jabon International Co., Ltd.	538,848	-	-	-
President	OBARA Masami	- (16,000)	-	45,000	-
Manager	Yang, Chao-Yu	28,186			-
Manager	Katsumi Nakagawa	8,395 (11,000)			
Chief Financial Officer	Chiang, Shuo- Yen	11,000			-
Audit Director	Peng, Lien-Chu	8,692		- (9,000)	-

(2). Information on equity transfers: None.

(3). Information on pledge equity: None.

8. Information on the top ten shareholders that are related to each other or are related to each other as spouses or within two degrees of kinship

2025.05.02; Unit: Thousand Shares; %

Name	Shares held by him/her/its own		Shares held by spouse, minor children		Shares held through a third person/party		The title or name and relationship of top ten shareholders if they are a related party or the spouse or a relative within the second degree of kinship to another		Remarks
	Amount of Shares	Percentage of Shares Held	Amount of Shares	Percentage of Shares Held	Amount of Shares	Percentage of Shares Held	Name	Relationship	
Jabon International Co., Ltd. Representative: Hu, Hsiang- Chi	11,439	33.05	-	-	-	-	-	-	
ABICO AVY Co., Ltd. Representative: Tong, Chun- Jen	4,198	12.13	-	-	-	-	Jia-Mei Investment Co., Ltd.	The chairman of ABICO AVY Co., Ltd. and the chairman of Jia-Mei Investment Co., Ltd. are blood relatives within the second degree of kinship.	
CTBC Bank Co., Ltd. in custody for Jinmai Investment Co., Ltd.	1,372	3.96	-	-	-	-	-	-	

Name	Shares held by him/her/its own		Shares held by spouse, minor children		Shares held through a third person/party		The title or name and relationship of top ten shareholders if they are a related party or the spouse or a relative within the second degree of kinship to another		Remarks
	Amount of Shares	Percentage of Shares Held	Amount of Shares	Percentage of Shares Held	Amount of Shares	Percentage of Shares Held	Name	Relationship	
CHENG,CHI-YING	672	1.94	-	-	-	-	-	-	
TSENG,WAN-TING	508	1.47					-	-	
MasterLink Securities Corporation	508	1.47	-	-	-	-	-	-	
HSBC Custody Morgan Stanley International Limited Special Account	353	1.02	-	-	-	-	-	-	
Citi (Taiwan) Commercial Bank is entrusted with the custody of Berkeley Capital Securities Co., Ltd. — Berkeley Capital	283	0.82	-	-	-	-	-	-	

Name	Shares held by him/her/its own		Shares held by spouse, minor children		Shares held through a third person/party		The title or name and relationship of top ten shareholders if they are a related party or the spouse or a relative within the second degree of kinship to another		Remarks
	Amount of Shares	Percentage of Shares Held	Amount of Shares	Percentage of Shares Held	Amount of Shares	Percentage of Shares Held	Name	Relationship	
Securities Co., Ltd. SBL/PB Investment Account									
TAI,KUO-CHING	226	0.65	-	-	-	-	-	-	
WANG,HSI-KUEI	223	0.64	-	-	-	-	-	-	

9. The amount of shares and total share of stake in the same invested company owned by the Company, directors, supervisors, officers of the Company, and the enterprises directly or indirectly controlled by the Company.

Investment Ownership

2025.3.31; Unit: Shares; %

Investment (Note 1)	Investment by the Company		Investment by directors, officers and directly/indirectly owned subsidiaries			Total investment
	Shares	Proportion	Shares	Proportion	Shares	Proportion
DaiichiKasei Co., Ltd.	64,081	100%	-	-	-	100%
IKKA Technology (Vietnam) Co., Ltd.	2,500,000	100%	-	-	-	100%
M.A.C Technology (Malaysia) Sdn. Bhd.	41,665,000	100%	-	-	-	100%
IKKA (Hong Kong) Co., Limited	80,067,000	100%	-	-	-	100%
IKKA Dongguan.	Note 2	100%	-	-	-	100%
Sol-Plus(HK) Co.,Ltd.	7,000,000	100%	-	-	-	100%
Sol-Plus Co.,Ltd.(JP)	3,404,019,254	100%	-	-	-	100%
Hiraiseimitsu (Thailand) Co., Ltd.	2,500,000	100%	-	-	-	100%

Note 1: Long-term Investment of the Company. Note 2: it is a limited company without issuing shares.

III. Capital Raising

1. Capital and Share

(1). Source of Share Capital

(A). The company's recent annual report, as of the publication date, lists the following classes of shares issued:

Unit: Thousand Shares/Thousand Dollars

Year/Mont h	Offering Price	Authorized Share Capital		Paid-in Capital		Note		
		Unit Issued	Amount	Unit Issued	Amount	Source of Share Capital	The use of property other than cash to offset the payment of shares	Others
2016.03	USD 0.01	5,000	50	1 share	USD 0.01	Establishment of share capital		
2019.03	USD 0.01	5,000	50	10,702.6 shares	USD 107.026		Organizational restructuring issuance of 10,701.6 shares	Note1
2019.03	USD 0.01	5,000	50	10,701.6 shares	USD 107.016			Note2
2020.01	USD 0.01	5,000	50	44,590 shares	USD 445.90		Organizational restructuring issuance of 33,888.4 shares	Note3
2020.03	NTD 10	40,000	400,000	20,000	200,000	Par Value conversion 20,000 thousand shares		Note4
2020.11	NTD 10	40,000	400,000	22,000	220,000	Issue of new shares. Issuance price of NTD 58 per share		
2021.05	NTD 10	40,000	400,000	27,000	270,000	Initial public offering of new shares Issuance price of NTD 58 per share		
2022.09	NTD 10	40,000	400,000	29,212	292,124	ESOP converted 107,000 shares of common stock	Issuance of new shares in exchange for 2,105,000 shares of Sol-Plus	Note5
2022.12	NTD 10	40,000	400,000	29,241	292,414	ESOP converts 29,000 shares of common stock		
2023.03	NTD 10	40,000	400,000	29,252	292,524	ESOP converts 23,000 shares of common stock	Cancellation of 12,000 shares of treasury stock	Note6
2023.04	NTD 10	40,000	400,000	29,256	292,564	ESOP converts 4,000 shares of common stock		
2023.09	NTD 10	40,000	400,000	29,366	293,664	ESOP converts 110,000 shares of common stock		
2023.12	NTD 10	40,000	400,000	29,452	294,524	ESOP converts 86,000 shares of common stock		
2024.03	NTD 10	40,000	400,000	31,327	313,269	Initial public offering of new shares		Note7
2024.07	NTD 10	40,000	400,000	31,347	313,474	Issuance price of NTD 60 per share ESOP converts 55,000 shares of common stock		
2024.10	NTD 10	40,000	400,000	31,466	314,656	ESOP converts		Note8

Year/Mont h	Offering Price	Authorized Share Capital		Paid-in Capital		Note		
		Unit Issued	Amount	Unit Issued	Amount	Source of Share Capital	The use of property other than cash to offset the payment of shares	Others
						18,000 shares of common stock		
2025.01	NTD 10	40,000	400,000	33,204	332,036	Converting company bonds and ESOPs to ordinary shares, a total of 1,738,000 shares.		Note9
2025.04	NTD 10	40,000	400,000	34,308	343,076	Conversion of company bonds and ESOPs to ordinary shares totaling 1,104,000 shares.		Note10
2025.04	NTD 10	40,000	400,000	34,606	346,059	Converting company bonds and ESOPs to ordinary shares totaling 298,000 shares		Note11

Note 1: The Company issued new shares in exchange for shares with AVY HIGH TECH LIMITED.
Note 2: The Company's shareholder, JABON INTERNATIONAL CO., LTD. returned one share without compensation. Note 3: The Company issued new shares in exchange for shares with the shareholders of Daiichi Kasei Holdings Co.
Note 4: The Company change the par value of its share capital from USD 0.01 per share to NTD 10 per share.
Note 5: The Company acquired 100% of the shares of Sol Plus from Gold Market Investments Limited, a company established in Samoa, Jinmai Investment Co., Ltd., ABICO ASIA CAPITAL CO., LTD., and ABICO ONE VENTURE CAPITAL CO., LTD. (unofficial translation of 能率壹創業投資股份有限公司). The Company issued 2,105,408 new shares of NT$10 each as part of the consideration for the transfer of the shares of Sol-Plus (HK) Co.Ltd.
Note 6: The purpose of repurchasing the Company's common shares was changed by the board of directors on February 16, 2023 into protecting the Company's credit and shareholders' rights, and the registration of the paid-in capital amount of treasury stock cancellation was completed on March 23, 2023.
Note 7: The Company issued 1,820,000 new shares with a par value of NT $10 per share for capital increase.
Note 8: Convertible bonds were converted into 2,252 ordinary shares, and ESOPs were converted into 116,000 ordinary shares, totaling 118,252 shares converted between July 1, 2024 and September 30, 2024.
Note 9: Convertible bonds were converted into 1,668,986 ordinary shares, and ESOPs were converted into 69,000 ordinary shares, totaling 1,737,986 shares converted between October 1, 2024 and December 31, 2024.
Note 10: Convertible bonds were converted into 1,055,919 ordinary shares, and ESOPs were converted into 48,000 ordinary shares, totaling 1,103,919 shares converted between January 1, 2025 and March 31, 2025.
Note 11: For the period from April 1, 2025 to April 30, 2025, convertible bonds were converted into 178,318 ordinary shares, and ESOPs were converted into 120,000 ordinary shares. Further updates are pending, to be legally published in July 2025.

Share Type	Authorized Share Capital			Note
	Outstanding shares (Note)	Unissued shares	Total	
Registered OrdinaryShares	34,605,883	5,394,117	40,000,000	As of: 2025/05/02

Note: The Company was listed on TWSE on May 31, 2021.

(B). Shareholders' Structure

May 02, 2025

Shareholders' Structure / Number	Government Organization	Financial Institution	Other Legal Person	Individual	Foreign institutions and individuals	Total
Number	-	1	20	5,918	37	5,976
Shareholding	-	32,189	16,361,101	15,206,188	3,006,405	34,605,883

Shareholding Percentage	-	0.09%	47.28%	43.94%	8.69%	100%

Note: This company does not hold mainland Chinese investment.

(C). Distribution of Share

May 02, 2025

Shareholding Range	Number of Shareholders	Shareholding	Shareholding Percentage (%)
1 至 999	2,017	201,844	0.58
1,000 至 5,000	3,432	5,984,615	17.29
5,001 至 10,000	302	2,281,506	6.59
10,001 至 15,000	76	954,343	2.76
15,001 至 20,000	43	789,593	2.28
20,001 至 30,000	30	756,966	2.19
30,001 至 40,000	23	762,380	2.20
40,001 至 50,000	21	960,132	2.77
50,001 至 100,000	15	1,067,840	3.09
100,001 至 200,000	6	843,902	2.44
200,001 至 400,000	5	1,306,219	3.77
400,001 至 600,000	2	1,016,000	2.94
600,001 至 800,000	1	672,235	1.94
800,001 至 1,000,000	0	0	0
Over 1,000,001 are graded according to the actual situation	3	17,008,308	49.16
Total	5,976	34,605,883	100.00

Preferred Share

May 02, 2025

Class	Amount of Shareholder	Amount of Share	Shareholding Percentage (%)
The company had no special shares issued up to May 2, 2025.			

(2). Major Shareholders

May 02, 2025; Unit: share

Share / Name of Major Shareholder (Nationality or Place of Incorporation)	Amount of Share	Shareholding Percentage (%)
JABON INTERNATIONAL CO., LTD. (incorporated in Taiwan)	11,438,838	33.05
ABICO AVY CO., LTD (incorporated in Taiwan)	4,197,742	12.13
CTBC Bank Co., Ltd. in custody for Jinmai Investment Co., Ltd.	1,371,718	3.96
Cheng,Chi-Ying	672,235	1.94
Tseng,Wan-Ting	508,000	1.47
Yuanfud Securities Co., Ltd.	508,000	1.47
HSBC Custody (Morgan Stanley International) Ltd. Special Account	353,000	1.02
Citi (Taiwan) Commercial Bank is entrusted with the custody of Berkeley Capital Securities Co., Ltd. — Berkeley Capital Securities Co., Ltd. SBL/PB Investment Account	282,790	0.82
Tai,kuo-Ching	225,941	0.65
Wang,Hsi-Kuei	223,000	0.64

（3）Dividend Policy and Implementation Status

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

(a)The Company is in the growth stage. Based on the needs for capital expenditure, business expansion, and sound financial planning for

sustainable development, the dividend policy of the Company will be distributed to the shareholders of the Company in the form of cash dividends and/or stock dividends according to the Company's future capital expenditure budget and capital demand, and in response to the changes in the economy and industry.

(b). If the Board of Directors resolves to distribute profits, it shall prepare a plan for such distribution by an ordinary resolution of the shareholders. The Board of Directors shall prepare such a profit distribution plan in the following manner: (a)The Company shall appropriate the tax payable in accordance with the law. (b) Make up the losses (if any) in previous years regarding the annual net profit. (c) A special reserve shall be appropriated or reversed in accordance with the Public Company Act or as required by the competent authorities.

Unless otherwise stipulated by laws and regulations and the Public Company Act, earnings for the year, after deducting the amounts in (a) to (c) above and adding the accumulated undistributed earnings from prior years, are the distributable earnings. The board of directors shall submit the proposed distributable surplus profit distribution plan to the shareholders' meeting for resolution. The distribution of earnings may be made in cash dividends or stock dividends (transferring earnings to capital and distributing shares to shareholders in proportion). If the board of directors resolves to distribute profits, the total amount of dividends to shareholders shall be at least 40% of the current year's earnings after deducting items (a) to (c) above, and the total amount of cash dividends shall not be less than 10% of the total amount of dividends to shareholders.

B.The situation of dividend distribution proposed by the board of directors.

The 2024 annual dividend payout of this company, resolved by the board of directors on March 12, 2025, in accordance with the Company Law and the company's Articles of Association, the net profit after tax for this year was New Taiwan Dollars (NTD) 191,665,626. The beginning undistributed surplus was NTD 467,757,816. After adjusting for the inclusion of the disposal of equity instruments measured at fair value in retained earnings, and other adjustments, the current distributable surplus is NTD 681,861,990. The proposed dividend distribution includes a stock dividend of NTD 0.5 per share and a cash dividend of NTD 3.5 per share. The stock dividend distribution plan will be submitted to the shareholders' meeting for approval, and the board of directors will further determine the record date, payment date, and other related matters. After the board of directors approves the cash dividend distribution plan, the chairman will further determine the record date, payment date, and other related matters.

(4) Effect of the proposed free stock distribution on the Company's operating results and earnings per share:The Company did not distribute stock dividends, so there was no effect.

(5) Remuneration for employees and directors

A. Percentage or range of remuneration of employees, directors and supervisors as stated in the Articles of Incorporation:

The Company shall distribute employees' remuneration at a rate of not less than 8% and not more than 15% of the Company's net profit for the year before deduction of employees' remuneration and directors' remuneration and shall distribute directors' remuneration at a rate of not more than 5% of the Company's net profit for the year before deduction of employees' remuneration and directors' remuneration if any. However, if the Company still has accumulated losses, it shall reserve the compensation amount in advance. Employee remuneration may be in the form of stock or cash and may be allotted in accordance with the employee incentive plan agreed to in Article 11.1. Employee remuneration may be paid to employees of domestic and foreign-controlled or subordinate companies who meet specific criteria. The board shall make the distribution of employees' remuneration of directors with the attendance of more than two-thirds of the directors and the resolution agreed by more than half of the directors present and reported to the shareholders' meeting. A director who currently serves as the executive director of the Company and/or its domestic and foreign-controlled or affiliated companies may receive his remuneration both as a director and as an employee.

B. The accounting treatment for the difference between the estimated amount of compensation to employees and directors and the actual amount of distribution based on the number of shares distributed to employees and the estimated amount of compensation:

Compensation to employees and directors is estimated on the basis of the amount that may be distributed in accordance with the Company's Articles of Incorporation. If the estimated amount differs from the resolution of the shareholders' meeting, the difference will be regarded as changes in the accounting estimate and recorded as an adjustment in the year of the shareholders' meeting.

C. The distribution of remuneration approved by the Board of Directors

(a). The amount of remuneration to employees and directors in cash or stock. If there is any difference between the estimated amount

and the amount, reasons, and treatment of the difference should be disclosed:

i. Remuneration to employees and directors for distributions:

The estimated amount of employees' remuneration in 2024 is NTD 17,652,000 and directors' remuneration is NTD 11,033,000. On March 12, 2025, the Board of Directors resolved to distribute employee compensation of NTD 22, 066,000 and director compensation of NTD 5, 516,000.

ii. If there is any difference between the estimated amount and the amount, reasons, and treatment of the difference should be disclosed:

Unit: Thousand NTD

Allocated Items	Actual Distributed Amount	Estimated Amount	Differences of the Amount	Reasons and Treatment of the Difference
Remuneration to Employees	22,066	17,652	4,414	The difference is mainly due to the adjustment of the allotment ratio. The difference has been adjusted to profit or loss in fiscal 2024 .
Remuneration to Directors	5,516	11,033	(5,517)	

(b). The proportion of the amount of employee compensation distributed in stock to the total tax net income and total employee compensation for the period: The Company does not distribute employee remuneration in stocks, so it is applicable.

(D). The actual distribution of the remuneration of employees and directors in the previous year (including the number of shares distributed, the amount, and the share price), if there are any differences between them and the recognized remuneration of employees,

directors, and supervisors, and the differences, reasons, and treatment shall be stated:

(a).Actual distribution

Unit: Thousand NT Dollars

Actual distribution in the previous year (2023): Distribution items	Proposed distribution from the original board of directors	Actual number of distributions reported to shareholders	Variance
Employee Stock Bonus	-	-	-
Employee Cash Bonuses	13,752	13,752	-
Remuneration for Directors and Supervisors	3,438	3,438	-

(b).Variances from the recognized employee dividends and directors' remuneration: None.

(6)The Company's repurchase of shares of the Company: This company had no such matter until the printing date of the 2024 annual report.

2. Issuance of Corporate Bonds:

(1). Issuance of Corporate Bonds

Corporate bond category	First unsecured convertible corporate bonds in the Republic of China
Issuance (processing) date	March 4, 2024
Denomination	NT $100,000
Place of issuance and transaction (Note)	Not applicable
Issue price	NT $100
Total Amount	NT $250,000,000
Interest rate	0.00%
Tenor	5 years Maturity date: 4 March 2029
Guarantee agency	None
Trustee	Taishin International Bank Co., Ltd.
Underwriter	KGI Securities Co., Ltd.
Certified lawyer	Concord International Attorneys-at-Law

CPA		PwC Taiwan
Repayment method		One-time repayment by cash on maturity
Outstanding principal		-
Redemption or early redemption Settlement terms		In accordance with Article 21 of the Company's Bond Issuance and Conversion Regulations, from the day after the issuance period of three months (June 5, 2024) until 40 days before the end of the issuance period (January 23, 2029), if (1) the closing price of the company's common stock continuously exceeds the conversion price by 30% (inclusive) for thirty consecutive business days, the company may redeem the bonds in cash within the following thirty business days, or (2) if the outstanding amount of these convertible bonds falls below 10% of the original total face value, the company may redeem them in cash at any time thereafter.
Restrictive clauses		Details of Issuance Method
Name of credit rating agency, rating date, rating of corporate bonds		None
Other Rights	Amount of common shares already converted (swapped or warranted) and global depository receipts or securities of Other as of the publication date of this annual report	As of May 2, 2024, a total of 2,497 company bonds have been applied for conversion, with 2,910,136 ordinary shares having been converted.
	Issuance and conversion (exchange) Regulations Governing Securities Firms	Please refer to our company's "Regulations for the First Issuance and Conversion of Unsecured Convertible Bonds within the Republic of China".
Issuance and conversion, exchange or subscription method, issuing condition dilution, and dilution of equity. Impact on existing shareholder Equity		On March 6, 2024, the closing price of our ordinary shares continuously exceeded the conversion price by 30% (inclusive) for 30 consecutive business days. In accordance with Article 21 of the issuance regulations, a request to redeem the bonds was executed. As of May 2, 2024, there were 3 unconverted bonds remaining. These bonds were redeemed for cash at face value on May 6, 2024. The bonds ceased trading on the over-the-counter market on April 29, 2024, and therefore should have no impact on the existing shareholders' equity.
Name of the commissioned custodian of exchangeable underlying		None

Note: To be filled for those falling under overseas corporate bonds.

(2)Information on the conversion of corporate bonds:

Corporate bond category (Note 1)		First unsecured convertible corporate bonds in the Republic of China		
Year / Item		Year 2023	Year 2024	Current year up to 05 May 2025 (Note 4)
(convert ible bonds Note Market price 2)	Highest	-	170	185
	Lowest	-	109	100.2
	Average	-	131.95	141.42
Conversion price		-	2024.06.05~2024.09.09:88.80 2024.09.10:85.50	85.80
Issuance (processing) date and conversion price at issuance		-	Issued on March 4, 2024, with an initial conversion price of NT$88.80.	
Method of fulfilling conversion obligations (Note3)		-	New shares issued.	

Note 1: The number of fields depends on the actual number of transactions.
Note 2: If there are multiple trading locations for overseas corporate bonds, they are listed separately according to the trading locations.
Note 3: Delivery of issued shares or issuance of new shares.
Note 4: Information for the current year as of the publication date of the annual report should be filled in.

3. Issuance of Corporate Bonds:

None.

4. Issuance of Corporate Bonds:

None.

5. Issuance of Corporate Bonds:

(1)The effective date, issue date, number of units issued, the ratio of the number of shares issued to the total number of shares issued, the duration of the stock options, the method of performance, the period and ratio of restricted stock options, the number of executed shares, the amount of executed stock options, the number of outstanding stock options, the subscription price per share for outstanding stock

options, the ratio of the number of outstanding stock options to the total number of shares issued, and the effect on shareholders' equity as of the printing date of the annual report.

May 02, 2024

Type of employee stock option certificate	1st (session) employee stock option
Filing Effective Date	Not applicable (Note 1)
Issue Date	July 17, 2020
Duration	The duration of the stock options is five years from the date the stock options are granted to employees.
Number of units issued	1,075,000 Unit
Number of shares issued as a percentage of the total number of shares in issue	3.13% (calculated based on the share capital of 114/3/31).
Subscription period	After two years from the date of granting employee stock options, the stock option rights can be exercised in accordance with the applicable rule.
Performance Method	Delivery by way of issuance of new shares by the Company
Restricted period and rate (%)	50% exercisable after 2 years from the date of granting 75% exercisable after 3 years from the date of granting 100% exercisable after 4 years from the date of granting
Number of executed shares	787,000 shares
Amount of executed stock options	NTD 28,378,100
Number of unexecuted shares	288,000 shares
Subscription price per share for unexecuted stock options	NTD 34.30
Number of unexecuted warrants to Ratio of outstanding warrants to total number of issued shares (%)	0.84%
Effect on shareholders' equity	This issuance of employee stock options, with a total of 288,000 shares not yet exercised, represents 0.84% of the share capital of 34,307,565 shares as of 2025/3/31. The

	dilutive effect is limited. Taking into consideration various aspects, such as rewarding employees and increasing employee loyalty to the company, this plan uses employee stock options as an employee incentive measure. It is not expected to have a significant impact on shareholder rights.

Note 1: The Company was a non-public offering company at the time of issuing the employee stock options, and the issue was approved by the board of director。

(2) The names of managers and the top ten employees who acquired stock options as of the publication date of the annual report, and the acquisition and subscription status of the stock options.

May 2, 2025

	Position	Name	Number of share options acquired	Number of share options acquired to the total number of issued shares	Executed				Unexecuted			
					Number of Subscriptions	Subscription Price	Number of Subscriptions	Subscription Price	Number of Subscriptions	Subscription Price	Number of Subscriptions	Subscription Price
Manager	Group Chairman, Chief Strategy Officer	Hu, Hsiang-Chi	239,000 shares	0.70%	172,000 shares	NTD34.30 ~37.90	NTD6,193,000	0.50%	67,000 shares	NTD34.30	NTD2,298,000	0.20%
	Group General Manager, IKKA Japan Chairman	Obara Masami										
	Taiwan Branch General Manager	Yang, Chao-Yu										
	IKKA Hong Kong, IKKA Dongguan President/General Manager	Katsumi Nakagawa										
	IKKA Vietnam President/General Manager	Hiroshi Aoki										
	Group Chief Financial Officer	Chiang, Shuo-Yen										
	Group Chief Auditor	Peng, Lien-Chu										
Employee	Chief Operating Officer of ABICO AVY CO., LTD.	Tong, Chun-Jen	344,500 shares	1.10%	266,500 shares	NTD34.30 ~ 37.90	NTD9,775,000	0.78%	78,000 shares	NTD34.30	NTD2,675,000	0.23%
	Chief Investment Officer of ABICO AVY CO., LTD.	Tong, Chun-Yi										
	Chief Financial Officer of ABICO AVY CO., LTD.	Chou, Che-Yi										
	Group Accounting Manager	Liu, Hsiu-Chin										

	Position	Name	Number of share options acquired	Number of share options acquired to the total number of issued shares	Executed				Unexecuted			
					Number of Subscriptions	Subscription Price	Number of Subscriptions	Subscription Price	Number of Subscriptions	Subscriptio n Price	Number of Subscriptions	Subscription Price
	Vice President of IKKA Japan	Kobayashi Ryō Hisa										
	Director of IKKA Japan	Katō hisao										
	Vice President IKKA Japan	Nishio Shingo										
	Deputy Plant Manager IKKA Japan	Nomura Kazuhiko										
	Manager IKKA Japan	Inomata Noriyuki										
	Manager IKKA Japan r	Shanglin Lin										
	Section Chief IKKA Japan	Matsubara yū										
	Special Assistant IKKA Malaysia	Chen, Ping-Yang										

6. Status of Employee Restricted Stock:

None.

7. Status of New Share Issuance in Connection with Mergers and Acquisitions:

None.

8. Financial Management Plan Execution Summary:

(1)Project Details: The company's fundraising plans prior to March 31, 2025, have all been completed. The actual funding utilization is 100.00%, matching the originally planned progress. The benefits achieved are generally in line with expectations.

(2)Execution Summary: The company's previous fundraising plan has been fully implemented, and no plan modifications have been made.

IV. Operational Highlights

1. Financial Management Plan Execution Summary:

(1) Business Scope

A. The main contents of the business of the Company and its subsidiaries

The Group's main production items are automotive parts, bathroom appliances, office equipment, and other components. The final products include EPB electronic hand (parking) brake system, electrical system, steering system, vehicle body parts, toilet seat cover mechanical switch module parts and modules, and various industrial machinery parts and components processing products. Many of the automotive parts have been extended to new energy vehicles. On September 1, 2022, the Company acquired 100% equity of Sol-Plus (HK) Co., Ltd. (hereinafter referred to as Sol-Plus Company) through the issuance of new shares. Sol-Plus Company is primarily engaged in the production of automotive audio-visual plastic components and related plastic components for electric vehicle motors. The Company's acquisition of Sol-Plus Company allows for the integration of resources and entry into the electric vehicle supply chain.

B. Proportion of Business

Unit: Thousand NT dollars: %

Year / Service	2023		2024		2025 Q1	
	Sales	Business Proportion	Sales	Business Proportion	Sales	Business Proportion
Automotive	2,347,011	64.38	2,339,304	63.89	570,592	65.70
Bathroom and home appliances	612,569	16.80	645,926	17.64	172,524	19.87
Office Equipment	133,681	3.67	169,098	4.62	29,072	3.35
Other	552,153	15.15	507,227	13.85	96,271	11.08
Total	3,645,414	100.00	3,661,555	100.00	868,459	100.00

C. The Company's current goods (services) items

Product Type	Explanation	Apply Field
Automotive	EPB electronic hand (parking) brake system, relay box, EPS electric power steering assist system, gear for steering wheel	Vehicle control system (stability control system), Steering wheel, bus assembly, electric sliding door, electric

	angle sensor (SAS), gear for electric sliding door (PSD)	rear view mirror, etc.
Bathroom and home appliances	Flushing nozzle module, toilet seat cover automatic opening/closing module, cleaning brush drive module, bathroom dryer flap module, air conditioner fan blade drive module, hand dryer blower head drive module	Washlet, bathroom dryer, air conditioner and hand dryer, etc.
Office Equipment	Drum drive module, drum bearing auxiliary module, bearing assembly gear, high-precision gear, toner mixing gear module, paper feed cartridge rising gear module, page drive gear module and lens change drive module	Laser printers, multifunctional machines, projectors

D. Planned development of new products (services).

Given the rising global awareness of sustainable environmental protection, vehicle lightweighting and low fuel consumption are the future development trends in the automotive industry. Automotive components will develop towards lightweighting, automation, and electronicization. The application of plastic materials in automotive components is expected to become more widespread. Our company, with its precise plastic injection molding technology and plastic gear module technology, will be able to replace some metal parts in automobiles. This proactive positioning in the automotive market aligns with future market application trends and will help the Group's future operational expansion.

(2) Industry Overview

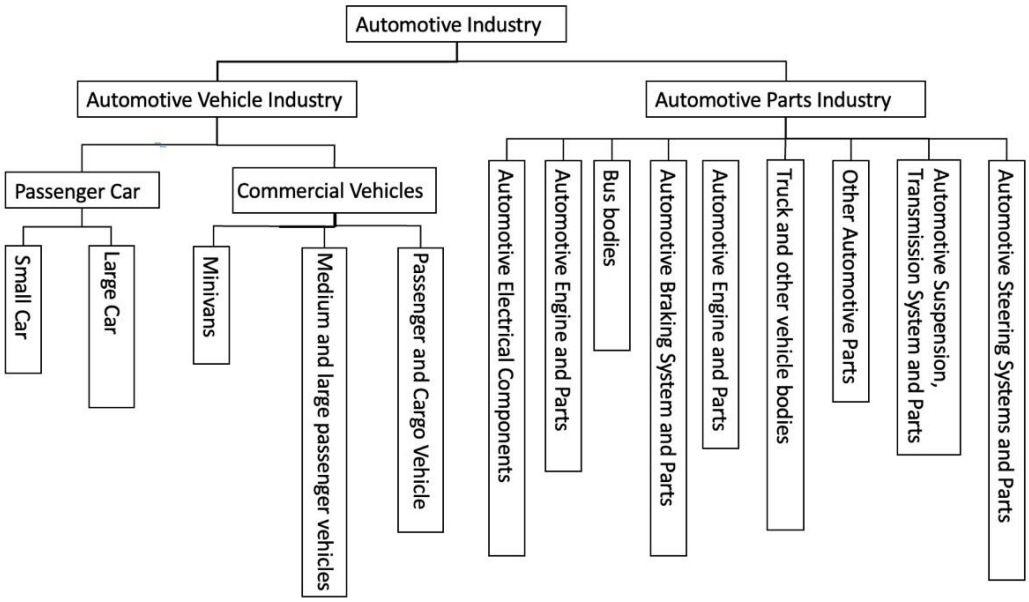
A. Current Industry Status and Development

(a). Automotive Industry

The automotive industry is a high-tech and capital-intensive industry with a substantial related industrial chain and a wide range of industries involved. A car consists of about 30,000 parts, including steel, plastic, rubber, glass, machinery, motor and electronics, and other industries, and relevant professionals include R&D, manufacturing, purchasing, marketing, management, warranty, and other skills. They are integrated into the entire automobile industry, driving the development of the employed population. Thus the automotive industry is known as the "locomotive industry." Because of this, the boom and bust of the automobile industry can easily affect the development of various industries.

All advanced countries worldwide regard the automobile industry as an essential industry for national economic growth and spare no effort to support the automobile industry. According to the classification of industrial production statistics, the automotive industry can be divided into the automotive vehicle industry and the automotive parts industry, of which the automotive parts industry can be further divided into nine categories, with the Company's products mainly belonging to automotive engines and components, automotive steering systems, brake systems and parts, and other automotive parts.

Classification of industrial production statistics for the automotive industry

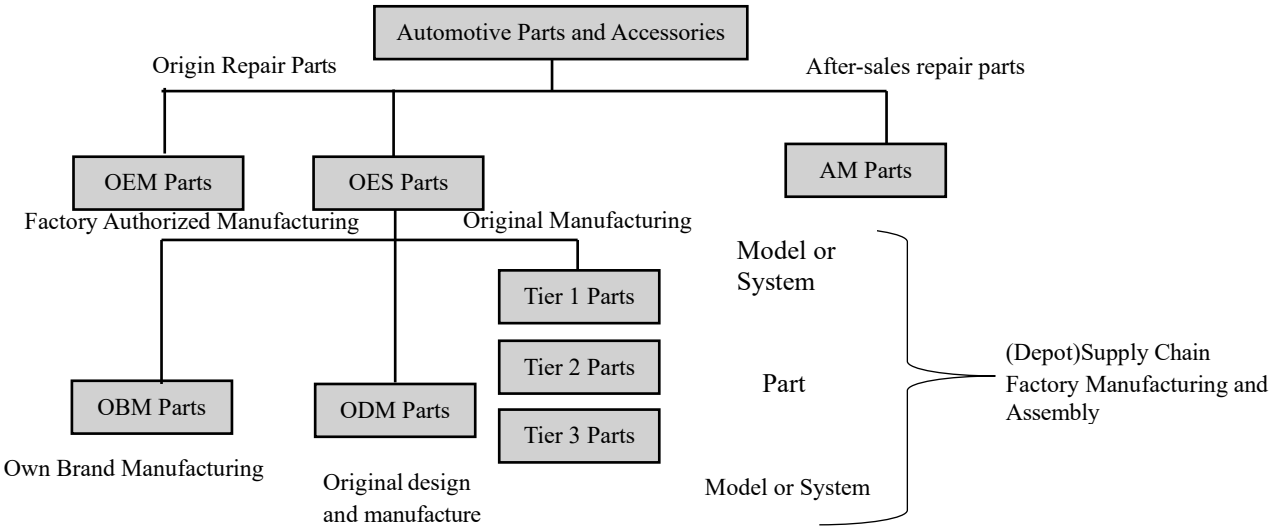


Note: Other auto parts include car frame beams, car body stamping parts, car bumpers, car exhaust pipes, car casting parts, car seat belts, and other unlisted auto parts.
Source:(Industrial Economics & Knowledge Center，IEK 2023)

According to the IEK's data, automotive parts and components can be divided into "original manufacturing" and "non-original manufacturing" according to the international division of labor, among which original manufacturing can be further divided into "OEM parts and components," "OES parts and components," "ODM parts and components," and "OBM parts and components." The non-original made parts are classified as "AM parts."

AM components

International division of automotive parts and components



Source: ITRI Industrial Economics and Knowledge Center (2023)

Our group primarily operates as an OEM manufacturing and processing business, focusing on supplying various plastic-molded components and modules to Tier 1 Japanese automotive parts suppliers. This places us as part of the original equipment manufacturer (OEM) vehicle production supply chain, and our development is largely influenced by the global automotive sales market.

Cars have become indispensable in human life and work. In recent years, the rapid economic growth of emerging markets such as China, India, and Brazil has driven continuous increases in global car sales from 2009 to 2018. However, starting in 2019, global automotive sales declined due to factors like the US-China trade war, Brexit, and the challenges of industry transformation and upgrading within China's, the world's largest, automotive market. According to the data from the Automotive Research and Technology Centre (ARTC), global car sales were consistently above 90 million units from 2016 to 2018. In 2019, global car sales fell to 89.01 million units, a decrease of 3.64 million units (3.9%) compared to 2018's 92.65 million units.

The 2020 COVID-19 pandemic, with China's initial city lockdowns, led to a shortage of components and production halts across the supply chain. As the second half of the year saw a decline in the pandemic and a gradual resumption of work, combined with government incentives for car purchases, the car market showed improvement. However, due to government advisories encouraging reduced travel, a surge in e-commerce, and semiconductor manufacturers prioritizing consumer electronics, coupled with capacity constraints at major international chipmakers due to natural disasters and other unforeseen events, a global shortage of automotive-grade chips persisted. This resulted in a substantial decrease in global car sales to 77.19 million units in 2020, a 13.3% drop compared to 2019.

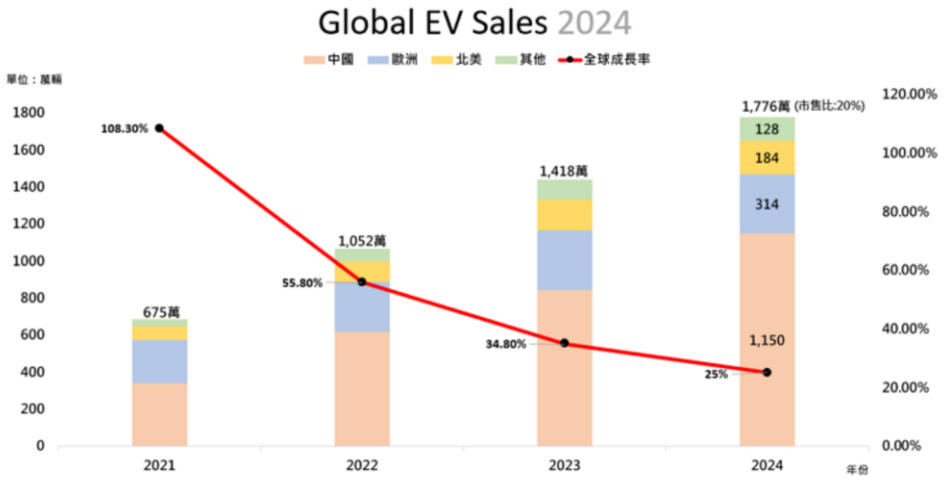
The first half of 2022 saw the global car market still reeling from the lingering effects of the COVID-19 pandemic, exacerbated by the Russian-Ukrainian war and rising inflation and interest rates. Car manufacturers faced shortages of components, rising costs, and limited production capacity, leading to delays in new vehicle deliveries. Fortunately, the global automotive market gradually recovered from the pandemic's impact in the second half of 2022, and component shortages eased. This resulted in global car sales of 79.7 million units in 2022, a slight decrease of only 1.1% from the prior year.

Data from MarkLines shows that global car sales are expected to reach 90.06 million units in 2024, representing a 1.1% increase. This growth is more stable compared to previous years, influenced by higher interest rates in some countries and slower economic growth. However, this still represents a new high since the COVID-19 pandemic in 2019, as illustrated in the following chart.

Global Car Sales Volume and Growth Rate Changes.

Source: MarkLines (statistics as of 2025/4/1), compiled by the Vehicle Centre.

Based on EV-Volumes data, the global electric vehicle market (pure electric vehicles BEV and plug-in hybrid electric vehicles PHEV) continued to grow in 2024, with total sales reaching approximately 17.76 million units (a 25% increase). The market share reached 20%. The Taiwanese market also showed strong growth momentum, with new vehicle registrations in 2024 reaching 40,800 units, a year-on-year growth rate of 39.2%.



B. Residential Home Appliance Industry

Residential home appliances are household appliances driven by electric energy or mechanized action, which can help people perform household affairs. Home appliances can reduce human family life labor work, improve the living environment, enhance the quality

of human home life, and is the fundamental symbol of modernization of life. W ith the development of society and economic progress and the improvement of human living standards, the demand and dependence on home appliances are gradually rising. In addition to the basic needs, consumers will pay more attention to environmental protection, energy-saving, wisdom, and multi-functional elements.

Household appliances can be divided into large home appliances and small home appliances. The large home appliances can be divided into "white home appliances" and "black home appliances." The "White home appliances" refers to the large home appliances used to meet and enhance the essential functions of daily life, such as air conditioners, refrigerators, washing machines, electric stoves, microwave ovens, water heaters, electric water heaters, etc. The "black home appliances" provide audio-visual entertainment such as TV sets, video players, VCD, DVD players, home gaming machines, home audio and home phones, treadmills, etc. Small appliances are those that are small in size and portable or used on desktops and other platforms, such as electric razors, vacuum cleaners, electric cookers, blenders, dehumidifiers, sewing machines, electric fans, and table lamps. The company's main end-use products are washlets and air conditioners, part of the white goods category of large home appliances.

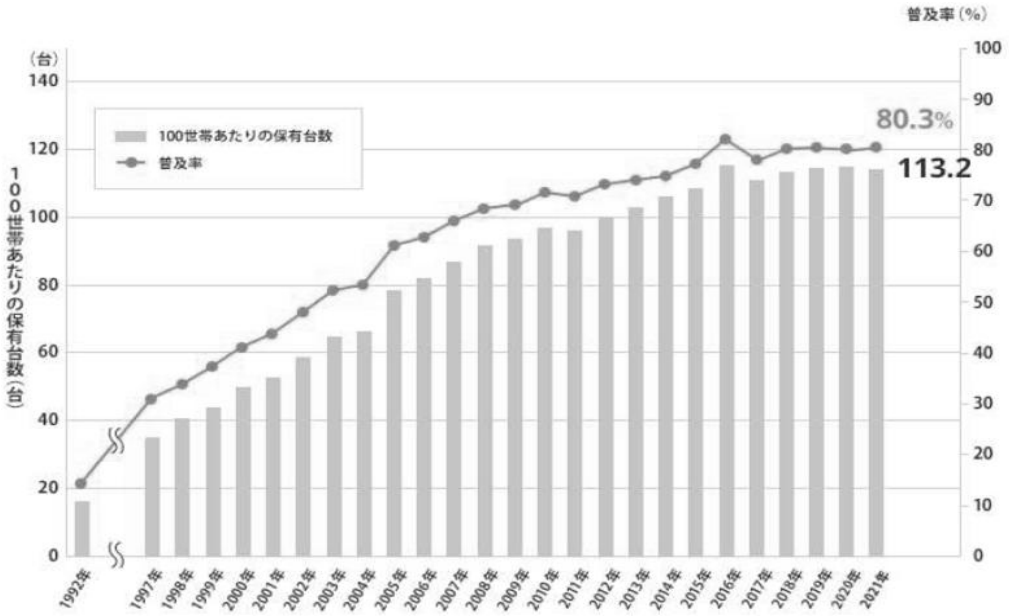
Washlet is originated in the United States, initially used as medical equipment, and then developed rapidly in Japan and Korea until today. Washlet has gradually become popular in Japan, Korea, and other countries and has become one of the indispensable bathroom appliances in daily life. It is a complete set of toilet lids and seats with a warm water cleaning system. It has various functions on the side operation panel, which has environmental and medical attributes and plays a more critical role in home life. In addition, the health monitoring technology applied in the smart toilet, including body massage, temperature and weight monitoring, and urine analysis, can enable users to understand their health conditions and prevent diseases early easily.

With the improvement of human living standards and increased consumer spending power, plus the continuous upgrading of bidet toilet functions, bidet toilets are becoming increasingly acceptable to consumers. According to the "TechSci Research" smart bathroom product market research report published on April 25, 2025, the global smart bathroom product market value in 2024 was US$6.83 billion, and is projected to reach US$10.72 billion by 2030, with a compound annual growth rate of 7.8% during the forecast period. This market is experiencing strong growth due to consumers' increasing preference for hygiene, convenience, and smart home integration. Smart bathroom products (including smart toilets, faucets, showers, and

dispensers) offer contactless operation, voice activation, water-saving, and health monitoring sensors. These innovations enhance user experience and sustainability. Growing health consciousness, technological advancements, and increasing investment in home automation in both residential and commercial sectors continue to drive the adoption of smart bathroom solutions. The post-pandemic period, and the heightened focus on hygiene, has also fuelled demand, leading to the use of contactless and smart sanitary equipment in private homes and public institutions.

Due to the Japanese emphasis on environmental cleanliness, bidet toilets have enjoyed significant success in the Japanese market, creating a uniquely Japanese lavatory culture. Since 1967, when Ina Ceramic (now LIXIL Group Corporation) produced Japan's first warm-water cleansing toilet seat, manufacturers have continuously refined the product from the user's perspective, leading to improvements in functionality and comfort, and widespread consumer acceptance. Not only are they adopted in ordinary households, but also in office buildings, commercial facilities, hotels, trains, stations, and aircraft in the 2010s. For the Japanese, bidet toilets are now an indispensable household item. According to the Japanese Cabinet Office's consumer trend survey data, bidet toilet penetration in Japan first exceeded 80% in 2016, and remained at 80.3% by 2021. Furthermore, each household, on average, owns more than one bidet toilet, demonstrating the stable market consumption power for bidet toilets in Japan each year.

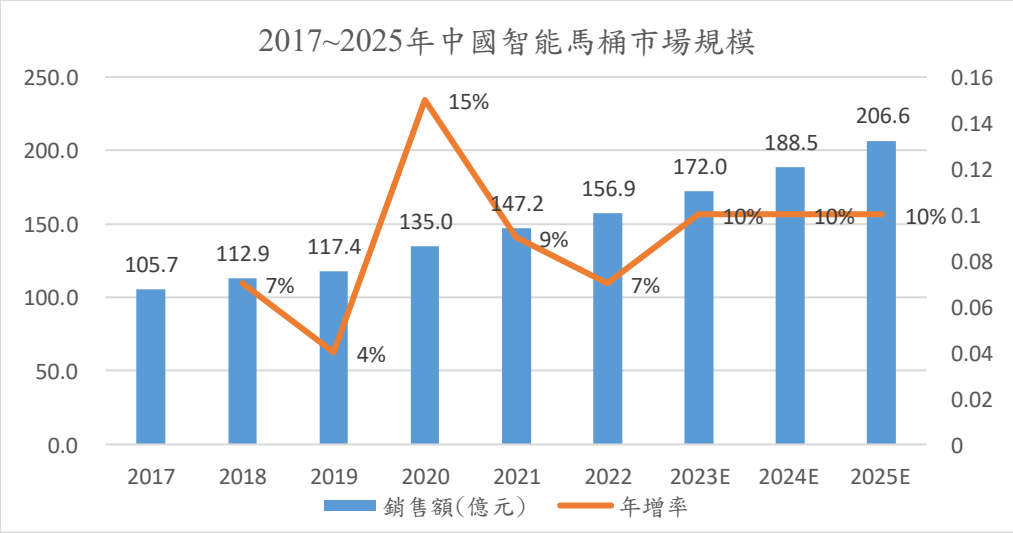
2021 Japan's washlet penetration rate and retention



Source: Japan Cabinet Office, Consumer Motivation Survey Data

On the other hand, in the Mainland China market, because the Washlet has a variety of functions such as hip cleaning, seat warming, warm air drying, automatic deodorization, etc., As the national standard has improved in Mainland China, environmental hygiene awareness has increased, hygiene cleaning products began to be valued, Washlet is gradually popular among Chinese. According to the statistics of China’s O-Cloud, the sales of smart toilets in China was RMB 15,690,000,000 in 2022, with a 5-year compound growth rate of 8.2% from 2017 to 2022, which was higher than the overall bathroom market by 5%, and the 5-year compound growth rate of sales volume was 12.8%. The growth of the smart toilet market is driven by the increase in sales volume driven by the increase in penetration rate. According to the statistics of the "2022 China Smart Toilet Consumption Trend" released by the State Grid and the Ovitrunet in December 2022, the penetration rate of smart toilet in China was only about 5% in 2022, while the penetration rate of smart toilet in Japan and the United States was as high as 81% and 39%, respectively. It can be seen that the penetration rate of the smart toilet industry in China is low, and the room for future growth is large, and the market development is at the initial stage. It is expected that the smart toilet market size will exceed RMB 20,000,000,000 in 2025.

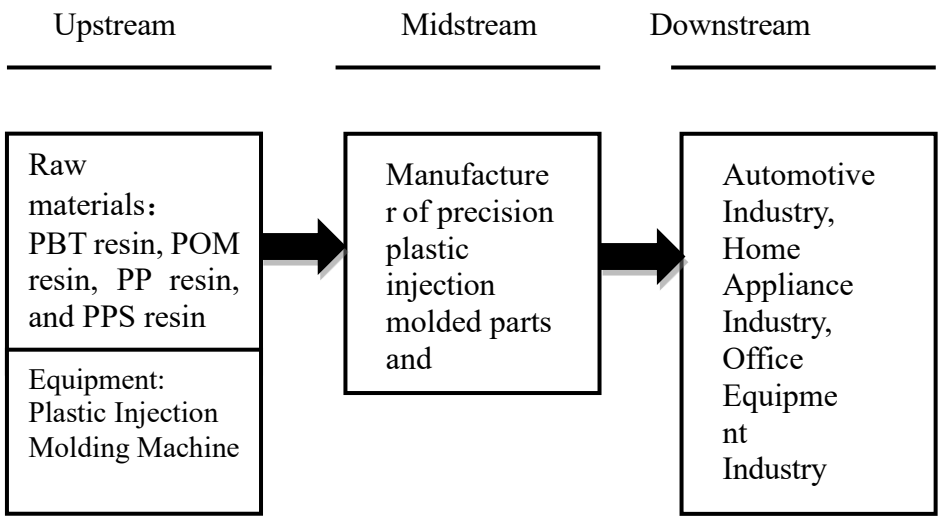
Y2017~2025 China’s Washlet penetration rate analysis and prediction



Source: iiMedia Research

C. Upstream, Midstream and Downstream Industry Linkages.

The raw materials and related production equipment purchased by the Group to produce the relevant products belong to the upstream of the industry's supply chain, mainly by purchasing various plastic raw materials, including PBT resin, POM resin, PP resin, and PPS resin, etc. The products produced by the Group include automotive parts and components, home appliance parts, and components for office equipment, which belong to the midstream of the supply chain of the industry; Group's components are essential components for downstream products and have a wide range of applications in the automotive, home appliance, and office equipment industries. The supply chain's upstream, midstream, and downstream linkages are as follow



D. Various trends of product development

(a). Automotive Industry

Globally, there is ongoing promotion of electric vehicle transport. The global automotive market in 2025 is facing significant transformation, especially in the electric vehicle (EV) sector. Numerous research institutions predict a substantial increase in electric vehicle sales, making them increasingly important in the market. Beyond China's leading position, the Indian market is poised to rapidly catch up. The US market, however, will depend on government adjustments to tax credits for electric vehicles and import tariffs.

According to the S&P Global Mobility report, global new car sales are projected to reach 89.6 million units in 2025. Electric vehicle sales are expected to increase by 30%, reaching 15.1 million units, and their market share will rise from 13.2% in 2024 to 16.7%. The growth momentum is primarily driven by government policies supporting electric vehicles in various countries, environmental regulations, and rising consumer demand for greener transportation.

With the continuous advancement of technology, battery technology and charging infrastructure are also rapidly developing. Semi-solid-state batteries and fast-charging technology are gradually being commercialized, significantly improving the range and charging efficiency of electric vehicles. Furthermore, government investment in charging infrastructure in various countries is increasing to meet the growing demand for electric vehicles. However, some challenges remain, including inadequate charging infrastructure, supply chain issues, and consumer concerns about the range of fully electric vehicles. Many car manufacturers have therefore shifted their focus to hybrid electric vehicles (HEVs) and plug-in hybrid electric vehicles (PHEVs), providing consumers with more diverse choices. As the global concern for environmental issues grows, governments around the world are implementing corresponding policies to promote the development of new energy vehicles. For example, China has eliminated some purchase subsidies, but continues to offer tax advantages. The EU has tightened carbon emissions standards, prompting the gradual withdrawal of

traditional petrol-powered vehicles from the market. Although in the age of AI, electric vehicles are no longer the star of the show, the long-term growth trend remains strong.

(b) Residential Appliances

① Smart home is the development trend

With advancements in technology, the development of AI (artificial intelligence), IoT (Internet of Things), and 5G networks, household appliances can be further interconnected by incorporating AI and IoT technologies. This creates a smarter, more comfortable, convenient, and safer living environment for humans. 5G network technology is a crucial driver for the rapid development of smart homes. Its low latency, wide connectivity, and high reliability characteristics enable faster and more efficient data transmission and storage. This is a vital support for the integration and application of smart homes with other smart technologies.

By connecting devices, networking, and cloud-based service architectures, contextual awareness services are gradually taking shape. Various devices (such as smartphones, smart speakers, and appliances) connected to the cloud acquire and analyze more user behavior data. This allows smart appliances to operate proactively to meet user needs, making consumers' home lives more comfortable, intelligent, convenient, and safer.

According to Statista data, the global smart appliance market was approximately $114.5 billion in 2022. Estimates predict that the global smart appliance market will reach $231.6 billion by 2028, with a compound annual growth rate of 11.43%.

②Energy-saving and environmentally friendly home appliances are set to become mainstream.

With the global population constantly increasing, environmental pollution and damage are becoming more severe, and global warming is increasingly a concern. Therefore, energy conservation and emission reduction have become a goal that the entire world needs to achieve together. Furthermore, global resources are limited, and energy shortages are becoming more serious. In the context of the world strongly promoting energy conservation, emission reduction, and environmental protection, energy-saving and environmental protection have become an important direction and challenge for appliance

manufacturers in designing their products. In addition to relying on manufacturers to use energy-efficient designs to continuously upgrade the energy efficiency of appliances, the rapid development of smart appliance technology allows smart appliances to automatically adjust their operating time and status based on the surrounding environment, thus achieving energy-saving effects. Smart appliances can also use intelligent energy management to make the complex energy efficiency management more intelligent, thereby achieving energy savings. Therefore, the development of energy-saving and environmentally friendly appliances and smart appliances is complementary.

③Product convenience, comfort, energy efficiency, environmental protection, health, and intelligence are the main development trends.

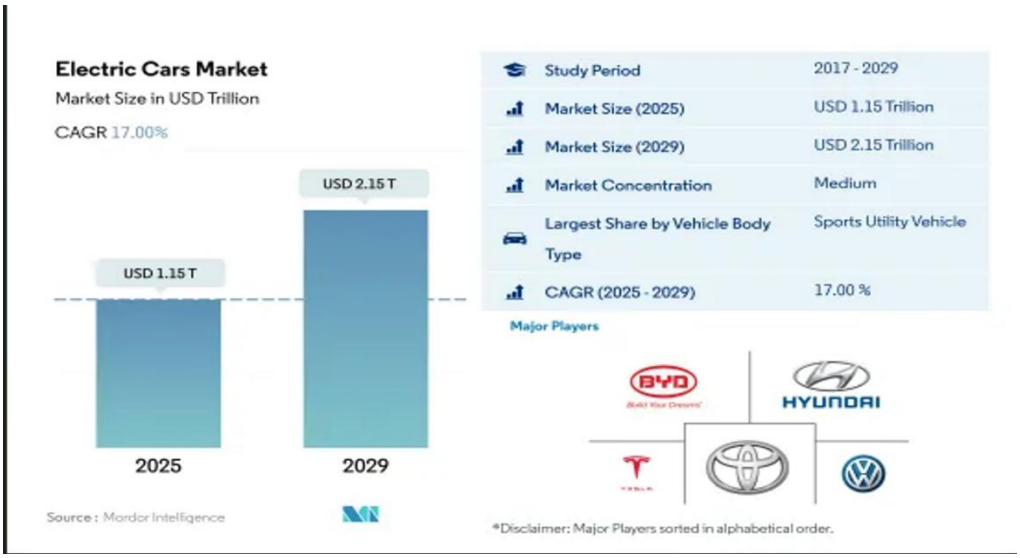
With the rapid development of technology, people's mental and material needs have increased. A safe, comfortable, convenient, and healthy living environment has become what people seek in their homes. As building intelligence and technical levels continue to improve, smart homes are gradually gaining market traction. Convenient, comfortable, energy-efficient, environmentally friendly, healthy, and smart home appliances are the main development trends.

E. The competitive situation of the product.

(a)Automotive Industry

According to the "Global Information" electric vehicle market research report published on March 18, 2025, the electric vehicle market is projected to reach US$1.15 trillion in 2025 and US$2.15 trillion by 2029, with a compound annual growth rate (CAGR) of 17.00% during the forecast period (2025-2029). There are several very attractive incentives for electric vehicles globally. Overall, many countries have signed the Paris Agreement, aiming to reduce greenhouse gas emissions by 40% by 2030, with the support of automotive policies. The 2017 national transportation plan set national automotive targets, including sales of fully zero-emission vehicles by 2030. Norway has also pledged to reduce greenhouse gas emissions by at least 40% by 2030. All these

factors are expected to drive the growth of the Norwegian electric vehicle market.



Source: Global Information electric vehicle market research report published on March 18, 2025.

(b). Home Appliance Industry

In addition to the continuous development of Washlet, automatic flushing, heating, warm water cleaning, warm air drying and other functions, the health monitoring technology applied through the smart toilet, including human massage, temperature and weight monitoring and urine analysis, can enable users to understand their health conditions easily, prevent diseases early and achieve health management. The coronavirus (COVID-19) broke out at the end of 2019 and is rapidly spreading worldwide; air conditioners responsible for indoor air management are the first to be affected. Users' awareness of air conditioner germ elimination has increased dramatically, so the market demand for air conditioner products that combine air cleaning and germ elimination functions have surged, affecting the future development trend of air conditioner technology.

(3). Technology and R&D Overview

A. The technical level and research and development of the business operations

This group's Japanese factory was established in 1963 and has cultivated expertise in precision plastic injection moulding for over 60 years. Over the years, it has consistently developed and refined its technologies in plastic

injection moulding, gear module assembly, product measurement and evaluation, and process improvement. Recently, the market demand for composite moulding has been accelerating, driven by a need to reduce part costs. This has led to an increasing demand for a change from horizontal moulding machines to vertical moulding machines in order to meet these needs. To establish a production system that can respond to market demands, the group is gradually implementing vertical moulding machines. To continuously supply even higher precision and a wider range of injection moulded products, the group continues research and development in automotive-related and residential-related sectors, combining its existing technological capabilities to meet customer requirements.

B. Recent annual R&D expenditure

Unit: thousand NT dollars

Item \ Year	2023	2024	2025 Q1
Research expense (A)	42,930	36,372	8,425
Operating revenue(B)	3,645,414	3,661,555	868,459
(A)/(B)	1.18%	0.99%	0.97%

C. In the past five years, successful technologies or products developed.

By the end of 2024, the Japanese subsidiary has obtained 14 patents, and the Chinese subsidiary has obtained 16 patents, a total of 30 patents. Here are the successful technologies or products developed in the past five years:

Year	Major Research and Development Results
2020	Completed the development of key components for one vehicle manufacturer's electronic brake system.
	Completed the development of key components for the electronic gear shifting system for two vehicle models.
	Completed development of key components for an automotive electrical system for one vehicle model
2021	Completed the development of key components for one vehicle manufacturer's electronic brake system.
	Completed development of key components for an automotive electrical

Year	Major Research and Development Results
	system for one vehicle model
	Completed development of key components for an automotive electrical system for one vehicle model
	Completed the development of key components of the automotive mechanism of one vehicle model.
	Completed the design and development of the lid lift-off modules for two Washlet models.
	Completed the evaluation and design development of a nozzle module for a Washlet model.
2022	Development of key components for the electrical system of one vehicle series.
	Development of key components for the motorcycle electrical system of one vehicle series.
	Development and design of an automatic lid module for a bidet toilet.
	Development and design of a water valve module for a bidet toilet.
	Development and design of a flushing module for a bidet toilet.
	Patent obtained for a "mold for shaping automotive accessories with a plug-in sealing soft plug".
	Patent obtained for an "automatic screw-driving mechanism with dual loading positions".
	Patent obtained for a "mold for shaping the bottom cover of an in-vehicle fuse box".
	Patent obtained for a "vehicle component assembly mechanism with a double downward stroke".
	Patent obtained for a "vehicle component assembly mechanism with a single downward stroke".
	Patent obtained for a "product ejection device for a vehicle surface cover production mold".
	Patent obtained for an "automatic assembly mechanism for vehicle parts".

Year	Major Research and Development Results
	Patent obtained for a "mold with directional limiting function".
	Patent obtained for an "automatic assembly mechanism for dual-position vehicle hardware parts".
	Patent obtained for an "automated production line for embedded hardware parts molding".
	Patent obtained for a "mold for shaping a vehicle-mounted ECU box with a pull-out stabilization function".
2023	Development of key components for two vehicle-based electronic gear shift modules.
	Development of gear components for a vehicle parking brake system.
	Development of key components for two vehicle door systems.
	Development of key components for two vehicle door lock systems.
	Development of key components for the electrical system of three vehicle series.
	Development and design of an activation module for a bidet toilet seat.
	Development and design of an automatic lid module for a bidet toilet.
2024	Completed the design and development of a mobile module for a Washlet seat
	Completed the design and development of an automatic lid lift module for a Washlet

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

Item	Short-Term Plan	Long-Term Plan
1. Marketing Strategy.	(1) To grow the plastic injection molding business, the Group is making proposals for advanced injection molding of plasticized metal parts. (2) To expand the household bathroom business by growing the Chinese market. (3) Entering into the introduction of electric vehicle-related parts.	(1) Aim to provide higher value- added products by utilizing the Group's resources. (2) Aim for a one-stop supply. With Japan as the R&D center, we will improve customer satisfaction and continue to enhance product quality. (3) The quality of equipment for home use in the Chinese market is gradually improving due to the impact of the new coronavirus (COVID-19).
2. Production Strategy	(1) Invest in new production equipment. (2) Use the FA (Factory Automation) in our own factories to promote production automation.	(1) Establish the production system in the market concentrated areas nerby for various industries. (2) Ensure the Group offers consistent quality in all of its locations around the world.
3. Product development direction	Strengthen the development system to meet the market demand and provide the products that meet the market demand.	(1) Provide products that meet the market demand. (2) Develop standard products

4. Operating Scope	(1)Using IKKA and Solplus's Japanese factories as core facilities, product development is carried out in Japan and production takes place overseas. (2) Expanding operational scale through the increased capacity of the new Nagoya plant.	(1)Unify global production methods for business operations. (2) Obtain local commodity orders and expand production bases. (3) Switch to a market-inducing production system.
5. Financial Support	In line with the growth of the Company's operation scope, strengthen the	Strengthen the financial structure to enhance the corporate value.

2. Market and Production Overview

(1) Market Analysis

A. Sales (provision) of major goods (services)

Unit: Thousand NT dollars; %

Year / Region	2023		2024		2025 Q1	
	Sales	Ratio	Sales	Ratio	Sales	Ratio
Asia	3,633,819	99.67	3,650,698	99.70	868,432	100.00
America	8,932	0.25	9,409	0.26	-	-
Other	2,663	0.08	1,448	0.04	27	-
Total	3,645,414	100.00	3,661,555	100.00	868,459	100.00

B. Market Share

This group primarily operates in the automotive component industry, acting as an OEM automotive component manufacturer specializing in precision plastic injection molding and module production. Its automotive component production and sales include electronic parking brake systems, electrical systems, and electric power steering assistance systems. The electronic parking brake system accounts for the largest portion of the group's automotive component sales. According to data from the Industrial Technology Research Institute (ITRI), global automotive component sales reached US$1.68 trillion (approximately NT$50.40

trillion) in 2022. The group's 2022 automotive product sales revenue was NT$2,274,945,000, with an estimated market share of approximately 0.005%. The group's EPB (Electronic Parking Brake) products are primarily supplied to Japanese car manufacturers, holding a certain position in their automotive component supply chain. With the projected continued growth in sales volumes of Japanese car manufacturers, the group anticipates benefiting from the growth in Japanese car sales, further increasing its market share.

C. Future market supply and demand and its growth

(a) Market Supply and Demand

Products	Demand	Supply
Automotive	For the automotive industry with higher requirements for light weight, the demand for high-hardness plastic molding parts is expanding.	As customers of major Japanese manufacturers demand high-quality products with high precision and quality requirements, the Group has a certain degree of advantage in possessing high-end plastic molding and tooling technologies and providing vertically integrated services.
Home Appliance	With the improvement of people's living standards and the coronavirus (Covid-19) epidemic at the end of 2019, people's awareness of hygiene is gradually increasing, coupled with China's national policy to focus on the development of the Washlet (smart toilet seat) market, which is expected to contribute to stable growth by increasing the penetration rate.	The Group's automatic lid-opening and closing toilet seat function module eliminates the need to bend over to open and close the lid and slightly reduces the burden on the waist, reduces forgetting to close the lid through the automatic opening and closing function, and improves the heat retention of the heated toilet seat in winter, thereby achieving energy savings.
Office Appliance	For OA office equipment-related products, we provide various modular products such as gear motor modules and mechanism parts.	The Group is able to cooperate with customers' product development schedule, review together from the development and design stage, and provide proposals that meet customers' needs, as well as collaborate with sample production and inspection and testing. In addition, the Group is able to respond to the demand for automated equipment and inspection devices based on the premise of mass production, early setup, and stable quality control for global operations.

(b) Future Market Growth

① Automotive Industry,

The Group is mainly engaged in manufacturing, processing, and trading high-end precision plastic injection molded products, and the end-use applications account for the automotive, bathroom, home appliance, and

office equipment markets. Among these, the automotive market holds the highest proportion of sales. Therefore, the performance of the Group is greatly influenced by the prosperity or downturn of the automotive market. With the rising awareness of environmental protection, the global requirements for low fuel consumption (carbon emissions) of vehicles are increasing, driving the electric vehicle market to continue to grow in the future, while traditional fuel vehicles will gradually withdraw from the market. PwC Technology Research Center estimates that the global electric vehicle models in 2022 include hybrid electric vehicles (HEV), plug-in hybrid electric vehicles (PHEV), battery-powered vehicles (BEV), and other electric vehicles. The overall market total reached 18,450,000 units, accounting for 22.8% of the global automobile market. Major global automakers have terminated the production of fuel vehicles by 2040. It is expected that the proportion of electric vehicles will reach 39 by 2035.

European automakers are representatives of traditional automakers that are more actively moving towards electrification. At present, they are developing in the direction of integrating group resources and developing key technologies, and investing in plants to enhance electric vehicle production capacity. For example, BMW has developed a new generation of electric vehicle platform Neue Klasse, and added electric vehicle production lines in Munich and Leisgen Castle plants in Germany, and introduced AI-assisted to improve electric production efficiency. Audi proposed that all new models should be BEV from 2026, and the goal of stopping the production of fuel vehicles since 2033; Porsche electrification transformation still focuses on high-performance vehicles, and power systems and 800V power systems are all high-performance consideration designs.

Despite the cooling effect on electric vehicles from the Trump administration's policies, US automakers, some US states will continue to push their own electric vehicle policies as of the date of this report. For example, California maintains its plan for 100% zero-emission vehicles for new cars by 2035; New York and Washington state are pursuing similar regulations, aiming to create stricter national emissions standards, and strive for a zero-emission economy by 2050, including in energy, construction, transportation, and waste management.

Japanese and South Korean car manufacturers' first-generation electric vehicles (EVs) were launched around the same time as European and American manufacturers, but Japanese and South Korean manufacturers have

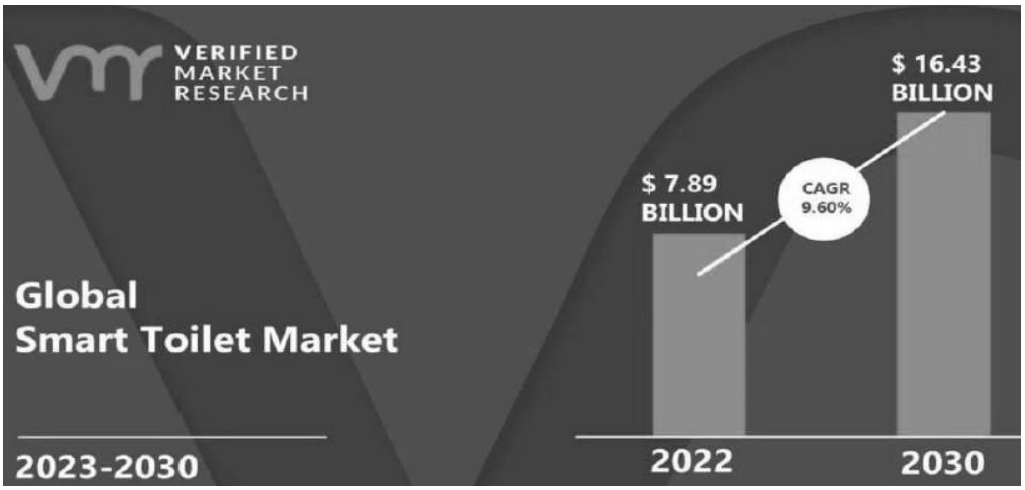
been relatively more cautious in their EV rollout strategies compared to European counterparts (for example, Toyota, besides developing BEVs, also develops hybrid technology). Recently, as market acceptance of EVs has gradually increased, Japanese and South Korean manufacturers have also been formulating clear electrification roadmaps and development strategies. For example, Toyota announced in 2023 that it will launch 10 EVs by 2026, targeting annual sales of 1.5 million units; Nissan, one of the earliest global traditional car manufacturers to launch EVs, has the Leaf, which was once the world's best-selling EV. However, it has recently lost its competitive edge with the increased number of competitors, so Nissan announced a new electrification development strategy in 2023. It aims to reduce research and production costs by modularizing powertrain systems and reducing the use of expensive, rare materials. Nissan aims to make BEV prices comparable to petrol cars by 2030. Hyundai will establish new EV production facilities, develop dedicated EV platforms, and integrate group resources, targeting the launch of 31 EVs and an annual production volume of 3.64 million units across the group by 2030.

This group is a major supplier of electronic parking brake (EPB) modules for Toyota. With the rise of the EV market and the continued evolution of autonomous driving features, EPB modules are now being implemented in mid-range and lower-range vehicles, as well as in various EV models. Leveraging its mature technology and past product track record, the company, in addition to its continued collaboration with Toyota on next-generation EPB, which will be progressively adopted into relevant EVs this year, is also developing EPB-related products to meet the needs of other Japanese car manufacturers, in order to expand its market share.

② Home Appliance Industry

With the development of global modernization and the disruption of technology to human life, consumers' demand for quality of life continues to increase, and they are gradually paying attention to hygiene habits. The Washlet has the characteristics of cleaning, deodorization, heating seat, and air drying, which can greatly reduce the use space of traditional toilets. Therefore, with the rising awareness of hygiene, it is increasingly popular among consumers. In addition, due to consumers' emphasis on hygiene habits, countries around the world have also begun to propose policies or facilities to improve health life and enhance health. According to the research

report of Verified Market Research, the global smart toilet market size will be US $7,890,000,000 in 2022 and will reach US $16,430,000,000 by 2030, with a compound annual growth rate of 9.6% from 2023 to 2030.



Source: Verified Market Research

D. Competitive Niche

(a).Construct a vertically integrated production process.

For plastic manufacturers, molds are an essential factor in determining product quality. The Group has extensive experience in mold design, production, and maintenance and is able to consistently produce products of the highest level, which will strengthen and expand the Group's supply field in the automotive market. Through the vertical integration system of the Group's investment business, the Group provides customized metal and plastic parts combined with core modules (F/B) with complete specifications to meet and satisfy the needs and development of customers.

(b).Automated Production Equipment

The Group has comprehensive automated production line technology and equipment to enhance the implementation of product line automation, reduce staff employment, reduce labor costs, and improve process management to improve production yields.

(c).Professional technology and stable quality

IKKA Japan, a subsidiary of the Group, has been successful since 1963. Apart from accumulating decades of experience, it has continuously contributed to the advancement of production technology and the reform of the production process. Each subsidiary has passed ISO9001, ISO14001, and ISO/TS16949 quality certification systems according to the division of labor of the Group and has achieved many specialties, which can not only enhance the Company's product image but also help to gain customers' recognition of product quality. long-term cooperation with international manufacturers, the Company will continue strengthening its OEM quality and then strive for orders from other global manufacturers to increase

market share.

E. Development prospect of favorable and unfavorable factors and countermeasures

(a). Favorable factors

① Wide range of technology applications and low impact of industry-specific economic cycles

The Group is mainly engaged in manufacturing precision plastic injection molding parts and modules. It mainly produces related products made of plastic materials. Because plastic materials have the advantages of light-weighting, durability, difficulty in conducting electricity, high quality, and low price, the use of plastic products has become a part of human life, and the application of plastic materials in various industries has become more and more extensive. The Group's main customers are scattered in the automobile, residential household appliances, office equipment, etc. The Group has the ability to produce the key components and modules required by its various industries. Because of the scattered industrial applications, it has an excellent ability to respond to the ups and downs of specific industries. It is less susceptible to the economic cycle of a single industry, which is conductive to the stable development of the Group.

② High-level technology and stable quality products

The Group has been working on plastic Molding related technology for nearly 60 years. Through the plastic molding, mold design, and gear module technology accumulated over the years, the Group can design and manufacture products to meet customers' needs, including precision plastic injection parts and metal-plastic injection parts (Insert Molding), and plastic gear modules. With the increasing complexity of products, it is necessary to rely on producing fine molds for the more complex plastic molded parts. high-precision, high-strength, and stable quality plastic molding and injection products and then offer products with high added value, which customers deeply trust.

③ Maintain good relationship with customers and achieve mutual assistance mode

In addition to the design of related components and mechanism modules based on the product requirements provided by customers, the Group is also able to advise on market trends and product development to expand the market, thus maintaining a good partnership with customers and reaching a cooperation model over time. Through years of efforts, the Group has become an essential supplier in the supply chain of automobile manufacturers. Due to the complexity of the procurement and certification system, the long preparation time, high quality, stable supply, R&D efficiency, etc., which are the important factors, car manufacturers are less likely to change suppliers.

④ Main product layout to meet future development trends

The Group is actively developing parts and modules for the automotive industry. As the global awareness of environmental protection is on the rise, lightweight and low fuel consumption are the future trends of the automotive industry. The Group's precision plastic injection molding technology and plastic gear module technology will be able to replace some of the metal parts of automobiles, thus actively laying out the automotive industry market, which is in line with the future market application trend and will be helpful to the Group's future operation expansion.

Former Japanese Prime Minister Suga Yoshihide declared that Japan would achieve zero net emissions of greenhouse gases by 2050. In line with this policy goal, the Ministry of Economy, Trade and Industry is planning to ban the sale of fuel-powered vehicles and only sell hybrid and electric vehicles in the mid-1930s.

The Japanese Broadcasting Association (NHK) reports that the Ministry of Economy, Trade and Industry (METI) is aiming to ban all new car sales of fuel-powered vehicles, with the goal of "100% electric" vehicles by the mid-2030s, about 15 years from now.

By "electric vehicles," the Japanese government means hybrid vehicles, plug-in hybrid electric vehicles (PHEVs), pure electric vehicles, and fuel cell vehicles that use hydrogen to generate electricity.

The Japanese government hopes to set a clear target to lead the world to replace the trend of fuel vehicles; the Ministry of Economy, Trade and Industry will convene a meeting of experts in the future to draw up a formal target. The report points out that many countries have set targets for the electrification of cars, such as the United Kingdom will ban the sale of cars and diesel vehicles in 2030 and hybrids in 2035; California and France have set targets to ban the sale of fuel cars in 2035 and 2040 respectively.

(b). Unfavorable factors and response measures

① The risk of generational change in the automotive industry

Since the signing of the Paris Agreement in 2015, various countries have been formulating mechanisms for the retirement of fuel vehicles to reduce carbon emissions. Norway and the Netherlands will completely "ban the sale of fuel vehicles" by 2025 at the earliest. With the "fuel car deadline" approaching, major car manufacturers are tensing and speeding up their transformation. According to estimates by Maketline and IEK, global fuel car sales will peak this year and decline in 2021.

UBS estimates that by By 2025, the global market share of electric vehicles will reach 17%, and by 2030, electric vehicles will account for 40% of global sales. The generational revolution in the automotive industry will lead to changes in the overall automotive components industry.

Response measures:

The Group's main products are plastic components such as relays with electronic wiring harnesses, electronic brake systems, and steering systems, which are not affected by the generational change between fuel vehicles and new energy vehicles. Therefore, the Group's automotive products will not be affected by the shift in industry generations.

② The automotive supply chain is prone to significant customer compensation losses due to abnormal quality.

The special gears and actuator modules produced by the Group are mainly used in the mechanical structure parts of automobiles. Since the service life of automobiles is longer, and the quality of mechanical structure parts is vital to personal safety, the quality and reliability of the products are more stringent than those of general products, and the products must be tested and verified by customers for a long time before mass production.

Response measures:

The Group conducts quality failure risk analysis at the product development stage and considers this factor in product design to reduce the failure risk while continuing to maintain close cooperative relationships with customers and continues to refine the quality control mechanism required by Japanese automobiles (the Group has not experienced any major customer claims in the past 30 years); In addition, the Group continues to strengthen the introduction of automation in production lines to reduce the quality risks arising from human errors of operators.

③ Strict and long product quality verification

The precision plastic injection molding parts and gear modules produced by the Group are mainly used in the mechanical structure parts of automobiles, which have a long service life, and the quality of the mechanical structure parts is a matter of personal safety. Therefore, the products must be tested and verified by customers for a long time before

mass production.

Response measures:

The Group has long-established close cooperation with its customers and has formed an important supply system. The quality of the Group's products is well recognized by customers and has a good reputation in the industry. The Company also continues to strengthen its R&D and market development capabilities and can provide customers with advanced opinions on market trends and product development, as well as product design, and shorten the time required for product certification by working with customers to reduce the impact of individual product certifications on the Company's results.

④ Product price reduction in line with vehicle manufacturers' policies

Due to the increasingly fierce competition in the global automobile sales market, to meet the consumers' expectations for new models that are more advanced than the previous generation, vehicle manufacturers have to consider lowering R&D costs. Hence, the cost control is more rigorous. In addition, to maintain the market share, the car manufacturers will adjust the car price year by year after the mass production of new models is put on the market. At this time, the car manufacturers will ask the upstream suppliers to adjust the spare parts price to transfer the cost threat caused by the price. Thus the gross profit of the upstream spare parts suppliers will be squeezed.

Response measures:

The Group strives to improve production efficiency by improving production processes, enhancing process yields, and rationalizing production cost control, and at the same time, increasing the ratio of automated production to reduce production costs to strengthen cost competitiveness. On the other hand, the Company continues developing and designing high value-added products with its customers to establish a competitive threshold for its products to maintain its overall gross margin

⑤ Sales are concentrated in Japanese first-tier suppliers

The development of the Japanese automobile industry has a history of more than 100 years, and the automobile industry accounts for a significant proportion and is the backbone of the Japanese industry. The development of the Japanese automobile industry is due to the

coordinated development of various industries related to the automobile industry, including steel, chemical, and electronic industries, etc. Therefore, the Company has developed a supply chain system for Japanese automakers. end sales applications are concentrated in Japanese branded OEMs.

Response measures:

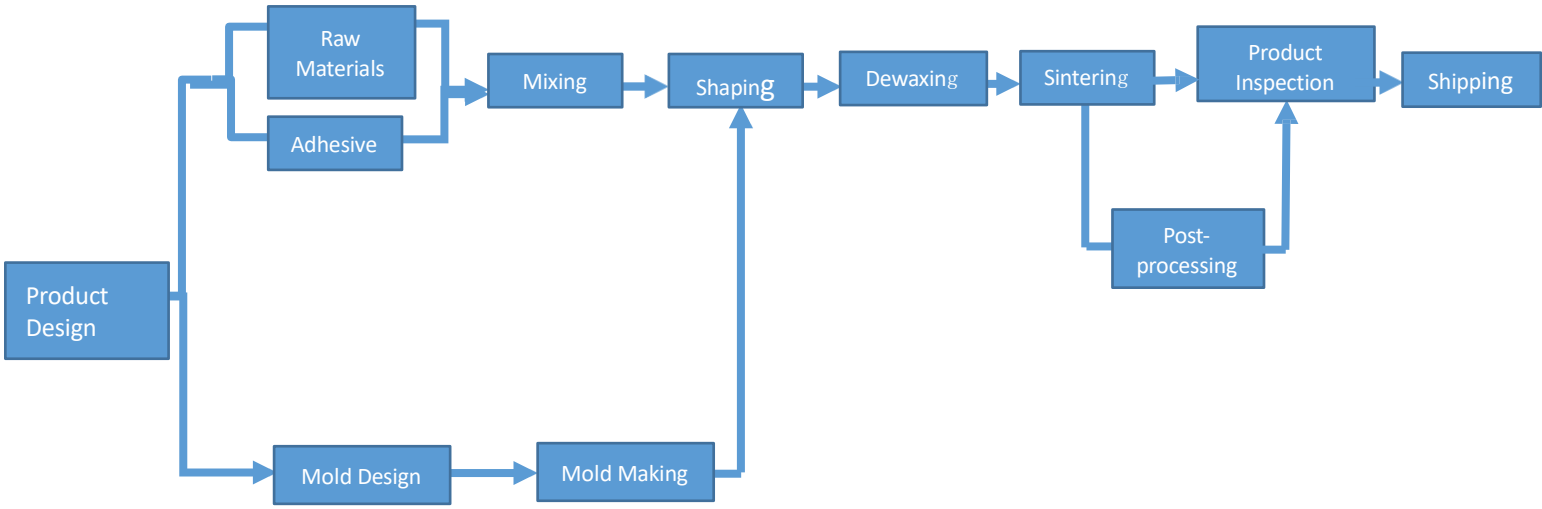
After years of continuous cultivation of Japanese customers and gaining the trust of Japanese first-class suppliers, the Group maintained an excellent partnership with Japanese customers, reached a cooperation model,enhanced the degree of dependence, and stabilized the Group's operation and growth. In addition, we also actively seek cooperation with non-Japanese customers, through the experience of collaboration with existing customers, and continue to invest in the research of production process improvement technology to break into the non-Japanese brand automobile supply chain system, enhance the overall market share, and disperse the risks of the brand sales market.

(b) Important applications and production processes of major products

1. Main applications of major products

Major Products	Main applications
Automobile	The electric power steering wheel with insert type gears, electrical equipment related relay box, connector, protector, engine related variable valve timing oil seal parts, brake related electric parking brake with insert type parts, side sliding door related door locking and opening actuator and other automotive parts.
Home Appliance	Washlet, bathroom dryer, air conditioner and hand dryer, etc.
Office Appliance	Laser printers, multifunctional machines, projectors

2. Production Process



(C) Supply status of major raw materials

The Group has established long-term cooperative relationships with its major suppliers, and the delivery status of the relevant suppliers for the last three years remains good, with no shortage, interruption, or delay in supply affecting production operations.

Major Raw Materials	Major Supplier	Supply Status
Gum granules (synthetic resin)	NAGASE & CO., LTD. Sojitz Sumitomo Corporation	Excellent

(D) List of major import and export customers

A. The names of the customers who have accounted for more than 10% of the total purchases in any of the past two years, the amount and proportion of the purchases, and the reasons for the increase or decrease:

單位:新臺幣千元;%

	2023				2024				2025Q1			
Item	Name	Amount	Percentage of net purchase for the year (%)	Relationship with the issuer	Name	Amount	Percentage of net purchase for the year (%)	Relationship with the issuer	Name	Amount	Percentage of net purchase for the year (%)	Relationship with the issuer
1	Company A	283,158	16.47	none	Company A	262,391	14.98	none	Company A	64,477	14.06	none
2	Company B	169,835	9.88	none	Company B	213,313	12.18	none	Company B	59,843	13.05	none
	Other	1,266,506	73.66		Other	1,275,885	72.84		Other	334,389	72.89	
	Net imports	1,719,499	100.00		Net imports	1,751,589	100.00		Net imports	458,709	100.00	

Reasons for the increase or decrease: There has been no change in the Company and its subsidiaries' sales to customers who accounted for more than 10 percent of the total sales of goods in the last two years and the first quarter of 2024.

2.In the last two years, identify customers who contributed over 10% of total sales in any single year, including their sales figures and percentage of total sales. Explain the reasons for any increases or decreases in their contribution.

Unit: Thousand NT dollars; %

	2023				2024				2025 Q1			
Item	Name	Amount	Percentage of net sales (%)	Relation shi p with the issuer	Name	Amount	Percentag e of net sales (%)	Relati onsh ip with the issuer	Name	Amount	Percen tage of net sales (%)	Relations hip with the issuer
1	Company A	1,008,038	27.65	none	Company A	1,008,173	27.53	none	Company A	247,174	28.46	none
2	Company B	699,894	19.20	none	Company B	653,580	17.85	none	Company B	146,835	16.91	none
3	Company C	495,139	13.58	none	Company C	522,698	14.28	none	Company C	136,340	15.70	none
	Other	1,442,343	39.57		Other	1,477,104	40.34		Other	338,110	38.93	
	Net sales	3,645,414	100.00		Net sales	3,661,555	100.00		Net sales	868,459	100.00	

Reasons for the increase or decrease: There has been no change in the Company and its subsidiaries' sales to customers who accounted for more than 10 percent of the total sales of goods in the last two years and the first quarter of 2024.

3. Number of workers for the last two years and to the date of publication of the annual report

Information on workers in the last two years

year		2023	2024	March 31, 2025
Number	Operators	964	1,005	985
	Technicians	670	592	588
	Manager	209	182	181
	Total	1,843	1,779	1,754
Average Age		35.38	37.45	37.63
Average Length of Service		8.55	9.04	9.46
Education Distribution Ratio	Doctor	-	-	-
	Master	0.38%	0.51	0.51
	Collage	19.10%	19.11	19.61
	high school	53.88%	56.66	56.33
	Doctor	26.64%	23.72	23.55

4. Expenditure Informationt

(1) According to the law, those required to apply for permits for pollution facilities, or permits for pollution emissions, or pay pollution prevention fees, or establish environmental protection specialist units, must explain their application, payment, or establishment status. This group's operating subsidiary in mainland China, Dongguan Yi Hua Precision Injection Molding Co., Ltd., is required by local regulations to have a discharge permit (valid until March 23, 2030).

(2). List the company's investment in major equipment for preventing and controlling environmental pollution, its uses and possible benefits:

March 31, 2025 Unit: RMB thousand

Equipment Name	Quantity	Acquisition Date	Investment Cost	Use and expected benefit	Equipment Name
Biofilters	3	107.08.21	1,339	584	Reduce the pollution of the atmosphere by productive volatile organic compounds
Sporadic waste water collection system	2	110.08.01	49	–	In accordance with existing laws and regulations
Exhaust duct renovation project	3	110.08.01	50	–	Comply with the existing regulations to amend the standards
Workshop waste gas collection system and bio-tower waste gas treatment system	1	110.08.01	966	370	In accordance with existing laws and regulations

(3) For the last two years and up to the printing date of the annual report, the Group has improved the environmental pollution; if there is a pollution dispute, the Group should explain the handling process: The Company has had no environmental pollution dispute in the last two years.

(4) The Company shall state the losses suffered by the Group due to environmental pollution in the last two years and up to the date of printing of the annual report (including compensation and environmental protection audit results for violations of environmental protection laws and regulations, and shall state the date of the penalty, the penalty number, the provisions of the laws and regulations violated, the contents of the laws and regulations violated, and the contents of the penalty). It shall disclose the estimated amount and measures to be taken at present and in the future. If it cannot be reasonably estimated, it shall state that it cannot be reasonably estimated: For the last two years and as of the date of the annual report, the Group has no incurred any losses or penalties due to environmental pollution.

(5) Describe the current pollution situation and the impact of its improvement on the Group's earnings, competitive position, and capital expenditures, as well as its anticipated significant environmental capital expenditures in the next two years: The Company has no significant environmental pollution in the last two years and as of the date of printing of the annual report.

5. Labor Relationship

(1) To present the status of the Group's various welfare employee measures, training, training, and retirement systems and their implementation, as well as the agreements between employers and employees and measures to protect the rights and interests of

employees

A. Employee Welfare Measures and Implementation

The Group's employee welfare measures, including social (employee/health) insurance and health checkups, are implemented in accordance with relevant laws and regulations of each company's location. Each subsidiary of the Group also plans and implements employee benefits, including birthday gifts, annual festival gift certificates, wedding and funeral subsidies, recreational activities, and other activities.

B. Employee Training and Retraining.

To enable our employees to understand the functions of each department, operational objectives, and related administrative procedures, and to be familiar with the working environment and related rules and regulations, our company requires pre-employment training for all new employees in accordance with the regulations. Moreover, to continuously improve our employees' performance and professional ability, we will review our employees' performance and professional ability and cultivate the technical and managerial reserve cadres at all levels of the Company.

C.Retirement policy and implementation

Our company's branch in Taiwan was established on March 16, 2020. In accordance with the regulations of the Labor Retirement Fund Act, 6% of employee salaries are deducted monthly and deposited into individual retirement accounts, safeguarding employee benefits. Employees may also choose to contribute from 0% to 6% of their monthly salary to their personal retirement accounts. Upon reaching the legally mandated retirement age, employees can apply to the Ministry of Labor's Labor Insurance Bureau for either monthly or lump-sum retirement benefits. All other branches of our company comply with relevant local regulations.

D. Labor-management agreements and measures to protect employees' rights and interests

The Company belongs to the industry where the Labor Standards Act is applicable, and all operations are based on the Labor Standards Act. To promote labor-management cooperation and improve work efficiency, our company holds weekly supervisors' meetings so that employers and employees can communicate and cooperate. In addition, the Company emphasizes employee career planning and talent cultivation and actively encourages employees to participate in various training programs, including internal and external training programs. Internal training courses are designed to exchange professional skills within the Company to enhance employee productivity. In contrast, external training courses can be sent to external seminars depending on the Company's needs, providing good specialized training opportunities for the Company's employees.

E. Comprehensive Insurance and Protection

In accordance with government regulations, the Company provides employees with labor insurance, national health insurance for employees, their dependents and retirees, and provides employees with free group insurance and family

member group insurance discounts, including term life insurance, major disease insurance, accident injury insurance, accident medical limit insurance, hospitalisation medical insurance, cancer health insurance, etc.

F. Employee work environment and employee personal protection measures

The Company and its subsidiaries have set up dedicated safety and health management personnel or units to continuously improve various safety and health measures, so as to create a high-quality working environment; Strengthen the promotion of safety knowledge and promote health promotion activities, effectively strengthen employees' safety and defense capabilities to ensure their work safety and take care of their physical and mental health. In order to fulfill the corporate social responsibility and protect the safety of colleagues, the primary goal is to provide a safe, healthy and comfortable working environment, promote health and safety management, and enable colleagues to develop correct health concepts and bodies and minds. The Company is committed to the following matters:

(a). Maintain and clean the central air-conditioning in the office twice a year to keep the air in the office fresh; Irregular environmental disinfection to

maintain office cleaning.

(b). Regularly conduct office environmental inspections, such as water quality inspections.

(c). The daily entrance and exit of the public meeting room is disinfected with antibacterial liquid, and the hand wash is prepared to prevent epidemic diseases and maintain the good health of employees.

(d). All new employees will first participate in employee education and training to understand the working environment and promote employee work safety.

(e). Irregularly promote health education to reduce the occurrence of accidents.

(f). Regularly implement employee health checks and implement health management tracking.

(g). Organize health promotion activities and encourage colleagues to cultivate good exercise habits.

(h). Prohibit smoking in the office to ensure a non-smoking working environment.

(i). Promote energy saving, reduce waste of resources, and promote environmental protection in the office.

(j). To ensure the safety of the working environment for each employee, we provide outpatient surgery insurance when entering and leaving the office.

(k). Establish and regularly maintain relevant fire-fighting facilities and equipment in compliance with fire-fighting regulations.

(l). The Company regularly cooperates with the local Hsinchu County Fire Department in on-site fire drills and lectures. On 26 April 2023, the Company invited the Kansai Branch of the Third Brigade of the Hsinchu County Fire Department to conduct a building self-defence fire drill. The content of the drill is as follows:

Item	Drill item	Time
1	Fire extinguishing training	13:00~13:30
2	Reporting Training	13:30~15:00
3	Avoidance Guidance Training	15:00~16:00
4	Building self-defence	16:00~17:00

	fire drill	

(m). Implement the Act of Gender Equality in Employment and the Sexual Harassment Prevention Act in the office.

(n). Create a friendly parenting workplace and optimize corporate competitiveness

At present, the Company issues a maternity allowance of NT $3,000 per child per month, and creates a pregnancy-friendly environment. The Company provides maternity inspection subsidy to increase the proportion of female employees who return to work, so that good benefits can become an incentive to encourage production and attract employees to stay.

(o) Creating a green and sustainable office environment, in addition to beautifying the office space, aims to purify the air and relieve colleagues' work stress through creating a comfortable environment with decorations. This concretely implements workplace care.

(2) The Company shall state the losses suffered in the last two years and up to the printing date of the annual report that is suffered as a result of labor disputes (including violations of the Labor Standards Law as a result of labor inspections, the date of sanction, the number of sanctions, the content of the breach, and the content of the sanction), and the estimated amount of current and potential future losses and the measures to be taken, should be disclosed. If a reasonable estimate cannot be made, the facts that cannot be reasonably estimated should be stated: For the last two years and as of the printing date of the annual report, the Company has suffered losses due to labor disputes as follows:

A. According to the labor accident report of the subsidiary in Japan on 6 March 2023, the employee of the subsidiary in Japan, Hiroyuki Koji, suffered an occupational accident on 1 March 2023. The subsidiary in Japan has carried out machinery maintenance and improvement in the future. Hiroshi Guze has obtained labor disaster insurance and compensation provided by the subsidiary in Japan totaling JPY 2,530,000. As of the date of this year, it has not filed litigation or other relief procedures against the subsidiary in Japan.

B. On 4 September 2023, the Japanese subsidiary issued a correction notice and related documents to the Japanese Ministry of Labor on 19 September 2023 and 10 November 2023, which violated Paragraph 1, Article 20 of the Labor Safety and Health Act (related to the maintenance of the effective status of the safety device of the injection molding machine and the effective status of the crane to

prevent falling off the device), Paragraph 1, Article 22 (related to the installation and maintenance of the exhaust device related to the occurrence of specific dust) and Paragraph 1, Article 6 of the Enforcement Rules for Labor Safety and Health (the safety manager did not conduct risk assessment and publicity for possible hazards). The Japanese subsidiary issued a letter to the Japanese Ministry of Labor to provide administrative guidance and rectify the above-mentioned violations within a time limit. Inspection of relevant equipment and devices, replacement of parts, and internal promotion after review by the internal safety and health committee are carried out. As of the reporting date of this year, there was no administrative penalty. This administrative guidance will not have a significant impact on the business of the Japanese subsidiary.

C. On 17 July 2021, the Malaysian subsidiary was fined RM 23,500 by the Malaysian Bureau of Labor for failure to obtain the relevant licences and meet the standards for the environment to be provided to employees in accordance with the law for the dormitories provided by the Malaysian subsidiary to employees (Setuion 24D therbeans' Mingold, Standband 1990). The Malaysian subsidiary has fully paid the amount of the penalty on 15 March 2022, and the lease contract of the dormitory has been terminated.

D. A former employee of the Chinese subsidiary, Lu, filed an arbitration on 15 July 2022 due to the dismissal of the company for violating the company's rules and regulations, requesting the Chinese subsidiary to pay a compensation of RMB 95,838.12 for the illegal termination of the labor relationship. The Chinese subsidiary obtained a favorable final award on 9 September 2022, which recognized that the termination of the labor relationship of the Chinese subsidiary was legally terminated, without the payment of compensation for the illegal termination of the labor relationship, and the employee did not subsequently file a lawsuit with the People's Court.

In addition, the relevant instructions for litigation incidents arising from labor disputes are as follows:

Company	Description	Improvement or progress
Japan IKKA	From April 2013 to September 2018, a former employee, Mr. Kukou XX (hereinafter referred to as Mr. Kukou), forged transaction documents for outsourcing services, so that the Company outsourced its design services to Japanese manufacturers. In fact, Mr. Kukou embezzled the Company's cash, which affected the Company's financial and business conditions. Japan IKKA paid	After a review, the Company filed a lawsuit against a former employee, GE, for compensation of ¥61,035,939 in total. The case was settled by the Utsunomiya District Court on August 24, 2022, with the former employee, GE, paying a total amount of

	JPY 40,470,624, and caused Japan IKKA to be fined JPY 20,565,315 by the Japanese National Taxation Bureau. IKKA (Japan) claimed damages amounting to JPY 61,035,939. On 24 August 2022, the Company’s former employee, Gukou, claimed damages amounting to JPY 27,800,000 from IKKA (Japan).	¥27,800,000 in damages to IKKA Japan. In addition, revisions have been made to address internal control deficiencies to prevent similar incidents from recurring. After the ruling, the former employee Gukou also paid the settlement amount to the Japanese subsidiary in instalments in accordance with the agreement. All the settlement amount has been paid in a one-off manner on 16 October 2023, and the case has ended.
IKKA(HK)	On 31 August 2023, the Hong Kong Company terminated the employment contract with the former employee, Mr. Chen OO (“Mr. Chen”). Upon the handover of resignation, the Hong Kong Company inquired the former employee, Mr. Chen about the payment method of the severance payment. The former employee, Mr. Chen, replied that he will withdraw from the mandatory provident fund account on his own. The Company only has to pay the shortfall (approximately HKD 30,000) in the mandatory provident fund account, but Mr. Chen later claimed that the Hong Kong Company should not withdraw the mandatory provident fund accumulated by the contribution of the Hong Kong Company from the account of Mr. Chen except for the full severance payment. On 4 September 2023, the Hong Kong subsidiary filed a litigation with the Labor-Management Relations Department of the Labor Department of Hong Kong, claiming that the Hong Kong subsidiary did not pay the severance payment in accordance with Article thirty-one N (b) of the Employment Ordinance. The The amount claimed was approximately HKD 307,000.	The case was settled by the Hong Kong Labor Tribunal on 4 March 2024. Mr. Chan agreed to receive severity pay from the mandatory provident fund account and the Company agreed to pay HKD 50,000 as a settlement. The settlement payment was paid to the Hong Kong Labor Tribunal on 15 March 2024. Mr. Chan received severity pay of HKD 290,924.79 from the provident fund account on 22 April 2024. The case has been terminated.

Although there are labor disputes among the subsidiaries of the Company, the amount accounts for a small proportion of the Equity or revenue of the Company and its subsidiaries in 2023, so these labor disputes
have no significant impact on the financial operations of the Company and its subsidiaries.

6. Information Security Management

(1) Describe the information security risk management framework, information security policies, specific management plans and resources devoted to information security management:

A. Information security risk management framework;

The Administration Department is responsible for establishing the Company's information security policy, planning information security measures, and implementing related information security operations.

The Company's inspecting unit is the audit unit of information security monitoring. If the inspection reveals deficiencies, the inspected unit is immediately requested to propose relevant improvement plans and submit them to the board of directors. The effectiveness of the improvements is regularly tracked to reduce internal information security risks. If deficiencies are found during the annual inspection of information operations, the accountants will request improvement measures and track the results.

B. Information security policies:

(a). Computer equipment security management

- Our computer, application servers, and other equipment are installed in a dedicated server room and use an induction swipe card to enter and exit and keep the entry and exit records for inspection.
- The computer room is equipped with independent air conditioning to maintain the computer equipment in a proper temperature environment; and pharmacological fire extinguishers are placed, which can be used for general or electrical fires.

(b). Network Security Management

- The entrance to the external network is equipped with an enterprise-level firewall to block illegal hackers to strengthen network control.
- For remote access to the Company's intranet, employees must apply for a VPN account for the database and log in through the VPN security method, and use records are kept for inspection.

(c). Virus Protection and Management

- Endpoint protection software is installed in our colleagues' server and terminal computer equipment. Virus codes are automatically updated to

ensure that the latest viruses are blocked and potentially threatening system executable files are detected and prevented from being installed.

- The email server is equipped with an email anti-virus and spam filtering mechanism to prevent viruses or spam from entering the user's PC.
- The anti-virus system will quarantine or delete viruses detected or intercepted immediately and proactively issue risk reports on infected and at-risk computers so that administrators can respond.

(d). System access control.

- The system administrator authorizes employees' use of each application system in accordance with the requested functional authority through the internal system authority application procedure. System accounts are created by the information room after each system administrator authorizes access according to the requested function authority.
- The account's password is set up with appropriate strength and number of characters and must be mixed with text numbers and special symbols to pass.
- When the employee applies for the separation (leave) procedure, he/she must contact the administration department to delete the accounts of each system.

(e). Ensure the sustainable operation of the system

- System backup: A cloud backup system is built, and a daily backup mechanism is adopted. In addition to uploading one copy of the system and database to the international cloud, one copy is stored in each computer room to ensure absolute security.
- Disaster Recovery Exercise: Each system is rehearsed once a year, and the backup media is stored back in the system host after the restoration date is selected as the reference point, and then the user confirms the correctness of the restored data in writing to ensure the correctness and validity of the backup media.

(f). Information security promotion and education training

- Periodic information dissemination. Ask colleagues to change system. passwords regularly to maintain account security.
- Seminars. From time to time each year, the Company conducts information security-related education and training courses for our internal colleagues.
- The company's information security manager and staff have joined the Computer and Information Systems Association of the Republic of China. Through the interaction and exchange at the Information Security Directors' Networking Meeting, they have absorbed more relevant new knowledge and experience.

C. Investing resources in cybersecurity management

To implement information security policies, our Taiwanese branch signed a contract on November 1, 2024, with an external specialist vendor for the reconfiguration of the server room and regular information maintenance. The server room reconfiguration will improve and enhance current information equipment, requiring a new Taiwanese dollar (NTD) 250,000 investment. The contract also mandates the maintenance and assistance in implementing ISO 27001 (ISMS) standards, requiring a monthly maintenance fee of NTD 25,000. The total investment will be NTD 550,000 to meet information security audit controls:

(a) Network hardware, such as firewalls, network management switches, application visibility and control of Wi-Fi devices, email antivirus, spam filtering, and internet usage analysis.

(b). Software systems, such as Active Directory domain controllers, backup management software, VPN authentication and logging and monitoring functions, identity management and security features, information protection and access control mechanisms.

(c). Telecommunications services, such as intrusion prevention systems and intrusion detection services.

(d). Personnel resources, including: daily system status checks, weekly scheduled backups and off-site backup media execution, annual cybersecurity awareness training courses, annual system disaster recovery drills, annual internal audits of information cycles, and audits by accountants.

(e). Cybersecurity personnel: Two dedicated personnel, a cybersecurity manager and a cybersecurity specialist, are responsible for cybersecurity architecture design, cybersecurity operations and monitoring, cybersecurity incident response and investigation, and cybersecurity policy review and revision.

(f). This year, a cybersecurity management review meeting was held on December 10, 2024, to confirm the feasibility of the information security maintenance plan and ensure its effectiveness in execution.

(2) The Company shall state the losses, possible impacts, and responses to major information security incidents in the most recent year and up to the printing date of the annual report. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be stated: None

7. Major Contracts

March 31, 2025

Nature of the contract	Parties	Date of commencement and expiration of the contract	Main Content	Restrictions
Customer Contract	Yoko Sangyo Co., Ltd.	2016/2/2-Now	Customer contract with Yoko Sangyo Co., Ltd.	N/A
Customer Contract	AISIN GROUP	2013/4/22-Now	Customer contract with AISIN GROUP	N/A
Loan Contract	The Ashikaga Bank, Ltd.	2023/4/1~2024/3/29	One joint loan contract (Host bank: Ashikaga Bank, Ltd.; Joint loan amount: JPY 950,700,000)	Note1
Loan Contract	The Ashikaga Bank, Ltd.	2020/3/25~2030/3/29	One joint loan contract (Host bank: Ashikaga Bank, Ltd.; Joint loan amount: JPY 1,366,700,000)	Note2
Mortgage Agreement	The Ashikaga Bank, Ltd.	2015/11/2-Now	Ashikaga Bank JPY100,000,000 guarantee mortgage agreement	N/A
Mortgage Agreement	The Ashikaga Bank, Ltd.	2009/3/24-Now	Ashikaga Bank JPY2500,000,000 guarantee mortgage agreement	N/A
Mortgage Agreement	The Ashikaga Bank, Ltd.	2008/3/28-Now	Ashikaga Bank JPY35,000,000 guarantee mortgage agreement	N/A
Mortgage Agreement	The Shoko Chukin Bank, Ltd	2009/3/24-Now	Shoko Chukin Bank JPY150,000,000 guarantee mortgage agreement	N/A
Mortgage Agreement	The Shoko Chukin Bank, Ltd	2008/3/28-Now	Shoko Chukin Bank JPY35,000,000 guarantee mortgage agreement	N/A
Mortgage Agreement	The Shoko Chukin Bank, Ltd	2012/4/27-Now	Shoko Chukin Bank JPY60,000,000 guarantee mortgage agreement	N/A
Mortgage Agreement	The Gunma Bank, Ltd.	2012/7/13-Now	Gunma Bank JPY200,000,000 guarantee mortgage agreement	N/A
Mortgage Agreement	The Gunma Bank, Ltd.	2013/4/24-Now	Gunma Bank JPY300,000,000 Guarantee Change Contract (Increase of JPY100,000,000)	N/A
Insurance Contract	Chubb Insurance Co., Ltd.	2024/7/1~2025/7/1	Business accident insurance	N/A

Insurance Contract	Damage Insurance Co., Ltd.	2024/7/1~2025/7/1	Product Liability Insurance	N/A
Insurance Contract	Damage Insurance Co., Ltd.	2024/8/1~2025/8/1	Fire Insurance	N/A
Insurance Contract	Damage Insurance Co., Ltd.	2024/10/19~2025/10/19	Auto Insurance	N/A
Insurance Contract	Damage Insurance Co., Ltd.	2024/7/1~2025/6/30	Overseas accident insurance	N/A
Lease Agreement	Dongguan Shi Long Paper Products Co.	2017/1/1~20230/12/31	Lease Agreementfor Plant No. 8	N/A
Lease Agreement	Dongguan Shilong Town Industrial Corporation	2021/1/1~2026/12/31	Lease Agreement for Plant No. 15	N/A
Lease Agreement	Dongguan Lifeng Industrial Co.	2020/10/1~2025/9/30	Lease Agreement for Plant No. 73	N/A
Lease Agreement	Nam Quang	2008/7/23~2055/6/2	Land sublease agreement with Nam Quang	N/A

(1) Net operating loss for two consecutive years.
(2) The amount of Consolidated Financial Statements net Assets for each year shall be maintained at more than 75% of the amount of Consolidated Financial Statements net Assets at the end of 2016 or the end of the preceding year, whichever is higher.
Note 2: According to the loan contract, during the duration of the contract, DaiichiKasei Co.,Ltd. should maintain the following conditions:
(1) Net operating loss for two consecutive years.
(2) The amount of net Assets in the individual financial statements for each year shall be maintained at more than 75% of the net Assets in the individual financial statements as set out in the Consolidated Financial Statements at the end of 2018 or the end of the preceding year, whichever is higher

V. Financial Highlights

1. Financial Status

(1) The main reasons for and impacts of significant changes in assets, liabilities, and equity in the past two years.

Unit: NT$ thousands

Item \ Year	2023	2024	difference	
			Amount	%
Current Assets	2,549,363	2,789,359	239,996	9.41
Noncurrent Assets	1,106,981	1,046,467	(60,514)	(5.47)
Total Assets	3,656,344	3,835,826	179,482	4.91
Current liability	1,435,994	1,237,421	(198,573)	(13.83)
Non-current liability	555,050	542,202	(12,848)	(2.31)
Total liability	1,991,044	1,779,623	(211,421)	(10.62)
Capital	294,524	332,036	37,512	12.74
Capital Surplus	802,772	1,042,305	239,533	29.84
Retained earnings	664,223	769,089	104,866	15.79
Other equity	(96,219)	(87,227)	8,992	9.35
Interest of Shareholders of the Parent in total	1,665,300	2,056,203	390,903	23.47
Prior Interests Under Common Control	-	-	-	-
Non-controlling interests	-	-	-	-
Total Equity	1,665,300	2,056,203	390,903	23.47

1. Changes exceeding 20% in the earlier and later periods, and changes exceeding NT$10 million, are explained below:

(1) Capital surplus: This is due to the premium issuance of common stock and convertible bonds in the 2023 financial year.

(2) Parent company equity and total equity: This is due to the increase in share capital and capital surplus in 2024 from the issuance of cash capital increases and convertible bonds.

2. Significant impacts should be explained with a future response plan: These changes have no significant impact on the company.

2. Financial Performance

(1) Financial Performance Condition

Unit: NT$ thousands

Item	2023	2024	Amount of Difference	Rate of Change (%)
Net Revenue	3,645,414	3,661,555	16,141	0.44
Cost of Sales	2,975,179	2,939,663	(35,516)	(1.19)
Gross Profit	670,235	721,892	51,657	7.71
Operating Expenses	492,085	478,165	(13,920)	(2.83)
Income from Operations	178,150	191,666	13,516	7.59
Non-operating Income and	25,408	36,831	11,423	44.96

Expenses				
Profit before tax	203,558	280,558	77,000	37.83
Income tax expense	(84,396)	(88,892)	(4,496)	(5.33)
Income (loss) from continuing operations	119,162	191,666	72,504	60.84
Net Income	119,162	191,666	72,504	60.84
Other Comprehensive Income for the Year (Net of Income Tax)	(21,500)	22,534	44,034	204.81
Total Comprehensive Income for the Year	97,662	214,200	116,538	119.33
Changes exceeding twenty percent and with an amount exceeding NT$10 million between the earlier and later periods are explained below: 1. Non-operating income and expenses: This is due to increased interest income from the cash increase in capitalisation in 2024. 2. Pre-tax net profit: The 2024 inventory valuation rebound benefited operating costs, leading to increased operating profit and pre-tax profit. 3. Current year net profit: This is due to the increase in pre-tax net profit in 2024. 4. Current year other comprehensive income (net of tax): This is due to the increase in pre-tax net profit in 2024. 5. Current year total comprehensive income: This is due to an increase in the valuation of long-term equity investments.				

Changes exceeding twenty percent and with an amount exceeding NT$10 million between the earlier and later periods are explained below:

1. Non-operating income and expenses: This is due to increased interest income from the cash increase in capitalisation in 2024.
2. Pre-tax net profit: The 2024 inventory valuation rebound benefited operating costs, leading to increased operating profit and pre-tax profit.
3. Current year net profit: This is due to the increase in pre-tax net profit in 2024.
4. Current year other comprehensive income (net of tax): This is due to the increase in pre-tax net profit in 2024.
5. Current year total comprehensive income: This is due to an increase in the valuation of long-term equity investments.

3. Cash Flow

(1) Analysis and explanation of cash flow changes in the most recent year

Year / Item	2023	2024	Difference	
			Amount	%
Net cash provided by (used in) operating activities	437,258	506,393	69,135	15.81
Net cash provided by (used in) investing activities	(17,061)	(165,009)	(147,948)	(867.17)
Net cash provided by (used in) financing activities	(101,471)	11,305	112,776	111.14

Analysis of Percentage Changes in Cash Flow: 1. Net Cash Inflow (Outflow) from Operating Activities: The net cash inflow from operating activities increased in 2024 due to the increase in operating profit. 2. Net Cash Inflow (Outflow) from Investing Activities: In 2024, the purchase of new equipment due to capacity needs resulted in an outflow of cash from investing activities. 3. Net Cash Inflow (Outflow) from Financing Activities: In 2024, the issuance of cash-based share capital increases and convertible bonds led to an increase in cash inflow from financing activities.

(2) Improvement plan for insufficient liquidity: Not applicable

(3) Analysis of cash liquidity in the coming year:

The Group expects that the revenue and profit will continue to grow steadily in 2024 The operating activities will continue to generate net cash inflows, and it is expected that it will still be sufficient to cover the cash outflows generated by investment and financing activities. Therefore, the Group will have no risk of insufficient cash in the coming year. However, if the cash liquidity is insufficient, to respond, the Group will issue new shares to increase capital in cash or borrow from banks. The Group has close contacts with banks and has established good credit financing conditions, so there is no risk of insufficient financial liquidity or shortage of funds.

4. The influence of major capital expenditures on financial business in the most recent year:

None.

5. Reinvestment policy in the most recent year, the main reasons for its profit or loss, improvement plans and investment plans for the next year:

(1) Reinvestment policy in the most recent year

The Company's re-investment policy is to enhance its own competitiveness for products and market, and to evaluate and analyze the upstream and downstream related businesses of the business it operates to enhance its operational growth and overall profitability. In addition, to strengthen the original competitiveness, in respect to adjustments based on operating policies and company structure, the development trend of electric vehicles can create a field of auto parts and components industry with better gross profit, and keep creating the greatest interests of shareholders.

(2) The main reasons for profit or loss from reinvestment and future investment plans

A. Reinvestment policy:

The Company's reinvestment policy is to enhance its own product and market competitiveness, and to evaluate and analyze the related businesses upstream and downstream of its operations, which can enhance its operational growth and overall profitability; based on the adjustment of operational policies and corporate structure, in addition to consolidating and strengthening its original competitiveness, the Company will continue to create the automobile components industry with better gross profit during the development trend of electric vehicles, so as to create maximum benefits for shareholders.

B. Main reasons for profit or loss on reinvestment and improvement plans

December 31, 2024 Unit: NT$ thousands

Investee Companies	Investee company's profit (loss) in 2024	policy	Main reasons for profit or loss	Improvement Plan
DaiichiKasei Co., Ltd.	201,515	Responsible for ordering and manufacturing of plastic products, and re-investment in the holding companies of Vietnam, Hong Kong and MAC	Business operations are in good condition and profits are stable.	Not applicable
M.A.C Technology (Malaysia) Sdn. Bhd.	5,194	Responsible for the manufacture and sales of plastic injection components such as home appliances and power tool gearbox parts	The main reason is that the revenue has declined due to the impact of the Russian-Ukrainian war, resulting in losses.	Continue to expand business and strengthen Inventories control to achieve the goal of profit.
IKKA Vietnam	50,622	Responsible for the	Business operations are	Not applicable
IKKA (Hong Kong) Co., Limited	54,346	Reinvestment in the holding company of IKKA Dongguan.	It is mainly engaged in the transfer trading business and earns profits from the recognition of the profits from the reinvestment of subsidiaries.	Not applicable
IKKA Dongguan.	52,013	Responsible for manufacturing and sales of automobiles and home appliances	Business operations are in good condition and profits are stable.	Not applicable

Investee Companies	Investee company's profit (loss) in 2024	policy	Main reasons for profit or loss	Improvement Plan
Sol-Plus(HK)Co., Ltd.	52,325	Reinvestment in the holding company of Sol-Plus Japan.	It is an investment holding company and profits from the recognition of profits from reinvestment in subsidiaries.	Not applicable
Sol-Plus Co., Ltd.	50,337	Mainly engaged in the production of audio-visual plastic components for automobiles, and in recent years, successfully developed plastic components related to electric vehicle motors.	Business operations are in good condition and profits are stable.	Not applicable
Hiraiseimitsu (Thailand) Co., Ltd.	39,590	Mainly engaged in the production of audio-visual plastic components for automobiles, and in recent years, successfully developed plastic components related to electric vehicle motors.	The main reason is that the customer's shortage of materials has led to poor production, which in turn delays the order and delivery schedule of the company and its subsidiaries, resulting in losses.	Continue to develop local business in Thailand and strengthen cost control such as Inventories to achieve the goal of profit.

(3) Investment plan for the coming year

In response to the Company's operational development needs, First Kasei Co., Ltd., a subsidiary of the Company, serves customers in close proximity, expands the scale of operations, increases competitive advantages and strengthens the industrial position. On 13 January 2023, it was approved by the Director to lease a plant in Nagoya, Chigi City, Aizhi County, and set up a R & D production center and purchase relevant machinery and equipment, which is still necessary and reasonable. The estimated total investment amount is NT $208,560,000, which will be funded by the self-owned funds of the subsidiary First Kasei Co., Ltd. or Bank loan.

6. Reinvestment policy in the most recent year, the main reasons for its profit or loss, improvement plans and investment plans for the next year:

The influence of interest rate, changes in exchange rate and inflation on the Company's profit and loss and future countermeasures.

A. The influence of interest rates, changes in exchange rate and inflation on the Company's profit and loss and future countermeasures

The interest income of the Group is mainly generated from the yield of bank deposits; interest expense mainly consist of the interest expense of loans from financial institutions and on lease liabilities recognized under the effective interest method. The interest income of the Group in 2023 and 2024 was NT$5,599,000 and NT$10,042 ,000 respectively, accounting for 0.15% and 0.27%, respectively, of the consolidated net operating income for the current period; while the interest expense in 2023 and 2024 was NT$13,234,000 and NT$13,823,000 respectively, accounting for 0.36% and 0.38%, respectively, of the consolidated net operating income for the current period. It shows that changes in interest rate have no significant influence on the Group's operations.

Countermeasures:

If there is a relatively large fluctuation in the interest rate in the future, the Group will make appropriate capital utilization plans according to the changes in interest rates of financial market, and will evaluate bank loan interest rates from time to time, and seek more favorable interest rates to maximize cost effect of capital.

B. The influence of changes in exchange rate on the Company's profit and loss and future countermeasures

The Group's purchases and sales are mainly based on operating bases. The exchange gains in 2023 and 20244 are NT$ 22,069,000 and NT$22,906,000 respectively, which accounted for a very low proportion of the current consolidated net revenue. It shows that there was no significant influence on operations from the changes in exchange rate. However, it has a certain proportion of the influence on the Company's business interests. Therefore, the Company has taken the following relevant hedging management measures in response.

<u>Countermeasures:</u>

In order to avoid excessive exchange rate risk arising from foreign exchange rate changes in external sales and purchases, the Group adopts the following measures to respond to the influence of exchange rate changes on its profit and loss:

(a). The Group's financial units maintain close and good relationships with financial institutions, understand financial institutions' views on exchange rate trends, continue to pay attention to the international foreign exchange market and

financial situation, adjust and manage foreign exchange part in a timely manner, and reduce the negative influence of exchange rate changes on the Company's profits and losses.

(b). Based on the principle of natural hedging to reduce the net exchange rate risk of the Group, which means that the purchase and sale of goods should be traded in the same currency as much as possible, so that the exchange risks generated by the receivable and payable positions can be offset with each other to achieve natural hedging effect.

(c). When making quotations to customers, business units should consider the factors that may be caused by exchange rate changes to avoid the risk of exchange rate changes.

(d). To create a foreign currency account, depending on the Company's foreign currency assets and liabilities, if the demand for foreign currency increases in the future, it will maintain a certain amount of foreign currency funds to reduce the influence of exchange rate changes on profits.

C. Influence of inflation on the Company's profit and loss and future countermeasures

The Group has not been significantly affected by inflation before, and the quotations of the Group to customers and suppliers are mostly adjusted by the market, and there is no increase in purchasing costs due to inflation.

Countermeasures：

The Group will also keep abreast of the price changes of upstream commodities and reflect them in costs and quotations in a timely manner to reduce the influence on the Company's profit and loss due to cost changes.

(2) Policies for engaging in high-risk, high-leverage investments, loaning, endorsement, guarantees and derivatives trading, the main reasons for profit or loss and future countermeas.

A. The Company focuses on its own business, based on a stable operating philosophy, as of the publication date of the annual report, it has not engaged in high-risk and high-leverage investments. Based on the consideration of operational risks, if the Company intends to engage in various investment and commodity derivative transactions in the future, it will conduct in accordance with the relevant operating rules formulated by the Company.

B. The Company has established relevant rules such as "Operation procedures for loaning", "Operation procedures for endorsement and guarantees" and "Procedures for acquiring

or disposing of assets". The Company will conduct in accordance with the above-mentioned rules, so the relevant risks should be limited.

C. The Company focuses on its own business, based on a stable operating philosophy, as of the printing date of the annual report, it has not engaged in high-risk and high-leverage investments. Based on the consideration of operational risks, the Company has passed a resolution of the board of directors not to formulate the procedures for commodity derivative transactions. If the Company intends to engage in various investment and commodity derivative transactions in the future, it will conduct after formulating relevant rules.

(3) R&D plans in the future and estimated R&D expenses

A. R&D plans in the future

The Company develops electric vehicle components products, and gradually increases the revenue proportion of electric vehicle components products, provide a variety of products and services. In order to respond to the trend of automatic driving of automobiles and look forward to the electronic control related to automotive parts, the Company develops high value-added components as well.

B. Estimated R&D expenses

In the future, the Group will be more active in developing new products, new products, innovating and improving new technologies and manufacturing process in the future. In 2023 and 2024, approximately $42,930,000 and $36,372,000 have been invested in R&D. In the first half of 2024, the Company plans to invest approximately $10,000,000 in the development of second generation EPB module, and the rest remainder will be maintained at a certain level of growth depending on the future operating conditions, so as to maintain the Group's operating strategy and competitive advantage.

(4) The influences of important domestic and foreign policies and legal changes on the Company's financial business and the countermeasures:

The execution of each business of the Group is conducted in accordance with important domestic and foreign policies and laws and regulations. The Group always pays attention to the development trend of important domestic and foreign policies and legal changes at any time, and consults with lawyers, accountants and other related parties in case of changes, or commissions assessments and plans relevant countermeasures in order to

respond to changes in market conditions and take appropriate countermeasures in a timely manner.

(5) The impact of technological change (including cybersecurity risks) and industry changes on the company's financial operations and corresponding response measures:

The automotive industry has been moving towards intelligent and energy-efficient designs due to recent global technological advancements and the emphasis on environmental protection and fuel efficiency. Developments include fully electric drive systems, autonomous driving, electronic sensors (like tire pressure monitors), and increased fuel efficiency (including improved fuel utilization and vehicle weight reduction). Our group needs to refine processes and invest in new equipment to meet the requirements of tier-one suppliers.

The Information Security team within the Administrative Department is responsible for establishing company information security policies, planning information security measures, and executing related information security operations. The Audit Department serves as the oversight body for information security audits. If any deficiencies are identified, the audited unit is immediately required to submit a related improvement plan to the board of directors, and the effectiveness of the improvements will be tracked regularly to mitigate internal cybersecurity risks. In 2024, the Taiwan branch became the first in the group to obtain the ISO/IEC 27001:2022 certification from SGS Taiwan Testing Technology Co., Ltd. This certification is valid from February 23, 2025 to February 23, 2028. Drawing on this initial experience in Taiwan, we are gradually extending related security operations to the group's other subsidiaries.

In addition to staying abreast of industry market and technological trends, the group is also engaged in research and planning regarding product types, strengths, and reliability. Innovation in advanced processes, materials, and architectures is undertaken. Leveraging our in-house tooling design capabilities, we develop the most competitive products and services, thereby expanding market share to adapt to the dynamic environment of industry changes and to incorporate new technologies into our products as needed.

(6) The influences of corporate image change on corporate crisis management and the countermeasures:

The corporate image is the intangible asset of a company. Since the establishment, the Group has been upholding the principle of operating with integrity. strengthening its internal management actively and enhancing its quality assurance capability. The Group has built up a good corporate image through the efforts of its corporate leaders and management team over the years. As a result, there has been no significant change in the management of corporate crisis in the recent year and as of the date of publication of the annual report.

(7) Expected benefits, potential risks, and mitigation strategies for mergers and acquisitions: The company has not undertaken any mergers or acquisitions in the last two years and up to the date of this annual report.
(8) Expected benefits, potential risks, and mitigation measures for the expansion of the factory:
Our Japanese subsidiary, Daiichi Kasei Co., Ltd., is responding to the company's operational development needs by expanding its operational scale, strengthening its competitive edge and consolidating its industry position to serve customers more closely. On January 13, 2023, the board of directors approved the lease of a factory in Kariya City, Nagoya, Aichi Prefecture, to establish a research and production centre and purchase associated machinery. The research and production centre is scheduled to complete the factory infrastructure and related renovations by March 2024, and begin trial production in the second quarter of 2024. The project will be funded by the subsidiary's own capital and bank financing. The company and its subsidiary have established a "Procedure for Asset Acquisition or Disposal", which has been approved by the board of directors and the general meeting of shareholders, to guide related transactions. The aforementioned plan for establishing the new research and production centre and purchasing related machinery complies with the "Guidelines for Listed Companies on the Acquisition or Disposal of Assets" and the company's and its subsidiary's "Asset Acquisition or Disposal Procedure", and therefore should not pose any corporate risks.

(9) Risks for purchase or sales concentration and the countermeasures:

A. Purchase concentration risk and the countermeasures

In order to diversify the risk, the Group purchases the original Supplies by each operating location. In the last two years and the first quarter of 2025, the

The proportion of purchases of A suppliers with a purchase ratio of more than 10 percent was 16.47%, 14.98% and 14.06%, respectively, and there was no significant change, so there was no concentration of purchases.

B. Sale concentration risk and the countermeasures

For the most recent two years and the first quarter of 2025, the largest customer of the Group is Sumitomo Wiring Systems, Ltd., which accounted for 27.65%,

27.53% and 28.46% of the revenue, respectively; the second largest customer is AISIN, which accounted for 19.20%, 17.85% and 16.91 % of the revenue respectively. Thus, there is no sales concentration. In addition, the supply chain of the automobile industry is relatively stable, and Japanese automobile manufacturers have strict requirements on the quality of automobile components. To ensure consistent quality and specifications of components, Japanese automobile manufacturers do not change suppliers frequently, and they have the dominant power in procurement and sales. Therefore, the sales targets of the Group's products are usually Tier 1 component suppliers who have a one-to-one partnership with the automobile manufacturers or designated by the automobile manufacturer. Based on pre-quality control considerations, some automobile manufacturer also require that their sales must be sold through their reinvestment company, making the sales target of the Group more concentrated; this is, however, a characteristic of the automobile industry. After IPO, there will be more abundant capital. In addition to continuing to increase the operating scale, to the current existing customer, Tier 1, the Group will develop a closer relationship with its R&D and business units, to cooperate in the development of higher-tech products, or to cooperate with different system objects of the customer group. In the field of bathroom appliances, the current supply is high-end products with higher specifications, which is relatively stable. On this basis, the chances of cooperation with other major manufacturers has increased, which can reduce the risk of concentrating on the top ten customers.

(10) Directors, supervisors or shareholders holding more than 10% of the shares. The influences, risks and countermeasures of the large-scale transfer or replacement of shares of the Company: None.

(11) Influence, risks and countermeasures of the changes of management rights on the Company:
There was no change in the management rights of the Company in the most recent year and up to the date of printing of the annual report

(12) Litigation and non-litigation events:
i. In the last two years and as of the printing date of the annual report, the major lawsuit, non-litigation or administrative dispute has been determined or is currently pending, the result of which may have a significant influence on shareholders' rights and or securities prices. In such cases, the parties involved and the current situation shall be disclosed

Plant	Explanation	Situation or progress of improvement
Japan IKKA	From April 2013 to September 2018, a former employee, Mr. Kukou XX (hereinafter referred to as Mr. Kukou), forged transaction documents for outsourcing services, so that the Company outsourced its design services to Japanese manufacturers. In fact, Mr. Kukou embezzled the Company's cash, which affected the Company's financial and business conditions. Japan IKKA paid JPY 40,470,624, and caused Japan IKKA to be fined JPY 20,565,315 by the Japanese National Taxation Bureau. IKKA (Japan) claimed damages amounting to JPY 61,035,939. On 24 August 2022, the Company's former employee, Gukou, claimed damages amounting to JPY 27,800,000 from IKKA (Japan).	After a review, the Company filed a lawsuit against a former employee, GE, for compensation of ¥61,035,939 in total. The case was settled by the Utsunomiya District Court on August 24, 2022, with the former employee, GE, paying a total amount of ¥27,800,000 in damages to IKKA Japan. In addition, revisions have been made to address internal control deficiencies to prevent similar incidents from recurring. After the ruling, the former employee Gukou also paid the settlement amount to the Japanese subsidiary in instalments in accordance with the agreement. All the settlement amount has been paid in a one-off manner on 16 October 2023, and the case has ended.
IKKA(HK)	On 31 August 2023, the Hong Kong Company terminated the employment contract with the former employee, Mr. Chen OO ("Mr. Chen"). Upon the handover of resignation, the Hong Kong Company inquired the former employee, Mr. Chen about the payment method of the severance payment. The former employee, Mr. Chen, replied that he will withdraw from the mandatory provident fund account on his own. The Company only has to pay the shortfall (approximately HKD 30,000) in the mandatory provident fund account, but Mr. Chen later claimed that the Hong Kong Company should not withdraw the mandatory provident fund	The case was settled by the Hong Kong Labour Tribunal on 4 March 2024. Mr. Chan agreed to receive severance pay from the mandatory provident fund account and the Company agreed to pay HKD 50,000 as a settlement. The settlement payment was paid to the Hong Kong Labour Tribunal on 15 March 2024. Mr. Chan received severance pay of HKD 290,924.79 from the provident fund account on 22 April 2024. The case has been terminated.

	accumulated by the contribution of the Hong Kong Company from the account of Mr. Chen except for the full severance payment. On 4 September 2023, the Hong Kong subsidiary filed a litigation with the Labour-Management Relations Department of the Labour Department of Hong Kong, claiming that the Hong Kong subsidiary did not pay the severance payment in accordance with Article thirty-one N (b) of the Employment Ordinance. The amount claimed was approximately HKD 307,000.	

Based on the above assessment, the results of the above-mentioned lawsuits have no significant influence on shareholders' rights or securities prices.

(13) Other important risks and the countermeasures:

A. Environmental protection is becoming increasingly critical

The Environmental protection has become increasingly severe. As the great economic development at the expense of the environment, the governments of China and Vietnam have gradually paid more attention to the environmental requirements.

B. Risk of costs of rising wage in various regions

With the development of the Asian economy, its labor costs are also rising year by year. Many companies are facing the decrease of profits. The Company's operations in China, Vietnam and Malaysia are also facing rising labor costs.

C. Risks of the general economy, political and economic environment, foreign exchange and laws

The Company is registered in the British Cayman Islands, and the main operations are located in Japan, Vietnam, China and Malaysia. Therefore, changes in the general economic, political and economic environment, foreign exchange and laws and regulations of the place of registration and each operating place will affect the operation situation of the Company.

D. Risk of shareholder rights protection

The Cayman Islands Companies Act and the Republic of China Companies Act have many different provisions. The regulations governing company operations

differ significantly between the two jurisdictions. Investors cannot use the legal protections afforded to shareholders of a Republic of China company as a basis for the Cayman Islands company they invest in. Investors should thoroughly understand and seek expert advice to determine if there is a risk of inadequate shareholder protection when investing in a Cayman Islands company.

E. Our company is a holding company, reliant on the performance of its subsidiaries and their ability to distribute dividends, and subject to limitations on dividend payments and capital transfers. Since we are a holding company, our ability to pay dividends depends on the profits and distributions of our invested companies, as well as the distribution methods and amounts approved by the board of directors. Therefore, future dividend distributions will be determined by the overall operating performance, financial condition, cash needs, and applicable laws and regulations of the subsidiary companies. For example, under Chinese law, subsidiaries in China can only distribute dividends from their net profits, and the net income amount is based on retained earnings calculated according to China's generally accepted accounting principles and relevant financial regulations, which differ from international financial reporting standards. Furthermore, according to relevant regulations, Chinese subsidiaries must set aside at least 10% of their after-tax net profit each year as statutory reserves (a mandatory reserve that cannot be used for dividend distribution). However, when the accumulated reserve reaches 50% of the company's registered capital, the requirement to set aside further reserves is waived. Moreover, if a Chinese subsidiary distributes dividends, a 10% withholding tax is applied to the funds transferred out, which may reduce our ability to pay dividends to shareholders.

7. Other:

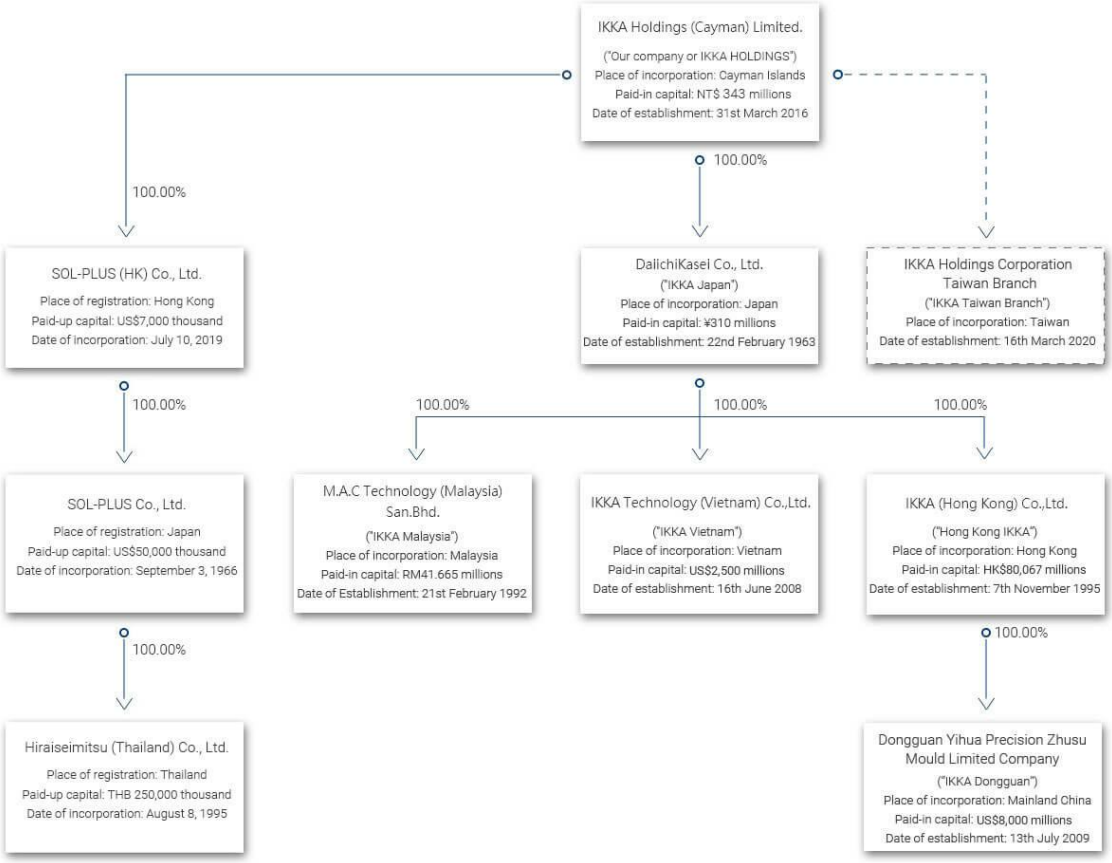
None

VI. Financial Highlights

1. Relevant information of affiliated companies

(1) Consolidated business report of affiliated companies for the most recent year

A. Organization chart of affiliated companies (Base date: March 31, 2025)



(2) Basic information of each affiliated company and the industries covered

Unit:1000 share; NTD$ thousand

Name	Relationship with the Company	Directly or indirectly held by the Company			Holdings of the Company's shares		
		Ratio	Shares	Amount	Ratio	Shares	Amo unt
DaiichiKasei Co., Ltd.	Direct investment subsidiary	100 %	64	627,091	-	-	-
IKKATechnology (Vietnam)Co., Ltd	Indirect investment sub-subsidiary	100 %	2,500	58,346	-	-	-
IKKA(HongKong) Co., Limited	Indirect investment sub-subsidiary	100 %	80,067	292,545	-	-	-
M.A.C Technology (Malaysia) Sdn. Bhd.	Indirect investment sub-subsidiary	100 %	41,665	380,603	-	-	-
IKKA Dongguan. (Note 1)	Indirect investment third-tier subsidiary	100 %	-	232,837	-	-	-
Sol-Plus(HK)Co.,Ltd.	Direct investment subsidiary	100 %	7,000	282,535			
Sol-Plus Co.,Ltd.	Indirect investment sub-subsidiary	100 %	3,404,0 19	191,587			
Hiraiseimitsu(Thailand)Co.,Ltd.	Indirect investment third-tier subsidiary	100 %	2,500	250,708			

Note 1: A limited company, and thus has no number of shares or par value

(3) For those who are presumed to have a controlling or subordinate relationship in accordance with Article 369-3 of the Company Act, the information of the same shareholder: None.

(4) Information on directors, supervisors and general managers of affiliated companies

March 31, 2025 Unit: 1,000 shares; %

Name	Title	Name or representative	Shareholding	
			K Shares	Ratio %
DaiichiKasei Co.,Ltd.	Chairman	Kikuchi Tatsuo	64	100
	Director	Chun-Jen Tong		
	Director	Chun-Yi Tong		
	Director	Shiang-Chi Hu		
	Director	Chao-Yu Yang		
	Supervisor	Kikuchi Tatsuo		
M.A.C Technology(Malaysia)San.Bhd.	Chairman	Kikuchi Tatsuo	41,665	100
	Director	Chun-Jen Tong		
	Director	Chun-Yi Tong		

Name	Title	Name or representative	Shareholding	
			K Shares	Ratio %
	Director	Shiang-Chi Hu		
	Director	Chao-Yu Yang		
IKKA Technology(Vietnam)Co.,Ltd.	Chairman	Shiang-Chi Hu	2,500	100
	Director	Hooi Chee Liong		
	Director	Masami Ohara		
	Director	Chao-Yu Yang		
	Supervisor	Hsi-Jen, Jen		
IKKA(Hong Kong)Co.,Ltd.	Chairman	Shiang-Chi Hu	80,067	100
IKKA Dongguan.	Chairman	Kikuchi Tatsuo	8,000	100
	Director	Masami Ohara		
	Director	Shiang-Chi Hu		
	Director	KATSUMI NAKAGAWA		
	Director	Toyo Terauchi		
	Supervisor	Shang-Lin Lin		
Sol-Plus(HK)Co.,Ltd.	Director	Shiang-Chi Hu	7,000	100
	Director	Tong, Chun-Jen		
	Director	Tong, Chun-Yi		
Sol-Plus Co.,Ltd.	Chairman	Hiroshi Yoshida	3,404,019	100
	Director	Shang-Lin Lin		
	Director	Shiang-Chi Hu		
	Director	Tong, Chun-Jen		
	Director	Tong, Chun-Yi		
	Director	Takeki Mizoguchi		
	Director	Masami Ohara		
	Supervisor	Che-Yi Chou		
Hiraiseimitsu(Thailand)Co.,Ltd.	Chairman	YASUNORI HIRATA	2,500	100
	Director	Shiang-Chi Hu		
	Director	Tong, Chun-Jen		
	Director	Tong, Chun-Yi		
	Director	Masami Ohara		
	Director	Hiroshi Yoshida		
	Director	Takeki Mizoguchi		
	Director	Takeshi Yamaguchi		
	Director	Hisashi Yoshida		
	Director	Tsai-Fa Hung		

(5) Business overview of affiliated companies

A. Financial status and management results of affiliated companies

2024.12.31 Unit: NTD$ thousand

Name	Capital	Total Assets	Total Liabilities	Net Value	Revenue	Operating Income	Profit or Loss for the Period (After Tax)	Earnings Per Share (NTD) (After Tax)
DaiichiKasei Co., Ltd.	627091	2760277	998750	1761527	1471565	130141	201515	3144.70
IKKA Hong Kong	292,545	626,504	71,202	555,302	255,278	795	54,346	0.68
IKKA Vietnam	58,346	662,864	161,731	501,133	815,239	77,337	50,622	20.25
M.A.C Technology (Malaysia) San. Bhd.	380,603	186,696	44,623	142,073	215,126	386	5,194	0.12
IKKA Dongguan.	232,837	732,552	316,948	415,604	803,059	48,634	52,013	-
Sol-Plus(HK)Co.,Ltd.	282,535	265,032	656	264,375	-	(162)	52,325	7.48
Sol-Plus Co.,Ltd.	191,587	310,138	113,012	197,126	144,009	12,772	50,337	0.01
Hiraiseimitsu(Thailand)Co.,Ltd.	250,708	312,480	220,973	91,507	463,582	36,985	39,590	15.84

B. Consolidated Financial Statements of Related Companies: Please refer to our company's 2024 consolidated financial report and auditor's report on the Open Information Observation Platform.

https://mops.twse.com.tw/mops/#/web/t57sb01_q1

C. Relationship Report :None。

2. Private placement of securities as of the date of publication of the annual report and the year-end report:

No such thing

3. Relevant information of affiliated companies:

None

4.Explanation of significant differences from the regulations of the Republic of China regarding shareholder rights protection:

Number	Significant Matters of Protection of Shareholders' Rights	Company Act, Securities and Exchange Act or Relevant Regulations	Regulations of the Articles of Incorporation and the Reasons of the Difference
1.	1. The company shall not cancel its shares, unless a resolution on capital reduction has been adopted by its shareholders' meeting; and capital reduction shall be effected in proportion to the percentage of shares held by the shareholders. 2. The Company reducing its capital may return share capital to shareholders by distributing property other than cash; the returned property and the amount of such substitutive capital reduction shall be approved by a prior resolution at the shareholders' meeting and be agreed by the shareholders who are going to receive such property. 3. Before the shareholders' meeting, the board of directors shall first have the value of such property and the amount of such substitutive capital reduction set forth in the preceding paragraph audited and certified by a Taiwan certified public accountant.	Company Act Article 168	There are differences between Article 10.7 and Article 14.1 of the Articles of Incorporation, and the Significant Matters of Protection of Shareholders' Rights on the left, because a reduction of issued share capital, which requires that such reduction be authorized by the shareholders by way of special resolution and which is further subject to confirmation by the Cayman court. Besides the procedure mentioned above, the issued share capital of a company may only be cancelled if such shares are repurchased, surrendered or redeemed by the Company under Cayman Company Act and relevant regulations. In view of this, Article 10.7 of the Articles of Incorporation stipulates that the procedure for reducing the Company's capital is through share repurchase, and Article 14.1 of the Articles of Incorporation stipulates that the Company's capital must be reduced by a special resolution of the shareholders' meeting, but the there is no provision under Cayman Company Act requiring that: (1) shall be repurchased in proportion to the shareholders' shareholding; (2) approval shall be required for the return of shares in property other than cash, or (3) the value of the returned property shall be evaluated. Such differences are from the provisions of the Cayman Company Act.
2.	1. Procedures for the Company to enter into stock option agreements with its employees or grant employee stock option certificates. 2. Employee stock option certificates are not assignable, except to the heirs of the recipients.	Company Act Article 167-2	It is noted that although Articles 11.1 to 11.4 of the Company's Articles of Incorporation have been amended in accordance the Significant Matters of Protection of Shareholders' Rights on the left, under the Cayman law, however, to restrict the transfer of any Stock Option warrant of an employee, such restriction shall be provided in the employee Stock Option agreements / warrant.
3.	1. The annual meeting shall be convened at least once every year within six months of the end of the	1. Company Act Article 170 2. Company Act Article 172-	A foreign issuer is an exempted company under Cayman Laws. According to Cayman Company Act, though it is not necessary to hold

Number	Significant Matters of Protection of Shareholders' Rights	Company Act, Securities and Exchange Act or Relevant Regulations	Regulations of the Articles of Incorporation and the Reasons of the Difference
	fiscal year. The shareholders' meetings shall be convened by the board of directors. 2. The articles of association may specify that shareholders' meetings may be held by video conference or other means announced by the competent authorities of the Company Act. However, due to natural disasters, events, or other force majeure, the competent authority of the Company Act may announce that shareholders' meetings may be held by video conference or by its announcement within a period without adding the provisions in the articles of association. 3. If a shareholders' meeting is held by video conference, the shareholders who participate in a video conference are deemed to be present in person. 4. The conditions, procedures, and other matters to be followed by the Company in connection with the shareholders' meeting by video conference shall be in accordance with the regulations of R.O.C. related to securities.	2 3. Company Act Article 172-1 4. Company Act Article 173 (1) (2),Article 173-1 5. Company Act Article 172, Security and Exchange Act Article 26-1. Article 43-6	a shareholders' meeting annually, Article 16.2 of the Company's articles of incorporation provides that "After becoming a public company, the Company shall convene a shareholders' meeting within six months after the end of each fiscal year as an annual general meeting of shareholders, and It should be explained in detail in the notice of convening the shareholders meeting. At the shareholders' meeting, the board of directors should make relevant reports (if any)." Other matters are provided in Articles 16.2, 16.3, 16.4, 18.9, 16.5 to 16.9, 17.5, and 35 of the Articles of Incorporation respectively. However, Article 16.8 of the Company's Articles of Association differs slightly from the Significant Matters of Protection of Shareholders' Rights on the left and is explained as follows. According to the Taiwan Stock Exchange's letter No. 0991701319 dated April 13, 1999: "Note: 2. (3) A foreign issuer shall provide in its articles of incorporation the right of minority shareholders to request the convening of a special shareholders' meeting, provided that it does not violate the laws of where the foreign issuer registered. The part of the competent authority permitting the convening may be deleted." Therefore, Article 16.8 of the Company's Articles of Incorporation stipulates that " If the board of directors do not, within fifteen days from the delivery of the request from the shareholders, issue the notice of convening a special shareholder's meeting, such shareholders may themselves convene a special shareholders' meeting under the regulations related to public company." 1. Company Act Article 177-1

Number	Significant Matters of Protection of Shareholders' Rights	Company Act, Securities and Exchange Act or Relevant Regulations	Regulations of the Articles of Incorporation and the Reasons of the Difference
	5. The shareholders' meeting that is held in person shall be held in territory of the Republic of China. If a shareholders' meeting in person is held outside territory of the Republic of China, it shall be reported to the TSE for approval within two days after the resolution of the board of directors or the approval of convening from the competent authority acquired by the shareholders. 6. Shareholders holding 1% or more of the total issued shares may present to the Company a proposal at a shareholders' meeting in written or digital notice. Other than the following situation, proposals proposed by shareholder(s) shall be included in the agenda by the board of directors: (i) the proposal involves matters which cannot be resolved at a shareholders' meeting; (ii) the number of shares held by the shareholder is less than 1% of the total issued shares, (iii) the proposal is raised outside the deadline fixed for accepting proposal; (iv) the proposal exceeds 300 words or includes more than one proposal. If the proposal is		2. Company Act Article 177-2

Number	Significant Matters of Protection of Shareholders' Rights	Company Act, Securities and Exchange Act or Relevant Regulations	Regulations of the Articles of Incorporation and the Reasons of the Difference
	to urge the Company to promote public interest or to fulfill its social responsibilities, the board of directors may include the proposal. 7. Shareholder(s) continuously holding 3% or more of the total issued shares for at least one year may submit a proposal in written to the board of directors, setting forth the subjects for discussion and reasons, to request convention of a special shareholders' meeting. If the board of directors fails to give a notice for convening a special shareholders' meeting within 15 days of the submission, such shareholder(s) may convene a special meeting after obtaining approval from the competent authorities. 8. The shareholder(s) continuously holding 50% or more of the total issued shares for three months or more may convene a special shareholders' meeting themselves/herself/himslef. The calculation of the holding period and number of shares shall be determined based on the shareholding on the book		

Number	Significant Matters of Protection of Shareholders' Rights	Company Act, Securities and Exchange Act or Relevant Regulations	Regulations of the Articles of Incorporation and the Reasons of the Difference
	closing date. The following matters shall be specified with explanation in the notice for convening a shareholders' meeting and may not be proposed by ad hoc motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the notice: (1) Election or discharge of directors and supervisors; (2) Amendment to the articles of association; (3) reduction of capital licification for the approval of ceasing its status as a public company (5) Winding-up, merger, share swap or spin-off; (6) Entering into, amending or terminating an agreement for leasing its entire business, entrusting its business operation or conduct regularly joint operation with others; (7)Transfer of its business or property in whole or		

Number	Significant Matters of Protection of Shareholders' Rights	Company Act, Securities and Exchange Act or Relevant Regulations	Regulations of the Articles of Incorporation and the Reasons of the Difference
	in part; (8) Acceptance of all the business or property from others which will have a significant influence on the Company's operations; (9) Private placement of equity-based securities; (10) Waiver of non-competition prohibitions on directors; (11) Distribution of dividends and bonuses in whole or in part by issuing shares; (12)Distribution of legal reserve fund from profit and capital reserve from share premium or gift, by means of issuing new shares or by cash to existing shareholders.		
4.	1. The Company shall include electronic means as one way to exercise voting rights when holding shareholders' meetings. 2. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by	1. Company Act Article 177-1 2. Company Act Article 177-2	It should be noted that Article 19.6 of the Articles of Incorporation provides that "A shareholder exercising voting power by one of the means mentioned above shall be deemed to have appointed the chairman of the general meeting as his proxy to exercise his or her voting right at such general meeting in accordance with the instructions stipulated in the written or electronic document." Although Cayman law does not consider a shareholder who exercises their voting rights in this manner to be recognized as present at a shareholders' meeting in person, such shareholder shall be entitled to substantially all the rights of a shareholder who exercises their voting rights by correspondence or electronic means in accordance with the laws of the Republic of China.

Number	Significant Matters of Protection of Shareholders' Rights	Company Act, Securities and Exchange Act or Relevant Regulations	Regulations of the Articles of Incorporation and the Reasons of the Difference
	correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting 3. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the earliest received one shall prevail, except when a declaration is made to cancel the earlier declaration of intent. 4. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the		

Number	Significant Matters of Protection of Shareholders' Rights	Company Act, Securities and Exchange Act or Relevant Regulations	Regulations of the Articles of Incorporation and the Reasons of the Difference
	same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. 5. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.		
5.	The following proposals involving shareholders' significant rights and interests shall be adopted by a majority vote of more than half of the shareholders representing two-thirds or more of the total issued shares at a shareholder's meeting. If the total number of shares represented by the shareholders present at the shareholders' meeting is less than two-thirds of the total issued	1. Company Act Article 185 2. Company Act Article 277 3. Company Act Article 159 4. Company Act Article 240 5. Company Act Article 316 6. Business Mergers And Acquisitions Act Article 29	Some of the provisions of the Articles of Association differ slightly from the important matters for the protection of shareholders' rights listed on the left, as follows. (1).Articles of Association Article 1.1 (a) Articles of Association provision Article 1.1 of the Articles of Incorporation provides that special resolution means “resolution passed by a majority vote of two-thirds or more of the shareholders who are entitled to vote in the shareholders’ meeting. Each of such shareholders may vote in person or appointing a fully authorized proxy to vote for him/her (if a proxy is allowed, the notice of convening a shareholders’ meeting shall it is a special resolution.) Matters subject to Special Resolution shall, in accordance with

Number	Significant Matters of Protection of Shareholders' Rights	Company Act, Securities and Exchange Act or Relevant Regulations	Regulations of the Articles of Incorporation and the Reasons of the Difference
	shares, a resolution may be adopted by a majority vote of two-thirds or more of the attending shareholders who represent more than half of the total issued shares: 1. That (i) an agreement for leasing the entire business, entrusting the business or conducting regularly joint operation with others be signed, amended or terminated; (ii) the business or property be transferred in whole or in part; or (iii) all the business or property be acquired from others, which will have a significant influence on the Company's operations; 2. That the articles of association be amended; 3. If the amendment of the articles of association may prejudice the rights of preferred shareholders, a resolution adopted by a preferred shareholders' meeting will be required; 4. That dividends and bonuses be distributed by issuing new shares in whole or in part; 5. That the Company be wound up, merged or spun off; and		the Cayman Company Act, include, but not be limited to: (i) change of the name of the Company; (ii) amendments or additions to the Articles of Incorporation; (iii) amendments or additions to the memorandum of Articles of Incorporation relating to the purpose, powers or other matters expressly stated; (iv) reduction of issued share capital and capital redemption reserve fund; (v) voluntary dissolution for reasons other than the inability to pay its debts as they become due; (vi) merger or consolidation with another company. Moreover, Article 18.1 of the Articles of Incorporation provides that “No resolution shall be passed unless the shares represented by the attending shareholders meet the minimum quorum of shares represented at a shareholder meeting. Unless otherwise provided in the Statute, the Articles and the Public Company Rules, the Attendance of shareholders representing more than half of the total number of issued shares in person or by proxy shall constitute the quorum for attendance at the shareholders' meeting." In other words, for a special resolution to be made, it shall be passed by at least two-thirds of the votes cast by the shareholders present, in person or by proxy, representing at least one-half of the total number of issued shares of the Company. (b) Reasons for Differences Special resolutions are required by the Cayman Company Act, and under the Cayman Company Act, matters that shall be resolved by a special resolution shall not be passed by majority, which is a lower standard. Meanwhile, “Supermajority Resolution” is defined in Article 1.1 of the Articles of Incorporation, which means “(i) resolution passed by a majority vote of more than half of the shareholders representing two-thirds or more of the total issued shares at a shareholder's meeting, or (ii) if the total

Number	Significant Matters of Protection of Shareholders' Rights	Company Act, Securities and Exchange Act or Relevant Regulations	Regulations of the Articles of Incorporation and the Reasons of the Difference
	6. Share Swap		number of shares represented by shareholders attending the shareholders meeting does not reach two-thirds of the total number of issued shares of the Company, but exceeds half of the total number of issued shares of the Company, a resolution passed by two-thirds or more of the voting rights of the shareholders present." For Significant Matters of Protection of Shareholders' Rights, if they shall be passed by special resolution under Cayman Company Act, they will still be listed as matters for "special resolutions" in the Articles of Incorporation; otherwise, they will be listed as " Supermajority Resolution ". (2).Articles of Association Article 14.3. (a) Articles of Association Article 14.3 of the Articles of Incorporation provides that “Subject to the provisions of the Statute, the Articles, and the Public Company Rules, with regard to the dissolution procedures of the Company: (a) if voluntary dissolution for reasons other than the inability to pay its debts as they become due, it shall be passed by a Supermajority Resolution; or (b) if voluntary dissolution for reasons other than Article 14.3 (a) mentioned above, it shall be passed by a special shareholders’ meeting." What differs slightly from the Significant Matters of Protection of Shareholders' Rights on the left is that : Resolutions on dissolution in the company's articles of incorporation are classified as " Supermajority Resolution" and "special resolutions" according to the reasons for the dissolution of the Company's articles of association. In contrast, all Significant Matters of Protection of Shareholders' Rights on the left are required to be passed by Supermajority Resolution. (b) Reasons for Difference.

Number	Significant Matters of Protection of Shareholders' Rights	Company Act, Securities and Exchange Act or Relevant Regulations	Regulations of the Articles of Incorporation and the Reasons of the Difference
			Under the Cayman Companies Act, if a company resolves to voluntarily dissolve for reasons other than its inability to pay its debts as they fall due, a special resolution is required. It is clear from the above that the difference is due to Cayman Laws. Such difference has been provided in Article 14.3 (a) that "if a company resolves to voluntarily dissolve for its inability to pay its debts as they fall due, a Supermajority Resolution is required"; and the matters other than those set forth in Article 14.3(a) shall be passed by special resolutions " under the Cayman Company Act.
6.	Compensation payable to directors, if not prescribed in the articles of association, shall be determined at a shareholders' meeting and may not be recognized retroactively.	Company Act Article 196 (1)	Provide in Article 30.1, 30.2, 32.8 and 32.9 of Articles of Incorporation respectively. Although the Articles of Incorporation do not provide the compensation of directors or stipulate that the shareholders' meeting should agree upon the compensation, the board of directors has established a compensation committee in accordance with the Ministry of Economic Affairs' Interpretation No. 09302030870 dated March 8, 2004, and the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange".
7.	If a director, in the course of performing his duties, has committed any act resulting in material damages to the Company or in serious violation of applicable laws and regulations, but not discharged by a resolution of the shareholders' meeting, the shareholder(s) holding 3% or more of the total number of outstanding shares of the Company	Company Act Article 200	Article 28.2(m) of Articles of Association differs slightly from the important matters for the protection of shareholders' rights listed on the left, explained as follows: 1. Articles of Association

Number	Significant Matters of Protection of Shareholders' Rights	Company Act, Securities and Exchange Act or Relevant Regulations	Regulations of the Articles of Incorporation and the Reasons of the Difference
	may, within 30 days after that shareholders' meeting, file a petition with the Taipei District Court for discharging of such director.		Article 28.2(m) of the Articles of Association provides that : " "Except as otherwise provided by statute, articles of association or public offering companies statute otherwise, in the event that a director has, in the course of performing his/her/its duties, committed any act resulting in material damage to the Company or in violation of applicable laws and/or regulations or the Memorandum and the Articles, but has not been removed by the Company pursuant to a Supermajority Resolution vote, then any shareholder(s) holding 3% or more of the total number of issued, outstanding Shares shall have the right, within thirty days after that general meeting, to petition any competent court (including Taipei district court) for the removal of such Director, at the Company's expense and such Director shall be removed upon the final judgment by such court. For clarification, if a relevant court has competent jurisdiction to adjudicate all of the foregoing matters in a single or a series of proceedings, then, for the purpose of this paragraph, final judgment shall be given by such competent court." The context of such Article is slightly different from the important matters for shareholders' rights protection listed on the left." 2. Reasons for difference Since there is no specific statutory provision under the Cayman Company Act which allows minority shareholders to apply to the courts in the Cayman Islands to remove a director, Articles of Association provides that shareholders shall initiate the action in a court of competent jurisdiction, and the shareholders may still dismiss the directors in in accordance with the Articles of Association. Since there is no specific statutory provision under the Cayman Company Act which allows minority shareholders to apply to the courts in the Cayman Islands to remove a director, Articles of Association provides that shareholders shall initiate the action in a court of competent jurisdiction, and the shareholders may still dismiss the directors in

Number	Significant Matters of Protection of Shareholders' Rights	Company Act, Securities and Exchange Act or Relevant Regulations	Regulations of the Articles of Incorporation and the Reasons of the Difference
			in accordance with the Articles of Association.

VII. F In the most recent year and as of the date of publication of the annual report, if there is an event that has a significant influence on shareholders' rights and interests or the price of securities as specified in Subparagraph 2, Paragraph 2, Article 36 of this Act, it shall also be closed by item:

None.

IKKA Holdings (Cayman) Limited

Chairman：ABICO AVY CO., LTD.
Hu, Shiang-Chi