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TATUNG 2024 Annual Report

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• Notice to readers

This document is an English translation
of a report originally written in Chinese.
If there is any difference between the
two versions, the Chinese one shall
prevail.



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I Letter to Shareholders

Dear Fellow Shareholders,

In 2024, the global economy faced challenges from extreme climate change, recurring pandemics, expanding geopolitical conflicts, and trade protectionism. These factors impacted supply chain layouts and increased logistics costs. The technology industry continued to grow due to AI applications, but China's industrial adjustments and the shift of production capacity to global markets led to difficulties for multinational companies, which faced uncertainties in economic growth and pressure from inventory adjustments. Taiwan's economy performed well in the semiconductor, AI concept stocks, and heavy electrical sectors, with private consumption remaining stable. Benefiting from the US-China trade war, the supply chain was reorganized with domestic demand providing support, maintaining a growth trend. According to the Directorate-General of Budget, Accounting, and Statistics (DGBAS), the GDP growth rate was 4.3%.

Looking ahead to 2025, the global economy will continue to face many challenges, particularly policy changes following the US presidential election, unsynchronized monetary policies by central banks, challenges in China's economic recovery, and geopolitical conflicts, which will impact global economic stability. In Taiwan, with global inflation easing and major economies entering a rate-cutting cycle, terminal demand is expected to rebound. Additionally, the demand for emerging technologies such as AI continues, and traditional industries are gradually recovering, sustaining export and production momentum. According to DGBAS data, the expected GDP growth rate for 2025 is 3.29%. However, the rise of US unilateralism, the ongoing challenges in China's economic recovery, the escalation of global geopolitical tensions, and challenges posed by climate change will be critical variables affecting Taiwan's economic growth. While exports and fixed capital formation are expected to recover, the impact of global economic and political uncertainties must still be closely monitored.

I. Operating overview in 2024:

In 2024, the consolidated revenue was NT\$47.477 billion and the net profit after tax was NT\$14.245 billion. The overall operation is as follows:

I. The Company is a pioneer in Taiwan's electricity, information system and consumer businesses. In addition to continues to focus on core businesses and expands the green energy business. With sustainable development as the indicator, the Company has been awarded, for four consecutive years since 2021, the "TCSA Taiwan Corporate Sustainable Reporting Category - Traditional Manufacturing Category 1 Gold Award". Adhering to the spirit of Environmental, social, and governance, the operation continues to generate stable profits.

II. Important reinvestment businesses:

(I) ELITEGROUP COMPUTER SYSTEMS CO., LTD.

In 2024, Elitegroup Computer Systems Co., Ltd. focused on: (1) Building an efficient management team. (2) Ensuring the quality of all products. (3) Providing high-quality services to ensure customer satisfaction. This was achieved by gradually adjusting the structure of outsourced products, replacing old production equipment to reduce manual labor input, and redefining and optimizing functional departments to effectively manage costs and expenses. By optimizing the organizational structure, redesigning the organizational structure, reducing management levels, and improving information flow and decision-making efficiency, the company aimed to enhance overall performance. Business processes were also re-engineered, reducing process steps and processing time to improve work efficiency. Team collaboration

was strengthened, and a cross-departmental collaboration mechanism was established to encourage communication and cooperation between departments, forming a unified effort to achieve company goals.

In 2024, the consolidated revenue was NT\$17.496 billion with a loss per share of NT\$0.16.

With the promotion of AI applications and similar applications open-sourced by DeepSeek, AI in edge applications will develop in a diversified manner, and future product planning will also be integrated with these applications.

(II) TATUNG SYSTEM TECHNOLOGIES INC.

Since its establishment, the company has maintained continuous profitability and consistently distributed stable dividends. In recent years, it has positioned itself as an ACE SI (a professional system integrator specializing in AI, Cloud, and ESG), assisting enterprises and governments in achieving dual transformation in sustainability and digitalization. The company is committed to becoming their best service provider and strategic partner. In 2024, the company launched a comprehensive AI solution (OneAI) and further enhanced professional services (OneService), effectively driving growth in gross profit margin and operating profit.

In 2024, the consolidated revenue was NT\$3.93 billion and the earnings per share of NT\$2.31.

(III) TATUNG ASSET DEVELOPMENT CO., LTD.

The total sales amount of Tatung Smart Manor Phase 3, which has been pre-sale completed in Q4 2023, is approximately 16.2 billion. And the construction project is in progress. The construction license for Zhonghe MRT, a joint development project, was obtained in Q3 2023 and public pre-sale was started at the end of December 2024. The sale of Furong Building and Funnan real estate was also completed in 2024, the profit has grown up. Consolidated to the parent company revenue, the revenue was NT\$1.791 billion, with a profit of NT\$14.654 billion and the earnings per share of NT\$24.81.

(IV) FORWARD ELECTRONICS CO., LTD.

In the year 2024, the global consumer market continued to suffer from the adverse effects of geopolitical volatility and China's economic downturn, leading to a pronounced decline in sales of precision components—encompassing variable resistors, encoders, non-contact position sensors, and modular products. Within the backlight module segment, demand was further dampened by customers' transition from older to newer product lines. Meanwhile, expenditures rose as the company embarked on developing new business units and restructuring its operational framework. Overall, the consolidated revenue for 2024 was NT\$596 million with a loss per share of NT\$0.86.

II. Highlights of 2025 operations:

The Company's business covers six major business groups: electric power business, new energy business, information system integration business, consumer electronics business, real estate business and electronic OEM business.

I. Electric power business group:

Tatung Power products include a wide range of power and distribution transformers, reactors, switchboards, gas insulated switchgear, wires and cables, smart meters, large, medium and small power motors and generators and commercial air conditioning systems. As the only power integrated manufacturer in Taiwan with power transformers and gas insulated switchgear products, In line with the Grid Resilience Program of Taipower, the government's renewable energy promotion and the 2050 net zero emission goal. We continue to layout solar farms and energy storage systems contract projects, offshore wind power booster stations and other green energy industries, and seize the demand brought by the construction of AI data center IDC

computer rooms, in order to strive for business opportunities in power-related equipment.

Smart meters hold over 30% of the domestic market share, solidifying Tatung's leadership position in the industry. To address the global demand for advanced metering infrastructure (AMI) upgrades, Tatung continues to cultivate its presence in Taiwan, Japan, Thailand, and Malaysia, while actively expanding into the ASEAN region to increase production capacity, enhance market share, and capture a larger share of tender orders.

In terms of motors, we have accumulated more than 70 years of technology and experience and in line with industry development trends, we continue to provide motor products and services in various fields, such as steel rolling roller motors, high-voltage motor maintenance and repair, ultra-high-efficiency motors, explosion-proof motors, shaft motors and EV power systems.

In terms of wires and cables, new equipment for ultra-high voltage cables has been gradually put into production. In addition to increasing the production capacity for 69KV and 161KV cables, the development of 345KV ultra-high voltage cables will also be initiated to meet the needs of Taiwan Power Company.

In terms of commercial air conditioning, we focus on "energy saving", "environmental protection" and "intelligence", and self-developed R&D and manufacturing commercial air conditioners with environmental friendly and high operation safety. We also aggressively improve the energy efficiency of our products, in addition to surpassing the national 2025 Level 1 standard, which is the best among all domestic manufacturers.

II. New energy business:

The scope of operations covers solar energy, commercial and household energy storage, green electricity trading, charging pile installation and energy saving and carbon reduction net zero solutions. It is also a certified installation manufacturer of TESLA's household energy storage product Powerwall; The energy management technology team vertically integrates the upstream and downstream for a complete layout of the energy system value chain.

As of the end of 2024, the solar power system has built more than 322MW and the target by the end of 2025 is 370MW. In terms of energy storage systems, with the acceptance and commissioning of the 60MW energy storage system at the Dongshan project, the company's expertise in building energy storage systems has been highly recognized by Taipower. We will continue to strive for opportunities in large-scale energy storage system construction and behind-the-meter energy storage applications, further penetrating the commercial system integration market.

III. Information system integration business:

- (I) TATUNG SYSTEM TECHNOLOGIES INC. In 2025, in addition to continuing to promote the company's modernized data centers, comprehensive AI solutions, cybersecurity, and unified communications, we will expand into modern work and smart surveillance. We will also collaborate with industry ecosystem partners and product manufacturers, leveraging tsti OneService to deliver an exceptional customer experience.

Internally, we are implementing AI-driven empowerment to enhance operational efficiency. We are committed to becoming the leading integrator in dual-axis transformation for sustainability and digitalization, striving for continuous revenue and profit growth.

- (II) Tatung Information Systems Integration BU: In response to the rapid development of AI technology and market demand, Systems Integration BU has spin off and established a new company, "CHYUNYAO DIGITALIZATION TECHNOLOGY INC.", in November 2024. CHYUNYAO will continue to provide high-quality digital system integration and services to government agencies.

With exceptional execution capabilities and professional expertise, the company aims to earn strong customer trust, expand its business footprint, and achieve greater revenue growth.

(III) TATUNG MEDICAL & HEALTHCARE TECHNOLOGIES CO., LTD. with the experience in Hospital Information System, TMHTC follows the government's policy to promote the next-generation healthcare system and develops FHIR (Fast Healthcare Interoperability Resources)-based solutions, including a medical data platform, SMART applications, and big data infrastructure. We also cooperate with domestic medical institutions to develop smart healthcare applications. To address the healthcare demands of an aging society, we integrate the Internet of Things, wearable devices, and artificial intelligence technologies to create an integrated medical service system, providing comprehensive solutions covering medical care, nursing care, and long-term care.

In addition to human healthcare, TMHTC has also entered the field of pet healthcare, promoting the Pet Health Card and developing a dedicated medical ecosystem for pets based on a medical data platform to provide comprehensive health management services.

IV. Consumer Electronics Business:

For this part, we focus on inverter energy-saving and intelligent household products; enhance consumers' life experience through the Internet of Things; maintain Taiwan's leading brand of electric cookers, actively expand a complete series of kitchen appliances and beauty appliances, and expand overseas markets; self-owned the stores which have won the Trusted Brand Service Gold Award for three consecutive years. In addition to strengthening multi-brand channels and after-sales service, we continue to actively expand distribution channels, we have also deepened its e-commerce platform to provide consumers with service and a better shopping experience.

V. Real estate business - TATUNG ASSET DEVELOPMENT CO., LTD.

Pre-sale of New Era and various construction projects will continue in 2025. In addition, the Shuangliang Urban Renewal Project in Taipei City has obtained the construction license in October 2024 and is expected to begin the public pre-sale in Q1 2025.

Accelerating the revitalization of assets in an all-round way, we create the maximum value of the Company's assets through strategic alliances and cooperation, supplemented by applying for urban renewal and reconstruction of old buildings; in addition, we actively expand the source of new projects and continue to expand the business.

VI. Electronic OEM business:

(I) ELITEGROUP COMPUTER SYSTEMS CO., LTD.

The company will expand its investment in the manufacturing center in Thailand in response to global challenges such as the Trump administration, trade wars, and geopolitical tensions. This expansion aims to enhance the competitiveness of the Thailand factory's production capacity and meet the growing demand for customer orders. Elitegroup's future sales strategy includes ODM, IoT, sales channels, and OEM, demonstrating a clear plan and vision.

(II) FORWARD ELECTRONICS CO., LTD.

The company remains committed to developing niche products that align with customer demands, thereby creating differentiated value and actively expanding into European and American markets. In addition, it has introduced automated production and testing equipment, developed alternative materials, and integrated common materials to enhance quality, improve production efficiency, reduce manufacturing costs, and strengthen its competitive advantage. Regarding new business investments, in keeping with the global trend toward net-zero carbon emissions, the company continues to invest in various initiatives related to carbon rights development, thereby

providing Forward Electronics with sustainable momentum for future growth.

III. References and Outlook:

In the face of changes in the global political and economic situation and rapid changes in the industry, the Group continues to focus on the three major pillars of cultivating core businesses, strengthening upgrades and transformations and consolidating investment businesses. In 2024, the company successfully achieved the goal of offsetting the special surplus reserve loss. With a solid foundation built on long-term cooperation with national policy development, the Group devotes to developing several businesses in electric power, new energy, consumer electronics, real estate, electronic OEM and system integration, taking on the role of a pioneer in the country's energy and digital transformation, and actively seeks domestic and foreign strategic partners to accelerate operating development vertically and horizontally towards innovative energy, storage energy and energy-saving and energy utilization as long-term development directions, providing customers with high-efficiency solutions, and creating maximum benefits for shareholders.

Chairman: Wkang-Hsiang Wang

Supervisor: Bo-Yen Shen

Accounting Supervisor: Yi-Ting Liao

II Corporate Value



Established in 1918, Tatung Company (formerly known as Xie Chih Business Enterprise) has evolved and grown over the decades into one of Taiwan's leading conglomerates.

The foundation of the Company is built on four fundamental values—Integrity, Honesty, Industry, and Frugality.

Developed by Tatung's founder and former chairman, Mr. Shan-chih Lin, they represent the essence of the Company's commitments to our customers, shareholders, and employees.

Mr. T. S. Lin, Chairman Emeritus of Tatung, further extended the precepts behind these core values to serve as the guidelines for the Company's continued success and prosperity.

III Corporate Governance Report

(i) Profile of board of directors and management

1. Board of directors

As of March 31, 2025

Title	Nationality or corporate seat	Name	Male / Female & Age	Date of appointment / Assumption of post	Term of office	Date of initial appointment	Shares held upon appointment		Shares held currently		Shares held by spouse and underage children currently		Shares held in another person's name		Work / educational experience	Job title assumed in the Company and any other company	Other head, director, or supervisor who is his/her spouse or is within 2nd degree of kinship			Note
							Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)			Job title	Name	Relationship	
Director	Republic of China (ROC)	Gindon Investment Co.	-	2023.06.16 ~ 2026.06.15	2023.06.16 ~ 2026.06.15	2020.10.21	6,178,000	0.26	6,178,000	0.26	-	-	-	-	-	-	-	-	-	-
Chairman	Republic of China (ROC)	Representative of Gindon Investment Co.: Wkang-Hsiang Wang	Male 71-80	2023.06.16 ~ 2026.06.15	2023.06.16 ~ 2026.06.15	2020.10.21	5,620,000	0.24	5,620,000	0.24	-	-	-	-	Honorary Doctor of Engineering, National Taiwan Ocean University Master of Agricultural Economics, National Taiwan University Chairman of Shanyuan Co., Ltd. Chairman of Sun Yuan Venture Capital Corp. Chairman of Trican Biotechnology Co., Ltd. Chairman of Ellegroup Computer Systems Co., Ltd. Chairman of Tatung Forever Energy Co., Ltd. Chairman of Shang Shin Energy Co., Ltd. Chairman of Yau Yang Energy Co., Ltd. Chairman of Ting Shin Energy Co., Ltd. Chairman of Zhi Shin Energy Co., Ltd. Chairman of Tung Shin Energy Co., Ltd. Chairman of Tung Kuang Energy Co., Ltd. Chairman of Chuang Shih Neng Co., Ltd. Chairman of Da Tang Energy Co., Ltd. Chairman of Cinzhi Power Co., Ltd. Chairman of EONtronics International Co., Ltd. Director of Chih Sheng Realty Co., Ltd. Director of Tatung Industry Company Director of Tatung Asset Development Co. Director of Forward Electronics Co., Ltd. Director of Forward Intelligent Energy Co., Ltd. Director of Shanyuan Co., Ltd. Director of Shan Mong Development Corp. Director of Julianne Fine Art Ltd.	None	None	None	-	

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Title	Nationality corporate seat	Name	Male / Female Age	Date of appointment Assumption of post	Term of office	Date of initial appointment	Shares held upon appointment		Shares held currently		Shares held by spouse or children currently		Shares held in another person's name		Work / educational experience	Job title assumed in the Company and any other company	Other head, director, or supervisor who is related within 2nd degree of kinship			Note
							Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)			Job title	Name	Relationship	
															Director of Union Wide Construction Co., Ltd. Director of Premier Venture Capital Corp. Director of Premier Capital Management Corp. Director of Chief Investment Corp. Director of K.K.Media Co., Ltd. Director of Ruby Tech Corporation Director of Kwi Microsystem, Inc. Director of Hwa-Tsu Contracting Corp. Director of Medbio Biotechnology International Co., Ltd. Director of Kuo-Kuang Motor Transportation Co., Ltd. Director of Expert Electronics (Wuliang) Co., Ltd.					
Vice Chairman	Republic of China (ROC)	Chun-Lung Wu	Male / 61-70	2023.06.16 2023.06.16	2023.06.16 ~ 2026.06.15	2022.10.24	70,000,000	2.99	82,000,000	3.50	-	-	-	-	Honorary Doctor of Business, Chinese Culture University Hsing Kuo High School Chairman of Hsin Yeong An Cable TV Co., Ltd. Chairman of Ta Yang Cable Television Co., Ltd.	Chairman of Tating Asset Development Co. Chairman of Tating System Technologies Inc. Chairman of Jungroup Fashion Boutique Co., Ltd. Chairman of Junbao Construction Co., Ltd. Chairman of Ma Shen Kai Ruel Co., Ltd. Chairman of Yongxin Multimedia Co., Ltd. Chairman of Chih Sheng Realty Co., Ltd. Chairman of Tating Industry Company Representative of He Cao Foundation Director of Edora Park Co., Ltd. Director of Global Bio & Investment Co., Ltd. Director of Chung Chia Energy Development Co., Ltd.	None	None	None	-
Director	Republic of China (ROC)	Representative of Gindon Investment Co.: Da-Ho Yen	Male / 71-80	2023.06.16	2023.06.16 ~ 2026.06.15	2021.11.12	-	-	-	-	-	-	-	-	Bachelor of Law, National Taiwan University Master of Laws, Southern Methodist University, USA Administrative Deputy Minister, Director of Prosecutor, counselor, Ministry of Justice Chairman of Taiwan After-Care Association Chairman of Association for Victims Support Chief Prosecutor of Taipei, Peng-hu and Pingtung Prosecutors Office Chief Prosecutor of Taiwan High Prosecutors Office Prosecutor General of Supreme Prosecutors Office	Independent Director of AAEON Technology Inc., Independent Director of Taipei Star Bank Co., Ltd., Independent Director of Synmold Enterprise Corp., Independent Director of Taiwan FamilyMart Co., Ltd. Director of Taishin Charity Foundation	None	None	None	-
Director	Republic of China (ROC)	Xin Tong Investment Consultancy Co.	-	2023.06.16	2023.06.16 ~ 2026.06.15	2020.10.21	30,549,000	1.31	30,549,000	1.31	-	-	-	-						-

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Title	Nationality of corporate seat	Name	Male / Female Age	Date of appointment / Assumption of post	Term of office	Date of latest appointment	Shares held upon appointment		Shares held currently		Shares held by spouse and children currently		Shares held in another person's name		Work / educational experience	Job life assumed in the Company and any other company	Other head, director, or supervisor who is related within 2nd degree of kinship		
							Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)			Job title	Name	Relationship
Director	Republic of China (ROC)	Representative of Xin Tong Investment Consultancy Co.; Ruey-Long Chen	Male / 71-80	2023.06.16	2023.06.16 ~ 2026.06.15	2021.11.10	-	-	-	-	-	-	-	-	Bachelor of Economics, Chung Hsing University Director - General of Bureau of Foreign Trade Vice Minister Chief of Ministry of Economic Affairs Deputy Minister of Ministry of Economic Affairs Minister of Ministry of Economic Affairs Chairman of Commerce Development Research Institute Chairman of Institute for Information Industry	Chairman of China Petrochemical Development Corporation Independent Director of Formosa Chemicals & Fibre Corporation Independent Director of Inventec Corporation Board Director of Asia Cement Corporation Vice Chairman of Cross-Strait CEO Summit Chairman of SINOCON Industrial Standards Foundation Chairman of Kaohsiung Monomer Company Ltd. Director of Taiyex Therapeutics Inc. Board Director of BES Engineering Corp. Director of Linde Taiwan Technologies Limited Legal Representative of Unichen Development Limited Director of Weihua (Rutung) Trade Co., Ltd. Director of WeiQiang International Trading (Shanghai) Co., Ltd. Director of Changzhou Weicat New Material Science & Technology Co., Ltd. Executive Director of Core Pacific Twin Tower (Myanmar) Co., Ltd. Director of Welfong (Myanmar) Co., Ltd. Director of Thanh Phong Construction Investment Co., Ltd. Independent Director of Natural Beauty Bio-Technology Limited Director of Asia Cement(China) Holdings Corporation	None	None	None
Director	Republic of China (ROC)	Representative of Xin Tong Investment Consultancy Co.; Bao-Huei Huang	Female / 51-60	2023.06.16	2023.06.16 ~ 2026.06.15	2022.06.16	2,000,000	0.09	2,000,000	0.09	-	-	-	-	Master's degree in John F. Kennedy School of Government, Harvard Kennedy School Master's degree in Mass Communications San Jose State University, California Ph.D. Candidate in International Business at National Taiwan University Director of Want Want Broadband Media Corp. Director of HK Asia Television Ltd. Director of CTI ASIA Director of CTI Television Inc. Director of CTV Cultural Enterprise Ltd. President of Polywin International Media Co., Ltd. Deputy General Manager of the Overseas Sales Department, Eastern Broadcasting Co., Ltd. Deputy General Manager of Asia Plus Broadcasting Anchor and Senior Reporter of Taiwan satellite TV network TVBS	Chairman of President Link Limited Independent Director of Rechi Precision Co., Ltd. Independent Director of Locus cell Co., Ltd. Chairman of Richest Power Investment Ltd. Chairperson of Medel Green Energy Ltd. Chairman of Medbio Biotechnology International Co., Ltd. Director and Supervisor of the 9th/10th/11th/12th/13th/14th/15th term Harvard Club of the R.O.C. Director of CTS (Chinese Television System)	None	None	None

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Title	Nationality or corporate seat	Name	Male / Female Age	Date of appointment Assumption of post	Term of office	Date of initial appointment	Shares held upon appointment		Shares held currently		Shares held by special shareholders currently		Shares held in another person's name		Work / educational experience	Job title assumed in the Company and any other company	Other head, director, or supervisor who is within second degree of kinship			Note
							Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)			Job title	Name	Relationship	
Director	Republic of China (ROC)	Sian-Hua Huang	Male / 61-70	2023.06.16 ~ 2026.06.15	2023.06.16 ~ 2026.06.15	2023.06.16	-	-	-	-	-	-	-	-	Master of public finance, National Chengchi University Chairman of Grand Fortune Securities Co., Ltd. Chairman of Beilei Biofund Inc. Chairman of Cai-qier Asset Management Co., Ltd. Chairman of Dayou Investment Co., Ltd. Chairman of Fuyou Capital Co., Ltd. Director of Grand Fortune Securities Co., Ltd. Director of Taipei Exchange (TPEX)	Chairman of Grand Fortune Venture Capital Management Consulting Co., Ltd. Chairman of Beilei Biofund Inc. Chairman of Cai-qier Asset Management Co., Ltd. Chairman of Dayou Investment Co., Ltd. Chairman of Fuyou Capital Co., Ltd. Director of Grand Fortune Securities Co., Ltd.	None	None	None	-
Independent Director	Republic of China (ROC)	Ching-Lung Lee	Male / 71-80	2023.06.16 ~ 2026.06.15	2023.06.16 ~ 2026.06.15	2023.06.16	-	-	-	-	-	-	-	-	Ph.D. in Horticulture, University of Hannover, Germany Minister of Council of Agriculture, Executive Yuan Chairman of Taiwan Fertilizer Co., Ltd. National Policy Advisor to the Presidential Office	Chairman of Cheer foods enterprises Co., Ltd. Chairman of BELX Biopharmaceutical Co., Ltd. Independent director of Sinphar pharmaceutical Co., Ltd. Independent director of Visgeneer Inc. Adjunct professor of National Taiwan University Chair Professor of National Chung Hsing University	None	None	None	-
Independent Director	Republic of China (ROC)	Cin-Jhih Wu	Male / 71-80	2023.06.16 ~ 2026.06.15	2023.06.16 ~ 2026.06.15	2023.06.16	-	-	-	-	-	-	-	-	Ph.D. in Materials Science, University of Southern California President of ALI Corp.	Chief Technology Officer of ASUSTeK Computer Inc. Director of Guangyuan Investment Co., Ltd. Director of ENE Technology Inc. Director of Gaius Automotive Inc. Director of Askey Technology (Jiangsu) Ltd. Director of Ultimate Power Champion LIMITED Supervisor of ASUSTOR Inc. Supervisor of Askey Computer Corp. Supervisor of Shinewave International Inc. Supervisor of Xiangfu Electronic Technology (Suzhou) Co., Ltd. Supervisor of Yang Xu Electronic Technology (Shanghai) Ltd.	None	None	None	-
Independent Director	Republic of China (ROC)	Heng-Siang Wu	Male / 41-50	2023.06.16 ~ 2026.06.15	2023.06.16 ~ 2026.06.15	2023.06.16	-	-	-	-	-	-	-	-	Master of Accounting, Fu Jen Catholic University Independent director of Alcorlink Corp.	Accounting firm's chief and Certified Public Accountant of Defeng United Accounting Firm Chairman of Zhongye Co., Ltd. Supervisor of TMY Technology Inc.	None	None	None	-

Supplementary Note:

- No member of the Board of Directors held Tatung company shares by nominee arrangement.
- Managers or Directors who are spouses or within second-degree relative of consanguinity to the directors: None.
- The chairman and the general manager or a person with equivalent positions (top managers) are the same person, spouses, or first-degree relatives: None
- The current directors' concurrent positions in other investment companies can be found in the Public Information Observatory – Affiliated Enterprises Section – Consolidated Business Report of Affiliated Enterprises
(https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=2371&year=&mtype=K&isnew=true) .

2. Major shareholders, funder, or donor of the institutional shareholders

As of March 31, 2025

Institutional name	Major shareholders of institutional shareholders
Gindon Investment Co.	Sanyuan Investment Co. (50%), Rowda Capital Co. (49%), Sanya Investment Co. (1%)
Xin Tong Investment Consultancy Co.	Ching-Yi Kao (99%), Hung-Hsin Lin (1%)

3. Major shareholders of institutional shareholders

As of March 31, 2025

Institutional name	Major shareholders of institutional shareholders
Sanyuan Investment Co.	Wkang-Hsiang Wang (24.43%), Syue-E Wang Syu(14.23%), Jing-Mei Chen Wu(10.46%), Wun-Jyuan Chen(7.16%), Ci-Sheng Chen(7.03%), Siou-Fen Chen(6.89%), Siou-Ling Chen(6.75%), Wun-Jin Chen(6.71%), Yuan-Li Contracting Corp(6.25%), Ya-Lin Wang (5.44%).
Rowda Capital Co	Shanyuan Construction Co., Ltd. (100%)
Sanya Investment Co.	Wkang-Hsiang Wang (31.33%), Syue-E Wang Hu (31.33%), Ya-Lin Wang (18.33%), Ya-Syuan Wang (7.61%), Ya-Wei Wang (7.61%), Li-Chih Wang (0.95%), Li-Cyun Wang (0.95%), Li-Ming Wang (0.95%), Li-Ju Wang (0.95%)

4. Professional qualifications and independence analysis of directors

As of March 31, 2025

Name	Professional qualifications and experiences	Independence criteria	Number of other public companies in which he/she serves concurrently as independent director
 Wkang-Hsiang Wang Chairman	Honorary Doctor of Engineering, National Taiwan Ocean University Master of Agricultural Economics, National Taiwan University Chairman of Shanyuan Co., Ltd. Chairman of Sun-Yuan Development Corp. Chairman of Lung Hwa Electronics Co., Ltd. Chairman of Shan-Yuan Investment Corp. Chairman of Sun Yuan Venture Capital Corp. Chairman of Trican Biotechnology Co., Ltd. Chairman of Elitegroup Computer Systems Co., Ltd. Chairman of Tatung Forever Energy Co., Ltd. Chairman of Shang Shin Energy Co., Ltd. Chairman of Yau Yang Energy Co., Ltd. Chairman of Ting Shin Energy Co., Ltd. Chairman of Zhi Shin Energy Co., Ltd. Chairman of Tung Shin Energy Co., Ltd. Chairman of Tung Kuang Energy Co., Ltd. Chairman of Chuang Shih Neng Co., Ltd. Chairman of Da Tang Energy Co., Ltd. Chairman of Cinzhi Power Co., Ltd. Chairman of EONtronics International Co., Ltd. Director of Chih Sheng Realty Co., Ltd. Director of Tatung Industry Company Director of Tatung Asset Development Co. Director of Forward Electronics Co., Ltd. Director of Forward Intelligent Energy Co., Ltd. Director of Shanyuan Co., Ltd. Director of Shan Mong Development Corp. Director of Julianne Fine Art Ltd. Director of Union Wide Construction Co., Ltd. Director of Premier Venture Capital Corp. Director of Premier Capital Management Corp. Director of Chief Investment Corp. Director of K.K.Media Co., Ltd. Director of Ruby Tech Corporation Director of Kiwi Microsystem, Inc. Director of Hwa-Tsu Contracting Corp.	There is no relationship between spouses or relatives within the second degree of kinship.	0

Name	Professional qualifications and experiences	Independence criteria	Number of other public companies in which he/she serves concurrently as independent director
	Director of Medbio Biotechnology International Co., Ltd. Director of Kuo-Kuang Motor Transportation Co., Ltd. Director of Expert Electronics (Wujiang)Co., Ltd.		
 Chun-Lung Wu Vice Chairman	Honorary Doctor of Business, Chinese Culture University Hsing Kuo High School Chairman of Hsin Yeomg An Cable TV Co., Ltd. Chairman of Ta Yang Cable Television Co., Ltd. Chairman of Tatung Asset Development Co. Chairman of Tatung System Technologies Inc. Chairman of Jungroup Fashion Boutique Co., Ltd. Chairman of Junbao Construction Co., Ltd. Chairman of Ma Shen Kai Ruei Co., Ltd. Chairman of Yongxin Multimedia Co., Ltd. Chairman of Chih Sheng Realty Co., Ltd. Chairman of Tatung Industry Company Representative of He Cao Foundation Director of Edora Park Co., Ltd. Director of Global Bio & Investment Co., Ltd. Director of Chung Chia Energy Development Co., Ltd.	There is no relationship between spouses or relatives within the second degree of kinship.	0
 Ruey-Long Chen Director	Bachelor of Economics, Chung Hsing University Director - General of Bureau of Foreign Trade Vice Minister Chief of Ministry of Economic Affairs Deputy Minister of Ministry of Economic Affairs Minister of Ministry of Economic Affairs Chairman of Commerce Development Research Institute Chairman of Institute for information Industry Chairman of China Petrochemical Development Corporation Independent Director of Formosa Chemicals & Fibre Corporation Independent Director of Inventec Corporation Board Director of Asia Cement Corporation Vice Chairman of Cross-Strait CEO Summit Chairman of SINOCON Industrial Standards Foundation Chairman of Kaohsiung Monomer Company Ltd. Director of Taivex Therapeutics Inc. Board Director of BES Engineering Corp. Director of Linde Taiwan Technologies Limited Legal Representative of Unichen Development Limited Director of Weihua (Rutung) Trade Co., Ltd. Director of WeiQiang International Trading (Shanghai) Co., Ltd. Director of Changzhou Weicai New Material Science & Technology Co., Ltd. Executive Director of Core Pacific Twin Tower (Myanmar) Co., Ltd. Director of Weifong (Myanmar) Co., Ltd. Director of Thanh Phong Construction Investment Co., Ltd. Independent Director of Natural Beauty Bio-Technology Limited Director of Asia Cement(China) Holdings Corporation	There is no relationship between spouses or relatives within the second degree of kinship.	2

Name	Professional qualifications and experiences	Independence criteria	Number of other public companies in which he/she serves concurrently as independent director
 Da-Ho Yen Director	Bachelor of Law, National Taiwan University Master of Laws, Southern Methodist University, USA Administrative Deputy Minister, Director of Prosecutor, counsellor, Ministry of Justice Chairman of Taiwan After-Care Association Chairman of Association for Victims Support Chief Prosecutor of Taipei, Peng-hu and Pingtung Prosecutors Office Chief Prosecutor of Taiwan High Prosecutors Office Prosecutor General of Supreme Prosecutors Office Independent Director of AAEON Technology Inc., Independent Director of Taipei Star Bank Co., Ltd., Independent Director of Syncmold Enterprise Corp., Independent Director of Taiwan FamilyMart Co., Ltd. Director of Taishin Charity Foundation	There is no relationship between spouses or relatives within the second degree of kinship.	4
 Bao-Huei Huang Director	Master's degree in John F. Kennedy School of Government, Harvard Kennedy School Master's degree in Mass Communications, San Jose State University, California Ph.D. Candidate in International Business at National Taiwan University Director of Want Want Broadband Media Corp. Director of HK Asia Television Ltd. Director of CTI ASIA Director of CTI Television Inc. Director of CTV Cultural Enterprise Ltd. President of Polywin International Media Co., Ltd. Deputy General Manager of the Overseas Sales Department, Eastern Broadcasting Co., Ltd. Deputy General Manager of Asia Plus Broadcasting Anchor and Senior Reporter of Taiwan satellite TV network TVBS Chairman of President Link Limited Independent Director of Rechi Precision Co., Ltd. Independent Director of Locus cell Co., Ltd. Chairman of Richest Power Investment Ltd. Chairperson of Medel Green Energy Ltd. Chairman of Medbio Biotechnology International Co., Ltd. Director and Supervisor of the 9th/10th/11th/12th/13th/14th/15th term Harvard Club of the R.O.C. Director of CTS (Chinese Television System)	There is no relationship between spouses or relatives within the second degree of kinship.	2
 Sian-Hua Huang Director	Master of public finance, National Chengchi University Chairman of Grand Fortune Securities Co., Ltd. Full-time Member of Financial Supervisory Commission Chairman and CEO of Bailey Securities Co. EVP of Taiwan International Securities Co., Ltd. (TISC) Director of Taipei Exchange (TPEx) Chairman of Grand Fortune Venture Capital Management Consulting Co., Ltd. Chairman of Bailey Biofund Inc. Chairman of Cai-qie-er Asset Management Co., Ltd. Chairman of Dayou Investment Co., Ltd. Chairman of Fuyou Capital Co., Ltd. Director of Grand Fortune Securities Co., Ltd.	There is no relationship between spouses or relatives within the second degree of kinship.	0

Name	Professional qualifications and experiences	Independence criteria	Number of other public companies in which he/she serves concurrently as independent director
 Ching-Lung Lee Independent Director	Ph.D. in Horticulture, University of Hannover, Germany Minister of Council of Agriculture, Executive Yuan Chairman of Taiwan Fertilizer Co., Ltd. National Policy Advisor to the Presidential Office Chairman of Cheer foods enterprises Co., Ltd. Chairman of BELX Biopharmaceutical Co., Ltd. Independent director of Sinphar pharmaceutical Co., Ltd. Independent director of Visgeneer Inc. Adjunct professor of National Taiwan University Chair Professor of National Chung Hsing University	Meet the eligibility requirements stipulated in the "Regulations on the Establishment of Independent Directors of Public Issuance Companies and Matters to be Followed" and sign the Declaration of Independent Directors at the time of election and during the term of office. I, my spouse and in another person's, name don't hold any shares in Tatung Company.	2
 Cin-Jhih Wu Independent Director	Ph.D. in Materials Science, University of Southern California President of ALi Corp. Chief Technology Officer of ASUSTeK Computer Inc. Director of Guangyuan Investment Co., Ltd. Director of ENE Technology Inc. Director of Gaius Automotive Inc. Director of Askey Technology (Jiangsu) Ltd. Director of Ultimate Power Champion Director of GAIUS HOLDINGS LIMITED Supervisor of ASUSTOR Inc. Supervisor of Askey Computer Corp. Supervisor of Shinewave International Inc. Supervisor of Xiangfu Electronic Technology (Suzhou) Co., Ltd. Supervisor of Yang Xu Electronic Technology (Shanghai) Ltd.	Meet the eligibility requirements stipulated in the "Regulations on the Establishment of Independent Directors of Public Issuance Companies and Matters to be Followed" and sign the Declaration of Independent Directors at the time of election and during the term of office. I, my spouse and in another person's, name don't hold any shares in Tatung Company.	0
 Heng-Siang Wu Independent Director	Master of Accounting, Fu Jen Catholic University Independent director of Alcorlink Corp. Accounting firm's chief and Certified Public Accountant of Defeng United Accounting Firm Chairman of Zhongye Co., Ltd. Supervisor of TMY Technology Inc.	Meet the eligibility requirements stipulated in the "Regulations on the Establishment of Independent Directors of Public Issuance Companies and Matters to be Followed" and sign the Declaration of Independent Directors at the time of election and during the term of office. I, my spouse and in another person's, name don't hold any shares in Tatung Company.	0

Notes:

- Neither the directors nor the independent directors of the Company are subject to any of the provisions of Article 30 of the Company Act.
- Amount of remuneration received by the independent directors over the last two years for providing the Company or its affiliates with business, legal, financial, accounting, and other services: None.

5. Board of Director Diversity and Independence

(1) The diversity of the Board of Directors of the Company:

(A) Management objectives regarding the diversity policy of the Company's Board of Directors:

The structure of the Company's board of directors shall be determined by choosing an appropriate number of board members, not less than five, in consideration of its business scale, the shareholdings of its major shareholders and practical operating needs. Regarding the composition of the Board of Directors, it is advisable that directors concurrently serving as company officers do not exceed one-third of the total number of the board members and that an appropriate policy on diversity based on the company's business operations, operating dynamics and development needs be formulated and include, without being limited to, the following two general standards:

- (1) Basic requirements and values: Gender, age, nationality, culture, etc., among which the ratio of female directors is targeted to reach one-third of the director seats.
- (2) Professional knowledge and skills: a professional background (e.g., law, accounting, industry, finance, marketing, and technology), professional skills and industry experience.

(B) Implementation status:

The Company has 9 directors, including 3 independent directors, accounting for 33.3% of the total board members 0% of the directors concurrently serve as managers of the Company; in addition, the Company also emphasizes gender equality in the composition of the board of directors and the percentage of female directors has reached 11.1%.

As the Company's business sectors are diversified, the directors of the Company shall be selected based on their knowledge and skills as well as their professional backgrounds. Some of the directors of the Company are the chairman or directors of public companies. All the board members have extensive knowledge and experience, personal perspective and business judgment and are highly valued by the Company for their leadership and decision-making abilities. Therefore, the board of directors shall possess the following abilities:

- (1) Ability to make operating judgments.
- (2) Ability to perform accounting and financial analysis.
- (3) Ability to conduct management administration (including subsidiary management).
- (4) Ability to conduct crisis management.
- (5) Knowledge of the industry.
- (6) An international market perspective.
- (7) Ability to lead.
- (8) Ability to make policy decisions.
- (9) Risk management knowledge and ability.

The following table shows the diverse professional backgrounds of the Company's directors. Each of the directors possesses the relevant professional knowledge and skills required for decision making based on their extensive academic experience. Therefore, the Company's directors not only have extensive professional competence in their own backgrounds, but also possess a wide range of other professional knowledge and skills.

Name / Job Title	Basic requirements and values				Professional knowledge and skills								
	Nationality	Gender	Employee status	Independent directors have served for more than three consecutive terms	Professional background	Operational management	International market	Risk Management	Accounting and financial analysis	Industrial knowledge	Legal	ESG	Decision-making ability
Representative of Gindon Investment Co.: Wkang- Hsiang Wang, Chairman	Republic of China (ROC)	Male	-	N/A	Architectural engineering and operational management	✓	✓	✓	✓	✓		✓	✓
Chun-Lung Wu, Vice Chairman		Male	-	N/A	finance and operations management	✓	✓	✓	✓	✓		✓	✓
Representative of Xin Tong Investment Consultancy Co.: Ruey-Long Chen, Director		Male	-	N/A	finance and operations management	✓	✓	✓	✓	✓		✓	✓
Representative of Gindon Investment Co.: Da-Ho Yen, Director		Male	-	N/A	Legal and operations management	✓	✓	✓		✓	✓	✓	✓

Representative of Xin Tong Investment Consultancy Co.: Bao-Huei Huang Director		Female	-	N/A	Media and operational management	✓	✓	✓	✓	✓		✓	✓
Sian-Hua Huang Director		Male	-	N/A	Finance and Operational Management	✓	✓	✓	✓	✓		✓	✓
Ching-Lung Lee Independent Director		Male	-	None	Finance and Operational Management	✓	✓	✓	✓	✓		✓	✓
Cin-Jhih Wu Independent Director		Male	-	None	Finance and Operational Management	✓	✓	✓	✓	✓		✓	✓
Heng-Siang Wu Independent Director		Male	-	None	Finance 、 Accounting and Operational Management	✓	✓	✓	✓	✓		✓	✓

(2) Independence of the Board of Directors:

The Company emphasizes on strengthening the independence and supervision of the Board of Directors. The independent directors are following the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." There are no spouse and relatives within the second degree of kinship among the directors, as stipulated in Article 26-3, Items 3 and 4 of the Securities and Exchange Act.

(3) Meetings:

The Company held 8 board meetings in 2024 and the directors' (including independent directors) attendance rate was 95.83%.

(4) Management Objectives:

1. The Company's Board of Director instructs company's strategy, supervises management and is responsible for the company and shareholders. Directors listen to the report of the management team on the board of directors, give instructions and suggestions and maintain good communication with the management team. The operations and arrangements of corporate governance have to be ensured such that the board of directors exercises its functions in accordance with the laws and regulations, the corporate by-laws or the resolutions of the shareholders' meeting to create maximum benefits for shareholders.
2. Our company prioritizes gender equality in the composition of the board of directors, aiming for a ratio of over one-third for directors of each gender.
3. The board of directors supports and oversees management's actions to increase the representation of women in senior executive positions.

Management Objectives	Achievement Status
At least one-third of the board seats must be held by members with expertise in industry, marketing, or technology.	Achieve
At least one-third of the independent director seats must be held by members with expertise in law, finance, or technology.	Achieve

6. President, vice presidents, assistant vice presidents, department heads, branch heads, and :

Title	Nationality	Name	Gender	Date of appointment	Shareholding		Shares held by his/her spouse and minor children currently		Shares held in another person's name		Work / educational experience	Job title
					Number of shares	%	Number of shares	%	Number of shares	%		
President	Republic of China (ROC)	Bo-Yen Shen	Male	2023/06/29	10,000	0.00	0	0.00	0	0.00	Doctor, Institute of Science and Intelligence, National Chengchi University Business School Master of Science and Technology Management, School of Business, National Chengchi University Chairman & President of Tatung System Technologies Inc. Executive Vice President of Tatung Company	Chairman of the In Republic of China Vice Chairman of V Services Alliance, ^A Chairman & Presid Ltd. Chairman & Presid Technology Inc. Director of Tatung
Chief Strategy Officer	Republic of China (ROC)	Erh-Kun Ting	Male	2024/01/01	0	0.00	0	0.00	0	0.00	Bachelor of Marketing, George Washington University Executive Assistant to GM, Spokesperson, & Manager for Special Group Sales Department of Panion & BF Biotech Inc. International Marketing Director, & Purchase Manager of Ever Growth Electronics Company International Sales Manager-In Charge of Key Account of KNH Enterprise Co., Ltd.	Spokesperson of T
Vice President	Republic of China (ROC)	Bei-Hong Lin	Male	2023/10/18	0	0.00	0	0.00	0	0.00	Bachelor of Electrical Engineering, Oriental Institute of Technology Deputy General Manager, & Senior Manager of Tatung Company's Power Equipment BU Heavy Electrical Equipment Plant Domestic Sales Division Plant Manager of Tatung Company's Heavy Electrical Equipment BU Director of CNS Certification Mark Association, R. O. C. Supervisor of Taiwan Electric Research & Testing Center	Director of Tatung Director of Tatung Director of Tatung
Corporate Governance Officer	Republic of China (ROC)	Pei-Chun Lu	Female	2022/08/12	0	0.00	0	0.00	0	0.00	Master of Law, National Chung Cheng University Bachelor of Law, National Chung Cheng University Attorney at law Senior General Manager of Tatung Company's Legal Division General Counsel of Tatung Company's Legal Division Director of Forward Electronics Co., Ltd.	Director, & Genera Technologies Inc. Director, & Genera Development Co. Director of TISNet Director of Chyun I Co., Ltd. Director of Tatung I Co., Ltd. Director of Tatung : Ltd.

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Title	Nationality	Name	Gender	Date of appointment	Shareholding		Shares held by his/her spouse and minor children currently		Shares held in another person's name		Work / educational experience	Job title assumed in the Company and any other company	Manager who is his/her spouse or is within 2nd degree of kinship			Note
					Number of shares	%	Number of shares	%	Number of shares	%			Job title	Name	Relationship	
Accounting Officer	Republic of China (ROC)	Wei-Liang Chou	Male	2025/03/04	0	0.00	0	0.00	0	0.00	Master of Accounting, Soochow University Bachelor of Accounting, Soochow University Supervisor of PwC Taiwan Assistant Manager of IBF Securities Co., Ltd. CFO of Thecus Technology Corp. CFO of Metatech(AP) Inc. CFO of Ione Electronic Technology Co., Ltd., Taiwan Branch CFO of GaleMed Corporation General Manager of Tatung Company's Accounting Division	CFO of Tatung Consumer Products (Taiwan) Co., Ltd. CFO of Tatung Information Technology (Jiangsu) Co., Ltd.		None	None	None
Financial Officer	Republic of China (ROC)	Jui-Kai Chang	Male	2013/06/24	0	0.00	0	0.00	0	0.00	EMBA, Tamkang University Assistant Manager of Chnfon Bank Manager of JhSun Bank Senior Manager of Tatung Company's Accounting Division Deputy General Manager of Tatung Company's Finance Division General Manager of Tatung Company's Finance Division	Deputy Spokesperson of Tatung Company Finance Division's General Manager of Tatung Asset Development Co. Chairman & President of Chunghwa Electronics Development Co., Ltd. Chairman & President of Chih Sheng Investment Co., Ltd. Director of Tatung Fine Chemicals Co. Director of Tatung Semiconductor Co. Director of Kuender Co., Ltd. Director of Chih Sheng Investment (BVI) Co., Ltd. Director of Chih Sheng Holding Co., Ltd. Director of Chih Sheng Hong Kong Holdings Limited Supervisor of Tatung Forever Energy Co., Ltd. Supervisor of Chih Sheng Realty Co., Ltd. Supervisor of Tatung Industry Company Supervisor of Tatung (Shanghai) Co., Ltd. Supervisor of Tatung Chih-Sheng Enterprise Management Consulting (Shanghai) Co., Ltd.		None	None	None

Supplemental instruction:

- (1) Chief Financial Officer of Yeh-Sha Liu newly appointed on November 5, 2024, and resigned on December 31, 2024.
- (2) Accounting Officer of Yi-Ting Liao positions changed on March 4, 2025.
- (3) Accounting Officer of Wei-Liang Chou newly appointed on March 4, 2025.
- (4) The current managerial officers' concurrent positions in other investment companies can be found in the Public Information Observatory – Consolidated Business Report of Affiliated Enterprises, available for investors to review. (https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=2371&year=&mtype=K&isnew=true)

(ii) Remuneration paid to directors and independent directors, president and vice presidents in 2024

1. Remuneration to directors and independent directors.

(Name of the directors should be disclosed in accordance with the respective remuneration bracket)

Title Name		Remuneration to directors								Relevant remuneration received by directors who are also employees						Percentage of total of A, B, C, D, E, F and G to income after tax (%)		Whether remuneration from any reinvested companies other than subsidiaries or parent company is received	
		Remuneration (A)		Retirement pension (B)		Remuneration allocated from earnings (C)		Business execution expenses (D)		Percentage of total of A, B, C, and D to income after tax (%)		Salary, bonus and special allowance (E)		Retirement pension (F)		Employees' bonus allocated from earnings (G)			
																The Company			All companies included in Financial statements
		The Company	All companies included in Financial statements	The Company	All companies included in Financial statements	The Company	All companies included in Financial statements	The Company	All companies included in Financial statements	The Company	All companies included in Financial statements	The Company	All companies included in Financial statements	Cash dividend	Stock dividend	The Company	All companies included in Financial statements		
Chairman																			
Wkwang-Hsiang Wang																			
Vice Chairman																			
Chun-Lung Wu																			
Director																			
Da-Ho Yen	2401	4192	0	0	0	0	240	455	0.0182	0.0321	0	0	0	0	0	0	0.0182	0.0321	N/A
Director																			
Bao-Huei Huang																			
Director																			
Ruey-Long Chen																			
Director																			
Sian-Hua Huang																			
Independent Director																			
Ching-Lung Lee																			
Independent Director	4320	4320	0	0	0	0	150	150	0.0309	0.0309	0	0	0	0	0	0	0.0309	0.0309	N/A
Cin-Jhih Wu																			
Independent Director																			
Heng-Siang Wu																			
Gindon Investment Co.	3600	3600	0	0	145319	145319	0	0	1.0286	1.0286	0	0	0	0	0	0	1.0286	1.0286	N/A
Xin Tong Investment Consultancy Co.																			

Unit: NT\$ Thousand

Supplemental instruction:

Note 1: Provision for expensed retirement pension: NT\$0 by the Company (NT\$0 by all companies under the consolidated financial statements).

Note 2: Remuneration allocated from earnings and Employees' bonus allocated from earnings are a proposed figure.

Note 3: The Board of Directors resolved on March 4, 2025 to distribute NT\$145,319,169 for directors' remuneration and pending reporting at the shareholders' meeting on May 27, 2025 for further processing.

Note 4: Please state the policy, system, standards and structure of independent directors' compensation payment, and describe the relevance to the amount of compensation according to the directors' responsibilities, risks, and time invested:
In 2024, the company's independent directors participated in 25 meetings of the board of directors and functional committees.

Tatung is a large-scale company. The independent directors shall maintain independence and participate in Corporate Governance, the responsibilities and risks of independent directors have been given great attention. It is important to provide independent directors with reasonable fixed compensation to attract outstanding external professionals to enter the board of directors and continue to enhance its functions.

Note 5: Apart from what is listed in the table above, the company's directors did not receive any pay for the services they provided in the previous year's financial report (e.g., providing consultations as non-staff of parent company, all companies included in Financial statements, reinvestment business) : NT\$142,333.

Breakdown of remuneration to directors

Breakdown of remuneration to directors	Names of Directors			
	Total amount of the first four items (A+B+C+D)		Total amount of the first seven items (A+B+C+D+E+F+G)	
	The company	Companies in the Consolidated Financial Statements	The company	Companies in the Consolidated Financial Statements
Lower than NT\$1,000,000	Wkang-Hsiang Wang Da-Ho Yen Bao-Huei Huang Ruey-Long Chen	Wkang-Hsiang Wang Da-Ho Yen Bao-Huei Huang Ruey-Long Chen	Wkang-Hsiang Wang Da-Ho Yen Bao-Huei Huang Ruey-Long Chen	Wkang-Hsiang Wang Da-Ho Yen Bao-Huei Huang Ruey-Long Chen
NT\$ 1,000,000 (included)~NT\$ 2,000,000 (excluded)	Chun-Lung Wu Sian-Hua Huang Ching-Lung Lee Cin-Jhih Wu Heng-Siang Wu	Sian-Hua Huang Ching-Lung Lee Cin-Jhih Wu Heng-Siang Wu	Chun-Lung Wu Sian-Hua Huang Ching-Lung Lee Cin-Jhih Wu Heng-Siang Wu	Sian-Hua Huang Ching-Lung Lee Cin-Jhih Wu Heng-Siang Wu
NT\$ 2,000,000 (included)~NT\$ 3,500,000 (excluded)		Chun-Lung Wu		Chun-Lung Wu
NT\$ 3,500,000 (included)~NT\$ 5,000,000 (excluded)				
NT\$ 5,000,000 (included)~NT\$ 10,000,000 (excluded)				
NT\$ 10,000,000 (included)~NT\$ 15,000,000 (excluded)				
NT\$ 15,000,000 (included)~NT\$ 30,000,000 (excluded)				
NT\$ 30,000,000 (included)~NT\$ 50,000,000 (excluded)				
NT\$ 50,000,000 or More	Gindon Investment Co. Xin Tong Investment Consultancy Co.	Gindon Investment Co. Xin Tong Investment Consultancy Co.	Gindon Investment Co. Xin Tong Investment Consultancy Co.	Gindon Investment Co. Xin Tong Investment Consultancy Co.
Total	9	9	9	9

2. Remuneration to the management team

Unit: NT\$ Thousand

Title Name	Salary (A)		Retirement pension (B)		Bonus and special allowance (C)		Employees' bonus allocated from earnings (D)				Percentage of total of A, B, C and D to income after tax (%)		Whether remuneration from any reinvested companies other than subsidiaries or parent company is received
	The Company	All companies included in Financial statements	The Company	All companies included in Financial statements	The Company	All companies included in Financial statements	The Company		All companies included in Financial statements		The Company	All companies included in Financial statements	
							Cash dividend	Stock dividend	Cash dividend	Stock dividend			
President Bo-Yen Shen	21796	26951	447	447	0	0	163	0	163	0	0.1548	0.1904	N/A
Chief Strategy Officer Erh-Kun Ting													
Vice President Bei-Hong Lin													
Corporate Governance officer Pei-Chun Lu													
Chief Financial Officer Yeh-Sha Liu													

Supplemental instruction:

Note 1: Provision for expensed retirement pension: NT\$ 447,000 by the Company (NT\$447,000 by all companies under the consolidated financial statements).

Note 2: The employee compensation for the year 2024 is a proposed amount (the amount is estimated based on last year's distribution amount).

Note 3: Chief Financial officer Yeh-Sha Liu newly appointed on November 5, 2024, resigned on December 31, 2024.

Breakdown of remuneration

Remuneration Scale for individual key managers	Names of Presidents and Vice Presidents	
	The company	Companies in the Consolidated Financial Statements
Lower than NT\$1,000,000	Yeh-Sha Liu	Yeh-Sha Liu
NT\$ 1,000,000 (included)~NT\$ 2,000,000 (excluded)		
NT\$ 2,000,000 (included)~NT\$ 3,500,000 (excluded)		
NT\$ 3,500,000 (included)~NT\$ 5,000,000 (excluded)	Erh-Kun Ting Pei-Chun Lu	
NT\$ 5,000,000 (included)~NT\$ 10,000,000 (excluded)	Bo-Yen Shen Bei-Hong Lin	Bo-Yen Shen Bei-Hong Lin Erh-Kun Ting Pei-Chun Lu
NT\$ 10,000,000 (included)~NT\$ 15,000,000 (excluded)		
NT\$ 15,000,000 (included)~NT\$ 30,000,000 (excluded)		
NT\$ 30,000,000 (included)~NT\$ 50,000,000 (excluded)		
NT\$ 50,000,000 or More		
Total	5	5

3. Employee bonus granted to the management team:

Unit: NTD thousands.

	Title	Name	Stock amount	Cash amount	Total	Total amount as a percentage of net income (%)
Managerial officer	President	Bo-Yen Shen	—	256	256	0.0018%
	Chief Strategy Officer	Erh-Kun Ting				
	Vice President	Bei-Hong Lin				
	Corporate Governance Officer	Pei-Chun Lu				
	Chief Financial Officer	Yeh-Sha Liu				
	Financial Officer	Jui-Kai Chang				
	Accounting Officer	Yi-Ting Liao				

Note1 : The employee compensation for the year 2024 is a proposed amount (the amount is estimated based on last year's distribution amount). The Board of Directors resolved on March 4, 2025 to distribute NT\$145,319,169 for employee compensation and pending reporting at the shareholders' meeting on May 27, 2025 for further processing.

Note2 : Chief Financial Officer Yeh-Sha Liu newly appointed on November 5, 2024, resigned on December 31, 2024.

Note3 : Accounting Officer Yi-Ting Liao position changed on March 4, 2025.

4. The percentage of total remuneration paid by the Company and by all companies included in the consolidated financial statements for the most recent two fiscal years to directors, presidents and vice presidents of the Company, to the income after tax, and the policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with business performance.

Title	Percentage of total remuneration, which is paid by the Company and by all companies included in the consolidated financial statements to directors, presidents and vice presidents of the Company, to the income after tax	
	2023	2024
Directors	1.7783%	1.2820%
President / Vice President		

The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with business performance:

The compensation of directors and managerial officers is adopted by the Articles of Incorporation and the compensation committee charter of the Company.

- ① The Directors: According to the Article 19 of the Articles of Incorporation of the company, the board of directors is authorized to determine the compensations for the directors taking into their involvement in the company's operation, the value of their contribution, and reference of domestic or foreign industry standards.
The directors and independent directors will receive transportation allowances to attend the meetings of the Board and the functional committee.
The independent directors shall participate in Corporate Governance ,maintain independence,and take up the different responsibilities from general directors. They receive fixed higher monthly compensation and shall not participate in the allocation of remuneration to directors.
The directors receive fixed monthly compensation. According to the Article 24 of the Articles of Incorporation of the company, if Tatung Company has surplus earnings after settlement, Tatung company shall set aside no more than two percent of such surplus earnings as Remuneration of directors. The distribution of directors' remuneration is determined by taking into account the degree of participation of the individual in the Company's operations, the risks they take and their degree of contribution to the Company. Directors' remuneration is reviewed by the Compensation Committee and submitted to the Board meeting for approval.
In accordance with the balance between the above regulations and the shareholder equity, the Board of Directors resolved on March 4,2025 to distribute NT\$145,319,169 for directors' remuneration and pending reporting at the shareholders' meeting on May 27, 2025 for further processing.
- ② Managerial Officers : The appointment, dismissal and remuneration of managerial officers are all handled in accordance with the Articles of Incorporation and subject to the approval of the Board. Compensation paid to the managerial officers comprises a fixed salary and Remuneration of employees. According to the Article 24 of the Articles of Incorporation of the company, if Tatung Company has surplus earnings after settlement, Tatung company shall set aside no less than one percent of such surplus earnings as remuneration of employees. The distribution of Managerial Officers' remuneration is determined by considering the general pay levels in the industry, their responsibilities, the working goal achievement rate and the actual status of the Company's operations are reviewed by the Compensation Committee and submitted to the Board meeting for approval.
- ③ The Company has established the Compensation Committee under the board of directors whose prescribing and periodically reviewing the performance and the compensation policy, system, standards, and structure for directors and managerial officers by the Compensation Committee Charter . Compensation is based on everyone's respective expertise and competencies, corporate performance and other special contributions, while considering the operational risks that the Company may face in the future and in accordance with the professional norm and the relevant management regulations to seek the balance between the sustainable operation and risk control in the Company.

(iii) Status of corporate governance

1. Status of Board of Directors' meeting

The Board of Directors has held 8 meetings in 2024. The status for the attendance of directors is as follows:

Title	Name	Attendance in person	Attendance by proxy	Attendance rate (%)	Notes
Chairman	Representative of Gindon Investment Co.:Wkang-Hsiang Wang	8	0	100	
Vice Chairman	Chun-Lung Wu	8	0	100	
Director	Representative of Xin Tong Investment Consultancy Co.:Ruey-Long Chen	8	0	100	
Director	Representative of Gindon Investment Co.:Da-Ho Yen	8	0	100	
Director	Representative of Xin Tong Investment Consultancy Co.:Bao-Huei Huang	8	0	100	
Director	Sian-Hua Huang	6	2	75	
Independent Director	Ching-Lung Lee	8	0	100	
Independent Director	Cin-Jhih Wu	7	1	87.5	
Independent Director	Heng-Siang Wu	8	0	100	

Other mentionable items:

- Please specify the dates of the Board Meetings, period, agenda and all independent directors' opinions and the Company's responses if one of following situation has occurred in the Board Meetings:
 - Matters listed in Article 14-3 of the Securities and Exchange Act:
The company has established an audit committee, so the provisions of Article 14-3 of the Securities and Exchange Act do not apply. For explanation of the matters listed in Article 14-5 of the Securities and Exchange Act, please See pages 25 to 27.
 - Please refer to page 54 to 55 for important resolutions of the Board of Directors.
 - Except for the personal mentioned above, other literally recorded resolutions which are opposed or have qualified by independent directors: None
- If the directors personal interest conflicts to the proposal and are required for recusal, please specify the names of the directors, proposal, reason, and resolution: None
- Objectives to strengthen the functions of the Board of Directors in the current year and most recent year (e.g., establishment of Audit Committee and upgrading information transparency) and evaluation of the execution thereof:
 - In compliance with the competent authority's promotion of robust corporate governance policies, the Company had established independent directors, Audit Committee, Remuneration Committee, and Sustainable Development Committee.
 - Upgrading information transparency, internet-based reporting system, and disclosure of information on corporate governance:
 - The Company performs its obligations faithfully in accordance with the relevant laws and the related TWSE rules. Establishing an internet-based reporting system for public information that appoint personnel responsible for gathering and disclosing the information, and establishing a spokesperson system so as to ensure the proper and timely disclosure of information about policies that might affect the decisions of shareholders and stakeholders.
 - In order to keep shareholders and stakeholders fully informed, the Company utilizes the convenience of the internet and set up a website containing the information regarding its finances, operations, and corporate governance. If necessary, furnish the financial, corporate governance, and other relevant information in English. To avoid misleading information, the aforesaid website shall be maintained by specified personnel, and the recorded information shall be accurate, detailed and updated on a timely basis.
 - The Company shall hold an investor conference in compliance with the regulations of the TWSE, and keep an audio or video record of the meeting. The financial and business information disclosed in the investor conference shall be disclosed on the designated internet information posting system by TWSE and provided for inquiry through the Company's website.
 - The Company shall disclose the information regarding corporate governance in the fiscal year in accordance with laws and regulations and TWSE rules. According to the actual performance of the corporate governance system, disclose the plans and measures to improve its corporate governance system through appropriate mechanisms.

2. Implementation situation of Board of Directors' evaluation

Evaluation cycle	1. The Company's board of directors shall conduct an internal board performance evaluation every year. 2. The Company's board performance evaluation shall be conducted by an external independent professional institution or a panel of external experts and scholars at least once every three years.
Evaluation period	2024.01.01~2024.12.31
Evaluation scope	The Company's board and functional committees' evaluation scope covers the evaluation of the board as a whole, individual directors, functional committees and individual committees.

Evaluation method		Methods of evaluations include the internal evaluation of the board, self-evaluation by individual board members, internal evaluation of functional committees, self-evaluation by individual committee members and evaluation by appointed external professional institutions, experts, or other appropriate methods.
Evaluation content	The criteria for evaluating the Performance of the board of directors	1. Participation in the operation of the company 2. Improvement of the quality of the board of directors' decision making 3. Composition and structure of the board of directors 4. Election and continuing education of the directors 5. Internal control 6. Participation in sustainable operations (ESG)
	The criteria for evaluating the Performance of the board members (on themselves)	1. Alignment of the goals and missions of the company 2. Awareness of the duties of a director 3. Participation in the operation of the company 4. Management of internal relationship and communication 5. The director's professionalism and continuing education 6. Internal control
	The criteria for evaluating the Performance of functional committees	1. Participation in the operation of the company 2. Improvement of quality of decisions made by the functional committee 3. Composition and structure of functional committees 4. The committee's election and continuing education 5. Internal control

- (1) As stipulated in Article 3 of the "Guidelines for Performance Evaluation of the Board of Directors and Functional Committees": The Company's board performance evaluation shall be conducted by an external independent professional institution, a panel of external experts and scholars, or other appropriate means at least once every three years. The board performance evaluation shall be completed before the end of the following year. In August 2022, the Company appointed the Taiwan Corporate Governance Association to perform the 2022 annual external performance evaluation of the Board of Directors. On December 29, 2022, the Taiwan Corporate Governance Association issued the "Report on the Evaluation of the Performance of the Board of Directors."
- (2) The company has completed the self-assessment of the performance of the Board of Directors and functional committees for the year 2023. The evaluation results have been submitted as a report to the Board of Directors on February 14, 2025, serving as the basis for review and improvement. The summarized performance evaluation results are detailed in the following table.

Scope of Evaluation	Total	Score	%
The Board of Directors	170	169.6	99.6%
Members of Board of Directors	125	123.5	98.7%
The Audit Committee	150	150	100%
Members of the Audit Committee	100	100	100%
The Compensation Committee	150	150	100%
Members of the Compensation Committee	100	100	100%
The Sustainability Committee	150	150	100%
Members of the Sustainability Committee	100	100	100%
Evaluation result : The internal performance evaluations of the Board of Directors, various functional committees, and individual directors and committee members were all rated as "good."			

- (3) The self-assessment results of the Board of Directors are disclosed on the Company's website.

3. Annual work focus and operation of the Audit Committee

- (1) The work focus of the Audit Committee in the most recent year (2023) primarily includes the following:
- Review quarterly reports, the interim report, the annual report, and the proposal for earning distribution or loss compensation
 - Amend policies and procedures related to the internal control system
 - Material asset or derivative transactions
 - Placement or issuance of securities
 - Material loans to others, endorsements, or provision of guarantees
 - Appointment, dismissal, or compensation of CPAs
 - Material investment evaluation and management
 - Risk management of the Company

- (2) The Audit Committee held a total of 8 meetings in 2024. The attendance of independent directors is as follows:

Title	Name	Actual attendance	Attendance by proxy	Actual attendance rate (%)	Remarks
Convener (Chairman)	Ching-Lung Lee	8	0	100	
Member	Cin-Jhih Wu	7	1	87.5	
Member	Heng-Siang Wu	8	0	100`	

Other matters to be specified:

A. If any of the following circumstances occurs to the operations of the Audit Committee, the date of the Audit Committee meeting, session, the content of proposals, the content of opposing opinions, qualified opinions, or material recommendations of Independent Directors, or the content of material recommendations, resolutions of the Audit Committee, and the Company's response to the opinions of the Audit Committee shall be specified:

(a) Matters specified in Article 14-5 of the Securities and Exchange Act:

Audit Committee	Content of proposal and subsequent measures	Matters specified in Article 14-5 of the Securities and Exchange Act	Proposal not approved by the Audit Committee that were approved by two-thirds of all Directors other than the abovementioned matter
2024 1 st meeting February 7, 2024	(1)The disposal case of the real estate property in the "Huai Sheng Section, Da'an District, Taipei City," owned by the Company's subsidiary, Shan-Chih Asset Development Co., Ltd..	✓	None.
	Resolution of the Audit Committee : Approved by all members of the Audit Committee		
	Content of opposing opinions, qualified opinions, or material recommendations of Independent Directors: None		
	The Company's response to the opinions of the Audit Committee: Approved by all attending Directors		
2024 2 nd meeting March 11, 2024	(1)Proposal for the appointment of the Company's CPAs in 2024 and its fees.	✓	None.
	(2)Proposal for the distribution of remuneration of employees and remuneration of Directors of the Company in 2023.	✓	None.
	(3)The 2023 financial statements of the Company.	✓	None.
	(4)Proposal for the table of earning distribution of the Company in 2023.	✓	None.
	(5)The 2023 business report of the Company.	✓	None.
	(6)The company announced to obtained the right-to-use assets of the real estate Shan-Chih Asset Development Co., Ltd..	✓	None.
	(7)Total new endorsements/guarantees by Tatung Company for its subsidiary Tatung Company of Japan, Inc..	✓	None.
	(8)Partial amendments to the Company's Endorsement and Guarantee Implementation Rules.	✓	None.
	(9)The 2023 Statement of Internal Control System of the Company.	✓	None.
	(10)Proposal to lift the non-compete restrictions on the Company's directors (including independent directors) and their representatives.	✓	None.
	(11)Proposal for partial amendments to the Company's Articles of Incorporation.	✓	None.
	(12)Determine matters related to convening the company's 2024 regular shareholders' meeting.	✓	None.
	(13)The disposal case of the real estate property in the "Huai Sheng Section, Da'an District, Taipei City," owned by the Company's subsidiary, Shan-Chih Asset Development Co., Ltd..	✓	None.
	Resolution of the Audit Committee: Approved by all members of the Audit Committee		
	Content of opposing opinions, qualified opinions, or material recommendations of Independent Directors: None		
	The Company's response to the opinions of the Audit Committee: Approved by all attending Directors		
2024 3 rd meeting May 15, 2024	(1)Correction of the 2023 business report of the Company.	✓	None.
	(2)The 2024 Q1 consolidated financial statements of the Company.	✓	None.

		(3)The Company intends to increase its capital in cash to its subsidiary, Tatung Forever Energy Co., Ltd..	✓	None.
		(4)The Company intends to invest in the establishment of Tatung Sustainable Development Singapore Holdings Limited and its subsidiaries.	✓	None.
		(5)The Company's subsidiary, Shan-Chih Asset Development Co., Ltd., has signed a contract for the construction of the "New Construction Project of the 3 Liankai Buildings in the MRT Development Zone at the Liancheng Jinhe Station (LG07), Phase 1 of the Taipei Metropolitan Mass Rapid Transit System Wanda Line".	✓	None.
		Resolution of the Audit Committee : Approved by all members of the Audit Committee		
		Content of opposing opinions, qualified opinions, or material recommendations of Independent Directors: None		
		The Company's response to the opinions of the Audit Committee: Approved by all attending Directors		
	2024 4 th meeting June 19,2024	(1)The Company intends to increase its capital in cash to its subsidiary, Tatung Electric (Singapore) Pte. Ltd..	✓	None.
		(2)The Company originally planned to establish a new company, Tatung Sustainable Development Singapore Holdings Limited, and proposed to change the name to Tatung Information (Singapore) Pte. Ltd..	✓	None.
		Resolution of the Audit Committee : Approved by all members of the Audit Committee		
		Content of opposing opinions, qualified opinions, or material recommendations of Independent Directors: None		
		The Company's response to the opinions of the Audit Committee: Approved by all attending Directors		
	2024 5 th meeting August 12,2024	(1)The 2024 Q2 consolidated financial statements of the Company.	✓	None.
		(2)The Company's proposal not to distribute dividends for the first half of 2024.	✓	None.
		(3)The Company's loan of funds to Tatung Integrated Services Co.,Ltd..	✓	None.
		(4)The Company intends to increase its shareholding in Tatung Integrated Services Co.,Ltd..	✓	None.
		(5)The Company intends to request its subsidiary Tatung Asset Development Company, and Sun's company Chih Sheng Realty Co., Ltd. resolutions to dispose of the assets.	✓	None.
		Resolution of the Audit Committee: Approved by all members of the Audit Committee		
		Content of opposing opinions, qualified opinions, or material recommendations of Independent Directors: None		
		The Company's response to the opinions of the Audit Committee: Approved by all attending Directors		
	2024 6 th meeting September 26,2024	(1)Disposal of real estate owned by our subsidiaries, Tatung Asset Development Co., Ltd. and Chih Sheng Real Estate Co., Ltd., including 13 plots of land, including Lot No. 125, Section 1, Huaisheng Section, Da'an District, Taipei City.	✓	None.
		Resolution of the Audit Committee: Approved by all members of the Audit Committee		
		Content of opposing opinions, qualified opinions, or material recommendations of Independent Directors: None		
		The Company's response to the opinions of the Audit Committee: Approved by all attending Directors		
	2024 7 th meeting November 5,2024	(1)The 2024 Q3 consolidated financial statements of the Company.	✓	None.
		(2)Proposal for the formulation of the drafted amendment to partial provisions of the Company's "internal control system" and "internal audit implementation rules".	✓	None.
		(3)The Company shall designate a director to oversee sustainable development and sustainable information management.	✓	None.
		(4)The Company's "Annual Audit Plan" for Internal Audit in 2025.	✓	None.
		(5)Total new endorsements/guarantees by Tatung Company for its subsidiary Tatung Company of Japan, Inc..	✓	None.
		(6)The appointment of the Company's new Chief Financial Officer.	✓	None.
		Resolution of the Audit Committee: Approved by all members of the Audit Committee		

2024 8 th meeting December 16, 2024	Content of opposing opinions, qualified opinions, or material recommendations of Independent Directors: None		
	The Company's response to the opinions of the Audit Committee: Approved by all attending Directors		
	(1)The company's 2025 operating plan.	✓	None.
	(2)The Company acquired the right to use real estate assets from a related party.	✓	None.
	(3)The Company's subsidiary, Tatung Forever Energy Co., Ltd., intends to increase its capital in cash to Cinzhi Power Co., Ltd..	✓	None.
	(4)Expansion plan for the Guanyin Plant of our Heavy Electrical Business Unit.	✓	None.
	Resolution of the Audit Committee: Approved by all members of the Audit Committee		
	Content of opposing opinions, qualified opinions, or material recommendations of Independent Directors: None		
	The Company's response to the opinions of the Audit Committee: Approved by all attending Directors		

(b) Any other proposals not approved by the Audit Committee that were approved by two-thirds of all Directors other than the abovementioned matters: None.

B. For the execution status regarding the recusal of Independent Directors for proposals of conflict of interests, describe the name of the Independent Director, the content of proposal, the reason for the recusal for conflict of interests, and voting status: None.

C. Communication between the Independent Directors and Chief Auditor and CPAs (e.g., material matters, methods, and results of communication regarding the Company's financial and business status):

(a) Communication with the Internal Audit Officer:

After the completion of an audit report, it is submitted to the Chairman of the Board and provided to each Independent Director for review. Independent Directors may discuss or communicate with the Internal Audit Officer regarding the contents of the audit report as needed. If an Independent Director provides comments on the audit report, the Internal Audit Unit will follow up accordingly and provide a response. Additionally, if an Independent Director issues instructions, the Internal Audit Officer will carry them out and report the findings upon completion of the project report.

(b) Communication with the Accountant:

After the review or audit of the quarterly, semi-annual, and annual financial statements, the Independent Directors hold a meeting—attended only by the accountant—to discuss matters related to the Audit Committee. In these meetings, they engage in thorough discussions and exchanges of opinions regarding issues identified during the internal control system review and financial statement audit process.

The Company's Audit Committee, Internal Audit Officer, and Certifying Accountant maintain effective communication. The details of discussions between the Independent Directors, Internal Audit Officer, and Certifying Accountant are outlined in the table below and are also disclosed on the Company's official website.

Meeting Date	Attendees	with HIA		with CPAs	
		Communication Matters	Results of the Discussions	Communication Matters	Results of the Discussions
March 11, 2024	Ching-Lung Lee Independent Director Cin-Jhih Wu Independent Director Heng-Siang Wu Independent Director Ming-Jen, Chang Audit Supervisor KPMG CPA, Chen, Chung-Che KPMG CPA, Lai, Li-Chen KPMG Manager, Tsao, Chin-Chia	1. Audit Execution Report. 2. Discussion on the Internal Control System Statement.	1. No objections in this meeting. 2. Report to the Board of Directors.	1. The accountant explained the 2023 individual and consolidated financial position and performance and discussed key audit matters related to the financial statements. 2. The accountant discussed and communicated regarding the questions raised by the attendees. 3. The accountant explained the impact of recent key regulatory amendments and the content of the new pronouncements' applicability.	The 2023 financial report was approved by the Audit Committee, submitted to the Board of Directors for approval, and duly announced and filed with the competent authority as scheduled.
May 14, 2024	Ching-Lung Lee Independent Director Cin-Jhih Wu Independent Director Heng-Siang Wu Independent Ming-Jen, Chang Audit Supervisor KPMG CPA, Chen, Chung-Che KPMG CPA, Lai, Li-Chen KPMG Manager, Tsao, Chin-Chia	Audit Execution Report.	1. No objections in this meeting. 2. Report to the Board of Directors.	1. The accountant explained the consolidated financial position and performance for 2024 Q1. 2. The accountant discussed and communicated regarding the questions raised by the attendees. 3. The accountant explained the impact of recent key regulatory amendments and the content of the new pronouncements' applicability.	The Audit Committee approved the 2024 Q1 financial report, submitted it to the Board of Directors for approval, and duly announced and filed it with the competent authority as scheduled.

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June 19, 2024	Ching-Lung Lee Independent Director Cin-Jhih Wu Independent Director Heng-Siang Wu Independent Ming-Jen, Chang Audit Supervisor	Audit Execution Report.	1. No objections in this meeting. 2. Report to the Board of Directors.	-	-
August 12, 2024	Ching-Lung Lee Independent Director Heng-Siang Wu Independent Ming-Jen, Chang Audit Supervisor KPMG CPA, Chen, Chung-Che KPMG CPA, Lai, Li- Chen KPMG Manager, Tsao, Chin-Chia	Audit Execution Report.	1. Independent Director Heng-Siang Wu raised questions and engaged in discussion and communication. 2. Report to the Board of Directors.	1. The accountant explained the consolidated financial position and performance for 2024 Q2. 2. The accountant discussed and communicated regarding the questions raised by the attendees. 3. The accountant explained the impact of recent key regulatory amendments and the content of the new pronouncements' applicability.	The Audit Committee approved the 2024 Q2 financial report, submitted it to the Board of Directors for approval, and duly announced and filed it with the competent authority as scheduled.
November 4, 2024	Ching-Lung Lee Independent Director Cin-Jhih Wu Independent Director Heng-Siang Wu Independent Ming-Jen, Chang Audit Supervisor KPMG CPA, Chen, Chung-Che KPMG CPA, Lai, Li- Chen KPMG Manager, Tsao, Chin-Chia	Audit Execution Report.	1. Cin-Jhih Wu Independent Director and Heng-Siang Wu raised questions and engaged in discussion and communication. ° 2. Report to the Board of Directors.	1. The accountant explained the consolidated financial position and performance for 2024 Q3. 2. The accountant discussed and communicated regarding the questions raised by the attendees. 3. The accountant explained the impact of recent key regulatory amendments and the content of the new pronouncements' applicability.	The Audit Committee approved the 2024 Q3 financial report, submitted it to the Board of Directors for approval, and duly announced and filed it with the competent authority as scheduled.
December 16, 2024	Ching-Lung Lee Independent Director Cin-Jhih Wu Independent Director Heng-Siang Wu Independent Ming-Jen, Chang Audit Supervisor	Audit Execution Report.	1. Cin-Jhih Wu Independent Director and Heng-Siang Wu raised questions and engaged in discussion and communication. ° 2. Report to the Board of Directors..	-	-

4. The composition, duties, and operation of the Compensation Committee:

(1) Members of the Compensation Committee

Title	Name	Qualification and experience	Independence criteria	Number of other public companies in which he/ she serves concurrently as Compensation Committee
Independent Director (Chairman)	Ching-Lung Lee	Ph.D. in Horticulture, University of Hannover, Germany Minister of Council of Agriculture, Executive Yuan Chairman of Taiwan Fertilizer Co., Ltd. National Policy Advisor to the Presidential Office Chairman of Cheer foods enterprises Co., Ltd. Chairman of BELX Biopharmaceutical Co., Ltd. Independent director of Sinphar pharmaceutical Co., Ltd. Independent director of Visgeneer Inc. Adjunct professor of National Taiwan University Chair Professor of National Chung Hsing University	Following the Article 6 of 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.	2
Independent Director (Member)	Cin-Jhih Wu	Ph.D. in Materials Science, University of Southern California General manager of ALi Corporation Chief Technology Officer of ASUSTeK Computer Inc. Director of Guangyuan Investment Co., Ltd. Director of ENE TECHNOLOGY INC. Director of Gaius Automotive Inc. Director of Askey Technology (Jiangsu) Ltd. Director of Ultimate Power Champion Director of uPI semiconductor corp. Director of GAIUS HOLDINGS LIMITED Supervisor of ASUSTOR Inc. Supervisor of Askey Computer Corp. Supervisor of Shinewave International Inc. Supervisor of Xiangfu Electronic Technology (Suzhou) Co., Ltd. Supervisor of Yang Xu Electronic Technology (Shanghai) Ltd.		0
Independent Director (Member)	Heng-Siang Wu	Master of Accounting, Fu Jen Catholic University Independent director of Alcorlink Corp. Accounting firm's chief and Certified Public Accountant of Defeng United Accounting Firm Chairman of Zhongye Co., Ltd. Supervisor of TMY Technology Inc.		0

Supplemental instruction: None.

(2). Operation of Compensation Committee

A. The compensation committee composed of 3 members.

B. The term of office of the committee began from June 29, 2023 to June. 15, 2026.

The committee has convened the meetings 5 times last year; the qualifications and attendances of the members are shown as follows:

Title	Name	Attendance in person	Attendance by proxy	Number of meetings during the tenure	Attendance rate (%)	Notes
Convener (Chairman)	Ching-Lung Lee	5	0	5	100	
Member	Cin-Jhih Wu	4	1	5	80	
Member	Heng-Siang Wu	5	0	5	100	

Other notable items:

(a) If the board of directors decline to adopt or modify a recommendation of the compensation committee, it is imperative to note down the board meeting's date, session, motion, resolution as well as Tatung Company's disposition of the compensation committee's recommendation. (If the remuneration passed by the board exceeds the recommendation of the compensation committee, the circumstances and causes for the difference shall be specified): None.

(b) As to a resolution of the compensation committee, if a committee member expresses any objection or reservation recorded or in a written statement, it is imperative to specify the committee's date, session, and disposition of the comments: None.

(c) The Content and the execution of the resolutions of compensation committee:

Meeting	The Contents of motions	The Execution
1 st meeting on March 11, 2024	1、The Remuneration for employees and board of directors of the company of 2023. 2、Evaluating the performance bonus of managerial officers of the Company of Second half of 2023. 3、Evaluating the compensation of managerial officers of the Company.	1、The resolution of all attending members : passed. 2、The resolution of all attending members : passed. 3、The resolution of all attending members : passed.
2 nd meeting on May 14, 2024	Evaluating the Remuneration for employees of managerial officers of the Company of 2023.	The resolution of all attending members : passed.
3 rd meeting on Aug. 12, 2024	Evaluating the compensation of managerial officers of the Company.	The resolution of all attending members : passed.
4 th meeting on Nov. 4, 2024	1、Evaluating the performance bonus of managerial officers of the Company of First half of 2024. 2、Evaluating the compensation of managerial officers of the Company.	1、The resolution of all attending members : passed. 2、The resolution of all attending members : passed.
5 th meeting on Dec.16, 2024	Evaluating the compensation of managerial officers of the Company.	The resolution of all attending members : passed.

(d) Scope of duties of Compensation Committee.

- (1) Prescribing and periodically reviewing the performance and the compensation policy, system, standards, and structure for directors and managerial officers.
- (2) Periodically evaluating and prescribing the compensation of directors and managerial officers.

5. Corporate Governance Implementation Status and Deviations from "the corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
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"?	✓		In accordance with "Corporate Governance Best Practices Principles for TWSE/GTSM Listed Companies", the Company has adopted and made public its corporate governance best practices principles at its official website and at the Market Observation Post.	None
2.Shareholding structure & shareholders' rights (1) Does the Company establish an internal operating procedure to deal with shareholder s' suggestions, doubts, disputes, and litigations, and implement based on the procedure?	✓		Shareholders' suggestions and questions are directly addressed to the departments held accountable as well as taken care of by the Company's spokesman or deputy spokesman.	None
(2) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		Monthly applications of changes in the shareholdings of directors, supervisors, and shareholders with a greater than 10 percent share of the company's total issued equity are submitted to keep track of and stay in contact with major shareholders who have controlling power to get hold of the persons with ultimate control over the company.	None
(3) Does the Company establish and execute the risk management and firewall system within its conglomerate structure?	✓		1. On November 9, 2023, the Company's Board of Directors approved the establishment of the "Financial and Business Operation Guidelines for Transactions Among Related Parties of Tatung Co." This aims to strengthen financial and business transactions between the Company and its related parties (including affiliated enterprises) and to prevent irregular transactions or improper transfer of benefits among related parties. 2. To ensure the effective implementation of related-party transaction supervision policies, the Company has formulated regulations such	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			as the "Procedures for Acquisition or Disposal of Assets," "Regulations for Lending of Funds and Endorsements/Guarantees," and "Procedures for Endorsements and Guarantees." Additionally, on November 10, 2022, the Board of Directors approved the "Risk Management Policy, Procedures, and Methods." 3. To ensure employees strictly adhere to the related-party transaction supervision policy, the Company has established a related-party database in its electronic system to facilitate the identification of related-party transactions.	
(4) Does the Company establish internal rules against insiders trading with undisclosed information?	✓		1. The company has established Tatung Co.'s Insider Trading Prevention Management Procedures to prohibit insiders from trading securities using non-public market information. Additionally, at least once a year, the company conducts educational programs on the "Insider Trading Prevention Management Procedures" and related regulations for current directors, managers, and employees. The company has also made the "Insider Trading Guide" handbook and promotional video produced by the Taiwan Stock Exchange available on the internal website for employees' reference. 2. A 2-hour course on the prevention of insider trading was held on October 23, 2024, with 35 participants in attendance. In addition, educational emails regarding the prevention of insider trading were sent on October 29, 2024, and November 18, 2024, to directors, managerial officers, and employees. 3. To prevent insiders from violating Article 22-2 and Article 25 of the Securities and Exchange Act, which could result in administrative fines imposed by regulatory authorities, the company has distributed Taiwan Stock Exchange notices outlining common violations to insiders each quarter this year. The distribution dates and participation numbers are as follows: January 16, 2024 (24 participants), April 25, 2024 (24 participants), July 15, 2024 (24 participants), and October 23, 2024 (24 participants). This ensures that insiders are aware of the regulations and comply accordingly. 4. Every month, the company sends emails to insiders to educate them on stockholding changes under Article 22-2 and Article 25 of the Securities and Exchange Act, as well as insider trading regulations under Article 157. These emails also include the "Insider Trading Guide" handbook produced by the Taiwan Stock Exchange. 5. Every month, the company sends reminder emails to directors, informing them that they are prohibited from trading company stocks during the blackout period, which starts 30 days before the annual financial report announcement and 15 days before each quarterly financial report announcement.	None
3.Composition and Responsibilities of the Board of Directors (1) Does the Board develop and implement a diversified policy for the composition of its members?	✓		1. The Company has established a board diversity policy under Article 20 of the Corporate Governance Best Practice Principles and disclosed it on the Market Observation Post System (MOPS). This policy aims to promote effective board governance by considering the diversity of board members. 2. Specific Management Goals: The board structure is determined based on the Company's business development scale and major shareholders' holdings, ensuring a minimum of five directors. The composition of the board follows these principles: Directors concurrently serving as company managers should not exceed one-third of board seats. Board members should generally possess the necessary knowledge, skills, and competencies to perform their duties. The diversity policy includes, but is not limited to, the following two key aspects: (1) Basic Criteria and Values: Gender, age, nationality, and cultural background. The proportion of female directors should ideally reach one-third of board seats. The Company adheres to the Corporate Governance Best Practice Principles and the Director Election Procedures to ensure board diversity and independence. (2) Professional Expertise: The Company's board consists of industry and academic professionals, with expertise in energy, environmental protection, investment, and information technology. Their professional competencies include business management, international markets, risk management, accounting and financial analysis, legal affairs, and ESG.	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons																																				
	Yes	No	Abstract Illustration																																					
			(3) Independence: None of the board members have spousal or second-degree familial relationships, ensuring independence. 3. Implementation Status: The current board consists of nine members, including three independent directors, representing 33.33% of the board. There are no directors concurrently serving as company managers (0%). The Company emphasizes gender diversity, with female directors accounting for 11.11% of the board. Given the Company's diversified business operations, board members are selected based on both expertise and industry experience. Many directors also serve as chairpersons or board members of publicly listed companies. All board members possess extensive academic and professional experience, business insight, leadership, and decision-making capabilities, making them valuable assets to the Company. 4. The Company continuously provides diverse training programs for board members to enhance decision-making quality, strengthen oversight capabilities, and improve board functions. 5. The Company's board diversity policy is publicly disclosed on its official website and the Market Observation Post System (MOPS).																																					
(2) Does the Company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	✓		To enhance corporate governance operations, the company resolved during the board meeting held on March 15, 2018, to establish the Sustainability Development (formerly Corporate Governance) Committee and formulated organizational regulations for the Sustainability Development Committee. The current members include Ching-Lung Lee an independent director; Cin-Jhih Wu an independent director; Heng-Siang Wu an independent director; Wkang-Hsiang Wang the chairman; and Chun-Lung Wu the vice chairman, totaling 5 members. All members possess expertise in ESG (Environmental, Social, and Governance), corporate governance, risk management, and operational management. They jointly oversee matters related to the company's sustainability development. On June 29, 2023, during the board meeting, Ching-Lung Lee an independent director, was elected as the convener of the committee. (1) According to the organization rules of the Sustainable Development Committee, its duties are as follows: (A) To consider experience, expertise, and independence to formulate selection criteria for members of Sustainable Development Committee and submit to the board of directors for resolution. (B) Responsible for the research and analysis, implementation, planning proposals and regulations of the Sustainable Development system, regulations, and procedures for Sustainable Development, and submit to the resolution of the board of directors. (C) Tracking and suggestions the implementation situation of the relevant information disclosure. (D) Review the governance relationship between the Company and its subsidiaries and other related companies, put forward suggestions for improvement and report to the board of directors. (E) Review the effectiveness of the implementation of the Sustainable Development system. (F) Other duties in accordance with the board resolutions. (2) Operational status: According to the organizational regulations of the Sustainable Development Committee, it will meet at least once every quarter. A total of 4 meetings were convened in 2024. The operation situation is as follows: <table><tr><th>Title</th><th>Name</th><th>Actual (In person) attendance</th><th>Entrusted attendance</th><th>Number of meetings during the tenure</th><th>Actual (in person) attendance rate%</th></tr><tr><td>Convener</td><td>Ching-Lung Lee</td><td>4</td><td>0</td><td>4</td><td>100</td></tr><tr><td>Member</td><td>Cin-Jhih Wu</td><td>3</td><td>1</td><td>4</td><td>75</td></tr><tr><td>Member</td><td>Heng-Siang Wu</td><td>4</td><td>0</td><td>4</td><td>100</td></tr><tr><td>Member</td><td>Wkang-Hsiang Wang</td><td>4</td><td>0</td><td>4</td><td>100</td></tr><tr><td>Member</td><td>Chun-Lung Wu</td><td>4</td><td>0</td><td>4</td><td>100</td></tr></table>	Title	Name	Actual (In person) attendance	Entrusted attendance	Number of meetings during the tenure	Actual (in person) attendance rate%	Convener	Ching-Lung Lee	4	0	4	100	Member	Cin-Jhih Wu	3	1	4	75	Member	Heng-Siang Wu	4	0	4	100	Member	Wkang-Hsiang Wang	4	0	4	100	Member	Chun-Lung Wu	4	0	4	100	None
Title	Name	Actual (In person) attendance	Entrusted attendance	Number of meetings during the tenure	Actual (in person) attendance rate%																																			
Convener	Ching-Lung Lee	4	0	4	100																																			
Member	Cin-Jhih Wu	3	1	4	75																																			
Member	Heng-Siang Wu	4	0	4	100																																			
Member	Wkang-Hsiang Wang	4	0	4	100																																			
Member	Chun-Lung Wu	4	0	4	100																																			

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(3) Does the company establish a standard to measure the performance of the Board and implement it annually, and report the results of the performance evaluation to the board of directors, and use them as a reference for individual directors' salary and remuneration?	✓		To enhance corporate governance and strengthen the functions of the Board of Directors and its functional committees, the Company's Board approved the "Board and Functional Committee Performance Evaluation Guidelines" on March 15, 2018, with revisions approved on December 27, 2018. The Board of Directors and each functional committee must conduct an internal performance evaluation at least once per year. The most recent 2024 performance evaluation was submitted to the Board for review and improvement on February 14, 2025. Evaluation Scope and Criteria The performance evaluation covers: Overall Board performance Individual board member performance Overall functional committee performance Individual functional committee member performance The evaluation metrics and scoring standards are based on the Company's Board and Functional Committee Performance Evaluation Guidelines. 2024 Performance Evaluation Results Evaluation Period: January 1, 2024 – December 31, 2024 The performance of the Board of Directors, Audit Committee, Compensation Committee, and Sustainable Development Committee was assessed as "Good". Board Compensation Review Process The determination of director compensation follows the Company's Articles of Incorporation, as well as the performance evaluation guidelines and relevant regulations of each functional committee. The reasonableness of performance assessments and compensation is reviewed by the functional committees and the Board of Directors. The Company regularly reviews and adjusts its director compensation system based on actual operational conditions and regulatory requirements.	None
(4) Does the Company regularly evaluate its external auditors' independence?	✓		The Audit Committee of the Company periodically evaluates the independence of the certified public accountants each year. In addition to requesting the certified public accountants to provide the "Statement of auditor's independence declaration" and the "Audit Quality Indicators AQIs" (please refer to Attachment 1-1), the Company also evaluates the independence and suitability of the certified public accountants with reference to the "Independence of audits and Reviews" of Statement of Ethics for Accountants (please refer to Attachment 1), and ultimately reports the evaluation results to the Board of Directors. The result of the most recent annual evaluation is that the relationship between the Company and the certified public accountants meets the relevant norms of independence. And after the resolution of the Audit Committee of the Company on March 4, 2025, it was submitted to the Board of Directors on March 4, 2025, which resolved to approve the assessment of the independence and suitability of the CPA.	None

Attachment 1

Independence Assessment Items	2024	
	Yes or no	Is it consistent with independence?
1. Does the accountant have a direct or significant indirect financial interest in the Company?	No	Yes
2. Does the accountant have a financing or guarantee relationship with the Company or a director of the Company?	No	Yes
3. Does the accountant have a close business relationship and potential employment relationship with the Company?	No	Yes
4. Do the accountants and members of their audit team currently, or in the last two years, hold positions as directors, managers, or positions of significant influence	No	Yes

Evaluation Item	Implementation Status		Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons	
	Yes	No		Abstract Illustration
on the audit of the Company?				
5. Do the accountants provide any non-audit service items to the Company that may directly affect the audit?			No	Yes
6. Does the accountant broker stock or other securities issued by the Company?			No	Yes
7. Does the accountant act as the Company's advocate or represent the Company in coordinating conflicts with other third parties?			No	Yes
8. Does the accountant have any family relationship with a director, manager, or any other person who has significant influence on the audit of the Company?			No	Yes
9. Did the CPAs provide audit services to the Company for seven consecutive years? (1)CPA 1 : Chung-Che Chen(from the fourth quarter of 2021) (2)CPA 2 : Li-Chen Lai(from the first quarter of 2021)			No	Yes
10. Does the certified public accountant of the joint accounting firm to which the certified public accountant belongs hold any position as a director or manager of the Company or any position that has significant influence on audit cases within one year after leaving the position?			No	Yes
11. Does the CPA have any conflicts of The Norm of Professional Ethics for Certified Public Accountant No. 10 on Independence statement?			No	Yes
Suitability Assessment Items			2024	
			Yes or no	Is it consistent with suitability?
1. Does the accountant not have any disciplinary actions taken by the competent authorities or the National Federation of CPA Associations of the ROC(NFCPAA), or any penalties imposed in accordance with Article 37, Paragraph 3 of the Securities and Exchange Act?			Yes	Yes
2. Does the accountant regularly and proactively update the company on tax regulations, securities regulations, and newly revised IFRSs accounting standards?			Yes	Yes
3. Does the accountant maintain good communication with the company's management (including internal audit personnel) and the board of directors?			Yes	Yes
4. Does the accountant provide the company with financial and tax consulting services on an ad-hoc basis, and assist in communication and coordination with regulatory authorities?			Yes	Yes
5. Does the accountant complete the company's financial reports for each period on time? Are the official financial reports for the first three quarters completed within 45 days, and the annual financial report within 75 days of the end of the fiscal year?			Yes	Yes
6. Does the accountant complete the review or audit of the financial statements of invested companies on time for each period?			Yes	Yes
7. Does the accountant perform financial statement audits in accordance with generally accepted auditing standards and the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants?			Yes	Yes
8. Does the accountant provide audit and tax services of a quality and timeliness that meets demand?			Yes	Yes
9. Does the accounting firm have sufficient size, resources, and stability of the audit service team members to handle the company's audit services?			Yes	Yes
10. Does the accountant or any member of the audit team ever audit companies in similar industries, sizes and risk profiles?			Yes	Yes
11. Does the accounting firm timely inform the company's management and board of any significant issues and developments in risk management, corporate governance, financial accounting and related risk controls?			Yes	Yes

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons		
	Yes	No	Abstract Illustration			
12. Does the accountant clearly explain the scope and methodology of the audit of the Company's subsidiaries and affiliates?	Yes			Yes		
Evaluation results: There were no concerns about CPA's independence and suitability for re-appointment.						
Attachment 1-1 KPMG 2023 Audit Quality Indicators (AQI) 【Component 1】 Professional						
Indicator	Subject	The level of the case	The level of the firm		The level of the Industry average	
		2023	2023	2022	2023	
Indicator 1-1 Audit Experience	Chung-Che Chen(CPA)'s Experience in Auditing	13 years	12.4 years	12.5 years	11.4years	
	Li-Chen Lai (CPA)'s Experience in Auditing	23.3 years				
	Engagement Quality Control Review (EQCR) Partner Experience	25.5 years	14.3 years	14.6 years	12.7years	
	Audit Team Senior Staff and above (excluding CPA) Experience	13.2 years	10.9 years	9.7 years	11.5years	
Indicator 1-2 Training Hours	CPA Training Hours	Disclosed at the Firm Level Only	114.6 hours	107.0 hours	112.5 hours	
	Senior Staff and Above (excluding CPA) Training Hours		105.5 hours	90.6 hours	95.6 hours	
Indicator 1-3 staff turnover rate	Senior Staff and Above (excluding CPA) Turnover Rate		12.7 %	17.0 %	11.6%	
Indicator 1-4 Professional support	Ratio of Professionals Supporting the Audit Department		6.9 %	6.5 %	5.9%	
	Ratio of Professional Staff Hours Spent on Listed Company Audits		8.5 %	9.2 %	7.9%	
Description of Promotion Ranks and Seniority Range of Various Ranks in the Firm						
Promotion Ranks		2023				
Auditor		0.8~2.3 years				
Senior Auditor ~ Director		2~8.3 years				
Vice Associate ~ Associate		3.9~35.3 years				
Certified Public Accountant		12.9~35.5 years				
【Component 2】 Quality control						
Indicator	Subject	The level of the case		The level of the firm		The level of the Industry average
		2023	2022	2023	2022	
Indicator 2-1 accountant load	Chung-Che Chen(CPA) Serving as Principal CPA of Public Company	10 cases	12 cases	7.2 cases	6.9 cases	7.1 cases
	Li-Chen Lai (CPA) Serving as Principal CPA of Public Company	0 cases	0 cases			
		The ratio of Accountant Inputs to	71.0%	111.9%	55.1%	56.1%

Evaluation Item		Implementation Status								Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
		Yes	No	Abstract Illustration						
	Available Man-hours by Chung-Che Chen(CPA)									
	The ratio of Accountant Inputs to Available Man-hours by Li-Chen Lai (CPA)		30.7%	38.0%						
Indicator 2-2 Audit Input Level	(please see below)									
Indicator 2-3 Case Quality Control(QC) Review Circumstances	EQCR Percentage of hours reviewed by CPA		0.9%	0.7%		1.3%	1.4%	1.29%		
Indicator 2-4 Quality Control Support Capability	The number of QC personnel is approximately equivalent to full-time		Disclosed at the Firm Level Only			50.3	44.3	58.4		
	Percentage of QC personnel supporting the audit department					3.3%	3.1%	3.2%		
Indicator	level	Audit hours as a percentage	2023				2022			
			CPA	manager	auditor	total	CPA	manager	auditor	total
Indicator 2-2 Audit input level	The level of the case	Planning Stage	1.7%	9.0%	24.9%	35.6%	2.0%	7.5%	21.9%	31.4%
		Executing stage	3.5%	13.6%	47.3%	64.4%	4.3%	14.0%	50.3%	68.6%
		Total	5.2%	22.6%	72.2%	100.0%	6.3%	21.5%	72.2%	100.0%
	The level of the firm	Planning Stage	2.2%	5.4%	25.5%	33.1%	2.5%	5.7%	25.1%	33.3%
		Executing stage	3.6%	12.0%	51.3%	66.9%	4.0%	11.3%	51.4%	66.7%
		Total	5.8%	17.4%	76.8%	100.0%	6.5%	17.0%	76.5%	100.0%
	The level of the Industry average	Planning Stage	2.6%	7.4%	32.6%	42.6%	2.9%	7.1%	32.4%	42.4%
		Executing stage	3.5%	9.0%	44.9%	57.4%	3.5%	8.9%	45.2%	57.6%
		Total	6.1%	16.4%	77.5%	100.0%	6.4%	16.0%	77.6%	100.0%

【Component 3】Independence

Indicator	Subject	audited cases	
		2023	2022
Indicator 3-1 non-audit service fees	Percentage of non-audit service fees for audit cases	24.3%	17.9%
Indicator 3-2 familiarity	Cumulative number of years the case was in the firm's audited annual financial statements	2 years	1 years

Evaluation Item	Implementation Status				Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons		
	Yes	No	Abstract Illustration				
【Component 4】 Supervise							
Indicator 4-1 External inspection deficiencies and penalties				Note : The last three deficiencies			
level	Subject		2023	2020	2017		
Case Level	Inspection of FSC offices						
	Average Number of Deficiencies per Audit Case for the CPA 1 (Total deficiencies/number of sample cases)		0 (0 / 0)	0 (0 / 0)	0 (0 / 0)		
	Average Number of Deficiencies per Audit Case for the CPA 2 (Total deficiencies/number of sample cases)		0 (0 / 0)	0 (0 / 0)	0 (0 / 0)		
The level of the firm and Industry average	Inspection of FSC offices						
	Number of quality control deficiencies		1	1	2		
	Industry range (low ~ high)		0~2	0~4	1~2		
	Average number of defects in audited cases (Total/sample)		1.0(7 / 7)	1.0(9 / 9)	2.0(4 / 2)		
	Industry range (low ~ high)		0~1.38	0~1	0~2		
	PCAOB Inspection						
	Average number of missing audit cases (Total/sample)		0 (0 / 3)	0.67 (2 / 3)	0.0(0 / 3)		
	Industry range (low ~ high)		0	0~0.67	0~0.67		
	subject	2023	2022	2021	2020	2019	
The level of the firm	The number of cases in which the accountants were disciplined and the number of cases in which the accountants were punished in accordance with Article 37 of the Securities and Exchange Act.		0	0	0	0	2
Indicator 4-2 Improvement letter from competent authority							
level	Percentage		2023	2022	2021		
Case Level	Engagement Partner 1		0%	0%	0%		
	(No. of letters/average no. of listed companies)		(0 / 17)	(0 / 20)	(0 / 22)		
	Engagement Partner 2		0%	0%	0%		
	(No. of letters/average no. of listed companies)		(0 / 6)	(0 / 8)	(0 / 7)		
The level of the firm and Industry average	The firm		0.52%	0.8%	0.3%		
	Industry range(low ~ high)		0%~0.52%	0%~1%	0%~0.59%		
【Component 5】 Innovative Capacity							
Indicator 5-1 Innovative Planning or Initiatives							
At KPMG, we are committed to continuous innovation, community service and value creation. We are transforming the audit experience for our colleagues and clients through the use of leading-edge technology. Utilizing big data and our accumulated insights and knowledge base allows us to focus on the issues that matter and improve the quality of our audits.							
● Audit Innovation Tool							
Combining a number of technological technologies and integrating KPMG's global resources to develop innovative audit tools, the application of digital tools to fully realize the optimization of the audit methodology and enhance the efficiency and audit quality of KPMG's audit professionals.							
● Digitizing Processes							
To improve audit quality, KPMG is actively developing new technology solutions to keep pace with the times. We are rethinking our workflows and methods so that our systems can be utilized in line							

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
with future trends and developments in new technologies.				
● Audit Support Center To establish standardized operational procedures for routine audit administrative matters to be centrally handled by the Audit Support Centre (e.g. data collation, correspondence creation and confirmation letter printing, etc.), so as to enhance audit efficiency and enable auditor to focus on handling professional audits.				
4.Has the TWSE/GTSM Listed Company equipped competent and appropriate number of staff and designated corporate governance directors to be in charge of corporate governance affairs (which are inclusive of but not restricted to the following: offering the information needed for a director to perform his/her duties, assisting directors to comply with laws and regulations, handling matters relating to board meetings and shareholders meetings according to laws, handling corporate registration and amendment registration, producing minutes of board meetings and shareholders meetings, etc.)?	✓		On January 29, 2019, the company's board of directors decided to set up a corporate governance manager and allocate corporate governance personnel. On August 12, 2022, the board of directors decided to appoint Chief Legal Officer Pei-Chun Lu as the director of corporate governance. So far, the director of corporate governance has the qualifications to have been in charge of legal-related affairs units of publicly listed companies for more than three years. The responsibilities include the following: (1)Report to the BOD at least once a year: Reported the corporate governance achievements to the Board on December 16, 2024. (2)The BOD members are informed in a timely manner when the Company delivers material information. (3)The BOD members are informed on a regular basis about the latest regulations relevant to the company's operations and corporate governance. (4)The Company is required to provide BOD members at least 6 credits for on-site advanced courses, and to purchase of "Liability insurance for directors, supervisors, and significant employees", and then report to the Board. (5)The Company occasionally summons CPAs, independent directors, audit, and financial accounting managers to communicate about internal controls. The meeting minutes are reported to the BOD for reference. (6)Drafted BOD agenda and relevant materials shall be provided to BOD members 7 days before each meeting. Furthermore, BOD members shall be informed beforehand when a conflict of interest exists. BOD minutes shall be completed within 20 days after the meeting. (7)In order to exercise corporate governance, the Board of Directors and individual members should be assessed according to the "Performance evaluation policy on the BOD and its functional Committee "set by the Company, and be subject to review by the external institutions at least every 3 years. (8)Registering the AGM date and producing and reporting the board meeting notice, annual report, AGM handbook, and AGM minutes by law by setting deadlines, and amending the articles of incorporation or re-electing directors. (9)Promote corporate governance-related matters, provide directors with required information to perform daily operations and comply with regulations. (10) Report to the Board of Directors on the examination results of the qualifications of independent directors during the nomination, appointment, and tenure periods to ensure compliance with relevant legal and regulatory requirements.	None
5. Does the Company establish a communication channel (This is inclusive of but not restricted to shareholders, employees, clients, and suppliers, etc.) and build a designated section on its website for stakeholders, as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		1. The company has established a communication channel for stakeholders by setting up a dedicated stakeholder section on its website to appropriately respond to key corporate social responsibility issues of concern to stakeholders. 2. Based on practical experience from various departments and by referencing the AA1000 standards and GRI guidelines, the company identifies seven categories of stakeholders: shareholders, customers, employees, local residents and organizations, government authorities, suppliers, and consumers. This identification is based on the principle of assessing whether an organization or individual is impacted by the company's operations and whether their actions could affect the company's operations. 3. The company values the voices of its stakeholders and has established direct two-way communication channels for each	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			stakeholder category. Through these channels, the company gains insight into stakeholders' concerns and continuously improves its performance in sustainable development.	
6. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		We have appointed the agency department of Grand Fortune Securities Co., Ltd. as registrar for our Shareholders' Meetings.	None
7. Information Disclosure (1) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance?	✓		The company has established an investor section in both Chinese and English on its website, providing the latest updates, financial information, and shareholder meeting materials, which are regularly updated for investors' reference. Additionally, relevant information is also disclosed in real-time on the Market Observation Post System.	None
(2) Does the Company have other information disclosure channels (e.g., building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	✓		The company has established both Chinese and English websites and, in accordance with regulations, has designated a spokesperson and deputy spokesperson. A dedicated personnel is assigned to handle the disclosure of financial and business information on the Market Observation Post System and the company website. Additionally, the proceedings of institutional investor conferences are made available on the company website.	None
(3) Does the company publish and report its annual financial report within two months after the end of a fiscal year and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.	✓		The company announced and submitted its annual financial report within the statutory period as well as announced and submitted its financial reports of the first three quarters and the monthly condition of the company within the designated time limit. None of the above has been done earlier than it should.	None
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 and supervisors)?	✓		(1) Rights and treatment of employees: All Tatung Company's employees, applicants, and contract workers are equally treated with dignity regardless of their races, religions, colors, genders, and nationalities. The Company has set up working regulations, welfare, salary, and subsidies according to the labor and gender-equality related regulations promulgated by the government. The Company also reviews employees' performance annually to ensure reasonable alignment between employees' salary and labor, so that they will be contented with their jobs. (2) Investor relations: The Company has appointed Investor Relations department to collect and disclose information and to communicate with stakeholders, investors, and the public. The Company also attends domestic and oversea investor forums sporadically to deliver information regarding corporate financials, business strategies and operation directions. Moreover, the Company has set up the investor service on the corporate website for stakeholders, investors, and the public to download material information of monthly sales revenues, financial statements, annual reports and conference booklets, financial ratios, and investor conference presentations, etc. Financial and business information of the Company would be released on Taiwan Stock Exchange Market Observation Post System. (3) Supplier management: Tatung is an environmentally friendly company with a calling to uphold the global environmentalism, so that we request suppliers to sign contracts in which they would obey the government's environmental protection laws and regulations in reducing waste, preventing pollution, and disposing wastes. The suppliers will be audited upon Tatung's request and Tatung has the right to suspend or terminate the partnership, should any matters violating the law be found. Besides, to comply with customers' green procurement demand and international legal requirements such as RoHS	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons																		
	Yes	No	Abstract Illustration																			
			directive, Tatung has been actively promoting the green supply chain. Through building up the green supply chain, we can review our suppliers' performance and to strengthen the existing supply chain. As for the safety of suppliers' working environment, Tatung has also implemented evaluation indicators in the supplier reviews/evaluations. In addition, "Tatung health and safety management for construction suppliers" has been established to reduce the probability of an accident. (4) Rights of investors: The Company has set up communication channels with investors and set aside an area at the official website specifically for investors. (5) Training Status of Directors Our company has a total of 9 directors (including independent directors) in 2024. They have completed the required training hours in accordance with the "Implementation Guidelines for the Training of Directors and Supervisors of Listed and OTC Companies" and have announced it on the Market Observation Post System. (6) Enforcement of consumers' protection policies: The Company always strictly observes the contracts with our clients to sustain a steady and harmonious relationship, arriving at better profits as a result. (7) Coverage of liability insurance for directors and supervisors: The Company has purchased liability insurance for directors and supervisors.																			
9. Specify the Company's improvements in accordance with the recently released evaluations of corporate governance by the Corporate Governance Center of the Taiwan Stock Exchange Corporation (TWSE). As for those yet to be improved, account for the Company's list of priorities and their implementation: The Company has conducted an internal assessment of its corporate governance practices in order to gradually improve its governance and upgrade its corporate image. The improved items of the 11th Corporate Governance Evaluation System are shown below: <table><tr><th>Item No.</th><th>Item</th><th>Amendments</th></tr><tr><td>1.3</td><td>Does the company have more than half of the directors and the convener of the audit committee attend the regular shareholders' meeting in person, and disclose the attendance list in the minutes?</td><td>Qualified and scored</td></tr><tr><td>1.6</td><td>Will the company hold a regular shareholder meeting before the end of May?</td><td>Qualified and scored</td></tr><tr><td>4.22</td><td>Does the company invest resources to support domestic cultural development and disclose the support methods and results on the company's website, annual report or sustainability report?</td><td>Qualified and scored</td></tr></table> The priority measurements for unimproved items of the 12th Corporate Governance Evaluation System: <table><tr><th>Item No.</th><th>Item</th><th>Amendments</th></tr><tr><td>2.14</td><td>Has the company established a Nomination Committee with at least three members, the majority of whom are independent directors, and is the committee convened and chaired by an independent director? Additionally, are the composition, responsibilities, and operations of the committee disclosed?</td><td>The company is conducting an internal evaluation.</td></tr></table>					Item No.	Item	Amendments	1.3	Does the company have more than half of the directors and the convener of the audit committee attend the regular shareholders' meeting in person, and disclose the attendance list in the minutes?	Qualified and scored	1.6	Will the company hold a regular shareholder meeting before the end of May?	Qualified and scored	4.22	Does the company invest resources to support domestic cultural development and disclose the support methods and results on the company's website, annual report or sustainability report?	Qualified and scored	Item No.	Item	Amendments	2.14	Has the company established a Nomination Committee with at least three members, the majority of whom are independent directors, and is the committee convened and chaired by an independent director? Additionally, are the composition, responsibilities, and operations of the committee disclosed?	The company is conducting an internal evaluation.
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6. Sustainable development Implementation Status and Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”

Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
1. Does the company establish exclusively (or concurrently) dedicated first-line managers authorized by the board to oversee proposing the Sustainable development policies and reporting to the board?	✓		To implement and promote the company's sustainable development, enhance corporate governance, strengthen the Board of Directors' role in environmental protection and social responsibility, and establish a sound governance system for functional committees, the company set up the Sustainable Development Committee in 2018 in accordance with its Sustainable Development Best Practice Principles and Corporate Governance Best Practice Principles. The committee is chaired by an independent director and assisted by a dedicated support unit. On December 16, 2024, the company reported the implementation of sustainable development for the year 2024 to the Board of Directors. According to the "Taiwan Roadmap for Aligning with IFRS Sustainability Disclosure Standards" issued by the Financial Supervisory Commission on August 17, 2023, the company is required to adopt the IFRS Sustainability Disclosure Standards in 2026. To comply with regulatory requirements, enhance corporate information transparency, and ensure a smooth transition to IFRS Sustainability Disclosure Standards, the Board of Directors appointed Director Huang Bao-Hui on November 5, 2024, to oversee sustainability development and sustainability information management. On December 16, 2024, the company established a cross-departmental IFRS Sustainability Disclosure Standards adoption task force, which will formulate an adoption plan based on regulatory guidelines and reference materials. The implementation status of the adoption plan will be reported quarterly to the Board of Directors for continuous monitoring and oversight. The Board of Directors annually reviews reports from the designated sustainability unit, including ESG reports, covering sustainable environmental development, social welfare maintenance, ESG information disclosure, corporate governance promotion, and communication with stakeholders such as shareholders, suppliers, customers, employees, local communities, and regulatory authorities. Through in-depth discussions, recommendations for improvement, and the identification of key focus areas, the Board of Directors supervises, reviews, and refines the company's sustainable development strategy and goals. The company is committed to long-term engagement in social welfare and environmental protection initiatives. In addition to regular blood donation activities, it collaborates with social welfare and environmental organizations on various programs during scheduled periods (such as summer and winter breaks) and on an ad hoc basis. These initiatives aim to drive economic, environmental, and social progress, aligning with the company's goal of sustainable operations and development. Furthermore, the company adheres to Chapter 3, "Developing a Sustainable Environment," of the Sustainable Development Best Practice Principles, continuously improving its production processes to comply with regulations and achieve environmental and energy management system certifications, earning numerous awards over the years. In addition to establishing performance evaluation criteria for the Board of Directors and functional committees, the company conducts annual year-end performance assessments of the Board and its committees. The evaluation results are reported to the Board of Directors.	None
2. Does the company conduct risk assessments of	✓		The company conducts risk assessments on environmental, social and corporate governance issues related to the company's operations in	None

Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons						
	Yes	No	Abstract Explanation							
environmental, social, and corporate governance issues related to the company's operations in accordance with the materiality principle and formulate relevant risk management policies or strategies.			accordance with the materiality principle and formulates ESG risk management policies have showed on the website.							
3. Environmental issues (1) Does the company establish proper environmental management systems based on the characteristics of their industries?	✓		Tatung has implemented ISO14001 in the factories to improve their environmental performances (the verification details are listed on p. 90). In 2005 "Tatung Electrical and Electronic Equipment Restriction of Hazardous Substance (RoHS) Test Laboratory" (testing and analyzing the hazardous substances in materials, parts, and products) was established to assist in building "Green Supply Chain" which contributes to exporting the products to EU, USA, Japan, and other countries.	None						
(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓		1. Implementing ISO 50001 Energy Management System (the verification details are listed on p. 90). 2. Establishment of the Phase III Energy Saving Target: Based on the energy intensity of representative products in 2023 (please refer to p.119 of the 2024 Tatung Sustainability Report), the Company aims to reduce energy intensity by 1% annually compared to the previous year, and achieve a minimum 5% reduction in 2028 compared to 2023. The 2024 data is currently under statistical review and verification, and the performance results will be disclosed in this year's sustainability report. 3. (1) Tatung has implemented the corporate-wide "Pollution Prevention Pays, 3P Program". 3P Program helps the factories and subsidiaries with manufacturing function achieving the goals of clean production and producing green products by developing the innovated technologies, improving the manufacturing processes, introducing concepts of green materials and product design, and reusing the wastes. Many products have been certified with "Green Mark", "Energy Label" or "Water Label". (2) All raw materials used in AEBU comply with EU RoHS, REACH, and halogen-free standards. Starting in 2022, packaging materials and manuals have adopted FSC-certified paper to eliminate the use of untraceable sources, deforestation, and chemical contamination from recycled paper. This ensures traceability, planned afforestation, and environmental sustainability. The packaging design reduces the use of plastic by replacing plastic trays with recyclable corrugated cardboard dividers, effectively lowering plastic waste and minimizing environmental impact, thereby creating circular value.	None						
(3) Does the company evaluate the potential risks and opportunities of climate change for the company now and in the future, and take measures in response to climate-related issues?	✓		<table><tr><th>Aspect</th><th>Risk or opportunity type</th><th>Counter measures</th></tr><tr><td>Physical risk</td><td>1. Large-scale natural disasters and extreme weather events such as typhoons, floods, droughts, and heatwaves may adversely affect product production, supply, and sales systems. 2. Natural disasters may cause production disruptions or delivery delays, resulting in penalties. 3. Impact of extreme weather events: Climate events such as typhoons, heavy rainfall, floods, extreme heat, and droughts may lead to construction site shutdowns, equipment damage,</td><td>1. Establish a comprehensive facility management and disaster response strategy, including evacuation routes, and conduct regular drills. 2. Preventive measures against climate change risks may require additional capital expenditures, such as strengthening infrastructure and installing flood barriers in flood-prone areas. 3. Train and enhance worker safety education and protective measures to ensure worker health and project progress remain unaffected by climate</td></tr></table>	Aspect	Risk or opportunity type	Counter measures	Physical risk	1. Large-scale natural disasters and extreme weather events such as typhoons, floods, droughts, and heatwaves may adversely affect product production, supply, and sales systems. 2. Natural disasters may cause production disruptions or delivery delays, resulting in penalties. 3. Impact of extreme weather events: Climate events such as typhoons, heavy rainfall, floods, extreme heat, and droughts may lead to construction site shutdowns, equipment damage,	1. Establish a comprehensive facility management and disaster response strategy, including evacuation routes, and conduct regular drills. 2. Preventive measures against climate change risks may require additional capital expenditures, such as strengthening infrastructure and installing flood barriers in flood-prone areas. 3. Train and enhance worker safety education and protective measures to ensure worker health and project progress remain unaffected by climate	None
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Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			material losses, and project delays, increasing costs and risks.	conditions. Invest in disaster prevention facilities, such as equipping construction sites with flood protection systems, temporary sunshade structures, and planning safe evacuation procedures to mitigate the impact of extreme weather on projects.
			Transformation risk	1. According to the Financial Supervisory Commission's (FSC) Sustainability Development Roadmap, companies with a capital of over NT\$10 billion must disclose the greenhouse gas (GHG) emissions data of their consolidated financial statement subsidiaries in their annual reports starting in 2025. From 2027 onwards, the disclosed GHG emissions data must undergo assurance. 2. The Renewable Energy Development Act requires electricity users with a certain contracted capacity to install self-generated renewable energy facilities or pay a fee by 2025. 3. The Ministry of Environment has announced the formulation of regulations for carbon fee collection. Companies exceeding the emission threshold will be required to pay carbon fees, increasing operational costs.
			Market opportunity	Continue to set up solar power generation sites and energy storage equipment sites. Continue to apply Green Mark, Energy Label, and Water Label for household appliances, apply Green Mark for transformers; launch IE4-level energy-saving motors to expand business opportunities.
			Opportunities to improve production efficiency and resource utilization	1. Purchase energy-saving equipment and office appliances. 2. Set energy-saving targets and promote energy-saving projects.
(4) Does the company count the greenhouse gas emissions, water consumption and total	✓		1. GHG emissions: The Company and the companies of the consolidated financial statements consolidated company's GHG inventory results, assurance status, and reduction policies are detailed in p. 49 of this annual report.	None

Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons																								
	Yes	No	Abstract Explanation																									
weight of waste in the past two years, and formulate policies on energy conservation and carbon reduction, greenhouse gas reduction, water consumption or other waste management?			2. Water consumptions: Recognizing the value of water resources, the Company will continue to review production processes, implement water conservation initiatives, and reduce water consumption. <table><tr><th>Year</th><th>Water consumptions (tons)</th><th>Water intensity (tons/million dollars)</th></tr><tr><td>2023</td><td>522,653</td><td>27.59</td></tr><tr><td>2024</td><td>553,537</td><td>31.64</td></tr></table> Note: The intensity is calculated with Tatung's individual revenues. Note 1: The data is gathered from the Company's H.Q., Tayuan Plant, Taoyuan Wires and Cables Plant, Taoyuan 1st Plant, Meter Center, and San-Hsia Factory. 3. Amount of wastes: The Company's waste reduction methods are mostly focused on product design and manufacturing process improvement to reduce the amount of industrial wastes. The wastes are properly categorized and stored in accordance to the relevant regulations, and eventually commissioned by domestic qualified treatment companies or reuse companies. The Company audits the commissioned companies from time to time to ensure that the wastes are properly cleaned up or reused. The Company has set the goal to reduce 5% of wastes each year. <table><tr><th>Year</th><th>Hazardous industrial wastes (tons)</th><th>General industrial wastes (tons)</th><th>Totals (tons)</th><th>Waste intensity (tons/million dollars)</th></tr><tr><td>2023</td><td>12.29</td><td>3,134.84</td><td>3,147.13</td><td>0.17</td></tr><tr><td>2024</td><td>7.72</td><td>3,132.69</td><td>3,140.40</td><td>0.18</td></tr></table> Note: The intensity is calculated with Tatung's individual revenues. Note 1: The data is gathered from the Company's H.Q., Tayuan Plant, Taoyuan Wires and Cables Plant, Taoyuan 1st Plant, Meter Center, and San-Hsia Factory. * The Company has scheduled the verification time for the sustainability report. The data after verification will be updated in both the sustainability report and the Company's website.	Year	Water consumptions (tons)	Water intensity (tons/million dollars)	2023	522,653	27.59	2024	553,537	31.64	Year	Hazardous industrial wastes (tons)	General industrial wastes (tons)	Totals (tons)	Waste intensity (tons/million dollars)	2023	12.29	3,134.84	3,147.13	0.17	2024	7.72	3,132.69	3,140.40	0.18	
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2024	7.72	3,132.69	3,140.40	0.18																								
4. Social issues (1) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		All Tatung Company's employees, applicants, and contract workers are equally treated with dignity regardless of their races, religions, colors, genders, and nationalities. The Company has set up working regulations, welfare, salary, and subsidies according to the labor and gender equality related regulations promulgated by the government. The Company also reviews employees' performance annually to ensure reasonable alignment between employees' salary and labor, so that they will be contended with their jobs.	None																								
(2) Does the company formulate and implement reasonable employee welfare measures (including compensation, vacation, and other benefits, etc.), and appropriately reflect operating performance or results in employee compensation?	✓		The company protects the compensation and benefits for her employees and enacts its salary rules in compliance with regulations through the implementation of the internal control policies and the relevant salaries regulations. And Tatung Co. establishes performance management method and reward and punishment regulations. Every employee's performance is reviewed regularly based on performance management method. Employees' behavior with the inclusion of the performance appraisal standards, and according to their performance to give reward and punishment.	None																								
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		1.(1) The Company established the government and TAF certified "Tatung Environment Research Center" to carry out the sampling and testing from the operation sites regularly to evaluate the conditions of exposure and provide the recommendations to resolve the hazards to the employees. (2) The company strengthens the management of hazardous machinery and equipment, ensuring compliance with regulations for in-service operator retraining. Employees are also encouraged to obtain relevant technical certifications in accordance with occupational health and safety training regulations. A total of 1,361 participants attended related health and safety training sessions. 2.(1)The Company promotes the ISO 45001 to enhance safety	None																								

Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			performance. All business units with production functions have been certified. The certification validity periods are as follows: - Heavy Electrical Equipment BU (Tayuan Plant): 2023/8/10 – 2026/8/9 - Cable BU (Taoyuan Wires and Cables Plant): 2023/7/9 – 2026/7/8 - Appliance Manufacture BU/Commercial Air Conditioner BU (Taoyuan 1st Plant): 2025/3/4 – 2028/3/3 - Motor BU (San-Hsia Factory): 2023/1/17 – 2026/1/9 (2) Additionally, the Appliance Manufacture BU/Commercial Air Conditioner BU and Motor Business Division have also obtained Taiwan Occupational Safety and Health Management System (TOSHMS) certification, with validity periods from 2025/3/4 – 2028/3/3 and 2023/1/17 – 2026/1/8, respectively. 3. In 2024, a total of 14 occupational accidents occurred, affecting 14 employees, accounting for 0.56% of the total workforce. Each case was handled in accordance with Tatung's Occupational Accident Management Procedures, with specific preventive and corrective measures documented in injury reports based on different types of injuries. 4. No fire incidents occurred in 2024. The Company conducted fire prevention, disaster preparedness, and electrical safety training courses to strengthen awareness and capabilities. A total of 615 employees participated in these training sessions.	
(4) Does the company provide its employees with career development and training sessions?	✓		The company's employees with professional and development advantages, to take the dual career development path of management and professional positions through various training and human resource measures to allow employees to choose a different career planning according to their interests and abilities thereby assisting the company and colleagues to pursue progress.	None
(5) In terms of the products and services in relation to marketing, labeling and the health, security, and privacy of customers, does the company observe related regulations and international standards while establishing the related policies for the protection customer s' rights and grievance procedure?	✓		In accordance with the regulations and international protocols, the company taking into consideration the health, safety and privacy of consumers has established the policy of consumer rights protection as well as the procedure of filing complaints in the marketing and labeling of our products and services. Tatung Company's Policies of Consumer Rights Protection have showed on the website.	None
(6) Does the company establish the policy for managing providers, requiring them to stick to the criteria regarding such issues as environmental protection, occupational safety and health or labor rights and see to their implementation?	✓		Tatung's qualified suppliers should sign "Master Contract" and "Supplier Commitment Letter". The contents of both documents specify that products or services provided shall not only comply with the laws & regulations of safety and environmental protection but also international standards. Labor behavior shall comply with domestic and international laws, policies or regulations related to human and labor rights. Furthermore, in response to international emphasis on the conflict minerals, Tatung has been announced "Declaration of Minerals Conflict-Free" on the company website, updated into Supplier Commitment Letter and requested suppliers to sign back. After filing these documents and complete application, they become qualified suppliers of Tatung. Where it is proven as a fact that the products or services provided by the suppliers are likely to endanger the safety and health of consumers or other interested parties, Tatung may disqualify the supplier, terminate the contract, and cancel Purchase Order immediately.	None
5. Does the company write such reports as the report of sustainable development and many others to disclose its non-financial information by consulting the internationally circulated stipulations or guidelines?	✓		The Company prepares the Sustainability Report with reference to GRI Standards and introduces the third-party verification. The latest report- "2024 Tatung Sustainability Report" was prepared with reference to GRI Standards and the contents were verified by TUV NORD Taiwan Co., Ltd (TUV NORD) based on AA 1000 (Type 2, High Level Assurance).	None

Evaluation Item	Implementation Status			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
6. If the Company has established the Sustainable Development principles based on "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe any discrepancy between the principles and their implementation: The Company has promulgated the principles in accordance with the "Sustainable Development Best-Practice Principles for TWSE/GTSM Listed Companies." There is no major difference between the two.				
7. Other important information to facilitate better understanding of the company's Sustainable Development practices:				
(1) The company's code of practice for sustainable development was formulated by the board of directors on November 12, 2014, and revised from time to time according to the content released by the competent authority. The company recently revised it on August 10, 2023.				
(2) The company, through commercial activities, non - cash property endowments, volunteer service or other free professional services, participates in community development and charities events:				
(a)The Company utilized its mascot, "Tatung Boy", to collaborate with local performing art groups to create a children's stage play with the notion of new energy blending in. The play was performed in 10 elementary schools across Taiwan in 2024, attracting an audience of over 7,000 students. The play actively promotes energy conservation, health, environmental protection, and love for the planet while advocating for the smart application of renewable energy, as well as new knowledge on clean energy generation, energy storage, and energy efficiency. The initiative nurtures Taiwan's next generation of environmental advocates while also providing essential support to local performing arts groups, enabling creativity to flourish and creating a win-win-win situation.				
(b)Responding to the "The Infinite Generations Program" from the Taiwan Fund for Children and Families to help the disadvantaged children overcome leaning difficulties and raised a total of NT\$536,000.				
(c)Tatung Company and its Enterprise unions implemented the event named "Assist the Disadvantaged, Send Warmth and Love" and donated Tatung 3C products to disadvantaged groups				
(d)In the beach cleaning event in Yilan, we removed more than 547 kilograms of marinegarbage, of which 188 kilograms were recyclable garbage. This event demonstrates Tatung Company's and every participating colleague's commitment to environmental governance promoting the development of a sustainable society.				
(e)Tatung family day event not only offered employees to unwind and spend quality time with their families but also increased awareness and attention to animal conservation. At the same time, it added color to its care for society. Tatung invited The Wingless Angels Band to the event to perform music, set up a charity booth, and promote energy-efficient concept through playing games sponsored by Taiwan Power Company.				
(f)The Company and various factories held corporate blood donation event in 2024. A total of 1,018 bags of blood were donated.				
(g)Tatung Forever Energy donated second-hand computers to Hondao Senior Citizen's Welfare Foundation hoping to improve the quality of computer equipment used by the foundation's staff and the institute's assistive systems & hardware facilities for the visually impaired.				
(h)Tatung Forever Energy collaborated with the Yilan Education Bureau to refurbish second-hand computers and donate them to Bihou Elementary School and Yongle Elementary School contributing educational resources to rural schools.				
(i)Tatung Forever Energy participated in the Andrew Charity Association's essential supplies packing event sending resources to families in need.				
(j) Tatung Asset Development Co., Ltd. has long been committed to fostering good relations with the community. To ensure that the residents of Jiying Village in Zhongshan District, Taipei City, truly feel the goodwill of our corporate group in giving back to the local community, we sponsor raffle prizes for the Jiying Village festive celebrations held during the Lantern Festival and Mid-Autumn Festival each year.				
For the 2024 Lantern Festival on February 18, we provided:				
3 Tatung 10-cup electric rice cookers				
2 Tatung ceramic non-stick electric griddles				
For the 2024 Mid-Autumn Festival on September 8, we will provide:				
3 Tatung 10-cup electric rice cookers				
2 Tatung 5-liter multi-functional electric hot pots				
(3) Please refer to the Company website (https://www.tatung.com.tw) for more information on the implementation of the Company's sustainable development .				

7. Climate related information:

(1) The information of climate management.

No.	Item	Measures
1	Describing the supervision and governance of the Board of Directors and management on climate-related risks and opportunities.	Tatung has established a Sustainable Development Committee under the Board of Directors, which is responsible for reviewing the implementation effectiveness of corporate governance and risk management outcomes. Under the Sustainable Development Committee, a Risk Management Team is established to execute the responsibilities of risk management. Climate-related risks and opportunities are identified and assessed by each Business Unit, Finance & Accounting Division, and Health & Safety Division. These units propose risk response measures and regularly adjust control mechanisms. The Risk Management Team reports the overall risk management results to the Sustainable Development Committee on a regular basis. The operational status of risks is reported to the Board of Directors annually by the Risk Management Team.
2	Describe how the identified climate risks and opportunities can impact the company's business, strategies, and finances in the short, medium, and long term	1. Natural disasters such as typhoons, floods, droughts, and heatwaves, as well as extreme weather events, may negatively impact product manufacturing, supply, and sales systems. 2. Natural disasters may cause production interruptions or delivery delays, leading to penalties for late shipments. 3. Impact of extreme weather events: Typhoons, heavy rainfall, floods, extreme heat, and droughts can result in construction site shutdowns, equipment damage, material loss, and project delays, thereby increasing project costs and risks. 4. In the future, potential carbon fees and carbon trading systems may increase operating costs. 5. As sustainability awareness grows, the market demands more energy-saving, high energy-efficiency, and low-carbon products or services. Our company's products align with market trends and help increase revenue. 6. The demand for green energy in the industry is rapidly increasing. Both the government and private sector are actively promoting solar power plants and energy storage systems. Our company is actively participating in this movement to boost profitability.
3	Describe the financial impact of extreme weather events and transformational actions on the company.	1. The Financial Supervisory Commission (FSC) requires disclosure of greenhouse gas emissions information for both parent and subsidiary companies starting from 2025. From 2027 onwards, the relevant information must be verified, leading to increased expenses for inventory and verification. 2. As the contract capacity of the Company's Cable Business Unit (Taoyuan Wires and Cables Plant) has reached 5,000 kW, it has planned to install self-use renewable energy equipment to comply with the Renewable Energy Act.
4	Explain how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	Tatung has incorporated climate-related risks into its "Risk Management Policy and Procedures." This framework includes risk identification, risk assessment, risk monitoring and response, and risk reporting and disclosure. The Board of Directors serves as the highest authority for risk management in the company. They are responsible for approving risk management policies and significant risk management systems, as well as overseeing their implementation to ensure the effective operation of the risk management mechanisms.
5	If using scenario analysis to assess resilience against climate change risks, it is essential to explain the	Tatung has not used scenario analysis to assess climate change risks.

	scenario, parameters, assumptions, analysis factors and main financial impacts.	
6	If there is a transformation plan to address climate-related risks, please describe the contents of the plan, as well as the indicators and goals used for identifying and managing physical risks and transition risks	Tatung has established a net zero emissions roadmap for the Group. For Scope 1 and Scope 2 emissions, the base year is set as 2024 (using the average emissions of 2023 and 2024 as the baseline). The target is to achieve a 30% reduction in carbon emissions by 2030, a 70% reduction by 2040, and net zero emissions by 2050. The Company will focus on energy efficiency, management of high GWP substances, innovation in energy generation, and the use of green energy as the main pillars for carbon reduction. Efforts will be directed towards continuous operation of the ISO 50001 energy management system, implementation of energy-saving projects, and reduction of high GWP substances in processes. Depending on the situation, the Company will install self-generated renewable energy equipment or purchase carbon credits.
7	If using an internal carbon pricing as a planning tool, the basis for price determination should be explained.	Tatung has not yet established an internal carbon pricing mechanism.
8	If climate-related goals are established, activities covered, GHG emission scopes, planning timeline, and annual progress should be described. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve the related goals, an explanation should be provided regarding the source and quantity of the carbon offsets or the number of RECs acquired for renewable energy usage.	Tatung has established a net zero emissions roadmap for the Group. For Scope 1 and Scope 2 emissions, the base year is set as 2024 (using the average emissions of 2023 and 2024 as the baseline). The target is to achieve a 30% reduction in carbon emissions by 2030, a 70% reduction by 2040, and net zero emissions by 2050. The reduction target for year 2025 has set to be 5% reduction compared to the base year.

1-1 GHG inventory and verification status for the recent two years

1-1-1 Information of GHG inventory

The parent entity should begin GHG inventory from 2023 (emissions for the year 2022), while subsidiaries included in the consolidated financial statements should start from 2025 (emissions for the year 2024). However, the subsidiaries have already completed the inventory of their 2023 greenhouse gas emissions in advance. The inventory process follows ISO 14064-1 or the Greenhouse Gas Protocol and adopts the operational control approach. The GHG emissions of the company and all subsidiaries in the consolidated financial statements over the past two years are detailed as follows:

Scope	Year	GHG emissions (tons CO ₂ e) for the year 2023	Intensity of GHG emissions (tons CO ₂ e/million dollars)	GHG emissions (tons CO ₂ e) for the year 2024	Intensity of GHG emissions (tons CO ₂ e /million dollars)
The Company	Scope 1 emissions	13,181.32		11,805.45	
	Scope 2 emissions	19,171.81		18,669.28	
	Sum	32,353.13		30,474.73	
The companies of the consolidated financial statements	Scope 1 emissions	12,606.09		11,117.95	
	Scope 2 emissions	91,821.56		68,824.33	
	Sum	104,427.65		79,942.28	
Total		136,780.78	2.72	110,417.01	2.33

Note: The subsidiaries completed the greenhouse gas inventory for 2023 at the end of 2024; therefore, the 2023 emissions and emission intensity data have been updated accordingly.

1-1-2 Information of verification

The parent entity should begin assurance of greenhouse gas (GHG) emissions from the year 2024 (emissions for the year 2023), while subsidiaries included in the consolidated financial statements should start from the year 2027 (emissions for the year 2026). The assurance status of the Company's GHG inventory for the past two years is detailed as follows:

two years is detailed as follows:

Verification scope		GHG emissions (tons CO ₂ e) for the year 2023	GHG emissions (tons CO ₂ e) for the year 2024
The Company	Scope 1 emissions	13,181.32	The verification of greenhouse gas emissions is scheduled to be conducted progressively in March and April of 2025, and the complete verification information will be disclosed in the sustainability report.
	Scope 2 emissions	19,171.81	
	Total	32,353.13	
	Percentage of the emissions disclosed in 1-1-1.	100%	
Verification institutes		SGS, DNV, TUV Rheinland, MIRDC	
Verification status		ISO 14064-3/ Reasonable assurance level	
Verification opinion		Unmodified (integrated opinion report issued by DNV)	

1-2 GHG reduction targets, strategies, and specific action plans

Describe the GHG emission amount of baseline year, GHG reduction targets, strategies, specific action plans, and the status of achieving reduction targets.

- Tatung has established a net zero emissions roadmap for the Group. For Scope 1 and Scope 2 emissions, the base year is set as 2024 (using the average emissions of 2023 and 2024 as the baseline). The target is to achieve a 30% reduction in carbon emissions by 2030, a 70% reduction by 2040, and net zero emissions by 2050.
- Base year emissions: 123,598.90 tons CO₂e.
- Strategies and Specific Action Plans: The Company will focus on energy efficiency, management of high GWP substances, innovation in energy generation, and the use of green energy as the main pillars for carbon reduction. Efforts will be directed towards continuous operation of the ISO 50001 energy management system, implementation of energy-saving projects, and reduction of GWP substances in processes. Depending on the situation, the Company will install self-generated renewable energy equipment or purchase carbon credits.
- The emission reduction target for 2025 is a 5% decrease from the baseline year.

8. Ethical Corporate Management and Deviations from “the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”

Evaluation Item	Implementation Status			Deviations from "The Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
1. Establishment of ethical corporate management policies and programs (1) Does the company establish the policy of honest management that has been approved by the board of directors and declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its board to implement the policies?	✓		The Company adopted and made public "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" approved by the Board at its official website, as well as the commitment from the board of directors and senior executive-level positions to implement the policies issued and announced internally the Company Rules and "Corporate Ethics Statement for Group Employees," and further requests its new colleagues to sign up the commitment of integrity & honesty. The Company continues to enhance core corporate philosophy – "Integrity, Honesty, Industry, and Frugality," and states that the employees are prohibited to perform malpractices or accept gifts of others in regarding to their jobs.	None
(2) Does the company establish a risk assessment mechanism against unethical conduct, analyze and assess business activities on a regular basis within their business scope which are at a higher risk of being involved in unethical conduct, and, accordingly, establish prevention programs in the scope stipulated in Paragraph II, Article VII of Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?	✓		The Company establishes rigorous and effective accounting system, internal control system, "Codes of Ethical Conduct," and "Regulations for Handling Whistleblowing Illegal Cases, and Unethical or Dishonest Conduct Cases" made public at its official website, to prevent bribery and acceptance of bribes, illegal campaign contributions, and dishonest conduct cases listed activities stated in Article 2, Paragraph 7 of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies. For external donations exceeding a certain amount, approval from the Board of Directors is required before execution. The audit department shall also monitor for any instances of bribery, corruption, or other improper benefits.	None
(3) Does the company establish appropriate precautions against high-potential unethical conducts or listed activities and clearly stipulate related procedures, behavioral guidelines, violation penalties, the grievance system, and their implementation in the prevention programs while regularly reviewing the afore-mentioned programs?	✓		To implement ethical corporate management policies and actively prevent unethical conducts, the Company adopts its management procedures, conduct guidelines, disciplinary, whistleblowing and appeal system for handling violations of the ethical corporate management rules in "Procedures for Ethical Management and Guidelines for Conduct," and "Regulations for Handling Whistleblowing Illegal Cases, and Unethical or Dishonest Conduct Cases" which are included in the employee performance appraisal system and human resource policies, and reviewed on a regular basis.	None
2. Fulfill operations integrity policy (1) Does the Company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		Upon establishing business relationships, the Company first evaluates the legality and the ethical corporate management principles of the suppliers, clients, and other trading counterparties in accordance with Article 17 of "Procedures for Ethical Management and Guidelines for Conduct". All suppliers are required to sign "Supplier Commitment Letter", which explicitly specifies that the products or services provided by it shall comply with the laws & regulations and international standards related to safety and environmental protection and its labor behavior shall comply with domestic and international laws, policies or regulations related to human rights and labor rights. The Supplier Commitment Letter is a necessary document for the establishment of the supplier's data. It will become a qualified supplier of the Company upon the completion of documentation. If the supplier violates the contents, the Company may terminate or cancel the contract or purchase order at any time, and simultaneously disqualify the supplier.	None
(2) Does the company establish an exclusively dedicated unit supervised by the Board to be in charge of corporate integrity and regularly (at least once a year) report to the board of directors about its honest management	✓		The Company has established a dedicated unit under the Board of Directors to promote corporate integrity management. This unit is equipped with sufficient resources and competent personnel to formulate integrity management policies, develop preventive measures, and oversee their implementation. The Human Resources Department is responsible for implementing integrity management policies, including revising the	None

Evaluation Item	Implementation Status			Deviations from "The Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
policies and prevention programs against unethical conduct as well as its monitoring their implementation?			Code of Integrity Management and serving as the reporting window for cases under the Regulations for Reporting Illegal, Unethical, or Dishonest Conduct. Meanwhile, the Legal Department is responsible for revising, executing, interpreting, and providing consultation on the Integrity Management Operating Procedures and Code of Conduct, as well as registering and documenting reported cases and supervising related operations. On December 16, 2024, the Company reported to the Board of Directors on the implementation of integrity management for the year 2024 (January 1 – December 31) and presented the work plan for the following year, which has been duly approved and filed. Throughout the year, all execution units have continuously conducted internal advocacy and training on integrity management-related topics. Additionally, internal management regulations have been reviewed and updated as necessary in accordance with legislative changes and regulatory announcements.	
(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	✓		As ruled in Article 11 of the "Procedures for Ethical Management and Guidelines for Conduct," the Company establishes the "Conflicts of Interests Prevention Clause" on Company Rules and the Rules Governing Procedure for Board of Directors Meetings and has stipulated and promulgated the "Internal Significant Information Processing Operational Procedures" for directors, managers and employees in order to avoid insider trading.	None
(4) Has the company established the effective systems for both accounting and internal control and assigned its internal audit unit to draw up pertaining audit plans in light of the results of unethical conduct risk assessment and, accordingly, audit how the prevention programs against unethical conduct have been observed or commission accountants to do the auditing?	✓		In accordance with Article 20 of the "Procedures for Ethical Management and Guidelines for Conduct," the company has established effective accounting and internal control systems for ensuring the implementation of policies. The Audit Division formulate annual audit plans based on the programs to prevent unethical conduct and the results of the risk assessment and report its audit report to the board of directors on a regular basis.	None
(5) Does the Company regularly hold internal and external educational trainings on operational integrity?	✓		The Company's training system is rooted in the entrepreneurial spirit of "Integrity, Sincerity, Diligence, and Frugality", extending further to incorporate "Integrity and Honesty" as a core competency for all Tatung employees. Based on these principles, the Company designs training programs for new employees, management development, and professional training, aiming to achieve sustainable operations through integrity-based management. This core value is prominently disclosed and emphasized on both internal and external websites. To reinforce the Company's integrity management policies, all new employees are required to sign the Tatung Employee Integrity, Ethics, and Confidentiality Commitment upon onboarding. Additionally, the Company continuously promotes relevant policies to all employees via its internal website, including the Code of Integrity Management, the Integrity Management Operating Procedures and Code of Conduct, and the Regulations for Reporting Illegal, Unethical, or Dishonest Conduct. These policies are also publicly disclosed on the Company's official website. The Company conducts educational training on topics related to integrity management and corporate governance. For example: On October 9, 2024, a 4-hour training session on Integrity Management Policy, focusing on the Government Procurement Act, auditing, and practical case analysis of procurement contract modifications, was attended by 25 participants. On October 25, 2024, a 3.5-hour training session on Integrity Management Policy was conducted, emphasizing compliance guidelines for employees in business operations. This Finance,	None

Evaluation Item	Implementation Status			Deviations from "The Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			Accounting, and Legal Practices Training for Business Personnel had 80 participants. For more details, please visit the Investor Relations – Corporate Governance Training section on the Company's website.	
3. Operation of the integrity channel (1) Does the Company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	✓		The Company establishes the "Regulations for Handling Whistleblowing Illegal Cases, and Unethical or Dishonest Conduct Cases" and a dedicated unit of processing employees' complaints for employees' feedback, found violations of lawlessness (including corruption), and reported unethical conducts.	None
(2) Does the company establish standard operating procedures for confidential reporting on investigating accusation cases, their follow-up measures after their investigations and their confidentiality protections?	✓		The Company establishes SOPs in Article 4 of the aforesaid regulations for confidential reporting on investigating accusation cases to maintain secrecy and inspects the reported contents as well as protects informants' rights and interests.	None
(3) Does the Company provide proper whistleblower protection?	✓		The Company has obligation to maintain secrecy of informants and properly protects informants.	None
4. Strengthening information disclosure (1) Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?	✓		The Company has disclosed on its website and the Market Observation Post System the ethical corporate management best practice principles and results of its implementation.	None
5. If the company has established the 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. The Company has promulgated the principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies." There is no major difference between the two.				
6. Other important information to facilitate a better understanding of the company's ethical corporate management policies (e.g., to review and amend its policies). (1) The Company's Ethical Corporate Management Best Practice Principles were established by the Board of Directors on November 12, 2014, and subsequently amended with Board approval on December 30, 2014, November 14, 2017, and December 21, 2021. (2) The Company always takes notice of the development of relevant local and international regulations concerning ethical corporate management to review and improve its ethical corporate management best practice principles and achieves better results from implementing the principles. (3) The Company complies with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/GTSM-listening rules, or other laws or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management.				

9. Other Important Information Regarding Corporate Governance:

- For information on Tatung's corporate governance, please refer to the Tatung website at <https://www.tatung.com>.
- The Subsidiary Company's facilitate understanding of corporate governance, please refer to the Subsidiary Company website.
- Material information is disclosed in a timely manner, and investor conferences are held regularly.
- The company upholds the principles of openness, transparency, and integrity, publishing a sustainability report annually to faithfully convey its communication with stakeholders and commitment to sustainability issues.

10. Execution of internal control system

(1) Internal control statement

Tatung Company Limited by Shares Internal Control System Statement	
	Date: March 04, 2025
The Company states the following with regard to its internal control system during fiscal year 2024, based on the findings of a self-assessment:	
I.	The Company is fully aware that establishing, operating and maintaining an internal control system are the responsibilities of its Board of Directors and management. The Company has established such a system to provide reasonable assurance of the effectiveness and efficiency of its operations (including profitability, performance and safeguarding of assets security), reliabilities, timeliness, transparency of reporting, and compliance with applicable laws and regulations.
II.	An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three goals mentioned above. Furthermore, the effectiveness of an internal control system may vary along with changes in the operating environment or circumstances. The Company's internal control system features a self-monitoring mechanism, however, and the Company takes corrective actions as soon as a deficiency is identified.
III.	The Company judges the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (hereinbelow, "the Regulations"). The internal control system judgment criteria adopted by the Regulations divide internal control into five key elements based on the process of management control: 1) control environment, 2) risk assessment, 3) control activities, 4) information and communications, and 5) monitoring activities, each of these elements in turn contains certain audit items. Please refer to the Regulations for details.
IV.	The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
V.	Based on the aforementioned audit findings, the Company believes that on December 31, 2024, its internal control system (including supervision of subsidiaries), as well as internal controls to monitor the attainment of its objectives concerning operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable laws and regulations were effective in design and operation and reasonably assured the achievement of the above-stated objectives.
VI.	This Statement will become a major part of the content of the Company's Annual Report and Prospectus, and will be publicized. Any falsehood, concealment, or other illegality in the publicized content will entail legal liability under Articles 20, 32, 171 and 174 of the Securities and Exchange Act.
VII.	This Statement has been unanimously approved by the 9 attending directors in the Board of Directors Meeting of the Company on March 04, 2025.
	Tatung Co., Ltd.
	Wkang-Hsiang Wang Chairman
	Bo-Yen Shen President
	<i>K. S. Wang</i>
	<i>Bo-Yen Shen</i>

(2) This statement is issued in accordance with the criteria for "Regulations Governing the Establishment of Internal Control Systems of Public Companies" promulgated by the Financial Supervisory Commission ("FSC").

(3) Where CPAs are retained to audit the internal control systems, please disclose the CPAs' audit report: None.

11. Major resolutions of the 2023 Shareholders' Meeting

Summary of major motions	Resolution	Subsequent development
1. Resolution on ratification of the 2023 Business Report and Financial Statements.	1,339,764,449(91.34%) shares in favor. Approved.	Approval of the company's 2023 annual business report and financial statements.
2. Resolution on ratification of the Distribution of 2023 Profits.	1,340,430,842 (91.38%) shares in favor. Approved.	Approval of the company's 2023 earnings distribution proposal.
3. Amendments on part of Articles of Incorporation.	1,269,128,310 (86.52%) shares in favor. Approved.	Implemented in accordance with the amended Articles of Incorporation.
4. Amendments on part of Procedures for Endorsement and Guarantee.	1,338,849,956 (91.27%) shares in favor. Approved.	Implemented in accordance with the amended Endorsement and Guarantee Procedures.
5. To release the directors (independent directors) and representative from the non-competition restrictions.	1,330,027,386 (90.67%) shares in favor. Approved.	Implemented in accordance with the resolution of the shareholders' meeting.

12. 2024 Major resolutions of the Board of Directors

Date	Important resolution
February 7,2024	(1)The disposal case of the real estate property in the "Huai Sheng Section, Da'an District, Taipei City," owned by the Company's subsidiary, Shan-Chih Asset Development Co., Ltd..
March 11,2024	(1)Proposal for the appointment of the Company's CPAs in 2024 and its fees.
	(2)Proposal for the distribution of remuneration of employees and remuneration of Directors of the Company in 2023.
	(3)The 2023 financial statements of the Company.
	(4)Proposal for the table of earning distribution of the Company in 2023.
	(5)The 2023 business report of the Company.
	(6)The company announced to obtained the right-to-use assets of the real estate Shan-Chih Asset Development Co., Ltd..
	(7)Total new endorsements/guarantees by Tatung Company for its subsidiary Tatung Company of Japan, Inc..
	(8)Partial amendments to the Company's Endorsement and Guarantee Implementation Rules.
	(9)The 2023 Statement of Internal Control System of the Company.
	(10) Proposal to lift the non-compete restrictions on the Company's directors (including independent directors) and their representatives.
	(11) Proposal for partial amendments to the Company's Articles of Incorporation.
	(12)Determine matters related to convening the company's 2024 regular shareholders' meeting.
	(13)The disposal case of the real estate property in the "Huai Sheng Section, Da'an District, Taipei City," owned by the Company's subsidiary, Shan-Chih Asset Development Co., Ltd..
May 15,2024	(1)Correction of the 2023 business report of the Company.
	(2)The 2024 Q1 consolidated financial statements of the Company.
	(3) The Company intends to increase its capital in cash to its subsidiary, Tatung Forever Energy Co., Ltd..
	(4) The Company intends to invest in the establishment of Tatung Sustainable Development Singapore Holdings Limited and its subsidiaries.
	(5)The Company's subsidiary, Shan-Chih Asset Development Co., Ltd., has signed a contract for the construction of the "New Construction Project of the 3 Liankai Buildings in the MRT Development Zone at the Liancheng Jinhe Station (LG07), Phase 1 of the Taipei Metropolitan Mass Rapid Transit System Wanda Line".
	(6) The company's managers' 2023 employee remuneration distribution plan.
June 19,2024	(1) The Company intends to increase its capital in cash to its subsidiary, Tatung Electric (Singapore) Pte. Ltd..
	(2) The Company originally planned to establish a new company, Tatung Sustainable Development Singapore Holdings Limited, and proposed to change the name to Tatung Information (Singapore) Pte. Ltd..
August 12,2024	(1)The 2024 Q2 consolidated financial statements of the Company.
	(2) The Company's proposal not to distribute dividends for the first half of 2024.
	(3) The Company's loan of funds to Tatung Integrated Services Co.,Ltd..
	(4) The Company intends to increase its shareholding in Tatung Integrated Services Co.,Ltd..
	(5)The Company intends to request its subsidiary Tatung Asset Development Company, and Sun's company Chih Sheng Realty Co., Ltd. resolutions to dispose of the assets.
September 26,2024	(1) Disposal of real estate owned by our subsidiaries, Tatung Asset Development Co., Ltd. and Chih Sheng Real Estate Co., Ltd., including 13 plots of land, including Lot No. 125, Section 1, Huaisheng Section, Da'an District, Taipei City.
November 5,2024	(1)The 2024 Q3 consolidated financial statements of the Company.
	(2)Proposal for the formulation of the drafted amendment to partial provisions of the Company's "internal control system" and "internal audit implementation rules".
	(3) The Company shall designate a director to oversee sustainable development and sustainable information management.
	(4)The Company's "Annual Audit Plan" for Internal Audit in 2025.
	(5)Total new endorsements/guarantees by Tatung Company for its subsidiary Tatung Company of Japan, Inc..
	(6) The appointment of the Company's new Chief Financial Officer.
December 16,2024	(1)The company's 2025 operating plan.
	(2) The Company acquired the right to use real estate assets from a related party.

Date	Important resolution
	(3)The Company's subsidiary, Tatung Forever Energy Co., Ltd., intends to increase its capital in cash to Cinzhi Power Co., Ltd..
	(4) Expansion plan for the Guanyin Plant of our Heavy Electrical Business Unit.

13. Major issues of record or written statements made by any director dissenting to important resolutions passed by the Board of Directors during 2023 and as of the date of this annual report: None.

(iv) Information on independent auditors

1. Information on CPA's fees

Unit NT\$ Thousand

Accounting firm	CPA's name	CPA's audit period	Audit fees	Non-audit fees	Total amount	Remark
KPMG	Chung-Che Chen	2024/01/01 ~ 2024/12/31	9,390	4,252	13,642	Non-audit fees items including : 1. Audit report of income tax \$550 thousands. 2. Consulting and service fee \$1,410 thousands. 3. Report preparation (Transfer pricing; documentation report) \$1,372 thousands. 4. Others \$920 thousands.
	Li-Chen Lai					

- The audit professional fees of replacing CPAs' firm within the current fiscal year less than that of the previous fiscal year should be disclosed. The disclosure items should include the reduction amount, percentage, and reason for the replacement: None.
- The audit professional fee within the current fiscal year that is 10% less than that of the previous fiscal year should be disclosed. The disclosure items should include the reduction amount, percentage, and reason: None.

(v) Information on change of independent auditors

- Regarding the former CPA: None.
- Regarding the successor CPA: None.

(vi) Information on the Company's chairman, president, financial or accounting managers holding positions in the auditor's firm or its affiliates within the previous year: None.

(vii) Change of shareholding by directors, manager, and major Shareholders

Unit: share

Title	Name	2023 (Since taking office as directors and managers)		As of 31 March 2024 (Since taking office as directors and managers)		Notes
		Increase (decrease) in shares held	Increase (decrease) in pledged shares	Increase (decrease) in shares held	Increase (decrease) in pledged shares	
Institutional Director	Gindon Investment Co.	-	-	-	+3,000,000	
Chairman	Representative of Gindon Investment Co.: Wkang-Hsiang Wang	-	+5,620,000	-	-	
Vice Chairman	Chun-Lung Wu		-10,000,000		-	
Director	Representative of Gindon Investment Co.: Da-Ho Yen	-	-	-	-	
Institutional Director	Xin Tong Investment Consultancy Co.	-	-	-	-	
Director	Representative of Xin Tong Investment Consultancy Co.: Ruey-Long Chen	-	-	-	-	
Director	Representative of Xin Tong Investment Consultancy Co.: Bao-Huei Huang	-	-	-	-	
Director	Sian-Hua Huang	-	-	-	-	
Independent Director	Ching-Lung Lee	-	-	-	-	
Independent Director	Cin-Jhih Wu	-	-	-	-	
Independent Director	Heng-Siang Wu	-	-	-	-	
President	Bo-Yen Shen	-	-	-	-	
Chief Strategy Officer	Erh-Kun Ting	-	-	-	-	
Vice President	Bei-Hong Lin	-	-	-	-	
Corporate Governance Officer	Pei-Chun Lu	-	-	-	-	
Financial Officer	Jui-Kai Chang	-	-	-	-	
Accounting Officer	Wei-Liang Chou	-	-	-	-	Newly appointed on March 4, 2025
Chief Financial Officer	Ye-sha Liu	-	-	-	-	Newly appointed on November 5, 2024 Resigned on December 31, 2024.
Accounting Officer	Yi-Ting Liao	-	-	-	-	Positions changed on March 4, 2025

Notes: 1. The Company has no major shareholders owning more than 10% of its total shares.

2. The counterparts of transfer or pledge of the Company's equity are not related parties.

(viii) Information on the top 10 shareholders who are related parties to each other.

Unit: share

Name	Shares held personally		Shares held by spouse and minor children		Total shares held in another person's name		Information on top 10 shareholders in proportion of shareholding and who are related to one another under their names and Relationship.		Remark
	Share(s)	Shareholding (%)	Share (s)	Shareholding (%)	Share (s)	Shareholding (%)	Name	Relationship	
San Ya Investment Co., Ltd. Representative: Ya-Fong Wang	169,860,000	7.26	N/A	N/A	0	0.00	N/A	N/A	None
	0	0.00	0	0.00	0	0.00	Wkang-Hsiang Wang Ya-Lin Wang	First degree relative Second degree relative	None
Rowda Capital Co., Representative: Ya-Lin Wang	114,290,000	4.89	N/A	N/A	0	0.00	N/A	N/A	None
	0	0.00	0	0.00	0	0.00	Wkang-Hsiang Wang Ya-Fong Wang	First degree relative Second degree relative	None
Elitegroup Computer Systems Co.,Ltd. Representative: Wkang-Hsiang Wang	87,823,375	3.75	N/A	N/A	0	0.00	N/A	N/A	None
	5,620,000	0.24	0	0.00	0	0.00	Ya-Lin Wang Ya-Fong Wang Tatung company	First degree relative First degree relative The chairman is the same person.	None
Chun-Lung Wu	82,000,000	3.50	0	0.00	0	0.00	None	None	None
Tatung Company Representative: Wkang-Hsiang Wang	75,500,000	3.23	N/A	N/A	0	0.00	N/A	N/A	None
	5,620,000	0.24	0	0.00	0	0.00	Ya-Lin Wang Ya-Fong Wang Elitegroup Computer Systems Co.,Ltd.	First degree relative First degree relative The chairman is the same person.	None
Tatung University Representative: Liang-De Li	75,013,047	3.21	N/A	N/A	0	0.00	N/A	N/A	None
	0	0.00	0	0.00	0	0.00	None	None	None
Wen-Yi Zheng	69,247,000	2.96	0	0.00	0	0.00	None	None	None
Xin-Tatung Investment Consulting Ltd Representative: JIA-JIA ZHENG	52,210,000	2.23	N/A	N/A	0	0.00	Jia-Jia Zheng	Representative	None
	41,936,000	1.79	0	0.00	0	0.00	Xin-Tatung Investment Consulting Ltd	Representative	None
Bei-chi Investment Co., Ltd. Representative: Hsiao-Jen Yeh	46,936,000	2.00	N/A	N/A	0	0.00	N/A	N/A	None
	0	0.00	0	0.00	0	0.00	None	None	None
Jia-Jia Zheng	41,936,000	1.79	0	0.00	0	0.00	Xin-Tatung Investment Consulting Ltd	Representative	None

Note: It is the information of the last transfer date (March 28, 2025) of the 2025 annual general meeting of shareholders.

(ix) Long-term investments ownership

Unit: share; %

Reinvested companies	Invested by the Company		Direct/indirect investment by the Company's directors, supervisors, and management		Total ownership	
	Shares	(%)	Shares	(%)	Shares	(%)
Tatung Semiconductor Company	5,915,137	61.75	803,382	8.39	6,718,519	70.14
Forward Electronics Co., Ltd.	31,635,411	22.60	9,003,678	6.43	40,639,089	29.03
Tatung System Technologies Inc.	38,386,499	43.35	537,623	0.61	38,924,122	43.95
Tatung Fine Chemicals Co.	41,943,319	54.05	-	-	41,943,319	54.05
Chih Sheng Investment Co., Ltd.	150,000,000	100.00	-	-	150,000,000	100.00
Shan Chih Investment Co., Ltd.	69,003,332	100.00	-	-	69,003,332	100.00
Chunghwa Electronics Development Co., Ltd.	316,573,662	100.00	-	-	316,573,662	100.00
Tatung Asset Development Company	590,000,000	100.00	-	-	590,000,000	100.00
Tatung Sustainability Venture Holdings (Singapore) Pte. Ltd.	86,049,842	100.00	-	-	86,049,842	100.00
Tatung Electric (Singapore) Pte. Ltd.	38,674,265	100.00	-	-	38,674,265	100.00
Tatung Company of Japan, Inc.	90,000	100.00	-	-	90,000	100.00
Tatung (Thailand) Co., Ltd.	110,999,998	99.99	1	-	110,999,999	99.99
Tatung Consumer Products (Taiwan) Co., Ltd.	50,100,000	100.00	-	-	50,100,000	100.00
Toes Opto-Mechatronics Co.	18,500,000	100.00	-	-	18,500,000	100.00
Tatung SM-Cyclo Co., Ltd.	3,675,000	49.00	-	-	3,675,000	49.00
Tatung Die Casting Co.	153,000	51.00	-	-	153,000	51.00
Tatung Medical & Healthcare Technologies Co., Ltd.	19,846,018	99.23	-	-	19,846,018	99.23
Tatung Electric Co. of America, Inc.	1,000,000	100.00	-	-	1,000,000	100.00
Elitegroup Computer Systems Co., Ltd.	271,214,904	48.66	180,000	0.03	271,394,904	48.69
Tatung Okuma Co., Ltd.	8,428,000	49.00	-	-	8,428,000	49.00
Kuender & Co., Ltd.	9,136,000	50.00	-	-	9,136,000	50.00
Hsieh Chih Industrial Library Publishing Co.	242	6.91	3,216	91.89	3,458	98.80
Tatung Forever Energy Co., Ltd.	600,000,000	100.00	-	-	600,000,000	100.00
Tatung Integrated Services Co., Ltd.	214,975,626	99.98	-	-	214,975,626	99.98
ChyunYao Digitalization Technology Inc.	25,000,000	100.00	-	-	25,000,000	100.00
Lansong International Co., Ltd.	-	98.33	-	-	-	98.33

Note 1 : The listed companies are equity-accounted investees of Tatung Company.

Note 2 : The book closure date of these company.

IV Financial Information

(i)Source of capital

1. Capitalization

As of March 31, 2025

Month / year	Par Value	Authorized capital		Paid-in capital		Remark		
		Share(s)	Amount (NT\$)	Share(s)	Amount (NT\$)	Sources of capital	Capital increase by assets other than cash	Others
February 2011	NT\$10	10,000,000,000	100,000,000,000	2,339,536,685	23,395,366,850	Conversion of shares by stock option NT\$8,545,000 Capital reduction. NT\$32,134,271,970	None	Official letter under Ching-Shou-Sheng-Tze No. 10001035060 dated February 22, 2011 of Ministry of Economic Affairs

2.Type of stock

As of March 31, 2025

Type of stock	Authorized capital			Remark
	Outstanding shares	Un-issued shares	Total	
Common stock	2,339,536,685 shares	7,660,463,315 shares	10,000,000,000 shares	Listed company's stock

3.Shelf registration: None.

(ii) Major shareholders (Top Ten Shareholder List)

As of March 28, 2025 (Note)

Name	Shares	Total shares owned	Ownership (%)
San Ya Investment Co., Ltd.		169,860,000	7.26%
Rowda Capital Co.		114,290,000	4.89%
Elitegroup Computer Systems Co.,Ltd.		87,823,375	3.75%
Chun-Lung Wu		82,000,000	3.51%
Tatung Company		75,500,000	3.23%
Tatung University		75,013,047	3.21%
Wen-Yi Zheng		69,247,000	2.96%
Xin-Tatung Investment Consulting Ltd.		52,210,000	2.23%
Bei-chi Investment Co., Ltd.		46,793,000	2.00%
Jia-Jia Zheng		41,936,000	1.79%

Note: It is the information of the last transfer date (March 28, 2025) of the 2025 annual general meeting of shareholders.

(iii) Dividend policy and implementation status

I. Dividend policy

- (1) If Tatung Company's annual financial report shows any earnings, the company must, first, in accordance with the laws, pay the tax, and balance former losses before setting aside 10 percent of such earnings as a legally required reserve.
Nevertheless, this requirement shall no longer apply once the legally reserve equals or exceeds the authorized capital amount.
- (2) The company must, according to the regulations, set aside or reverse special capital reserve together with initial undistributed earnings as the distributable accumulated earnings for the shareholders except legal reserve provision. The board of directors meeting shall draft a proposal for the shareholders meeting to make a final decision on the distribution of the earnings. The total amount of surplus distribution shall not be less than 60% of the cumulative distributable surplus. Ratios of stock dividend and cash dividend would depend on substantial profits in the current year and capitalization plans of Tatung Company. However, the ratio of cash dividend shall not be lower than 10% of the earnings distribution at that time.
- (3) The net increase in the fair value of investment properties and other net decreases in equity accumulated in previous periods should be recorded as a special reserve in the same amount as the previous period's undistributed earnings, and if there is still a shortfall, the same amount should be recorded in the current period's undistributed earnings other than the current period's net income after tax.
- (4) The Company may distribute its surplus earnings or set off losses of the preceding half fiscal year. The Company shall, at the end of half fiscal year, submit to the Audit Committee for reviewing the annual business report, the CPA audited financial statements, and the surplus earnings distribution or loss make-up proposal, and submit to the board of directors for a resolution. The proposal for stock dividend shall be submitted to the shareholders meeting for a resolution.
- (5) If the Company distributes all or part of dividends and bonuses, legal reserve, or capital reserve in the form of cash payments, the Board of Directors is authorized to pass a special resolution for this purpose and report the matter to the shareholders' meeting.

2. Implementation status

Please refer to the following table for the Statement of Proposal distribution of 2024 :

Express in New Taiwan dollar	
Items	Year 2024
The retained net profits at the beginning of the fiscal period	0
Add(minus) : 2024 net income after tax	14,477,366,178
Other comprehensive income	184,789,793
Reversal of special reserve	7,482,450,719
Difference between consideration and carrying amount of subsidiaries acquired or disposed	(2,912,955)
Reclassification of investment property to owner-occupied property	3,796,202
Disposal of investments in equity instruments designated at fair value through other comprehensive income	23,152
Adjusted undistributed earnings	22,145,513,089
Reduce :	
1. Legal reserve appropriated	(2,212,553,109)
2. Special reserve appropriated - Increase in fair value of investment real estate during the period	(612,552,913)
3. Special reserve appropriated - Make up for losses in previous years with special surplus reserve	(9,969,802,137)
Retained earnings available for distribution as of the end of 2024	9,350,604,930
Distribution Item	
Shareholder dividends - Cash dividends --(NT2.95 / share)	6,678,908,221
Undistributed earnings at the end of the period	2,671,696,709

Note : If there is a change in the number of common shares outstanding of the Company, resulting in a change in the cash distribution ratio to shareholders and the need for revision, the Chairman of the Board of Directors is authorized to make the adjustment.

(iv) Impact of stock dividend distribution on business performance and EPS: Not applicable.

(v)Employee and remuneration to directors

- (1) The percentage and scope of employee and remuneration to directors as contained in the Company's Articles of Incorporation.

Tatung Company has surplus earnings each year, the company shall set aside no less than 1 percent of them as remuneration for the employees and no more than 2 percent of them as remuneration for directors. However, if the company still has accumulated losses, such earnings shall be reserved for balancing the books.

As remuneration for the employees is distributed by stock dividend or cash, it shall need the concurrence of at least half of all the directors present at a board of directors meeting attended by at least two-thirds of the directors, and the decision must be announced in the shareholders meeting. Employees that receive remuneration by stock dividend or cash must meet specified criteria regulated by the company.

- (2) The basis for estimating the amount of employee and director compensation, the basis for calculating the number of shares to be distributed as stock bonuses, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period. Tatung Company shall set aside no less than one percent of such surplus earnings as employee and no more than 2 percent of them as remuneration for directors remuneration by Articles of Incorporation, The Board approved NT\$145,319 thousand for employee remuneration which to be paid in cash and NT\$145,319 thousand for directors ,for 2024. The amounts were designated based on the employee compensation and the director stipulation in the Company's articles of association. The remuneration distribution is an estimated basis and is presented as operating expenses for year ended December 31, 2024. If there is a difference between the actual distribution amount and the estimated amount in the next year, it will be treated according to the changes in accounting estimates, and the difference will be recognized as the profit and loss of the next year. There were no differences between the amounts approved in Board of Directors meeting and the amounts estimated in 2024 parent-company-only financial statements.

- (3) Employee and remuneration to directors distributed from earnings of the previous year:

a. The amount of any employee compensation distributed in cash or stocks and compensation for directors and supervisors. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed: For the year ended December 31, 2024, the employee remuneration of \$145,319 thousand and remuneration of directors of \$145,319 thousand were estimated on the basis of the percentage of employees and directors specified in the Company's Articles of Incorporation. There were no differences between the amounts approved in Board of Directors meeting and the amounts estimated in 2024 parent-company-only financial statements.

b. The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee compensation: None.

- (4) The actual distribution of employee and director compensation for the previous fiscal year (with an indication of the number, dollar amount, and stock price, of the shares distributed), and, the cause and treatment of discrepancy, if any, between the actual distribution and the recognized employee and director compensation:

Unit: NT\$

Distribution situation	2023			
	Proposed distribution passed by the Board of Directors	Actual distribution passed by the shareholders' meeting	Difference	Reasons for differences
Share remuneration for employees	0	0	0	No deviation
Cash remuneration for employees	16,213,828	16,213,828	0	No deviation
Director Remuneration	0	0	0	No deviation

(vi) Share buyback (Completed Share Buyback Program):**1. Share Repurchases by the Company (Completed)**

March 31, 2025

Repurchase no.	Third time
Purpose of repurchase	Protect company reputation and shareholder equity
Repurchase period	2025/01/08-2025/01/22
Repurchase price range (NT\$)	NT\$44.53 in average
Types and numbers of shares bought back	Common shares : 75,500,000 shares
Amount of shares bought back (NT\$)	NT\$3,362,327,473
Ratio of the number of shares already repurchased to the number of shares intended to be repurchased (%)	100%
The number of repurchased shares that have been cancelled or transferred	-
Accumulated number of the Company's shares held by the Company	75,500,000 shares
Ratio of the accumulated number of the Company's shares held by the Company to the total number of issued shares (%)	3.23%

2. Share Repurchases by the Company (In progress) : None.**(vii) Issuance of corporate bonds: None.****(viii) Issuance of preferred shares: None.****(ix) Issuance of global depository receipt: None.****(x) Status of employee stock option plan (ESOP): None.****(xi) Status of new restricted employee shares plan:**

(I) Status of new restricted employee shares plan: None.

(II) List of Executives Receiving New Restricted Employee Shares and the Top Ten Employees with New Restricted Employee Shares: None.

(xii) Status of new share issuance in connection with mergers and acquisitions: None.**(xiii) Financial plans and implementation:**

The company has not issued or privately placed securities that have not yet been completed or have been completed within the last three years and the planned benefits have not yet manifested.

V Operation Overview

I Business Scope, Market Overview, and Production & Sales Situation

For management purposes, the Group divides its business units by product and service into five reportable operating segments :

- (1) Electric power, system integration and new energy segment:
This segment develops, manufactures, and sells related components, intelligent grids, smart-grid portals, photovoltaics, motors, machinery, energy control, green investment and miscellaneous systems.
- (2) Electric Manufacturing services segment:
This segment develops, manufactures and sells electronic components, PC motherboards, desktop computers, notebook computers, systems and control adapters.
- (3) Consumer electronics segment:
This segment develops, manufactures and sells home appliances, digital electro-acoustic devices, digital media equipment, and digital audio-visual products, etc.
- (4) Real estate segment:
This segment is responsible for the management and development of real estate.
- (5) Other Business segment:
Those who are not in one of the above four segment and who report information that is not material or does not meet the quantitative thresholds. This segment includes investment, chemical departments, etc.

Tatung group revenue by segment for the year ended December 31, 2024 as below :

Unit: NT\$ Thousand

Category	Segment revenue	%
Electric power, system integration and new energy segment	\$ 23,002,595	48%
Electric Manufacturing services segment:	\$ 17,973,657	38%
Consumer electronics segment	\$ 4,833,569	10%
Real estate segment	\$ 1,380,045	3%
Other Business segments	\$ 287,166	1%
Total	\$ 47,477,032	100%

■ Heavy Electrical Equipment Business Unit

Business Activities

I. Business scope

(I) Main lines of business and sales breakdown

Category	Transformers	Switchgears	Intelligent maintenance	Power engineering
%	76%	12%	6%	6%

(II) Current products

1. Transformers

All kinds of power transformers, distribution transformers including Pad-Mounted type and pole-type, shunt reactors, transformer partial discharge diagnosis device and testing & certification services of transformers.

2. Switchgears

High and low voltage switchboards, control panels, 161kV & 23kV SF6 gas insulated switches (GIS), electronic fault indicators (EFI), lightning arresters.

3. Intelligent maintenance

Maintenance and replacement of transformers and switchgears.

4. Power engineering

Turnkey project for 161KV and 69KV renewable energy substations, and turnkey project for Taiwan Power Company's substation.

II. Technology and R&D

(I) Product development

Product	Specification	Expected time to hit the market (Year)
Transformers	Pole-type Transformer with improved design	2025
	Pad-mounted Transformer with improved Design	2025

(II) Research & development

As for transformer products, the Company is developing main power transformers with 500kV & ultrahigh capacity, high efficiency transformers for Solar system, smart design for switchgears and transformers.

III. Industry overview

(I) Current status and development

- The latest edition of the International Energy Agency (IEA)'s Electricity 2025 report forecasts that from now until 2027, global electricity demand will increase by an amount exceeding Japan's annual electricity consumption each year. This surge is primarily driven by strong growth in electricity use within industrial production, rising demand for air conditioning, accelerated electrification (particularly in the transportation sector), and the rapid expansion of data centers.

To achieve net-zero emissions goals and in response to events such as the Russia-Ukraine conflict and the global energy crisis, an increasing number of countries are actively developing renewable energy sources. However, renewable energy generation requires a certain period before it can start supplying power, and its inherent inability to freely adjust output according to demand remains a significant challenge. As a result, energy storage systems have emerged as a crucial solution.

- The Directorate-General of Budget, Accounting, and Statistics (DGBAS) released the latest economic growth data from the National Income Statistics Review Committee. According to preliminary statistics:

- Taiwan's Q4 2024 GDP growth rate was 2.90%.
- The Q3 growth rate was revised to 4.21%.
- The Q1 and Q2 growth rates were 6.64% and 4.89%, respectively.
- The annual GDP growth rate for 2024 was 4.59%.
- Per capita GDP reached \$33,983 USD.
- The Consumer Price Index (CPI) rose by 2.18%.

The heavy electrical industry is benefiting from Taiwan Power Company's (Taipower) initiatives, including the Power Grid Resilience Plan and Power Plant Expansion Projects. In addition, ongoing projects like the Offshore Wind Power Grid Enhancement Plan are expected to maintain stable demand for heavy electrical equipment. Furthermore, increased private sector investment in green energy industries is expected to drive sales of ground-mounted solar power systems, large-scale energy storage systems, and offshore wind power equipment.

- In October 2023, the U.S. Department of Energy (DOE) announced the Transmission System Facilitation Program, with construction expected to begin in Q1 2025 and expand further in the second half of 2026. This initiative aims to meet the required transmission capacity by 2030. Analysts predict that U.S. power grid construction will accelerate starting in Q1 2025.

(II) Relationship between the upstream, midstream, and downstream sectors of the industry

Upstream	Important components / parts, insulating material, switchgear components and raw material of metal.
Midstream	Design & manufacturing of the industrial appliance.
Downstream	Government and private enterprises.

(III) Product development trend and competition status

Taiwan Power Company urgently needs to stabilize the security of the entire power supply system in Taiwan, and will actively strengthen the power grid plan, update power plant equipment, and cooperate with the government to expand domestic demand. The equipment for substation can bring in orders for replacing old equipment. In addition, the Ministry of Economic Affairs is actively promoting the export of Turnkey, which will help domestic companies expand overseas engineering opportunities.

(IV) Important certifications



IV. Long-term and short-term business development plans

(I) Short-term plan

- (1) In response to the government's promotion of renewable energy policies and the issue of achieving net-zero emissions by 2050, Tatung aims to secure more orders for high-efficiency, energy-saving amorphous transformers for solar and energy storage projects, as well as increase the production capacity of transformers by adding winding equipment.
- (2) To utilize the newly built electric plant to upgrade the manufacturing ability and the production capability of power transformers to win over the orders of extra-high voltage and capacity of power transformers.
- (3) To Strengthen the organization of the power engineering department, in addition to competing for substation construction opportunities under Taiwan Power Company's resilience plan, can also compete for 161KV or 69KV booster station EPC projects for private solar and energy storage sites.

(II) Long-term plan

Using Taiwan as a product research and development base, Tatung will strengthen product innovation and quality improvement, and build a marketing network for heavy electrical products around the world. In particular, the infrastructure construction in the United States will bring huge business opportunities for transformers.

Market and product status

I. Market analysis

(I) Domestic market share and future supply and demand situation and growth in 2023

1. Market share of main heavy electrical products: transformers 35%, switches 10%.
2. Due to Taiwan Power Company's grid resilience plan, 28 new substations, including Da'an and Wanlong, will be established within 10 years, and 24 substations will be converted to "indoor" facilities, totaling 52 substations. The construction of new substations in the next two years includes the Qi-Gu, Jiang-Jun, Gao-Shu, Fu-He, and Yi-He substations, which will bring huge business opportunities to the heavy electric industry. With the government's promotion of renewable energy policies and the ground-based solar energy and large-scale energy storage projects, the government is negotiating substation turnkey strategies with private industry to provide complete services for transformers, GIS, switchgears, and power engineering.

(II) Favorable and unfavorable factors and countermeasures

1. Vision of Industrial Appliance SBU

In response to the trend of global environmental protection, we will continue to develop new products with high-efficiency, energy-saving, low noise level and meet RoHS-conscious to enhance its green product image.

2. Favorable factors

- (1) Tatung has an entire series of power products including the industrial appliance of generations, transmission and distribution, power cables, electric motors, energy storage system, solar power plant, etc.
- (2) Due to the government's policy of achieving net zero emissions by 2050 and the retirement of nuclear power, electricity prices are expected to continue to rise in the future. Tatung amorphous transformer has energy-saving benefits.
- (3) As Ministry of Economic Affairs promotes the export of Turnkey, we will expand the overseas market with government.

3. Unfavorable factors

- (1) With the price increase and shortage of raw materials, it is a key issue to think about how to obtain a stable source

of materials and pass on the rising costs to customers.

- (2) Due to Taiwan's non-membership in the International Customs Union, exports are affected by tariffs, which is not conducive to the expansion of overseas business.

4. Countermeasures

- (1) Technology Cooperates with overseas companies and expands the market with the partners together.
- (2) Setting up a power engineering department, integrate heavy power plant products, strive for 161KV or 69KV turnkey substation, and provide owners with complete services.

II. Purpose and manufacturing processes of main products

(I) Purpose

Transformers and switchgears are mainly used for the government's major infrastructure projects such as power plants, transmission, and distribution systems and for private enterprises projects such as factory constructions, building constructions, traditional mechanical & electrical manufacturing industries, etc.

(II) Manufacturing processes

Through the procurement system, raw materials and parts / components are purchased from well reputed local and overseas suppliers. Cost reduction and standardization of products have been developing continuously. Tatung industrial appliance products are widely and trustfully used by customers at home and abroad.

III. Procurement of major materials

(I) Items of major materials

Silicon steel, Copper wires, insulating oil, Bushing, insulating material, Mild steel, Tap Changers, Radiators, Circuit breakers and Protection relays.

(II) Major suppliers

- (1) Overseas suppliers: ABB, NGK, MR, JFE, Siemens, Kita Shiba, Toshiba, Hitachi Metal, Mitsubishi, etc.
 - (2) Domestic suppliers: China Steel Corporation, Yi Chiu Chemical & Technical Co., Ltd., Minchali Metal Industry Co., Ltd., Tatung Wire and Cable, etc.
- (III) The suppliers provide the materials with reasonable prices, good quality and appropriate delivery time. Through B2B procurement, it improves the ability of both strains.

■ Cable Business Unit

Business Content

I. Scope

(I) Product Line & Sales Proportion

Classification	Power Cable / Bus Duct	Communication Cable / Electronic Wire / Optical Fiber Cable
Ratio (%)	74%	26%

(II) Current Product Portfolio

1. Power Cable / Bus Duct

Power Cable : XLPE Cable (600V~161kV), PVC Cable, Rubber Cable (EPR / LHH / Neoprene) 、 Fire-Resistant/Heat-Resistant Cable, Low-Smoke & Zero-Halogen Cable, Solar Photovoltaic Cable

Bus Duct : Insulation type (IP66) and fire resistant type of power distribution system.

2. Communication Cable / Electronic Wire / Optical Fiber Cable

Communication Cable / Electronic Wire : Communication Cable, PV Cable, LAN Cable, RG Type, the high frequency Coaxial Cable which complies to standards as CNS or JIS

Optical Fiber Cable : ribbon slot optical cable (4-300 cores), bundle jelly-filled single mode optical cable (6-216 cores) 、 optical fiber patch cord & pigtail, single loose tube optical fiber cable, jelly-filled optical drop cable, bend-insensitive optical fiber cable, micro bundle optical cable, flat optical cable, corrugated steel tape armored optical cable

II. Technology and R&D

(I) Product Development

Classification	Description
Power Cable	345kV Ultra-High Voltage (UHV) Power Cable

III. Industry Overview

(I) Status and Development

1. Power Cable

(1) Wire & Cable:

Based on the expansion of factories driven by the return of manufacturing and the booming development of artificial intelligence (AI)-related industries, the 2023 edition of the "National Electricity Supply and Demand Report" released by the Energy Administration, Ministry of Economic Affairs estimates that the average annual growth rate of electricity demand from 2024 to 2028 will be increased from 2% to 2.5%, which is higher than the 1.6% in the past decade. The application of AI technology will cause electricity demand in 2028 to grow by 8 times compared with 2023. Taipower has been required to complete the project ahead of schedule in order to effectively cooperate with and implement the government's "Grid Resilience Strengthening Construction Plan" in the policy of stabilizing power supply. The mid-term goal (2022~2027) is to continue to invest NT\$170 billion to promote the decentralization and strengthening of the power grid, and to build a new 6-circuit transmission/distribution line to directly supply power to the 2 industrial parks. Simultaneously, NT\$33.4 billion is invested to promote the "Distribution System Upgrade Plan" from 2023 to 2027, which means the target of replacement of 802 kilometers of high-voltage power cable, which creates a boom in demand for cables.

In addition to the 25/69/161kV Cross Linked Polyethylene and PVC cables required for the "Offshore Wind Power Project" and "Power Plant Renewal and Expansion Project" that are being implemented simultaneously, there are also tenders for MRT, highway electromechanical projects, tunnel construction and the cases related to state owned enterprise - China Steel Corporation, CPC Corporation and Chunghwa Telecom. In addition, related tenders such as Hsinta Power Plant and new generating units of Taichung Power Plant are also regarded as potential business opportunities by TATUNG to be pursued in due course.

(2) Bus Duct:

The new construction & renewal of Chunghwa Telecom Internet Data Center (IDC), the large-scale construction and the expansion of factories.

2. Communication Cable

In line with the FTTH trend of multinational governments and the construction of domestic 5G mobile networks. Innovative applications such as artificial intelligence (AI), big data analysis, virtual reality (VR), augmented reality (AR) and even the Internet of Vehicles will increase the coverage of optical fiber cables and drive further demands. On the whole, in order to increase sales and profits, we are bound to do our best to win orders of based on LAN Cable as well as Optical Fiber Cable applied in fields of IDC and Access Networks from telecommunications companies such as Chunghwa Telecom, Taiwan Mobile and Far Eas Tone Telecommunications.

(II) Relevance of Upstream, Midstream and Downstream

Upstream	Supplier of raw materials such as plastic pellets, copper, aluminum, tin, optical fiber, steel wire, etc.
Midstream	Manufacturer of Wire and Cable
Downstream	Industries of electric power, electrical machinery, telecommunications, electronics, and automotive motors, etc.

(III) Product Development Trends & Competitive Situations

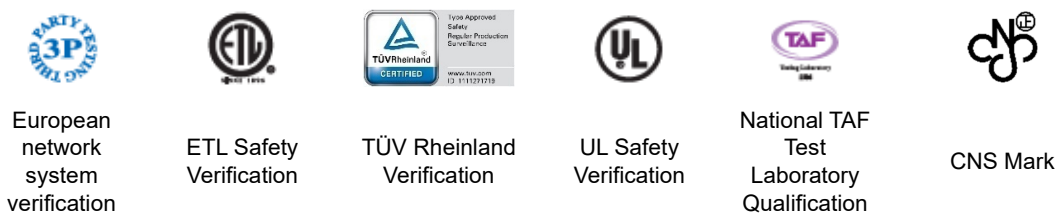
1. Power Cable

By increasing investment in equipment to achieve automation and intelligence. While the cable plant has significantly increased its production capacity, it has also continuously improved its technological processes to enhance quality and yield. In response to environmental protection trends, various flame-resistant, low-smoke & zero-halogen and other environmentally friendly cables have obtained certification. In terms of green energy, it develops cable products for solar power generation systems, which have also obtained certification in succession, and actively improves the manufacturing technology and quality assurance of the above products.

2. Communication Cable

The latest statistics from the NCC show that as of the end of 2024, the total number of 5G users has reached 10.165 million, and the 5G penetration rate has reached 34.2% domestically. Driven continuously by the "5G Network Construction Subsidy Plan" issued by the Ministry of Digital Affairs, the number of 5G base stations has reached 18,700 by the end of 2024. In order to strengthen 5G signal coverage and emergency backup, the target for 2025 is to reach 41,000 5G base stations. While each telecom operator also deploys base stations at its own expense, it also contributes to the demand for optical fiber cable based on main transmission & backup routing and various LAN Cable for telecom equipment rooms.

(IV) Main Certifications



IV. Business Development Plan for Long-term and Short-term

(I) Short-term

1. In addition to striving for orders from Chunghwa Telecom and Taipower, TATUNG is actively expanding the cable market in the sectors of major public construction and congregate housing in Taiwan. Furthermore, benefiting from the government's green energy policy, TATUNG has developed PV Cable that complies with EN 50618 and has earned TÜV Rheinland certification, which is able to bring support to the expansion of market share.
2. Formulating relevant strategies for cable distributors to establish sales networks as quickly as possible and increase brand visibility in the market.

(II) Long-term

1. Continuously purchasing new equipment, expanding production capacity, and phasing out outdated equipment to enhance product competitiveness, increase market share, and boost overall performance.
2. The optimization of product quality promotes the development of overseas markets; the active introduction of unique types for wire & cable creates product differentiation, thereby gaining competitive advantages in the future market.
3. Deep cultivation of sales channels for the wire & cable based on main specifications to increase the breadth and depth of customer base; paying close attention to market changes and trends so as to adjust sales strategies in a timely manner.

Overview of Market and Production & Sales

I. Market Analysis

(I) Domestic market share in 2024 and future supply, demand and growth

1. Domestic market share in 2024: According to the data released by the Department of Statistics, Ministry of Economic Affairs, TATUNG Wire & Cable has a market share of approximately 1.6%.
2. TATUNG Wire & Cable Plant will actively increase its market share and brand awareness through equipment upgrades and expansion of its distribution network.

(II) Advantages, disadvantages and countermeasures for development prospects

1. Power plant unit renewal projects in Hsieh-Ho, Linkou, Tung Hsiao, Datan and Hsinta from Taipower, public projects such as MRT construction and engineering projects of private owners are basic sources of profit.
2. Advantages: Chunghwa Telecom continues to expand its network layout, including the construction of 5G Network, which keeps accelerating the coverage of rural areas and outlying islands. The constructions of 5G Network in Wuqiu, Kinmen County and Gaodeng Island, Lianjiang County have been completed one after another. Chunghwa Telecom

stated that in response to the advent of the AI era, in addition to continuing to develop advanced connections (optical fiber, Low Earth Orbit Satellite, 5G/6G, IOWN), generative artificial intelligence (GAI), and Quantum Technology (quantum communication, post-quantum cryptography), the Chunghwa team has adopted "Chunghwa AI Ignites the Future" as its new vision to accelerate the development of various emerging intelligent applications and R&D, and lead the way in the AI field and its applications.

Annual demand for 69 and 161 kV Power Cable for configuration of power grid from new onshore substations which is planned by offshore wind power system cooperated by Taipower and government. In addition to the annual demand for 69 and 161 kV Power Cable for configuration of power grid from new onshore substations which is planned by offshore wind power system cooperated by Taipower and government, there is stable demand from the unit renewal projects of power plants related to Taipower, the public construction like MRT engineering and private buildings.

3. Disadvantages: The LAN Cable market is also expected to be caught in a price war in 2025. The uncertainty of the market economy has led to extremely fierce price competition among peers in cases such as "congregate housing/factory/public construction".
4. Countermeasures: Since competition in the civilian market for wire & cable is extremely fierce and delivery time is short, a complete distribution system must be established to meet market demand. Therefore, by 2025, TATUNG Wire & Cable Plant will gradually complete the cable distribution system in order to improve brand visibility and boost sales.

II. Major Purpose and Manufacturing Process of Main Products

(I) Power Cable

1. Major Purpose: Diverse types of Power Cable with voltages from 600V to 161kV are delivered to Taiwan Power Company, military, and public & private institutions and exported to all over the world.
2. Manufacturing Process: copper rod → drawing → stranding → insulation extrusion → wrapping → sheath extrusion → finished product test → packaging → delivery

(II) Communication Cable

1. Major Purpose: Wireless communication based on satellite, long-distance calling, electronic gadgets for voice and data communication, connection of electronic components, signal transmission, power supply, local area network, broadband for transmission of high-frequency information and Long-distance & large-capacity transmission.
2. Manufacturing Process: Drawing → insulation → stranding → sheath extrusion → inspection → packaging → delivery

III. Procurement of Key Materials

(I) Power Cable

1. Raw Materials: Copper, Cross-Linked Polyethylene Compound, Rubber, PVC Compound, Low Smoke & Halogen-Free Compound, etc.
2. Main Sources of Supply: Overseas and domestic suppliers.

(II) Communication Cable

1. Raw Materials: Copper Wire, Polyethylene Compound、PVC Compound、Low Smoke & Halogen-Free Compound, Jelly Compound, Optical Fiber, etc.
2. Main Sources of Supply : Overseas and domestic suppliers.

IV. Development Strategy

1. In response to the ESG trend globally, all products made by TATUNG Wire & Cable carries on the development in the right direction of lead-free, cadmium-free, low-smoke and halogen-free.
2. TATUNG Wire & Cable fully cooperates with Taipower's Grid Resilience Strengthening Construction Plan, which means to meet the demands of Power Cable required by the planned new and expanded transmission/distribution lines.
3. In response to the market demand for 5G, cable plant invests in new equipment to facilitate the development of high-end LAN Cable and actively expands our customer base abroad.
4. Development of 345kV Ultra-High-Voltage Power Cable as well as plan for the laboratory construction of quality control unit.
5. In response to the global promotion and popularization of green energy, the active development of PV Cable is the top priority.
6. It is expected that the establishment of a distribution system for wire & cable in the market should promote the brand awareness of TATUNG and further increase its market share.

■ Motor Business Unit

Business Activities

I. Business scope

(I) Main category and sales breakdown

Category	LV motors	MV and HV motors	Generators	EV (including driver)	Other products
%	53.2%	29.3%	15.9%	1.1%	0.5%

(II) Current Product Items

1. Motor Category

With more than 70 years of technology and experience, Motor BU researches and produces all kinds of energy saving high-efficiency, single and three phase high-low-voltage motor from 1/8~50,000 HP, including a variety of special motors and applications such as premium efficiency motors, electric vehicle traction motor(EVTM) and driver, high temperature resistant motors, explosion proof motors, automatic brush lifting device equipped in wound rotor motor, vertical high thrust pump motors, gear reducer, inverter motors, aluminum frame motors, brake motors, oil well pump motors, water pump motors, immersible pump motors, built-in type spindle motors, rolling mill motors, elevator motors, crane motors, permanent magnet motors, reluctance motors, railway traction motors, inverters, control panels etc., as well as provides total solutions for electrical testing equipment and power plant equipment system engineering projects to serve a variety of industries.

2. Generators

Diesel generator set for land and marine usages, hydroelectric generator, Motor Generator set (M-G set) for special purpose.

3. EV Motors: Electric vehicle (EV) motors and drives, etc.

4. Other Product Categories: Various castings, etc.

II. Technical and R & D Overview

(I) Product development

To cope with the increasing awareness of green energy and the development of industrial 4.0. The focus will be on less energy consumed material and less material usage of new product design concept to integrate with servo; smart function aided to attain Smart Auto development which could be adapted to industrial zone safety environmental monitoring system which related with petrochemical industry; power station etc., of our explosion proof motors. Electric vehicle motor with controller which manage to electrify for the diesel and gasoline combustion engines for energy saving and reducing carbon emission. Larger output rating; higher efficiency; low noise and low vibration level are our developing target for our high voltage motors with competitive sharp edge.

Product Category	Development Content
Energy Conservation and Carbon Reduction	High - efficiency motors, EV power systems, hydro - generators
Industrial Development, Industrial Safety, and Customized Applications	Explosion-proof motors, large synchronous motors, large wound rotor motors
Industry 4.0 Intelligent Automation	Automation equipment, precision machinery, servo motors + drive controllers, intelligent automation

III. Industry overview

(I) Current status and development

With global inflation slowing down, more accommodative monetary policies will help global economic and trade. However, with the conclusion of the U.S. election in last November, policy uncertainty will increase, adding uncertainty to the global economy. According to the DGBAS(Taiwan), the global economic growth rate is 2.7%, and Taiwan's rate is 4.27%.

Looking to 2025, with the slowdown of inflation in various countries, which will favorably boost demand, and the steady growth of the global economy, according to S&P Global, a source of data from the DGBAS, the global economic growth rate is forecasted to be 2.8%, and the domestic economic growth rate is revised downward from 4.27% to 3.29%. With the global trend of net-zero transformation, the market demand for energy-saving motors is expected to continue to rise in line with the development of energy efficiency standards (MEPS) in various countries, which will lead to scale growth in next few years.

The global industrial motor market will grow from USD 29,421 million in 2024 to USD 36,274 million in 2029, at a CAGR of 4.28%. Rapid industrialization, investment in new innovations, and expansion of manufacturing facilities in key industries are driving the demand for industrial motors. In addition, the growing focus on Industry 4.0 will stimulate demand for industrial motors. Increasing focus on energy efficiency by governments around the world and resulting stringent regulations are leading to increasing adoption of energy efficient industrial motors, which will drive the growth of the industrial motors market.

In 2024, the global electric vehicle market will grow at a slower pace and reach a total of 17.1 million units. Looking ahead

to 2025, despite the slowdown in growth in China, new emission targets in Europe, and changes in EV policy under the Trump government in U.S., it is estimated that EV sales will have a chance to reach 20 million units.

(II) The Correlation of the Upstream, Midstream, and Downstream of the Industry

Upstream	Important parts, insulation materials, metal raw materials, castings, power distribution equipment.
Midstream	Motor product design and manufacturing. B2B systems, SAP systems, PLM systems, IoT applications.
Downstream	Governments and private business. (Power plants, steel mills, petrochemical, mining, water treatment, ships, cement, paper, transportation, resource recycling, printing, refrigeration, rubber, machinery, gas, wood, food processing, generators, systems, etc.)

(III) Product Development Trends and Competition Situation

1. Product Development Trends

Energy conservation and environmental protection, high - end equipment manufacturing, the popularization of new energy - saving and carbon - reducing products (such as the injection - molding industry and electric vehicles), new materials, new energy vehicles, and the integration of intelligent automation remain the core values generally pursued in recent years. For the new stage of EV electric vehicles, motor manufacturers still focus on niche of bigger power. The achievements have expanded from the 250kW power system for urban electric buses (including electric motors and drives) to the 330kW power system for inter - city electric buses, which was leadingly developed and completed in 2023.

2. Competition Situation

Competitors are strengthening the commercialization of business opportunities and market development in this area. Our company further increases investment in innovation and research, seeks cooperation in development technology sources, and looks for global material sources to develop and promote products earlier.

(IV) Important Certifications



IV. Long - and Short - Term Business Development Plans

(I) Short - Term Business Development Plan

We plan to continuously promote the developed products (such as IE4 motors) and layout large-scale special projects and service and repair projects for domestic and foreign market. After continuous investment in the development of IE4 motors, electric bus power systems, etc., results have been gradually achieved, which will make up for the phased - out products and contribute to future revenue and profits.

For domestic sales, we position ourselves in the domestic medium - and large - scale high - and low - voltage motor market and fully deploy in large - scale petrochemical plants, refineries, steel mills, paper mills, and large - scale public projects. We take service and repair as the foundation and strategically layout in large - scale industries to seize various opportunities.

For foreign sales, we cooperate with large system development companies to seize the opportunities of large - scale projects and actively promote IE4 high - efficiency motors worldwide.

(II) Long-term plan

We will integrate global production resources, strengthen the foundation of manufacturing cost competitiveness, improve process capabilities, enhance production management, ensure product quality, reduce operating costs, and establish a global marketing network for motor products.

Market and Production - Sales Overview

I. Market Analysis

(I) Domestic and Foreign Market Share in 2024 and Future market situation and growth potential:

Referring to the data publicly disclosed by the Energy Administration, Ministry of Economic Affairs, R.O.C. and the eight major domestic competition companies, collecting daily market information and historical data, we estimate that the domestic market share of motors and generators is about 25%.

(II) Favorable and Unfavorable Factors for the Development Vision and Coping Strategies

1. Vision Planning of the Motor Business Unit

Motors are the engines to drive industrial production. After continuous economic growth, major countries have strengthened their strategic actions in cross - border trade. This has improved the productivity of the entire industry and had a positive impact on the demand for major machinery such as industrial motors. Plans such as "Industry 4.0" will stimulate the demand for industrial motors and drive the growth of the industrial motor market. High - efficiency industrial

motors can reduce carbon emissions, and the preference for electric motors, in particular, will also grow.

In response to the global energy - saving and environmental - protection trend, motor products will continuously research and develop ultra - high - efficiency, automated production, intelligent application, and electric - vehicle - related products, and develop more new products that meet RoHS and REACH standards to enhance the green corporate image.

2. Favorable Factors

Compared with competitors, we have a stronger customization ability and are more competitive in large - scale and special motors (synchronous motors, wound - rotor motors, explosion - proof motors, etc.) and their extended products. Motor designers break through technical bottlenecks to accept orders and develop products that meet customer requirements, thereby increasing performance and profits. We strengthen product quality, delivery time, and service, demonstrate flexibility, and use these advantages to differentiate our products from competitors, take the high - value - added product route, new customers, and new business opportunities.

3. Unfavorable Factors

The International Energy Agency (IEA) points out that the proportion of motor - driven systems in global electricity consumption has increased from 46% in 2011 to 53% in 2021, and about 40% of the energy consumption of industrial motors globally is subject to mandatory regulations. In this regard, the European Union took the lead in implementing the IE4 mandatory energy - efficiency standard for motors above 75kW (100 horsepower) in July 2023, and the Taiwan government also announced that it will follow suit in July 2025. With the global net - zero emission trend, the energy - use efficiency of motors will become a key factor in market demand and revenue growth.

In terms of the overall economy, the Taiwan market is becoming saturated. Domestic and foreign brands and machinery manufacturers are cutting prices to grab orders, and the price requirements are becoming increasingly strict. Major international motor manufacturers expand their scale through merger and acquisition and adopt system sales or engineering - solution sales models. The technical threshold for small motors is low, and local small and medium - sized manufacturers in various countries have manufacturing capabilities. In Asian, there is also pressure from low - price dumping from China competitors.

4. Coping Strategies

- (1) Enhance automation applications
- (2) Develop Intelligent Motor Solutions
- (3) Incorporating the concept of circular economy into our products
- (4) Cooperate with other industries to expand the market.

5. Competitive Advantage:

Our company comprehensively considers the domestic and foreign political and economic situations. The global supply chain pattern is being reshaped, and new regional manufacturing centers are taking shape. Affected by the US - China technology war, geopolitical tensions, and continuous regional military conflicts, the security, resilience, and flexibility of the supply chain have become prominent topics. Near - shore outsourcing and friend - shore outsourcing policies are reshaping the global supply chain pattern. This has led foreign investors to shift their direct investment to geopolitical allies. India, Vietnam, Thailand, and Mexico have become new manufacturing centers. The Motor Business Unit continuously maintains market sensitivity, has excellent and solid R & D technical talents, customization capabilities, experienced maintenance service capabilities, alternative sources of key components to diversify risks, sales strongholds in important global markets, and a sustainable supply of talents, laying the most important competitive foundation and enhancing international market competitiveness.

Motors have transformed from being seemingly niche to becoming intelligent. With the increasing demand for global energy - saving and carbon - reduction, the integration of intelligent networking systems and drive - equipment networking systems, and the fact that motors play a key role in the three - electric system of electric vehicles, the demand for high - efficiency energy - saving and intelligent motors will only become more urgent in the future. This demand will also trigger new technological transformations and bring more new business opportunities.

II. Important Uses of Main Products

Motor products are mainly used in power plants, power transmission and distribution systems, private enterprise factory - building projects, the construction industry, etc. Small and medium - sized motors are mainly used in various machinery industries, water pumps, liquid pumps, fans, air compressors, refrigerant compressors, elevators, forklifts, cranes, hoists, electric vehicles. Large - sized motors are mainly used in power plants, cement, paper - making, chemical industries, and various industrial equipment.

III. Supply Situation of Main Raw Materials

(I) Main Materials Used in Motors

1. Magnetic and Conductive Materials: Silicon steel sheets, copper wires, insulation materials, permanent magnets.
2. Motor Parts: Cast iron, iron plates.
3. Motor Peripherals: Control electronics and peripheral equipment, various temperature - control accessories.

(II) In response to the continuous increase in raw material prices and the increasingly strict environmental protection regulations in China, we strengthen the search for and cultivation of supply sources in other regions to stabilize the supply.

■ Smart Meter Business Unit

Business Activities

I. Business scope

(I) Main lines of business and sales breakdown

Category	Domestic Sales	Oversea Sales
%	81.6%	18.4%

(II) Current products

1. Smart Meter: The Advanced Metering Infrastructure (AMI) consists of mainly of the smart meter, two-way communication network and the Meter Data Management System (MDMS). It is equipped with communication capabilities and provides real-time monitoring of various incidents, such as power outages and thefts of electricity.
2. Energy Management System: The energy management system collects electricity consumption information through smart meters. Analyze, diagnose, and record energy data to identify possible energy consuming equipment. Enable users to grasp energy information in all directions in real time. Energy management and demand control achieve the purpose of energy saving.

II. Technology and R&D

(I) Product development

Tatung is dedicated to the development and integration of smart metering technologies, with in-house solutions that comply with CNS, ANSI, IEC, MID, and JIS standards. Our offerings include advanced meter reading software and core expertise in power measurement, energy monitoring, communication protocols, and data management systems.

(II) Research & development

Domestic smart meter research and development in line with the national smart grid promoting schedule and continue to deliver power company with fast and excellent production and stable quality. Common weather-resistant meters in overseas markets have obtained JIS certification and Japanese power companies have type recognition. Additionally, we have actively expanded into the ASEAN region, acquiring TISI and SIRIM certifications. Tatung is now a qualified smart meter supplier for power companies in Japan, Thailand, and Malaysia.

III. Industry overview

(I) Current status and development

1. Taipower started to roll out new modular meter in 2017, with the goal of installing 6 million units nationwide by 2030 and achieving full smart meter replacement by 2035.
2. In Japan, the government is scheduled to introduce second-generation smart meter deployment from 2025 to 2035.
3. In Southeast Asia, the peak period of AMI deployment is 2025-2035, Tatung continues to deepen its presence in the smart meter markets of countries such as Thailand and Malaysia through close collaboration with local distributors.

(II) Product development trend and competition status

1. Tatung has the ability of integrating the systems of smart meter infrastructure and integrating different communication technologies to develop smart meter application functions to meet customer's needs and improve system performance.
2. In response to the needs of international markets, Tatung developed smart meters that comply with international standards, such as ANSI, IEC, JIS and other international standards. Tatung has set up meter factories in Taiwan and Thailand to strengthen the supply and competitiveness in the international market.

(III) Important certifications



IV. Long-term and short-term business development plans

1. Research and develop in various types of meters with international standards certification.
2. Strengthen the relationship with main customers, build effective retail channel for domestic market, and develop overseas markets.
3. Strengthen and enhance the R&D capabilities of smart meter, meet customer needs, strategic alliances with foreign well-known companies, participate in domestic and international smart meter system project.

Market and product status

I. Market analysis

(I) Domestic market

1. In line with Taipower's AMI infrastructure deployment plan, the goal is to install 6 million smart meters nationwide by 2030, with full smart meter coverage across Taiwan by 2035. That is, the number of smart meters must reach at least 15 million households.
2. Taipower completed the full deployment of smart meters for high-voltage users between 2008 and 2013. These

meters have now gradually entered the replacement cycle, marking the beginning of a new phase in infrastructure renewal.

3. Facing the global wave of net zero emissions, the manufacturing industry is accelerating its digital transformation towards a smart factory. Install smart meters to collect data in the process from raw materials to manufacturing, calculate carbon footprint, find out the most power-consuming area of production lines or machines in the factory, detect the health status of machines, and maintain equipment in advance.

(II) Overseas market

1. The scale of the 10 ASEAN countries (area, population) and the overall economy (GDP, per capita GDP) varies greatly. In terms of the size of the electricity market, the top five in electricity consumption are Indonesia, Thailand, Vietnam, Malaysia, and the Philippines.
2. The new southbound policy encourages industry players to cultivate in the Southeast Asian market, and lists 6 countries including Indonesia, Thailand, Malaysia, Vietnam, the Philippines, and India as key cooperation countries. All of them are members of the ASEAN except India.
3. Taiwan's power industry chain is mature, and with the government's industry promotion actions and marketing resources, there is strong potential to expand business opportunities in the power sector across Southeast Asia.

II. Purpose and manufacturing processes of main products

1. Smart meters can be roughly divided into two categories: low voltage and high voltage. Low voltage is mainly used by ordinary households; high voltage is mainly used by users with higher electricity consumption, such as commercial buildings and factories.
2. The infrastructure of smart meters is composed of smart meters, communication systems, and meter data management systems. It is the most important construction for achieving the goals of smart grids.
3. Smart meters are different from traditional meters in that they have a communication function that allows the power company to communicate with the meter in dual directions. In addition to replacing manual meter reading, it can meet user needs in a timely manner through electricity consumption forecasting and analysis, and through data monitoring and analysis, the optimal use of energy can be achieved.

III. Supply Overview

1. Materials are manufactured either in-house or from qualified domestic or international suppliers to ensure product stability and reliability.
2. In response to the rise of raw material cost and more stringent environmental protection will strengthen the research and development of potential sources in other regions of the world to stabilize and balance sources of supply.
3. To assure product quality and delivery, Tatung has long term partnership with raw material vendors for timely supplies.

■ Commercial Air Conditioner Business Unit

Business Activities

I. Business scope

(I) Main lines of business and sales breakdown

Category	Commercial Air Conditioners
%	100%

(II) Current products

1. Air conditioners: Commercial package air conditioners, Data Center Air conditioners, Constant temperature and humidity package air conditioners, Central air conditioners(Chiller, Brine Chiller, Heat Recovery), Heat pump (Air source heat pump, Water source heat pump, Multi Source Heat Pump, High temperature heat pump,) Commercial dehumidifiers, Condensing Unit, Fan coil unit, Air handling unit.

II. Technology and R&D

(I) Product development

1. Commercial package unit: Fixed speed Products under 7.1kw achieve National Energy Efficiency Regulation. DC Inverter package unit under 7.1kW exceed Y2025 Energy Efficiency Rating "Class 1". DC Inverter compressor and fan motor fulfill Taiwan multiple voltage and oversea 50Hz demand which also reduce the material preparation and production lead-time. Fan module under 20TR implemented with direct drive solution can reduce operation noise and maintenance expense.
2. Chiller: All product line-up achieve National Energy Efficiency Regulation. Develop inverter and smart control to improve IPLV efficiency and integrate Building Energy Management Systems (BEMS) to optimize the energy saving and carbon reduction.

Product	Development Content
Package Unit Air Conditioner	1. Cooling Capacity under 71.0 kw : Compliant with National Energy Efficiency Standard. DC inverter Package unit conform to "Class 1" and award energy efficiency mark. 2. EC Motor Application : Adjust static pressure (EPS) for different ducting length, direct drive impeller can reduce transmission loss and maintenance cost. 3. Inverter constant temperature and humidity Air Conditioner : Intelligent control of stable temperature and humidity can improve 40% of the power consumption comparing with traditional fix speed compressor energy consumption of temperature and humidity adjustment.
Chiller	1. Implement screw compressor with PM motor, exceeding national energy efficiency "Class 1". 2. Air cooled Chiller with DC motor can reduce power consumption from heat dissipation and achieve "Class 1" rating. All serial models is No.1 among all national manufacturers. 3. Hermetic DC compressor Intelligent control can provide precision inlet/outlet water temperature control and improve IPLV efficiency which also can integrate with energy management system to achieve optimization operation with energy efficiency and carbon reduction.

III. Industry overview

(I) Current status and development

1. Continually improve energy efficiency and strengthen energy saving and carbon emission reduction for future products
2. Strive for ESG business opportunity, and provide integrated total solution to fulfill energy saving and carbon emission reduction.
3. Component standardization and innovation to improve manufacturing cost and market competition.

(II) Important certifications



TAF



Taiwan CNS

Chiller
CertificationEnergy Efficiency
Certification



Taiwan Excellence



ISO9001



ISO14001



Compliance
with Bureau
of Standards,
Metrology &
Inspection in Taiwan

Market and product status

I. Market analysis

(I) Domestic market

Commercial air conditioner market in Taiwan in 2024 is NT\$3,200M for Central Air Conditioner, NT\$2,200M for Package unit.

(II) Overseas market

ASEAN is the major market in 2024 for commercial air conditioner especially for Thailand and Vietnam 、Philippines.

(III) Future demand and growth potential

The expected growth rate will be more than about 15% in 2025. In addition to cultivating Taiwan market, Tatung will continue to develop overseas markets in ASEAN countries.

(IV) Competitive niches

1. Good brand reputation, perfect logistics system, fast and excellent service network.
2. In house design and production with stable and reliable quality.
3. Excellent R&D design capability.

(V) Favorable / unfavorable factors and countermeasures

1. Favorable factors: With the sign of improving economy, ESG implementation, and new replacement trend, there will be great potential for business opportunity growth.
2. Unfavorable factors: Price competition in the market is fierce. As commercial air conditioner is a high-energy-consuming products which consume about 40% of total electricity, we are facing severe challenge of high energy efficiency products development.
3. Countermeasures: Efficient human resource planning, strengthening R&D and production capabilities, providing innovative and differentiate products to expand sales demand. Cooperate with large wholesalers to increase sales.

(VI) Mission, core values, and vision

1. Mission: Provide high efficiency product and technology to fulfill market demand of carbon emission reduction.
2. Core values: Innovation, quality, and service.
3. Vision: To become consumer's best choice by one-stop-shopping of integration application and service.

II. Purpose and manufacturing processes of main products

(I) Purpose

Tatung offers comfortable, energy saving and environmental-friendly air conditioner to shopping mall 、hospital 、factory 、education and etc. Institute with human comfort and stable temperature/humidity for higher manufacturing process yield rate.

(II) Production processes

We provide complete services and products from R&D, design, manufacturing, testing, warehousing to transportation, etc. with technicians and owners, project planning and construction together.

III. Supply of main raw materials

Main raw materials are purchased from and supplied by reputable overseas or domestic vendors. Tatung established steady supply-demand relationship with them to ensure product stability and, through the ERP system, to further lower its inventories and material costs.

■ Appliance Manufacture Business Unit

Business Activities

I. Business scope

(I) Main lines of business and sales breakdown

Category	Multifunctional cookers	hot pot/ kettles	electric fans
%	97.5%	2.0%	0.5%

(II) Current products

1. Household appliances: electric fans.
2. Kitchen appliances: multi-functional cookers, hot pot, electric kettles

II. Technology and R&D

(I) Product development

1. Kitchen appliances, Household appliances: Focusing on energy saving, environmental protection, simplicity and elegance, we develop multi-functional and refined series of products.

III. Industry overview

(I) Current status and development

1. Expand small home appliance manufacturing and OEM product development.
2. Improve the process of factory capability, quality ability and product competitiveness.
3. Strive for business opportunity in ESG trend, and provide integrated total solution service to meet customer's needs.

(II) Product development trend and competition status

Home appliance products are mature and popular. Facing low-price competition from domestic and foreign manufacturers, product research and development will strive towards intelligence, innovation, multi-function, refinement, energy saving and environmental protection.

(III) Important certifications



IV. Long-term and short-term business development plans

- (I) Strategic cooperation with important suppliers, increase opportunities for growth and increase sources of profit.
- (II) Keep moving on process optimization, manufacturing cost reduction, innovative development of new products, and enhance overall competitive advantage.

Market and product status

I. Market analysis

(I) Domestic market

Home appliances market in Taiwan in 2024: 400k units of Multifunctional cookers.

(II) Overseas market

Home appliances export sales record in 2024: The major products are Multifunctional Cookers, mainly sold to America, China, Japan, Australia, Southeast Asia countries and Europe. America, China and Japan, are the top three sales territories.

(III) Future demand and growth potential

The expected growth rate will be more than about 5%~10% in 2025. In addition to cultivating Taiwan market, Tatung will continue to develop overseas markets.

(IV) Competitive niches

1. Good brand reputation, perfect logistics system, fast and excellent service network.
2. Automated production, stable and reliable quality.
3. Excellent R&D and design capabilities.
4. Own channel operation and global supply chain system.

(V) Favorable / unfavorable factors and countermeasures

1. Favorable factors: Tatung aggressively works on both domestic and overseas projects to seize business opportunities.
2. Unfavorable factors: The short life cycle and intense price competition of consumer electronic products; Basic wages and raw material prices continue to rise. This is a major test for production costs.
3. Countermeasures: Efficient human resource planning, strengthening R&D and production capabilities, providing innovative and differentiated products to boost sales. Introduce automated production and increase production capacity.

(VI) Mission, core values, and vision

1. Mission: Make good use of technology to enrich people's work and life.
2. Core values: Innovation, teamwork, quality, and humanity.
3. Vision: To become consumer's best choice by delivering quality products with value-added application and customer service.

II. Purpose and manufacturing processes of main products

(I) Purpose

Tatung offers convenient, healthy, comfortable, energy saving and environmental -friendly household electric appliances to customers.

(II) Production processes

1. From R&D, design, molding, manufacturing, testing, packaging, warehousing to transportation, Tatung provides customers complete product line and aftersales service through its nationwide sales / service network and logistics systems.
2. The pre-processing process automation equipment is introduced, and the turning, drilling and reaming to transfer processes are fully automated to increase production efficiency and improve quality and accuracy.

III. Supply of main raw materials

Main raw materials are purchased from and supplied by reputable overseas or domestic vendors. Tatung established steady supply-demand relationship with them to ensure product stability and, through the B2B system, to further lower its inventories and material costs.

■ Advanced Electronics Business Unit

Business Activities

I. Business scope

(I) Main lines of business and sales breakdown

Category	Digital entertainment products	Smart & IoT products
%	94.28%	5.72%

(II) Current products

1. Digital entertainment product lines

Wired & wireless headsets for gaming & entertainment, streaming microphone, streaming camera, smart & active noise cancellation headsets, wearable devices, and entertainment accessories.

2. Smart & IoT product lines

AI enabled audio products, AI wearable device, IoT service gateway, IoT smart controller & module, and sensing-and-control products.

II. Technology and R&D

(I) Product development

1. Digital entertainment products

Develop wired and wireless headset, wearable devices, and accessories for entertainments. The digital entertainment product lines are with smart features, stylish designs, active noise cancellation, clear voice reception, and high-definition audio & video quality.

2. Streaming cameras

Streaming cameras can support high compression rate for high-definition video quality, and furtherly integrate temperature, light, sound, and motion sensors for environmental monitoring. Camera product lines are certified by global leading cloud service providers to provide best audio and video performance.

3. Smart & IoT devices and sensing-&-control products

Embedded leading AI eco-systems & technologies, series of Tatung IoT smart devices include smart headset, speaker, IoT services gateway, IoT smart controller and module, and sensing-and-control products which innovate user experiences and are the core devices supporting smart home, office, factory, building, campus, and city applications.

(II) Research & development

1. Headset product lines are designed with smart features, ergonomic and modish form factors, and active noise cancellation, and equipped with wide band audio and ultimate sound quality.

2. Develop high definition built-in and add-on cameras for smart TV. Products are certified by global leading service providers. Support leading features including high-definition video shooting, high compressed video format, noise suppression, ease-of-use, and interoperability.

3. Develop streaming cameras with advanced features including night vision, environment monitoring, event detection, and easy installation.

4. Incorporated with leading AI & cloud services, IoT smart devices focus on energy-saving & efficiency management, security & safety, and wellness monitoring applications. Products are environmentally friendly, low power consuming, and compliant to international standards.

(III) Important certifications

									
Compliance with the European Directives	Compliance with American safety standards	China Compulsory Certification	Compliance with U.S. Federal Communications Commission for telecommunications	WEEE	Compliance with German & European safety requirements	Compliance with Japanese emissions control standards by VCCI	RoHS	Energy Conservation Label	Energy Star

III. Industry overview

(I) Current status and development

As the penetration rate of connected devices going high, broad band Internet accesses becoming ubiquitous, cloud services and big data analytics and applications getting mature, these factors pull high the demands of connected products and IoT applications. New business models and application are innovated by alliances among branders, channels, and operators for new applications. Foreseen emerging products & solutions include accessories for entertainments, IoT devices, sensors, energy saving & efficiency management, environment monitoring, security surveillance system etc.

(II) Relationship between the upstream, midstream, and downstream sectors of the industry

Upstream	System-on-a-chip, memory, communication IC/module, digital signal processor, sensor component, power IC/module, mechanical parts, and software vendors.
Midstream	Headset, streaming camera, IoT device designers and manufacturers.
Downstream	ODM/OEM customers include branders, channels, and operators. End users are home, office, corporate, and government users.

(III) Product development trend and competition status

1. Digital entertainment products

To echo the trend of environmental protection, the ongoing product development will enable wideband audio, HD video, RF technologies, fashion designs, noise cancelation, power saving and smart features for digital entertainment product lines to provide customers best price/performance products in line with the most updated and standardized model required by the core cloud service clients.

2. Smart & IoT devices & solutions

Products are designed with easy installation, bundled with AI & cloud services or private cloud projects, and incorporated with smart handheld devices, TV & PC for easy use. Their smart relevant applications can be extended from homes, offices, buildings, factories, campus, communities to cities.

(IV) Plans for developments

1. Allied with global leading platform and solution providers, Tatung engages its efforts on advanced technology research and development to provide new products with cutting edged features and enhanced competitiveness.
2. To adapt the most updated technology and application, Tatung has long-term partnerships with key component vendors for co-developing time-to-market products to boost profits and sales performance.
3. Advanced technologies are developed and applied to provide users smart, convenient, energy saving, safe, and environment friendly lifestyles.

Market and product status

I. Market analysis

(I) Future supply & demand conditions and growth potential

1. According to an international forecasting report, the global sales of IoT products & solutions is about US\$98.9 billion in 2016, and will grow enormously to US\$1,600 billion in 2025.
2. The market research company estimates that there will be over 18.5 billion connected devices worldwide in 2024. Demands of cloud-based devices with energy-saving features for IoT applications keep tremendous growth.

(II) Favorable & unfavorable factors and countermeasures

1. Favorable factors

With in-house experienced R&D teams, Tatung leverages global leading platforms for advanced solutions to deliver products with competitiveness and fulfill market needs.

2. Unfavorable factors

Products suffer from the short lifecycle and intense price competition.

3. Countermeasures

Efforts & investments are continuously to be made to enhance product planning capability, development expertise, product quality, manufacturing efficiency, and global operating.

(III) Competitive niches and strategies for growth

With effective and flexible designs, customizations, and manufacturing services on digital entertainment and smart application products, Tatung provides customers fast reactions to accommodate market needs. Customers and Tatung benefit from this strategy and have tightly partnerships for continuous growth on business.

(IV) Mission, core values, and vision

1. Mission: To facilitate work and enrich life with advanced technologies.
2. Core values: Innovation, teamwork, quality, and humanity.
3. Vision: To be customers' best choice by integrating products and solutions with value-added applications and services.

II. Purpose and manufacturing processes of main products

(I) Purpose

Product lines mainly focus on digital entertainment and smart living applications including video & audio entertainment, networking, automation, energy management, assisted living and security surveillance.

(II) Manufacturing processes

Tatung offers global customers competitive products and complete services through product research, design, validation, manufacturing, testing, packaging, warehousing, delivery, logistics and service.

III. Supply of main raw materials

To assure product quality and delivery, Tatung has long-term partnership with raw material vendors for timely supplies. Tatung mainly manufactures in-house, and out-sources some components/parts from qualified vendors.

■ System Integration Business Unit

Business Activities

I. Business scope

(I) Main lines of business and sales breakdown

Category	ICT Applications	Electro-Mechanical Systems
%	83.73%	16.27%

(II) Current products

Main Product Categories

■ ICT Applications

Distribute major brands of IT products, IP/ PBX system and telecommunication equipment. Develop the virtualization and cloud service solutions, APIM management platform, official document management system, attendance system, information security solutions and many other government projects.

■ Electro-Mechanical Systems

The scope is from the power generation, distribution, transmission, to the electricity, including the five major electromechanical pipelines and smart communities with smart grids, smart buildings, smart homes, smart security monitoring, and health care systems. Applying big data with the smart building management system enables buildings to operate in the most efficient situation, so that residential and commercial offices can provide a safe, convenient, energy-saving, and sustainable environment.

II. Technology and R&D

(I) Product development

■ ICT Applications

Virtualization, cloud computing, WAN/LAN implementation, heterogeneous integrated systems, official document management system, social welfare management system, the BLI information management system, accounting system, logistic management system, and questionnaire survey system.

■ Electro-Mechanical Systems

Residence, factory management, energy, water treatment, rail, road traffic system and other mechanical and electrical engineering planning, design, and construction.

(II) Research & Development

■ ICT Applications

We cooperate with the digital construction and urban-rural construction budgets compiled by the government and strive to complete relevant bidding projects with high quality and up to each planned schedule.

■ Electro-Mechanical Systems

Taking electromechanical integration as the main direction, which combined with applied automation, building management, traffic control and transportation, energy and other fields. We have the technology and experience to undertake various electrical, track-related construction, water supply and drainage systems, fire protection, air conditioning projects, intelligent monitoring, design, and construction. We specialize in construction and system integration projects in the electromechanical field, and establish intelligent overall system solutions. planning and integration capabilities.

III. Industry overview

(I) Current status and development

■ ICT Applications

AI remains a core pillar influencing industrial development, becoming the primary force driving the overall ICT industry. IDC estimates that the Taiwan AI platform market size will grow from US\$88.3 million in 2024 to approximately US\$115 million in 2025, and further expand to US\$235 million in 2028.

■ Electro-Mechanical Systems

The electromechanical system industry is an industrial field with vitality and potential, which plays an important role in promoting industrial upgrading, improving production efficiency, and improving the quality of life. With the continuous advancement of science and technology and the changing market demand, the industry will continue to maintain the momentum of rapid development. So far, the government's forward-looking plan has promoted the construction of related rail, digital, environmental, urban and rural, green energy and other fields. It will continue to promote the industry in the future, and it will also lead the industry and bring positive benefits to the industrial environment and business opportunities. of assistance.

(II) Relationship among the upstream, midstream, and downstream sectors of the industry

	ICT applications	Electro-Mechanical Systems
Upstream	suppliers for PCs, mainframes, network facilities, and developing tools	manufacturers for electro-mechanics, communications and IoT
Midstream	agents / providers for network infrastructure, systems integration, application software	five pipelines and system integrators
Downstream	end users for government institutions, schools, public / private sectors, etc.	manufacturers, builders, and owners

(III) Product development trend and competition status

■ ICT Applications

Continuing the trend of GenAI in 2024, the technology trends in 2025 will still revolve around GenAI; IDC has released the following five major trends that the Taiwan ICT market should pay attention to in 2025:

1. The next wave of generative AI (GenAI) will see multi-model applications become the norm for enterprise AI model development.
2. The continued advancement of generative AI will expand the scale of edge IT infrastructure and drive cloud market growth.
3. The rapid development of edge computing and AI computing power in end devices is accelerating the expansion of MDaaS (Mobile Device as a Service).
4. Cybersecurity development is entering a new phase, highlighting the importance of cryptographic agility and AI BOM (Bill of Materials).
5. With the increasing demand for net-zero carbon reduction, AI-driven carbon emission management has become a mainstream trend, and green-collar talent is gradually becoming important.

■ **Electro-Mechanical Systems**

The future trends and competition of electromechanical systems will be subject to fierce competition and challenges from technological innovation and upgrading, smart manufacturing and automation, environmental protection and energy conservation, as well as international market competition.

However, we will make good use of the advantages and experience of Tatung's ICT, electromechanical and IoT smart systems to continue the development of related fields, constantly adjust our layout, strengthen technological innovation, and improve quality and market competitiveness to cope with the changing market environment.

IV. Development strategy

■ **ICT Applications**

1. Differentiate goods and services.
2. Strengthen the existing customer relationships, project services and technical guidance.
3. Build up competitive advantage, enhance core competence and market operation.
4. Increase the high gross-profit portfolios.
5. Improve the efficiency of operational management, reduce operational costs and shorten product delivery schedules.
6. Strengthen cloud service and information security management related product sales and services.
7. Build up good relationships with suppliers to extend the product services.

■ **Electro-Mechanical Systems**

Integrate and apply Tatung green products, systems and IoT technology to provide complete system and integration services from power generation, transmission, distribution, electricity to home appliances.

Market and product status

I. Market analysis

(I) Supply and demand situation and growth of the market

■ **ICT Applications**

AI PCs and AI smartphones are expected to accelerate their penetration in 2025. According to a survey by MIC (Market Intelligence & Consulting Institute), the penetration rate of AI PCs was 1.3% in 2024 and is expected to grow significantly to 15% in 2025. The penetration rate of AI smartphones is about 18% in 2024 and is expected to reach 31% in 2025.

■ **Electro-Mechanical Systems**

With the development of Industry 4.0 and smart manufacturing, the field of electromechanical systems is gradually moving towards intelligence, green energy and high efficiency. We will continue to integrate ICT and IOT related applications through the integration of electromechanical engineering practical experience and management, and create differentiation between Tatung Electromechanical and other manufacturers. At the same time, in response to the government's forward-looking market plan, public works are the key projects in the follow-up direction, and we are striving for the construction of rail, sanitation, digital and other related projects.

(II) Factors for Development Visions and Response Strategies

■ **ICT Applications**

1. Advantages:

IDC predicts that starting in 2025, businesses will significantly increase their investment in edge IT infrastructure to drive GenAI development. In particular, the demand for GenAI edge inference will fuel rapid growth in Taiwan's local public cloud IaaS, data center colocation services, and enterprise-built private clouds, supporting the needs of enterprise edge GenAI applications.

2. Disadvantages:

GenAI is also used for hacker attacks. Enumeration, phishing, and other methods can be used to enhance attacks. This can be regarded as a security challenge that enterprises must focus on when developing AI products and services.

3. Response Strategies:

IDC released a forecast report on Taiwan's information security product market, emphasizing the rapid growth potential of the field, and pointed out that the market size will increase from 462 million US dollars in 2024 to 716 million US dollars in 2028 over the next four years.

■ **Electro-Mechanical Systems**

1. Advantages:

The government has promoted the Forward-looking Infrastructure Development Program which covering areas such as green energy, smart technology, and the railway industry. Tatung will make full use of our past experience in the integration of railway systems and electromechanical engineering to actively strive for new projects and extension

projects. At the same time, with the transformation of national energy policies, cities are moving towards a low-carbon future, and efficient systematic energy management. The development and investment in the EMS field are expected to give rise to more application solutions and be widely promoted in industry, commerce, residences and public facilities. This will further enhance our team's competitiveness and market opportunities, and create more development opportunities for the electromechanical industry.

2. Disadvantages:

Although electromechanical systems have market potential, they still face multiple challenges. Among them, the shortage of some components and equipment has led to rising costs and delayed delivery. Meanwhile, fierce market competition and stricter policies and regulations require accelerated technological innovation to maintain competitiveness. In addition, project execution risks, including safety, coordination and contract performance issues, will directly affect its promotion and delivery.

3. Response Strategies:

The development of a digital transformation model and electromechanical applications with local characteristics depends on the integration of industry, government, academia and research to create a new technology service industry, guide the industry to deepen the application of digital technology, and accelerate digital transformation. In the future, we will continue to strengthen supply chain management, technological innovation, engineering coordination and risk control, reduce the occurrence of adverse factors, and enhance market competitiveness in order to respond to the challenges and development needs of the industry.

II. Development Direction and Processes Control

(I) Development Direction

1. **Official Document System**— Improve the efficiency of official document management and meet the requirements of file verification.
2. **Leasing Asset Management System**— The system is developed based on the requirement of leasing business. The rent, amortization, and gross profits generated by the business leasing assets can be automatically calculated by the system and provide complete reporting functions.
3. **Maintenance System**— It is an on-line maintenance inquiry system, which provides inquiries for customer service contracts, renewal and expiration date, etc. And it can track maintenance status, analyze maintenance manpower information, and provide service records analysis, which offers detailed service records and analysis report by customer's name.

(II) Processes Control

Through the processes of requirement collection, system analysis, design, development, implementation and migration, deliver high-valued products and services to customers via national service network.

III. Supply Overview

Integrate Tatung group's complete product chain with highquality products at home and abroad in order to ensure that the quality of products as well as production processes is in strict control. All products are provided with complete warranty and good after-sales services.

■ Solar Energy Business Unit

Business Activities

I. Business scope

(I) Main lines of business and sales breakdown

Category	Solar System – Project development; Strategic Planning, Construction; Operation & Maintenance EPC / Engineering Procurement Construction; SI / System Integration charging station operation; green power trading services; carbon credit market management services, etc.
%	100

(II) Current products (Services)

■ Green Energy

1. Solar System: Develop and own roof, floating, and ground-mounted solar energy projects, and Design and construction of the PV solar system, energy monitoring.
2. System and power plant PV Generation Analysis: Energy management technology output, including solar power , plant power generation data integration and visualization, and the use of big data analysis to achieve preventive. Maintenance, power generation forecast, automatic notification and warning and other technologies, which will help the maintenance and operation team to control real-time status of PV sites for inspection and repair, and to ensure the power generation output and maximize the power revenue of the power plant.
3. Energy Storage: Invest in energy storage equipment and installation, and participation in the Taipower grid ancillary service tendering. At the same time, we have established the foundation for subsequent virtual power plant peration models..
4. Charging station operation : Develop the operation services for electric, provide household, public and commercial charging infrastructure and customized services for electric vehicles, including AC charging piles, DC charging piles and charging station energy management system (EMS). In the future, Tatung Smart can also combine solar energy, wind energy, energy storage, etc. with energy management systems to optimize charging services and energy efficiency, and provide one-stop energy services to customers.
5. Green electricity trading platform : At present, through various deal-making platforms, a green electricity trading platform is being built to meet the needs of different types of users, and to assist corporate customers in matching the best green electricity solutions. Quickly complete the transfer process, and cooperate with the smart energy management system to provide power consumption analysis and energy management services, and accurately reach RE100 green energy goal.
6. Carbon credit market : Provide a complete carbon trading mechanism service, refer to the Greenhouse Gas Inventory Protocol (GHG Protocol), and provide solutions for carbon reduction planning for the emission category classification of greenhouse gas inventory specifications, to help companies implement different carbon reduction plans to comply with the law or participate in the carbon market.

II. Technology and R&D

(I) Product development

1. Smart Energy BU: The services of PV solar system construction of the rooftops of public facilities, industry lands, landfills, farm ponds, enterprise's projects, ESCO, power plant engineering management, operation and maintenance.
2. Integrate solar energy and energy storage systems into new forms of renewable energy sites, e.g. hydrogen energy, hydro, geothermal.
3. In line with the government's "Taiwan 2050 Net-zero Emissions Roadmap" by planning for the electrification of all transportation vehicles and developing the electric vehicle business.

III. Industry overview

(I) Current status and development

In line with the promotion of the government's renewable energy policy, long-term investment in domestic public buildings and various types of photovoltaic fields, providing renewable energy project development, design planning, professional construction, maintenance services and high-efficiency, high-quality green power solutions.

(II) Product development trend and competition status

Integrate group resources and invest in green energy industry. The combination of solar energy system with energy storage and micro-grid can meet the green energy needs of large electricity consumers. At present, it has obtained the electricity sales business license, actively participates in the green electricity trading market, and provides a complete carbon trading mechanism service. Referring to the GHG Protocol, it provides solutions for carbon reduction planning based on the emission category classification of the greenhouse gas inventory specification. Maintain a competitive advantage in the future liberalization trend of the electricity industry.

(III) Important certifications and awards

1. "Taipei Energy Hill" was awarded the special award for best environment culture, FIABCI (Taiwan Real Estate Excellence Awards).
2. Chimei, Smart Low-carbon Isle won "2018 Smart City Innovative Application Award".
3. TATUNG Forever Energy won the 2019 Enterprise Project Management Benchmarking Award, Preferred Award.
4. No.12-14 Pond, Taoyuan Reservoir won the 2018 Taiwan Solar Power System Award.

5. TATUNG Forever Energy Co. won the 2018 Taichung City Renewable Energy Promotion Contribution Award.
6. TATUNG Forever Energy Co. won the 2019 International Project Management Benchmarking Enterprise Award.
7. TATUNG Forever Energy Co. won the 2020 Outstanding Enterprise Golden Peak Award.
8. TATUNG Forever Energy Co. won the 2020 Urban Engineering Quality Gold Award. Top Solar Award.
9. Sheng Yang Energy Co. won the 2021 Taiwan Solar Power System Award.
10. TATUNG Forever Energy Co. won the 2021 Urban Engineering Quality Gold Award. Top Solar Award.
11. The Anti-Terrorism Training Center won the 2022 Ninth Excellent Solar Photovoltaic Department GuangDuo Award Excellent One-site Multi-purpose System Selection.
12. Danshui Light Rail Machine Factory won the 2022 Ninth Excellent Solar Photovoltaic System Guangduo Award Excellent Rooftop System Selection.
13. Miaoli detention pond won the 2024 Guangduo Award – Excellent Ground Mounted Solar Photovoltaic System

IV. Long-term and short-term business development plans

(I) Short-term plan

1. Continue to develop the rooftops of public houses, private factories, industrial areas, and logistics warehouses. It will also transform and develop large-scale ground mount site project.
2. Develop a market for large power users to satisfy the government regulations needs, provide energy management solutions.
3. Electricity Sales forces will continue to work on green electricity transactions to meet the green electricity needs of various industries.

(II) Long-term plan

1. Expand domestic medium and large-scale ground, floating, fishery and electricity symbiosis and other types of power stations, as well as other new fields of solar photovoltaics.
2. Power plant status inspection and maintenance and operation market development services.
3. The solar power plant parking shed, combined with the operation of energy storage and electric vehicle charging piles, diversifies the energy market.
4. Strive for the corporate ESG net-zero carbon emission market and complete the trading mechanism services such as the green power platform and the carbon credit market.

Market and product status

I. Market analysis

Major achievements in 2019 are government's PV system projects, such as Tainan city 13.5MWp, Taoyuan graveyard ground PV system 2.7MWp, Central Police University 0.5MWp, and Miaoli detention pond 9.6MWp. 2020 Taipei MRT 7.9MWp, 3MWp for the TOYOTA Solar project; 2021 SPA sales process of SPV as Shengyang Energy and Zhiguang Energy and Taiwan Railway Chaozhou 4.3MWp and 8.5MWp of public housing solar project in Yilan.

In addition to winning the bid for Beigang flood detention pond in 2022, 56MWp solar power plants were installed, including large public buildings such as Taoyuan and Yilan. And winning the 6.3MWp Kinmen Phase II in 2023, 33MWp solar power plants were installed, including Yilancovered court, Changhua contaminated site and other project sites. In addition, it has completed the transfer of green electricity to meet the index cases of financial enterprise users. Looking forward to 2024 years, it will expand the scope of green electricity services, extending from finance to the semiconductor industry and electronics manufacturing industry.

In 2024, several bids were won, including the Photovoltaic Energy Storage System Project for Taisugar Farming in Chiayi with a capacity of 7.7 MWp, and projects for New Taipei Municipal Zhongshan Junior High School and the Yilan University System, with capacities of 1.2 MWp and 1.1 MWp, respectively.

In terms of EPC, activities have not only remained active domestically, collaborating with Uni-President Enterprises Corp. and I-MEI Foods Co. Ltd., but also expanded internationally. The first overseas photovoltaic energy storage project (520.32 kWp solar power, 2027 kWh energy storage) was undertaken, assisting Palau, Tuvalu, and the Marshall Islands in improving their power infrastructure.

To maintain growth momentum in 2025, development in the international energy field will continue, aiming to expand diverse operations, including EPC, maintenance and operations, charging stations, and energy storage.

In line with the amendments to the Electricity Act, an electricity retailing license was obtained, initiating a renewable power wheeling model for financial enterprises in 2022. Ambitions to extend this model to the semiconductor and electronic manufacturing industries, marking a new era in green power trading."

The achievements in green power trading have been substantial: 4,575.522 KWh of power wheeling in 2023, 16,603,504 kVWh in 2024, and an estimated 39,927,119 kWh (formally contracted) in 2025. The order intake has consistently grown, doubling over the past two years. Projecting forward, there is expectation for even greater growth in green power

II. Important uses and production process of main products

Solar energy integrates group resources and exerts system integration capabilities, such as solar power plants combined with micro-grid systems; solar parking sheds combined with energy storage and operation of electric vehicle charging piles, providing household, public, and commercial charging infrastructure, and customized services, including AC charging Pile, DC charging pile and charging station energy management system (EMS) and Powerwall battery storage system. In the future, solar energy, wind energy, energy storage, etc. can also be combined with energy management systems to optimize charging services and energy efficiency.

Energy market diversification. It has abundant green power resources and could ensure stable and sufficient power supply with multiple green power plants.

At present, through various deal-making platforms, a green electricity trading platform is being established to meet the needs of different types of users, to assist corporate customers to match the best green electricity solutions, to quickly complete the transfer process, and to provide power consumption analysis and energy management with a smart

energy management system. services, and accurately implement the RE 100 green electricity target. Provide a complete carbon trading mechanism service, refer to the Greenhouse Gas Inventory Protocol (GHG Protocol), and provide solutions for carbon reduction planning for the emission category classification of greenhouse gas inventory specifications. Recognizing that VPP (Virtual Power Plant) will be the key to energy transition, behind-the-meter energy storage installations are being initiated.

Leveraging experience with 322 MW solar power plants that generate approximately 460 million kWh annually, and expertise in energy storage design and installation, these initiatives aim to gain leadership in the VPP market.

■ Smart Energy Business Unit

Business Activities

I. Business scope

(I) Main lines of business and sales breakdown

Category	Micro-grid & energy storage system with energy management system. Solar energy management system and Integrated Smart Energy
%	100

(II) Current products

■ Energy Infrastructure

Micro-grid system, a regionally small power supply system with the distributed energy sources (DERs) such as solar energy, wind power, diesel generator and energy storage, can operate independently or connected to the traditional power grid. The system can immediately enter islanding operation when power outage occurs in main grid and keep functioning using renewable energy sources (DERs) and energy storage systems (ESSs) to perform the role of emergency power supply.

Large-scale energy storage systems can be applied to Taipower's automatic frequency control ancillary service to help maintain grid stability and power quality when large amounts of renewable energy are connected to the grid.

■ PV energy management system

1. PV operation & maintenance system

2. PV generation analysis & prediction

The PV generation and operation information are visually presented with graphical user interface for O&M operators. AI models and algorithms are applied in the system for predictive maintenance, power generation prediction, and generating alarms automatically to optimize the facility utilization.

■ Micro-grid and energy storage management system

Based on the market driven by government policy of energy transition, Tatung provides energy management system integrated with cloud-based asset management system.

1. Energy management system is the system solution for control and management of micro-grid and energy storage system. Energy management system integrates EMS, BMS, and site controller to monitor electric power and environmental information, control the output of PCS, and provide functions, such as ancillary services, peak load shaving, and power smoothing for renewable energy sources.

2. Cloud-based management system provides real-time monitoring and alarms, historical reports, resource management, trading management, income analysis, performance indicators, and predictive maintenance. The solution package can be customized according to customers' requirements.

■ Integrated Smart Energy

To achieve an integrated solution for user-side energy creation, energy storage and energy saving, and to meet the energy management needs of users in a customized way.

II. Technology and R&D

(I) Product development

Tatung develops and provides the smart energy total solution for micro-grid and energy storage system integration, energy management system, data analysis, and predictive maintenance.

III. Industry overview

(I) Current status and development

■ Energy Infrastructure

With the advent of Taipower's Energy Trading Platform, ancillary service market, and green energy policy of high electricity users, energy storage market will grow rapidly in the short-term, medium-term, and long-term future. Tatung has extensive experiences in electromechanical design and manufacturing to integrate renewable energy, energy storage, distribution network construction, and energy management systems. Tatung provides a variety of smart energy solution types, such as household type, island type, village type, and large-scale system solution.

■ Energy management system and data analysis

Energy management system with value-added services of data analysis and artificial intelligence is widely adopted by industries. These are Tatung's core techniques in smart energy applications.

(II) Product development trend and competition status

Tatung is one of the few domestic energy storage system integrators with the implementation experiences of high-voltage grid-connected cases. Tatung can provide total solutions for planning, design, evaluation, construction, operation, and maintenance. Tatung has been granted the project on ITRI Regional Energy Storage Demonstrative Establishment in Changhua County, in which a battery system of 1.5MW/1.7MWh has been built and successfully connected to the grid. Tatung is one of the 5 companies out of 30, qualified by Taipower for AFC service operation with 1MW/1.55MWh for bilateral contract. Tatung is also qualified by Taipower for AFC service operation with 4MW/4.65MWh for day-ahead market.

IV. Long-term and short-term business development plans

(I) Short-term plan

1. Continually developing domestic and international micro-grid and energy storage system projects, such as large-scale energy storage projects of Taipower, and hybrid island-based micro-grid systems.
 2. Participating ancillary service market of Taipower, such as demand response and automatic frequency control service, and developing green energy market driven by the government policy for the high electricity users.
- (II) Long-term plan
1. Continually enhancing the R&D capabilities of micro-grid system integration and energy management system development.
 2. Looking for strategic alliances with the well-known companies of key components to improve the system performance, reliability and cost advantage.

Market and product status

I. Market analysis

According to the government policy for renewable energy and high electricity users announced in 2019, it is determined that the renewable energy has to reach 20% by 2025 in Taiwan. The high electricity users with contract capacity over 5000kW must participate one of the following programs to support renewable energy policy: installation of 10% renewables, establishment of energy storage system, purchase of Green Certificate, or payment of cash equivalence. It is the global trend that governments guide the renewable energy market, and this is the advantage for energy storage and micro-grid development both in technology and business.

II. Purpose and manufacturing processes of main products

Energy storage and micro-grid systems can provide functions, such as power stabilization, regulation, and ancillary services to increase the penetration of renewable energy in order that the overall power quality, safety and economic benefit could be improved.

Relying on excellent power-related experience and system integration capabilities, Tatung became the first manufacturer of energy storage and frequency regulation auxiliary services to participate in the Taiwan Power Company's power trading platform, and demonstrated long-term accumulated fruitful technology development achievements, and successfully obtained Taiwan's first UL9540 energy storage system security On-site certification to ensure safe system operation and stable profitability.

III. Service Deployment Milestones

1. In 2018, Tatung acquired the "Demonstration and Verification on Regional Energy Storage Facilities Technologies" tender of ITRI, to construct a 1MW/1.2MWh battery system in the southern part of Taiwan. It is the first reference site for Taiwan's future of high voltage and MW grid scale energy storage system.
2. In 2019, Tatung acquired the "Verification on Energy Storage Facilities Technologies" tender of ITRI, to integrate battery system in Changbin. It is the first reference site for Taiwan's energy management system of cross-vendor with different material of energy storage system. Next year, a battery system of 1.5MW/1.7MWh was built and successfully connected to the grid.
3. In 2020, Tatung was one of the 5 companies out of 30, qualified by Taipower for automatic frequency control regulation service operation with 1MW/1.55MWh system, which was successfully built and connected to the grid in 2021.
4. In October 2021, Tatung invested 4MW/4.65MWh system, which was the first case to pass the capability test and participate in Taipower Energy Trading Platform. Today, Taiwan's first enhanced dynamic frequency regulation auxiliary service E-dReg energy storage system has also been successfully on grid. It has the combined functions of frequency adjustment and peak-off-peak transferring capability. It is the best scheduling operation tool to achieve the vision of energy transformation.
5. In December 2022, Cinzhi Power, a subsidiary of Tatung's investment company - Tatung Forever Energy, officially launched and activate a 6MW energy storage system, marking as the first Enhanced Dynamic Regulation Reserve(E-dReg) energy storage system in Taiwan. It is also the first one to obtain IEC/CNS 62933-5-2 safety certification for an E-dReg energy storage system. Equipped with power regulation and peak/off-peak power shifting functions, the facility's operation effectively strengthens grid resilience, marking a significant achievement in Taiwan's power system development.
6. Tatung's investment company, Tatung Forever Energy, successfully won the bid for the 60MW TaiPower Company's Dongshan Ultra-High Voltage Substation Energy Storage System project, which was completed and officially launched in November 2024.
7. Cinzhi Power, a subsidiary of Tatung's investment company - Tatung Forever Energy, is expanding its investment in Enhanced Dynamic Regulation Reserve(E-dReg) energy storage systems by 43.77MW. It is expected to reach more than 100MW of energy storage systems installation by the end of 2024, which is completed in January 2025 and will increase the quality and stability of Taiwan's power supply.
8. Tatung's investment company, Tatung Forever Energy, is venturing into the residential energy storage market, obtaining certification as an accredited installer from a leading international electric vehicle and energy service provider.
9. Long-term investment in smart energy and energy storage technology is a pioneer in the development of micro-grids in Taiwan. In addition to the first megawatt-level large-scale energy storage system in Kaohsiung Yong An, Taiwan's first mega-watt-level large-scale energy storage system, it also covers Taoyuan, Changbin Industrial Zone, project sites such as Guiren in Tainan is one of the few manufacturers in the industry that have the technology and achievements in building micro-grids and energy storage.

II Operation summary

(I) Suppliers / customers accounting for 10% or more of the Company's total purchase / sales amount in 2023 and 2024

1. Key Suppliers

Unit: NT\$ Thousand

2023				2024			
Name	Procurement amount	Percentage of total net procurement	Relationship with the Company	Name	Procurement amount	Percentage of total net procurement	Relationship with the Company
Others	41,798,068	100%	Inapplicable	Others	41,435,878	100%	Inapplicable
Net purchases	41,798,068	100%	Inapplicable	Net purchases	41,435,878	100%	Inapplicable

Note 1: These suppliers purchase less than the current year because of its net purchase more than 10% of company, it will not be disclosed.

Note 2: The financial statements for Q1 of 2025 were under review by independent auditors when this annual report is printed.

2. Key Customers

Unit: NT\$ Thousand

2023				2024			
Name	Sales amount	Percentage of total net sales	Relationship with the Company	Name	Sales amount	Percentage of total net sales	Relationship with the Company
Customers A	6,765,254	13.44%	Inapplicable	Customers A	8,782,526	18.50%	Inapplicable
Customers B	5,148,585	10.23%	Inapplicable	Customers B	5,241,015	11.04%	Inapplicable
Others	38,437,279	76.33%	Inapplicable	Others	33,453,491	70.46%	Inapplicable
Net sales	50,351,118	100%	Inapplicable	Net sales	47,477,032	100.00%	Inapplicable

Note 1: The financial statements for Q1 of 2025 were under review by independent auditors when this annual report is printed.

III Workforce structure

Employee Data for the Most Recent Two Years and Up to the Date of the Annual Report Publication.

Fiscal year			2023	2024	March. 31 ,2025
The Company	Number of employees	Management & staff	1,225	1,192	1,177
		Technicians	1,260	1,251	1,191
		Total	2,485	2,443	2,368
	Average age		44	45	45
	Average years of service		15	14	14
	Education level	Ph.D.	4	4	4
		Master	304	275	270
		Bachelor & other higher education	1,396	1,400	1,357
		Senior high school	504	463	444
		Below senior high school	277	301	293
All companies included in Financial statements			10,942	9,417	8,818

IV. Expenditure on environmental protection

To cope with the trend of international environmental protection and government laws and regulations, the Company is dedicated to the prevention of pollution and environmental protection for the better working environment of employees, better living environment for the public and better fulfillment of social responsibilities.

(I) Environmental protection measures

1. Actions:

- (1) Implementing ISO 14001 and ISO 50001 to improve environmental and energy management performances continuously.
- (2) Carrying out Greenhouse gases inventory and product carbon footprint.
- (3) Implementing Pollution, Prevention, pays (3P) Program with the concept of Clean Production to reduce the consumptions of resources and energies and to reduce the wastes from the operations.
- (4) Actively researching and designing products with features of energy saving, environmentally friendly, or water saving to assist the consumers, customers and nations to achieve the goal of net-zero emission.

2. Results:

- (1) All the factories have implemented ISO 14001 and received certifications.

Factory	Effective and expiry date
Tayuan Plant (Heavy Electrical Equipment BU)	2022.08.06 ~ 2025.08.05
Taoyuan Wires and Cables Plant (Cable BU)	2024.09.17~2027.09.16
Taoyuan 1 st Plant (Commercial Air Conditioner BU and Appliance Manufacture BU)	2022.09.01 ~ 2025.08.31
San-Hsia Factory (Motor BU)	2023.09.05 ~ 2026.09.05
Tatung Company (AEBU)	2024.06.15~2027.06.14

- (2) Promotes energy saving projects in the factories, as well as implementing ISO 50001 :

Factory	Effective and expiry date
Tayuan Plant (Heavy Electrical Equipment BU)	2023.01.05 ~ 2026.01.05
Taoyuan Wires and Cables Plant (Cable BU)	2023.01.18 ~ 2026.01.17
San-Hsia Factory (Motor BU)	2024.12.24 ~ 2027.12.24

- (3) Devotes in environmentally friendly products, various of products have acquired Green Mark, Energy Label, or Water Label.

- (II) Losses incurred from environmental pollution in the recent year and up to the publishing date of the annual report. From 2024 and up to the publishing date of the annual report, the Company has incident been subject to penalties from regulatory authorities due to environmental pollution.

Motor BU (San-Hsia Factory)

1. Disposition date: 2025.02.13
2. Disposition reference number: No. 20-114-020016
3. The articles of laws or regulations breached:
 - i. Paragraph 2, Article 24, Air Pollution Control Act: After the installation or modification of the stationary pollution sources in the preceding paragraph, public and private premises shall submit verification documents that demonstrate compliance with the regulations of the Act to the special municipality, county or city competent authority or other government agency commissioned by the central competent authority in order to apply for the issuance of operating permits, and shall perform operations pursuant to the permit contents.
 - ii. Paragraph 1, Article 23, Stationary Pollution Source Installation, Operating and Fuel Use Permit Management Regulations Amended Clauses: Public or private premises may only operate a stationary pollution source after obtaining a stationary pollution source operating permit and shall operate in accordance with the permit contents.
4. Description of the violation: On March 20, 2024, at around 10:00 AM, the New Taipei City Environmental Protection Bureau dispatched personnel to inspect the San-Hsia Factory. During the inspection, while operations were ongoing, it was found that the actual height and diameter of the emission pipeline (No. P002) did not conform to the specifications recorded in the operating permit, constituting a failure to operate in accordance with the permit's approved conditions.
5. Disposition: Fined NTD\$100,000 and attended environmental protection lecture for two hours.
6. Corrective measures and possible disbursements to be made in the future:
 - i. In 2023, during the replacement and upgrade of dust collection equipment and exhaust pipelines at the San-Hsia Factory, the newly installed exhaust pipeline dimensions were not checked against the original operating permit, resulting in discrepancies.
 - ii. After an inspection by the competent authority, San-Hsia Factory re-measured the exhaust pipeline dimensions and further increased its height to comply with relevant regulations.
 - iii. San-Hsia Factory applied for an operating permit modification with the New Taipei City Environmental Protection Bureau based on the new exhaust pipeline dimensions. After review, the new operating permit (No. F0046-13) was obtained on October 16, 2024.

System Integration BU

1. Disposition date: 2024.08.27
2. Disposition reference number: No. 40-113-080040
3. The articles of laws or regulations breached:
 - i. Article 28, Paragraph 1, Subparagraph 3 of the Waste Disposal Act: The disposal of industrial waste, with the exception of that subject to reuse methods, shall be performed in accordance with the following methods:
 - (III). Commissioned clearance and disposal:

- A. Commission a public and private waste clearance and disposal organization that has received competent authority permission for the clearance and disposal of the category of waste at issue to perform clearance and disposal.
4. Description of the violation: On July 11, 2024, the Environmental Protection Bureau of Kaohsiung City conducted an inspection at Sheng Shi Environmental Engineering and found that the Company had commissioned employee domestic waste clearance from its construction site. Since this company was not an authorized clearance agency approved by the competent authority, it violated Article 28, Paragraph 1, Subparagraph 3 of the Waste Disposal Act.
 5. Disposition: Fined NTD\$6,000 and attended environmental protection lecture for one hour.
 6. Corrective measures and possible disbursements to be made in the future:
 - i. Waste clearance for five construction sites in Pingtung has since been commissioned to Yi Hong Environmental Industrial Co., Ltd., a qualified waste removal agency, by Tatung Integrated Services Co., Ltd.

(III) Information about RoHS

To comply with the customers' green procurement and EU's RoHS requirements to ensure successful domestic and export markets, the Company's factories, starting from the year 2004, have been dedicated to promoting a green supply chain which covers product design, procurement, and production, and has also avoided using hazardous substances for making the Company a well-established green supply enterprise. In 2005, the Company established "Tatung Electrical and Electronic Equipment Restriction of Hazardous Substance (RoHS) Test Laboratory" to assist in the test and analysis of hazardous substances by various factories and related industry as well as to provide related professional technologies.

V. Labor relations

- (I) Tatung pioneered the "labor and management united as one" concept to promote operational autonomy. The Company set up the Tatung Employees' Welfare Committee in 1947 and the "Tatung United Welfare Committee" in 1969 as part of the Company's efforts to promote the delegation of responsibility to lower hierarchies in the organizations and to develop new management talent.

Employees' welfare	Implementation
1. Stock ownership	The Company subsidized employees to buy corporate stocks since 1992 as part of their savings.
2. Subsidies	Cash gifts for weddings of employees or their children as well as for birth of employees' children ; education subsidies for employees and their children in senior high school and college/university ; funeral subsidies for colleagues or their spouses and immediate relatives ; subsidies for employees' birthday and retirement ; cash gift to employees' parents or paternal grandparents on the Double Ninth Festival.
3. Benefits	(1) Employee Cafeteria provides delicious and a good deal on food. (2) Price discounts on groceries in corporate stores. (3) Clock and watch repair. (4) The service of laundry. (5) Exclusive discount or privileges from stores. (6) Welfare benefits (points) offered irregularly.
4. Health and safety plan	Labor insurance, health insurance, group insurance, retirement pension, free health checkup.
Education and training	Implementation
Employee training	Encouraging employees to study and to become a talent of "intelligence, integrity and ability". Offering employee diverse training courses including general, professional, management, environmental, health and safety, information security, intellectual property management courses and online e-learning. Constructing organizational and lifelong learning culture. Efficiently strengthening talent development by systematic management. A total of trainees attended 30,056.5 hours of training, and each one attended 12.3 hours of Off job learning in 2024.
Retirement system	Implementation
Retirement plans	In accordance with the requirements by laws and ordinances concerned, appropriate 6% of their monthly pays into the individual account for newly employees newly hired starting from July 1, 2005, and employees who have chosen new system Labor Pension Act. For the existent employees who continually choose the old pension system regulations and for the service seniority retained under the old system of employees who choose new pension regulations, we appropriate the pension reserve funds at the right amounts into the specially designated account in Bank of Taiwan based on the retirement regulations.
Management / labor relations	Measures
Channel for employees to voice dissent or communicate with management	(1)"Employees' Suggestion Mail Box" is set up at company website to collect employee opinions, along with "Regulations of Processing Employees' Complaints"&"Regulations for Establishing Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace". Furthermore, the dedicated grievance email box is released to handle related labor disputes. Employees can voice out their opinions during training courses, or present their proposals during QC activities. Regular and special meetings between management and the labor unions are also held to facilitate communications. (2) Although there have established corporate unions in Tatung, they have not yet made any request to the company for negotiation of a group agreement, and no collective bargaining agreement has been signed yet.

Protection of employees' interests and rights	Measures
Safe and happy working environment	Implemented in accordance with the Labor Law, Gender Equality in Employment Act and in some cases better than regulations for workers.

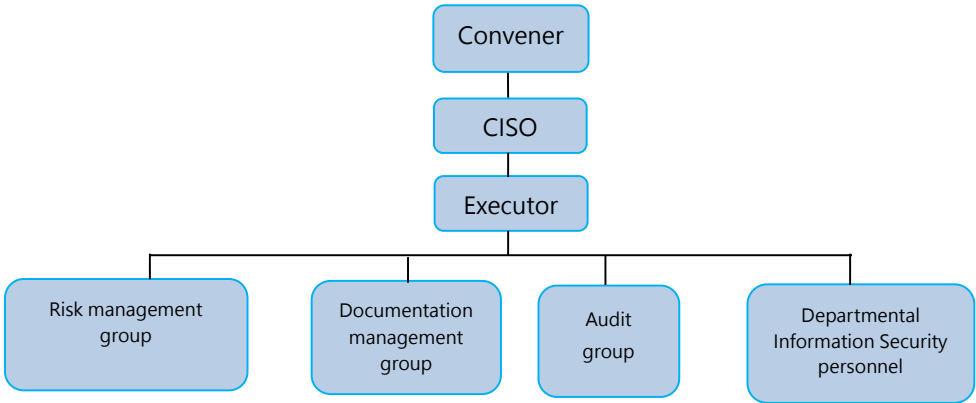
- (II) Strategy and objective: Developing the Company's most asset - people
Labor and management are committed to working together for the good of the Company and its workers. Both sides operate on the principle of promoting a harmonious, safe, and happy working environment.
- (III) Employees' code of ethics
The Company's employees abide by Company rules which are designed to uphold the principles of "honesty, integrity and diligence." All employees follow a code of ethics and are dedicated to contributing to the stability, continuity and prosperity of the Company and workers alike. Management leads under the principle "Do not do unto others what you do not want others do unto you," treating workers like their own family and guiding them by personal example. (Please refer to Page 6 for detailed information.)
- (IV) Losses incurred from Labor dispute in the recent year and up to the publishing date of the annual report: None
- (V) The protection measures on the working environment and the health and safety of the employees
- Actions:
1. Health and Safety Policy:
The release of the Health and Safety Policy is the Company's commitment to continue to promote health and safety, and the goal of the joint efforts of labor and management.
 2. Occupational Health and Safety Management Plan:
According to the requirements of regulations, an "Occupational Health and Safety Management Plan" is formulated to implement health and safety management.
 3. Disaster Prevention Pays Program:
The purpose of this program is to supervise and check the health and safety implementations in the factory and review the performance of this program year by year to achieve the goal of "zero disaster".
 4. Occupational Health and Safety Management System:
All the factories have been certified with ISO 45001. The Company will follow global trends and continue to improve health and safety performances.
 5. Health and Safety Work Rules:
The content of the Health and Safety Work Rules is jointly formulated by both employers and employees. The Rules have been approved by the competent authority and the announcement has been made to the employees. Employees are required to comply with the content and work together to achieve the goal of zero disaster.
 6. Education and Regulation Promotion:
 - (1) Tatung opens "Health and Safety Training Class" for new recruits, employees, and managers. Tatung also opens training courses for the needs of the business operations such as VOCs & Designated Chemicals Class, Fork lifters Class, Elevating work platforms Class, and Class for Hazardous Equipment Operators, etc.
 - (2) Tatung organizes "Health and Safety Seminar" every year to promote newly updated regulations and other concerned topics. The factories keep promoting physical and mental protection measures and the maternity health protection at the workplace in 2024.
 - (3) Tatung organizes "Labor Dispute Prevention and Resolution Practical Class" every year to improve the employers' and employees' knowledge of workplace regulation and their own rights. Besides, through this class to promote the information of company's grievance procedure and awareness of sexual harassment or illegal violations to ensure employees' workplace safety.
 - (4) Establish workplace sexual harassment prevention awareness for employees through online courses, and hold an annual 'Sexual Harassment Prevention Training Program' with inviting external professional speakers to promote relevant sexual harassment regulations and practical response measures. This not only ensures the safety of employees in the workplace but also enhances the competency of supervisors to avoid legal violations by the company.
 7. Working Condition Monitoring, Health Management and Promotion:
Tatung sets working environment monitoring plan and conducts monitoring on work sites. The results from monitoring are available to the employees. Tatung believes that the health of the employees and their families is a kind of assets to the company. Tatung organizes numerous health speeches, seminars, health checks to let the employees understand the importance of their health and promote to their families.
 8. Contractor Management:
Tatung has formulated "Contractor Health and Safety Management Method" and "Notice for Contractor Entering the Factory" that requires the health and safety personnel to conduct irregular inspections during the contractor's operating period and inform the person in charge of the contracted site to implement the use of personal safety protection equipment for construction workers and provide the equipment that meet the requirements of regulations.

VI. Information Security Management

(I) Describe the information security risk management structure, information security policy, specific management plan and investment in information security management resources, etc.

1. Information Security Risk Management Framework:

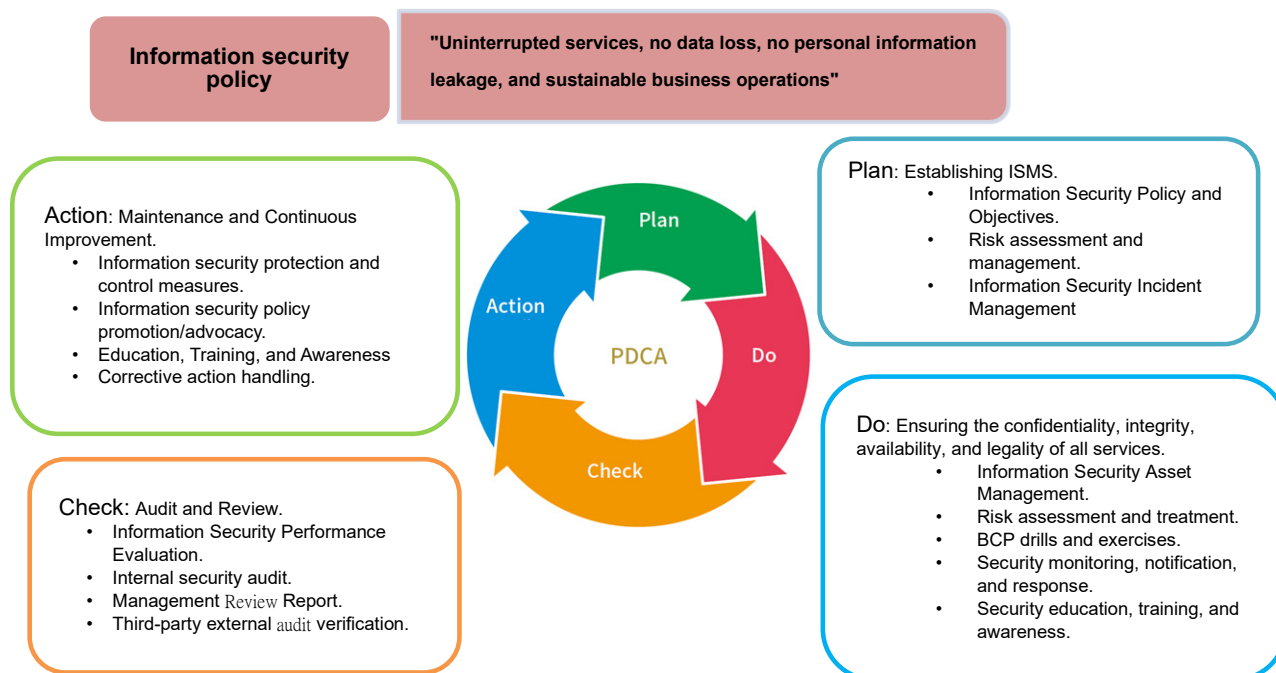
Organization: Tatung Information Security Promotion Team



2. Information and Communication Security Policy and Specific Management Plan.

During the digital transformation process, Tatung Company considered the risk of corporate sustainable development (ESG), aligned with international information security technology, followed domestic and foreign regulations, and obtained the 'ISO 27001 Information Security Management System Certification' since 2014. In 2022, it set up the chief information security officer, information security manager and staff, Tatung has established an information security policy as the guiding principle to achieve the goals of "uninterrupted services, no data loss, no personal information leakage, and sustainable business operations". Tatung implements an information security management system, following a cyclic and progressive process of P-D-C-A to ensure the effectiveness and continuity of information operations. In addition to implementing multi-layered security measures, Tatung also conducts risk assessments and management based on threat intelligence provided by various collaborative defense organizations, such as TWCERT, to proactively prevent and mitigate risks. Monthly security meetings and ad-hoc meetings for emergency response are held to discuss emerging internal and external security issues and review countermeasures, which are then incorporated into the annual plan's activities.

Annual activities include the evaluation, review, and revision of information security policies and procedures, handling of significant risks and high-risk vulnerabilities identified from host vulnerability scans, regular information security management and personal data protection education and training, and occasional social engineering email drills. Audit activities include an external audit conducted by a consultant each half-year, two pre-audit counseling sessions with an external consultant, and an internal audit review conducted by the audit department each year, to determine the implementation status of the information security management system and whether the confidentiality, integrity, availability, and compliance objectives set for each service have been achieved.



Information Security Management System (ISMS) supports continuous improvement of cybersecurity through the PDCA cycle.

Information Security Management

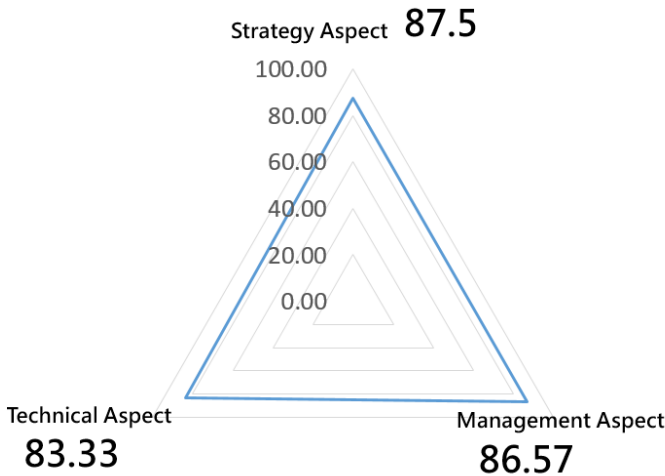
Tatung Information Security Promotion Team	Members including convener, CISO, Executor, Risk management group, Documentation management group, Audit group, Departmental Information Security personnel.
Security Policy and Procedures Manual	Review and assess at least once a year.
Security meeting	- Monthly cybersecurity meeting. - Annual Management Review Meeting. - Irregular information security project meetings.
Audit activities	- Annual internal audit and bi-annual external audit. - Twice a year, external consultant counseling will be arranged.
Cybersecurity education and training	- Online learning cybersecurity courses (including mandatory courses for new employees and information security education and training courses). - Two information security and personal data protection education and training sessions will be held each year, one in the first half and one in the second half. - Annual information security officer training.
Social engineering email test	The whole company has one social engineering email drill in the first and second half of the year.
Asset inventory for information security	At least one annual information security asset inventory.
Vulnerability scanning of host	At least one Annual vulnerability scanning for initial and follow-up scans.
Security monitoring, alert notification, and cybersecurity awareness.	- Daily cybersecurity monitoring and alert notification to users. - Dissemination of cybersecurity news and announcements will be conducted through the employee portal and biweekly employee newsletters.

Continuously obtain ISO/IEC 27001:2022 certification through third-party verification, and the current certificate is valid from December 31, 2023 to December 30, 2026.

Security protection concrete management plan and continuous improvement.

Network security management.	System Security Management	Endpoint Security Management	Data Security Management	BCM Continuous Certification	Education, Training, and Awareness
✓ Firewall and IPS defense. ✓ Control over various network service application processes. ✓ TWCERT/CC threat intelligence sharing and blocking. ✓ Using MFA. ✓ Abnormal notification and processing of internal network patrols.	✓ Syslog abnormal alert tracking. ✓ Advanced threat analysis and abnormal alert handling. ✓ Regular tracking of abnormal system logs. ✓ Physical environment security management. ✓ System access control.	✓ Regular antivirus software scans. ✓ System security updates and patches. ✓ Host Vulnerability Scans ✓ Registration and management of network assets ✓ Management of authorized software installations ✓ Network Equipment authentication.	✓ Digital rights management for documents. ✓ Host data backup and redundancy. ✓ Office 365 Defender. ✓ Review of account authorization management	✓ Information security incident management. ✓ Business impact analysis and disaster recovery exercise. ✓ Compliance management. ✓ Information security objective and performance management. ✓ Third-party management. ✓ Corrective action management. ✓ Internal audit management. ✓ ISO27001 certification remains effective	✓ Internal audit. ✓ External audit. ✓ Outsourced consulting and coaching. ✓ Information security education and training. ✓ Bi-weekly newsletter and promotion. ✓ Social engineering drill. ✓ ISO27001 Lead Auditor Certification. ✓ BS10012 Personal Information Protection Audit Certification.

Tatung Information Security Governance Maturity Evaluation:
The 2024 third-party information security management evaluation results.



Information Security Governance Maturity Rating : 85.8

(II) List the losses and possible impacts of major information security incidents in the most recent year and up to the date of publication of the annual report and countermeasures, if it cannot be reasonably estimated, it shall explain the fact that it cannot be reasonably estimated:

As of the date of the annual report publication, Tatung Company has not experienced any significant information security incidents. Tatung Company continuously strengthens preventive measures such as network firewalls and network management to prevent computer viruses and malicious software. Each year, Tatung Company allocates an appropriate budget to enhance its information technology and security protection and aims to achieve sustainable operation/disaster recovery; to manage fraud, trust, and crisis to the minimum.

VII. Important contracts

Important contracts up to the publishing date of the annual report

Nature	Counterpart		Duration	Description	Restriction clause
Investment cooperation	Japan	Sumitomo Heavy Industries, Ltd.	October 13, 1995	Incorporation of Tatung SM-Cyclo Co., Ltd. under joint venture Production of gear-reducers	None
Investment cooperation	Japan	Okuma	December 12, 1996	Incorporation of Tatung Okuma Co., Ltd. under joint venture Production of working machines	None
Investment cooperation	Japan	Mitsui Mining & Smelting Co., Ltd.	October 13, 1975	Incorporation of Tatung Die Casting Co. under joint venture Production of die casting products	None
Technology cooperation	Japan	Toshiba Corporation	March 26, 2023~ March 25, 2028	Design and production technology of 161kV (contain)~345kV (contain) Oil -type transformers, and manufacture above 66kV (contain) Gas Transformer	1. Authorized to manufacture in Taiwan 2. Activities of sales except Japan
Technology cooperation	Japan	Nissin Electric Co.,Ltd.	May 28, 2023~ May 27, 2028	Technology transfer of 25.8kV GIS	Activities of sales are limited to the Taiwan Power Company
Patent License	U.S.A.	MPEG LA, LLC.	January 01, 2021 ~ December 31, 2025	Patent license of AVC/H.264 (MPEG-4 Part 10)	None
Patent License	U.S.A.	MPEG LA, LLC.	May 01, 2021 ~ December 31, 2025	Patent license of HEVC	None
Patent License	U.S.A.	Access Advance LLC	January 09, 2019 ~ December 31, 2030	Patent license of HEVC	None
Patent License	Finland	NOKIA TECHNOLOGIES OY	January 01, 2024 ~ December 31, 2026	Patent license of 2G/3G/4G	None
Technology cooperation	Japan	Nippon Koei Co., Ltd.	August 20, 2020 ~ June 30, 2026	Cooperation in the design and manufacturing of hydraulic generators (no technical fee paid).	None
Technology cooperation	Japan	Nippon Koei Co., Ltd.	June 30, 2023 ~ March 31, 2028	The water-cooling equipment and system design in the underground substation are jointly contracted. Payment will be made according to separate payment contracts on a case-by-case basis.	None
Technology cooperation	Taiwan	Hsiangwu Electric Co., Ltd.	August 10, 2024 ~ August 09, 2025 If no request is made, it will be automatically extended for 1 year	Technology transfer related to distribution level polymer arresters.	Activities of sales are limited to the Taiwan Power Company
Technology cooperation	Taiwan	Hsiangwu Electric Co., Ltd	June 04, 2020 ~ Unspecified termination period	Technology transfer related to polymer fuse link switches.	Activities of sales are limited to the Taiwan Power Company
Medium and long-term loans contract	Bank of Taiwan (to sponsor)		December 23, 2022 ~ December 23, 2027	Syndicated Loan (5 years) Limit of NT\$13,000,000,000	Non-consolidated financial statement of the issuing company: a. Current ratio shall be no less than 100%. b. Percentage of liability shall be no more than 140% c. Tangible Net worth shall be no less than 30 billion NTD.
Medium and long-term loans contract	Bank of Taiwan		December 20, 2024 ~ December 20, 2026	Revolving limit (2 years) Limit of NT\$3,500,000,000	None
Medium and long-term loans contract	Mega Bills		December 27, 2024 ~ December 27, 2026	Revolving limit (2 years) Limit of NT\$772,000,000	None
Medium and long-term loans contract	O-Bank		September 28, 2022 ~ September 27, 2025	Revolving limit (3 years) Limit of NT\$250,000,000	None
Medium and long-term loans contract	First Bank		November 1, 2024 ~ November 1, 2027	Revolving limit (3 years) Limit of NT\$2,500,000,000	None
Medium and long-term loans contract	Mega International Commercial Bank		November 15, 2023 ~ November 14, 2026	Revolving limit (3 years) Limit of NT\$800,000,000	supply is restricted to the project DA'AN by Taiwan Power Company
Medium and long-term loans contract	Mega International Commercial Bank		November 19, 2024 ~ November 18, 2027	Revolving limit (3 years) Limit of NT\$3,000,000,000	None

VI Financial Overview

I .Consolidated statements and report of Independent Auditor:

Please enter "2371" and the year "2024" in the Market Observation Post System for inquiry. https://mops.twse.com.tw/mops/#/web/t57sb01_q1

II.Parent company only statements and report of Independent Auditor:

Please enter "2371" and the year "2024" in the Market Observation Post System for inquiry. https://mops.twse.com.tw/mops/#/web/t57sb01_q1

VII Analysis on Financial Status and Financial Performance and Risk as Statement

I . Financial status

Unit: NT\$ Thousand

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	73,046,180	57,716,563	15,329,617	26.56
Non-current assets	71,642,348	79,561,388	(7,919,040)	(9.95)
Total assets	144,688,528	137,277,951	7,410,577	5.40
Current liabilities	34,539,905	30,598,167	3,941,738	12.88
Non-current liabilities	34,013,376	41,021,861	(7,008,485)	(17.08)
Total liabilities	68,553,281	71,620,028	(3,066,747)	(4.28)
Capital stock	23,395,367	23,395,367	0	0.00
Capital surplus	3,465,818	3,449,138	16,680	0.48
Retained earnings	39,047,479	24,384,415	14,663,064	60.13
Other equities	4,200,293	3,684,893	515,400	13.99
Treasury stock	(2,239,132)	(251,001)	(1,988,131)	(792.08)
Non-controlling interests	8,265,422	10,995,111	(2,729,689)	(24.83)
Total shareholders' equity	76,135,247	65,657,923	10,477,324	15.96

Analysis of deviation over 20% and exceeding NT\$10 million:

1. Current assets: Mainly due to the cash recovery from the disposal of land and buildings by the Group in 2024.
2. Retained earnings: Due to the Net income in 2024.
3. Treasury stock, Non-controlling interests: Mainly due to the increase in investment in Tatung Company by a subsidiary in 2024 which resulted in the recognition of Treasury stocks in the accounts. And lead to a decrease in non-controlling interests.

II. Financial performance

Unit: NT\$ Thousand

Item \ Year	2024		2023		Difference	Percentage (%)
	Subtotal	Total	Subtotal	Total		
Sales revenue		47,758,268		50,593,693	(2,835,425)	(5.60)
Less: sales returns	76,667		77,405		(738)	(0.95)
Sale allowances	204,569		165,170		39,399	23.85
Net sales revenues		47,477,032		50,351,118	(2,874,086)	(5.71)
Cost of goods sold		40,179,177		42,280,216	(2,101,039)	(4.97)
Gross profits		7,297,855		8,070,902	(773,047)	(9.58)
Operating expenses		7,069,614		6,830,654	238,960	3.50
Net other income		11,535,246		7,293	11,527,953	158,068.74
Operating profits (losses)		11,763,487		1,247,541	10,515,946	842.93
Non-operating income and expense		3,052,894		926,121	2,126,773	229.64
Income (loss) from continuing operating units before income tax		14,816,381		2,173,662	12,642,719	581.63
Income tax		571,075		(646,169)	1,217,244	188.38
Net income (loss) from continuing operations		14,245,306		2,819,831	11,425,475	405.18
Income (loss) from discontinued departments		0		0	0	0.00
Net income (loss)		14,245,306		2,819,831	11,425,475	405.18
Other comprehensive income (loss), net of income tax		897,102		1,003,729	(106,627)	(10.62)
Total comprehensive income (loss)		15,142,408		3,823,560	11,318,848	296.03
Analysis of changes in financial ratios: . Operating profits (losses), Non-operating income and expense, Income tax: The change of more than 20% compared to the comparative period is mainly due to the disposal benefits and related taxes generated from the disposal of land and buildings by the Group in 2024.						

Note: Not required if the difference does not exceed 20%.

III. Cash flow

Unit: NT\$ Thousand

Balance of cash- beginning (1)	Net cash flow from operating activities in the year (2)	From investing and financing activities in the year (3)	Remaining (Shortfall) of cash (1) +(2) +(3)	Measures for covering the shortfall of cash	
				Investment plan	Financing plan
14,344,906	735,820	14,770,386	29,851,112	-	-
1. Analysis of change in cash flow in the current year: The significant difference in cash flows from investing activities between 2023 and 2024 is primarily due to the increase in cash received from asset disposals by the company's investee company in 2024. 2. Measures for covering the shortfall of cash: Not applicable 3. Analysis of cash flow for the coming year:					
Unit: NT\$ Thousand					
Balance of cash- beginning (1)	Net cash flow from operating activities in the year (2)	Net cash flow from investing and financing activities in the year (3)	Remaining (Shortfall) of cash (1) +(2) +(3)	Measures for covering the shortfall of cash	
				Investment plan	Financing plan
29,851,112	(566,240)	(10,460,941)	18,823,931	-	-

IV. Impacts of major capital expenditures on financial position and operations: None.

V. Long-term investment policy, main reasons for profits or losses, improvement plans and the investment plan for the coming year:

The main investment strategy of the company is energy conservation and service industry oriented. Focusing on energy saving, environmentally friendly, and green energy fields. The Company coordinates with overseas sales in brand expanding and developing. In the future, new investment proposals will be conducted after prudent evaluation by investment review committee. It will create the core value of the Company and to all shareholders.

VI. Risk assessment and analysis

(I) Structure of risk management:

Risk management	Bodies in charge	Responsibilities
Strategy & operation risk	1. Board of Directors 2. High-level management (Chairman, president) 3. Management of each plant and division (General manager, director, and center manager)	1. Stipulation & implementation of management policies 2. Assessment & analysis of operation performance
Market & Liquidity risk	Sales of each plant and division, Purchasing Division, and Management Information Division	Business & sales promotion, market research evaluation promoting information security management
Financial risk	Finance & Accounting Division	Final accounting of cost, funds allocation and control, and hedging of interest and exchange rates
Image risk	Human Resources & Public Relations Division	enhancement of Corporate Image and response of crisis management
Legal risk	Legal Division	Domestic and foreign policies and Regulatory developments
Environmental, Health & Safety risk	Safety Health Division	Environment Management, Environment Performance, Safety Performance, and Job Safety Analysis
Climate Change risk	Management of each plant and Safety Health Division	GHG inventory and Product Carbon Footprint enhancing the performance of environment, energy and carbon reduction

(II) Impact of interest rate and exchange rate fluctuations and inflation on the Company's

earnings and countermeasures:**1. Interest rate:**

- (1) Derivatives can be used as a hedge against interest rate fluctuations for the Company's long-term debts.
- (2) When considering mid to long-term bond issues, the Company carefully sets its target interest rate to lower its interest rate risks as much as possible. For example, the Company's offshore exchangeable corporate bond issue offers a fixed interest rate, while its domestic secured convertible bond offers a zero coupon rate.

2. Exchange rate:

The Company has a natural hedge against currency fluctuation as its business involves imports and exports. It also utilizes derivatives to hedge the remainder of its foreign exchange position that is exposed to currency exchange risks. The management of risks involving such derivatives are set forth in the Company's "Operational Procedures for Derivatives Trading." The Company also has an internal control system to supervise the loss limit of foreign currency transactions.

3. Inflation:

The inflation in recent years has no significant impact on the company's operations and profits. The company will continue to prudently evaluate the price of raw materials and work out the best procurement and sales strategies in line with operational needs.

(III) Investment policy and reasons for gains and losses on high-risk and high – leverage investments, loans to a third party, derivative trades, and countermeasures

The Company engages in derivatives transactions, such as operational hedging of foreign exchange, for the sole purpose of lowering its financial risk and conducts all transactions in accordance with the Company's internal control procedure.

The Company's operating procedures for funding and endorsement are based on "Guidelines for Lending of Capital", and "Guidelines for Endorsements and Guarantees", which were formulated by referring to related laws and regulations set up by Financial Supervisory Commission.

(IV) Future R&D plans and estimated R&D expenses:

The Group plans to invest NT\$900 million for R&D expenditures in 2025, and will have to adjust the plans according to the global market condition and actual operation situation of the companies.

The main products currently developed by the Group are smart home appliances, digital entertainment and IoT products, power and renewable energy integration systems, heavy electrical products, new energy and power saving motors, energy-saving DC inverter refrigeration air-conditioner, cables, semiconductor silicon wafers, intelligent contact center system, electronic components, and paints. The future development plan will continue to focus on the cooperation with the industry and academia, to further develop smart air-conditioner and smart home appliances, smart meter/PV solar/micro-grid systems, transformers for power plant/solar power generation systems, polymer-housed surge arrester, industrial and EV motors, The cables for the Resilient Grid Project, automotive and high power diodes, contact center system, operational support systems and smart restroom management systems, micro type encoder and magnetic type contactless encoder/joystick, and epoxy coating products, and more. All of this aims to further enhance the Group's R&D capabilities and increase the market share of its products while making the Group's products more international and competitive.

Major future R&D projects are summarized in the following table:

Project	Product development/ Project description
Smart cloud service	1. Tatung smart home cloud service enables wireless management of smart home appliances, detects environmental information, and offers services such as energy management, remote control, scheduling, personalized scenario modes, and voice control. 2. Air conditioning product are launched with new specifications that comply with the "Interconnection Agreement of Ductless Air Conditioner", and satisfy new energy standards to achieve cross-platform perception and energy saving capabilities. 3. Smart energy management solution not only reduces power consumption of home appliances but also plans to integrate Taiwan Power Company's ADR (Automatic Demand Response) management for low-voltage users, achieving energy-saving benefits. 4. Expand the "Tatung Fun Club" app by integrating home appliance services 、online shopping and other features, offering members a single platform to achieve a comprehensive digital lifestyle and exclusive membership services. This will enhance digital experiences, and drive growth in the membership economy.
Research and development of smart meter	To research and develop smart meters that meet CNS, ANSI, IEC, MID, and JIS international standards, along with meter reading software. With expertise in power measurement, electricity monitoring, communication protocols, and data management systems, we are committed to driving the evolution of smart meter and digital energy management.

Project	Product development/ Project description
Development of energy saving environmental protection and hazardous location motor products	To develop super premium efficiency motors, synchronous reluctance motors, hydroelectric generators, IECEx and ATEX explosion proof motors.
Research and development of EV motor system	To develop e-bus powertrain system.
Constant temperature and Humidity Air conditioner energy saving and carbon reduction projects	Implement DC Inverter Compressor control solution to reduce the power for heating and cooling floating balance and reach energy-saving up to 45%.
Development Project for Power Cable	Development of 345kV UHV Power Cable; Application for Type Certification of Taipower.
Computers and peripheral products research and development	Research and Development Design of Computer Motherboards and Systems, Processors, and Laptops.
Multi-modal generative AI dialogue system	To leverage advances in generative AI that have matured RAG and knowledge graph applications, significantly enhancing our robots' natural language understanding and knowledge retrieval capabilities. By focusing this year's R&D on multimodal applications, we aim to extract key insights from diverse data types, thereby boosting the value of our proprietary robots across various fields and delivering more efficient smart services.
AIoT low-carbon smart toilet cloud management system	This project is in response to the increasing global emphasis on environmental protection and sustainable development. It aims to integrate data-driven management into toilet operations through AIoT technology to maximize resource utilization, minimize emissions, and comprehensively improve user satisfaction.
Research and development of Semiconductor silicon wafers	To research and develop alkali etched silicon wafers and polished silicon wafers.
Magnetic induction dual-shaft encoder	1. Precision mechanism R&D design. 2. magnetic induction control technology R&D design.
Long-life slide potentiometer with LED and motor	1. Precision mechanism R&D design. 2. LED light guide structure R&D design.
Development of high film thickness epoxy electrodeposition resin	Research on new epoxy electrodeposition resin, which can increase coating thickness, save energy and protect the environment.

(V) Major changes in domestic and foreign government policies and laws which may impact on the financial position and operation of the Company, and countermeasures:

The Company carefully monitors any changes in local and foreign policies and makes appropriate adjustments in the Company's internal control system and operations when necessary.

(VI) Impact of changes in technologies (include information security risk) on the financial position and operation of the Company, and countermeasures:

1. The Company have developed deep technical foundation, kept putting efforts on research & development, and expanded the business of key products as well as system aggressively in smart grid to ensure its technology and market leading position in domestic electricity generation, power transmission & distribution and energy management. The Company marches into oversea market and aims at the energy technology industry leader.
2. With the trend of energy efficiency and carbon reduction, the company has strived to carry on fine tradition, and reinforced to develop high-quality eco-friendly product with health, environment protection, energy-saving and high efficiency concepts to increase the sales performance and profit.
3. Comply with the development of emerging technologies, strengthen the scope of AI application and cultivate the digital capabilities of employees, and continue to promote the intelligentization/digitization of factory production and operation processes to accelerate the digital transformation within the enterprise.
4. The information security promotion team conducts risk assessment regularly every year or when there is a major change in the information technology environment, as the basis for the operation of the information security management system. In order to understand the information security risk levels related to the various service operations of Tatung Company, the "Risk Assessment Procedure Book" is formulated to specify the legal risk

treatment plan and follow-up improvement measures. In order to reduce the risk to an acceptable level.

(VII) Impact by changes of corporate image on the Company's risk management policies, and countermeasures:

The Company was founded on philosophy that emphasizes "integrity, honesty, industry and frugality." These four core values are strictly followed by each and every individual in the Company and have won public recognition. The Company will strive to carry on this tradition, while, actively pursue new ideas to ensure better corporate governance.

The Company has also appointed a special task force to respond to unforeseen situations in order to reduce uncertainties and ensure smooth business operations.

(VIII) Expected benefits and potential risks from mergers and acquisitions and countermeasures:

The Company has no ongoing merger and acquisition targets. In considering future M&As, the Company will evaluate their efficiency, risks, vertical integration and other factors in accordance with Regulations Governing the Acquisition and Disposal of Assets by Public Companies.

(IX) Expected benefits and risks related to plant expansion and countermeasures:

The company has established the "procedures for the acquisition or disposal of assets" in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", and conducts appropriate benefit evaluation and risk avoidance in accordance with the company's internal control procedures.

(X) Risk from concentration of purchase or sales, and countermeasures:

The Company will arrange for alternative sources for purchase, and will diversify its customer base in order to reduce the concentration of sales.

(XI) Risk from major transfer or swap of stocks by Tatung's directors or major shareholders with over 10% of Tatung's total outstanding shares, and countermeasures: None.

(XII) Risk from the change in management of the Company, and countermeasures: None.

(XIII) Major litigations, non-contentious matters or administrative actions, concluded or pending, involving any of the directors, presidents, responsible persons in fact, shareholders holdings more than 10% of the outstanding shares and subsidiaries, the result of which may significantly affect shareholders' equity or the stock price of the Company. Disclosure shall be made with the facts in dispute, course of action, commencing date of the legal proceeding, principal litigants and the status up to the publication date of the annual report:

For major litigation of the company, please refer to Appendix-Consolidated Financial Statements of this annual report Note 9 (6).

(XIV) Other major risks, and countermeasures: None.

VII · Other important matters: None.

VIII Special Disclosures

(I) Information on Investees

1. List of investees

Please check in the Market Observation Post System - Three Forms of Related Enterprises - Combined Business Report of Related Enterprises.

(https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=2371&year=&mtype=K&isnew=true)

2. Shareholdings, profile and operating highlights of investees

Please check in the Market Observation Post System - Three Forms of Related Enterprises - Combined Business Report of Related Enterprises.

(https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=2371&year=&mtype=K&isnew=true)

3. Business scope of Tatung and its investees and the correlation of their business activities

The Company and its affiliates are primarily engaged in Electric Power, New Energy, Consumer Electronics, Real Estate Businesses. In general, the correlation of our business activities is formed by mutual support in production, sales, marketing, and service to maximize the synergy of Tatung Group ensuring a successful delivery of the best and most efficient service to our customers.

4. Directors, supervisors and presidents of investees

Please check in the Market Observation Post System - Three Forms of Related Enterprises - Combined Business Report of Related Enterprises.

(https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=2371&year=&mtype=K&isnew=true)

(II) Securities issuance through private placement: None.

(III) Other necessary supplementary information: None.

(IV) Any Events in 2024 and as of the Date of this Annual Report that Had Significant Impacts on Shareholders' Right or Security Prices as Stated in Item 3 Paragraph 2 of Article 36 of Securities and Exchange Law of Taiwan:

1. In 2019, litigation case between Tatung Company and Chunghwa Picture Tubes Technology (Group) Co., Ltd. ("CPTTG"). On July 15, 2023, The Company's appointed attorneys notify the Company of the judgement, that the Higher People's Court of Fujian Province has made a judgement of first instance (2019 Min Min Chu No.1). The court ruled that Tatung Company should jointly pay off the performance compensation of CNY 3,029,027,800 and interest with Chunghwa Picture Tubes (Bermuda) Ltd. ("CPTB") and Chunghwa Picture Tubes, Ltd. ("CPT"). After that The Company published a material information on MOPS on the same day. The 《2009 Performance Commitment》 signed by Tatung Company has a commitment period of 3 years, and the validity of this commitment has expired. Afterwards, Tatung Company neither signed a guarantee contract with CPTTG nor signed the 《2014 Performance Commitment》. Moreover, the People's Court of Fujian Province did not provide any specific legal basis for the joint and several liability of Tatung Company and CPT in the 《Commitment Letter》, and the explanation of the liability mentioned in its judgment clearly contradicts the previous and subsequent statements. Accordingly, The Company has filed an appeal. To

evaluate the reasonableness of the appeal, The Company has commissioned three highly renowned law firms in Taiwan or in China to issue external expert opinions on this case, and the conclusion is also optimistic about the appeal result of this case. There is no specific evidence that Tatung Company has a present obligation to respond to CPTTG's request to file a lawsuit, that the joint and several liability for performance compensation, and the case is still in litigation; it is not probable that an outflow of economic resources will be required to settle the obligation, therefore, a provision for liabilities is not yet required. Although the existence of actual obligations is not very likely, The Company should still continue to disclose this contingent liabilities, and the amount of this contingent liabilities that should be disclosed is fully disclosed based on the litigation amount of CNY 3,029,027,800.

2. On October 1, 2024, the Company received a letter from the National Immigration Agency ("NIA"), in which the NIA alleged that the Company violated Subparagraph 6 of Paragraph 1 of Article 101 of the Government Procurement Act (the "Act") during its performance of two government procurement projects, namely the "Establishment of Online Application Platform and Immigration Inspection System for Mainland Tourists Project" and the "Purchase of Security and Energy-Saving Terminal Equipment for External Network Project". The Company has filed a grievance according to the Act. The grievance procedure is underway, so currently the legal liabilities of Subparagraph 3 of Paragraph 1 of Article 103 of the Act are not effective yet. Therefore, the Company's right to participate in other government procurement projects is not affected.

