

Stock code: 4916



# PARPRO CORPORATION

## 2024 Annual report

Taiwan Stock Exchange Market Observation Post System: <http://mops.twse.com.tw/>

Company website: <http://www.parpro.com/>

Printed on April 30, 2025

1. Spokesperson and acting spokesperson of the company:

Spokesman:

Name: Wu Hsiu Pi

Job Title: Chief Financial Officer

Tel: (03)457-5535

E-mail: shiny@parpro.com.tw

Acting Spokesperson:

Name: Lee Shen Lung

Job Title: Finance Manager

Tel: (03)457-5535

E-mail: frank@parpro.com.tw

2. Addresses and telephone numbers of the head office, branch offices and factories

4th Floor, No. 169, Jianxing Road, Zhongli District, Taoyuan City

Factory address: no

Tel: (03)457-5535

3. The name, address, website and telephone number of the institution handling the stock transfer

Name: KGI Securities Co., Ltd. Stock Affairs Agency Department

Address: 5th Floor, No. 2, Section 1, Chongqing South Road, Taipei City

URL : <https://www.kgi.com.tw/>

Tel: (02)2389-2999

4. Name, addresses and contact number of Audit Firm:

Name of CPA Firm: Deloitte & Touche Audit Firm

Name of CPAs: Chen Peide, Chen Junhong

Address: Floor 20, No. 100, Songren Road, Xinyi District, Taipei City

Website: [www.deloitte.com.tw](http://www.deloitte.com.tw)

Tel : (02)2725-9988

5. Name of overseas securities exchange where the securities are listed and method of inquiry:

Not applicable.

6. Company's website:

<http://www.parpro.com/>

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## I. Letter to Shareholders

2024 operating results, 2025 year business plan and future company development strategy, affected by external competition environment, regulatory environment and overall business environment are explained as follows:

### 1. 2024 business results

#### (1) 2024 business plan implementation results

Unit: NT\$ thousand; %				
Item	2023	2024	Increase/Decrease	Ratio of change
Operating income	3,414,371	3,573,442	159,071	4.66
Cost of goods sold	2,935,555	3,067,878	132,323	4.51
Operating profit	478,816	505,564	26,748	5.59
Operating expenses	321,708	401,100	79,392	24.68
Operating net (loss) profit	157,108	104,464	(52,644)	(33.51)
Net non-operating income	(16,437)	(58,358)	(41,921)	(255.04)
Net profit before tax	140,671	46,106	(94,565)	(67.22)
Net profit for the year	80,320	1,477	(78,843)	(98.16)
Net profit attributable to the owners of the Company	80,320	1,514	(78,806)	(98.12)
Net profit attributable to the non-controlling interest	0	(37)	(37)	(100.00)
Earnings per share	0.87	0.02	(0.85)	(97.70)

(2) Budget execution status: Not applicable.

#### (3) Profitability Analysis

Item		2023	2024
Financial Structure (%)	Liabilities to Assets Ratio	44.89	39.30
	Long-term funds to fixed assets Ratio	2,010.12	2,020.78
Solvency (%)	Current Ratio	221.23	248.06
	Quick Ratio	91.67	142.72
Profitability (%)	Return on assets	3.25	0.97
	Return on equity	4.62	0.07
	Earnings per share (NT\$)	0.87	0.02

#### (4) Research Development Status

The main operations and products of Papro Corporation are divided into gaming and industrial computers, aerospace and defense industries and other fields. The operating bases are in Taiwan, Mexico and the United States. "Technology research and development, innovative development, global layout" and other strategies, through vertical and horizontal integration, continue to improve and optimize the group's production and manufacturing capacity, strengthen research and development capabilities, gradually form barriers to entry in the same industry, and develop new technologies and new products and industrial applications, widely used in gaming, industrial computers, aerospace, defense industry, Netcom, medical, Internet of Things, smart retail, automotive and other industries/product fields.

### 2.2024 Annual Operation Plan

#### (1) Operating strategy

- A. Maintenance and enhancement of customer relationships, with a focus on deepening and developing applications in industries such as gaming, industrial computers, aerospace, defense, telecommunications, healthcare, and edge AI applications.

- B. Group operation integration, including order receiving and production arrangement, R&D cooperation/support and joint development, so as to achieve resource sharing, more efficient operation, and share results.
- C. Intensify research and development energy with innovation, and expand new or potential products and industrial applications in the future.
- D. Effectively control operating costs and improve the overall profitability of the group.

(2) Important Production and Marketing Policies

- A. Strengthen the relationship with existing customers, grasp existing orders and shipments, and then increase new or potential customers and orders.
- B. Strengthen the supply chain relationship and enhance the bargaining power of suppliers.
- C. To reduce material cost.
- D. Through the improvement of manufacturing process and yield rate, we can provide customers with high quality and shorten delivery time.
- E. Carry out cost control and maintain/improve stable profits.

3. Future company development strategy

(1) Maintenance and improvement of customer relationship.

(2) R&D energy and technology are continuously quenched to establish/enlarge the differentiated value with competitors in the same industry.

(3) Seek for mergers and acquisitions or strategic alliances, and gradually expand the group's operating scale and realize greater profit momentum for the group through horizontal and vertical operation integration models.

(4) Prudent financial strategy and implementation of corporate governance, strengthening and maintaining good investor relations.

(5) Cultivate global talents and build an international team.

4. Affected by the external competitive environment, regulatory environment and overall business environment

The competition in the external environment is fierce. The company will continue to recruit outstanding talents, increase the added value of products and expand product lines to increase market share, so as to maintain the stable growth of operations. At the same time, it will continue to integrate the operations of the various operating companies of the group Configuration, in order to achieve the effect of reducing costs and enhancing competitiveness.

In addition, in the face of increasingly strict laws and regulations on environmental protection, investors, consumers, intellectual property rights, and labor rights, the company will also implement the spirit of corporate governance, fulfill corporate social responsibilities, and implement relevant laws and regulations. Changes in important policies and regulations affect finances and business. In the future, we will also keep an eye on changes in important policies and regulations at home and abroad, and propose timely measures to respond to them.

Under the operation of a globalized, conglomerate, and specialized enterprise, Papro Corporation will continue to face challenges with more stable and practical management in response to the trend of internationalization. Papro Corporation also believes that with the encouragement and encouragement of all colleagues and shareholders of the company. Under the guidance, Papro Corporation will be able to reach new heights and create greater benefits for shareholders.

## II. Corporate Governance Report

### 1. Information on Directors, Supervisors, General Managers, Deputy General Managers, Assistant Managers, Heads of Departments and Branches

#### (1) Directors and supervisors:

##### A. Director:

As of March 29, 2025

Job title	Nationality or place of registration	Name	Gender Age	Elect Date	Terms	Initial Election Date	When elected		Current Number of shares held		Spouse and minor children currently hold shares		Holding shares in the name of others		Main experience (Education)	Current positions in the company and other companies	Other executives, directors or supervisors who are related to the spouse or within the second degree			Note
							Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Job title	Name	Relation	
Chairman	Taiwan	Liao, Wenjia	Male 51~60	2022/5/31	3	2004/10/1	8,071,942	9.68	7,971,942	7.21	0	0	17,085,879	15.44	Boston University/Master of Electronic Commerce National Taiwan University Bachelor	Parpro Corporation./General Manager Parpro Holdings Co., Ltd./Legal Person Director Representative AP Parpro, Inc./Legal Person Director Representative Parpro System Corporation /Legal Person Director Representative Paide Investment Co., Ltd. / Chairman Jieshi Investment Co., Ltd. / Chairman Yunyong Investment Co., Ltd./Chairman Anderson Industrial Corp. /Chairman Rayder Machinery Corporation / Chairman Shengde Co., Ltd. / Chairman Anderson Merchandise Corporation / Chairman Giben Holdings Ltd.(SAMOA)/Director Giben Holdings Ltd.(BVI)/Director	None	None	None	Note

Director	Taiwan	Zeng, Xueqing	Female 71~80	2022/5/31	3	2010/5/26	0	0	0	0	0	0	0	0	0	Shih Chien College/Fashion Design Department Head of Fangdeng International Trading Co., Ltd. Manager of Fufeng Engineering Company Anderson Industrial Corp./Legal person director representative	Changchi Co., Ltd./Consultant	None	None	None	None
Director	Taiwan	Wu, Hsiupi	Female 61~70	2024/5/31	3	2004/10/01	9,765	0.01	109,765	0.10	0	0	0	0	Shih Chien College Director of Materials, Yulin Technology Co., Ltd. Parpro Corporation/financial manager, special assistant Anderson Industrial Corp./legal person director representative Parpro Corporation/Chief Financial Officer, Deputy General Manager	Parpro Corporation/Chief Financial Officer, Deputy General Manager AP Parpro, Inc./Legal Person Director Representative Parpro(Nevada) Inc./Representative of corporate director Pilot (Las Vegas) Inc./Corporate Director Representative Parpro Technologies, Inc. / Legal Person Director Representative Parpro Quality Inc/Legal Person Director Representative Parpro System Corporation /Legal Person Director Representative Shengde Co., Ltd./Director Anderson Merchandise Corporation/Director	None	None	None	None	
Director	Taiwan	Jieshi Investment Co., Ltd Representative: Yu Shaoyin	Female 61~70	2022/5/31	3	2022/5/31	5,830,415	6.99	5,830,415	5.27	0	0	0	0	Shih Chien College Housheng Electronic Industry Co., Ltd./Accountant System Electronics Industry Co., Ltd./Accountant/Financial Director/Assistant Manager of Management Department/Director of Audit Office/Supervisor Supervisor of Boji Electronics Co., Ltd.	None	None	None	None	None	

Director	Taiwan	Shen, Zhenlin	Male 61~70	2022/5/31	3	2013/4/18	0	0.00	0	0.00	0	0	0	0	0	Master of Economics, National Chung Hsing University Motech Co., Ltd. / Chief Financial Officer Sincere Information (Shares) Company/Chief Financial Officer and Senior Deputy General Manager Taiwan Semiconductor Manufacturing Co., Ltd./Deputy Director of Finance Kanglian Holdings Limited / Independent Director	Parade Technologies, Ltd./Independent Director	None	None	None	None
Independent Director	Taiwan	Zhang, Naiwen	Male 41~50	2022/5/31	3	2022/5/31	0	0.00	0	0.00	0	0	0	0	0	Chung Yuan University/Master of Accounting, Tunghai University/Bachelor of Business Administration, Financial Manager of Changyuan Technology Industrial Co., Ltd. Zhang Naiwen Certified Public Accountants	Think-Do Better CPAS Office Director of Maiber Co., Ltd. Independent Director of ENLight Corporation	None	None	None	None
Independent Director	Taiwan	Feng, Zhiqing	Male 41~50	2022/5/31	3	2022/5/31	0	0.00	0	0.00	0	0	0	0	0	National Taiwan University/Master of Accounting, National Chengchi University/Bachelor of Accounting, Associate Director of Deloitte & Touche Audit Firm Certified Public Accountants of Deloitte & Touche Audit Firm Certified Public Accountants of Yuanshi Audit Firm	CPA of Yuanshi Audit Firm	None	None	None	None

B. Supervisor: The company has an audit committee, so it is not applicable.

(2) Directors and supervisors who are legal person shareholder representatives:

**Table 1: Major Shareholders of Legal Person Shareholders**

May 29, 2025

Legal entity shareholder name	Major shareholders of corporate shareholders
Jieshi Investment Co., Ltd.	Liao Wenjia / shareholding ratio 99.66 %

### (3) Disclosure of Directors' Professional Qualifications and Independent Directors' Independence

#### 1. Directors' Professional Qualifications and Independent Directors' Independence Information

Condition	Professional qualifications and experience	Independence situation	Number of Concurrent with other public offerings independent directors of the company
Liao, Wenjia	<ol style="list-style-type: none"> <li>Mr. Liao, Wenjia holds a Master's degree in E-Commerce from Boston University in the United States. He currently serves concurrently as the Chairman of the listed company Anderson Group. He possesses extensive practical experience in business management, leadership and decision-making, industry knowledge, and company operations.</li> <li>He does not fall under any of the circumstances listed in Article 30 of the Company Act.</li> </ol>		0
Jieshi Investment Co., Ltd Representative:Yu Shaoyin	<ol style="list-style-type: none"> <li>Ms. Yu Shaoyin graduated from the Department of Business Administration at Shih Chien University. She has served as a supervisor at System Electronics Corporation and possesses extensive practical experience in business management, leadership and decision-making, industry knowledge, financial accounting, and company operations.</li> <li>She does not fall under any of the circumstances listed in Article 30 of the Company Act.</li> </ol>	<p>1. In compliance with Article 26-3, Paragraph 2 of the Securities and Exchange Act: The representative appointed by the corporate shareholder of the Company (Jieshi Investment Co., Ltd.) does not concurrently serve as a director and an independent director.</p> <p>2. Comply with the provisions of Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act: No director of the Company or director and independent director shall have a spouse or relative relationship within the second degree of kinship.</p> <p>3. Please refer to the relevant contents of Appendix 1 (Particulars of Directors and Supervisors) (I) on page 3.</p>	0
Zeng, Xueqing	<ol style="list-style-type: none"> <li>Ms. Zeng, Xueqing graduated from the Department of Fashion Design at Shih Chien College. She has served as the corporate representative director of Anderson Industrial Corp. and as the proprietor of Fountain International Trading Company. She possesses extensive practical experience in business management, leadership and decision-making, industry knowledge, and company operations.</li> <li>She does not fall under any of the circumstances listed in Article 30 of the Company Act.</li> </ol>		0
Wu,HsiuPi	<ol style="list-style-type: none"> <li>Ms. Wu,HsiuPi graduated from the Department of Business Administration at Shih Chien College. She currently serves as the Deputy General Manager and Chief Financial Officer of Parpro Corporation. She possesses extensive practical experience in business management, leadership and decision-making, industry knowledge, financial accounting, and company operations.</li> <li>She does not fall under any of the circumstances listed in Article 30 of the Company Act.</li> </ol>		0
Shen, Zhenlin	<ol style="list-style-type: none"> <li>Mr. Shen, Zhenlin holds a Master's degree in Economics from National Chung Hsing University. He previously served as Deputy Director of Finance at Taiwan Semiconductor Manufacturing Company (TSMC) and as an Independent Director at Connell Holdings Limited. He is currently also serving as an Independent Director of Puzhen Technology Co., Ltd. He possesses extensive practical experience in business management, leadership and decision-making, industry knowledge, financial accounting, legal affairs, and company operations.</li> <li>He was not elected in accordance with Article 27 of the Company Act, which prohibits election by the government, a juristic person, or its representative.</li> <li>He does not fall under any of the circumstances listed in Article 30 of the Company Act.</li> </ol>	<ol style="list-style-type: none"> <li>The applicant, his/her spouse, or any of his/her relatives within the second degree of kinship do not serve as a director, supervisor, or employee of the company or any of its affiliated companies.</li> <li>The number of shares held by the individual, his/her spouse, relatives within the second degree of kinship, or under the name of another person does not reach 1% or more of the total issued shares of the Company or the top ten shareholders.</li> <li>Not serve as a director, supervisor, or employee of any company with which the Company has a specific relationship.</li> <li>The independent director's declaration and qualification checklist have been obtained to confirm their independence.</li> <li>Please refer to Appendix 1 (Particulars of Directors and Supervisors) (I) on page 7 for relevant contents.</li> </ol>	1
Zhang, Naiwen	<ol style="list-style-type: none"> <li>Mr. Zhang, Naiwen holds a Master's degree in Accounting from Chung Yuan Christian University. He previously served as Finance Manager at Chang Yuan Technology Industrial Co., Ltd., and is currently a practicing CPA at Think-Do Better CPAS and an Independent Director at ENLight Corporation. He possesses extensive practical experience in business management, leadership and decision-making, industry knowledge, financial accounting, legal affairs, and company operations.</li> <li>He was not elected in accordance with Article 27 of the</li> </ol>		1

	<p>3. Company Act, which prohibits election by the government, a juristic person, or its representative. He does not fall under any of the circumstances listed in Article 30 of the Company Act.</p>	
Feng, Zhiqing	<p>1. Mr. Feng, Zhiqing holds a Master's degree in Accounting from National Taiwan University. He previously served as an Associate Director at Deloitte Taiwan and is certified as an Internal Auditor and Business Valuator. He is currently a practicing CPA at Yuan Shih CPAs. He possesses extensive practical experience in business management, leadership and decision-making, industry knowledge, financial accounting, legal affairs, and company operations.</p> <p>2. He was not elected in accordance with Article 27 of the Company Act, which prohibits election by the government, a juristic person, or its representative.</p> <p>3. He does not fall under any of the circumstances listed in Article 30 of the Company Act.</p>	0

## 2.Board Diversity and Independence

Please refer to the third item of the assessment item “Corporate Governance Operation and Differences from the Corporate Governance Code of Practice for Listed and OTC Companies and Reasons for Differences” on page 18 and its explanation in Appendix 1.

(4) General Manager, Deputy General Managers, Assistant Managers, Heads of Departments and Branches

As of April 2, 2024

Job title	Country of Citizenship	Name	Gender	Assigned Date	Current Number of shares held		Spouse and minor children currently hold shares		Holding shares in the name of others		Main experience (Education)	Current positions in the company and other companies	Other executives, directors or supervisors who are related to the spouse or within the second degree			Note
					Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Job title	Name	Relation	
General manager	Taiwan	Yan, Congqian	Male	2023/11/9	80,850	0.07	-	-	-	-	Taipei Yanping Senior High School Parpro Corporation./General Manager Anderson Merchandise Corporation/ General Manager Parpro Corporation./ Executive Deputy General Manager Asiastar International Co., Ltd./Associate Manager	AP Parpro, Inc./Corporate Director Representative Parpro(Nevada) Inc./Representative of corporate director Parpro Technologies, Inc. / Legal Person Director Representative Parpro Quality Inc./Legal Person Director Representative	None	None	None	Note
Overseas Operate General Manager	United States	Thomas Sparrvik	Male	2014/1/1	-	-	-	-	-	-	Warwick Business School MBA Kontron AG, Munich, Germany Chief Operating Officer & Vice Chairman Field Works Inc., Eden Prairie, Minnesota CEO & President Laserstans AB, Malmoe, Sweden CEO & President Botech Components AB, Stockholm, Sweden CEO & President	AP Parpro, Inc./Corporate Director Representative Parpro(Nevada) Inc./Representative of corporate director Pilot (Las Vegas) Inc./Corporate Director Representative Parpro Technologies, Inc. / Legal Person Director Representative	None	None	None	None
Deputy General Manager and Chief Financial Officer	Taiwan	Wu, Hsiupi	Female	2017/2/10	109,765	0.10	-	-	-	-	Shih Chien College Director of Materials, Yulin Technology Co., Ltd. Parpro Corporation/financial assistant Anderson Industrial Corp. /legal person director representative Parpro Corporation/Chief Financial Officer, Deputy General Manager	Parpro Corporation/Chief Financial Officer, Deputy General Manager AP Parpro, Inc./Legal Person Director Representative Parpro(Nevada) Inc./Representative of corporate director Parpro Technologies, Inc. / Legal Person Director Representative Parpro System Corporation/Legal Person Director Representative Shengde Co., Ltd./Director Anderson Merchandise Corporation/Director	None	None	None	None
R & D Department Manager	United States	Matthew Dharm	Male	2017/2/10	-	-	-	-	-	-	Parpro Technologies Chief Technology Officer JumpGen Systems Senior Software Engineer and CTO Mercury Computer Systems	None	None	None	None	None

										Principal SW Engineer Momentum Computer Senior SW Developer Qualcomm, Inc Senior Engineer Harvey Mudd College					
North America CFO	Taiwan	Wu Jianming	Male	2025/1/14	-	-	-	-	-	National Taipei University of Technology/Department of Business Administration Deloitte & Touche /Senior Manager Certified Public Accountant Qualification of the Republic of China CFO of North America/ Parpro Corporation	Parpro System Corporation / Chief Financial Officer Parpro(Nevada) Inc/ Chief Financial Officer AP Parpro, Inc./ Secretary Parpro Technologies, Inc. / Chief Financial Officer Parpro Quality Inc/Chief Financial Officer	None	None	None	None
Finance Manager	Taiwan	Lee Shen-Lung	Male	2012/9/17	63,466	0.06	-	-	-	Ming Chuan University/Department of Accounting Auditor of the PricewaterhouseCoopers Audit firm Accounting Firm Assistant Manager of Underwriting Department of Taiwan Stock Exchange Deputy Manager of Capital Market Department of Polaris SecuritiesManager of Finance Department of Qizheng Optoelectronics Co., Ltd. Head of Accounting Department, Youwei Technology Co., Ltd.	Hongyi Precision Industry Co., Ltd./Independent Director	None	None	None	None

(5) Remuneration paid to directors, supervisors, general manager and deputy general manager in the most recent year (2024)

A. Remuneration of general directors and independent directors

Unit: NT\$ thousand

Job title	Name	Director's remuneration								A, B, C and D, etc., the total amount of the four items and the proportion of the after-tax net profit		Part-time employees receive relevant remuneration								A, B, C, D, E, F, and G, etc., the total amount of the seven items and their proportions to the after-tax net profit		remuneration from reinvestment business outside the subsidiary or parent company
		remuneration (A)		retirement pension (B)		Directors' remuneration (C) (Note)		business execution cost (D)				Salary, bonus and special expenses, etc. (E)		retirement pension (F)		Employee Compensation (G) (Note)						
		The company	All companies in the financial report	The company	All companies in the financial report	The company	All companies in the financial report	The company	All companies in the financial report			The company	All companies in the financial report	The company	All companies in the financial report	Our company		All companies in the financial report				
														cash amount	stock amount	cash amount	stock amount					
Chairman	Liao, Wenjia	1,440	1,440	0	0	17	17	0	0	1,457/96.21%	1,457/96.21%	3,715	3,715	108	108	0	0	0	0	5,280/348.68%	5,280/348.68%	0
Director	Zeng, Xueqing	480	480	0	0	17	17	0	0	497/32.82%	497/32.82%	0	0	0	0	0	0	0	0	497/32.82%	497/32.82%	0
Director	Jieshi Investment Co., Ltd Representative: Yu Shaoyin	480	480	0	0	17	17	0	0	497/32.82%	497/32.82%	0	0	0	0	0	0	0	0	497/32.82%	497/32.82%	0
Director	Wu, Hsiupi (Note 1)	280	280	0	0	10	10	0	0	290/19.14%	290/19.14%	2,107	2,107	108	108	0	0	0	0	2,505/165.43%	2,505/165.43%	0
Independent director	Shen, Zhenlin	840	840	0	0	17	17	0	0	857/56.59%	857/56.59%	0	0	0	0	0	0	0	0	857/56.59%	857/56.59%	0
Independent director	Zhang, Naiwen	480	480	0	0	17	17	0	0	497/32.82%	497/32.82%	0	0	0	0	0	0	0	0	497/32.82%	497/32.82%	0
Independent director	Feng, Zhiqing	480	480	0	0	17	17	0	0	497/32.82%	497/32.82%	0	0	0	0	0	0	0	0	497/32.82%	497/32.82%	0

A. Please describe the independent director's remuneration payment policy, system, standards and structure, and describe the relationship with the amount of remuneration based on the responsibilities, risks, investment time and other factors: based on the actual attendance rate and considering the individual contribution of directors .  
B. In addition to the disclosure in the above table, the remuneration received by the directors of the company for providing services to all companies in the financial report (such as serving as consultants who are not employees, etc.) in the most recent year: 0.

Note 1: Re-elected on 2024/5/31.

Note 2: Directors' remuneration and employee remuneration are distributions approved by the board of directors in 2025.

## Remuneration Grading Schedule

Payment of remuneration levels for each director of the company	Director name			
	Total remuneration for the first four items (A+B+C+D)		Total remuneration for the first seven items (A+B+C+D+E+F+G)	
	The company	All companies in the financial report	The company	All companies in the financial report
Less than NTDS 1,000,000	Jieshi Investment Co., Ltd., Zeng Xueqing, Wu Hsiu Pi, Shen Zhenlin, Zhang Naiwen, Feng Zhiqing	Jieshi Investment Co., Ltd., Zeng Xueqing, Wu Hsiu Pi, Shen Zhenlin, Zhang Naiwen, Feng Zhiqing	Jieshi Investment Co., Ltd., Zeng Xueqing, Shen Zhenlin, Zhang Naiwen, Feng Zhiqing	Jieshi Investment Co., Ltd., Zeng Xueqing, Shen Zhenlin, Zhang Naiwen, Feng Zhiqing
NTDS 1,000,000 (inclusive) to NTDS 2,000,000 (exclusive)	Liao, Wenjia	Liao, Wenjia	—	—
NTDS 2,000,000 (inclusive) to NTDS 3,500,000 (exclusive)	—	—	Wu, Hsiupi	Wu, Hsiupi
NTDS 3,500,000 (inclusive) to NTDS 5,000,000 (exclusive)	—	—	—	—
NTDS 5,000,000 (inclusive) to NTDS 10,000,000 (exclusive)	—	—	Liao, Wenjia	Liao, Wenjia
NTDS 10,000,000 (inclusive) to NTDS 15,000,000 (exclusive)	—	—	—	—
NTDS 15,000,000 (inclusive) to NTDS 30,000,000 (exclusive)	—	—	—	—
NTDS 30,000,000 (inclusive) to NTDS 50,000,000 (exclusive)	—	—	—	—
NTDS 50,000,000 (inclusive) to NTDS 100,000,000 (exclusive)	—	—	—	—
More than NTDS 100,000,000	—	—	—	—
Total	7 people	7 people	7 people	7 people

B. Supervisor's remuneration: The company has an audit committee, so it is not applicable.

### C. Remuneration for general manager and deputy general manager

Unit: NT\$ thousand

Job title	Name	Salary (A)		Pension (B) ( Note 1)		Bonuses and special expenses, etc. (C)		employee remuneration (D) (Note 2 )				A, B, C and D, etc., the total amount of the four items and the proportion of the after-tax net profit (%)		remuneration from reinvestment business outside the subsidiary or parent company
		The company	All companies in the financial report	The company	All companies in the financial report	The company	All companies in the financial report	The company		All companies in the financial report		The company	All companies in the financial report	
								cash amount	stock amount	cash amount	stock amount			
General manager	Yan, Congqian	1,640	1,640	91	91	0	0	0	0	0	0	1,731/114.30%	1,731/114.30%	0
General Manager of Overseas Operations	Thomas Sparrvik	0	8,028	0	0	0	0	0	0	0	0	0	8,028/530.14%	0
Deputy General Manager and Chief Financial Officer	Wu, Hsiupi	2,107	2,107	108	108	0	0	0	0	0	0	2,215/146.28%	2,215/146.28%	0

Note : Employee remuneration was approved by the 2025 Board of Directors resolution.

### Remuneration Grading Schedule

Pay the Company's General Manager and Deputy General Manager remuneration grades	Name of General Manager and Deputy General Manager	
	Our company	All companies in the financial report
less than NTDS\$1,000,000	-	-
NTDS\$ 1,000,000 (inclusive) to NTDS\$ 2,000,000 (exclusive)	Yan, Congqian	Yan, Congqian
NTDS\$ 2,000,000 (inclusive) to NTDS\$ 3,500,000 (exclusive)	Wu Hsiu Pi	Wu Hsiu Pi
NTDS\$ 3,500,000 (inclusive) to NTDS\$ 5,000,000 (exclusive)	-	-
NTDS\$ 5,000,000 (inclusive) to NTDS\$ 10,000,000 (exclusive)	Thomas Sparrvik	Thomas Sparrvik
NTDS\$ 10,000,000 (inclusive) to NTDS\$ 15,000,000 (exclusive)	-	-
NTDS\$ 15,000,000 (inclusive) to NTDS\$ 30,000,000 (exclusive)	-	-
NTDS\$ 30,000,000 (inclusive) to NTDS\$ 50,000,000 (exclusive)	-	-
NTDS\$ 50,000,000 (inclusive) to NTDS\$ 100,000,000 (exclusive)	-	-
More than NTDS\$ 100,000,000	-	-
Total	3	3

D.The name of the manager who distributes employee remuneration and the distribution situation: The company's managers did not participate in the distribution of employee remuneration

E.Top five salaries of manager:

Job title	Name	Salary (A)		Pension (B) ( Note 1)		Bonuses and special expenses, etc. (C)		employee remuneration (D) (Note 2)				A, B, C and D, etc., the total amount of the four items and the proportion of the after-tax net profit (%)		remuneration from reinvestment business outside the subsidiary or parent company
		The company	All companies in the financial report	The company	All companies in the financial report	The company	All companies in the financial report	The company		All companies in the financial report		The company	All companies in the financial report	
								cash amount	stock amount	cash amount	stock amount			
General manager	Yan, Congqian	1,640	1,640	91	91	0	0	0	0	0	0	1,731/114.3%	1,731/114.3%	0
General Manager of Overseas Operations	Thomas Sparrvik	0	8,028	0	0	0	0	0	0	0	0	0	8,028/530.14%	0
Project manager	Mike Orozco	0	3,532	0	0	0	0	0	0	0	0	0	3,532/233.27%	0
Deputy General Manager and Chief Financial Officer	Wu Hsiupi	2,107	2,107	108	108	0	0	0	0	0	0	2,215/146.28%	2,215/146.28%	0
Finance Manager	Lee Shen-Lung	1,407	1,407	72	72	0	0	0	0	0	0	1,479/97.71%	1,479/97.71%	0

Note 1: The actual withdrawal is made to the personal account of the Labor Insurance Bureau.

Note 2: This is the distribution approved by the board of directors on March 11, 2025.

(6) Analysis and explanation of the proportion of total remuneration paid to the company's directors, supervisors, general managers and deputy general managers in the last two years by the company and all companies in the consolidated statement to the after-tax profit of individual or individual financial reports The policy, standard and combination of payment of remuneration, the procedure of setting remuneration, and the correlation with business performance and future risks.

1. The total remuneration paid to the company's directors, supervisors, general managers and deputy general managers by the company and all companies with consolidated statements in the last two years to the after-tax profit of individual or individual financial reports :

The company's total remuneration paid to directors in 2023 and 2024 accounted for 14.27% and 701.98% of the after-tax net profit, and the total remuneration paid to the general manager and deputy general manager accounted for 17.54% and 790.72% of the after-tax net profit , The proportion of the total remuneration paid in 2024 to the after-tax net profit of individual financial reports increased, mainly due to the loss of operations and the increase in operating profits in 2024.

The board remuneration of the company is governed by Article 19 of the company's Articles of Incorporation. If the company generates profits in a given fiscal year, up to 5% shall first be allocated as director remuneration. The remuneration is then determined by considering the company's operational performance and the contribution of individual directors to the

company's performance, ensuring that it is reasonable. The remuneration policy for the General Manager and Deputy General Manager is based on the salary levels for similar positions in the industry, the responsibilities and scope of the position within the company, and the achievement of personal goals and key results set by the company. The process for determining remuneration follows the company's salary and labor management policies, performance management policies, annual employee performance assessments, and the board's performance evaluation procedures. In addition to considering the company's overall operational performance, industry risks, and development trends, the individual's performance achievements are also taken into account. The related performance evaluations and remuneration appropriateness are reviewed and approved by the Compensation Committee and the Board of Directors.

2. The company's remuneration policy, standard and combination, the procedure for determining remuneration, and its relationship with business performance and future risks:

According to Article 19 of the company's articles of association, the director's remuneration of the company should first allocate no more than 5% of the director's remuneration if the company makes a profit in the year, and consider the company's operating results and its contribution to the company's performance to give a reasonable amount. remuneration. The remuneration payment policy for the general manager and deputy general manager is based on the salary level of the position in the industry market, the scope of power and responsibility of the position in the company, and the achievement of personal goals and key results set by the company. The procedures for determining remuneration are based on the company's salary and labor management methods, performance management methods, annual employee performance appraisals, board performance evaluation methods, etc., in addition to referring to the company's overall operating performance, future business risks and development trends of the industry, We also give reasonable remuneration with reference to the achievement of individual performance. Relevant performance appraisal and remuneration rationality are reviewed by the remuneration committee and the board of directors, and the remuneration system is reviewed at any time depending on the actual operating conditions and relevant laws and regulations, so as to achieve the company's sustainable operation and Balance of risk control.

3. Operation of corporate governance

- (1) The operation of the board of directors: The board of directors held 8 meetings in 2024 (A), and the attendance of directors is as follows:

Job title	Name	The actual number of (column) seats (B)	Entrusted to attend frequency	Actual attendance rate (%) (B/A)	Remark
Chairman	Liao,Wenjia	4	2	67	-
Director	Zeng,Xueqing	5	1	83	-
Director	Wu,Hsiupi	3	0	100	2023/11/16 Resigned 2024/5/31 Re-election Note: Attendances required is 3 times

Legal person director	Jieshi Investment Co., Ltd Representative: Yu Shaoyin	6	0	100	
Independent director	Shen Zhenlin	6	0	100	
Independent director	Zhang Naiwen	6	0	100	
Independent director	Feng Zhiqing	6	0	100	

Other matters to be recorded:

- A. If any of the following situations occurs in the operation of the board of directors, the date, period, content of the proposal, opinions of all independent directors, and the company's handling of the opinions of independent directors shall be stated:
- a. Matters listed in Article 14-3 of the Securities Exchange Act: Please refer to pages 42-43 of the annual report .
  - b. Except for the above-mentioned matters, other resolutions of the board of directors that have been opposed or reserved by independent directors and have records or written statements: None.
- B. When a director withdraws from an interest-related proposal, the director's name, content of the proposal, reason for recusal and participation in the event should be stated: None
- C. Listed OTC companies should disclose information such as the evaluation cycle and period, evaluation scope, method, and evaluation content of the board of directors' self (or peer) evaluation: Please refer to Attachment 1 for details.
- D. The current and most recent year's goal of strengthening the functions of the board of directors (such as the establishment of an audit committee, the improvement of information transparency, etc. ) and the evaluation of its implementation:  
Introduce independent directors to set up an audit committee and a remuneration committee to supervise the decision-making content of the board of directors. In addition, the board of directors shall be held at least quarterly and relevant information shall be disclosed to the investing public in accordance with the provisions of laws and regulations .
- E. Attendance of independent directors at each board meeting: Please refer to Attachment 2 for details.

Attached Table 1: Implementation of Board Evaluation

Evaluate cycle	Evaluation period	Assessment scope	Evaluation method	Assessment content
Once a year	2024/1/1 to 2024/12/31	Board and Member Performance Evaluation	Internal self-assessment of the board of directors	Conduct self-evaluation on the degree of participation in the company's operations, the quality of the board's decision-making, the composition and structure of the board of directors, the selection and appointment of directors, continuous education, and internal control .

Schedule 2: Attendance of independent directors at each board meeting in 2024:

◎: Attended in person ☆ : Attended by proxy \* : Did not attend

Name	1st	2nd	3rd	4th	5th	6th	7th	8th
Shen Zhenlin	◎	◎	◎	◎	◎	◎	◎	☆
Zhang Naiwen	◎	◎	◎	◎	◎	◎	◎	◎
Feng Zhiqing	◎	◎	◎	◎	◎	◎	◎	◎

(2) Operation of the Audit Committee: The Audit Committee held 6 meetings in 2024 (A), and the attendance of independent directors is as follows:

Job title	Name	Actual number of attendance (B)	Entrusted Attendance	Actual attendance rate (%) (B/A)(Note)	Remark
Independent Director (convener)	Shen, Xiaoling	5	0	100	
Independent director	Zhang Naiwen	5	0	100	
Independent director	Feng Zhiqing	5	0	100	

Other matters to be recorded:

- A. In case of any of the following situations in the operation of the audit committee, the audit committee meeting date, period, content of proposals, independent directors' objections, reservations, or content of major proposals, audit committee resolution results, and the company's response to the audit committee shall be stated. Handling of opinions.
- Matters listed in Article 14-5 of the Securities and Exchange Act: Attachment 1 .
  - Except for the above-mentioned matters, other resolution matters that have not been approved by the audit committee and approved by more than two-thirds of all directors: None.
- B. Execution of independent directors' recusal of interest-related proposals. The independent director's name, content of the proposal, reasons for recusal of interests, and participation in voting shall be stated : None.
- C. Communications between independent directors and internal audit supervisors and accountants (should include major events, methods and results of communication on the company's financial and business conditions) :
- The company's internal audit supervisor submits the audit report to the independent directors every month, and regularly conducts two-way exchange of opinions and communication with the independent directors and accountants at the quarterly corporate governance meeting. Overall, the communication between the independent directors and the internal audit supervisor in 2024 should be sufficient .
  - The company invites certified accountants to report on quarterly financial statement audit or audit results, internal control implementation, relevant legal requirements or updates, etc. in the quarterly corporate governance meeting for two-way exchange of opinions and communication. Overall, in 2024 the status of communication between independent directors and certified accountants should be sufficient .
  - Independent directors, internal audit supervisors and accountants also communicate directly by email, telephone or face to face as needed.
  - The communications between the company's independent directors, internal audit supervisors and accountants have been disclosed in the corporate governance section of the company's website.

Schedule I

The Audit Committee	Proposal content and follow-up processing	Matters listed in Article 14-5 of the Securities and Exchange Act	Resolutions that have not been approved by the Audit Committee but have been agreed by more than two-thirds of all directors
<b>1. Operational situation in 2024</b>			
1st (2024/3/13)	1. 2023 Annual Business Report and Consolidated financial statements	V	All the members present agreed to pass it and submitted it to the board of directors for approval.
	2. 2024 Annual auditors' independence and performance evaluation review case	V	
	3. 2023 Annual "Internal Control Statement" case	V	
	4. PARPRO TECHNOLOGIES loan to AP PARPRO case	V	
	5. The Company loan to AP PARPRO case	V	
	6. Convertible corporate bonds for new shares		
	7. Revised some of the provisions of the internal major information handling procedures	V	
	8. Year 2023 Profit Distribution Case		
2nd (2024/5/9)	1. Consolidated financial statements for the first quarter of 2024	V	All the members present agreed to pass it and submitted it to the board of directors for approval.
3rd (2024/8/13)	1. Consolidated financial statements for the first half of 2024	V	All the members present agreed to pass it and submitted it to the board of directors for approval
	2. PARPRO TECHNOLOGIES capital loan to AP PARPRO case	V	
4th (2024/11/12)	1. Consolidated financial statements for the third quarter of 2024		All the members present agreed to pass it and submitted it to the board of directors for approval
	2. The company's audit plan for the 2025	V	
	3. PARPRO NEVADA capital loan to AP PARPRO case	V	
	4. PARPRO TECHNOLOGIES capital loan to PARPRO NEVADA case	V	
	5. Established the company's "Sustainable		

	Information Management Operation"		
	6. Parpro system Capital Reduction and Capital Increase Case	V	
	7. Parpro system amends some articles of the company's articles of association	V	
5th (2024/12/13)	1. 2025 Budget		All the members present agreed to pass it and submitted it to the board of directors for approval

## 2. Review the financial report

The board of directors prepared the company's 2024 annual business report, financial statements, and profit distribution proposals, among which the financial statements were audited by Deloitte & Touche Audit Firm, and an audit report was issued. The above-mentioned business report, financial statement and profit distribution case have been checked by the audit committee on March 11, 2025 , and there is no discrepancy .

## 3. Evaluate the effectiveness of the internal control system

The audit committee evaluates the effectiveness of the policies and procedures of the company's internal control system (including control environment, risk assessment, control operations, information and communication, and supervision operations), and reviews the periodic reports of the company's audit department. The audit committee believes that the company's risk management and internal control systems are effective, and the company has adopted the necessary control mechanisms to monitor and correct violations.

- (3) The operation of corporate governance and the differences between it and the Code of Practice for Corporate Governance of listed companies and the reasons:

evaluation items	Operation status (Note)			Differences from the Governance Code of Practice for Listed OTC Companies and Reasons
	yes	no	Summary description	
A. Does the company formulate and disclose the code of corporate governance practice in accordance with the Code of Practice for Corporate Governance of Listed OTC Companies?	V		The company has approved the "Corporate Governance Code" by the board of directors in 2014, and currently implements and operates in accordance with relevant regulations.	no major difference
B. Company Shareholding Structure and Shareholders' Equity (a) Does the company formulate internal operating procedures to deal with shareholders' suggestions, doubts, disputes and litigation matters, and implement them according to the procedures?	V		The company has formulated the "Corporate Governance Code", and according to the regulations, the spokesperson is responsible for handling shareholders' suggestions or disputes.	no major difference

evaluation items	Operation status (Note)			Differences from the Governance Code of Practice for Listed OTC Companies and Reasons
	yes	no	Summary description	
(b) Does the company have a list of the major shareholders who actually control the company and the ultimate controllers of the major shareholders?	V		The company obtains the list of shareholders with a shareholding ratio of more than 5% or the top ten shareholders through a stock affairs agency.	no major difference
(c) Does the company establish and implement risk control and firewall mechanisms with related companies?	V		The company has established the "Supervision and Management Procedures for Subsidiaries," "Operating Procedures for Transactions with Group Enterprises, Specific Companies, and Related Parties," and the "Corporate Governance Code." These are carried out in accordance with the company's internal control system, ensuring the effective implementation of risk management mechanisms and firewall mechanisms for related-party transactions and affiliated companies.	no major difference
(d) Does the company have internal regulations to prohibit company insiders from using unpublished information in the market to buy and sell securities?	V		The company has formulated the "Internal Material Information Handling Procedures" and the "Ethical Code of Conduct", which clearly stipulate that company personnel must not use the company's internal information for improper profit.	no major difference
C. Composition and Responsibilities of the Board of Directors (a) Does the board of directors formulate diversity policies, specific management objectives and implement them?	V		<p>Article 3 of the "Director Election Guidelines" regulates the diversity policy for the Board of Directors: The composition of the Board should emphasize gender equality and generally include members who possess the necessary knowledge, skills, and competencies to perform their duties. To achieve the ideal goal of corporate governance, the overall capabilities of the Board should include: operational judgment, accounting and financial analysis, management skills, crisis management, industry knowledge, international market perspective, leadership, and decision-making ability.</p> <p>Specific management objectives and achievements of the diversity policy:</p> <p>Objective A: Directors of the company should possess relevant professional skills and experience in management, leadership decision-making, industry knowledge, financial accounting, law, and environmental protection.</p> <p>Achievement: Achieved. The diversity of the Board is detailed in Appendix 1.</p> <p>Objective B: At least one-third of the Board members should be female.</p> <p>Achievement: This term, there are three female directors, accounting for 43%, meeting the target.</p>	no major difference

evaluation items	Operation status (Note)			Differences from the Governance Code of Practice for Listed OTC Companies and Reasons
	yes	no	Summary description	
(b) Has the company voluntarily set up various other functional committees besides the remuneration committee and the audit committee in accordance with the law?		V	The company currently only has a salary and compensation committee and an audit committee, and there is no need to add other functional committees.	no major difference
(c) Has the company formulated the performance evaluation method and evaluation method of the board of directors, conducts performance evaluation every year and regularly, and submits the results of the performance evaluation to the board of directors, and uses it as a reference for the salary and remuneration of individual directors and nomination for renewal?	V		<p>The company approved the "Board of Directors Performance Evaluation Guidelines" on June 20, 2013, at a Board meeting. In accordance with the guidelines, performance evaluations are conducted annually. The most recent evaluation was reported to the Board on March 11, 2025. In areas such as board efficiency, internal relations, management and communication, and member composition and capabilities, the self-assessment scores of the directors were between satisfactory and very satisfactory.</p> <p>The company's Audit Committee evaluates the independence and qualifications of its auditors annually. In addition to requiring the auditors to provide an "Independence Declaration" and "Audit Quality Indicators (AQIs)," the committee also refers to Article 47 of the Certified Public Accountant Act and the "Code of Professional Ethics No. 10: Integrity, Impartiality, Objectivity, and Independence" from the National Association of Certified Public Accountants, as well as 13 AQI indicators for assessment. It was confirmed that, aside from audit and tax-related fees, there are no other financial interests or business relationships between the auditors and the company. Additionally, the auditors' family members do not violate independence requirements. Based on AQI information, it was confirmed that both the auditors and the firm exceed the industry average in five key areas: professional competence, quality control, independence, supervision, and innovation capabilities. The most recent evaluation results were approved by the Audit Committee and Board of Directors on March 11, 2025, and are detailed in Appendix 2.</p>	no major difference
(d) Does the company regularly assess the independence of CPA?	V		The company's audit committee evaluates the independence and competency of its certified accountants every year. In addition to requiring the certified accountants to provide "Declaration of Detachment of Independence" and "Audit Quality Indicators (AQIs)", it also considers Article 47 of the Accountants Act and the professional ethics of accountants. Standard Bulletin No. 10 was formulated and a total of 13 AQI indicators from five major aspects were evaluated. It is confirmed that the accountant has no other financial interests or business relationships with the company except for fees for visas and financial and tax cases. The	no major difference

evaluation items	Operation status (Note)			Differences from the Governance Code of Practice for Listed OTC Companies and Reasons
	yes	no	Summary description	
			accountant's family members do not violate the independence requirements. With reference to the AQI indicator information, it is confirmed that the accountant and the firm are in the process of checking professionalism, quality control, independence, supervision and innovation capabilities are all better than the average level of the industry. The evaluation results of the most recent year have been approved by the audit committee and the board of directors on March 11, 2024, as detailed in Appendix 2.	
D. Whether the listed OTC company has a qualified and appropriate number of corporate governance personnel, and designates a corporate governance supervisor to be responsible for corporate governance -related affairs (including but not limited to providing directors and supervisors with information needed to perform business, assisting directors, supervising to follow the laws and regulations , handle matters related to the meetings of the board of directors and shareholders' meetings, make minutes of the board of directors and shareholders' meetings, etc.) ?	V		The company has a corporate governance team under the general manager's office. On August 13, 2019, the board of directors approved the appointment of Wu,Hsiupi, deputy general manager, as the corporate governance supervisor. Such as management work experience, 2024 annual training situation is detailed in Table 3. The duties of the corporate governance team are to provide directors and independent directors with the information they need to carry out their business, assist directors and independent directors to comply with laws and regulations, and handle matters related to the board of directors and shareholders' meetings according to the law.	no major difference
E. Whether the company has established a communication channel with stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.), set up a special area for stakeholders on the company website, and properly responded to important corporate social responsibility issues that stakeholders are concerned about ?	V		The company has established a stakeholder section on its website, providing smooth communication channels for stakeholders such as shareholders, employees, customers, suppliers, banks, and other creditors. Stakeholders can also learn about the company's operations through the designated spokesperson.	no major difference
F. Does the company appoint a professional stock affairs agency to handle the affairs of the shareholders meeting?	V		The company appointed KGI Securities Co., Ltd. Stock Affairs Agency Department to handle matters related to the shareholders' meeting.	no major difference
G. Information Disclosure (a) Does the company set up a website to disclose financial business and corporate governance information?	V		The company has set up a company website and disclosed relevant information at the public information observation station in accordance with regulations.	no major difference
(b) Does the company adopt other methods of information disclosure (such as setting up an English website, appointing a special person to be responsible for the collection and disclosure of company information, implementing the spokesperson system, placing the company website during the legal person briefing	V		The company designates a special person to be responsible for the collection and disclosure of company information, and implements the spokesperson system.	no major difference

evaluation items	Operation status (Note)			Differences from the Governance Code of Practice for Listed OTC Companies and Reasons
	yes	no	Summary description	
<p>session, etc.)?</p> <p>(c) Whether the company announces and declares the annual financial report within two months after the end of the fiscal year, and announces and declares the first, second and third quarter financial reports and the operating conditions of each month before the prescribed deadline</p>		V	In discussion.	no major difference
<p>H. Does the company have other important information that is helpful to understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, rights of interested parties, training of directors and supervisors, risk management The implementation of policies and risk measurement standards, the implementation of customer policies, the company's purchase of liability insurance for directors and supervisors, etc.)?</p>	V		<p>1. Employees' rights and interests: In addition to handling employees' rights and interests in accordance with the Labor Standards Act and related laws and regulations, the company has established an employee welfare committee to allocate employee welfare funds and employee retirement funds according to law, and organize various employee welfare activities to connect employees.</p> <p>2. Employee care: The company regularly organizes employee tours and subsidies, and protects the legitimate rights and interests of employees in accordance with the Labor Standards Act and other relevant laws and regulations. The website reveals various management methods, clearly stipulates the rights and obligations of employees and welfare items, and regularly reviews the content of benefits to protect the rights and interests of employees.</p> <p>3. Investor relations: The company discloses information in the public information observatory according to the laws and regulations to protect the rights and interests of investors, and the investor's mailbox and spokesperson contact information are listed on the company's website to maintain a healthy and harmonious relationship between the company and shareholders.</p> <p>4. Supplier relationship: The company attaches great importance to the rationality of purchase prices and the premise of cooperating with suppliers in the spirit of life community, mutual trust and reciprocity, and safeguards the due rights and interests of both parties. The transaction conditions are determined after mutual communication and coordination between the two parties.</p> <p>5. Rights of interested parties: The company's website (<a href="http://www.parpro.com.tw">http://www.parpro.com.tw</a>) has an "Investor Zone", which discloses the company's financial and business-related information, and</p>	no major difference

evaluation items	Operation status (Note)		Summary description	Differences from the Governance Code of Practice for Listed OTC Companies and Reasons
	yes	no		
			<p>links to public information observation stations for interested parties refer to. In addition, the company's stock affairs agency, KGI Securities (Shares) Co., Ltd. Stock Affairs Agency Department, also assists in handling relevant issues and suggestions from shareholders and stakeholders of the company. If legal issues are involved, professional lawyers or legal personnel will be appointed Processing to protect the rights and interests of interested parties.</p> <p>6. The situation of directors' further education: please refer to the attached table 4.</p> <p>7. Implementation of risk management policies and risk measurement standards: Please refer to page 77-78 of this annual report .</p> <p>8. Implementation of customer policies: The company and customers have designated special personnel to make regular contact, keep abreast of customer dynamics, and ensure the best interests of both parties through good communication and interaction.</p> <p>9. Circumstances in which the company purchases liability insurance for directors: The company has purchased directors' liability insurance.</p>	
<p>9. Please explain the improvement of the corporate governance evaluation results released by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the most recent year, and propose priority strengthening matters and measures for those that have not been improved. (Companies not included in the evaluation do not need to fill in)</p> <p><u>The promotion items are as follows:</u></p> <p>1. The minutes of the shareholders' annual meeting record important content of shareholder questions and company responses.</p> <p>2. The annual financial report, disclosed in English, is uploaded at least 16 days prior to the shareholders' annual meeting.</p> <p>3. The Board of Directors regularly evaluates the independence and qualifications of the auditors, referencing Audit Quality Indicators (AQIs).</p> <p>4. Disclosure of employee welfare measures, retirement system, and their implementation.</p> <p>5. Disclosure of total water consumption and waste generation over the past two years.</p> <p>6. Formulation of a greenhouse gas reduction management policy.</p> <p><u>Priorities and measures for improvement that have not yet been improved:</u></p> <p>1. Hold two investor presentations annually.</p> <p>2. Prepare a "Sustainability Report."</p> <p>3. Disclose the total water consumption and waste weight for the past two years.</p>				

**Attached Table 1: Diversity of the Board of Directors**

Diversified core projects Director name	Ggender	Management	Leadership decision	Industry knowledge	Financial Accounting	law
Liao Wenjia	Male	V	V	V		
Zeng Xueqing	Female	V	V	V		
Wu Hsiu Pi	Female	V	V	V	V	
Jieshi Investment Co., Ltd. Representative: Yu Shaoyin	Female	V	V	V	V	
Shen Zhenlin	Male	V	V	V	V	V

Zhang Naiwen	Male	V	V	V	V	V
Feng Zhiqing	Male	V	V	V	V	V

Schedule 2: Evaluation CPA for Independence

Evaluation items	Evaluation result	Whether it meets independence
1. As of the latest visa operation, there has been no change in seven years.	yes	yes
2. There is no significant financial interest relationship with the client.	yes	yes
3. Avoid any inappropriate relationship with the client.	yes	yes
4. Accountants should ensure the honesty, impartiality and independence of their assistants.	yes	yes
5. The financial statements of the service organization within the two years prior to the practice shall not be checked for visas.	yes	yes
6. The name of the accountant shall not be used by others.	yes	yes
7. Does not hold shares in the company or affiliated companies.	yes	yes
8. Has not had any money loans with the company or affiliated companies.	yes	yes
9. Has no joint investment or interest-sharing relationship with the company or affiliated companies.	yes	yes
10. Does not concurrently hold the regular work of the company or affiliated enterprises, and receives a fixed salary.	yes	yes
11. Does not involve the management functions of the company or affiliated companies to make decisions.	yes	yes
12. Failure to concurrently operate other businesses that may lose their independence.	yes	yes
13. Has no relationship with the company's management personnel as a spouse, a direct blood relative, a direct blood relative, or a collateral blood relative within the second degree.	yes	yes
14. No commissions related to business are charged.	yes	yes
15. As of now, there has been no punishment or damage to the principle of independence.	yes	yes

Implementation of Advanced Training for Corporate Governance Supervisors in 2024.

Name	Study date	organizer	Course Title	Study hours
Wu Hsiu Pi	2024/10/29	Taiwan Corporate Governance Association	What are investors thinking about? Talking about corporate sustainable transformation from the perspective of ESG investment and financing	3
	2024/10/29	Taiwan Corporate Governance Association	The information security governance strategies of listed companies from the perspective of ESG corporate sustainable development	3

Attachment 4: Important information items that are helpful in understanding corporate governance operations

Helps to understand corporate governance operations Important information items	Detailed description of the implemented situation or planned situation
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Helps to understand corporate governance operations Important information items	Detailed description of the implemented situation or planned situation
<b>1. Employee Rights and Interests</b>	
(1) Provide adequate education and training for employees	All employees of our company must receive pre-employment training when they arrive on the job. Specialty training and safety and health education will be provided during their tenure. For those who require special expertise in the business , personnel will be dispatched to receive training depending on the situation .
(2) Provide employees with the right to fully respond to their opinions	The company holds regular labor-management meetings, where the heads of each department listen to the opinions of the employees, and set up a suggestion box for employees to fully respond to their opinions.
(3) Others (such as occupational safety and health management system certified by ISO 45001 or related organizations, providing employees with reasonable benefits and remuneration, etc.)	The company conducts safety and health education, disaster prevention training and health examinations that are necessary for employees to perform their work. In addition to reasonable salaries, the company's employees are also awarded year-end bonuses based on operational performance and remuneration is paid to employees in accordance with the company's articles of association. In addition, the company has set up an employee welfare committee to handle employee welfare business to provide employees with reasonable benefits and remuneration.
<b>2. Employee care</b>	
(1) Ensure the safety of the working environment	Employee safety and fire protection business inspections in accordance with the labor safety and health laws and fire regulations , and then reports them to the competent authorities. It also conducts labor safety education from time to time.
( 2 ) Others (such as paying attention to the physical and mental development of workers and family life, etc.)	The company attaches great importance to the physical and mental development and family life of its employees. In the event of weddings or funerals, supervisors will personally go to celebrate or pay tribute. If there is an accident, they will provide condolences and assistance. In addition, the company and the employee welfare committee organize travel and parent-child activities to prevent overwork. Family members are encouraged to participate.
<b>3. Investor relations</b>	
(1) Improve operational transparency	The company handles matters in accordance with the list of business matters to be handled by issuers of listed securities and the information disclosure regulations of the Taiwan Stock Exchange Co., Ltd. on verification and disclosure procedures for material information of listed companies, and provides various information to investors in a timely manner. . In the event of a major incident, a press conference must be held immediately to make a public statement.
(2) Pay attention to corporate governance	The company has three independent directors, and the three independent directors serve as members of the audit committee and the remuneration committee. Important proposals must be resolved by the functional committee and the board of directors before they can be implemented. Directors are required to take a 6-hour course every year. The company

Helps to understand corporate governance operations Important information items	Detailed description of the implemented situation or planned situation
	formulates and implements various internal control and internal audit systems. The company follows the provisions of the "Code of Practice for the Governance of Listed Overseas Companies", strengthens the responsibilities of directors, protects the rights and interests of shareholders, and designates corporate governance personnel and supervisors.
(3)Others	The company has spokespersons and agent spokespersons, which serve as channels for the company to communicate with investors and stakeholders.
<b>4.Supplier relations</b>	
(1) Pay attention to the rationality of the purchase price	In line with the spirit of cooperation and the premise of mutual trust and reciprocity in a community of life, the due rights and interests of both parties are safeguarded, and transaction conditions are determined through communication and coordination between both parties.
(2)Others	Maintain close contact with suppliers, affirm their support and look forward to closer cooperation to achieve great results.
<b>5. Rights and interests of interested parties</b>	
(1) Respect intellectual property rights	Our company's computer software is used with legal authorization.
(2) Pay attention to the relationship with customers (such as protecting consumer rights and interests, paying attention to product quality, safety and innovation, paying attention to and handling customer complaints immediately, providing complete product information, etc.)	Before sales, the company's products are tested for various functions according to the requirements of individual customers to ensure that they meet customer quality requirements. The company continuously invests in research and development, striving to improve product safety and energy saving, and handles customer complaints in the internal control system. Standardize the processing and after-sales service, understand and solve the problems raised by customers in the fastest way, and pay attention to the rights and interests of consumers. We also comply with contracts with customers, including relevant confidentiality agreements and integrity clauses. Depending on the situation, the company instructs specialized units to communicate with customers, and has contact information for business departments on the company's website.
(3) Comply with laws and regulations	The company assigns dedicated personnel to pay attention to relevant information such as law amendments and interpretations at all times. Information on law amendments related to labor and finance must be collected, publicized and conducted by relevant departments for education and training.
(4) Others (such as disclosing the implementation status of social responsibility policies on the company website, etc.)	The company has formulated a code of practice for sustainable development and has disclosed the implementation of the sustainable development policy on the company's website.

Attachment 5: 2024 directors' training status

Job title	Name	Study date	Organizer	Course Title	Training hours
Chairman	Liao Wenjia	2024/10/29	Taiwan Corporate Governance Association	What are investors thinking about? Talking about corporate sustainable transformation from the perspective of ESG investment and financing	3
				The information security governance strategies of listed companies from the perspective of ESG corporate sustainable development	3
Director	Zeng Xueqing	2024/10/29	Taiwan Corporate Governance Association	What are investors thinking about? Talking about corporate sustainable transformation from the perspective of ESG investment and financing	3
				The information security governance strategies of listed companies from the perspective of ESG corporate sustainable development	3
Legal Person Director	Jieshi Investment Co., Ltd. Representative: Yu Shaoyin	2024/10/29	Taiwan Corporate Governance Association	What are investors thinking about? Talking about corporate sustainable transformation from the perspective of ESG investment and financing	3
				The information security governance strategies of listed companies from the perspective of ESG corporate sustainable development	3
Independent Director	Shen Zhenlin	2024/10/29	Taiwan Corporate Governance Association	What are investors thinking about? Talking about corporate sustainable transformation from the perspective of ESG investment and financing	3
				The information security governance strategies of listed companies from the perspective of ESG corporate sustainable development	3
Independent Director	Zhang Naiwen	2024/10/29	Taiwan Corporate Governance Association	What are investors thinking about? Talking about corporate sustainable transformation from the perspective of ESG investment and financing	3
				The information security governance strategies of listed companies from the perspective of ESG corporate sustainable development	3
Independent Director	Feng Zhiqing	2024/10/29	Taiwan Corporate Governance Association	What are investors thinking about? Talking about corporate sustainable transformation from the perspective of ESG investment and financing	3
				The information security governance strategies of listed companies from the perspective of ESG corporate sustainable development	3

(4) If the company has established a remuneration committee or a nomination committee, it shall disclose its composition, professional qualifications and experience, independence, responsibilities, operating conditions, and other recorded items:

Up to now, the company has not set up a nomination committee, and the information about the remuneration committee is detailed in the follow-up instructions:

1. Information on members of the Remuneration Committee

Separate	Name	Condition  Professional qualifications and experience	Independence situation	The number of members of the remuneration committee of other publicly issued companies
Independent director (convener)	Zhang Naiwen	Master of Accounting, Chung Yuan University Bachelor of Business Administration, Tunghai University Financial Manager of Changyuan Technology Industrial Co., Ltd. Think-Do Better CPAS Office Director of Maiber Co., Ltd. Independent Director of ENLight Corporation Please also refer to the relevant content under the information of directors on page 4	Independent directors have obtained independent director declarations and qualification checklists to confirm their independence.	1
Independent director	Shen Zhenlin	Master of Economics, National Chung Hsing University Motech Co., Ltd. / Chief Financial Officer Sincere Information (Shares) Company/Chief Financial Officer and Senior Deputy General Manager Taiwan Semiconductor Manufacturing Co., Ltd./Deputy Director of Finance Parade Technologies, Ltd / Independent Director Spectrum Technology Co., Ltd./Independent Director Also refer to page 4 for Directors' Information	Independent directors have obtained independent director declarations and qualification checklists to confirm their independence.	1
Independent director	Feng Zhiqing	Master of Accounting, National Taiwan University Bachelor of Accountancy, National Chengchi University Qualified internal auditor Qualified as an enterprise appraiser Associate Director of Deloitte & Touche United Accounting Firm Certified public accountant of Zhongqin United Certified Public Accountants Certified Public Accountant of Yuanshi Certified Public Accountants Please also refer to the relevant content under the information of directors on page 4	Independent directors have obtained independent director declarations and qualification checklists to confirm their independence.	0

### 3. Information on the operation of the Salary and Remuneration Committee

- (1) The company's salary and compensation committee has 3 members.
- (2) The term of office of the current committee members: from May 31, 2022 to May 30, 2025, the Salary and Remuneration Committee met four times in 2024 (A). The qualifications and attendance of the members are as follows:

Job title	Name	Actual attendance Times (B)	Entrusted Attendance	Actual attendance rate (%) (B/A)	Remark
Convener	Zhang Naiwen	2	0	100	-
Member	Shen Zhenlin	2	0	100	-
Member	Feng Zhiqing	2	0	100	-

Other matters to be recorded:

- If the board of directors does not adopt or revise the suggestion of the salary and compensation committee, it shall state the date, period, content of the proposal, the result of the resolution of the board of directors, and the company's handling of the opinions of the salary and compensation committee (such as the salary approved by the board of directors is better than that of the salary and compensation committee). Suggestions should describe the differences and reasons): None. (The operation of the Remuneration Committee in 2024 is detailed in Table 1).
- For the resolutions of the salary and compensation committee, if members have objections or reservations and there are records or written statements, the date, period, content of the proposal, all members' opinions and the handling of members' opinions should be stated: None.

Attached Table 1: Operation of the Remuneration Committee in 2024.

Salary committee	Proposal content and resolution results
Fourth session 1st 2024/1/25	A. Year-end bonus case for managers of Parpro Corporation Group in 2023
	<b>Resolution result:</b> The chairman consulted with all the attending members, and unanimously passed the resolution of handing over to the board of directors .
	<b>The company's handling of the opinions of the remuneration committee :</b> All directors present agreed to pass.
Fourth session 2nd 2024/3/13	A. 2023 Annual employee remuneration and distribution of remuneration for directors and supervisors
	B. 2023 annual self- evaluation of directors

	<b>Resolution result:</b> The chairman consulted with all the attending members, and unanimously passed the resolution of handing over to the board of directors .
	<b>The company's handling of the opinions of the remuneration committee :</b> All directors present agreed to pass.

(5) The implementation of sustainable development and the differences and reasons for the implementation of sustainable development and the code of practice for listed OTC companies :

promote the project	Execution situation			Differences and Reasons for Differences from the Code of Practice for Sustainable Development of Listed OTC Companies
	yes	no	summary description	
1. Has the company established a governance structure to promote sustainable development, has set up a full-time (part-time) unit to promote sustainable development , and has the board of directors authorize the senior management to handle it, and the situation of the board of directors ' supervision ?	V		<p>The company has established a Sustainable Strategy Development Team responsible for implementing the company's sustainability goals and enhancing sustainability governance. The Chief Sustainability Officer (CSO) serves as the convener and is responsible for the following sustainability-related tasks:</p> <p>Formulating, promoting, and strengthening the company's sustainability policies, annual plans, and strategies.</p> <p>Reviewing, tracking, and revising the implementation and effectiveness of sustainability efforts.</p> <p>Supervising sustainability information disclosure and reviewing the Sustainability Report.</p> <p>Overseeing the execution of the company's sustainability development code and other sustainability-related tasks approved by the Board of Directors. The performance of these tasks for the year 2024 was reported to the Board on May 13, 2025 (Appendix 1).</p> <p>The CSO is responsible for implementing various projects, with task forces including the "Environmental Group," "Social Group," and "Governance and Disclosure Group." These cross-departmental teams carry out various tasks, compile execution plans, or manage other sustainability-related affairs. The teams report the execution status of sustainability efforts to the Sustainable Strategy Development Team and the Board of Directors. The Board listens to relevant reports (including ESG reports), directs the management team to propose corporate strategies, assesses the likelihood of success, and regularly reviews the progress of these strategies and makes adjustments as necessary.</p>	No major differences.

promote the project	Execution situation			Differences and Reasons for Differences from the Code of Practice for Sustainable Development of Listed OTC Companies
	yes	no	summary description	
2. Does the company conduct risk assessments on environmental, social and corporate governance issues related to the company's operations in accordance with the principle of materiality, and formulate relevant risk management policies or strategies?	V		Based on the materiality principle of sustainable development, the company conducts relevant risk assessments on important issues, and formulates relevant risk management policies or strategies based on the assessed risks, as detailed in Table 2.	No major differences.
3. Environmental Issues  (一) Has the company established a suitable environmental management system according to its industrial characteristics?  (二) Is the company committed to improving energy efficiency and using recycled materials with low impact on the environment?  (三) Does the company assess the current and future potential risks and opportunities of climate change, and take relevant countermeasures?  (四) Has the company made statistics on greenhouse gas emissions, water consumption and total waste weight in the past two years, and formulated policies for greenhouse gas reduction, water reduction or other waste management?	V  V  V  V		<p>The company has established the ISO-14001 environmental management system according to the characteristics of its industry.</p> <p>The company's products are dedicated to the design of energy saving and carbon reduction, and strive to reduce the generation of waste products and improve the recycling rate of waste products.</p> <p>The company has conducted discussions on the potential risks and opportunities of climate change to the company and has taken corresponding measures, which are disclosed on the company's website.</p> <p>The company has set targets to reduce greenhouse gas emissions, water usage, and waste by 1-2% compared to the previous year. A self-assessment of carbon dioxide emissions over the past two years shows that in 2024, emissions were approximately 16.17 metric tons, representing a 5.6% reduction compared to 2023, thus achieving the set target.</p> <p>Water usage in 2024 was 19.7 metric tons, a 23% reduction compared to 2023, also meeting the target. As Taiwan serves as the Group's operational management center and is primarily an office area, no waste was generated.</p> <p>In addition, the company has taken into account the environmental impact of all manufacturing processes based on the nature of its industry and has developed corresponding response strategies. The "Environmental Protection and Management Procedures" set out specific reduction strategies for greenhouse gas emissions, water usage, and waste, aiming to minimize environmental and ecological impact.</p>	<p>No major differences.</p> <p>No major differences.</p> <p>No major differences.</p> <p>No major differences.</p>
4. Social Issues  (A) Does the company formulate relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	V		The company refers to international human rights conventions, conducts risk assessments on human rights issues in accordance with the "United Nations Universal Declaration of Human Rights", incorporates external expectations and	No major differences.

promote the project	Execution situation			Differences and Reasons for Differences from the Code of Practice for Sustainable Development of Listed OTC Companies
	yes	no	summary description	
			communicates with stakeholders, identifies important human rights issues, and formulates the company's human rights policies. In addition, the company complies with the "Labor Standards Law", "GAnderson Industrial Corp. Work Equality Law", "Labor Pension Regulations", "Labor Leave Rules", "Employee Safety and Health Law", "Labor Insurance Regulations", "Employment Service Law" and Relevant laws and regulations formulate "work rules".	
(B) Does the company formulate and implement reasonable employee welfare measures (including salary, vacation and other benefits, etc.), and properly reflect business performance or results in employee compensation?	V		<p>The company has working rules and related personnel management regulations, which cover the basic wages, working hours, vacations, pension payments, labor and health insurance payments, occupational accident compensation, etc. of the employees employed by the company, all of which comply with the relevant provisions of the Labor Standards Law. The company pays year-end bonuses every year depending on the operating results and the employees' contribution to the company, performance, etc. Depending on the operating conditions and the price index, the company regularly adjusts the salaries of employees with outstanding performance. In addition, the company stipulates the employee remuneration policy in the company's articles of association, and distributes cash or stocks according to the company's annual operating results. In addition, the company has established an employee welfare committee to operate and handle various welfare activities through the welfare committee elected by employees. Other employee welfare measures and retirement systems are detailed on pages 69-70 .</p> <p>The company handles labor safety and fire protection operations in accordance with labor safety and health regulations and fire protection laws. Equipment and facilities are inspected once a month and undergo safety checks. Annual drills for fire prevention, disaster response, and first aid are conducted, with a fire drill held once in 2024.</p> <p>The company provides a safe and healthy working environment for its employees. In 2024, monthly environmental safety and health inspections were conducted, covering equipment and work environments, and quarterly safety and health education and training sessions were held for employees.</p>	No major differences.

promote the project	Execution situation			Differences and Reasons for Differences from the Code of Practice for Sustainable Development of Listed OTC Companies
	yes	no	summary description	
(C) Does the company provide employees with a safe and healthy working environment, and regularly implement safety and health education for employees?	V		The company handles labor safety and fire protection business in accordance with the provisions of the Labor Safety and Health Act and Fire Protection Regulations. Equipment and facilities are inspected and safety inspected once a year. Fire prevention, disaster prevention, first aid and other prevention and disaster drills are carried out every six months , and fire drills are held twice every year. The company provides employees with a safe and healthy working environment, regularly implements environmental safety and health inspections, including equipment and working environment, and holds employee safety and health education and training every month.	No major differences.
(D) Has the company established an effective career development training program for employees?	V		All departments of the company formulate education and training plans, including job skills testing, and the results are used as the basis for career development.	No major differences.
(E) For issues such as customer health and safety, customer privacy, marketing and labeling of products and services, does the company follow relevant laws and international standards, and formulate relevant consumer or customer rights protection policies and complaint procedures?	V		In order to improve customer service satisfaction, the company has established a "customer complaint handling procedure", establishes a customer-oriented feedback system, and comprehensively evaluates customer complaints and satisfaction with the company's products or services to understand customer needs and expectations.	No major differences.
(F) Does the company formulate supplier management policies, requiring suppliers to follow relevant norms on issues such as environmental protection, occupational safety and health, or labor rights, and their implementation?	V		To enhance customer service satisfaction, the company has established a "Customer Complaint Handling Procedure" and built a customer-oriented feedback system. This system comprehensively evaluates customer satisfaction with the company's products or services to better understand customer needs and expectations.  The company has also established "Supplier Management Procedures" that require suppliers to adhere to sustainability commitments, including issues related to environmental protection, occupational safety and health, and labor rights. These procedures include a supplier assessment mechanism, where the "Supplier Environmental Protection and Occupational Safety Self-Assessment Form" is a key component of the evaluation. Annual assessments categorize suppliers based on their scores, and those who fail to meet the required standards are handled according to the regulations.	No major differences.

promote the project	Execution situation			Differences and Reasons for Differences from the Code of Practice for Sustainable Development of Listed OTC Companies
	yes	no	summary description	
5. Does the company refer to internationally accepted standards or guidelines for preparing reports, and prepare reports such as sustainability reports that disclose non-financial information of the company? Has the previous disclosure report obtained the confirmation or guarantee opinion of a third-party verification unit?		V	In discussion.	In discussion.
6. If the company has its own sustainable development code based on the "Code of Practice for Sustainable Development of Listed OTC Companies", please describe the differences between its operation and the established code: The company has formulated a code of practice for sustainable development , which is currently implemented and operated in accordance with relevant regulations, and there is no major difference from the "Code of Practice for Sustainable Development of Listed OTC Companies".				
7. Other important information that helps to understand the implementation of sustainable development: Please refer to Attachment 1.				

### Attachment 1: Sustainability Development Initiatives

Social responsibility projects	Detailed description of executed or planned situations
Social responsibility projects	Detailed description of executed or planned situations
Environmental friendly	<ol style="list-style-type: none"> <li>The company actively promotes environmental protection and the care for the environment. The Management Department is responsible for driving environmental initiatives and complying with relevant environmental regulations. The company advocates for energy conservation by replacing all incandescent light bulbs with energy-efficient bulbs and implementing a lighting plan that distinguishes between daytime and nighttime, minimizing unnecessary lighting.</li> <li>The company responds to government policies and is committed to achieving ESG (Environmental, Social, and Governance) sustainability goals. Measures include controlling air conditioning usage to reduce unnecessary electricity consumption, implementing paper waste reduction, promoting and reducing the use of disposable tableware, and continuing efforts in waste reduction and waste sorting, contributing to environmental protection.</li> </ol>
Social contribution and services	<ol style="list-style-type: none"> <li>The company is located in Zhongli District, Taoyuan City. The company's main consideration for recruiting talents is to live near the company. Currently, the vast majority of employees come from towns and cities near the company's location, creating more job opportunities for the local area.</li> </ol> <p>From time to time, we respond to public welfare activities initiated by various circles, donate money or materials to charities, and make regular donations to Taoyuan Friends of Rehabilitation Association , Peers Medical Culture and Education Foundation , Taoyuan Enterprise Federation and other groups every year. The total donation amount in 2023 years is NT\$ 450 thousand.</p>

Customer / Consumer Rights	The company has dedicated personnel to serve customers.
Human rights	<ol style="list-style-type: none"> <li>1. The relationship between the company and its employees follows the provisions of the Labor Standards Act and other labor-related laws. It has established "work rules" and holds regular labor-management meetings.</li> <li>2. New employees will receive new employee education and training after registration so that they can understand the current work standards and protect employee rights. The company provides various training courses such as management training, professional skills and self-development according to employees' work needs and career plans to provide employees with sufficient education and training.</li> <li>3. When the company recruits employees, it is entirely based on whether their character and expertise meet the needs, regardless of their gender, age, ethnicity, etc. We take care of the disabled and other vulnerable people, safeguard the rights and interests of all people, and comply with laws and regulations on the prevention and control of sexual harassment, taking all possible care to ensure that employees are free from harassment and discrimination.</li> <li>4. We pay attention to environmental hygiene and greening and landscaping to provide employees with a safe and comfortable working environment.</li> <li>5. 2023 Family Day Fei Niu Ranch 1-Day Roast Day event was successfully concluded.</li> <li>6. 2023 of subsidies for self-guided travel for employees to encourage employees to relieve their daily work pressure and relax at appropriate times.</li> </ol>
Health and Safety	The company has carried out supervision and management operations in accordance with the matters stipulated in labor safety and health laws, so that colleagues can understand the importance of safety and health, and understand the environmental overview of the workplace, occupational hazard factors, labor safety and health laws and regulations, and various safety and health regulations. The correct use of protective equipment is essential to prevent the occurrence of occupational disasters and ensure worker safety and health.

## Attachment 2: Implementation Results of Promoting Sustainable Development

Social Responsibility Project	Specific description of the implemented situation or planned situation
Environmental friendly	Actively promote environmental protection and care for the environment. The management department is responsible for promoting environmental protection matters, and complying with environmental protection related laws and regulations, advocating energy saving, formulating lighting plans to distinguish between day and night, saving unnecessary lighting; controlling the use of air conditioners to save unnecessary power expenditure. Carry out waste paper, publicize and reduce the use of disposable tableware, and continue to reduce and sort garbage to contribute to environmental protection.
Social Contribution and Service	The company is located in Zhongli District, Taoyuan City. The main consideration for the company's recruitment is to live near the company. At present, most of the employees come from towns and cities near the company's location, creating more job opportunities for the local area. In addition, it responds to public welfare activities initiated by various circles from time to time, donates money or materials to charitable organizations, and regularly donates to Taoyuan Friends of Rehabilitation Association and Mingpei Medical Culture and Education Foundation and other groups every year. The total donation amount in 2022 is NT\$500,000.
Customer / Consumer Rights	The company has full-time staff to serve customers.
Human rights	The relationship between the company and its employees follows the Labor Standards Act and

	<p>other labor-related laws and regulations. It has established "work rules" and holds regular labor-management meetings. After the newcomers report to work, they will conduct newcomer education and training, so that the newcomers can understand the current work norms and protect the rights of employees. According to the work needs and career planning of employees, the company provides various training courses such as management training, professional skills and self-development, so as to provide employees with sufficient education and training. When recruiting employees, the company fully considers whether their character and expertise meet the needs, regardless of their gender, age, ethnic group...etc. We will do our best to take care of the disabled and other vulnerable people, safeguard the rights and interests of all people, and follow laws and regulations to prevent sexual harassment, and do our best to ensure that employees are free from harassment and discrimination. Pay attention to environmental sanitation and green landscaping to provide employees with a safe and comfortable working environment.</p> <p>To have interaction, the parent-child one-day tour of the Spring Festival, which was originally held regularly, was temporarily suspended due to the epidemic prevention policy . Subsidize employees to travel on their own. The number of subsidized people and the amount of subsidy are 11 people and NT\$110,000.</p>
Health and Safety	<p>The company has carried out supervision and management operations in accordance with the labor safety and health laws and regulations, so that colleagues understand the importance of safety and health, understand the environmental situation of the workplace, occupational hazards, labor safety and health related laws and regulations, and various safety and health protection The correct use of the tool is used to prevent the occurrence of occupational accidents and ensure the safety and health of workers.</p>

## Schedule II: Risk Management Policy or Strategy

major issues	Risk Assessment Project	Risk Management Policy or Strategy
Environment	Environmental Protection and Ecological Conservation	In accordance with the ISO14001 environmental management system specification, the company is committed to environmental protection, responds to green and clean production, and effectively reduces pollution emissions and the impact on the environment; at the same time, it formulates implementation plans and programs every year, and regularly tracks and reviews them The progress of each goal to ensure the achievement of the goal.
Society	Occupational safety	In accordance with the ISO14001 environmental management system specification, the company conducts various industrial safety inspections and checks on a daily basis to implement the occupational safety and health management system; secondly, regularly holds fire drills and industrial safety education and training every year to cultivate employees' ability to respond to emergencies and self-safety management ability.
	Product Safety	The company's products comply with various government product and service laws and regulations, and do not contain any hazardous substances. And through strict quality system management, we provide customers with stable product quality. At the same time, in order to ensure customer service quality and improve customer satisfaction, we set up customer service hotlines and communication websites, and actively conduct customer service satisfaction surveys every year to strengthen the relationship with customers. The cooperative relationship with customers has become the cornerstone of the sustainable development of the enterprise through the mutual benefit and co-prosperity relationship with customers.
Corporate Governance	Socioeconomic and Legal Compliance	Through the establishment of a governance organization and the implementation of an internal control mechanism, it is ensured that all personnel and operations of the company truly comply with relevant laws and regulations.

Enhancing the Functionality of the Board of Directors	The company provides Directors' and Officers' (D&O) insurance for its directors to protect them in the event of litigation or claims.
Information and Communication Security	The company establishes a safe and properly functioning operational environment to ensure the security of its computer data, system equipment, and network, safeguarding the company's continuous business operations. This includes personnel safety management and training, computer equipment security management, data security management, network security management, network access security controls, handling of system and network intrusions, and management of physical environment security, among other related tasks.
Intellectual Property Security	The company understands the importance of intellectual property security protection. For the company's daily operations and information, measures related to trade secret management will be gradually discussed and implemented to safeguard the company's business secrets.

(6) Climate-related information of listed companies :

A. Implementation of climate-related information

Project	Execution situation
1. Describe the board and management's oversight and governance of climate-related risks and opportunities.	The Company's Board of Directors is the highest governance unit on climate-related issues and is responsible for supervising and managing climate-related risks and opportunities. In order to assist the board of directors in continuously promoting various aspects of corporate environmental, social and corporate governance operations to achieve the purpose of sustainable management, the company established the "Sustainability Strategy Development Department" in 2023 , with the chief executive serving as the chairman and the heads of each unit . Serve as a member, responsible for the proposal and implementation of sustainable development policies, systems or related management guidelines and specific promotion plans , and regularly report operational results and implementation status to the board of directors .
2. Describe how the identified climate risks and opportunities affect the company's business, strategy and finance (short-term, medium-term, long-term).	Short-term: There may be risks of operational interruption due to extreme weather conditions such as typhoons, floods, and droughts, as well as rising raw material costs and government imposition of carbon and energy-related taxes, which will increase operating costs. It is necessary to strengthen various disaster prevention facilities and use low-cost carbon energy, and adopt more efficient production, distribution, and transportation methods to respond. Mid-term: Customers may require green production, and it is necessary to develop channels for obtaining low-carbon raw materials to reduce costs. Water restriction measures, increased electricity consumption due to warming , etc. may occur , resulting in suppliers being unable to produce and deliver on time , resulting in reduced production capacity and increased infrastructure costs. It is necessary to improve the overall disaster response capacity, introduce green procurement, and develop diversified Alternative energy sources to reduce risk impact.
3. Describe the financial impact of extreme climate events and transition actions.	Facing the risk of abnormal weather, natural disasters such as typhoons , floods, droughts and other extreme weather risks of operational interruption. The financial impact is: revenue loss and cost increase. Regarding climate-related transformation actions , such as: (1) Risks related to carbon reduction policies and regulations. (2) Control of corporate carbon footprint and greenhouse gas emissions. (3) When purchasing, it is necessary to evaluate whether the supply chain complies with relevant policies and regulations. The financial impact is: increased costs.

Project	Execution situation
<p>4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.</p> <p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.</p> <p>6. If there is a transformation plan to manage climate-related risks, describe the content of the plan, and the indicators and goals used to identify and manage physical risks and transformation risks.</p> <p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</p> <p>8. If climate-related goals are set, information such as the activities covered, greenhouse gas emission scope, planning schedule, annual achievement progress, etc. should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, information such as Explain the source and quantity of carbon reduction credits or the quantity of renewable energy certificates (RECs) being redeemed .</p> <p>9. Greenhouse gas inventory and confirmation, reduction goals, strategies and specific action plans ( fill in 1-1 and 1-2 separately) .</p>	<p>The company has not yet adopted internal carbon pricing.</p> <p>Under discussion .</p> <p>Under discussion .</p> <p>Under discussion .</p> <p>Under discussion .</p> <p>Details are as explained in 1-1 and 1-2.</p>

1-1 The company’s greenhouse gas inventory and confirmation status in the last two years

1-1-1 Greenhouse gas inventory information

<p>Describe the emission volume (metric tons CO2e), intensity (metric tons CO2e/million yuan) and data coverage of greenhouse gases in the past two years.</p>	
<p>Basic information of the company</p> <p><input type="checkbox"/> Companies with capital of more than 10 billion, steel industry, cement industry</p>	<p>According to the provisions of the sustainable development road map of listed companies, at least</p> <p><input type="checkbox"/> Parent company individual investigation</p> <p><input type="checkbox"/> Consolidated financial reporting subsidiary inventory</p>

<input type="checkbox"/> Companies with capital of more than 5 billion but less than 10 billion <input checked="" type="checkbox"/> Companies with capital of less than NT\$5 billion	<input type="checkbox"/> The parent company is personally convinced <input type="checkbox"/> Consolidated financial reporting of subsidiaries <input checked="" type="checkbox"/> The company has not yet met the standards that should be disclosed
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Note 1: Direct emissions (Category 1, that is, directly from emission sources owned or controlled by the company), indirect energy emissions (Category 2, that is, indirect greenhouse gas emissions from the input of electricity, heat or steam) and Other indirect emissions (Category 3 , i.e. emissions generated by company activities, are not indirect emissions from energy, but come from emission sources owned or controlled by other companies).

Note 2: The coverage of direct emissions and energy indirect emissions data shall be handled in accordance with the timetable specified in the order specified in Paragraph 2 of Article 10 of these Guidelines. Other indirect emissions information may be disclosed voluntarily.

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

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product/service or turnover, but at least the data calculated in terms of turnover (NT\$ million) should be stated.

#### 1-1-2 Greenhouse Gas Confirmation Information

Two years as of the publication date of the annual report , including the scope of the confidence, the organization of the confidence, the criteria for the confidence and the opinion of the confidence.

Not applicable.

#### 1-2 Greenhouse gas reduction goals, strategies and specific action plans

Describe the greenhouse gas reduction base year and its data, reduction targets, strategies, specific action plans and achievement of reduction targets.

The company has not yet completed its greenhouse gas inventory and does not need to set a base year for greenhouse gas reduction .

Set a greenhouse gas reduction target : reduce annual emissions by 1 to 2% compared to the previous year.

Greenhouse gas reduction strategy : The company continues to develop energy-saving, waste-reducing and high-efficiency equipment in line with its sustainable business strategy.

Specific action plan :

1. Replace old official vehicles and purchase electric (gasoline) vehicles.
2. Promote energy and water conservation policies, use electrical equipment with Green Energy trademarks and set air conditioning temperature and time control.
3. Continue to replace ordinary fluorescent lamps with high power consumption into T5 lamps or LED lamp sets.
4. Continue to look for new green energy materials or energy opportunities.
5. The packaging boxes, wooden boxes, etc. of the supplier's packaging parts are returned to the supplier for reuse.
6. Reduce the use of packaging materials for shipped products.
7. New product development and design give priority to energy-saving and environmentally friendly parts.

Achievement of reduction target : Not applicable.

Note 1: It should be handled in accordance with the timetable specified in the order stipulated in Article 10, Paragraph 2 of these Guidelines.

Note 2: The base year should be the year in which the review is completed based on the boundaries of the consolidated financial report. For example, in accordance with the provisions of Article 10, Paragraph 2 of these Standards, companies with a capital of more than 10 billion should complete the consolidated financial report in 2025. Inventory, so the base year is 2024. If the company has completed the inventory of consolidated financial reports in advance, the earlier year can be used as the base year. In addition, the data in the base year can be calculated as the average of a single year or several years.

(6) The performance of integrity management and the differences and reasons from the integrity management code of listed OTC companies :

evaluation items	Operating situation			The situation and reasons for the differences with the Code of Integrity Management of listed OTC companies
	yes	no	Summary description	
<p>1. Formulate integrity management policies and plans</p> <p>(1) Does the company formulate an honest management policy approved by the board of directors, and clearly state the policy and practices of honest management in regulations and external documents, as well as the commitment of the board of directors and senior management to actively implement the business policy?</p> <p>(2) Whether the company has established a risk assessment mechanism for dishonesty, regularly analyzes and evaluates business activities with relatively high risks of dishonesty within the scope of business, and formulates a plan to prevent dishonesty based on this, and at least covers "listing on the OTC market" What are the preventive measures for the behaviors in the second paragraph of Article 7 of the company's code of integrity management ?</p> <p>(3) Does the company clearly define operating procedures, behavior guidelines, punishment and appeal systems for violations in the dishonesty prevention plan, and implement them, and regularly review and revise the previous disclosure plan?</p>	V		<p>The company has established the "Code of Integrity Management" and "Code of Ethical Conduct", which have been approved by the board of directors and announced in the company's internal regulations and company website. The board of directors and senior management are committed to implementing them.</p> <p>The company has established the "Code of Integrity Management" and "Code of Ethical Conduct", and conducts a risk assessment of dishonesty behavior once a year. For bribery and bribery, illegal political donations, improper charitable donations or sponsorships, etc. 7 items that affect business Develop preventive measures for dishonest activities and announce them to directors and employees.</p> <p>In order to prevent any dishonest behavior, the company has formulated the "Code of Integrity Management" and "Code of Ethical Conduct"; the punishment for violations is implemented in accordance with the "reward and punishment" stipulated in the work rules; Handling Measures for Cases of Dishonest Behavior” to appeal in the “Stakeholder Zone” of the company’s website, and regularly review the implementation and implementation status once a year.</p>	<p>no major difference</p> <p>no major difference</p> <p>no major difference</p>
<p>2. Implement integrity management</p> <p>(1) Does the company evaluate the integrity records of its counterparties, and specify the terms of honest behavior in the contracts it signs with its counterparties ?</p>	V		<p>Currently, before a transaction with a manufacturer, the organizer will review the past transaction records and search for the information of the company on the Internet to confirm whether the manufacturer has a record of dishonest behavior and obtain a letter of commitment to honest operation.</p>	<p>no major difference</p>

evaluation items	Operating situation			The situation and reasons for the differences with the Code of Integrity Management of listed OTC companies
	yes	no	Summary description	
(2) Has the company set up a unit responsible for promoting corporate integrity management under the board of directors, and regularly (at least once a year) report to the board of directors its integrity management policies, plans for preventing dishonest behavior, and supervision and implementation?	V		An integrity management group is set up under the chairman's office, with the chairman as the convener. This group's job duties are to ensure the implementation of the integrity management code, and report to the board of directors once a year on the integrity management policy and the plan to prevent dishonest behavior and supervise the implementation.	no major difference
(3) Does the company formulate policies to prevent conflicts of interest, provide appropriate channels for statements, and implement them?	V		The company formulates the policy of preventing conflicts of interest in the "Code of Ethical Conduct", and provides employees with the opportunity to report to managers, internal audit supervisors or other appropriate personnel when they suspect or discover violations of laws and regulations or the "Code of Ethical Conduct". In addition, the company has set up a reporting system on the website to provide employees and related personnel to report any improper business practices, which will be directly handled by the chairman.	no major difference
(4) Whether the company has established an effective accounting system and internal control system in order to implement honest management, and the internal audit unit draws up relevant audit plans based on the assessment results of dishonesty risks, and checks the plan for preventing dishonesty Follow the situation, or commission an accountant to perform the check?	V		The company has established an effective accounting system and internal control system to ensure the implementation of honest management, and the audit office prepares an annual audit plan based on the assessment results of the risk of dishonesty, and checks the compliance with the preceding system.	no major difference
(5) Does the company hold regular internal and external education and training on integrity management?	V		In 2024, a total of 33 participants attended internal and external training sessions related to integrity management, with a total of 49.5 hours of training	no major difference
3. The operation of the whistleblowing system of the company				
(1) Has the company established a specific whistleblowing and reward system, established channels to facilitate whistleblowing, and assigned appropriate specialists to handle whistleblowers?	V		The company has formulated the "Measures for Handling Cases of Reporting Illegal, Unethical or Dishonest Behaviors" to specify the reporting, reward system and reporting channels; it also has an employee suggestion box so that employees have a complaint mechanism and channels. There are complaint mailboxes for customers, suppliers and employees on the company website, which are handled by the chairman's office.	no major difference

evaluation items	Operating situation			The situation and reasons for the differences with the Code of Integrity Management of listed OTC companies
	yes	no	Summary description	
(2) Has the company established a standard operating procedure for the investigation of the reported matter, the follow-up measures to be taken after the investigation is completed, and the relevant confidentiality mechanism?	V		The company's "Handling Measures for Reporting Illegal, Unethical or Dishonest Behavior Cases" has investigation procedures and a confidentiality mechanism.	no major difference
(3) Has the company adopted measures to protect the whistleblower from being improperly dealt with due to whistleblowing?	V		In the above measures, the company guarantees that the colleague will not be dealt with improperly due to reporting.	no major difference
4. Strengthen information disclosure  the content of its integrity management code and promote its effectiveness on its website and public information observation station ?	V		The "Code of Integrity Management", "Code of Ethical Conduct" and "Measures for Reporting Illegal, Unethical or Dishonest Behavior Cases" have been disclosed on the company website and public information observation station, and a "Corporate Integrity Management Zone" has been established on the company website Exposure drives results. In 2024, there has been no dishonesty and no reporting incidents	no major difference
of Integrity Management for Listed OTC Companies", please describe the differences between its operation and the established code: No major differences.				
6. Other important information that is helpful to understand the company's integrity management and operation: (such as the company's review and revision of its integrity management code, etc.) On March 17, 2015, the company's board of directors resolved to revise the "Code of Integrity Management". On March 17, 2015, the company's board of directors passed a resolution to formulate the "Code of Ethical Conduct". On August 15, 2016, the company approved and formulated the "Measures for Handling Cases of Reporting Illegal, Unethical or Dishonest Behaviors".				

(7) If the company has formulated corporate governance codes and related regulations, it shall disclose its inquiry method:

The company has "Investor Relations" on the company website for inquiries.

(8) Other important information sufficient to enhance the understanding of the operation of corporate governance may be disclosed together:

1. The company has an "Investor Relations" on the company website for inquiries.

2. 2024 manager training situation:

Job title	Name	Study date	organizer	Course Title	Training hours
Chairman	Liao Wenjia	2024/10/29	Taiwan Corporate Governance Association	What are investors thinking about? Talking about corporate sustainable transformation from the perspective of ESG investment and financing	3

Job title	Name	Study date	organizer	Course Title	Training hours
		2024/10/29	Taiwan Corporate Governance Association	The information security governance strategies of listed companies from the perspective of ESG corporate sustainable development	3
Deputy General Manager and Chief Financial Officer	Wu Hsiu Pi	2024/10/29	Taiwan Corporate Governance Association	What are investors thinking about? Talking about corporate sustainable transformation from the perspective of ESG investment and financing	3
		2024/10/29	Taiwan Corporate Governance Association	The information security governance strategies of listed companies from the perspective of ESG corporate sustainable development	3
		2024/11/15	Accounting Research and Development Foundation of Republic of China (Taiwan)	Professional Development Course for Accounting Officers of Issuers, Securities Firms, and the Stock Exchange	12
		2024/4/15	Taiwan Academy of Banking and Finance	Corporate Governance Forum, Issue 64	3
Finance Department manager	Lee Shenlung	2024/10/29	Taiwan Corporate Governance Association	What are investors thinking about? Talking about corporate sustainable transformation from the perspective of ESG investment and financing	3
		2024/10/29	Taiwan Corporate Governance Association	The information security governance strategies of listed companies from the perspective of ESG corporate sustainable development	3
		2024/10/17	Internal Audit Association of the Republic of China	Implementation and Integration of ESG with Internal Audit and Internal Control: Applications and Case Studies	6
Audit Manager	Cai Shuhua	2024/10/17	Internal Audit Association of the Republic of China	New Challenges for Internal Auditors: Analysis of Sustainability Disclosure, Management Policies, and Key Audit Points	6

(8) Implementation status of internal control system

1. Statement of Internal Control System: Please refer to page 87 .
2. Those who entrust an accountant to review the internal control system shall disclose the accountant's review report: Not applicable .

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

1. Important resolutions and implementation of shareholders' meeting in 2024 :

Meeting date	Important Resolutions and Implementation Status
2024/5/31	<ol style="list-style-type: none"> <li>1. Acknowledge the 2023 annual business report and financial statement .</li> <li>2. Acknowledge the 2023 Earnings distribution case.</li> </ol> <p>Implementation Status: For the 2023 earnings distribution, a cash dividend of NT\$39,351,562 was distributed, equivalent to NT\$0.4 per share. The payment was</p>

Meeting date	Important Resolutions and Implementation Status
	<p>made on August 21, 2024.</p> <p>3. The board member election was completed and approved.</p> <p>Implementation Status: The list of elected members was announced after the 2024 annual shareholders' meeting.</p>

2. Important resolutions of the board of directors in the most recent year and as of the publication date of the annual report:

Meeting date	Important Resolutions	Matters listed in Article 14-3 of the Securities and Exchange Act	Independent directors object or reserve opinions
2024/1/25	Year-end bonus case for the managers of Parpro Group in 2023 .	-	None
2024/3/13	1. 2023 Annual Business Report and Consolidated financial statements	-	None
	2. 2024 Annual auditors' independence and performance evaluation review case	√	None
	3. 2023 Annual "Internal Control Statement" case	√	None
	4. PARPRO TECHNOLOGIES loan to AP PARPRO case	-	None
	5. The Company loan to AP PARPRO case	√	None
	6. Convertible corporate bonds for new shares	-	None
	7. Revised some of the provisions of the internal major information handling procedures	√	None
	8. Bank Credit Line Approval	-	None
	9. Notice of the 2024 Annual Shareholders' Meeting	-	None
	10. Employee and Director Compensation Distribution Proposal for the 2023	-	None
	11. Self-Assessment of the Board of Directors, Board Members, and Functional Committees for the 2023	-	None
	12. Earnings Distribution Proposal for the 2023	-	None

Meeting date	Important Resolutions	Matters listed in Article 14-3 of the Securities and Exchange Act	Independent directors object or reserve opinions
	13.Proposal for the Nomination of Director Candidates for the Company	-	None
2024/5/9	1.2024 1st Quarter Financial Statements .	-	None
	2.Bank Credit Line Approval	-	None
2024/8/13	1.Financial report for the first half of 2024.	-	None
	2.PARPRO TECHNOLOGIES capital loan to AP PARPRO case.	V	None
	3. Bank Credit Line Approval	-	None
2024/11/12	1.2024 3rd Quarter Financial Statements .	-	None
	2.2025 Audit plan	V	None
	3. PARPRO NEVADA capital loan to AP PARPRO case	V	None
	4. PARPRO TECHNOLOGIES capital loan to PARPRO NEVADA case	V	None
	5. Establishment of "Sustainable Information Management Procedures"	V	None
	6. Parpro System Capital Reduction and Increase Proposal	V	None
	7. Parpro System Amendment to the Company's Articles of Incorporation Proposal	V	None
2024/12/13	1. 2025 annual budget.	-	None
	2. Bank Credit Line Approval	-	None
2025/1/14	1.2024 year-end bonus case for group managers.	-	None
	2.Proposal for the Hiring of the Chief Financial Officer for North America	-	None
2025/3/11	1.2024 annual business report and financial statements.	-	None
	2. Proposal for the Appointment of CPA for the 2025	V	None
	3.2024 "Internal Control Statement" case.	V	None
	4.PARPRO TECHNOLOGIES capital loan to AP PARPRO case.	V	None
	5.The case of convertible corporate bonds being exchanged for new shares.	-	None
	6.Proposal for Amendments to Certain Provisions of the Company's Articles of Incorporation	V	None
	7. Proposal for Amendments to Certain Provisions of the Board of Directors' Operational Management Procedures and Board Meeting Rules	V	None
	8.Proposal to Issue the Fifth Unsecured Convertible Bonds	V	None
	9. Bank Credit Line Approval	-	None
	10. Proposal for the Nomination of Director	-	None

Meeting date	Important Resolutions	Matters listed in Article 14-3 of the Securities and Exchange Act	Independent directors object or reserve opinions
	Candidates (Including Independent Directors) for the Company		
	11.Proposal to Lift the Non-Compete Restrictions for Newly Appointed Directors (Including Independent Directors) and Their Representatives	-	None
	12.Proposal for the Convening of the 2025 Annual Shareholders' Meeting	-	None
	13. Proposal for the Distribution of Earnings for the 2024	-	None
	14.Proposal for the Distribution of Employee and Director Compensation for the 2024	-	None
	15. Proposal for the Self-Assessment of the Board of Directors, Board Members, and Functional Committees for the 2024	-	None

- (10) In the most recent year and as of the date of publication of the annual report , if directors or supervisors have different opinions on important resolutions passed by the board of directors and there are records or written statements, the main content: None.

4. Public independent auditors information

Amount unit : NT\$ thousand

Audit Firm	CPAs Name	Audit period	Audit fees	Non-audit fees (Note)	Total	Remark
Deloitte& Touche United Audit Firm	Chen Peide	2024/1/1 To	4,800	411	5,211	Note
	Chen Junhong	2024/12/31				

Note: The content of the non-audit service at public expense refers to the salary review public expense of full-time employees who are not in supervisory positions.

1. If the audit firm is changed and the audit fee paid in the replacement year is less than the audit fee in the previous year, the amount of audit fees before and after the change and the reasons shall be disclosed : there is no such case.
2. If the audit public fee has decreased by more than 10% compared with the previous year, the amount, proportion and reason of the audit public fee reduction shall be disclosed: there is no such case.

5. Change of CPA information: No such case.

6. The company's chairman , general manager, and manager in charge of financial or accounting affairs, who have worked in a certification auditors firm or its affiliated companies in the past year, shall disclose their names, titles, and employment status in a certification accounting firm or its affiliates . The period of the affiliated enterprise. The term "affiliated enterprises of the certified auditor firm" refers to the accountants of the certified accounting firm holding more than 50% of the shares or obtaining more than half of the directors' seats, or listed as affiliated enterprises in the materials released or published by the certified auditor firm Company or institution: None .

7. In the most recent year and as of the date of publication of the annual report, directors, supervisors, managers, and shareholders holding more than 10% of the shares have been transferred and pledged:

(1) Changes in equity

Job title	name	2024		As of March 29,2025	
		Number of shares held increase (decrease) number	Pledged shares increase (decrease) number	Number of shares held increase (decrease) number	Pledged shares increase (decrease) number
Chairman and General Manager (Major shareholder)	Liao,Wenjia	(100,000)	0	0	0
Director	Zeng, Xueqing	0	0	0	0
Director and Chief Financial Officer	Wu,Hsiupi	100,000	0	0	0
Legal Person Director	Jieshi Investment Co., Ltd.	0	0	0	0
Independent Director	Shen,Xiaoling	0	0	0	0
Independent Director	Zhang, Naiwen	0	0	0	0
Independent Director	Feng, Zhiqing	0	0	0	0
General Manager	Yan, Congqian.	0	0	(17,000)	0
General Manager of Overseas Operations	Thomas Sparrvik	0	0	0	0
Finance Manager	Lee,Shen-Lung	0	0	(8,000)	0
CFOof North America	Wu Jianming	0	0	0	0

(2) If the relative of the equity transfer is a related party: None.

(3) If the counterparty of the equity pledge is a related party: None.

8. Information on the relationship between the top ten shareholders who hold the largest shareholding ratio, and whether they are related parties in the Financial Accounting Standards Bulletin No. 6 or spouses or relatives within the second degree:

Unit : share; March 29 , 2025

Name	Current		Shares held by spouse and minor children		Holding shares in the name of others		For the top ten shareholders who have financial and accounting standards bulletin No. 6 related persons or relatives within the spouse or second degree, their names or names and relationships		Note
	Share holding		Number of shares	Share-holding ratio (%)	Number of shares	Share-holding ratio (%)	Name	Relationship	
	Number of shares	Share-holding ratio (%)							
Liao Wenjia	7,971,942	7.21	0	0	17,085,879	15.44	Liao,Wenjia	The chairman of the company and Yunyong Investment, Jieshi Investment, Paide Investment and other four companies are the same person.	None
							Jieshi Investment Co., Ltd.		None
							Paide Investment Co., Ltd.		None
Yunyong Investment Co., Ltd.	7,500,865	6.78	0	0	0	0	Liao,Wenjia		None
Representative: Liao Wenjia	7,971,942	7.21	0	0	17,085,879	15.44	Jieshi Investment Co., Ltd.		None
Jieshi Investment Co., Ltd.	5,830,415	5.27	0	0	0	0	Paide Investment Co., Ltd.		None
Representative: Liao Wenjia	7,971,942	7.21	0	0	17,085,879	15.44	Liao,Wenjia		None
Paide Investment Co., Ltd.	3,754,599	3.39	0	0	0	0	Jieshi Investment Co., Ltd.		None
Representative: Liao Wenjia	7,971,942	7.21	0	0	17,085,879	15.44	Paide Investment Co., Ltd.		None
Zhou Kaibin	3,701,000	3.35	0	0	0	0	None		None
Investment Account of JPMorgan Securities Limited, Custodied by J.P. Morgan Chase	1,816,400	1.64	0	0	0	0	None	None	None
Anderson Industrial Corp.	1,380,000	1.25	0	0	0	0	None	None	None
Investment Account under the Custody of HSBC for Goldman Sachs International	1,251,000	1.13	0	0	0	0	None	None	None
Huang Tengyi	1,240,000	1.12	0	0	0	0	None	None	None
Hu Jialing	1,150,000	1.04	0	0	0	0	None	None	None

9. The number of shares held by the company, its directors, supervisors, managers, and enterprises directly or indirectly controlled by the company in the same reinvested enterprise, and calculate the comprehensive shareholding ratio:

March 31 , 2025 ; unit: thousand shares; %

Invest in business	The company invests		Investments of directors, supervisors, managers, and directly or indirectly controlled enterprises		Comprehensive investment	
	Number of shares(thousand shares)	Shareholding ratio	Number of shares(thousand shares)	Shareholding ratio	Number of shares(thousand shares)	Shareholding ratio
Parpro System Corporation	3,272	60%	—	—	3,000	60%
Parpro Holdings Co., Ltd	42	100%	—	—	42	100%
Anderson Industrial Corp..	39,904	20.86%	—	—	39,904	20.86%
Rayder Machinery Corporation	960	4.73%	—	—	960	4.73%
AP Parpro, Inc.	6	100%	—	—	6	100%
Parpro (Nevada), Inc.	1	100%	—	—	1	100%
Parpro Quality, Inc.	23,500	100%	—	—	23,500	100%
Parpro Technologies, Inc.	13	100%	—	—	13	100%

## II. Fundraising situation

### 1. Capital and shares

#### (1) Source of share capital

##### A. Source of equity

Unit: NT\$ thousand/thousand shares

years	Issued price	Approved share capital		Paid-in share capital		Remark			
		Number of shares	Amount	Number of shares	Amount	Source of equity		Using property other than cash to offset the share capital	Other
Dec.,2001	10	3,000	30,000	1,000	10,000	Set up Capital		-	Note 1
Oct.,2003	10	3,000	30,000	1,500	15,000	Cash capital increase	5,000 thousand	-	Note 2
Oct.,2006	10	3,000	30,000	2,000	20,000	Cash capital increase	5,000 thousand	-	Note 3
Oct.,2008	10	8,000	80,000	3,500	35,000	Cash capital increase	10,000 thousand	-	Note 4
Aug.,2009	10	8,000	80,000	6,660	66,600	Surplus capital increase	5,000 thousand	-	Note 4
Aug.,2009	10	8,000	80,000	6,660	66,600	Surplus capital increase	31,600 thousand	-	Note 5
Oct.,2009	10	30,000	300,000	15,000	150,000	Cash capital increase	83,400 thousand	-	Note 6
Aug.,2010	10	30,000	300,000	19,500	195,000	Surplus capital increase	45,000 thousand	-	Note 7
Sep.,2011	10	30,000	300,000	21,450	214,500	Surplus capital increase	19,500 thousand	-	Note 8
Apr.,2012	10	30,000	300,000	23,950	239,500	Cash capital increase	25,000 thousand	-	Note 9
Aug.,2012	10	30,000	300,000	25,147	251,475	Surplus capital increase	11,975 thousand	-	Note 10
Jul.,2013	10	65,000	650,000	60,354	603,540	Surplus capital increase	352,065 thousand	-	Note 11
Dec.,2013	10	100,000	1,000,000	67,899	678,990	Cash capital increase	75,450 thousand	-	Note 12
Jan.,2017	10	100,000	1,000,000	69,407	694,065	Corporate bond conversion	15,075 thousand	-	Note 13
Mar.,2017	10	100,000	1,000,000	70,899	708,990	Corporate bond conversion	14,925 thousand	-	Note 14
Jul.,2017	10	100,000	1,000,000	71,857	718,567	Corporate bond conversion	9,577 thousand	-	Note 15
Jul.,2017	10	100,000	1,000,000	78,830	788,301	Surplus capital increase	69,734 thousand	-	Note 16
Dec.,2017	10	100,000	1,000,000	80,572	805,723	Corporate bond conversion	17,422 thousand	-	Note 17
Mar.,2018	10	100,000	1,000,000	81,260	812,596	Corporate bond conversion	6,873 thousand	-	Note 18
Jun.,2018	10	100,000	1,000,000	81,954	819,537	Corporate bond conversion	6,941 thousand	-	Note 19
Oct.,2018	10	100,000	1,000,000	82,181	821,805	Corporate bond conversion	2,268 thousand	-	Note 20
Dec.,2018	10	100,000	1,000,000	82,187	821,875	Corporate bond conversion	70 thousand	-	Note 21
Jul.,2019	10	100,000	1,000,000	82,279	822,794	Corporate bond conversion	919 thousand	-	Note 22
Oct.,2019	10	100,000	1,000,000	83,074	830,744	Corporate bond conversion	7,951 thousand	-	Note 23
Dec.,2019	12	100,000	1,000,000	83,452	834,516	Corporate bond conversion Treasury stock cancellation	3,772 thousand	-	Note 24
Feb.,2022	02	120,000	1,200,000	83,352	833,516	Treasury stock cancellation	1,000 thousand	-	Note 25
Apr.,2022	04	120,000	1,200,000	83,354	833,544	Corporate bond conversion	28 thousand	-	Note 26
Jun.,2023	06	200,000	2,000,000	88,375	883,754	Corporate bond conversion	50,210 thousand	-	Note 27
Oct.,2023	10	200,000	2,000,000	93,874	938,743	Corporate bond conversion	54,989 thousand	-	Note 28
Jan.,2024	01	200,000	2,000,000	98,171	981,711	Corporate bond conversion	42,968 thousand	-	Note 29
Apr.,2024	04	200,000	2,000,000	98,379	983,789	Corporate bond conversion	2,078 thousand	-	Note 30
Apr.,2025	04	200,000	2,000,000	105,034	1,050,339	Corporate bond conversion	66,550 thousand	-	Note 31

Note 1: 90.12.27 Sutra (90) Chinese subtitle No. 09033279280

Note 2: 92.10.27 Jingzhizhongzi No. 09232861870

Note 3: 95.10.03 Jingzhizhongzi No. 09532926440

Note 4: 97.10.15 Jingzhizhongzi No. 09733261020

Note 5: 98.08.03 Jingzhizhongzi No. 09832777800

Note 6: 98.10.28 Jingzhizhongzi No. 09833329390

Note 7: 99.08.23 Jingzhizhongzi No. 09932490060

Note 8: 100.09.06 Jingzhizhongzi No. 10032481050

Note 9: 101.04.18 Jingzhizhongzi No. 10131902020

Note 10: 101.08.27 Jingzhi Zhongzi No. 10132419010

Note 16: 106.07.25 Jingshu Shang Zi No. 10601106180

Note 17: 106.12.14 Jingshu Shang Zi No. 10601171020

Note 18: 107.03.15 Jingshu Shang Zi No. 10701026080

Note 19: 107.06.22 Jingshu Shang Zi No. 10701067400

Note 20: 107.10.03 Jingshu Shang Zi No. 10701119640

Note 21: 107.12.26 Jingshu Shang Zi No. 10701157950

Note 22: 108.07.08 Jingshu Shang Zi No. 10801071380

Note 23: 108.10.24 Jingshu Shang Zi No. 10801148670

Note 24: 108.12.31 Jingshu Shang Zi No. 10801181060

Note 25: 111.02.10 Jing Shu Shang Zi No. 11101014470

Note 11: 102.07.17 Jingshu Shang Zi No. 10201139110  
Note 12: 102.12.18 Jingshu Shang Zi No. 10201256770  
Note 13: 106.01.04 Jingshu Shang Zi No. 10501300750  
Note 14: 106.03.09 Jingshu Shang Zi No. 10601028470  
Note 15: 106.07.13 Jingshu Shang Zi No. 10601092960  
Note 31 : 114.04.08 Jing Shu Shang Zi No. 11430048580

Note 2 6 : 111.04.19 Jing Shu Shang Zi No. 11101058240  
Note 2 7 : 112.10.04 Jing Shu Shang Zi No. 11230190080  
Note 2 8 : 112.10.16 Jing Shu Shang Zi No. 11230182970  
Note 2 9 : 113.01.17 Jing Shu Shang Zi No. 11330006440  
Note 30 : 113.04.22 Jing Shu Shang Zi No. 11330052780

B. Type of shares

Unit: share

Type of shares	Approved share capital			Remark
	Shares outstanding	Unissued shares	total	
Common shares	110,602,900	89,397,100	200,000,000	listing

C. Information related to the comprehensive declaration system: Not Applicable.

- (2) List of major shareholders: shareholders whose shareholding ratio is more than 5% or whose shareholding ratio accounts for the top ten shareholders

March 29, 2025 ; unit : share

Major shareholder Name	Share	Number of shares held	Shareholding ratio
Liao Wenjia		7,971,942	7.21
Yunyong Investment Co., Ltd.		7,500,865	6.78
Jieshi Investment Co., Ltd.		5,830,415	5.27
Paide Investment Co., Ltd.		3,754,599	3.39
Zhou Kaibin		3,701,000	3.35
Investment Account of JPMorgan Securities Limited, Custodied by J.P. Morgan Chase		1,816,400	1.64
Anderson Industrial Corp.		1,380,000	1.25
Investment Account under the Custody of HSBC for Goldman Sachs International		1,251,000	1.13
Huang Tengyi		1,240,000	1.12
Hu Jialing		1,150,000	1.04

- (3) Dividend policy and implementation status of the company:

A. Dividend policy stipulated in the articles of association of the company

The company will consider the company's environment and growth stage, respond to future capital needs and long-term financial planning, and meet shareholders' needs for cash inflow. If there is a surplus in the annual final accounts, it should first pay taxes to make up for previous years' losses, Ten percent shall be raised as the statutory surplus reserve, except when the statutory surplus reserve has reached the total capital, and another special surplus reserve may be raised according to business needs or regulations, and the board of directors shall prepare a distribution plan according to the following proportions, It is proposed to be distributed after approval by the general meeting of shareholders.

Shareholder dividends are based on the consideration of the current year's after-tax surplus and the accumulated undistributed surplus in the previous period. The amount of surplus to be distributed should not be less than 10% of the current year's after-tax surplus. Cash dividends should not be lower than the total amount of cash dividends and stock dividends. However, if the cash dividend per share is less than NT\$0.1, it can be paid as stock dividend instead, but the distribution ratio can be adjusted depending on the company's future earnings and capital status. When the company has no profit, no dividends and bonuses will be distributed.

B. Situation of dividend distribution proposed by this year's shareholders' meeting

The resolution of the board of directors of the company on March 11, 2025 was passed, and it was resolved to distribute NT\$42,013,554 in surplus, and NT\$0.4 per share. It is planned to submit the report of the regular meeting of shareholders on May 27, 2025 and handle it in accordance with relevant regulations.

C. Expected major changes in the dividend policy : None .

(4) The impact of the gratuitous allotment of shares proposed at this shareholders' meeting on the company's operating performance and earnings per share:

There's no gratuitous allotment of shares proposed at this shareholders' meeting , so it is not applicable.

(5) Remuneration of employees, directors and supervisors

A. According to the company's articles of association, if the company makes a profit in the year, it should allocate 1% to 15% as employee remuneration, which is distributed by the board of directors in the form of stock or cash distribution, and the distribution targets include employees of subordinate companies who meet certain conditions; the company The above-mentioned profit amount can be allocated, and the board of directors decides to allocate no more than 5% as remuneration for directors and supervisors. Proposals on employee remuneration and distribution of remuneration to directors and supervisors shall be reported to the shareholders' meeting. However, if the company still has accumulated losses, it shall reserve the compensation amount in advance, and then allocate employee remuneration and director and supervisor remuneration according to the proportion mentioned in the preceding paragraph.

The proportion of remuneration distributed by directors is based on the overall evaluation and consideration of their participation in the company's operations and personal performance contributions. The considerations include, for example, the company's operational management capabilities, financial and business operating performance indicators, and comprehensive management indicators, and measure other special contributions or Major negative events ... etc. In addition, independent directors still receive fixed monthly remuneration.

The manager's remuneration includes salary and bonus. The salary is evaluated with reference to the industry standard and items such as professional title, rank, education (experience), professional ability and responsibility. The bonus is also based on the target achievement rate, profit rate, and operating efficiency. , contribution and other comprehensive project evaluation considerations.

Relevant managers receive employee remuneration and director remuneration must be reviewed by the remuneration committee, and then submitted to the board of directors for resolution.

- B. The estimation basis for the estimated remuneration of employees, directors and supervisors in the current period, the basis for calculating the number of shares of employee compensation based on stock distribution, and the accounting treatment when the actual distribution amount is different from the estimated amount:

The company's estimated employee and director remuneration is calculated in accordance with the company's articles of association, with 1% to 15% as employee remuneration and no higher than 5% as director remuneration. If the actual distribution amount is different from the estimated amount, it will be included in the next year profit and loss .

- C. The distribution of remuneration approved by the board of directors

- (a)The amount of employee remuneration distributed in cash or stock and the remuneration of directors and supervisors . If there is any discrepancy from the estimated amount of recognized expenses in the year, the discrepancy, reason and treatment shall be disclosed :

The company's pre-tax net profit in 2024 and estimated employee remuneration of 223,245 and directors' remuneration of 111,622 in accordance with the company's articles of association were submitted to the resolution of the board of directors on March 11, 2025, and were all paid in cash. The annual recognized expenses and There is no difference in the amount of remuneration distributed by the board of directors.

- (b)The ratio of the amount of employee remuneration distributed by stock to the total after-tax net profit and total employee remuneration in the individual or individual financial report of the current period: None.

- D. The actual distribution of the remuneration of employees, directors and supervisors in the previous year (including the number of shares distributed, amount, and stock price), and if there is any difference between the remuneration of employees, directors and supervisors recognized, the difference, reason and Processing situation:

On March 13, 2024, the Board of Directors approved the distribution of employee and director compensation. The employee compensation amounted to NT\$1,937,065, while the director compensation amounted to NT\$968,532, with both amounts distributed entirely in cash. The actual distribution was in accordance with the proposed distribution approved by the Board of Directors, with no differences.

- E. Repurchase of the company's shares: None

2. The handling of corporate bonds:  
 (1) Issuance and conversion

Types of corporate bonds		The 3rd domestic unsecured conversion of corporate bonds	The 4th domestic unsecured conversion of corporate bonds
Issue (processing) date		March 10, 2022	May 31, 2023
Denomination		NT\$ (the same below) 100 thousand	NT\$ (the same below) 100 thousand
Issue and trading place		Not applicable (non-overseas corporate bonds)	Not applicable (non-overseas corporate bonds)
Issue price		NT\$100.00	NT\$100.00
Lump sum		NT\$500,000 thousand	NT\$400,000 thousand
Interest rate		0%	0%
Term		5-year term ; Maturity Date :Mar.10,2027	5-year term ; Maturity Date :May 31,2028
Guarantee agency		None	None
Trustee		Chang Hwa Commercial Bank, Ltd. Trust Office	Chang Hwa Commercial Bank, Ltd. Trust Office
Underwriting agency		President Securities Corporation	President Securities Corporation
Attorney		Qiu, Yawen	Qiu, Yawen
CPA		Chen, Peide, Chen, Junhong	Chen, Peide, Chen, Junhong
Repayment method		Repayment once due	Repayment once due
Outstanding principal		NT\$12,700 thousand	NT\$46,900 thousand
Redeem or advance terms of settlement		Detailed issuance and conversion method	Detailed issuance and conversion method
Restrictions		Detailed issuance and conversion method	Detailed issuance and conversion method
Credit rating agency name, rating date, corporate bond rating results		Not applicable	Not applicable
Other right attached	Amount of converted (exchanged or subscribed) ordinary shares, overseas depositary receipts or other securities as of the publication date of the annual report	None	None
	Issuance and conversion (exchange or subscription) method	Detailed issuance and conversion method	Detailed issuance and conversion method
Issuance and conversion, exchange or subscription methods, issuance conditions on possible dilution of equity and impact on existing shareholders' rights and interests		Based on the current conversion price of NT\$27.90 and the issuance balance of NT\$12,700 thousand, the equity dilution ratio is about 0.41 %.	Based on the current conversion price of NT\$34.46 and the issuance balance of NT\$46,900 thousand, the equity dilution ratio is about 1.22 %.
The name of the entrusted custodian of the exchange target		Not applicable	Not applicable

Types of corporate bonds	The 5th domestic unsecured conversion of corporate bonds (processing)	
Issue ( processing ) date	April 9, 2025	
Denomination	NT\$ 100,000	
Issue and trading place	Not applicable (non-overseas corporate bonds)	
Issue price	NT\$100.00	
Lump sum	500,000 thousand	
Interest rate	0%	
Term	5 years	
Guarantee agency	None	
Trustee	Changhua Commercial Bank Co., Ltd. Trust Office	
Underwriting agency	Uni-President Securities Co., Ltd.	
Attorney	Qiu Yawen	
CPA	Chen Peide, Chen Junhong	
Repayment method	Repayment once due	
Outstanding principal	500,000 thousand	
Redeem or advance terms of settlement	Detailed issuance and conversion method	
Restrictions	Detailed issuance and conversion method	
Credit rating agency name, rating date, corporate bond rating results	Not applicable	
Other right attached	Amount of converted (exchanged or subscribed) ordinary shares, overseas depositary receipts or other securities as of the publication date of the annual report	None
	Issuance and conversion (exchange or subscription) method	Detailed issuance and conversion method
Issuance and conversion, exchange or subscription methods, issuance conditions on possible dilution of equity and impact on existing shareholders' rights and interests	Not applicable	
The name of the entrusted custodian of the exchange target	Not applicable	

(2) Conversion of corporate bond information

Types of corporate bonds		The 3rd domestic unsecured conversion of corporate bonds			
Year		2022	2023	2024	As of
Item					2025/3/31
Convert the market price of corporate bonds	Highest	107.00	159.00	131.00	195.00
	Lowest	93.20	100.20	107.80	109.00
	Average	102.81	121.38	113.75	159.92
Conversion price		28.60	28.30	27.90	27.90
Issue (processing) date		Issued date : March 10 , 2022			
Conversion price at the time of issue		Conversion price at the time of issuance: NT\$ 29.20			
Fulfillment of conversion obligations		Issuance of new shares			

Types of corporate bonds		The 4th domestic unsecured conversion of corporate bonds		
Year		2023	2024	As of
Item				2025/3/31
Convert the market price of corporate bonds	Highest	127.00	110.00	162.00
	Lowest	100.90	99.55	101.00
	Average	112.34	103.65	133.38
Conversion price		34.90	34.46	34.46
Issue (processing) date		Issued date : May 31 , 2023		
Conversion price at the time of issue		Conversion price at the time of issuance: NT\$ 35.30		
Fulfillment of conversion obligations		Issuance of new shares		

3. Handling status of special shares: None.
4. Handling status of overseas depositary receipts: None.
5. Handling of employee stock option certificates: None.
6. Handling of new shares with restrictions on employee rights: None.
7. Handling of mergers and acquisitions or transfer of shares from other companies to issue new shares: None.
8. Fund utilization plan and execution: None

### III. Operation Overview

#### 1. Business Activities

##### (1) Business scope:

###### A. The main activities of the company's business:

The company's current main business is the manufacture and sale of industrial computers and gaming machines. At the same time, it also provides motherboard processing business for security control and communication. The business items listed in the profit-seeking enterprise registration certificate are as follows:

- CC01060 Manufacturing of wired communication machinery and equipment
- CC01070 Manufacturing of wireless communication machinery and equipment.
- CC01080 Manufacturing of electronic components.
- F401010 International trade industry.
- F113020 Wholesale of electrical equipment.
- F213010 Retailing of electrical equipment.
- F113070 Wholesale of telecommunications equipment.
- F213060 Retailing of telecommunications equipment.
- CC01101 Manufacturing of telecommunications control the radio frequency equipment

###### B. Operating ratio of main products

B. Unit: NT\$ thousand

Year value	2024	
	Revenue	Proportion of business (%)
Items		
Gaming and Industrial Computers	1,262,073	35%
Aerospace and Defense Industry	2,311,369	65%
Total	3,573,442	100%

###### C. The company's current commodity (service) items

At present, the company is mainly specialized in the manufacturing and sales of gaming machines, industrial computers, aerospace ancillary equipment and spare parts. The main product items include the following:

- (a) Gaming machines: gaming machines and their components such as gaming boards, barebone systems, player tracking systems, and machine frames.
- (b) Industrial computer: all kinds of industrial computer motherboards and their components.
- (c) Aerospace products: various wiring harnesses, customized cables, chassis wiring for the aerospace industry, etc.

###### D. New product (service) items planned to be developed

- (a) Mechanisms: Develop power supply frames for light and thin intelligent system products, mainly used in gaming and intelligent system products.
- (b) Electronics: the development of thin and light low-power embedded computers

and peripheral products, mainly used in gaming, industrial computers and peripheral products. Development of ultra-thin gaming machine frame .

## (2) Industry overview

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

#### (a) Gaming and industrial computers:

The company's main products are industrial embedded motherboards and modules, embedded computer systems, and embedded box computers, which are used in fields such as smart gaming, smart retail, smart industrial control, network security, smart homes, smart transportation, and smart cities.

The industrial computer industry has reached a certain level of maturity after long-term development. It has a complete industrial structure, an abundant module supply chain, mass production management experience and small-scale and diverse capabilities. Currently, industrial computer manufacturers are moving towards manufacturing high value-added products. With the development focus of improving design capabilities and strengthening research and development of core technologies, coupled with the large number of applications of the Internet and the advent of the computer digital age, new business opportunities, new layouts and new markets have been created. The improvement and application of new technologies have rapidly expanded, and applications The field has expanded from simple factory automation to various industries and life, such as security products, monitoring products, traffic control, commercial transaction systems, medical care equipment, etc. The original application market continues to develop, and with the continuous expansion of new application fields, product categories tend to Diversification, the overall market size will continue to expand and grow.

In recent years, the application fields of industrial computer products have continued to expand, including medical, aerospace, communications, robotic automation equipment, smart grids, and the Internet of Things (IOT). Application products have been developed, and they will all contribute to the overall output value of domestic industrial computers. future growth momentum. Among them, robot automation equipment, Internet of Things products and intelligent application solutions have a wide range, and their future shipment growth is the most promising.

The characteristics of the industrial computer industry have always been that orders are mostly customized, with small quantities and diverse orders. Therefore, it is difficult for PC or EMS manufacturers to enter the industrial computer industry, allowing industrial computer manufacturers that maintain a high degree of flexibility and customization to maintain their niche. The blue ocean market for industrial computer products.

According to Statista, an international research consultancy, global end-user

spending on IoT solutions is predicted to be US\$418 billion in 2021, rising to US\$1.567 billion in 2025. The booming and diversified development of the Internet of Things industry in recent years has caused companies in various fields to invest large amounts of resources in development, most of which are transportation, retail, warehousing, medical, network security, intelligent solutions and manufacturing industries. Although the Internet of Things is an innovative concept, it is formed by the integration of three traditional industries, including the automation industry, telecommunications industry, and computer industry. The company and its subsidiaries start from interactive terminal products and focus on big data, Internet of Things, and intelligent applications. Product line development.

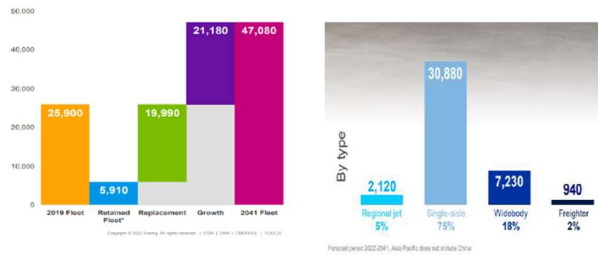
#### B. Aerospace and defense industry:

As the world continues to relax anti-epidemic policies and border controls in 2022, people around the world are rapidly increasing their willingness to travel across borders, prompting a strong recovery in passenger volume on domestic and international routes in North America, Europe and other regions. According to the International Air Transport Association ( According to statistics from IATA, global air passenger traffic has recovered to 74% of 2019 (pre-epidemic) in the first 10 months of 2022, driving demand for new passenger aircraft to rebound. The delivery volumes of Boeing and Airbus from January to October 2022 The annual growth rates also reached 35% and 8% respectively, effectively boosting the order volume of China's related parts manufacturers and injecting strong growth momentum into the industry's sales value. From January to October 2022, the industry's sales value reached 260.03 billion, a significant increase of 31.58% compared with the same period in 2021 (see Table 1 below for details).

As the (COVID-19) epidemic can be controlled, borders of various countries are gradually opening up, and tourism and business air passenger traffic has recovered rapidly, driving the performance of the overall aerospace industry to rebound. On the other hand, as governments and airlines around the world pay more and more attention to the issue of carbon reduction, new aircraft with high fuel efficiency can significantly reduce airline operating costs, prompting airlines to accelerate the replacement of old aircraft with new ones, and also drive the development of the aerospace industry. Demand is strong and moving in a fast and stable direction .

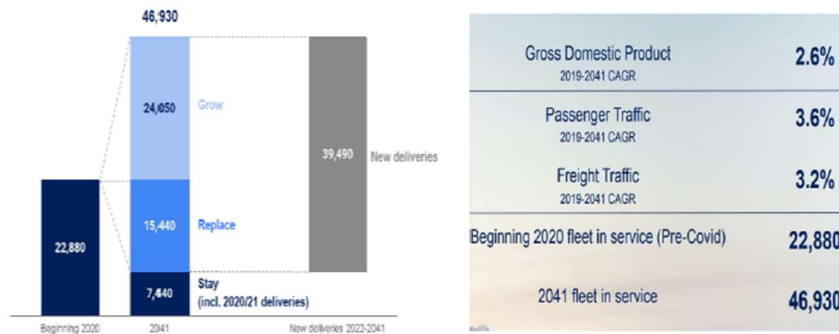
20 years (2022~2041) by Boeing and Airbus, the world's two largest aircraft manufacturers , including market demand and the need to replace old aircraft with new ones, the estimated demand for new aircraft is 41,170 aircraft respectively. and 39,490 aircraft, showing that the overall aviation industry will still show a steady growth trend in the next 20 years.

**Boeing Forecast: Airlines will need 41,170 new airplanes over 20 years (2022~2041)**



資料來源：BOEING 2022 COMMERCIAL MARKET OUTLOOK

**Airbus Forecast: Airlines will need 39,490 new airplanes over 20 year (2022~2041)**

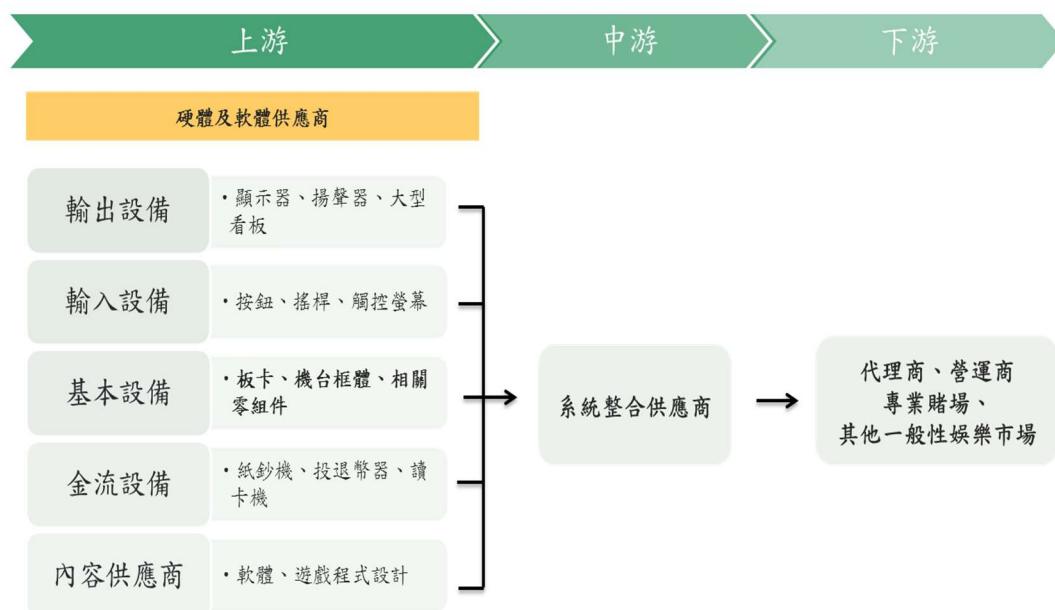


資料來源：AIRBUS Global Market Forecast 2022 - 2041

2. The relationship between the upper, middle and lower reaches of the industry

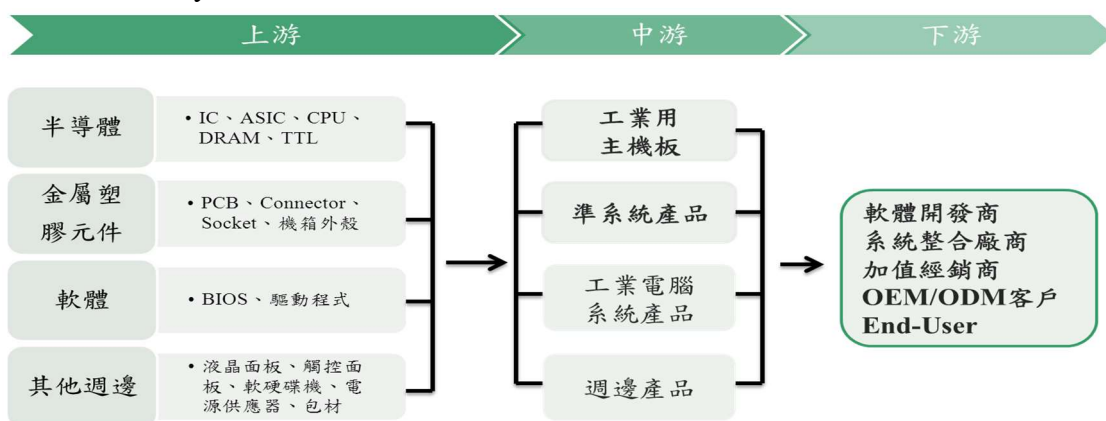
A. Gaming industry:

In the ecosystem of the gaming industry, operators such as casinos or amusement parks put forward the procurement requirements of gaming machines to the system integrator (SI). However, because the system integrator mainly focuses on software manufacturing, the hardware part of the machine is entrusted to the upstream Mainboard or hardware manufacturers, and finally sold to downstream casino operators by system integrators after combining hardware and software (details below), and Parpro Corporation Company is a manufacturer of gaming machines and related components. It is located upstream of the gaming industry. The upper, middle and lower reaches of the gaming industry are listed below:



B. Industrial computer industry:

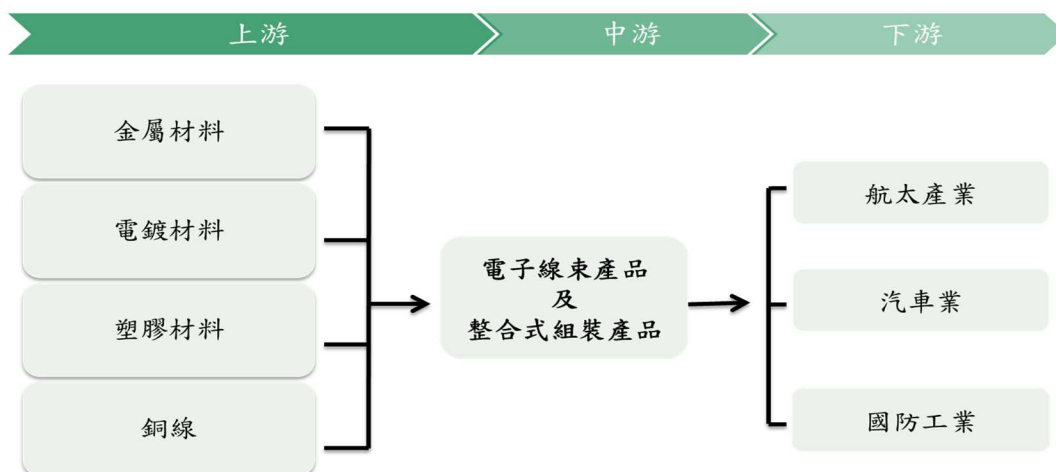
Industrial computer products are mainly computer-centric. The upstream component suppliers provide components such as IC, CPU, PCB board, liquid crystal display and casing, and the midstream is industrial control cards, single-board computers, embedded computers and bare-bones products. , domestic industrial computer manufacturers are mostly located in the middle reaches of the industrial chain, while the downstream sales part is to meet the needs of various markets, and because industrial computer products have a high degree of system integration and a wide range of product applications, most industrial computers are sold through system integrators (SI ) or distributors to develop local potential customers, provide technical support nearby, or sell to relevant academic research institutes for system integration or testing. The correlation between the upper, middle and lower reaches of the industry can be illustrated as follows:



C. Aerospace industry and defense industry:

The company's main products are aerospace accessory equipment and its components . Its main product, electronic wiring harness, is used in aerospace equipment. It is in the middle reaches of the industrial chain, and its upstream is the raw material industry. It is mainly divided into metal materials, plastic materials, Electroplating materials and copper wire are the four major parts, and the

downstream is the application products of various electronic wiring harnesses and integrated assembled products. Its application fields span aerospace, automobile and defense industries and other industries.



### 3. Various development trends and competition situations of products

#### A. Gaming industry:

As more casinos (CASINOs) in Genting Casino in Malaysia, South Korea, Singapore and Vietnam in the communist country , and there are currently 140 locations in the world. The above countries are used as one of the important policy tools to develop or revitalize the tourism market and to assist the government in balancing the budget. In addition, the Golden Triangle area bordering Japan, Myanmar, Thailand and Laos (Laos) is also planning and building a modern casino to reap the huge benefits brought by gaming activities. In the future, the Asia-Pacific region is expected to become the largest gaming market in the world . For example, the Singapore government has attracted the Genting Group of Malaysia and the Sands Group of the United States to build the "Resorts World Sentosa" (Resorts World Sentosa) and "Marina Bay Sands" (Marina Bay Sands) has two integrated resorts with casinos; Macau is benefiting from the fact that Chinese VIP customers have leapt to the world's largest casino (CASINO) , and its gaming revenue has already surpassed that of Latin America. Las Vegas is more than six times; In addition to the above, the Philippines and Vietnam are also competing to carve up the Asian market with a number of large casinos. The tourism and gaming industry (casino or gaming industry) is not just about gaming, but also includes tourist hotels, entertainment, tourism, convention and exhibition, shipping, catering, etc. The development of the gaming industry will bring many surrounding business opportunities and create jobs. Chance.

#### B. Industrial computer industry:

Looking forward to the future , various regional markets are actively promoting new infrastructure construction, and the visibility of orders in fields such as the Industrial Internet of Things and enterprise digital transformation is clear, which

will help drive the shipment of smart application products such as automation, 5G, and AIoT. Business opportunities after the lockdown will continue to ferment, and it will also promote The shipment performance of lottery machines, self-service, smart retail and other related products, as well as the acceleration of production capacity optimization and carbon emission management by various companies, are expected to drive ESG business opportunities. In addition, the shipment of deferred orders affected by material shortages will all Boosted the growth of industrial computer shipments.

However, the world continues to face challenges such as inflation, rising interest rates, and geopolitical risks. There is still a risk that the international climate may change, which will affect customers' willingness to place orders or adjust orders, thus suppressing overall growth. However, it benefits from Increasing demand in most downstream application markets will help drive shipment growth in this industry.

(3) Aerospace and defense industry:

In response to the international civil aviation industry's demands for energy conservation, carbon reduction, weight reduction of aircraft, reduction of noise and exhaust emissions and other environmental trends, international aviation manufacturers are actively investing in green manufacturing technologies and launching new fuel-saving aircraft models to respond to environmental protection. In addition, because new types of aircraft have better fuel efficiency, they can help significantly reduce airlines' operating costs, thus prompting airline operators to accelerate their demand for aircraft replacement. At the same time, according to predictions by Boeing and Airbus, single-aisle aircraft will account for up to 75% of the demand for new aircraft in the next two decades , and have become the mainstream of the future aircraft replacement wave. (3) Overview of Technology and R&D

A. Research and development expenses invested in the most recent year up to the date of publication of the annual report: None

B. Technologies or products successfully developed in the most recent year and as of the publication date of the annual report

The company attaches great importance to research and development. In addition to investing manpower in Taiwan to be responsible for product research and development, there is also a research and development team in the United States to accelerate the speed of integrated product development and grasp the pulse of the market. So far, the company has launched Intel Bay Trail and Haswell platform and other architecture system platforms, as the application of intelligent systems and aerospace peripheral products, and also launched new versions of thin and light intelligent Single Stand and Extend Stand and other system products, which shows that the company has invested in key Efforts in the development of innovative components, and the strength of new product research and development.

In addition to continuing the current unfinished products and extending the existing series to expand product specifications, the company will continue to develop new/old

product series with high added value and market competitiveness for different market segments and application fields, and actively expand emerging demand markets , innovation and development of diversified application fields; in addition, the company controls the progress of research and development by project, and always pays attention to the development of science and technology, product trends, the situation of competitors in the same industry, changes in the supply and demand of the sales market and material supply market, etc. Factors that may affect the success of research and development , to ensure that the R&D plans can meet market demands and be completed on schedule.

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

Since its establishment, the company has focused on the excellent quality and stability of products, and actively contacted customers and the market. With the expansion of customers and the growth of the market, the company has successfully laid the foundation for product quality and company image in customer evaluations. Gradually occupy a place in the market . In response to industry development trends and domestic and foreign market competition, we hope to enrich the company's strength and enhance overall production capacity and competitiveness through the practice of the following long-term and short-term development plans.

##### 1. Short-term business development plan

- ①Fully understand customer needs and market information, and actively communicate product specifications and quality requirements with customers to improve the consistency of production in the factory to improve quality stability.
- ②Provide customers with convenient and fast services, consolidate existing customer relationships, and actively start the development of new customers, and continue to expand sales and market share.
- ③Actively maintain a good partnership with upstream and downstream manufacturers, so that the cooperative manufacturers can fully cooperate, the product cost is more competitive, and the sales network is more smooth.
- ④Deeply cultivate the three major fields of gaming, industrial computers, aerospace and national defense , and diversify the risk of concentrating on a single industry.
- ⑤Strengthen the research and development of key components and new product lines, such as high-speed spindle, high-speed feed and other products.
- ⑥Strengthen inventory and accounts receivable management, reduce capital demand, and reduce capital costs.

##### 2. Long-term business development plan

- ①Actively set up other overseas bases to improve the timeliness and quality of after-sales service and the functions of real-time technical support. Actively establish distributor channels for undeveloped countries or regions.
- ②Cultivate international marketing talents and fully grasp international market information to achieve the goal of internationalization.

- ③ Utilizing the funds in the capital market allows the company to have more sufficient resources for the company's financial and capital use in the face of market competition, so as to obtain the company's continuous growth.
- ④ Through acquisitions or strategic alliances, go deep into the upstream and downstream supply chains, and actively seek a vertical integration model to effectively develop new products and new business areas.
- ⑤ Strengthen the research and development of key components and new product lines.
- ⑥ Develop the Taiwan head office to be upgraded to a research and development, manufacturing and financial control center. In addition, it can quickly grasp market information, new product design and technology, and market strategy information in response to the changing environment of the global economy. This management model can Pave the way for future multinational enterprise management.

## 2. Market and Production and Sales Overview

### (1) Market analysis

#### 1. Sales (supply) regions of main products (services)

Unit: NT\$ thousand

Sales regions \ Year	2024	
	Sales	Ratio(%)
Asia	1,302	0.04
Europe	5,039	0.14
America	3,567,101	99.82
Total	3,573,442	100.00

#### 2. Market share

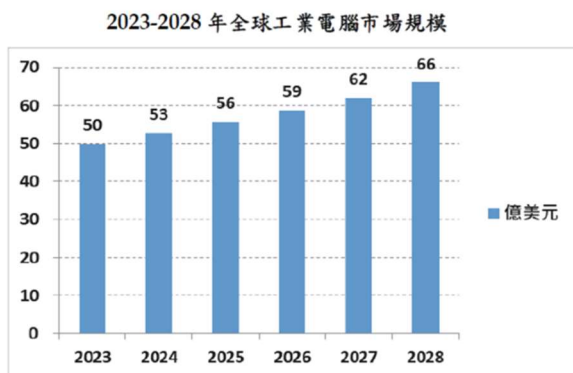
The gaming, industrial computer and aerospace products of the company and its subsidiaries are industries with a small amount of variety and a high degree of customization. The R&D team gradually obtains and maintains the trust relationship of major customers, and continuously introduces new products and develops new markets, upholds innovative technology, improves customer satisfaction, and expects to become a world-class leader in its industry field. However, because there is no statistical data from institutions with credibility in China for reference, it is impossible to clearly know the market share of the company. However, the industry prospects of the three fields in the future are promising, so it is expected that the company and its subsidiaries will continue to improve Market position in the industry.

#### 3. The future supply and demand situation and growth of the market

##### (1) Gaming and industrial computers

According to the global market research by MarketsandMarkets, the size of the industrial computer market reached 5 billion USD in 2023, and it is expected to grow to 6.6 billion USD by 2028. The average growth rate over the past five years

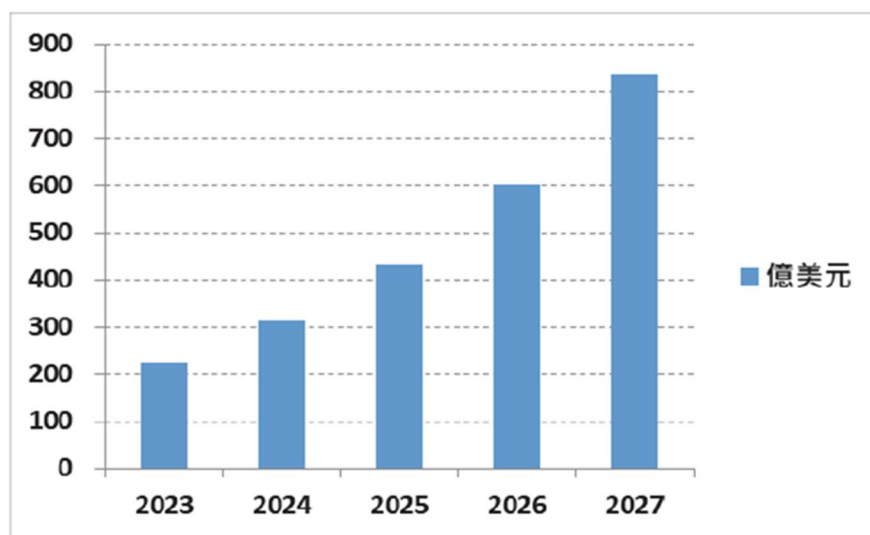
has been about 5.5%, indicating moderate growth, and it is considered a long-term niche industry.



資料來源：MarketsandMarkets

With the development of global technological trends, according to international market research by BusinessWire, the global AIoT (Artificial Intelligence of Things) market size is expected to reach 83.6 billion USD by 2027.

2023-2027 年全球 AIoT 市場規模



資料來源：businesswire

## (2) Aerospace and defense industry

According to Boeing's forecast of the future development of the global aviation industry in the next 20 years (2022~2041), the average annual growth rate of global air passenger traffic in the next 20 years is 3.8%, and the demand for new aircraft is approximately 41,170, with the main demand being single-aisle aircraft. Airbus estimates that the average annual growth rate of air passenger traffic in the next 20 years will be 3.6%, with a total demand for new aircraft of approximately 39,490, and the main demand will still be single-aisle passenger aircraft. Forecast

data from the two major aircraft manufacturers show that the overall demand for aircraft will show a steady growth trend in the next 20 years.

#### 4. Competitive Niche

- ① Industry business opportunities continue to be optimistic.
- ② The market positioning is clear and the product line is complete.
- ③ Planned and flexible production to grasp market opportunities.
- ④ With strong research and development capabilities, the products have been repeatedly recognized.
- ⑤ Flexible, fast and stable quality customized technology.
- ⑥ Professional marketing, R&D, and manufacturing teams.
- ⑦ With "process design and innovation, manufacturing and pragmatism, service and quality first", we will stick to our commitments to customers, suppliers, employees, shareholders and all stakeholders.

#### 5. Favorable and unfavorable factors and countermeasures for development prospects

##### (1) Favorable factors:

- A. Targeting a niche product market
- B. Fast delivery and stable quality
- C. Have a well-organized excellent R&D, marketing and manufacturing team
- D. Capacity utilization is flexible and efficient , and has a small amount of diverse mass production capacity
- E. Diversified product management, reducing operational risks
- F. Tailor-made customer service, attach importance to customer commitments and establish a good cooperative relationship

##### (2) Unfavorable factors:

- A. Customized production is characterized by a small amount of variety. The production scale of a single product cannot be compared with a large number of standardized products. The production cost and parts procurement cost will be relatively high.

##### Countermeasures:

Tailor-made high-value-added application products with market advantages for customers, and provide technical solutions to expand the differences with market standard products and avoid the vicious circle of low-cost competition in the same industry. In addition , through strategic procurement, the cost and inventory of key components are controlled.

- B. The scale of competitors in the same industry is getting bigger and bigger, and there is a tendency to combine or strategic alliance with international manufacturers to seize the market.

##### Countermeasures:

To strengthen cooperation with customers, in addition to being committed to improving yields and shortening delivery times to meet customer requirements, we also look forward to strategic alliances and cooperation with international major manufacturers to strengthen our company's competitiveness.

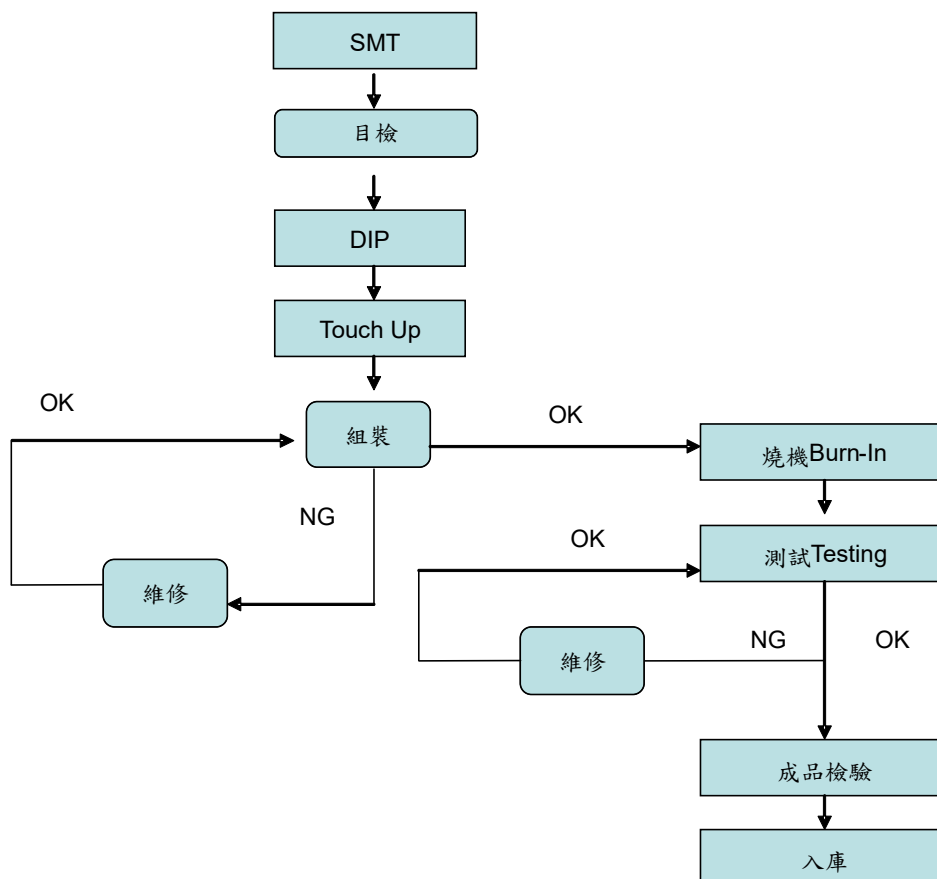
### Important uses and production processes of main products

#### 1. Important uses of main products

Main product	Important purpose
Gaming machine	It is widely used in the manufacture of complete machines and parts of international first-line gaming machines (mainly slot machines), including single-board boards, barebone systems, machines, and player tracking systems.
Industrial computer	Including the manufacture of various industrial computer motherboards, the products are widely used in security control , testing , transportation and other industrial purposes, with the characteristics of high stability and strong environmental endurance.
Aerospace related products	Including the manufacture and sales of components for communication, control, and signal transmission harnesses in the aerospace industry .

#### 2. Production process

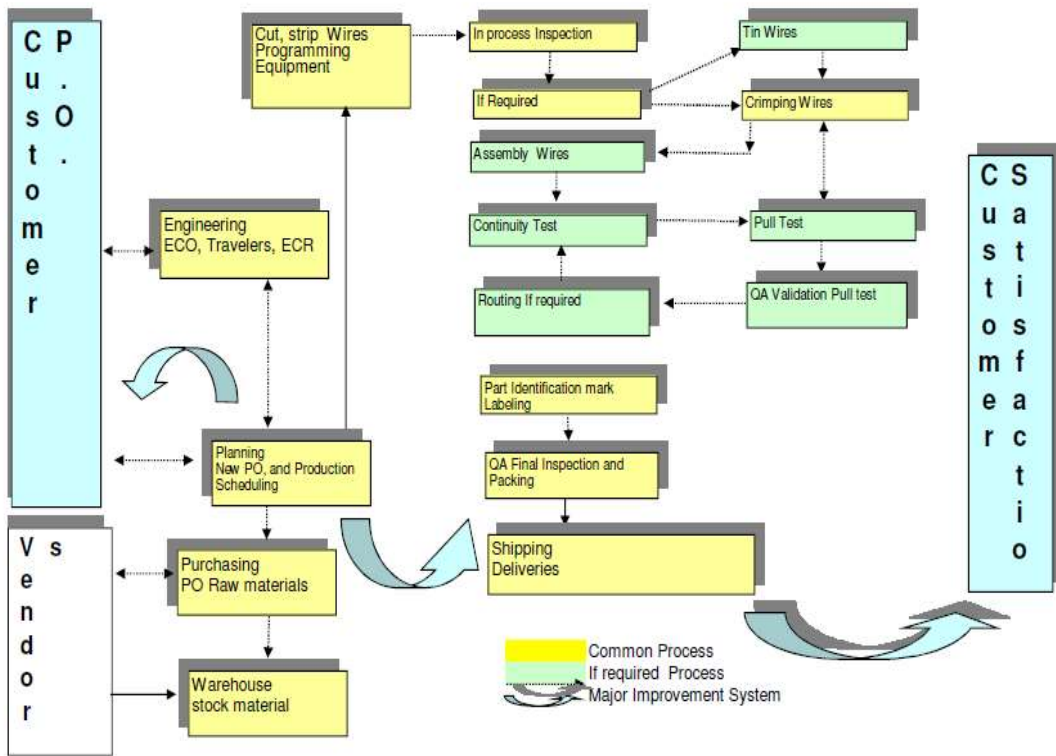
##### A. Gaming and industrial computer



## B. Aerospace and Defense Industry

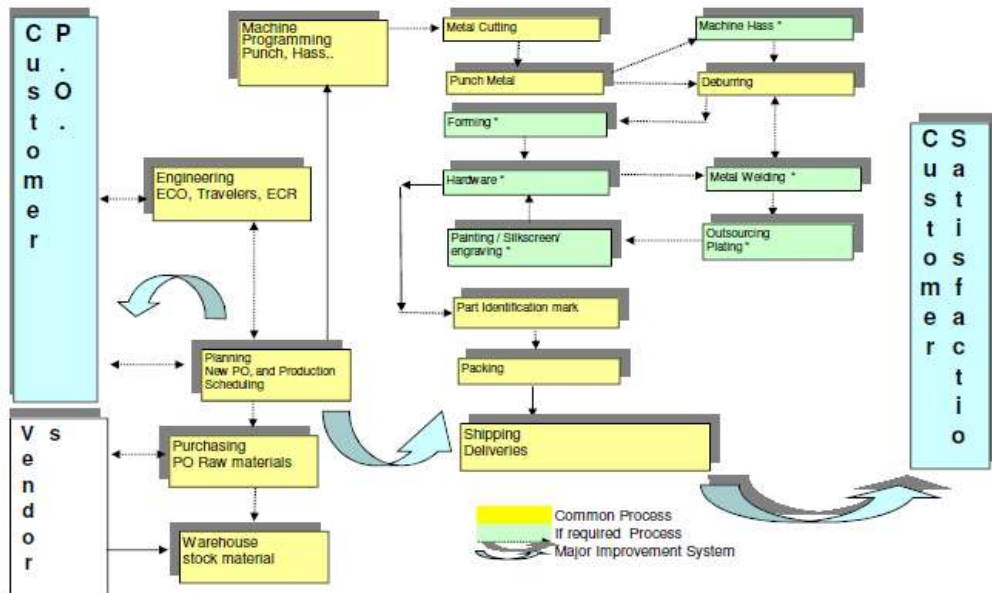
### (a) Electrical

Cables Production General Flow Diagram



### (b) Metals

Metals Production



(2) Supply status of main raw materials

The company's current supply of main raw materials is as follows:

raw material	source of supply	Availability
SSD & DDR	APACER	Stable supply
IC	AVNET, ARROW	Stable supply
VIDEO CARD	AVNET	Stable supply
POWER SUPPLY	FSP	Stable supply

(3) List of major purchase and sales customers in the last two years

Names of customers who accounted for more than 10% of the total purchase (sales) in any of the most recent two years, their purchase (sales) amount and proportion, and reasons for their increase or decrease:

(A) Major purchasers:

Information on major purchasing suppliers in the past two years

Unit: NT\$ thousand

Item	2023				2024			
	Name	Amount	Accounted for the whole year	Relationship with Issuer	name	the amount	Accounted for the whole year	Relationship with Issuer
			Net sales ratio (%)				Net sales ratio (%)	
Other	Other	2,170,864	100.00	-	Other	1,730,468	100.00	—
	Net Purchase	2,170,864	100.00	-	Net Purchase	1,730,468	100.00	—

Explanation of reasons for increases and decreases: None

(B) Main sales customers:

Information on major sales customers in the past two years

Unit: NT\$ thousand

project	2023				2024			
	Name	Amount	Accounted for the whole year	Relationship with Issuer	name	the amount	Accounted for the whole year	Relationship with Issuer
			Net sales ratio (%)				Net sales ratio (%)	
1	Company A	827,474	24.24	None	Company A	486,200	13.61	None
2	Company Q	378,190	11.08	None	Company Q	457,270	12.80	None
3	Company D	390,275	11.43	None	Company D	349,327	9.78	None
5	Other	1,818,432	53.25	—	Other	2,280,645	63.81	—
	Net sales	3,414,371	100.00	—	Net sales	3,573,442	100.00	—

Explanation of reasons for increases and decreases: Mainly due to changes in market and customer supply and demand, resulting in increases and decreases in sales to customers.

3. The number of employees employed in the last two years and as of the date of publication of the annual report, the average length of service, average age, and educational background distribution ratio

Unit: person; %

Item		Year		
		2023	2024	As of Mar. 31,2025
Employee numbers (people)	Direct employees	421	430	447
	Indirect employee	274	280	291
	R & D personnel	1	1	1
	total	696	711	739
Average age ( years old )		40	50	49
Average years of service (years)		9	7	8
Educational distribution ratio (%)	Doctor	0	0	0
	Master	2	2	2
	College	15	19	18
	High school	44	46	43
	Below high school	39	33	37
	Total	100	100	100

4. Environmental protection expenditure information

In the most recent year and up to the date of publication of the annual report, the losses suffered due to environmental pollution (including compensation and environmental protection audit results in violation of environmental protection laws and regulations, the date of punishment, the name of the punishment, the violation of laws and regulations, the content of violations of laws and regulations, and the content of punishment should be listed), And disclose the estimated amount and countermeasures that may occur at present and in the future. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be explained: None.

5. Labor relations

A.List the company's various employee welfare measures, advanced education, training, and retirement systems and their implementation, as well as the agreement between labor and management and the protection measures for employees' rights and interests:

(1) Procrastination and implementation of employee welfare measures:

In order to improve employee welfare, the company has established an employee

welfare committee according to law to allocate welfare funds on a regular basis. At present, the main points of the company's welfare measures are as follows:

- A. Annual year-end bonuses are awarded based on the company's operating performance.
- B. Employee compensation is allocated annually in accordance with the company's bylaws, in the form of cash or stock.
- C. Employees have the option to subscribe for shares during capital increase.
- D. Employees are required to participate in labor insurance, national health insurance, and group accident insurance.
- E. Gifts are given to employees for the holidays, Labor Day, birthdays, weddings, and condolences for illness or bereavement.
- F. Regular health check-ups are conducted annually.
- G. Regular training sessions are held to improve professional skills.
- H. A "Employee Welfare Committee" is established to promote employee benefits, and activities such as outings, travel, and year-end dinners are organized periodically to strengthen employee relationships, enhance cohesion, and boost morale

(2) Further study, training and implementation :

Employees are the company's most important assets, so the company attaches great importance to talent cultivation and pays attention to the future development of talents. In order to improve the quality and work skills of employees, strengthen work efficiency, quality and career planning, the company has formulated "education and training procedures" based on the needs of employees. .

First week of registration, new employees will be given instructions on company introduction, salary and benefits, attendance system and labor safety, etc., so that they can understand the company's relevant rules, systems, functions of each department and job functions, and learn the work requirements. basic knowledge .

In terms of functional training: various educational trainings (including internal and external education and training), including general training, professional skills training, management ability training, quality management training, and safety and health training, are implemented from time to time for all employees to establish a complete skill development, Inspiration for employees' self-growth .

In addition to its own education and training courses, the company also has external training and an internal lecturer system to continuously provide a more optimized and diversified learning environment, strengthen the work skills of colleagues, improve the quality of talents, and then reserve to respond to future market trends and environmental changes The energy and organizational competitiveness have increased even more .

(3) Employee retirement system and its implementation:

In accordance with the relevant provisions of the Labor Standards Act, the company, after labor-management negotiations in 2016, settled the work years prior to the application of the Labor Pension Act in a lump sum and closed the labor pension reserve account. To date, for employees covered by the Labor Pension Act, the company contributes 6% of their monthly salary to the individual pension account at the Labor Insurance Bureau. In 2024, a total of NT\$618,000 was contributed.

(4) Protection measures for working environment and personal safety of employees :

The company has complied with the Labor Standards Act and other relevant regulations to protect the legal rights of employees. To foster harmonious labor-management relations, the company regularly holds labor-management meetings and provides employees with channels for complaints, ensuring sufficient communication and feedback. Since its establishment, the company has maintained harmonious labor-management relations, with no disputes occurring in recent years.

The company has established an Employee Welfare Committee to implement various employee welfare policies. The committee has set up comprehensive welfare measures and management procedures, clearly outlining employee rights, obligations, and welfare items. It also regularly reviews the welfare content and implementation status to safeguard employee rights.

(5) The agreement between labor and management and various measures to protect the rights and interests of employees:

The company has safeguarded the legitimate rights and interests of workers in accordance with the Labor Standards Act and other relevant laws and regulations. In order to create a harmonious labor-management relationship, the company holds regular labor-management meetings and provides channels for employees to complain, so that the channels for employees to complain are smooth. Since its establishment, the company has a harmonious labor-management relationship, and there have been no disputes in recent years .

The company has established comprehensive welfare measures and various management measures, which clearly stipulate the rights and obligations of employees and welfare items, and regularly review the content of welfare to protect the rights and interests of employees.

- B. List the losses suffered due to labor disputes in the most recent year and up to the date of publication of the annual report (including labor inspection results that violate the Labor Standards Act, and the date of punishment, the name of the punishment, the violation of laws and regulations, the content of violations of laws and regulations, and the content of punishment should be listed), And disclose the estimated amount and countermeasures that may occur at present and in the future. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be explained:

Since the establishment of the company, the relationship between labor and capital has been harmonious, and no loss has occurred due to labor disputes. It is estimated that the possibility of losses due to labor disputes in the future is extremely low.

## 6. Information security management

- (1) Describe the information security risk management framework, information security policies, specific management plans, and resources invested in information security management, etc.:

### 1. Information Communication Security Risk Management Framework

The company has established a dedicated information security unit in accordance with the information security risk management framework, appointed information security supervisors and dedicated information security personnel , and regularly reviews information security policies and implementation.

- (1) Information Security Organization: Establish the company's "Information Security Team" to be responsible for the prevention and crisis management of the company's information security.
- (2) Information security organization members: The "Information Security Team" is composed of the general manager, information security director, information security personnel and heads of departments. It is responsible for coordinating and discussing information security policies, plans, resource scheduling and other matters. The meeting will be convened by the company's information security manager.
- (3) Information security organization meeting timing: In principle, one meeting will be held every year, and additional temporary meetings may be held as needed .
- (4) The information security team meets once a year to review information security policies and management plans .

### 2. Information Security Policy

In order to ensure that the personnel, data, information systems, equipment and network security related to the company's information operations comply with the requirements of relevant laws and regulations, this information security policy is specially formulated to establish a safe and normal operating environment and ensure that the company's computers Data, system equipment and network security , ensuring the sustainable operation and operation of the company's business, including the company's personnel security management and education and training, computer equipment security management, data security management, network security management, network access security control, System and network intrusion processing, physical environment security management and other work items.

### 3. Specific management plan

- (1) Network security : set up an enterprise-level firewall with strict control rules and apply a network behavior management mechanism to monitor abnormal network behavior.

- (2) Device security : Computer devices are equipped with anti-virus and endpoint protection software, which is the last layer of protection for network terminals.
- (3) Data security : There is an account and password management mechanism, and special access rights are set up according to business duties to control data access.
- (4) System security : important information systems are built with high availability and backup backup mechanisms to ensure the continuous operation of the company's business.
- (5) E-mail security : Import a comprehensive e-mail filtering mechanism to actively defend against various phishing and malicious threat e-mails.
- (6) Overall information security systemic risk assessment and improvement: Through a third-party objective and professional information security platform or vendor, we assist the company in diagnosing information security vulnerabilities and risks, and provide improvement suggestions. The company will evaluate the information security risks and impact severity based on the Arrange relevant information security improvement work plans.

#### 4. Invest resources in information security management

- (1) Regularly inspect the overall information system security and submit inspection reports .
  - (2) Inspection of personal computers and software .
  - (3) Annual information security education and training .
- (2) List the losses, possible impacts and response measures suffered due to major information security incidents in the most recent year and up to the date of publication of the annual report. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be stated: None.

7. Important contracts:

Contract nature	Parties	Contract Term	Main content	Limit terms
Medium-term loan	Panhsin Bank	2022/09/28~2025/09/28	Medium-term Unsecured Loan	None
Medium-term loan	Shanghai Commercial & Savings Bank	2023/8/21~2026/8/21	Medium-term Unsecured Loan	None
Medium-term loan	TAICHUNG COMMERCIAL BANK Co., Ltd.	2024/10/15~2027/10/15	Medium-term Unsecured Loan	None
Lease	Liu Shi-Hui / You Xian-Jin / Ye Feng-Qin	2024/7/10~2025/7/9	Office rental	None
Lease	SHIHLIN ELECTRIC & ENGINEERING CORPORATION	2023/2/1~2026/1/31	Office rental	None
Lease	Proyectos y Construcciones Musa SA de CV	2018/06/14~2029/12/13	Factory rental	None
Lease	Carlo Enrique Muzquiz Davila	2023/12/08~2034/12/31	Factory rental	None
Lease	Schnitzer Valley Freeway, LLC	2024/03/20~2027/04/30	Factory rental	None
Lease	2722 S. FAIRVIEW PROPERTIES, LLC	2021/11/01~2028/10/31	Factory rental	None
Lease	PACIFIC SOTHEBY'S INTERNATIONAL REALTY	2022/03/15~2025/12/31	Factory rental	None

#### IV. Financial overview

##### 1. Review and Analysis of Financial Status and Financial Performance and Risk Matters

###### 1. Financial status

- (1) The main reason and impact of major changes in consolidated assets, liabilities, and equity in the last two years. If the impact is significant, the future response plan should be explained:

Unit: NT\$ thousand

Item	Year		Increase or decrease	
	2024	2023	Amount	%
Current Assets	2,044,809	2,122,070	(77,261)	(3.64)
Financial Assets Measured At Fair Value through Other Comprehensive Income	29,982	48,448	(18,466)	(38.12)
Investments Using The Equity Method	553,995	590,166	(36,171)	(6.13)
Property, Plant and Equipment	132,339	133,121	(782)	(0.59)
Intangible Assets	553,230	529,297	23,933	4.52
Other Assets	184,237	211,999	(27,762)	(13.10)
Total Assets	3,498,592	3,635,101	(136,509)	(3.76)
Current Liabilities	824,316	959,205	(134,889)	(14.06)
Non-Current Liabilities	550,627	672,771	(122,144)	(18.16)
Total Liabilities	1,374,943	1,631,976	(257,033)	(15.75)
Share Capital	984,888	983,789	1,099	0.11
Capital Reserve	647,009	642,138	4,871	0.76
Retained Earnings	363,974	400,323	(36,349)	(9.08)
Other Equity	106,649	(23,125)	129,774	561.18
Non-Controlling Interest	21,129	0	21,129	100.00
Total Shareholders' Equity	2,123,649	2,003,125	120,524	6.02

Explanation for analysis of changes in increase or decrease ratio: (if the increase or decrease is more than 20%, and the amount of change is 10,000 thousand)

- A. Decrease in financial assets measured at fair value through other comprehensive income: This is mainly due to the sale of stocks.
- B. Increase in other equity: In 2024, due to the appreciation of the U.S. dollar against the New Taiwan Dollar, the exchange gains from the translation of financial statements of foreign subsidiaries significantly increased.
- C. Increase in non-controlling interests: This is mainly due to the increase in investment in subsidiaries not proportionate to the ownership stake.

###### (2) Future coping plans:

There is no major abnormality in the overall performance of the company, so there is no need for a response plan. In the future, we will continue to focus on the improvement of business performance and the stable growth of profits, and improve the company's financial structure to reduce financial burdens.

2. Financial performance:

1. Financial performance analysis for the last two years:

Unit: NT\$ thousand

Item	2024	2023	Increase (decrease) Amount	Change ratio%
Operating income	3,573,442	3,414,371	159,071	4.66
Operating profit	505,564	478,816	26,748	5.59
Operating expenses	401,100	321,708	79,392	24.68
Operating (loss)	104,464	157,108	(52,644)	(33.51)
Non-operating income and expenses	(58,358)	(16,437)	(41,921)	(255.04)
Net (loss) profit before tax	46,106	140,671	(94,565)	(67.22)
Income tax	(44,629)	(60,351)	15,722	26.05
Net (loss) profit for the year	1,477	80,320	(78,843)	(98.16)
<p>Explanation for analysis of changes in increase or decrease ratio: (if the increase or decrease is more than 20%, and the amount of change is 10,000 thousand)</p> <p>A. Increase in operating expenses and decrease in operating income: The main reason is that in 2024, the U.S. subsidiary received a government ERC tax refund subsidy, which reduced operating expenses. However, there was no such event in 2025, resulting in a decrease in operating income compared to 2024.</p> <p>B. Increase in non-operating net expenses: This is mainly due to the increased losses from associates accounted for using the equity method.</p> <p>C. Decrease in pre-tax net income: This is primarily due to the increase in the aforementioned management expenses and the increased losses from associates accounted for using the equity method.</p> <p>D. Decrease in income tax expense: This is mainly due to the reduced profitability.</p> <p>E. Decrease in net income for the year: This is primarily due to the reduced profitability and the associated income tax expense.</p>				

2. The expected sales volume and its basis, the possible impact on the company's future financial business and the response plan:

The company has not announced the financial forecast for 2025, so it does not intend to disclose the expected sales volume.

### 3. Cash flow

#### (1) Analysis of cash flow changes in the most recent year:

Unit: NT\$ thousand

Opening cash balance	Annual net cash flow from operating activities	Net cash flow from other activities for the year	Cash surplus (Insufficient) amount	Remedial Measures for Cash Insufficiency	
				investment plan	financial plan
195,552	427,210	(125,905)	496,857	Not applicable	Not applicable

#### (1) Business activities:

The net cash inflow amounted to NT\$427,210 thousand, primarily due to stable operating profits during the period, as well as effective management in improving accounts receivable collection and reducing inventory levels.

#### (2) Net cash flow from other activities for the year:

The net cash outflow amounted to NT\$125,905 thousand, primarily due to repayment of bank loans, redemption of convertible bonds by bondholders, payment of cash dividends, and expenditures for plant renovation during the period.

#### (2) Improvement plan for insufficient liquidity : None.

#### (3) Analysis of cash flow in the coming year:

Unit: NT\$ thousand

Opening cash balance	Annual net cash flow from operating activities	Net cash flow from other activities for the year	Cash surplus (Insufficient) amount	Remedial Measures for Cash Insufficiency	
				investment plan	financial plan
496,857	146,629	120,489	763,975	—	—

The Company expects a net cash inflow from operating activities of NT\$146,629 thousand in fiscal year 2025, along with an anticipated net cash inflow from other activities totaling NT\$120,489 thousand, resulting in a projected year-end cash balance of NT\$763,975 thousand.

#### 4. The impact of major capital expenditures on financial business in the most recent year: None.

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

1. Reinvestment policy

Depending on the company's business development and sustainable operation needs, in line with the group's goals of operating expansion, ensuring production capacity, and serving customers nearby, it is mainly for long-term holding. If there is any transfer of investment, it will follow the "investment cycle" of the company's internal control system and "Procedures for Acquiring or Disposing of Assets".

2. Gain or loss from reinvestment:

In the year 2024, the company recognized a share of the losses from subsidiaries and associates accounted for using the equity method, amounting to a net loss of 33,843 thousand NTD. This is mainly due to the decrease in orders from the associate caused by the rising prices of raw materials and transportation costs, along with weak customer demand.

Improvement Plan: The associate is expected to undergo organizational adjustments and business optimization, gradually ending loss-making operations, strengthening cost control, and expanding the development of new industrial applications, with the goal of improving operations and profitability.

3. Investment plan for the next year: Appropriately evaluate the investment funds for each reinvestment business according to the needs of the group's operation and development.

6. Analysis and evaluation of risk management

(1) The impact of interest rate, exchange rate changes, and inflation on the company's profit and loss in the most recent year and as of the date of publication of the annual report, and future response measures:

A. Impact on the company's profit and loss

Unit: NT\$ thousand

Item	2024
Interest (income) expense	19,916
Exchange (loss) gain	11,095
Ratio of net interest income to net revenue	0.56%
Ratio of net interest income to net profit before tax	43.20%
Ratio of net exchange gain and loss to net revenue	0.31%
Ratio of net exchange gain and loss to net profit before tax	24.06%

B. The company's future response measures

A. Changes in interest rates:

The company's ratio of net interest income and expenses to net revenue and pre-tax net income ratio for 2024 were 0.56 % and 43.20 % respectively.

The financial department of the company pays attention to the changes in interest rates at any time, and keeps in close contact with the bank to obtain more favorable loan interest rates, so as to minimize the impact of interest rate changes on the company. In addition, we will also comprehensively consider the capital cost of various financing tools and the company's financial situation,

select the most suitable working capital structure, and evaluate the increase in the ratio of self-owned funds in a timely manner.

B. Exchange rate changes:

The company's ratio of net exchange profit and loss to net revenue and pre-tax net income ratio for 2024 were 0.31% and 24.06% respectively . The company has taken the following possible response measures:

- ① Foreign exchange fund dispatching, using self-owned foreign exchange income to cover foreign exchange expenditures, reducing exchange risk.
- ② Collect information about exchange rate changes at any time, and fully grasp the exchange rate trend, so as to decide the time to convert currency or keep it in the foreign exchange account .
- ③ Improve product quality and its added value, reflect the cost in a timely manner when the exchange rate fluctuates, and adjust the selling price .

C. Inflation:

The recent annual price index is still within a reasonable range, and inflation will not have a significant impact on the company's profit and loss.

- (2) Policies for engaging in high-risk, high-leverage investments, capital lending to others, endorsement guarantees, and derivatives transactions in the most recent year and as of the date of publication of the annual report , the main reasons for profit or loss, and future countermeasures:

A. Engage in high-risk, high-leverage investment: no such case.

B. Fund loan to others:

Our company has established the "Operating Procedures for Capital Loans to Others", and the relevant capital loans to others are handled in accordance with the operating procedures. As of the date of publication of the annual report, the circumstances of the Company's board of directors' approval of quota of capital loans to others are as follows:

- (a) The company has no capital loan to its subsidiary.
- (b) Subsidiary Parpro Holdings Co., Ltd loan of USD 2,200,000 to subsidiary AP Parpro, Inc.
- (c) Subsidiary Parpro Technologies, Inc. has a capital loan of US\$2,800,000 to subsidiary Parpro (Nevada), Inc.
- (d) Subsidiary Parpro Technologies, Inc. has a capital loan of US\$10,100,000 to subsidiary AP Parpro, Inc.
- (e) Subsidiary Parpro (Nevada) loan of US\$1,000,000 to subsidiary AP Parpro, Inc.

C. Endorsement Guarantee : None.

D. Derivative commodity trading: None.

- (3) Future R&D plans and estimated R&D expenses

In addition to continuing the current unfinished products and extending the existing

series to expand product specifications, the company will continue to develop new/old product series with high added value and market competitiveness for different market segments and application fields, and actively expand emerging demand markets , innovation and development of diversified application fields; in addition, the company controls the progress of research and development by project, and always pays attention to the development of science and technology, product trends, the situation of competitors in the same industry, changes in the supply and demand of the sales market and material supply market, etc. Factors that may affect the success of research and development , to ensure that the R&D plans can meet market demands and be completed on schedule.

The company's research and development is based on customer needs, product categories and market trends . The research and development progress is based on customer demand and timely adjustments based on operating conditions and industry trends ..

- (4) The impact of major policy and legal changes at home and abroad on the company's financial business and countermeasures

The Company continues to pay attention to changes in the domestic and international political and economic environment, important policies and laws, and analyzes and reviews their impact at any time . It also cooperates with the review and revision of the Company's important letters and orders issued by the competent authorities on corporate governance and risk control. Follow control mechanisms. It has been assessed that the aforementioned changes have no significant impact on the company's financial operations in 2023 and as of the date of publication of the annual report .

- (5) The impact of technological changes (including information security risks) and industrial changes on the company's financial business and countermeasures

Since its establishment, the company has been actively involved in product design, sales channels, and research and development innovation. In recent years, various new technologies have continuously emerged, such as mobility services, big data applications, self-service unmanned stores, cloud software services, and other innovative applications. The company has fully grasped the trends of technology and the industry, introducing new product designs to provide innovative applications. As a result, the company has correctly positioned its products and, in combination with flexible sales strategies and a widely distributed market network, has maintained a competitive edge. Furthermore, the company's products are customized, providing a competitive niche with a broad range of applications and flexible customization capabilities, while maintaining stable profitability. In terms of information security, the company conducts internal and external audits annually to ensure the continuous effectiveness of its management system. No significant anomalies have occurred in the most recent year. After assessing technological, information security risks, and industry changes, it has been determined that these factors have not had a significant impact on the company's financial and business performance for the most recent year or up until the date of the annual report's publication.

- (6) The impact of corporate image changes on corporate crisis management and countermeasures

The company adheres to the operating principles of professionalism and integrity, and attaches great importance to corporate image and risk control. Therefore, the corporate image is still good, and there are no illegal incidents or changes in corporate image, and there is no violation of laws and principles of integrity to affect corporate image. Things happen.

- (7) Expected benefits, possible risks and countermeasures of mergers and acquisitions

The company will still regard mergers and acquisitions as one of the main axes of future business strategy development. Comprehensively consider whether the merger and acquisition can bring long-term and specific benefits to the company/group to ensure the maximum interests of shareholders.

- (8) Expected benefits, possible risks and countermeasures of plant expansion : None.

- (9) Risks and countermeasures faced by centralized purchase or sales

The company's purchase mainly considers factors such as procurement strategy and market price changes, so it diversifies its purchases from suppliers and there is no risk of centralized purchase.

The company's main sales customers account for about 10 to 25% of the revenue, and most of them are listed companies in North America. In addition, we have established very deep cooperative relationships with customers. For the company, orders and revenue The quality is relatively stable. In addition, in order to diversify the risk that sales may be concentrated in a single industry, the company will still actively invest in the development of product application fields, such as medical, network communications, satellite networks, cloud computing and national defense applications. In the future, it will invest more resources to continue to develop new products. models and new customers.

- (10) Directors, supervisors or major shareholders holding more than 10% of the shares, the impact, risk and countermeasures of a large number of equity transfers or replacements on the company: None.

- (11) Impacts, risks and countermeasures of the change of management rights on the company : None.

- (12) Litigation or non- litigation events : None.

- (13) Other important risks and countermeasures: None.

7. Other important matters : None.

## VIII. Special records

### 1. Relevant information of related enterprises:

#### (1) Affiliated business merger business report

##### 1. Relational enterprise map (March 31 , 2025)



### 2. Basic information of each affiliated enterprise

Unit: Thousands of New Taiwan Dollars/Thousands of Foreign Currencies

Company Name	Date of establishment	address	Paid-in capital	Main business or production items
Parpro System Corporation	2004.01.07	Taipei City	12,703	Industrial Computer Development, Design, and Sales
Parpro Holdings Co., Ltd.	2012.09.24	British virgin islands	USD41,990	Investment holding company .
Anderson Industrial Corp.	1972.07.21	Taipei City	470,758	Non-metallic computer numerical control machining center .
Rayder Machinery Corporation	1990.10.02	Taiwan	56,507	Manufacturing and trading of electronic machinery and peripheral products
AP Parpro, Inc.	2012.10.31(Note)	U.S.	USD19,257	aerospace , national defense , Netcom , smart retail and medical care .
Parpro (Nevada), Inc.	2013.12.13(Note)	U.S.	USD3,676	industrial computers and gaming machines.
Parpro Quality, Inc.	2016.04.01	U.S.	USD23,955	Investment holding company.
Parpro Technologies, Inc.	2016.04.01	U.S.	USD23,500	Aerospace , national defense , Netcom , and medical .

Note: It is the date when the company invested and purchased the company.

(1) Affiliated companies directly or indirectly controlled by the company in terms of personnel, finance, or business operations in accordance with Article 369-2 of the

Company Law : None.

(2) According to Article 369-3 of the Company Law, it is presumed to have control and affiliated companies: None.

3. The industries and division of labor covered by the overall related enterprises

- (1) Parpro System Corporation: Industrial Computer Development, Design, and Sales
- (2) Parpro Holdings Co., Ltd.: Investment holding company.
- (3) Anderson Industrial Corp.: a strategic investment for the company.
- (4) Rayder Machinery Corporation: manufacturing and trading of electronic machinery and peripheral products.
- (5) AP Parpro, Inc.: Production and sales of electronic components such as aerospace , national defense , Netcom , smart retail and medical care .
- (6) Parpro (Nevada), Inc.: responsible for the sales of industrial computers and gaming machines.
- (7) Parpro Quality , Inc.: Investment holding company.
- (8) Parpro Technologies , Inc.: Production and sales of electronic components such as aerospace , national defense , Netcom , and medical care

4. The names of the directors, supervisors and general managers of each affiliated company and their shareholding or capital contribution to the company

Unit: thousand shares/1 March 31 , 2025

Company Name	Job title	name or representative	Hold shares	
			Number of shares (thousand shares)	shareholding ratio
Parpro System Corporation	Director	Parpro Corporation Technology Co., Ltd. Representative: Liao Wenjia	3,000	60%
	Director	Parpro Corporation Technology Co., Ltd. Representative: Wu Hsiu Pi	3,000	60%
	Director	Parpro Corporation Technology Co., Ltd. Representative: Song Xinda	3,000	60%
Parpro Holdings Co., Ltd.	Director	Parpro Corporation Technology Co., Ltd. Representative: Liao Wenjia	42	100%
Anderson Industrial Corp.	Chairman	Yunyong Investment Co., Ltd. Representative : Liao Wenjia	12,700	6.63%

	Director	Yunyong Investment Co., Ltd. Representative : Lin Qiquan	12,700	6.63%
	Director	Yunyong Investment Co., Ltd. Representative : Xu Yonghao	12,700	6.63%
	Director	Yunyong Investment Co., Ltd. Representative : Huang Yixian	12,700	6.63%
	Independent director	Wu Qingsong	-	-
	Independent director	Lai Junliang	-	-
	Independent director	Liang Yihong	-	-
Rayder Machinery Corporation (Note)	Chairman	Anderson Industrial Corp. Representative: Liao Wenjia	11,796	63.70%
	Director	Anderson Industrial Corp. Representative: Huang Yixian	11,796	63.70%
	Director and General manager	Anderson Industrial Corp. Representative: Hou Jianfu	11,796	63.70%
	Director	Deng Chuanjin	-	-
	Independent director	Lin Shaoyuan	-	-
	Independent director	Liu Fuyun	-	-
	Independent director	Lai Wenxiang	-	-
AP Parpro, Inc.	Director	Parpro Holdings Co., Ltd. Representative: Liao Wenjia	6	100%
Parpro (Nevada), Inc.	Director	AP Parpro, Inc. Representative: Yan Cong-Qian	1	100%
	Director	AP Parpro, Inc. Representative: Thomas Sparrvik	1	100%

	Director	Pilot (Las Vegas), Inc. Representative: Wu Hsiu Pi	1	100%
Parpro Quality, Inc.	Director	Parpro Holdings Co., Ltd. Representative: Liao Wenjia	23,500	100%
Parpro Technologies, Inc.	Director	Parpro Quality, Inc Representative: Yan Cong-Qian	13	100%

5. Overview of the operation of each affiliated company

December 31, 2024; unit: thousands of NT dollars/thousands of foreign currency

Company Name	Capital amount	Total assets	Total liabilities	Net worth	Operating income	Operating profit and loss	Profit and loss for the period (after tax)	Earnings per share (dollar) (after tax)
Parpro System Corporation	50,000	53,255	431	52,824	0	(1,213)	1,972	Not applicable
Anderson Industrial Corp..	1,913,310	5,305,871	3,008,995	2,296,876	3,672,594	(129,746)	(155,584)	(0.81)
Rayder Machinery Corporation	203,000	1,331,770	845,460	486,310	750,111	214	303	Not applicable
Parpro Holdings Co., Ltd.	USD41,990	USD65,016	USD669	USD64,347	0	(USD601)	USD92	Not applicable
Parpro Quality, Inc.	USD23,500	USD43,307	0	USD43,307	0	0	USD2,433	Not applicable
Parpro Technologies, Inc.	USD23,500	USD49,526	USD6,219	USD43,307	USD46,002	USD3,758	USD2,433	Not applicable
AP Parpro, Inc.	USD13,069	USD29,409	USD10,744	USD18,665	USD61,378	(USD622)	(USD1,600)	Not applicable
Parpro (Nevada), Inc.	USD2,177	USD5,753	USD3,762	USD1,991	USD20,906	(USD629)	(USD885)	Not applicable

- (2) Consolidated financial statements of affiliated enterprises: Please refer to Page 86.
- (3) Affiliated Enterprise Report: The main contents of the related party transactions reports are available on the Market Observation Post System (MOPS). Shareholders can access the information by visiting the website [<https://mops.twse.com.tw>], and entering the company code 4916 and the year they wish to query.

2. Handling of private placement of securities in the most recent year and as of the date of publication of the annual report: None.

3. Other necessary supplementary explanations: None.

VII. Significant events that may materially affect shareholder equity or securities prices as defined in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act, that occurred in the most recent year and up to the date of the annual report's publication: None.

**PARPRO CORPORATION**  
**Representation Letter**

The affiliates that are required to be included in the Company's consolidated financial statements as of and for the year ended December 31, 2024, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard No. 10. In addition, the information required to be disclosed in the combined financial statements of affiliates is included in the said consolidated financial statements. Consequently, a separate set of combined financial statements of affiliates will not be prepared.

It is hereby certified that the information disclosed herein is true and correct.

Very truly yours,  
Parpro Corporation  
By

WEN JIA LIAO  
Chairman

## **PARPRO CORPORATION**

### **Statement of Internal Control System**

1. The company knows that it is the responsibility of the board of directors and managers of the company to establish, implement and maintain an internal control system, and the company has already established such a system. Its purpose is to achieve the goals of operational effectiveness and efficiency (including profit, performance, and asset security, etc.), report reliability, timeliness, transparency, and compliance with relevant norms and compliance with relevant laws and regulations, and provide reasonable ensure.
2. The internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide reasonable assurance for the achievement of the above three objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may vary change. However, the company's internal control system has a self-monitoring mechanism. Once a defect is identified, the company will take corrective action.
3. The company judges whether the design and implementation of the internal control system are effective based on the items for judging the effectiveness of the internal control system stipulated in the "Guidelines for the Establishment of Internal Control Systems for Publicly Issued Companies" (hereinafter referred to as "the Guidelines"). The internal control system judgment items adopted in the "Processing Criteria" are based on the process of management control, and the internal control system is divided into five components: A. Control environment, B. Risk assessment, C. Control operations, D. Information Communicate with and E. Supervise operations. Each constituent element in turn includes several items. For the aforementioned items, please refer to the provisions of the "Handling Guidelines".
4. The company has adopted the above-mentioned internal control system to judge projects and evaluate the effectiveness of the design and implementation of the internal control system.
5. Based on the evaluation results in the preceding paragraph, the company believes that the company's internal control system (including the supervision and management of subsidiaries) on December 31, 2024 includes understanding the effect of operations and the degree of achievement of efficiency goals, The reporting is reliable, timely, transparent and in compliance with relevant norms and relevant laws and regulations, and the design and implementation of the relevant internal control system are effective, which can reasonably ensure the achievement of the above goals.
6. This statement will become the main content of the company's annual report and prospectus, and will be made public. If there are falsehoods, concealment, or other illegal matters in the

above-mentioned disclosed content, it will involve legal liabilities under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.

7. This statement was approved by the company's board of directors on March 11, 2025. Among the seven directors present, no director held an objection, and the rest agreed with the content of this statement, and hereby declare it.

Very truly yours,  
Parpro Corporation  
By

WEN JIA LIAO  
Chairman

YAN CONGQIAN  
General Manager

# **PARPRO CORPORATION**

Chairman

Liao, Wen Jia