

The logo features a stylized blue 'E' composed of several small circles, followed by the word 'DISON' in bold black capital letters, and 'Edison Opto Corporation' in a smaller black font.

EDISON Edison Opto Corporation

The background image is a low-angle shot of several modern skyscrapers reaching towards a bright, hazy sky. A green tree branch with leaves is visible in the upper right corner. The image is divided into four quadrants by a green cross, with the bottom-right quadrant being a solid green block.

2024

Annual Report

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Website: www.edison-opto.com
Market Observation Post System:
<https://mops.twse.com.tw>

I. Names, Titles, Telephone Numbers and Emails of Spokesperson and Deputy Spokesperson:

Spokesperson: Cheng-Tien Hsu

Title: Vice President

Telephone: +886 2 8227 6996 ext. 1103

E-mail: Adenhsu@edison-opto.com.tw

Deputy Spokesperson: Xi-Quan Hu

Title: Vice Director

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E-mail: Jerryhu@edison-opto.com.tw

II. Addresses and Telephone Numbers of Headquarters, Branches and Plants:

Address of Headquarters: 17F, No. 17, Qiaohe Rd., Zhonghe Dist., New Taipei City

Telephone: +886 2 8227 6996

Address of Zhonghe Plant: 5F, No. 800, Zhongzheng Rd., Zhonghe Dist., New Taipei City

Telephone: +886 2 8227 6996

Address of Yangzhou Plant: No. 101, Huayang West Rd., Yangzhou City, Jiangsu Province, China

Telephone: +86 514 8777 7101

Address of Dongguan Plant: No. 9, Xiju Road, Hengli Town, Dongguan City, Guangdong Province, China

Telephone: +86 769 8101 1898

III. Name, Address, Telephone Number and Website of Stock Transfer Agent:

Name: Department of Shareholder Services, Fubon Securities Co., Ltd.

Address: 11F, No. 17, Xuchang St., Zhongzheng Dist., Taipei City

Telephone: +886 2 2361 1300

Website: <https://www.fubon.com>

IV. Name(s), Firm, Address, Telephone Number and Website of Certified Public Accountant(s) Certifying the Financial Statements of the Most Recent Year:

CPAs: Shu-Chih Yang, Pei-Chi Chen

Firm: KPMG Taiwan

Address: 68F, No. 7, Sec. 5, Xinyi Rd., Taipei City

Telephone: +886 2 8101 6666

Website: <http://kpmg.com/tw>

V. Name of Exchange where Foreign Securities are Listed and Traded, and Manner of Access to the Information of such Foreign Securities: None

VI. Company Website: <http://www.edison-opto.com>

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One. Letter to Shareholders

Dear shareholders:

Over the past year, we faced a volatile international political and economic landscape. The conflict between Russia and Ukraine persisted, the Israel-Palestine conflict intensified, and the U.S.-China trade war continued. These complex geopolitical situations have affected the operations and deployment of industries. In response to changes in the macro environment and to drive Company growth, the Group has continued to develop lighting and automotive modules, while transforming toward the downstream lighting and automotive end-product markets. We have reduced orders for low gross margin products and increased the sales proportion of high gross margin products. In 2024, the Group's consolidated revenue reached NT\$2.559 billion. Due to an increase in shipments of automotive end-products compared to the previous year, consolidated revenue increased by 29% year over year. The Group continued to invest in equipment and optimize production lines, resulting in higher production costs. However, through changes in the product sales mix and cost-saving measures, the gross profit margin remained at approximately 25%. In addition, as costs for overseas exhibitions and business trips increased, along with higher R&D and development expenses for new products, operating expenses rose by 5.5% compared to the previous period. Since the growth rate of operating expenses was lower than that of revenue, and due to the depreciation trend of the New Taiwan Dollar and Renminbi against the U.S. Dollar during the period, foreign exchange gains increased compared to the previous period. As a result, both operating profit and net profit after tax grew compared to the previous year.

Given the intense competition in the LED industry, the Group continues to expand into high-end commercial lighting, automotive lighting, smart lighting, and infrared sectors, establishing a differentiated business model distinct from other competitors. The Group swiftly adjusts according to market changes to avoid price-cutting competition in red ocean markets, striving to maximize the interests of all shareholders. The following is a summary of the 2024 Business Report and the 2025 Business Plan:

I. 2024 Consolidated Business Report

(I) Results of implementation of the business plan

1. Regarding the consolidated operating revenue, our consolidated net operating revenue in 2024 was NT\$2,558,790 thousand, an increase of NT\$567,729 thousand from NT\$1,991,061 thousand in 2023.
2. Regarding the consolidated net after-tax profit, our consolidated net operating profit in 2024 was NT\$143,279 thousand, an increase of NT\$95,486 thousand from the consolidated net operating profit of NT\$47,793 thousand in 2023.
3. Regarding the consolidated net after-tax profit, our consolidated net after-tax profit (including non-controlling interests) in 2024 was \$152,352 thousand, an increase of \$107,850 thousand from the consolidated net after-tax profit of \$44,502 thousand in 2023.

(II) Implementation of budget

We have not published any financial forecast for 2024, so no disclosure of any information of such implementation is required.

(III) Analysis of financial revenue and expenditure and profitability (consolidated companies)

Item			2024	2023
Capital structure	Liabilities to assets ratio (%)		23.94	23.60
	Long-term funds to property, plant and equipment ratio (%)		217.73	193.07
Profitability	Return on assets (%)		3.98	1.43
	Return on equity (%)		4.96	1.55
	As a percentage of paid-in capital (%)	Net operating profit	9.98	3.33
		Net pre-tax profit	12.13	3.44
	Net profit margin (%)		5.95	2.24
	Earnings per share (NT\$)		1.00	0.35

(IV) Research and development

The consolidated R&D expenses of the Company in 2024 amounted to NT\$146,068 thousand, representing an increase of NT\$16,294 thousand compared to 2023. This was mainly due to continued investment in product development for automotive lighting and new products. Overall, R&D expenses accounted for more than 5% of consolidated revenue. The Company focuses on the R&D of products in the lighting and automotive sectors, as well as improvements in packaging technology. Our professional R&D team has accumulated extensive technical experience and obtained numerous patents both domestically and internationally, ranging from components to finished

products. We continue to develop products that meet market demands and future trends, including smart lighting and intelligent control systems, long-lasting energy-saving streetlight products, and automotive-grade LED components, modules, and finished products.

II. Summary of the 2025 Business Plan

As LED lighting applications continue to expand and more competitors enter the market, the Company has transitioned from offering LED components to providing module and end-product services driven by customer needs. We are actively expanding into additional applications such as horticultural lighting, medical lighting, smart lighting, commercial lighting, and automotive lighting. According to a TrendForce report, in 2024, lighting market demand was driven by the retirement of fixtures reaching the end of their service life, resulting in considerable demand for secondary replacements. The output value of the LED lighting market grew by 4% to US\$60.9 billion. Looking ahead to 2025, secondary replacement demand has begun to follow the initial replacement cycle and is becoming a key driving force in the LED lighting market. By 2028, approximately 78% of LED lighting demand is expected to come from secondary replacements. Additionally, according to the Industrial Technology Research Institute (ITRI), the global automotive lighting market is projected to grow from US\$34.8 billion in 2024 to US\$36.4 billion in 2025, representing a 5% year-over-year increase. The Company has gradually expanded its presence in the automotive LED lighting sector to avoid markets plagued by excessive price competition.

III. Our future development strategy

Looking ahead to 2025, the global manufacturing sector is expected to remain polarized. While demand for advanced semiconductor processes and servers remains strong, the recovery in traditional industries is limited. Recent interest rate cuts by major central banks, coupled with declines in international oil and other commodity prices, have led to easing inflation across countries, which is favorable for driving up demand. In addition, global trade continues to expand, and the National Development Council forecasts that the global economy is expected to grow steadily in 2025. At this stage, the Company continues to prioritize operational agility, increasing investment in Taiwan while advancing product transformation, improving internal processes and efficiency, strengthening R&D capabilities and core technologies, and moving toward the goal of becoming an international professional optoelectronics manufacturing service provider.

IV. Effects of external competition, legal environment and overall business environment

Due to intense market competition, the low price market has seriously eroded the profit. When the supply and demand do not reach a balance, it will easily lead to overcapacity and a decline in profit. In the face of this situation, we will carefully evaluate our investments and continue to launch new products, reduce production costs, improve product quality, shorten delivery times for customers and develop new areas of application including smart applications, in order to achieve substantial business growth. In addition, with the rise of global environmental awareness and changes in laws and regulations, we will strive to improve efficiency and recycle resources, and keep an eye on domestic and international policies and legal changes and propose timely countermeasures in order to minimize the adverse effects of the external competitive and regulatory environment on us.

Best wishes to you all,

Chairperson: Jason Wu

Two. Corporate governance report

I. Information on directors and managers

(I) Directors

1. Information about directors and number of shares held

March 30, 2025; Unit: Thousand shares

Position	Nationality or place of registration	Name	Gender Age	Date elected (inaugurated)	Term of office	Date first elected	Shareholding while elected		Current shareholding		Current shareholding of spouse and minor children		Shareholding in the name of others		Main experience (education)	Concurrent positions in the Company and other companies	Other officers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remarks
							Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Position	Name	Relation	
Chairperson	Taiwan, Republic of China	Jason Wu	Male 51-60 years old	2022.6.22	3 years	September 13, 2001	1,798	1.36	3,819	2.62	999	0.69	0	0.00	Master of Chemistry, National Sun Yat-sen University Assistant Manager of R&D Department, Everlight Electronics Co., Ltd Chairperson/President, Yangzhou Ledison Trading Limited. Chairperson, Edison Opto USA Corp President, Dongguan Edison Opto Corp./Yangzhou Edison Opto Corp./Yangzhou Edison-Litek Opto Corp.	President, Edison Opto Corp. Chairperson/President, Yangzhou Aichuang Electronic Trade Corporation Chairperson, Dongguan Edison Opto Corp./Yangzhou Edison Opto Corp./Yangzhou Edison-Litek Opto Corp. Chairperson, Weixin Investment Limited Representatives of corporate directors, Edison Opto Corp./Ledison Opto Corp./Best Opto Corp./Best Led Corp. Representatives of corporate directors Edison Fund Investment Limited Chairperson, Edison-litek Opto Corp.Ltd. Chairperson/President, Edison-Litek Opto Corp./LEDIONOPTO LIGHTING, INC./Ledison Opto Company Limited/EDISON AUTO LIGHTING CORP	None	None	None	As no suitable candidate has been identified, the positions of Chairman and President are currently held by the same individual. However, a majority of the directors no longer serve concurrently as employees or managerial officers, and an additional independent director was appointed to the Board during the full re-election of directors in 2022.

Position	Nationality or place of registration	Name	Gender Age	Date elected (Inaugurated)	Term of office	Date first elected	Shareholding while elected		Current shareholding		Current shareholding of spouse and minor children		Shareholding in the name of others		Main experience (education)	Concurrent positions in the Company and other companies	Other officers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remarks
							Shares	Shareholding percentage	Shares	Shareholding percentage	Shares	Shareholding percentage	Shares	Shareholding percentage			Position	Name	Relation	
Corporate Director	Taiwan, Republic of China	YOUNGTEK ELECTRONICS CORP.	NA	2022.6.22	3 years	September 13, 2001	2,424	1.83	2,549	1.75	0	0.00	0	0.00	-	-	None	None	None	-
Corporate Director	Taiwan, Republic of China	Representative : June Wung	Female 31-40 years old	-	-	-	0	0.00	0	0.00	0	0.00	0	0.00	Master of Economics, University of Southern California Manager, Huacheng Capital Corporation	Chief Manager, General Administrative Division, YOUNGTEK ELECTRONICS CORP.	None	None	None	-
	Taiwan, Republic of China	Weixin Investment Limited	NA	2022.6.22	3 years	June 21, 2007	3,041	2.29	4,827	3.32	0	0.00	0	0.00	-	-	None	None	None	-
Corporate Director	Taiwan, Republic of China	Representative : Po-Chung Wang	Male 51-60 years old	-	-	-	36	0.03	38	0.03	1	0.00	0	0.00	Bachelor of Electrical Engineering, Tamkang University Manager of Procurement Division, Powerchip Semiconductor Corp Director of Operations Division, Yuanheng Semiconductor Co., Ltd. President, Ledionopto Lighting, Inc.	Head of Kaiwei Investment Limited Representatives of corporate directors, Ledionopto Lighting, Inc. Representatives of corporate directors, Qiyl Medical Electronics Co., Ltd.	None	None	None	-
Director	Taiwan, Republic of China	Wen-Ruei Cheng	Male 41-50 years old	2022.6.22	3 years	June 13, 2013	1,101	0.95	1,164	0.80	0	0.00	0	0.00	Master of Education Technology, West Michigan University, USA Optec Display Inc. Project Leader Chairperson, Light Vision Corp. Supervisor, Juji Investment Development Co., Ltd.	Chairperson/President, Edison Opto USA Corp.	None	None	None	-
Director	Taiwan, Republic of China	Nan-Yang Wu	Male 61-70 years old	2022.6.22	3 years	June 13, 2013	0	0.00	0	0.00	0	0.00	0	0.00	Master, Stanford University, USA Director, Epistar Corporation Director, PROLIGHT OPTO TECHNOLOGY CORPORATION	Director, Wafer Works Corporation Director, Guangdong Jinko Electronics Co., Ltd. Director, Advanced Photoelectronic Technology Ltd.	None	None	None	-

Position	Nationality or place of registration	Name	Gender Age	Date elected (inaugurated)	Term of office	Date first elected	Shareholding while elected		Current shareholding		Current shareholding of spouse and minor children		Shareholding in the name of others		Main experience (education)	Concurrent positions in the Company and other companies	Other officers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remarks
							Shares	Shareholding percentage%	Shares	Shareholding percentage%	Shares	Shareholding percentage%	Shares	Shareholding percentage%			Position	Name	Relation	
Independent director	Taiwan, Republic of China	Wen-Chao Wang	Male 51-60 years old	2022.6.22	3 years	June 18, 2019	0	0.00	0	0.00	0	0.00	0	0.00	Doctor of Business Administration, Nova Southeastern University, USA Supervisor, MORTECH CORPORATION AMAZING MICROELECTRONIC CORP.	President, Wenkai Network Technology Marketing Limited Supervisor, Chingxingwang Industry Co., Ltd.	None	None	None	-
Independent director	Taiwan, Republic of China	Tung-Hsiung Hung	Male 41-50 years old	2022.6.22	3 years	June 18, 2019	0	0.00	0	0.00	0	0.00	0	0.00	Bachelor of Laws, Department of Law, National Taiwan University Supervisor, JARLLYTEC CO., LTD. Partner Attorney, Chienyeh Law Firm	Practicing Attorney, Lidong Law Firm Independent Director, NAN JUEN INTERNATIONAL CO., LTD. Independent Director, POTENS SEMICONDUCTOR CORP.	None	None	None	-
Independent director	Taiwan, Republic of China	Yin-Fei Liu	Female 51-60 years old	2022.6.22	3 years	June 18, 2019	0	0.00	0	0.00	0	0.00	0	0.00	EMBA, National Chengchi University Partner, Audit Services Department, PwC Independent Director, TYNTEK CORPORATION	Senior Consultant, Audit Services Department, PwC Independent Director, Waffer Technology Corp.	None	None	None	-
Independent director	Taiwan, Republic of China	Tseng-Nan Chou	Male 61-70 years old	2022.6.22	3 years	2022.6.22	0	0.00	0	0.00	0	0.00	0	0.00	Department of Accounting, Tunghai University Associate Manager, Everlight Electronics Co., Ltd. Chief Finance Officer and Business Consultant, Tons Lightology Inc. Supervisor, HORIZON SECURITIES CO., LTD.	Independent Director, Tons Lightology Inc. Independent Director, KHGEARS LIMITED Independent Director, APISTEK TECHNOLOGY (Cayman) CO., LTD.	None	None	None	-

2. Directors who are major shareholders of corporate shareholders

March 30, 2025

Name of corporate shareholder	The major shareholder of corporate shareholder
YOUNGTEK ELECTRONICS CORP.	<p>Chung Shih Industrial Corporation (6.60%)</p> <p>Lizi Investment Limited (4.93%)</p> <p>Li-Yang Investment Corporation (4.53%)</p> <p>Binglong Wang (3.73%)</p> <p>Li Wei Investment Limited (1.94%)</p> <p>ATEN Investment Corporation (1.75%)</p> <p>Li Fa Investment Limited (1.48%)</p> <p>Chinatrust Commercial Bank subject to Employee Stock Ownership Association of Youngtek Electronics Corp. (0.94%)</p> <p>HSBC Taiwan Custody for Morgan Stanley International Ltd. Segregated Account (0.80%)</p> <p>Citi Custody for DFA Emerging Markets Core Equity Segregated Account (0.65%)</p>
Weixin Investment Limited	Jason Wu (100%)

3. Major shareholder of a corporate major shareholder

March 30, 2025

Name of legal person	Major shareholder of legal person
Chung Shih Industrial Corporation	Lizi Investment Limited (99.44%)
Lizi Investment Limited	Binglong Wang (90%), Yu Wang (10%)
Li-Yang Investment Corporation	Yu Wang (15.50%), Jingru Li (77.03%)
ATEN Investment Corporation	Harvatek Corporation (41.60%) – special shares, Lizi Investment Limited (26.62%), Li Fa Investment Limited (31.61%)
Li Fa Investment Limited	Li-Yang Investment Corporation (99.91%)
Li Wei Investment Limited	Peishi Chen (100%)

4. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors:

Name	Professional qualifications and experience (Note 1)	Independence analysis	Number of concurrent independent directors in other public companies
Jason Wu	<ul style="list-style-type: none"> Organizational leadership and strategic management Experience in LED-related industry 	Not applicable	0
June Wung	<ul style="list-style-type: none"> Financial investment and risk management Experience in LED-related industry 	Not applicable	0
Po-Chung Wang	<ul style="list-style-type: none"> Engineering technology and strategic management Experience in LED-related industry 	Not applicable	0
Wen-Ruei Cheng	<ul style="list-style-type: none"> Organizational leadership and strategic management Experience in LED-related industry 	Not applicable	0
Nan-Yang Wu	<ul style="list-style-type: none"> Financial investment and strategic management Experience in LED-related industry 	Not applicable	0
Wen-Chao Wang	<ul style="list-style-type: none"> Financial accounting and strategic management Experience in LED-related industry 	Compliance with independence (Note 2)	0
Tung-Hsiung Hung	<ul style="list-style-type: none"> Law and strategic management Risk management 	Compliance with independence (Note 2)	2
Yin-Fei Liu	<ul style="list-style-type: none"> Financial accounting and strategic management Operational judgment and risk management 	Compliance with independence (Note 2)	1
Tseng-Nan Chou	<ul style="list-style-type: none"> Financial accounting and strategic management Experience in LED-related industry 	Compliance with independence (Note 2)	2

Diversity and Independence of the Board of Directors:

(I) Diversity of the Board of Directors: Nomination and selection of board members are carried out according to the Articles of Incorporation, using the candidate nomination approach that takes into consideration the career and academic backgrounds of each candidate, the nature of the Company's operations, growth requirements, and stakeholders' opinions. This process observes the "Director and Supervisor Election Policy" and "Corporate Governance Code of Conduct" to ensure diversity and independence of board members. Currently, two of the members of the Board of Directors are female (accounting for 22%). In the future, the Company will gradually increase the number of female directors in accordance with the principle of gender equality. Among the Company's four independent directors, three were newly elected during the Annual General Meeting on June 18, 2019, and one was newly elected during the Annual General Meeting on June 22, 2022. None of their tenures exceed three terms. The members of the Company's Board of Directors have diverse backgrounds. Their experience includes professionals from the LED industry, financial experts in accounting and strategic management, legal experts in the field of law, and strategic management professionals from the investment sector. In addition to possessing the fundamental qualifications and professional skills, through the functioning of various committees, the directors are able to contribute their experience to the Company's governance, environmental sustainability, corporate social responsibility, legal compliance, and human rights protection in terms of supervision and decision-making. For more information on the Company's board diversity policy, please refer to the Company's website:
https://www.edison-opto.com/board-organization_tw_1.php

(II) Independence of the Board of Directors:

The Company's Board of Directors is composed of nine directors from various professional backgrounds, including four independent directors, three directors who do not concurrently serve as managers of the Company, and two directors who concurrently serve as managers. The number of independent directors accounts for more than one-third of the total board seats (44.4%).

(Note 1) The Audit Committee is composed of four independent directors: Wen-Chao Wang and Yin-Fei Liu, both financial experts; Tung-Hsiung Hung, a legal expert; and Tsung-Nan Chou, an industry expert. None of the directors are subject to any of the conditions set forth in Article 30 of the Company Act. For the industry experience of the directors, please refer to pages 3-5 of the Annual Report and the Company's website: https://www.edison-opto.com/board-organization_tw_1.php

(Note 2) None of the independent directors, their spouses, or relatives within the second degree of kinship serve as directors, supervisors, or employees of the Company or its affiliates. Furthermore, neither the independent directors themselves, their spouses, nor relatives within the second degree of kinship (nor through proxies) hold any shares in the Company, nor serve as directors, supervisors, or employees of any company with a specific relationship with the Company. In the past two years, none of them have received remuneration for providing commercial, legal, financial, accounting, or other services to the Company or its affiliates.

(II) Information on Managers:

March 30, 2025; Unit: Thousand shares

Position	Nationality	Name	Gender	Date elected (inaugurated)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Main experience (education)	Concurrent positions in other companies	Managers who are spouses or relatives within the second degree of kinship			Remarks
					Shares	Shareholding percentage%	Shares	Shareholding percentage%	Shares	Shareholding percentage%			Position	Name	Relation	
President	Taiwan, Republic of China	Jason Wu	Male	2011.11.01	3,819	2.62	999	0.69	0	0.00	Master of Chemistry, National Sun Yat-sen University Assistant Manager of R&D Department, Everlight Electronics Co., Ltd Chairperson/President, Yangzhou Ledison Trading Limited. Chairperson, Edison Opto USA Corp President, Dongguan Edison Opto Corp./Yangzhou Edison Opto Corp./Yangzhou Edison-Litek Opto Corp.	President, Edison Opto Corp. Chairperson/President, Yangzhou Aichuang Electronic Trade Corporation Chairperson, Dongguan Edison Opto Corp./Yangzhou Edison Opto Corp./Yangzhou Edison-Litek Opto Corp. Chairperson, Weixin Investment Limited Representatives of corporate directors, Edison Opto Corp./Ledison Opto Corp./Best Opto Corp./Best Led Corp. Representatives of corporate directors, Edison Fund Investment Limited Chairperson, Edison-litek Opto Corp.Ltd. Chairperson/President, Edison-Litek Opto Corp./LEDIONOPTO LIGHTING, INC./Ledison Opto Company Limited/EDISON AUTO LIGHTING CORP	None	None	None	The Chairman and President are currently serve as employees or managerial officers. Additionally, during the full re-election of directors in 2022, an independent director was newly appointed to participate in board operations.
Vice President	Taiwan, Republic of China	Guolun Liao	Male	2022.01.01	188	0.13	0	0.00	0	0.00	Institute of Marine Environmental Engineering, Sun Yat-Sen University Head of Facilities Division, Yangzhou Edison-Litek Opto Corporation Head of Quality Assurance Division, Edison Opto Corp. Representatives of corporate directors/associate manager of Business Division, Ledisonopto Lighting, Inc. Head of Facilities Division/Vice President, Yangzhou Edison Opto Corporation	Representatives of corporate directors, Edison Fund Investment Limited Director, Dongguan Edison Opto Corp./Yangzhou Edison Opto Corp./Yangzhou Aichuang Electronic Trade Corporation President, Yangzhou Edison Opto Corporation	None	None	None	-

Position	Nationality	Name	Gender	Date elected (inaugurated)	Shareholding		Shareholding of spouse and minor children		Shareholding in the name of others		Main experience (education)	Concurrent positions in other companies	Managers who are spouses or relatives within the second degree of kinship			Remarks
					Shares	Shareholding percentage	Shares	Shareholding percentage	Shares	Shareholding percentage			Position	Name	Relation	
Vice President	Taiwan, Republic of China	Yaochuan Hong	Male	2010.01.01	325	0.23	0	0.00	0	0.00	Department of Electronics, Oriental Institute of Technology Director of Manufacturing Department, Everlight Electronics Co., Ltd. Vice Manager of Manufacturing Department, Lenovo Optoelectronics Co., Ltd. Head of Facilities Division / Representatives of corporate directors, Edison Opto Corporation Director, Yangzhou Ledison Trading Limited Vice President, Edison Opto (Dong Guan) Co., Ltd.	Director, Dongguan Edison Opto Corp./Yangzhou Edison Opto Corporation President, Edison Opto (Dong Guan) Co., Ltd. Representatives of corporate directors, Edison Fund Investment Limited	None	None	None	-
Vice President and Corporate Governance Officer	Taiwan, Republic of China	Cheng-Di an Hsu	Male	2011.01.16	119	0.08	2	0.00	0	0.00	Institute of Accounting, Tamkang University Manager of Audit Department, KPMG Manager of Accounting Department, TAIWAN OASIS TECHNOLOGY CO., LTD Special Assistant to the General Manager/Manager of Accounting Department/Director of Finance/Associate Vice President of the Accounting Center, Edison Opto Corporation Director, Yangzhou Edison-Litek Opto Corporation Director Director, LEDLike Co., Ltd.	Supervisor, Yangzhou Edison Opto Corp./Yangzhou Aichuang Electronic Trade Corporation/Yangzhou Edison-Litek Opto Corp. Supervisor, Edison-Litek Opto Corp. Representatives of corporate supervisors, Edison Fund Investment Limited Representatives of corporate supervisors, LEDIONOPTO LIGHTING, INC./Ledison Opto Company Limited/EDISON AUTO LIGHTING CORP Director, Taiwan Hydroxy Technology Co., Ltd.	None	None	None	-
Associate Manager	Taiwan, Republic of China	Kundian He	Male	2021.01.01	105	0.08	0	0.00	0	0.00	Institute of Business Administration, National Taiwan University of Science and Technology R&D engineer, Tepo International Co., Ltd. Business Manager, Edison Opto Corp. Business Associate Manager, Ledison Opto Company Limited	Director, Yangzhou Aichuang Electronic Trade Corporation	None	None	None	-
Chief Financial and Accounting Officer	Taiwan, Republic of China	Xi-Quan Hu	Male	2024.01.01	6	0.04	0	0.00	0	0.00	Graduate Institute of Business Administration, National Taipei University Vice Director of the Accounting Department, Wafer Works Corporation Senior manager of the Accounting Center, Edison Opto Corporation	Representatives of corporate directors, Edison-Litek Opto Corp.	None	None	None	-

II. Remuneration paid to directors, presidents and vice presidents in the last year

(I) Remuneration for general directors and independent directors (individual disclosure of names and remuneration methods)

Unit: TWD 1,000; thousand shares

Position	Name	Remuneration for directors						Sum of A+B+C+D and ratio to net profit after tax %	Remuneration for part-time employees						Sum of A+B+C+D+E+F+G and ratio to net profit after tax %		Any remuneration from subsidiaries received?			
		Base compensation (A)		Retirement pay and pension (B)		Director profit-sharing compensation (C)			Expenses and perquisites (D)		Salary, rewards, and special disbursements (E)	Retirement pay and pension (F)		Employee profit-sharing compensation (G)						
		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	The Company				Cash amount	Stock amount	
Chairperson	Jason Wu	0	0	0	0	200	200	0	0	7,500	14,237	108	108	0	0	7,808 5.50	14,545 10.25	None		
Corporate Director	YOUNGTEK ELECTRONICS CORP.	0	0	0	0	200	200	0	0	0	0	0	0	0	0	200 0.14	200 0.14	None		
	YOUNGTEK ELECTRONICS CORP. Representative: June Wung	240	240	0	0	0	0	36	36	0	0	0	0	0	0	276 0.19	276 0.19	None		
Corporate Director	Weixin Investment Limited	0	0	0	0	200	200	0	0	0	0	0	0	0	0	200 0.14	200 0.14	None		
	Weixin Investment Limited Representative: Po-Chung Wang	240	240	0	0	0	0	42	42	0	0	0	0	0	0	282 0.20	282 0.20	None		
Director	Wen-Ruei Cheng	0	0	0	0	200	200	42	42	317	4,311	20	20	0	0	579 0.41	4,573 3.22	None		
Director	Nan-Yang Wu	240	240	0	0	200	200	36	36	0	0	0	0	0	0	476 0.34	476 0.34	None		
Independent director	Wen-Chao Wang	300	300	0	0	200	200	42	42	0	0	0	0	0	0	542 0.38	542 0.38	None		
Independent director	Tung-Hsiung Hung	300	300	0	0	200	200	42	42	0	0	0	0	0	0	542 0.38	542 0.38	None		
Independent director	Yin-Fei Liu	300	300	0	0	200	200	42	42	0	0	0	0	0	0	542 0.38	542 0.38	None		
Independent director	Tseng-Nan Chou	300	300	0	0	200	200	36	36	0	0	0	0	0	0	536 0.38	536 0.38	None		
Note 1: The remuneration policy, system, standard and structure for independent directors, and the correlation between the remuneration paid according to the responsibilities, risks, investment time and other factors undertaken; see Page 13 for details. Note 2: Except as disclosed 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 a consultant for non-employees, etc.) in the last year: None.																				

Note 1: The remuneration policy, system, standard and structure for independent directors, and the correlation between the remuneration paid according to the responsibilities, risks, investment time and other factors undertaken: see Page 13 for details.

Note 2: Except as disclosed 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 a consultant for non-employees, etc.) in the last year: None.

Table of remuneration level

Unit: TWD

Level of remuneration for directors	Name of director			
	Total amount of the first four remunerations (A+B+C+D)		Total amount of the first seven remunerations (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 TWD 1,000	Chien-Jung Wu, YOUNGTEK ELECTRONICS CORP and its representative June Wung, Weixin Investment Limited and its representatives Po-Chung Wang, Wen-Jui Cheng, Nan-Yang Wu, Wen-Chao Wang, Tung-Hsiung Hung, Yin-Fei Liu, Tsung-Nan Chou	Chien-Jung Wu, YOUNGTEK ELECTRONICS CORP and its representative June Wung, Weixin Investment Limited and its representatives Po-Chung Wang, Wen-Jui Cheng, Nan-Yang Wu, Wen-Chao Wang, Tung-Hsiung Hung, Yin-Fei Liu, Tsung-Nan Chou	YOUNGTEK ELECTRONICS CORP and its representative June Wung, Weixin Investment Limited and its representatives Po-Chung Wang, Wen-Jui Cheng, Nan-Yang Wu, Wen-Chao Wang, Tung-Hsiung Hung, Yin-Fei Liu, Tsung-Nan Chou	YOUNGTEK ELECTRONICS CORP and its representative June Wung, Weixin Investment Limited and its representatives Po-Chung Wang, Nan-Yang Wu, Wen-Chao Wang, Tung-Hsiung Hung, Yin-Fei Liu, Tsung-Nan Chou
TWD 1,000,000 (incl.) – TWD 2,000,000 (excl.)				
TWD 2,000,000 (incl.) – TWD 3,500,000 (excl.)				
TWD 3,500,000 (incl.) – TWD 5,000,000 (excl.)				Wen-Ruei Cheng
TWD 5,000,000 (incl.) – TWD 10,000,000 (excl.)			Jason Wu	
TWD 10,000,000 (incl.) – TWD 15,000,000 (excl.)				Jason Wu
TWD 15,000,000 (incl.) – TWD 30,000,000 (excl.)				
TWD 30,000,000 (incl.) – TWD 50,000,000 (excl.)				
TWD 50,000,000 (incl.) – TWD 100,000,000				
more than TWD 100,000,000				
Total	9	9	9	9

A: Remuneration for directors in 2024 (including director's salary, position bonus, severance pay, various bonuses and incentives).

B: The amount allocated for withdrawal.

C: The amount of remuneration for directors in 2024 is the amount distributed through the resolution of the Board of Directors on February 26, 2025.

D: Expenses related to business execution of directors in 2024 (including travel expenses, special expenses, various allowances, provision of dormitories, vehicles).

E: Expenses including salaries, job bonuses, severance pay, various bonuses, incentives, travel expenses, special expenses, various allowances, dormitories, vehicles and other in-kind provision, as well as the salary expenses as according to IFRS2 "Share-based payment" received by directors and part-time employees (including concurrently presidents, vice presidents, other managers and employees) in 2024.

F: The amount allocated for withdrawal.

G: The amount of remuneration for employees in 2024 is the amount distributed through the resolution of the Board of Directors on February 26, 2025.

Net profit after tax: refers to the net profit after tax of the standalone financial report in 2024, which is NT\$141,905 thousand.

- (II) Remuneration for supervisor: N/A. On June 13, 2013, when the Regular Shareholders' Meeting passed the general re-election of the Board of Directors, the Company established an Audit Committee and abolished the Supervisor.
- (III) Remuneration to President(s) and Vice President(s)

Unit: NT\$1,000

Position	Name	Salary (A)		Retirement pay and pension (B)		Bonus and special expenses, etc. (C)		Remuneration for employees (D)				Sum of A+B+C+D and ratio to net profit after tax %		Remuneration from reinvestment businesses other than subsidiaries or from parent company received
		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			
President	Jason Wu	11,528	19,442	394	394	3,162	3,162	0	0	0	0	15,084 10.63	22,998 16.21	None
Vice President	Guolun Liao													
Vice President	Yaochuan Hong													
Vice President	Cheng-Dian Hsu													

Compensation Ranges for the Company's President and Vice President	Names of President and Vice President	
	The Company	All companies in the financial report
Less than TWD 1,000		
TWD 1,000,000 (incl.) – TWD 2,000,000 (excl.)	Yaochuan Hong	
TWD 2,000,000 (incl.) – TWD 3,500,000 (excl.)	Guolun Liao, Cheng-Dian Hsu	Guolun Liao, Yaochuan Hong, Cheng-Dian Hsu
TWD 3,500,000 (incl.) – TWD 5,000,000 (excl.)		
TWD 5,000,000 (incl.) – TWD 10,000,000 (excl.)	Jason Wu	
TWD 10,000,000 (incl.) – TWD 15,000,000 (excl.)		Jason Wu
TWD 15,000,000 (incl.) – TWD 30,000,000 (excl.)		
TWD 30,000,000 (incl.) – TWD 50,000,000 (excl.)		
TWD 50,000,000 (incl.) – TWD 100,000,000 (excl.)		
more than TWD 100,000,000		
Total	4	4

A: Salaries, position bonuses, severance pay for president and vice president in 2024.

B: The amount allocated for withdrawal.

C: Various bonuses, incentives, travel expenses, special expenses, various allowances, dormitories, vehicles and other in-kind provision, as well as the salary expenses as according to IFRS2 "Share-based payment" received by president and vice president in 2024.

D: The amount of remuneration for employees in 2024 is the amount distributed through the resolution of the Board of Directors on February 26, 2025.

Net profit after tax: refers to the net profit after tax of the standalone financial report in 2024, which is NT\$141,905 thousand.

(Note) The contents of the remuneration disclosed in this table are different from the income concept in the Income Tax Act, so this table is intended for information disclosure and not for taxation purposes.

(IV) Name of the manager who distributes remuneration for employees and the situation of distribution:

March 30, 2025; Unit: NT\$ thousand

	Position	Name	Stock amount	Cash amount	Total	Proportion of total amount to net profit after tax (%)
Manager	President	Jason Wu	0	0	0	0.00
	Vice President	Guolun Liao				
	Vice President	Yaochuan Hong				
	Vice President	Cheng-Dian Hsu				
	Associate Manager	Kundian He				
	Chief Financial and Accounting Officer	Xi-Quan Hu				

Note 1: The individual names and titles shall be disclosed, but the profit distribution details may be disclosed in aggregate form.

Note 2: This form shall report the employee compensation amount (including stock and cash) allocated to managers as approved by the Board of Directors in the most recent year. If the amount cannot be estimated, the proposed amount for the current year shall be calculated based on the actual distribution ratio of the previous year. Net profit after tax refers to the net profit after tax for the most recent year. For those adopting International Financial Reporting Standards (IFRS), it refers to the net profit after tax in the individual or separate financial statements for the most recent year.

Note 3: The scope of applicable managers is defined in the Order No. Tai-Cai-Zheng-III-0920001301 issued by the former Securities and Futures Commission, Ministry of Finance, dated March 27, 2003, as follows:

- (1) President and equivalent positions
- (2) Vice President and equivalent positions
- (3) Associate Vice President and equivalent positions
- (4) Head of the Finance Department
- (5) Head of the Accounting Department
- (6) Others who are responsible for company management and have signing authority

Note 4: If directors, the president, or vice presidents receive employee compensation (including stock and cash), in addition to completing Appendix 1-2, this table must also be completed.

Note 5: The amount of remuneration for employees in 2024 is the amount distributed through the resolution of the Board of Directors on February 26, 2025.

Note 6: Net profit after tax: refers to the net profit after tax of the standalone financial report in 2024, which is NT\$141,905 thousand.

(V) An analysis of the total remuneration paid to the Company's directors, presidents and vice presidents as a percentage of net income after tax for the last two years for the Company and all companies included in the consolidated financial statements, and an explanation of the policy, criteria and mix of remuneration payments, the process for setting remuneration, and the correlation with operating performance and future risks.

Position \ Year	Total amount of remuneration as a percentage of net income (loss) after tax in the standalone financial statements%			
	2023		2024	
	The Company	All companies in the financial report	The Company	All companies in the financial report
Directors (including the remuneration of those who are also employees)	22.31	40.91	8.44	16.00
President and Vice President	43.86	58.80	10.63	16.21

Note: The net profit after tax of the standalone financial report for the year 2023 was NT\$47,528 thousand; the net profit after tax of the individual financial report for the year 2024 was NT\$141,905 thousand.

1. Remuneration for directors: The remuneration for directors is recommended by the Remuneration Committee and submitted to the Board of Directors for resolution; the remuneration for directors is determined by the Board of Directors in accordance with Article 18 of the Company's Articles of Incorporation (i.e. no more than 3% of the Company's profit for the year) and is distributed by a

resolution of two-thirds of the Board of Directors with a majority of the directors present, and reported to the shareholders' meeting. The directors' compensation for 2023 included a fixed monthly base salary and transportation allowances for meeting attendance. In addition, directors received compensation based on the Company's annual profitability and in accordance with the allocation of director compensation as stipulated in the Articles of Incorporation. For 2023 and 2024, the Board of Directors resolved on February 29, 2024, and February 26, 2025, respectively, to allocate approximately 1% of the annual profit as director compensation, based on the profitability of each respective year. The allocated amounts were NT\$540 thousand and NT\$1,800 thousand, respectively, and were distributed in cash.

2. Remuneration for independent directors: The remuneration for independent directors is proposed by the Remuneration Committee and submitted to the Board of Directors for resolution by the management team with reference to the salary level in the industry market and the Company's operating conditions, but the members of the Remuneration Committee are not allowed to vote on their individual remuneration decisions and must be submitted to the Board of Directors for discussion and decision. The compensation for independent directors in 2024 included a fixed monthly base salary and transportation allowances for meeting attendance. In addition, compensation was provided based on the Company's annual profitability and in accordance with the allocation of director compensation as stipulated in the Articles of Incorporation.
3. Compensation for the President and Vice President: Compensation is determined in accordance with the Company's "Compensation Management Regulations," taking into account market salary levels for similar positions in the industry, individual performance achievement rates, and contributions to the Company's overall performance. All performance evaluations and the reasonableness of compensation are reviewed by the Remuneration Committee and the Board of Directors, and the compensation system is periodically reviewed based on actual operational conditions and applicable regulations. In 2024, the number of Vice Presidents decreased by one compared to 2023, resulting in a different calculation base. Additionally, the net profit after tax for 2024 significantly increased compared to 2023, leading to a substantial decrease in the total compensation as a percentage of the net profit after tax in the individual financial statements. Employee compensation is allocated by the Board of Directors in accordance with the percentage specified in the Articles of Incorporation, i.e., 5% to 15% of the profit for the year, and is resolved with the attendance of two-thirds of the Board members and approval by a majority of those present. The distribution is reported to the shareholders' meeting. In 2023 and 2024, the Board of Directors resolved on February 29, 2024 and February 26, 2025, respectively, to set aside 5% of the profit for each year as remuneration for employees, with an amount of NT\$2,660 thousand and NT\$7,800 thousand respectively, which is to be distributed in cash, and none of the recipients of the distribution were given to managers, including presidents.
4. Relationship between remuneration and future risk: The remuneration of the directors and managers of the Company shall be in accordance with the scope of the Company's Articles of Incorporation and the provisions of the "Organizational Regulations of the Remuneration Committee" and the "Performance Evaluation Measures of the Board of Directors" adopted by the Board of Directors. The performance of the directors shall be based on the results of the performance evaluation of the directors, while the managers shall be based on factors such as the Company's business strategy, profitability, performance and contribution to their positions, as well as the market level of salaries, and shall be recommended by the Remuneration Committee and approved by the Board of Directors. The Remuneration Committee and the Board of Directors regularly review the reasonableness of the remuneration, and review the relevant provisions of the remuneration from time to time in light of the actual operating conditions and relevant laws and regulations, and shall not lead the directors and president to engage in acts that exceed the Company's risk appetite in pursuit of remuneration, so as to avoid improper situations such as the company suffering losses after paying remuneration. There are currently no events that would significantly impact the Company's risk.

III. Operation of Corporate Governance

(I) Operation of the Board of Directors

1. Last year (2024), the Board of Directors held 7 (A) meetings, and the attendances of Directors and Independent Directors as voting and nonvoting delegates were shown as follows:

All the Directors (including the Independent Directors) should attend 63 meetings in total, and the number of actual attendances was 60 in total, with an average attendance rate of 95.24%.

Position	Name	Number of actual attendances as voting (and nonvoting) delegates (B)	Number of attendances by proxy (A)	Rate of actual attendances as voting (and nonvoting) delegates (%) (B/A)	Remarks (Note)
Chairperson	Jason Wu	7	0	100%	
Director	YOUNGTEK ELECTRONICS CORP. Representative: June Wung	6	1	85.7%	
Director	Weixin Investment Limited Representative: Po-Chung Wang	7	0	100%	
Director	Wen-Ruei Cheng	7	0	100%	
Director	Nan-Yang Wu	6	1	85.7%	
Independent director	Wen-Chao Wang	7	0	100%	
Independent director	Tung-Hsiung Hung	7	0	100%	
Independent director	Yin-Fei Liu	7	0	100%	
Independent director	Tseng-Nan Chou	6	1	85.7%	

Attendance of the Independent Directors at each meeting of the Board of Directors in 2024:

V: attendance in person O: attendance by proxy X: Not attendance

2024	2/29	5/2	5/30	8/8	9/26	11/1	12/26
Wen-Chao Wang	V	V	V	V	V	V	V
Tung-Hsiung Hung	V	V	V	V	V	V	V
Yin-Fei Liu	V	V	V	V	V	V	V
Tseng-Nan Chou	V	O	V	V	V	V	V

Other items which should be recorded:

In case of any of the following circumstances in the operation of the Board of Directors, the date and session of the meeting of the Board of Directors, contents of proposals, opinions of all the Independent Directors and the Company's treatment on the opinions of the Independent Directors should be stated:

(1) Items listed in Article 14-3 of the Securities and Exchange Act

Session / Date	Contents of Proposals and Subsequent Treatment	Items listed in Article 14-3 of the Securities and Exchange Act	Independent Directors had objections or reservations
The 13th meeting of the eighth term 2024.02.29	1. 2023 achievement and assessment results of performance objectives of the Directors and Managers.	V	None
	2. Approval of 2023 remuneration of the Directors and employees by the Company.	V	None
	3. Amendments to the Company's "Organizational Procedures for Remuneration Committee."	V	None
	4. Amendments to the "Rules of Procedure for Meeting of the Board of Directors"	V	None
	5. Proposed issuance of Restricted Share Awards (RSAs).	V	None
	Opinions of the Independent Directors: none.		
	The Company's Treatment on the opinions of Independent Directors: not applicable.		
The 14th meeting of the eighth term 2024.05.02	Resolution results: all the Directors present adopted the resolution without dissent.		
	1. Amendment to the Company's "Rules of Financial and Business Matters Between Related Parties."	V	None
	2. Adjusting the supervision and evaluation of derivative transactions conducted by senior executives as designated by the Board of Directors.	V	None
	3. Adjusting the custodian of the Company's seal designated for endorsements and guarantees.	V	None
	Opinions of the Independent Directors: none.		
	The Company's Treatment on the opinions of Independent Directors: not applicable.		
The 16th meeting of the eighth term 2024.08.08	Resolution results: all the Directors present adopted the resolution without dissent.		
	1. Amendment to the Company's "Regulations Governing the Issuance of Restricted Stock Awards for 2024."	V	None
	2. Proposed issuance of the Company's fourth domestic unsecured convertible corporate bonds.	V	None
	Opinions of the Independent Directors: none.		
	The Company's Treatment on the opinions of Independent Directors: not applicable.		
The 17th meeting of the eighth term 2024.09.26	Resolution results: all the Directors present adopted the resolution without dissent.		
	1. Proposed cash capital increase handled by Edison-Litek Opto Corporation, a subsidiary of the Company.	V	None
	2. Proposed change in the use of funds for the fourth domestic unsecured convertible corporate bonds issuance, as originally approved by the Board of Directors on August 8, 2024.	V	None
	3. Proposed purchase of plant and office in response to the Group's operational space needs.	V	None
	Opinions of the Independent Directors: none.		
	The Company's Treatment on the opinions of Independent Directors: not applicable.		
The 18th meeting of the eighth term 2024.11.01	Resolution results: all the Directors present adopted the resolution without dissent.		
	1. The Company's plan to purchase directors' liability insurance for 2025	V	None
	2. Amendment to the Company's "General Provisions of the Internal Control System" and "Implementation Rules for Internal Audits."	V	None
	3. Establishment of the Company's "Sustainable Information Management Procedures."	V	None
	4. Establishment of the Company's "Sustainability Report Preparation and Assurance Procedures."	V	None
	5. Amendment to the Company's "Financial Statement Preparation Process Management Regulations."	V	None
	Opinions of the Independent Directors: none.		
	The Company's Treatment on the opinions of Independent Directors: not applicable.		
The 19th meeting of the eighth term 2024.12.26	Resolution results: all the Directors present adopted the resolution without dissent.		
	1. Approval of the limit of lending of funds between the companies within the Group for 2025.	V	None
	2. Purchase of short-term derivatives by subsidiaries in 2025	V	None
	3. Expected cash capital increase handled by the subsidiaries of the Company.	V	None
	4. Amendments to the Company's "Corporate Governance Best Practice Principles"	V	None
	5. Amendment to the Company's "Delegation of Authority and Acting Regulations."	V	None
	6. Proposed change of the CPA for the Group's financial statements	V	None

Session / Date	Contents of Proposals and Subsequent Treatment	Items listed in Article 14-3 of the Securities and Exchange Act	Independent Directors had objections or reservations
	by KPMG Taiwan.		
	7. Appointment and remuneration of certified public accountants of the Group for 2025.	V	None
	Opinions of the Independent Directors: none.		
	The Company's Treatment on the opinions of Independent Directors: not applicable.		
	Resolution results: all the Directors present adopted the resolution without dissent.		

(2) In addition to the above items, other resolutions of the board meeting with objections or reservations of the Independent Directors and records or written statements: none.

2.The Directors should state the name of the Directors, contents of proposals, reasons for avoidance of interests and participation in voting with respect to the execution of avoidance for proposals with related interests:

Session / Date	Contents of proposals	Name of the director recused from discussion of the proposal	Reasons for avoidance of interests	Participation in voting
The 13th meeting of eighth Board of Directors 2024.02.29	Employee compensation and director remuneration approval for year 2023.	Avoidance of interests by the Managers and the Chairman Jason Wu	Chairman Jason Wu concurrently serves as President; managerial officers did not participate in the discussion of the proposal.	No such situation
The 19th meeting of eighth Board of Directors 2024.12.26	Proposal of the performance evaluation and bonuses for managerial officers for 2024	Avoidance of interests by the Managers and the Chairman Jason Wu	Chairman Jason Wu concurrently serves as President; managerial officers did not participate in the discussion of the proposal.	No such situation
	Proposal for the issuance of restricted stock awards, approval of the list of allocated employees, and the number of shares granted	Avoidance of interests by the Managers and the Chairman Jason Wu	Chairman Jason Wu concurrently serves as President; managerial officers did not participate in the discussion of the proposal.	No such situation
	The Company's plan to implement an employee stock ownership trust plan starting in 2025, including managerial participation in the trust	Avoidance of interests by the Managers and the Chairman Jason Wu	Chairman Jason Wu concurrently serves as President; managerial officers did not participate in the discussion of the proposal.	No such situation

3.The objectives of strengthening the functions of the Board of Directors in the current year and the recent years (such as establishing an Audit Committee, and improving information transparency,) and the evaluation on the implementation:

- (1) The Company had established the Audit Committee in June 2013, to replace the functions and powers of supervisors. In addition, the Company entrusted KPMG to regularly audit and verify the financial statements of the Company, could correctly and promptly complete the information disclosure required by the laws, and designated a special person to be responsible for the collection and disclosure of the Company's information, so as to ensure that all major information could be disclosed in a timely and appropriate manner to improve the transparency of information.
- (2) The Company adopted the "Board Performance Evaluation Measures" on April 28, 2015 (amended on August 4, 2020). In accordance with the measures, at least one performance evaluation is conducted annually for the overall Board of Directors, individual board members, and functional committees. As of the date of the annual report publication, the performance evaluations for FY2024 were completed in mid-February 2025. The evaluations were conducted using internal self-assessment questionnaires. Results were categorized into five levels: Excellent, Good, Standard, Below Standard, and Poor. The evaluation results ranged between "Excellent" and "Good" and were submitted to and approved by the Board of Directors on February 26, 2025. To strengthen the functions and efficiency of the Board of Directors and functional committees through the performance assessment system.
- (3) The Company established a Remuneration Committee to assist the Board of Directors in regularly evaluating and determining the salary and remuneration of the Directors and Managers, and regularly reviewing the policies, systems, standards and structures of performance assessment and salary and remuneration of the Directors and managers.

4.The listed or OTC Company should disclose information such as the assessment cycle and term, scope, methods and contents of the self-assessment (or peer assessment) of the Board of Directors, and fill in the implementation of the assessment on the Board of Directors:

2024 performance assessment results were shown as follows

Assessment cycle	Assessment term	Assessment scope	Assessment methods	Assessment contents	Assessment results
Made once each year	From January 1, 2024 to December 31, 2024	The overall Board of Directors	Internal self-assessment of the Board of Directors	<ol style="list-style-type: none"> 1. Participation in the operation of the Company. 2. Improvement of decision-making quality of the Board of Directors. 3. Composition and structure of the Board of Directors. 4. Election and continuing education of Directors. 5. Internal control. 	<p>Performance Evaluation Results: Between "Excellent" and "Good"; the recommended improvement measures are as follows:</p> <p>*Contents of items: The Board of Directors set up enough seats for the Independent Directors, and the number of Independent Directors met the relevant provisions (for example, if the Chairman or General Manager and officers at the equivalent level (top manager) were the same person, or spouses or first-degree relatives to each other, it was appropriate to increase the number of the Independent Directors, and more than half of the Directors did not have the status of employees or Managers)</p> <p>*Action plans: The Chairman of the Company concurrently serves as the President. An additional independent director was added during the 8th Board re-election on June 22, 2022, and a majority of the directors do not concurrently serve as employees or managerial officers, in alignment with the principles of corporate governance.</p>
Made once each year	From January 1, 2024 to December 31, 2024	Individual Directors	Self-assessment of the Directors	<ol style="list-style-type: none"> 1. Comprehension of the Company's targets and missions. 2. Directors' duty awareness. 3. Participation in the operation of the Company. 4. Management and communication of internal relations. 5. Professionalism and ongoing education of directors. 6. Internal control. 	<p>Performance Evaluation Results: Between "Excellent" and "Good"; no improvement measures were recommended this time.</p>
Made once each year	From January 1, 2024 to December 31, 2024	Functional committees (Remuneration Committee)	Self-assessment of the Directors	<ol style="list-style-type: none"> 1. Participation in the operation of the Company. 2. Awareness of the responsibilities of the functional Committees. 3. Improvement of the decision-making quality of functional committees. 4. Composition and member election of the functional Committees. 5. Internal control. 	<p>Remuneration Committee Performance Evaluation Results: Between "Excellent" and "Good"; no improvement measures were recommended this time.</p>

Made once each year	From January 1, 2024 to December 31, 2024	Functional committees (Audit Committee)	Self-assessment of the Directors	<ol style="list-style-type: none"> 1. Participation in the operation of the Company. 2. Awareness of the responsibilities of the functional Committees. 3. Improvement of the decision-making quality of functional committees. 4. Composition and member election of the functional Committees. 5. Internal control. 	Audit Committee Performance Evaluation Results: Between "Excellent" and "Good"; no improvement measures were recommended this time.
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5. Succession plan for board members and important management:

(1) Succession plan for board members and its operation

Many years ago, the Company introduced an enterprise inheritance perspective of corporate governance and honest operation. The independent director system was introduced in 2008, the Remuneration Committee was established in 2011, and the Audit Committee was voluntarily established in advance in 2013. When the Directors were completely re-elected in 2019, the candidate nomination system was adopted by the shareholders, and the principle that the tenure of the Independent Directors should not exceed at most 9 years was carried out to avoid damaging the independence of the Independent Directors.

The company's "Articles of Incorporation" clearly stipulate that the election of directors shall fully adopt a nomination system for candidates, and the "Corporate Governance Practice Principles" and "Director Election Method" specify that the composition of the board of directors should consider diversity. It seeks to form a board consisting of elite professionals from various industries and experts from different fields based on the company's operations, business model, and development.

The selection criteria for board members, in addition to having the necessary knowledge, skills, and qualities for performing their duties, should also possess expertise relevant to the company's business planning and operations. This includes, but is not limited to, the following standards in two main aspects:

- A. Basic criteria and values: gender, age, nationality and culture, etc.
- B. Professional knowledge and skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills (such as operational judgment, accounting and financial analysis abilities, business management, crisis handling, industry knowledge, international market perspective, leadership, and decision-making) and industry experience, etc.

To strengthen the board's functionality, the company organizes annual director training courses every year according to the industry characteristics, directors' needs, and future trends of the company. High-level managers are also arranged to participate in the training to continuously enrich their knowledge, ensuring they possess the professional knowledge and qualities necessary for succession. To help senior managers understand the operations of the board of directors, the company routinely arranges for senior managers to attend board meetings. This enables them to become familiar with the operations of various units and gain experience in participation.

The company has established a "Board Performance Evaluation Procedure" that includes assessment criteria such as control over company goals and tasks, awareness of responsibilities, participation in operations, management and communication of internal relations, professional competence and continuous learning, internal control, and expression of specific opinions. This is to ensure the effectiveness of the board's operations and to evaluate the performance of directors, serving as a reference for future director selections.

(II) Succession plan for important management and its operation

The Human Resources Department coordinates the establishment of a talent development mechanism, defining key positions and setting 1 to 2 successors for each key position. Depending on their succession roles, job responsibilities are arranged with short (1-2 years), medium (3-5 years), and long

(>5 years) preparation periods provided. Since 2022, the company has identified key positions within the production, sales, research, and logistics units. In 2023, succession planning for key positions was completed. In 2024, under the leadership of different function vice presidents, competency evaluation combined with the company's and department's goals is conducted through systematic job rotation. This enhances the strengths and capabilities of the succession team and prepares them adequately for future roles.

The company holds quarterly meetings led by the President, where Vice Presidents and the succession team discuss and formulate new business strategies. Discussion topics include (but are not limited to) performance evaluations, product development, technological direction, market development, production priorities, organizational adjustments, management changes, talent development, and strategy mapping. Besides building consensus, hands-on training is used to enhance the management, thinking, and future strategic planning abilities of the succession team.

The company also assigns managers from the finance, audit, legal, human resources, and IT departments to provide education and training in their respective fields for Vice Presidents and the succession team. This includes strategic planning, a variety of professional topic courses, performance management, compensation and reward management, green supply chain (carbon accounting, carbon footprint, and carbon tariffs), personnel system regulations, key points of corporate governance, etc. During 2024, the Group held a total of 203 training sessions, covering not only vice presidents and the succession pipeline but also relevant personnel, in order to strengthen the comprehensive management capabilities of the entire management team. Through management meetings and cross-departmental functional meetings, we deepened our understanding of management concepts and developed various management skills to help select key members of the succession ladder.

According to the Group's organizational development and growth momentum, in addition to recruiting excellent cadres, the Company would also continue to actively cultivate potential middle and senior managerial officers, strengthen individual tutorship and work communication, and from time to time carry out work rotation and assignment plans to select all-round talents and strengthen the future operation team in a planned and targeted manner.

(2) Information about the operation of the Audit Committee:

1. Operation of the Audit Committee: the Audit Committee of the Company was composed of four members of all Independent Directors. It held a meeting before a meeting of the Board of Directors to examine the Company's important proposals and major financial and business activities, to truly supervise the Company's operation and risk control. The Audit Committee held six meetings in 2024, and the items deliberated mainly included:

- (1) Financial statements auditing and accounting policies and procedures.
- (2) Internal control system and related policies and procedures.
- (3) Significant assets or derivatives transactions.
- (4) Compliance with laws and regulations.
- (5) Whether the Managers and the Directors made related party transactions and had possible conflict of interests.
- (6) Complaint reports.
- (7) Fraud prevention plan and fraud investigation report.
- (8) Information security.
- (9) Corporate risk management.
- (10) Qualification, independence and performance assessment of certified public accountants.
- (11) Appointment, dismissal or remuneration of certified public accountants.

2. Review of financial reports

The Board of Directors prepared the Company's 2024 business report, financial statements, earnings distribution and other proposals, among which the financial statements were audited by KPMG and an audit report was issued. The above-mentioned business report, financial statements and earnings distribution proposal had been audited by the Audit Committee and were not found to be inconsistent.

3. Evaluation on effectiveness of the Internal Control System

The Audit Committee evaluated the effectiveness of the policies and procedures of the Company's Internal Control System (including finance, operation, risk management, information security,

outsourcing, compliance with laws and regulations and other control measures), and reviewed the regular reports of the Company's audit unit, certified public accountants and management, including risk management and compliance with laws and regulations. The Audit Committee believed that the Company's risk management and Internal Control System were effective, and the Company had adopted necessary control mechanisms to monitor and correct violations.

4. Appointment of Certified Public Accountants

The Audit Committee was vested with duties to supervise the independence of certified public accountants to ensure the fairness of financial statements. Generally, except for tax related services or items specially approved, a certified public accountant firm should not provide the Company with other services. All services provided by the certified public accountant firm must be approved by the Audit Committee.

In order to ensure the independence of the certified public accountant firm, the Audit Committee formulated an independence evaluation form with reference to Article 47 of the Certified Public Accountants Act and the contents of "Integrity, Impartiality, Objectivity and Independence" in the bulletin of Accounting Professional Ethics No. 10, to evaluate the independence, professionalism and competence of the certified public accountants and whether the certified public accountants and the Company were related to each other, or had business or financial interests with each other.

The Company's Audit Committee conducts an annual assessment of the independence and suitability of the CPA. In addition to requiring the CPA to provide a "Statement of Independence" and "Audit Quality Indicators (AQIs)," the evaluation is conducted based on 13 AQI metrics across five major dimensions of audit quality. It has been confirmed that, aside from fees related to attestation and tax matters, the CPA has no other financial interests or business relationships with the Company, and no family members of the CPA have violated independence requirements. Based on the AQI data, it was confirmed that the CPA and their firm exceed industry averages in audit experience and training hours, have a lower turnover rate for audit personnel at the managerial level and above, and a higher proportion of EQCR (Engagement Quality Control Reviewer) hours. Over the past three years, digital audit tools have also been continuously adopted to enhance audit quality. The CPA meets the standards of independence and suitability and is fully qualified to serve as the CPA for the Company's financial statement audits and reviews. The Company has received a Declaration of Independence from the CPA, confirming that the CPA has maintained a rigorous and impartial attitude, as well as a spirit of independence, in conducting the audit of the Company's FY2025 financial statements. There have been no violations of the provisions set forth in Auditing Standards Bulletin No. 10. The evaluation results regarding the CPA's independence and suitability were reviewed by the Audit Committee on February 26, 2025, and approved by the Board of Directors on the same date.

(VI) In 2024, the Audit Committee held 6 meetings (A), and the number of attendances of the Independent Directors was shown as follows:

Position	Name	The number of actual attendances (B)	Number of attendances by proxy (A)	Actual attendance rate (%) (B/A)	Remarks
Independent director	Wen-Chao Wang	6	0	100%	Convening member
Independent director	Tung-Hsiung Hung	6	0	100%	
Independent director	Yin-Fei Liu	6	0	100%	
Independent director	Tseng-Nan Chou	5	1	83.3%	

Other items which should be recorded:

- In case of any of the following circumstances in the operation of the Audit Committee, the date and session of the meeting of the Audit Committee, contents of proposals, resolution results of the Audit Committee and the Company's treatment on the opinions of the Audit Committee should be stated.

(1) Items listed in Article 14-5 of the Securities and Exchange Act:

Audit Committee	Contents of Proposals and Subsequent Treatment	Items listed in Article 14-5 of the Securities and Exchange Act	Resolutions not adopted by the Audit Committee but adopted by more than two thirds of all the Directors
The 10th meeting of the fourth term 2024.02.26	1. The Company's 2023 final accounting reports and business report.	V	None
	2. The Company's 2023 "Statement of Internal Control System."	V	None
	3. Amendments to the "Rules of Procedure for Meeting of the Board of Directors"	V	None
	4. Proposed issuance of Restricted Share Awards (RSAs).	V	None
	Audit Committee Resolution: Unanimously approved by all members of the Audit Committee. The Company's treatment on the opinions of the Audit Committee: not applicable.		
The 11th meeting of the fourth term 2024.05.02	1. The consolidated financial statements of the Company for the first quarter of 2024.	V	None
	2. Amendment to the Company's "Rules of Financial and Business Matters Between Related Parties."	V	None
	Audit Committee Resolution: Unanimously approved by all members of the Audit Committee. The Company's treatment on the opinions of the Audit Committee: not applicable.		
The 12th meeting of the fourth term 2024.08.08	1. The Company's consolidated financial statements for the second quarter of 2024.	V	None
	2. Amendment to the Company's "Regulations Governing the Issuance of Restricted Stock Awards for 2024."	V	None
	3. Proposed issuance of the Company's fourth domestic unsecured convertible corporate bonds.	V	None
	Audit Committee Resolution: Unanimously approved by all members of the Audit Committee. The Company's treatment on the opinions of the Audit Committee: not applicable.		
The 13th meeting of the fourth term 2024.09.26	1. Proposed cash capital increase handled by Edison-Litek Opto Corporation, a subsidiary of the Company.	V	None
	2. Proposed change in the use of funds for the fourth domestic unsecured convertible corporate bonds issuance, as originally approved by the Board of Directors on August 8, 2024.	V	None
	3. Proposed purchase of plant and office in response to the Group's operational space needs.	V	None
	4. Planned capital reduction and name change of the Company's subsidiary.	V	None
	Audit Committee Resolution: Unanimously approved by all members of the Audit Committee. The Company's treatment on the opinions of the Audit Committee: not applicable.		

The 14th meeting of the fourth term 2024.11.01	1. The Company's consolidated financial statements for the third quarter of 2024.	V	None
	2. The Company's plan to purchase directors' liability insurance for 2025		
	3. Amendment to the Company's "General Provisions of the Internal Control System" and "Implementation Rules for Internal Audits."	V	None
	4. Establishment of the Company's "Sustainable Information Management Procedures."	V	None
	5. Establishment of the Company's "Sustainability Report Preparation and Assurance Procedures."	V	None
	6. Amendment to the Company's "Financial Statement Preparation Process Management Regulations."	V	None
	Audit Committee Resolution: Unanimously approved by all members of the Audit Committee. The Company's treatment on the opinions of the Audit Committee: not applicable.		
The 15th meeting of the fourth term 2024.12.26	1. Audit plan for 2025.	V	None
	2. The limit of lending of funds between the companies within the Group for 2025.	V	None
	3. Purchase of short-term derivatives by subsidiaries in 2024	V	None
	4. The Company plans to lease a factory and office building to its subsidiary, Edison-Litek Opto Corporation, for use in 2025.	V	None
	5. Amendments to the Company's "Corporate Governance Best Practice Principles"	V	None
	6. Amendment to the Company's "Delegation of Authority and Acting Regulations."	V	None
	7. Proposed change of the CPA for the Group's financial statements by KPMG Taiwan.	V	None
	8. Appointment and remuneration of certified public accountants of the Group for 2025.	V	None
	9. Plan to establish general principles for the company's pre-approval policy for non-assurance services provided by the certified public accounting firm.	V	None
	Audit Committee Resolution: Unanimously approved by all members of the Audit Committee. The Company's treatment on the opinions of the Audit Committee: not applicable.		

- (2) Except for the previous items, other items that had not been adopted by the Audit Committee but had been agreed by more than two-thirds of all the Directors : none.
- For implementation of avoidance of interests related to the proposals by the Independent Directors, the name of the Independent Directors, contents of proposals, reasons for avoidance of interests and voting situation should be stated: no such situation.
 - Communication between the Independent Directors and the head of internal audit and certified public accountants (including major items, methods and results of communication on the Company's financial and business conditions):
 - The head of internal audit of the Company regularly (once each quarter) conducted audit business reports and discussions with the Independent Directors to submit the audit report results and the implementation of the follow-up report. When the meeting of the Audit Committee was held, the head of internal audit should attend and report as a nonvoting delegate;

Date	Communication items	Suggestions and results
2024.02.29 Audit Committee	1. Explanation of the Group's audit execution results and deficiency improvements for 2023	No objection
	2. Audit execution report for January 2024	No objection
	3. Explanation of the Group's self-assessment results for 2023	No objection
2024.05.02 Audit Committee	1. Audit execution report for February and March 2024	No objection
	2. Audit business execution report of the subsidiaries for 1Q2024	No objection
2024.08.08 Audit Committee	1. Audit business execution report of the Group for the second quarter of 2024	No objection
	2. Audit business execution report of the subsidiaries for 2Q2024	No objection

2024.09.26 Audit Committee	1. Audit business execution report of the Group for July to August 2024	No objection
	2. Audit business execution report of the subsidiaries for July to August 2024	No objection
2024.11.01 Audit Committee	1. Group audit execution report for 3Q2024	No objection
	2. Audit business execution report of the subsidiaries for 3Q2024	No objection
2024.12.26 Audit Committee	1. Audit business execution report of the Group for October to November 2024	No objection
	2. Audit business execution report of the subsidiaries for October to November 2024	No objection

(2) The Chief Internal Auditor holds at least one audit forum each year to engage in one-on-one discussions with independent directors, focusing on topics such as the internal control system, internal audits, corporate governance, and operational risk management. The communication status for 2024 is outlined below. Overall, the communication between the Company's independent directors and the Chief Internal Auditor has been satisfactory.

Date	Independent directors present	Communication items	Suggestions and results
Audit Workshop 2024.05.30	Wang, Wen-Chao, Hong, Dong-Hsiung, Liu, Yin-Fei, Chou, Cong-Nan, and Head of Audit, Xiao-Chun Wang	1. Description for current situation and planning of audit organization in 2024.	No objection
		2. Description for key points and planning of audit in 2024.	No objection
		3. Explanation of the sustainability information management audit plans.	No objection

(3) The certified public accountants of the Company and the Independent Directors, communicated the audit and review results of the current quarter's financial statements (including consolidated financial statements) and other items as required by the relevant laws and regulations in the meeting of the Audit Committee. In addition to discussing the audit or review results of the annual and quarterly financial reports, key audit items and other items as required by the securities and tax laws and regulations, they fully exchanged views and gave suggestions on the topics communicated with the management unit.

Date	Independent directors present	Communication items	Communication results
2024.02.23 Separate communication between CPA and the Audit Committee	Wen-Chao Wang, Tung-Hsiung Hung, Yin-Fei Liu, Tsung-Nan Chou, and CPAs Heng-Sheng Lin and Shu-Chih Yang of KPMG Taiwan	The CPA shall explain the following items: (1) Key audit matters (2) Significant audit findings (3) Related party transactions	Independent directors provided opinions or suggestions on key audit matters, including revenue recognition, accounts receivable valuation, and related party transactions. The CPAs responded based on their professional judgment. The discussions and communications were satisfactory, with no objections raised.

2024.11.27 Separate communication between CPA and the Audit Committee	Wen-Chao Wang, Tung-Hsiung Hung, Yin-Fei Liu, Tsung-Nan Chou, and CPAs Heng-Sheng Lin and Shu-Chih Yang of KPMG Taiwan, Chief Audit Officer Hsiao-Chun Wang, Auditor Shu-Yao Wang	The CPA shall explain the following items: (1) Analysis of the most recent (2024Q3) financial statements (2) 2024 audit plan (3) Follow-up on material topics (4) Feedback and instructions from independent directors (5) Regulatory updates	Independent directors provided opinions or suggestions on the evaluation of accounts receivable, judgment on related parties, and derivative financial instruments. The accountant clarified these based on professional judgment. The discussion and communication were good, with no objections.
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(4) The Independent Directors had fulfilled the obligation of perfect supervision with respect to the proper representations of the Company's financial statements and the compliance of the Company with relevant laws and rules.

4. The Supervisors' participation in the operation of the Board of Directors: after the shareholders' meeting on June 13, 2013, the Company established the Audit Committee to replace the functions and powers of supervisors, so it was not applicable.

(3) Deviation and causes of deviation of the Company's actual governance from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies:

Assessment criteria	Actual governance			Deviation and causes of deviation from Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
I. Has the Company established and disclosed its corporate governance principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"?	V		The Company has established its own "Corporate Governance Code of Conduct" based on "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies," and implemented them with the Board of Directors' approval on November 4, 2014. This policy is revised in a timely manner to conform with legal requirements; the most recent revision was approved by the Board on December 26, 2024 and has been disclosed on: (1) Official website of the Company (https://www.edison-opto.com/important-rules-and-regulations_tw_1.php) (2) MOPS (https://mops.twse.com.tw/mops/web/t100sb04_1)	No material deviation is found
II. Shareholding structure and shareholders' interests	V		(I) The Company has implemented a spokesperson and acting spokesperson system to handle related issues, as required by laws. The Company has also set up contact windows and grievance channels on the Investors section of its website. Mail box for investor relations is investor@edison-opto.com.tw .	No material deviation is found
(II) Has the Company implemented a set of internal procedures to handle shareholders' suggestions, queries, disputes, and litigations?	V		(II) The Company is constantly informed of changes in directors' and major shareholders' shareholding position, and the identity of its ultimate controller.	No material deviation is found
(II) Is the Company constantly informed of the identities of its major shareholders and the ultimate controller?	V		(III) Our company has a clear division of responsibilities with related entities and has established "Management Procedures for Transactions with Related Parties," "Supervision and Management Procedures for Subsidiaries," "Operating Procedures for Transactions with Group Enterprises, Specific Companies, and Related Parties," "Regulations on Financial and Business Operations among Related Parties," and "Procedures for Acquisition or Disposition of Assets." All procedures are carried out in accordance with relevant legal regulations and the company's internal control system policy.	No material deviation is found
(III) Has the Company established and implemented risk management practices and firewalls for companies it is affiliated with?	V		(IV) The Company has established the "Procedures for Handling Material Internal Information" and the "Insider Trading Prevention Management Procedures," which explicitly prohibit insiders from trading securities using non-public information obtained through their position. The specific implementation measures are as follows: 1. Directors, managers, and employees are subjected to awareness enhancement on "Insider Trading Management Procedures" and relevant regulations; details of this procedure have been published on the Company's website. 2. For all employees, in addition to regular annual education and promotion, an online course on "Insider Trading Prevention Management" is available in the employee section of the Company's internal website for employees to access and review at any time. For new employees, an explanation is provided during pre-employment training. 3. The Company conveys awareness on an unscheduled basis using EMAIL.	No material deviation is found
(IV) Has the Company established internal policies that prevent insiders from trading securities against non-public information?				

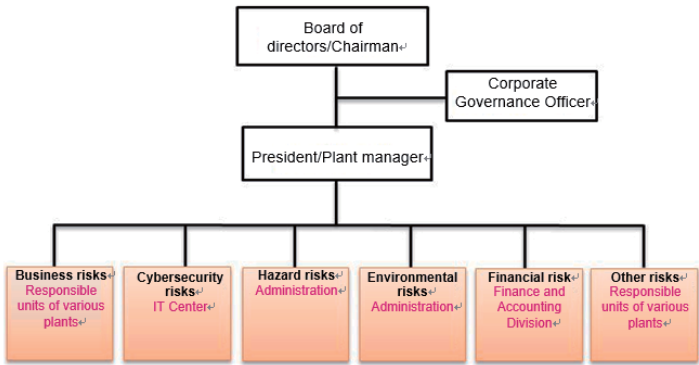
(II) Apart from the Remuneration Committee and Audit Committee, has the Company assembled other functional committees at its discretion?		V	(II) Currently, aside from assembling a Remuneration Committee as required by law and an Audit Committee, the Company has no other functional committee and has assigned corporate governance responsibilities to accountable departments. The Company will assemble other functional committees according to legal and practical requirements in the future.	As explained in the summary
(III) Has the Company established a set of policies and assessment tools for evaluating board performance, and conducted performance evaluations on a yearly basis? Are performance evaluation results reported to the board of directors and used as reference for compensation and nomination decisions?		V	<p>(III) The Company passed its "Board of Directors Performance Evaluation Policy" on April 28, 2015 and later revised on August 4, 2020. The policy requires performance valuation to be performed on the board, individual board members, the Audit Committee, and the Remuneration Committee at least once a year. The board is required to complete internal performance assessment for the current year before the end of the first quarter of the following year.</p> <p>The Company completed the 2024 performance assessment for the Board of Directors, individual Board members, the Audit Committee, and the Remuneration Committee in mid-February 2025; outcomes of the assessment and improvements for 2025 were reported during the Board of Directors meeting held on February 26, 2025. Performance assessment of the Board of Directors covers the five main aspects below:</p> <ol style="list-style-type: none"> 1. Level of participation in the Company's operations. 2. Improvement of board decision quality. 3. Composition of the board of directors. 4. Election and continuing education of directors. 5. Internal control. <p>Directors' individual performance assessment covers the following six main aspects:</p> <ol style="list-style-type: none"> 1. Comprehension of the Company's targets and missions. 2. Directors' duty awareness. 3. Level of participation in the Company's operations. 4. Management and communication of internal relations. 5. Professionalism and ongoing education of directors. 6. Internal control. <p>Assessment of functional committees (Audit Committee and Remuneration Committee) performance covers the following five main aspects:</p> <ol style="list-style-type: none"> 1. Level of participation in the Company's operations. 2. Awareness towards duties of the functional committee. 3. Improvements to the quality of decisions made by functional committees. 4. Composition of the functional committee and selection of committee members. 5. Internal control. <p>This assessment had proceeded using self-assessment questionnaire, in which the directors were asked to rate how the Board, the Remuneration Committee, and the Audit Committee had functioned and their individual participation. Outcome of the above performance evaluation will be taken into consideration when electing and nominating directors. Performance evaluation of individual directors and functional committees will be taken into consideration when compensating and nominating individual members. All ratings for 2024 were "Excellent and above," indicating good performance. For recommendations and improvements on Board of Directors and functional committee performance, please refer to the annual report: 3. Corporate governance (1) 4. TWSE/TPEX listed companies are required to disclose the cycle, duration, scope, method, and details of board performance self (or peer) evaluations performed, and complete Execution of Board Performance Evaluation.</p>	No material deviation is found

(IV)	Are external auditors' independence assessed on a regular basis?	V	<p>(IV) In accordance with Article 29 of the "Corporate Governance Best Practice Principles," the Company's Finance and Accounting Center conducts an annual assessment of the independence and suitability of the certifying CPA. In addition to verification by the stock affairs unit to confirm that the CPA holds no shares in the Company or any of its controlling entities, and does not hold any position within the Company, the Company also obtains the CPA's "Audit Quality Indicators (AQIs)." These are used to evaluate five key dimensions—professionalism, quality control, independence, supervision, and innovation—across 13 indicators. The Company also obtains a Declaration of Independence from the CPA, confirming that the audit engagement was conducted in accordance with professional ethics standards and that the CPA maintained a rigorous and impartial attitude and a spirit of independence, with no violations of Auditing Standards Bulletin No. 10. In addition, the Company conducts evaluations on a total of 10 specific items as follows:</p> <table><tr><th>Assessment criteria</th><th>Assessment results</th><th>Compliance of independence</th></tr><tr><td>(1) As of the most recent audit, there was no incident where CPA was not reappointed for 7 years (The most recent change of the CPA occurred in 2024.)</td><td>Yes</td><td>Yes</td></tr><tr><td>(2) CPAs do not have any financial stake and inappropriate relationship with the client</td><td>Yes</td><td>Yes</td></tr><tr><td>(3) CPAs shall instruct their assistants to be honest, fair, and independent</td><td>Yes</td><td>Yes</td></tr><tr><td>(4) CPAs did not audit financial statements of companies they were formerly employed under during the two years prior to practice</td><td>Yes</td><td>Yes</td></tr><tr><td>(5) CPAs do not hold shares in the Company and affiliated enterprises, and are not related to the Company's management personnel in any relationship characterized as spouse, direct blood relative, relative by affinity, or relative of 2nd degree or closer</td><td>Yes</td><td>Yes</td></tr><tr><td>(6) CPAs neither borrow nor lend money with the Company and affiliated enterprises, and do not charge commission for any service offered</td><td>Yes</td><td>Yes</td></tr><tr><td>(7) CPAs do not concurrently hold permanent positions at the Company or affiliated enterprises, for which they are compensated with regular salary</td><td>Yes</td><td>Yes</td></tr><tr><td>(8) CPAs do not undertake decision-making managerial roles within the Company or affiliated enterprises</td><td>Yes</td><td>Yes</td></tr><tr><td>(9) Do not operate any other business that may compromise independence</td><td>Yes</td><td>Yes</td></tr><tr><td>(10) Free of penalty and conducts that compromise independence</td><td>Yes</td><td>Yes</td></tr></table> <p>The assessment results for the past two years are listed as follows: Outcomes of assessments conducted in the last two years were reviewed and passed by the Board of Directors on February 29, 2024 and February 26, 2025. The reports mentioned no finding that indicated the financial statement auditors being incompetent or having compromised independence.</p>	Assessment criteria	Assessment results	Compliance of independence	(1) As of the most recent audit, there was no incident where CPA was not reappointed for 7 years (The most recent change of the CPA occurred in 2024.)	Yes	Yes	(2) CPAs do not have any financial stake and inappropriate relationship with the client	Yes	Yes	(3) CPAs shall instruct their assistants to be honest, fair, and independent	Yes	Yes	(4) CPAs did not audit financial statements of companies they were formerly employed under during the two years prior to practice	Yes	Yes	(5) CPAs do not hold shares in the Company and affiliated enterprises, and are not related to the Company's management personnel in any relationship characterized as spouse, direct blood relative, relative by affinity, or relative of 2nd degree or closer	Yes	Yes	(6) CPAs neither borrow nor lend money with the Company and affiliated enterprises, and do not charge commission for any service offered	Yes	Yes	(7) CPAs do not concurrently hold permanent positions at the Company or affiliated enterprises, for which they are compensated with regular salary	Yes	Yes	(8) CPAs do not undertake decision-making managerial roles within the Company or affiliated enterprises	Yes	Yes	(9) Do not operate any other business that may compromise independence	Yes	Yes	(10) Free of penalty and conducts that compromise independence	Yes	Yes	No material deviation is found
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(9) Do not operate any other business that may compromise independence	Yes	Yes																																			
(10) Free of penalty and conducts that compromise independence	Yes	Yes																																			

<p>IV. Has the TWSE/TPEX listed company allocated adequate number of competent corporate governance staff and appointed a corporate governance officer to oversee corporate governance affairs (including but not limited to providing directors/supervisors with the information needed to perform their duties, convention of board meetings and shareholder meetings, and preparation of board/shareholder meeting minutes)?</p>	<p>V</p>	<p>The Company has designated the General Management Office as the unit responsible for corporate governance. On May 6, 2019, the Board of Directors approved the establishment of the Corporate Governance Officer position, and Cheng-Tien Hsu, Vice President of the General Management Office, was appointed to the role. Hsu meets the qualifications specified by relevant regulations, having over ten years of experience in a managerial position related to financial affairs at a public company. This ensures the effective execution of corporate governance duties. He is also free from any conflicts of interest or violations of the internal control system. Corporate governance personnel of the Company are mainly responsible for the following tasks:</p> <ol style="list-style-type: none"> 1. Handling of board meeting and shareholder meeting affairs. 2. Preparation of board/shareholder meeting minutes. 3. Assisting directors with their duties and ongoing education. 4. Providing directors with the information needed to perform duties. 5. Assisting directors with compliance issues. 6. Other tasks specified in Articles of Incorporation or contract. <p>Key corporate governance tasks completed in 2024:</p> <ol style="list-style-type: none"> 1. Company registration and change of registration. 2. Matters related to Board, functional committee, and shareholder meetings (7 board meetings and 1 shareholders' meeting). 3. Assisting with Board, functional committee, and shareholder meeting minutes and directors' continuing education. 4. Registering the date of the shareholders' meeting in accordance with statutory deadlines; preparing and submitting the meeting notice, bilingual shareholders' meeting agenda handbook, and bilingual annual report within the required timeframe. 5. Assisting directors with compliance issues. 6. Arranging separate meetings between independent directors and the CPA (twice), as well as with the Chief Auditor (once). 7. Maintaining investor relations, including communication with major shareholders and institutional investors, and organizing five investor conferences on March 8, May 9, August 15, November 27, and December 13 of 2024 to enhance external stakeholders' understanding of the Company's operations. <p>Continuing education of the corporate governance officer in 2024: In 2024, Mr. Cheng-Tien Hsu continued to participate in corporate governance-related education and training for a total of 18 hours. For details, please refer to page 61 of the annual report. Any additional training will be disclosed on the Company's official website.</p>	<p>No material deviation is found</p>
<p>V. Has the Company provided proper communication channels and created dedicated sections on its website to address corporate social responsibility issues that are of significant concern to stakeholders (including but not limited to shareholders, employees, customers and suppliers)?</p>	<p>V</p>	<p>The Company respects stakeholders' interests and regularly identifies stakeholders and engages them in appropriate communication to learn their expectations and needs. By creating a Stakeholders section on website and setting up communication channels such as a contact person, FAQ, and opinion box, the Company responds to issues that are of concern to stakeholders, and in doing so protects stakeholders' interests. Stakeholders including shareholders/investors, banks and other creditors, employees, suppliers, customers, community/non-profit organizations, the authority, media, and any party that holds stake in the Company may raise opinions and responses through the Stakeholders section for the protection of their interests. Dedicated personnel have been assigned to oversee each communication channel, and relevant information has been disclosed on the Company's website. (https://www.edison-opto.com/stakeholders_tw_1.php) Issues that are of concern to the different stakeholders listed above are addressed on a yearly basis. Outcomes of the communication are disclosed on website and reported to the Board of Directors at least once a year. Stakeholder communication in the most recent year was reported to the Board of Directors on November 1, 2024.</p>	<p>No material deviation is found</p>

VI. Does the Company engage a stock transfer agent to handle shareholder meeting affairs?	V	The Company commissions the Shareholder Service Department of Fubon Securities Co., Ltd. to handle matters relating to shareholder meetings and ownership registration.	No material deviation is found
VII. Information disclosure			
(I) Has the Company established a website that discloses financial, business, and corporate governance-related information?	V	(I) The Company's website (www.edison-opto.com.tw) has an Investors section that discloses financial, business, and corporate governance-related information.	No material deviation is found
(II) Has the Company adopted other means to disclose information (e.g. English website, assignment of dedicated personnel to collect and disclose corporate information, implementation of a spokesperson system, and broadcasting of investor conferences via the Company website)?	V	(II) The Company has spokesperson and acting spokesperson in place to address queries and needs of investors and shareholders. The Company was invited to participate in five investor conferences on March 8, May 9, August 15, November 27, and December 13 of 2024. Relevant information has been disclosed on the Market Observation Post System (MOPS) and the Company's website. The Company has assigned dedicated personnel to gather and disclose information, and to ensure that all information relevant to shareholders' and stakeholders' decisions is adequately disclosed on website.	No material deviation is found
(III) Does the Company publish and make official filing of annual financial report within two months after the end of an accounting period, and publish/file Q1, Q2 and Q3 financial reports along with monthly business performance before the required due dates?	V	(III) The Company's financial statements for 2023 and 2024 were approved by the Board of Directors on February 29, 2024, and February 26, 2025, respectively. After the meetings, material information was disclosed externally, and the required announcements and filings were completed. The financial statements for the first, second, and third quarters of 2024 were announced on May 2, August 8, and November 1, 2024, respectively—all earlier than the deadlines set by the competent authority. Monthly consolidated revenue figures were disclosed around the 5th of the following month, which is ahead of the regulatory deadline of the 10th of each month.	No material deviation is found

<p>VIII. Does the Company have other information that enables a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' interests, continuing education of directors/supervisors, implementation of risk management policies and risk measurements, implementation of customer policy, and liability insurance for directors and supervisors)?</p>	<p>V</p>	<p>Driven by its mission towards innovation, profitability, and mutual benefit, the Company has been able to achieve consistent growth in performance while supporting sustainability values by creating job opportunities and enforcing good corporate governance practices. By maintaining business operations at the optimal state, the Company is able to cater for the interests of all stakeholders at the right balance, and create values to the gains of its shareholders.</p> <ol style="list-style-type: none"> 1. Employees' rights and care to employees: The Company and its subsidiaries are committed to sustainable operations, expanding the scale of business, creating job opportunities for society, and protecting employee rights and interests: <ol style="list-style-type: none"> (1) The Company has established relevant "Work Rules" in compliance with laws and business ethics; an "Employee Welfare Committee" has been established, and group insurance is provided to enhance various employee benefits. (2) Regular "Labor-Management Meetings" are held to understand employees' needs, jointly review related issues, strengthen mutual understanding, and promote two-way communication to enhance labor relations. (3) Regular employee "health check-ups" and various physical and recreational activities are organized to care for employees' health. (4) Various health seminars are conducted to enhance employees' knowledge of wellness and improve physical, mental, and spiritual health. (5) Domestic and international trips and club activities are held to help employees relax, relieve stress, and foster team spirit, as a token of appreciation for their hard work. (6) Regular educational and training programs are provided to improve employee quality and job skills, thereby enhancing capabilities and reducing difficulties in job adaptation. (7) Occasional "Family Day" events are organized to strengthen family bonds and express gratitude to employees' families for their support of the employees' work. 2. Investor relations: Shareholders' interests is something that the Company values highly upon. In addition to a dedicated investor relations unit, the Company also has an Investors section created on website to bridge communication with its investors. The Company hosts investor seminars on an unscheduled basis, during which it assigns dedicated personnel to answer queries from individual shareholders. Their involvements provide investors with better understanding of how the Company performs and its development strategies. Financial information is disclosed while observing principles of completeness, immediacy, accuracy, and transparency. Owing to strong business performance in recent years, the Company has been able to deliver excellent results in terms of dividend payout, return on equity, and yields. 3. Supplier relations and stakeholders' interests: The Company adopts a corporate culture of "Integrity, Pragmatism, and Modesty," and strictly upholds its duty of commercial morality to suppliers and customers with "customer satisfaction" in mind. All suppliers are required to sign an "Integrity Commitment" as a show of commitment to this mindset, and the Company has reporting hotlines and mail boxes in place to enforce independence. The Company conducts regular "supplier assessments" on key suppliers, and evaluates different aspects of their services including price, quality, technology, delivery, and scope of service while offering appropriate guidance. Through these assessments, the Company is able to manage supply and demand of key parts more effectively to reduce risks. The Company fully understands customers' needs, helps them resolve problems, and strives to deliver more satisfactory products and services. The Company maintains open communication channels with banks, employees, customers, and suppliers, and respects and protects their rightful interests. 	<p>No material deviation is found</p>
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		<p>The Company respects stakeholders' interests and regularly identifies stakeholders and engages them in appropriate communication to learn their expectations and needs. By creating a Stakeholders section on website and setting up communication channels such as a contact person, FAQ, and opinion box, the Company responds to issues that are of concern to stakeholders, and in doing so protects stakeholders' interests.</p> <p>Communication with stakeholders is reported to the Board of Directors at least once a year, and progress of the most recent year was reported during the Board of Directors meeting held on November 1, 2024.</p> <p>Relevant information has been disclosed on the Company's website: (https://www.edison-opto.com/stakeholders_tw_1.php)</p> <p>4. Directors' and supervisors' ongoing education: All directors of the Company have undergone training according to policies; please see "Directors' education" on page 67 for details.</p> <p>5. Execution of risk management policies and risk assessment standards</p> <p>(1) The Company has established "Risk Management Policy" and "Risk Management Rules" and implemented them with approvals sought from the Board of Directors on May 12, 2020 to serve as the ultimate risk management guidelines. Together, they cover everything related to risk management from management objectives, organization, accountability, scope to operating procedures and are implemented to enable the Company to effectively identify, measure, and control risk exposures within tolerable levels.</p> <p>(2) The Company risk management efforts cover six main categories of risk, namely: "Business risks," "Cybersecurity risks," "Hazard risks," "Environmental risks," "Financial risks," and "Other risks."</p> <p>(3) Each risk response organization is responsible for identifying the risk factors it may face, setting appropriate risk measurements (quantitative and non-quantitative), thresholds, and standards to evaluate the frequency of risk incidents as well as the severity of impact on operations, so that risk management measures can be taken in response.</p> <p>(4) Organizational structure</p>  <pre> graph TD A[Board of directors/Chairman] --- B[President/Plant manager] A --- C[Corporate Governance Officer] B --- D[Business risks
Responsible units of various plants] B --- E[Cybersecurity risks
IT Center] B --- F[Hazard risks
Administration] B --- G[Environmental risks
Administration] B --- H[Financial risk
Finance and Accounting Division] B --- I[Other risks
Responsible units of various plants] </pre>	
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		<p>(5) Progress is reported to the Board of Directors on a regular basis (at least once a year). Execution and outcomes of risk assessment were last reported to the Board of Directors on November 1, 2024. Relevant information has been disclosed on the Company's website: https://www.edison-opto.com/risk-management_tw_1.php</p>											
	6.	<p>Customer policy</p> <p>The Company provides customized design and manufacturing services, and prides itself for being able to satisfy customers with perfect solutions in various lighting applications while catering for the four most important elements of LED lighting (thermal, electrical, mechanical, and lighting). The Company has transparent and effective customer complaint procedures in place to support the products and services offered. Customer satisfaction surveys are conducted on a yearly basis to gather customers' opinions and feedbacks, and thereby enhance customer relations.</p> <p>The Company places great importance on customer service and feedback. A customer satisfaction survey was conducted in February 2024, resulting in an overall satisfaction score of 89.27, showing a slight improvement compared to the previous year's score of 89.18. The Company continues to maintain positive interactions with its customers.</p>											
	7.	<p>Liability insurance for directors</p> <p>The Company renewed its directors and officers liability insurance with Fubon Insurance Co., Ltd., with a coverage amount of US\$5 million, in order to strengthen the effectiveness of the Board. The coverage period was from December 10, 2023, to December 10, 2024. Upon expiration, the policy was renewed for 2025 with the same coverage amount of US\$5 million for the period from December 10, 2024, to December 10, 2025. The relevant insured amount, coverage scope, and insurance premium rate were reported to and approved by the Company's Board of Directors on November 1, 2024.</p>											
	8.	<p>Intellectual property management plan</p> <p>The Company has devised an intellectual property strategy that takes into consideration its operational goals and R&D resources, and implemented an intellectual property management system that aims to create values, protect business secrets, enhance competitive advantages, and improve profitability.</p> <p>(1) Intellectual property strategy</p> <p>The Company targets vehicle, commercial, and industrial lighting as the primary segments, and its intellectual property strategy mainly focuses on acquiring high-quality patents that are relevant to supporting its main product portfolio, and using patents as defense for product value and as means of gaining customers' trust. The Company also plans to claim R&D-related tax credits and subsidies through patent acquisition, which in turn raises profitability while supporting operational goals.</p> <p>(2) Intellectual property management system</p> <p>The Company has been developing intellectual property-related policies and systems since 2013, and has implemented "Intellectual Property Management Policy," "Patent and Trademark Application Policy," and "Reward Policy for Intellectual Property and Design Competitions" to date. In 110, the Company implemented "Package Label and Trademark Management Policy" to support finished goods and customization. The "Reward Policy for Intellectual Property and Design Competitions," in particular, introduces the use of rewards to encourage innovation and development of invention patents, raise the quality and quantity of intellectual property rights proposals, and ensure optimal execution of intellectual properties. Dedicated personnel have been assigned to oversee the list of intellectual properties held on hand and the pipeline. Business secret, too, presents another critical control point, for which the Company has created online courses on business secrets management and made them accessible to employees over an e-learning mechanism. Through creation, promotion, and execution of the above systems, the Company is able to protect its R&D outcomes and secure technological leadership over peers.</p> <p>(3) Possible intellectual property risks and response measures</p> <p>Edison Group cooperates with world-renowned business leaders including: IC suppliers Samsung, Bridgelux, Epistar, San'an Optoelectronics, and Epileds and phosphor suppliers Mitsubishi and Intematix to avoid the risk of patent infringement of Edison Group's products by choosing materials that are free from the risk of patent infringement; and has dedicated personnel responsible for the layout and maintenance of intellectual property rights, such as the strategic planning of patents related to the Group's key products, such as automotive lighting, plant lighting, and infrared sensors, in addition to general lighting.</p> <p>(4) Intellectual property list or progress</p> <p>Edison Group had as of December 2024 acquired 212 patents including 33 invention patents that are mostly registered in Europe, USA, and Mainland China. By acquiring new technologies, the Company aims to avoid risk of patent infringement. We have strategically focused on patenting efforts for AC modules, securing 44 patents across various countries, including 18 invention patents in Europe and America.</p> <p>(5) Progress</p> <p>The Company had reported its intellectual property plan and execution to the Board of Directors on November 1, 2024.</p> <p>The following are the promotion and training on intellectual property rights in 2024.</p> <table><tr><td>Month</td><td>Awareness and Training Programs</td></tr><tr><td>June</td><td>Promotion of the "Patent Application Management Regulations"</td></tr><tr><td>August</td><td>Inventory of trade secrets, classification of confidentiality levels, and establishment of protection measures</td></tr><tr><td>November</td><td>Promotion of proper software usage</td></tr><tr><td>December</td><td>Education and training on innovation, invention, and protection</td></tr></table>	Month	Awareness and Training Programs	June	Promotion of the "Patent Application Management Regulations"	August	Inventory of trade secrets, classification of confidentiality levels, and establishment of protection measures	November	Promotion of proper software usage	December	Education and training on innovation, invention, and protection	
Month	Awareness and Training Programs												
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November	Promotion of proper software usage												
December	Education and training on innovation, invention, and protection												

		<p>9. Cybersecurity risk management framework</p> <p>(1) Cybersecurity responsibilities and training The IT Center oversees cybersecurity within the Company. All resigned and transferred employees will have system access canceled and restricted according to procedures. The Company promotes internal cybersecurity awareness and conducts cybersecurity checks on a yearly basis; outcomes of which are circulated to the Chairman.</p> <p>(2) Internet security control: The Company has set up firewalls to control transmission and access of data outside the organization. Virus codes are regularly updated at terminals and are centrally controlled established.</p> <p>(3) Cybersecurity response: The Company examines emergency response plans on a regular basis and organizes annual drills to ensure the effectiveness of data recovery procedures. A backup mechanism has been implemented, thereby allowing data and systems to be covered in the shortest time possible if an incident occurs.</p> <p>(4) Data access control: Addition and change of access to application systems are carried out according to the procedures outlined in the IT Cycle. Each department is granted different access rights depending on their duties and functions.</p>	
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		<p>10. Cybersecurity policy</p> <p>The Company has implemented Computer System Cycle and cybersecurity rules to enforce cybersecurity management. The IT Center oversees execution of cybersecurity tasks and operates with the following goals in mind:</p> <ul style="list-style-type: none"> A. To maintain integrity and usability of data. B. To ensure that data is accessed by departments within their duties and functions. C. To prevent unauthorized use of data and system. D. To reduce intrusion risk for the Company's networks and systems. E. To prevent inappropriate use of network resources. F. To apply strict controls in accordance with the Personal Data Protection Act over access of any system where personal data is stored. G. To promote cybersecurity awareness among new and existing employees. H. Collection of cybersecurity patterns, risk assessment, and promotion of preventative measures. <p>(1) Management solutions</p> <p>The Company has adopted the following cybersecurity management actions to minimize cybersecurity risks and ensure that abnormalities are resolved and operations resumed in the shortest time possible when an incident occurs:</p> <ul style="list-style-type: none"> A. External risk preventions: firewalls for filtering external access and blocking intrusions; spam filters for blocking social engineering mails; dual factor authentication for remote office sign-in. B. Equipment management and protection: update of antivirus software, operating system vulnerability scan and enhancement, continuous monitoring of cybersecurity trends, and timely responses and training. C. Response and recovery: establishment of system backups and recovery drill, and implementation of response plans (for hacker intrusion, power outage etc.). <p>(2) 2024 progress:</p> <ul style="list-style-type: none"> A. The IT Center examined the cybersecurity policy regularly, and made a report to the Board of Directors on November 1, 2024 concerning evaluation of the cybersecurity risk management framework, the cybersecurity policy, cybersecurity risks, and outcomes of existing management measures. B. Information security implementation in 2024: <ul style="list-style-type: none"> (a) In August 2023, the company established a dedicated information security unit, including one information security manager and one information security officer. (b) To strengthen information security mechanisms and industry information security intelligence exchange, our company joined the Information Security Chiefs Fellowship of the Information Software Association of the Republic of China in August 2023 and the Taiwan Computer Emergency Response Team Coordination Center (TWCERT) in October 2023. Through participation in association exchanges and various information security activities, we have enhanced our company's awareness of information security and improved our defensive capabilities. (c) Completed data recovery drills to ensure availability. (d) A total of 50 personnel training sessions on information security were conducted, with periodic updates on the latest cybersecurity trends. (e) In 2024, arranged for the Group's IT employees to attend external training courses on information security and internal information security technology exchange. C. Considering that cybersecurity is a new risk category, the Company had temporarily forgone cybersecurity insurance in light of the costs and yields associated with the new insurance. Nevertheless, the Company had undertaken the three management solutions and preventive measures mentioned above to effectively reduce cybersecurity risks amidst the new challenge. D. The Company did not fall victim to hacker attack or encounter any cybersecurity incident in 2024 that impacted operations.
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- IX. Please explain the improvements made, based on the latest Corporate Governance Evaluation results published by TWSE Corporate Governance Center, and propose enhancement measures for any issues that are yet to be rectified.
- (I) According to the corporate governance evaluation results for 2023 announced by the Taiwan Stock Exchange at the end of April 2024, the Company scored 87.22 points, a decrease from the 94.86 points received in the 9th evaluation (2022). The Company ranked within the 21st to 35th percentile among listed companies, representing a one-tier decline compared to the 9th evaluation. In 2023, there remains room for improvement across the four major evaluation categories: protecting shareholder rights and treating shareholders equitably, strengthening the functioning of the Board of Directors, enhancing information transparency, and promoting sustainable development. The Company will continue to strive for balanced progress across these four dimensions to uphold the principles of corporate governance.
 - (II) Improvements made in 2024:
 - 1. The annual financial report audited and certified by the CPA shall be disclosed within two months after the end of the fiscal year.
 - 2. Starting in 2024, material information has been released in English simultaneously.
 - 3. At the annual general shareholder's meeting, the remuneration received by the directors was reported, including the remuneration policy, individual remuneration contents, and amounts.
 - 4. The minutes of the shareholder's annual meeting include significant content related to shareholder queries and company responses.
 - (III) Expected improvements for 2025:
 - 1. Establish a Nomination Committee and disclose its composition, responsibilities, and operations.
 - 2. Upload the annual financial report disclosed in English at least 18 days prior to the shareholders' meeting.
 - 3. Formulate a Personal Data Protection Policy and disclose its contents and implementation status.
 - 4. The company is advancing the compilation of the sustainability report, expected to be announced on the Market Observation Post System and the company's official website by 2025.
 - (IV) All directors had completed the required training hours stipulated in "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies" in 2024. For more information, please see (7) Other information material to the understanding of corporate governance within the Company.
 - (V) The Board meetings convened by the Company are scheduled in advance during the fourth quarter of each year for the following year. If a director is unable to attend due to unforeseen circumstances, prior communication and discussion on the meeting agenda will still be conducted, and a proxy form will be submitted to express their opinions. In the event of a rescheduling, efforts are made to select a time that allows all directors to attend either in person or via video conference, in order to maximize the attendance rate of all Board members.

(IV) Composition, responsibilities and operation of the Remuneration Committee:

1. Information about members of the Remuneration Committee

The Company's Remuneration Committee is composed of independent directors. Member information is as follows:

Position	Qualifications Name	Professional qualifications and experience	Independence analysis	Number of other public companies in which they served as members of the remuneration committee	Remarks
Independent director	Wen-Chao Wang	Please refer to page 5 for information on directors' professional qualifications and the independence of independent directors.	Please refer to page 5 for information on directors' professional qualifications and the independence of independent directors.	0	Convener
Independent director	Tung-Hsiung Hung			2	
Independent director	Yin-Fei Liu			1	
Independent director	Tseng-Nan Chou			2	

2. Duties of the Remuneration Committee

The primary duties of the Remuneration Committee are to exercise the care of a good administrator and faithfully perform the following responsibilities. The recommendations made by the Committee shall be submitted to the Board of Directors for discussion:

- (1) Establish and periodically review the Remuneration Committee Charter and propose amendments.
- (2) Establish and periodically review the policies, systems, standards, and structure for performance evaluation and remuneration of directors and managerial officers.
- (3) Regularly assess the achievement of performance objectives by directors and managerial officers, and determine the content and amount of their individual remuneration.

3. Information about the operation of the Remuneration Committee

- (1) The Remuneration Committee of the Company had 4 members, all of whom were held by the Independent Directors
- (2) Current Committee Term: The Company elected a new Board of Directors at the shareholders' meeting on June 22, 2022. The term of the fifth Remuneration Committee is from June 22, 2022, to June 21, 2025. In the most recent year (2024), the Remuneration Committee held a total of 2 meetings (A). The attendance of committee members is as follows:

Position	Name	The number of actual attendances (B)	Number of attendances by proxy (A)	Actual attendance rate (%) (B/A) (Note)	Remarks
Convener	Wen-Chao Wang	2	0	100%	Convener
Committee member	Tung-Hsiung Hung	2	0	100%	
Committee member	Yin-Fei Liu	2	0	100%	
Committee member	Tseng-Nan Chou	2	0	100%	

Other items which should be recorded:

- I. If the Board of Directors did not adopt or amended the recommendations of the Remuneration Committee, it should state the date and session of the meeting of the Board of Directors, contents of proposals, resolution results and the Company's treatment on the opinions of the Remuneration Committee (if the remuneration adopted by the Board of Directors was better than the one recommended by the Remuneration Committee, it should state the difference and reasons): no such situation.
- II. If the members of the Remuneration Committee had objections or reservations and had records or written statements, they should state the date and session of the meeting of the Remuneration Committee, contents of proposals, opinions of all the members and treatment on the opinions of members: no such situation.

Note: (1) If a member of the Remuneration Committee left before the end of a year, the date of his resignation should be indicated in the remark column. The actual attendance rate (%) was calculated based on the number of meetings of the Remuneration Committee and his actual attendances during his tenure.

- (2) Before the end of the year, if any member of the Remuneration Committee was re-elected, the new and former members of the Remuneration Committee should be filled in, and the information that the member was formerly elected, newly elected or continuously elected and the re-election date should be indicated in the remark column. The actual attendance

rate (%) was calculated based on the number of meetings of the Remuneration Committee and their actual attendances during their tenure.

(3) Regular review of salary and remuneration

The function of the Remuneration Committee of the Company was to assess the salary and remuneration policies and systems for the Directors and Managers of the Company in a professional and objective position. It met at least twice a year and may hold meetings at any time as necessary to make recommendations to the Board of Directors for reference upon its decision-making.

A. Functions and powers of the Remuneration Committee of the Company

- (a) To regularly review the remuneration measures of the Company and make suggestions for amendment.
- (b) To formulate and regularly review the policies, systems, standards and structure of the performance and salary and remuneration of the Directors and Managers of the Company.
- (c) To regularly evaluate the salary and remuneration of Directors and Managers of the Company.

B. When the Remuneration Committee performed its functions and powers, it should follow the following standards:

- (a) The remuneration management should conform to the remuneration concept of the Company.
- (b) The performance assessment on and salary and remuneration of the Directors and Managers should refer to the general level of payment in the industry, and consider the rationality of the connection between personal performance and the Company's operating performance and future risks.
- (c) The Directors and Managers should not be guided to be engaged in any acts beyond the risk appetite of the Company in pursuit of remuneration.
- (d) The proportion of dividends paid to the Directors and senior Managers for short-term performance and the payment time of some changeable remuneration should be decided by considering the characteristics of the industry and the nature of the Company's business.
- (e) The members of the Remuneration Committee should not participate in the discussion and voting on their personal remuneration decisions.

(4) The date and session of the meeting of the Remuneration Committee, contents of proposals, resolution results and the Company's treatment on the opinions of the Remuneration Committee in the most recent year:

Remuneration Committee	Contents of Proposals and Subsequent Treatment	Resolution results	The Company's treatment on the opinions of the Remuneration Committee
The 6th meeting of the fifth term February 29, 2024	<ol style="list-style-type: none"> 2023 achievement and assessment results of performance objectives of the Directors. The company's employee compensation and director remuneration approval for the fiscal year 2023. 	All the members of the Remuneration Committee agreed to adopt	Submitted to the Board of Directors and adopted by all the Directors present
The 7th meeting of the fifth term (2024.12.26)	<ol style="list-style-type: none"> Submission of the Company's managerial officers' appraisal and bonus for 2024. Issuance of restricted stock awards (RSAs) and approval of the list of managerial personnel allocated shares and the number of shares granted. The Company's plan to implement an employee stock ownership trust plan starting in 2025, including managerial participation in the trust. 	All the members of the Remuneration Committee agreed to adopt	Submitted to the Board of Directors and adopted by all the Directors present

Other items which should be recorded:

- If the Board of Directors did not adopt or amended the recommendations of the Remuneration Committee: None.
- If the members had objections or reservations on the resolutions of the Remuneration Committee and had records or written statements: None.
- The Company adjusted the employees' salary every year with reference to the market salary level and economic trend, and according to the Company's operating performance and

personal performance. In the past, the salary adjustment range was higher than the increase of market salary in order to narrow the gap between the market salary and the benchmark salary of the Company. However, the current gap had been narrowed. Therefore, the annual salary adjustment range was recommended to be set at the increase of market salary, and the changeable bonus was provided as a tool for incentive reward; in addition, when the employees were promoted, their salary would also be immediately adjusted to encourage and retain outstanding talents.

(V) Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons:

Item	Implementation status (Note 1)			Deviation and causes of deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary (Note 2)	
I. Has the Company implemented a governance framework that supports sustainable development, and designated a unit that specializes (or is involved) in the promotion of sustainable development? Is the unit empowered by the board of directors and run by senior management, and how does the board supervise progress?	V		<p>The Company has established the "Sustainable Development Task Force" as part of the governance structure for sustainable development (the President will serve as the chief convener, and the VPs of relevant departments are responsible for each task force) for overseeing sustainable development within the organization. In addition to the proposal and execution of policies, systems, management guidelines, and plans relating to sustainable development, the task force is also responsible for the ongoing review of sustainable development practices and compliance, as well as promoting awareness within the organization. Any major violation or concern for material harm to the Company will be reported to the independent directors in writing immediately upon discovery, and brought to attention during regular Audit Committee and Board of Directors' meetings.</p> <p>(I) The Company has assembled 4 teams to support sustainable development; responsibilities and operation of each team are explained below:</p> <ol style="list-style-type: none"> 1. <u>Operational Management Team</u>: Business/financial risk and performance, corporate governance/internal audit and control, stakeholder communication, and compliance/ethics and integrity. 2. <u>Social Care Team</u>: Community feedback/charity, workers' rights/workplace care, employee salary/benefits, and employee training/talent development and management. 3. <u>Environmental Sustainability Team</u>: Energy efficiency/climate change, energy and carbon reduction/gas management, greenhouse gas/industrial waste management, occupational safety and health/environmental risk management. 4. <u>Green Product Team</u>: Product planning/product quality, promotion of green product/R&D and technological innovation, green production/reducing pollution from manufacturing, procurement, and supply chain management. <p>(II) Since 2017, the Company has reported to the Board of Directors at least once a year. The Board reviews the progress of the strategy and urges the management team to make adjustments as needed. The reporting status for the past three years is as follows.</p> <ol style="list-style-type: none"> 1. Sustainable development report made to the Board of Directors on December 22, 2022 2. Sustainable development report made to the Board of Directors on November 10, 2023 and December 21, 2023 3. Sustainable development report made to the Board of Directors on November 1, 2024 	No material deviation is found

II. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 3)	V		<div><div>(I) On May 12, 2020, during the 8th meeting of the 7th Board of Directors, the Company approved the “Risk Management Policy” and “Risk Management Procedures,” which include conducting risk assessments of key issues in accordance with the materiality principle of sustainable development.</div><div>(II) Based on the Company's activities, products, services, and their associated impacts, the Company evaluates the boundary of material issues along the value chain. It also considers the concepts of dynamic materiality and double materiality, analyzing material issues from multiple dimensions, including the impact on economic, environmental, and social aspects from internal and external stakeholders, as well as the internal operational impact. In 2024, the Company identified 18 key sustainability topics across various aspects of sustainable development. These assessments are integrated with the Company's risk management process, including risk identification, potential risk analysis, risk level evaluation, and mitigation and response measures. The execution and results of the risk management process are reported to the Board of Directors once a year.</div><div>(III) The Company has established a “Sustainable Development Best Practice Principles” and discloses related activities on its official website.</div></div>	No material deviation is found						
III. Environmental issues <div>(I) Has the company developed an appropriate environmental management system, given its distinctive characteristics?</div>	V		<div><div>(I) All major plant sites of the Company have been certified for ISO 14001 - Environmental Management System, and implemented environmental management systems, policies, and standards to enforce control and ensure compliance with respect to pollution sources and production process, and thereby minimize environmental impact across all types of pollutants. The Company has a specialized unit in place to educate and train new recruits as well as existing employees. By raising employees' awareness, the Company is able to enforce its environmental, safety, and health policies and goals. The Company’s certification for ISO 14001 Environmental Management System</div><table><tr><td>Edison Opto (Taipei Plant) ISO 14001:2015 Validity: September 19, 2023, to May 16, 2026 Date of certification: July 22, 2008 Certificate number: TW23/00000186</td><td>Edison Opto (Dong Guan) ISO 14001:2015 Validity: April 27, 2023, to April 26, 2026 Date of certification: April 26, 2011 Certificate number: CN11/30485</td></tr><tr><td>Yangzhou Edison ISO 14001:2015 Validity: September 29, 2022, to September 28, 2025 Start Date: September 29, 2010 Certification Number: CN10/20958</td><td>Edison-Litek Opto Taipei Plant ISO 14001:2015 Validity: March 22, 2023, to March 22, 2026 Start Date: March 22, 2023 Certificate number: TW23/00000186</td></tr><tr><td>Yangzhou Edison-Litek Opto ISO 14001:2015 Validity: September 13, 2024, to September 12, 2027 Date of certification: September 13, 2015 Certificate number: CN15/21239</td><td></td></tr></table></div>	Edison Opto (Taipei Plant) ISO 14001:2015 Validity: September 19, 2023, to May 16, 2026 Date of certification: July 22, 2008 Certificate number: TW23/00000186	Edison Opto (Dong Guan) ISO 14001:2015 Validity: April 27, 2023, to April 26, 2026 Date of certification: April 26, 2011 Certificate number: CN11/30485	Yangzhou Edison ISO 14001:2015 Validity: September 29, 2022, to September 28, 2025 Start Date: September 29, 2010 Certification Number: CN10/20958	Edison-Litek Opto Taipei Plant ISO 14001:2015 Validity: March 22, 2023, to March 22, 2026 Start Date: March 22, 2023 Certificate number: TW23/00000186	Yangzhou Edison-Litek Opto ISO 14001:2015 Validity: September 13, 2024, to September 12, 2027 Date of certification: September 13, 2015 Certificate number: CN15/21239		No material deviation is found
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<div>(II) Is the Company committed to making efficient use of energy, and using renewable materials that produce less impact on the environment?</div>	V		<div><div>(II) The Company is committed to increasing energy efficiency. Some of the actions taken include: 1. Introducing LED solutions in line with EU Eco-Design Directives for Energy-related Products (ErP; formerly EuP). 2. Introducing LED solutions in line with U.S. CEC Title 20 and CEC Title 24. 3. Introducing LED solutions in line with Taiwan's environmental protection/energy efficiency labels. 4. The Company commits significant resources to increasing energy conversion efficiency, and continually develops advanced power converters that offer high conversion efficiency.</div><div>The Company uses resources in ways that have the least impact on the environment, including: 1. Recycling and reuse of packaging materials. 2. Recycling of used paper; printing of drafts and internal documents on used paper; and double-sided printing or multi-page shrink-printing for promotional documents and reports. 3. Total ban on the use of disposable/plastic utensils. The Company orders custom-made utensil sets made with Grade 304 stainless steel and gives them to employees as an encouragement for taking actions toward reducing energy, carbon, and pollution. 4. Implementation of an online, digital signature system to reduce the use of paper and promote a paperless office environment. 5. Implementation of active room temperature control and changing lighting equipment to LED solutions in office and plant areas for energy conservation. 6. The Company engages professional environmental service providers to recycle and reuse general as well as industrial waste at all plant sites, in order to prevent secondary pollution and wastage of viable resources. 7. Signs are placed in office and plant areas to promote environmental protection awareness, and to serve as reminder of the importance of energy and carbon reduction.</div></div>	No material deviation is found						
<div>(III) Does the Company assess potential risks and opportunities associated with climate change, and undertake measures in response to climate issues?</div>	V		<div><div>(III) In May 2020, the Company passed its own "Risk Management Policy" to facilitate response to the impact of climate change on business operations. By recognizing extreme weather and climate change as "environmental risks," we not only address them as part of the risk management framework, but also make annual reports to the Board of Directors on the risk assessment factors involved, the effects they have on the organization, and the responses taken so that the Board is constantly informed on related issues. The Company last presented its report to the Board of Directors on climate-related risks and opportunities for the short, medium, and long term, as well as the effects they have on the Company's business model, strategy, and financial plan, on November 1, 2024.</div><div>Potential risks and opportunities of climate change on the Company's short, medium, and long-term operations, and response measures for climate-related issues:</div></div>	No material deviation is found						

			Risk category	Climate change issue of concern	Potential risks (short/medium/long term)		Impact on business operations	Opportunities identified	Response measures	
					Short-term	Medium/long-term				
			Transition Risks	The impact of voluntary regulations (SBTi)	Voluntary regulations (SBTi commitment), market information uncertainty	(1) Interim: Enhanced emission reporting obligations; Enhanced emission reporting obligations; Cost of transition to a low-carbon economy: Changes in customer behavior; Increased concerns and negative feedback from stakeholders; Product and service requirements and supervision (2) Long-term: Increase in the price of greenhouse gas emissions (capital control/carbon tax/energy tax, etc.)	To address risks associated with legal compliance and shifts in green standards, the company has begun to align with international regulations, aiming to adhere to international standards progressively and fulfill commitments to reduce the cost risks associated with renewable energy.	1. Use of low-emission energy sources and equipment. 2. Expand the development of low-carbon products and services	1. The company has initiated efforts to understand and respond to relevant international norms, from voluntary standards (SBTi commitments, where SBTi stands for Science Based Targets initiative) to increasing costs of greenhouse gas emissions (cap-and-trade, carbon taxes, energy taxes, etc.), monitoring regulatory changes and responding accordingly. The company estimates the costs arising from these adaptations and regularly reports the findings to the Board of Directors. 2. In terms of green product design, the company is actively engaged in research and development, aiming for high energy conversion rates and a low-carbon product mix to help customers reduce costs and improve efficiency.	
			Environmental risks	The impact of extreme climate events on production and operations.	1. Power tripping of the chiller mainframe in the plant and damage to related facilities and water towers caused by typhoons, rainstorms, and strong winds 2. Floods disrupt suppliers' production, traffic, and sales activities	1. Increased frequency of extreme weather events 2. Climate change poses risk to supply and shipment	1. Emergency response measures for power outage and equipment damage have been implemented and are rehearsed, whereas equipment is routinely maintained and serviced 2. The Company has identified 2-3 alternative suppliers for each material and diversified sources of supply to minimize impact. Arrangements such as split shipment have been implemented	Replacement of outdated machinery entitles incentives and energy-saving subsidies from the local government	1. The Company makes rolling adjustments and reviews response measures to strengthen its resilience against force majeure events. Actions such as replacement of outdated machinery, advance inventory purchase, capacity re-allocation etc. have been adopted. 2. Each factory regularly organizes disaster prevention education and training, and establishes emergency response teams and disaster recovery plans to ensure sustainable business operations when operations are interrupted by disasters. 3. The company insures its assets to mitigate potential losses caused by extreme weather conditions, utilizing insurance to transfer risk and compensate for damages. In 2023, the Yangzhou plant experienced an incident of heavy rain and strong wind. Thanks to routine emergency response measures, the plant equipment suffered minor damage (approximately RMB 80,000), which was partially compensated by the insurance company.	

								4. A supply chain backup system has been established.	
			Carbon reduction Emissions management Water management:	<p>1. The energy control policies implemented in China in an attempt to suppress carbon emission have led to a halt in production activities, or caused suppliers to suspend supply</p> <p>2. Excessive power consumption and management of outdated equipment</p> <p>3. The production process uses organic solvents such as acetone and isopropyl alcohol for cleaning purpose, which may give rise to volatile organic compounds (VOCs) and require adequate monitoring and control</p>	<p>1. Increased risk of investing in high-carbon assets</p> <p>2. Increased cost of greenhouse gas emissions</p> <p>3. The Company acknowledges the ongoing climate change and recognizes consistent water supply as a common goal in countries around the world</p>	<p>1. Energy control policies in China impact related supply and shipment activities</p> <p>2. GHG reduction Since 2020, the company has been monitoring and inventorying greenhouse gases, with 2023 as the baseline year. The goal is to reduce carbon dioxide emission intensity by 2% by 2025 compared to 2023.</p> <p>3. The Company is required to pay a VOC surcharge on quarterly emissions that exceed the threshold (1 MT); emissions are currently under sound control.</p> <p>4. Water Management: In response to sustainable development planning and global water scarcity issues, the company aims to reduce water consumption intensity by 1.5% by 2025, using 2023 as the baseline year.</p>	Replacement of air compressors and energy-intensive machinery presents opportunities for technological upgrade, local subsidy, energy conservation, cost-saving benefits, and production efficiency improvements	<p>1. Green energy and green procurement solutions have been adopted to support the Company's goal of becoming a low-carbon business.</p> <p>2. The new factory and office complex of the Taiwan headquarters is a silver-grade earthquake-resistant green building equipped with total heat exchanger and CO2 outdoor air control; furthermore, the basement has been designed to recover and store rainwater and condensed water for plant watering of the entire building. These design features help reduce water consumption and increase energy efficiency for a lower environmental impact.</p> <p>3. In response to the energy control policies in China, the Company has been conducting ongoing evaluations and replacing outdated machinery and air compressors to reduce power consumption, cost, and carbon emissions and improve production efficiency.</p>	
			Low-carbon products and services	<p>Countries around the world are actively reducing greenhouse gas emission, exploring low-carbon products and applications, and supporting new product development and diversification in response to the Paris Agreement</p>	<p>1. Considering how the US and European countries are phasing out the sale of fossil fuel vehicles by 2030, the cost of transitioning to low-carbon technology has increased substantially.</p> <p>2. Introduction of carbon tax (such as on high-carbon imports)</p>	Increased costs and expenses	<p>1. In response to ESG-related regulations and the promotion of net zero emissions, all walks of life have gradually replaced LED low-carbon, energy-saving, and smart products, which may bring a lot of business opportunities</p> <p>2. Increased support for low-carbon and environmentally-friendly industries such as electric vehicles, bicycles, and road lamps, in which the Company has accumulated extensive experience through previous project involvements and by supplying energy-saving products to customers.</p> <p>3. The Company joined the MIH alliance in 2021</p> <p>4. LEDs are considered a green product for their energy efficiency and low carbon emissions, and they are used</p>	<p>Externally, we will actively promote e-services and develop low-carbon products. In 2024, many of the Company's products have passed the Energy Conservation Label and the CNS Certification to provide customers with more high-quality green products.</p>	

								for power efficient lighting, electric vehicles, and medical applications at an increasing rate.																														
			Acquisition of renewable energy (green energy equipment)	1. Saving of power expense 2. Stabilized power source	1. Net-zero transformation in alignment with the nation's "2050 Net Zero Emissions" policy	Edison and its subsidiary Litek Opto: Investments in the purchase and replacement of green energy equipment	Reduce electricity bills and carbon emissions	1. In 2024, Edison Opto replaced the chilled water system equipment on the 8th and 10th floors of the Zhonghe plant. 2. The total expenditure for the chilled water system equipment amounted to NT\$2,026,500 (including tax). It is estimated that the upgrade will save approximately NT\$279,000 in electricity costs for the year 2024 and reduce greenhouse gas emissions by an estimated 45.62 metric tons of CO ₂ e per year.	Acquisition of renewable energy (green energy equipment)																													
						Subsidiary Yangzhou Edison: Rooftop distributed photovoltaic power generation equipment in China's plants, with a long contract period (20 years), with high variables	Construction of solar power generation equipment can be used to power our own plants. Excess power can be sold to power plants	Edison's subsidiary Yangzhou Edison is working with local manufacturers to build rooftop solar powered power generation equipment in 2023, with an estimated electricity cost saving of approximately NT\$1.5 million (approximately RMB 336,000) in 2024.																														
(IV) Does the Company maintain statistics on greenhouse gas emission, water usage, and total waste volume in the last two years, and implement policies aimed at reducing greenhouse gas, water, and waste?	V		(IV) The company, in its commitment to fulfilling corporate social responsibility, continues to promote greenhouse gas reduction policies and has established waste management practices, encouraging resource recycling to achieve the goal of reducing environmental pollution. The Company conducts annual greenhouse gas monitoring and survey, and engages Yu Da Technical Consultant Co., Ltd. to perform random tests on a regular basis. 1. <u>Greenhouse Gas Inventory:</u> In response to the increasingly severe problem of climate change and global warming, the company has been monitoring and inventorying greenhouse gases since 2014. The target vs. actual emission results for the past three years are as follows: <div>Unit: metric tons CO₂e; %</div> <table><tr><th>Item</th><th>Year</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td rowspan="3">Greenhouse gas - total emissions</td><td>Scope 1</td><td>44</td><td>151</td><td>164</td></tr><tr><td>Scope 2</td><td>11,401</td><td>1,515</td><td>1,652</td></tr><tr><td>Subtotal</td><td>1,445</td><td>1,666</td><td>1,816</td></tr><tr><td colspan="2">Carbon emission intensity (metric tons CO₂e per NT\$1 million in revenue)</td><td>*Not applicable</td><td>1.2203</td><td>1.0376</td></tr><tr><td colspan="2">Percentage change in carbon emission intensity (%)</td><td>*Not applicable</td><td>Base year</td><td>-14.97%</td></tr></table>							Item	Year	2022	2023	2024	Greenhouse gas - total emissions	Scope 1	44	151	164	Scope 2	11,401	1,515	1,652	Subtotal	1,445	1,666	1,816	Carbon emission intensity (metric tons CO ₂ e per NT\$1 million in revenue)		*Not applicable	1.2203	1.0376	Percentage change in carbon emission intensity (%)		*Not applicable	Base year	-14.97%	No material deviation is found
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			Greenhouse gas - total emissions	Scope 3 (Note 3)	*Not applicable	1,093	2,108																																								
<p>Note 1: Scope of data coverage: All facilities of Edison Opto (Taipei) as an individual company and all facilities of the consolidated subsidiary Edison-Litek Opto (Taipei).</p> <p>Note 2: Data for all three years was internally inventoried by the Company. In 2023, the Company began ISO 14064-1 guidance and designated this year as the base year; therefore, the figures are more accurate compared to the previous year. In 2022, the "direct fugitive emissions" under Scope 1 were not included in the calculation; thus, the carbon emissions per unit of product and the carbon emission intensity for 2022 are temporarily not applicable.</p> <p>Note 3: Scope 3 mainly includes CO₂ emissions from employee business travel, raw material transportation, product transportation, purchased products (electricity, natural gas, water), and waste treatment. It does not yet include CO₂ emissions from raw materials provided by suppliers.</p> <p>(1) Quantitative greenhouse gas reduction target: By 2025, the combined carbon emission intensity (electricity consumption per NT\$1 million output value) of Scope 1 and Scope 2 is targeted to decrease by 2% compared to 2023 (base year).</p> <p>(2) Measures for accomplishing goals: Greenhouse gas reduction: Energy-saving measures are being implemented on three main aspects: air conditioning, electrical lighting, and others. Energy-intensive equipment is being inspected on a regular basis and replaced when appropriate.</p> <p>(3) Current progress: CO₂ emission intensity in 2024 had reduced by 14.97% compared to 2023 (the base year).</p> <p>2. Total <u>weight of water used</u>:</p> <p style="text-align: right;">Unit: Cubic meters</p> <table><tr><th>Item</th><th>Year</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>Water usage</td><td></td><td>11,365</td><td>12,277</td><td>12,820</td></tr><tr><td>Water Consumption Intensity (Cubic meters per million NTD of revenue)</td><td></td><td>*Not applicable</td><td>8.9556</td><td>7.3252</td></tr><tr><td>Percentage change in water consumption intensity (%) (with 2023 as the base year)</td><td></td><td>*Not applicable</td><td>Base year</td><td>-18.20%</td></tr></table> <p>Note 1: Scope of data coverage: All facilities of Edison Opto (Taipei) as an individual company and all facilities of the consolidated subsidiary Edison-Litek Opto (Taipei).</p> <p>Note 2: In 2023, due to the initiation of ISO14064-1 guidance and its designation as the base year, the figures are more accurate than in previous years; The water consumption intensity for 2022, which were internally inventoried, is not applicable</p> <p>(1) Quantitative water management target: In response to global climate change, water supply stability has become an issue faced by countries around the world. In order to fulfill social responsibilities and in response to the global water resources shortage issue, the Company has set 2023 as the base year and (Water consumption/million production value) decreased by 1.5% by 2025.</p> <p>(2) Measures for accomplishing goals: Water conservation measures such as the use of sensor faucets, reduction of water dispense volume, etc. have been implemented to save water.</p> <p>(3) Current progress: Using 2023 as the base year, water consumption intensity in 2024 decreased by 18.20%.</p> <p>3. Total <u>weight of waste</u>:</p> <p style="text-align: right;">Unit: Metric tons</p> <table><tr><th>Item</th><th>Year</th><th>2022</th><th>2023</th><th>2024</th></tr><tr><td>General industrial waste</td><td></td><td>11.52</td><td>13.69</td><td>21.43</td></tr><tr><td>Hazardous industrial waste</td><td></td><td>2.59</td><td>2.19</td><td>9.21</td></tr><tr><td>Total weight</td><td></td><td>14.11</td><td>15.88</td><td>30.64</td></tr></table> <p>Note 1: Scope of data coverage: All facilities of Edison Opto (Taipei) as an individual company and all facilities of the consolidated subsidiary Edison-Litek Opto (Taipei).</p> <p>The Company continues to promote waste sorting and reduction, as well as strengthen waste recycling and reuse, in order to reduce waste generation. Through recycling and reuse, the Company aims to minimize waste and support the sustainable development of its operations.</p>								Item	Year	2022	2023	2024	Water usage		11,365	12,277	12,820	Water Consumption Intensity (Cubic meters per million NTD of revenue)		*Not applicable	8.9556	7.3252	Percentage change in water consumption intensity (%) (with 2023 as the base year)		*Not applicable	Base year	-18.20%	Item	Year	2022	2023	2024	General industrial waste		11.52	13.69	21.43	Hazardous industrial waste		2.59	2.19	9.21	Total weight		14.11	15.88	30.64
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IV. Social issues (I) Has the Company developed its policies and procedures in accordance with laws and International Bill of Human Rights?	V	(I)	<p>The Company respects and supports globally recognized human rights standards including the "Universal Declaration of Human Rights," "UN Global Compact," and "International Labour Organization Conventions," and prohibits any action that violates human rights. All individuals within and outside the organization are treated fairly with dignity. Our human rights policy encompasses the following commitments:</p> <ol style="list-style-type: none"> 1. Recruitment policy: Edison Opto does not use child labor, forced labor, bonded labor, or involuntary labor. Furthermore, the Company enforces diversity and openness of the workplace and offers equal work opportunities without discrimination whether in terms of ethnicity, skin color, age, gender, sexual orientation, illness, disability, nationality, pregnancy, religion, political background, family profile, marital status, or other differences prohibited by laws. 2. Respect for human rights at the workplace: The Company complies with the requirements of local regulations, such as the Labor Standards Act and Act of Gender Equality in Employment, to eliminate all forms of forced labor, employment discrimination, and harassment. The Company respects privacy and is committed to creating a fair, dignified, safe, and equal work environment that is free of discrimination and harassment. 3. Reasonable work hours: Work hours are set according to local regulations, and rules on work time and overtime have been clearly outlined. 4. Healthy Workplace: Assist employees in maintaining physical and mental health and work-life balance, regularly organize health care lectures, and provide health examinations and employee care activities. 5. Labor-management communication: Opinion boxes have been made available and labor-management meetings are being held regularly to facilitate communication, so that issues can be resolved for the benefit of both sides. 6. Training: Provides advocacy and professional technical courses related to human rights protection, deepening colleagues' understanding of human rights. One training course was completed in 2024 with a total of 244 participants. 	No material deviation is found
(II) Has the Company developed and implemented reasonable employee welfare measures (including compensation, leave of absence and other benefits), and appropriately reflected business performance or outcome in employees' compensations?	V	(II)	<p>It has been clearly stated in the Company's compensation policy that employees' compensation includes a performance bonus that is calculated based on attainment of performance targets on the organization level. Furthermore, to ensure that business results are shared with employees, it has been stated in the Articles of Incorporation that net profits reported in any given year are subject to employee remuneration of 5%-15%, which the board of directors may resolve to distribute in shares or in cash. Employees of subsidiaries who meet certain criteria are also entitled to receive remuneration.</p> <p>The Company has established work rules, attendance policy, and personnel management policy in accordance with Labor Standards Act, and implemented reasonable compensation policy and performance evaluation system that includes the use of performance interview. The outcome of which is taken into account to support decisions such as promotion and remuneration.</p> <p>The Company has implemented its own retirement policy in accordance with the "Labor Standards Act" and "Labor Pension Act" to accommodate employees' life after retirement. A Labor Pension Fund Supervisory Committee has also been assembled to oversee management of the pension fund, as well as execution of pension contributions and benefits.</p> <ol style="list-style-type: none"> 1. Employees who adopt the pension rules of the Labor Standards Act shall have years of service compensated using the following standards: two basis points are awarded for every year of service rendered. However, one basis point is awarded for every full year of service rendered beyond 15 years, subject to a maximum of 45 basis points. Service less than six months is counted as one half year, whereas service more than six months is counted as one full year. 2. For employees who opted to continue adopting the pension rules of the "Labor Standards Act" after the Labor Pension Act came into effect and those who opted to carry forward years of service from before enactment of the Labor Pension Act, pension benefits are paid according to the rules outlined in the preceding subparagraph. 3. Employees who opted for the pension rules of the Labor Standards Act and are forced to retire under Article 35, Paragraph 1, Subparagraph 2, shall be given 20% additional pay if their mental or physical disability was caused while performing job duties. 4. For employees who are subject to the pension rules of the Labor Pension Act, the Company makes contributions equal to 6% of their monthly salary into their personal pension accounts. Benefit claims are subject to the rules imposed by the authority. <p>An Employee Welfare Committee has been assembled to promote labor-management relations, unite employees, and cater for employees' benefits. The committee is responsible for the planning and execution of welfare programs, as well as the planning and payment of annual employee benefits. The Company offers the following benefits to employees:</p> <ol style="list-style-type: none"> 1. Occasion-based benefit: includes birthday cash, Labor Day cash, Duanwu Festival cash, Mid-autumn Festival cash, new year cash, year-end banquet and lottery. 2. Long service reward: employees are given long service rewards upon accumulating 5 years or 10 years of service as a gratitude for their dedication. 3. Allowances and subsidies: employees are entitled to a comprehensive range of subsidies from wedding, funeral, child birth, hospitalization, on-job training, children's education, dormitory to car parking lot. 4. Work-life balance: the Company values employees' family relations, and organizes activities that employees may engage with family members, such as domestic/overseas group trip, barbecue in forest, mountain cleanup hike, karaoke competition, table tennis tournament, Wii tournament etc. These activities not only relieve employees' stress from work, but also promote stronger unity towards the Company. 	No material deviation is found

(III) Does the Company provide employees with a safe and healthy work environment? Are employees trained regularly on safety and health issues?	V		<p>(III) The Company provides employees with a safe and healthy work environment according to rules, and has made the following arrangements:</p> <ol style="list-style-type: none"> 1. Group omnibus insurance: Each employee is covered by Labor Insurance and National Health Insurance from the day onboard as required by laws. In addition, the Company offers a group omnibus insurance package covering term life, accident, accident treatment, cancer treatment, and critical illness with 100% subsidized premiums to provide employees with more comprehensive protection. 2. Employee health checkup: The Company complies with Regulations Governing Worker Health Protection by subjecting employees to regular health checkups and follow-ups. Physicians are invited to provide consultation and interpret reports one-to-one on-site the work premise. 3. On-site services provided by contracted medical personnel The Company has contracted medical personnel to take care of health management, occupational disease prevention and other labor health protection matters; 4. Exclusive nursery room: Nursery rooms have been established exclusively for postpartum employees, thereby making the workplace friendly to child bearers. 5. Smoke-free workplace: The Company supports the government's smoke-free workplace policy and organizes a series of smoking cessation seminars, competitions, and incentives. 6. Premise security: All plant sites are protected with surveillance, access control, and security guards 24 hours a day, including night time and holidays. 7. Servicing and cleaning of air conditioners: Service providers have been contracted to clean and service air conditioners on all floors of plant premise each year. Doing so not only increases energy efficiency of the central air conditioning system, but also reduces build-up of dust and fungus inside ventilation ducts to improve office air quality and prevent harm to employees' health. 8. Testing of drinking water: Service providers have been contracted to replace filter and service water fountains on a quarterly basis. E. coli count and total bacteria count are tested regularly to ensure that water quality conforms with legal standards. Test results are posted beside each water fountain for employees' reference. 9. Key safety and health management tasks: <ol style="list-style-type: none"> (1) The Company has designated "Safety and Health Officer/First-aid Officer/Fire Safety Officer/Organic Solvent Operations Officer" inside plant premises according to the Occupational Safety and Health Act. (2) All employees exposed to chemical substance are required to undergo training in order to develop proper knowledge on the use of chemical substance. (3) All plant premises are equipped with emergency eye wash stations that workers may use of wash off incidental contact of alcohol/acetone in the eye or face. (4) All plants are equipped with robust fire safety systems and equipment that are inspected and reported regularly in accordance with the Fire Services Act. Fire safety training and emergency response drills are carried out every six months at all plant premises. (5) All plants are required to conduct 5S environment inspections on a weekly basis, and exercise proper supervision and improvement of environment safety. (6) All plants are required to conduct regular inspections and tests on wiring and power usage to ensure electrical safety and prevent hazard. (7) All plants are required to conduct their own inspections and maintenance over machinery and equipment, and do so in daily, weekly, monthly, or yearly cycles as deemed appropriate to ensure the safety of machinery and equipment. 10. Occupational safety and health progress: <ol style="list-style-type: none"> (1) Worker environment monitoring: Work environment tests are conducted twice a year to gather information on workers' environmental exposure, and thereby protect them from hazardous substances, giving them a healthy and comfortable environment to work in. (2) Equipment safety management: The Company classifies its machinery and equipment, and tightens management over hazardous machinery and equipment. (3) Safety and health training and promotion: All new and transferring workers are required to undergo 3 hours of general safety and health training before commencing duty. (4) Occupational safety performance over the past three years – employee disabling injury statistics: 2022 (0 fatal accidents, 0 disabling accidents within the facility); 2023 (0 fatal accidents, 1 disabling accident within the facility); 2024 (0 fatal accidents, 0 disabling accidents within the facility). 11. All plant areas of the group pay attention to fire safety, with fire protection facilities established as required and annual drills conducted. Fire insurance is also purchased, and there were no fires or related casualties in 2024. 	No material deviation is found
(IV) Has the Company implemented an effective training program that helps employees develop skills over their career?	V		<p>(IV) The Company values employees' career development, and budgets and executes internal as well as external training programs on a yearly basis. Required skills and training courses have been outlined for each job role, so that line managers and employees themselves may take progressive steps toward improving practices or skills to ensure target accomplishment. The Company has well-defined plans in place to train and develop critical talents, and support their progression toward their desired positions. Besides promotion, the Company also offers job rotation and expatriate opportunities as viable career paths. Furthermore, the Company encourages employees to develop learning habits and build up professional knowledge in their free time, and offers on-job training incentives and subsidizes English language studies on a monthly basis.</p>	No material deviation is found

(V) Has the Company complied with laws and international standards with respect to customers' health, safety, and privacy, marketing and labeling in all products and services offered, and implemented consumer/customer protection policies and complaint procedures?	V		(V) The Company takes responsibility in the products offered and values marketing ethics. All research, development, procurement, production, operation, and service processes observe government regulations and international rules. The Company has established consumer protection policies and created a Stakeholders section on its website where visitors may access grievance channels and e-mail links. The Company is able to resolve consumers' complaints in relatively short time, and has "Customer Complaint Handling Procedures" in place to analyze causes of complaint and make improvements to prevent similar occurrence.	No material deviation is found
(VI) Has the Company implemented a supplier management policy that regulates suppliers' conducts with respect to environmental protection, occupational safety and health or work rights/human rights issues, and tracked suppliers' performance on a regular basis?	V		(VI) The Company has implemented "Supplier Management Procedures" and disclosed "Supplier Management Policy" on its website that outlines suppliers' compliance requirements with respect to environmental protection, occupational safety and health, and work rights/human rights issues. The procurement form is printed with the Company's environmental goals of "Resource Conservation, Compliance, Pollution Prevention, and Carbon Reduction," for which suppliers are constantly reminded to observe and take part in the creation of a green, environment-friendly, safe, healthy, and sustainable supply chain. All entities within the Group evaluate suppliers on a regular and irregular basis for the quality, timeliness, and scope of the services they deliver. Outcomes of the evaluation will determine how the relationship with each supplier is maintained. In 2024, the group conducted onsite, online, and document audits of 33 suppliers. Audit items included quality systems, design control, quality assurance, document control, supplier management, instrument calibration, hazardous substances, risk management, etc. Based on the actual audit findings, follow-up on improvement progress was made to jointly enhance quality and technology, refine processes, increase yield, and strengthen environmental, safety, and health performance, continuously implementing supplier management.	No material deviation is found
V. Does the Company prepare sustainability report or any report of non-financial information based on international reporting standards or guidelines? Are the abovementioned reports supported by assurance or opinion of a third-party certifier?		V	Starting in 2024, the Company began receiving guidance on the preparation of its Sustainability Report. The sustainability task force members from each group facility are currently in the process of collecting data for 2024. The Sustainability Report for 2024 is expected to be completed by August 31, 2025, and will be publicly disclosed on the Market Observation Post System (MOPS) and the Company's official website. As the verification body currently working with the Company lacks sufficient assurance capacity, the Company plans to engage a third-party verification body to perform assurance on the 2025 Sustainability Report.	As explained in the summary
VI. If the Company has established sustainability policies in accordance with "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe its current practices and any deviations from the Best Practice Principles: No material deviation is found.				
VII. Other information useful to the understanding of sustainable practice: All of the Company's business activities are carried out according to laws and in line with social responsibilities. The Company has been observant of laws and social responsibilities since the day it was founded. The following is an overview of the practices currently adopted to fulfill social responsibilities: (I) Business performance The Company has effective internal control system, independent directors, and Audit Committee in place to enforce corporate governance. In				

addition to leveraging independent directors' professional expertise and the management's practical experience, the Company has also implemented Board of Directors Conference Rules and Board of Directors Performance Evaluation Policy, and purchased liability insurance for directors and supervisors to enhance board functionality. For protection of shareholders' interest and information transparency, the Company has designated a spokesperson and an acting spokesperson to make timely disclosure of material information. Dedicated personnel have been assigned to handle communication with shareholders. Furthermore, as the Company transitions from selling components to selling customized modules and products based on customers' needs, more attention is being directed toward innovation, research, development, new applications, and core competitiveness. These are the areas where the Company will commit its sustainability efforts and pursue performance improvements to maximize values for shareholders.

(II) Environmental protection

1. As far as environmental protection is concerned, Edison Opto's high power LED is undoubtedly one of the most energy efficient and environment-friendly solutions in the lighting industry. Following the ban of energy-intensive light bulbs in many countries in 2010, LED lights have received immense support from governments around the world for their energy efficiency and environment friendliness. Edison Opto's high power LEDs are being sold in many parts of the world. The Company is dedicated to developing efficient and environment-friendly light sources and lighting equipment, and has been building up the technological capacity needed to assist customers in the design of environment-friendly lighting equipment. By making meaningful changes to people's lifestyle, the Company contributes to energy conservation and environmental protection as part of its social responsibilities. In addition, all office floor lighting in the Company has been fully upgraded to LED energy-saving panels, effectively achieving electricity savings and energy efficiency.
2. The Company actively promotes lead-less production and the creation of green supply chain. All LED products sold to the EU conform with RoHS and REACH requirements. The Company has long been observant of changes in environmental protection laws around the world, and constantly redesigns products to conform with global trends. By reducing use of hazardous substances, the Company contributes efforts to the cause.
3. The Company places great emphasis on product quality and has set goals to raise customers' satisfaction over time. The Company is dedicated to the development and promotion of LDMS; all products are made according to relevant procedures and policies, so that only the safest, most trusted, and best quality products are delivered to customers.
4. In line with the Company's environmental policy—"Conserve Resources, Comply with Regulations, Prevent Pollution, and Continuously Reduce Waste"—the Company continues to promote the initiative "Bring Your Own Eco-Friendly Utensils and Reduce the Use of Disposable Tableware." The Company has fully mandated that all partnered food service providers cease the provision of disposable tableware (disposable chopsticks and plastic spoons).
5. All of the Company's major global facilities have obtained ISO 14001 Environmental Management System certification, and follows government rules in the treatment and recycling of wastewater, waste, and resources. The Company will continue making refinements to its management system, and create a safer work environment for employees as part of its social responsibilities.
6. Recycling bins have been made available on each floor to recover different types of waste such as paper, aluminum can, PET bottle etc.
7. Dispense of toilet tissues and hand towels is being limited, and more intensive efforts are being taken to promote environmental protection, energy conservation, and forest preservation through paper reduction. Usage of paper has been reduced by more than 50%.

(III) Community engagement, social contribution, social service, and charity

Material Donation Initiative :

In July 2024, the Taipei plant held the event "Bringing Edison to the Neighborhood, Lighting Up the Future Together," assisting the Wulai Care Association in New Taipei City by replacing a total of 49 LED fixtures. This solved the issue of poor lighting and provided a more comfortable environment for children who come to the association after school for meals and homework.

Blood Donation Drive: Extending Love Through Action:

In May 2024, the Yangzhou plant organized a blood donation event, with a total of 10 enthusiastic participants from both Edison Opto Yangzhou and Edison-Litek Yangzhou, collectively donating 3,700cc of blood. This initiative actively contributed to society and spread warmth and care. In August 2024, the Taipei plant hosted another blood donation event in collaboration with the Taiwan Blood Services Foundation, inviting building tenants and nearby residents to participate. A total of 39 generous individuals took part in the event, collecting 9,750cc of precious blood.

(IV) Consumer interests

In addition to purchasing insurance coverage such as non-life insurance and freight insurance, the Company and subsidiaries also offer adequate warranty on products to satisfy customers' needs.

(V) Human rights protection

The Company has assembled an Employee Welfare Committee, implemented a Sexual Harassment Prevention, Reporting and Disciplinary Policy, and amended its work rules to include requirements of the Act of Gender Equality in Employment. Labor-management meetings and seminars are held regularly to promote awareness on prevention of sexual harassment and workplace violence. The Company has effective and appropriate grievance systems in place to reflect matters that violate workers' interests, and additional care is taken to ensure fairness and transparency of the grievance process while addressing employees' welfare, rights, and privacy.

(VI) Investment in energy saving and green energy related equipment

The Company's plants in Mainland China have set up project teams to evaluate ground-mounted solar power equipment (such as rooftop panels) to power the Company's facilities and occasionally sell excess electricity to local power companies.

(VII) Employee satisfaction survey

Implementation Status: The Company operates a total of five major facilities in Taiwan and Mainland China. To enhance communication with the stakeholder group "employees" and to better understand their satisfaction across six key dimensions—Company policies and objectives, work environment, employee benefits, training and development, job satisfaction, and leadership—the Company conducts regular employee satisfaction surveys. This initiative helps identify both the strengths of the Company's operations and areas that require further improvement and optimization. In 2024, the Company conducted employee satisfaction surveys across all major facilities. A total of 691 valid responses were collected, with a response rate of 89%. The overall satisfaction score was 77 out of 100, with "leadership" receiving the highest score, indicating that employees are generally satisfied with internal management and supervision.

Improvement Plan: Based on the survey results, the Company has assigned responsible departments to address areas with lower satisfaction, which have been included in the annual improvement plan. Among the dimensions, "employee benefits" received relatively lower satisfaction scores. The Company recognizes the need to continually adjust related support programs in response to external market conditions. Continued attention will be given to this issue to enhance and improve employee welfare.

(VIII) The Company has established a "Personal Data Protection Management Policy" and has consistently handled personal data with caution to protect individual privacy and maintain information security. In light of advances in the regulatory framework and growing awareness of information security, the Company's Board of Directors approved revisions to the policy on February 26, 2025. The revised policy provides clear definitions for the collection, processing, and use of personal data.

(IX) Workplace diversity policy

The company is dedicated to providing a workplace that respects the dignity and safety of its employees. It upholds the principles of diversity in employment and equity in compensation and advancement opportunities, ensuring no employee faces discrimination or unequal treatment due to race, gender, religion, age, political beliefs, or any other status protected under law.

The company embraces workforce diversity, including the hiring of individuals with disabilities, exceeding the requirements set by Taiwan's People with Disabilities Rights Protection Act (in 2024, the company was required to hire 2 individuals but voluntarily employed 4, with each severely disabled individual counted as two towards the quota). The company also respects the cultural traditions of its Indigenous employee,

ensuring their rights and cultural practices are honored, without any instances of rights or human rights violations.
Group employee nationality indicator:

Category	Percentage of total workforce	Percentage within management levels
Taiwan	28.10%	51%
China	68.60%	49%
Other countries	3.30%	-

Note: Includes statistics from all Edison Group's facilities in Taiwan and China.

Female Diversity Indicators:

Indicator	2023	2024	2030 target
Female share of total employees (%)	50%	51.5%	60%
Female share of all management (%)	37%	31.5%	40%
Female share of senior management (%)	25%	30.8%	30%

Note: Includes statistics from all Edison Group's facilities in Taiwan and China.

Other Diversity Indicators:

Category		Percentage of total workforce
Individuals with Disabilities		1.0%
All employees	By age group: < 30 years old	19.7%
	By age group: 30 - 50 years old	73.5%
	By age group: > 50 years old	6.9%
	Total	100%

Note: Includes statistics from all Edison Group's facilities in Taiwan and China.

(X) Support for local education

To support local education, increase students' practical work experience, and reduce the phenomenon of population migration, the Company actively cooperates with domestic universities and colleges to arrange students to receive practical work training. The following table summarizes the industrial-academic cooperation in 113.

Type	School	Number of persons	Period
Industrial-academic cooperation	Department of Chemistry, Tunghai University	1	March 1, 2024 - June 7, 2024

Note: All students who participated in the internship have signed a non-disclose agreement on trade secret

Note 1: If "Yes" is ticked in the "Implementation status" column, please concretely describe the major policies, strategies, and measures adopted and the status of their implementation. If "No" is ticked in the "Implementation status" column, please explain the deviations and the reasons and explain the Company's plans for adoption of related policies, strategies, and measures in the future.

Note 2: For companies that have prepared a Corporate Social Responsibility (CSR) report, the operational status may be disclosed by indicating how to access the CSR report and providing the corresponding index page numbers as a substitute.

Note 3: Materiality principle refers to environmental, social and corporate governance issues that are of material impact to the Company's investors and stakeholders.

Climate-Related Information of TWSE/TPEX Listed Company

Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	A Sustainable Development Task Force comprising the President and the management team has been assembled. The President serves as convener while the corporate governance officer serves as deputy convener of the task force, and their responsibilities are to determine the long-term goals and management strategies for climate change and execute related actions. The task force makes regular reports to the Board of Directors (at least

<p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</p>	<p>once a year).</p> <p>In accordance with TCFD, the Company carries out the identification and prioritization of climate-related risks and opportunities. Through the Sustainability Task Force's assessment of climate change risks and response measures, potential crises and possible opportunities are identified in order to set short-, medium-, and long-term goals (short-term: 1–3 years, medium-term: 3–5 years, long-term: 5–10 years), for example:</p> <p>(A) In the short term, due to the increased frequency of extreme weather events, protective measures and emergency drills have been implemented in accordance with the emergency response plan. Regular maintenance of equipment is carried out, and contingency measures have been established, including identifying 2–3 equivalent substitute materials and diversifying suppliers across different regions to reduce the impact on supply. Shipment scheduling and staggered deliveries are also arranged.</p> <p>(B) In the medium and long term, it is necessary to adopt low-emission energy and equipment, expand the development of low-carbon products and services, and promote the achievement of carbon neutrality targets. At the same time, active R&D efforts are being made in green product design. Through high energy conversion efficiency and low-carbon product portfolios, the Company aims to help customers reduce costs, enhance efficiency, and create greater business opportunities.</p>
<p>3. Describe the financial impact of extreme weather events and transformative actions.</p>	<p>Impact of climate risks on finances:</p> <p>(A) Typhoons, water shortages, heavy rainfall, and electricity rationing due to high temperatures affect production, resulting in increased production costs and decreased revenue.</p> <p>Response measures: Implement property insurance to cover losses from emergency disasters. Carry out protective measures and drills in accordance with the emergency response plan, ensure proper daily maintenance of equipment, and establish 2–3 equivalent substitute materials and suppliers. Diversify supply chain regions to reduce supply disruptions, and arrange dispatch and staggered deliveries.</p> <p>(B) Carbon taxes and carbon fees may increase operating costs.</p> <p>Response measures: Closely monitor relevant policies and regulations from the Ministry of</p>

<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 major financial impacts used should be described.</p> <p>6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</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 targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant</p>	<p>Environment, the EU, and the U.S., purchase carbon credits when appropriate, and implement carbon footprint tracking in response to carbon neutrality and carbon taxation.</p> <p>(C) Rising temperatures and increased electricity consumption lead to higher operating costs, and increased electricity use results in greater carbon emissions.</p> <p>Response measures: The Company conducts GHG inventories and is implementing energy-saving and carbon-reducing equipment accordingly.</p> <p>In May 2020, the Company passed its own "Risk Management Policy". By recognizing extreme weather and climate change as "environmental risks," we not only address them as part of the risk management framework, but also make annual reports to the Board of Directors on the risk assessment factors involved, the effects they have on the organization, and the responses taken so that the Board is constantly informed on related issues.</p> <p>The Company last presented its report to the Board of Directors on climate-related risks and opportunities for the short, medium, and long term, as well as the effects they have on the Company's business model, strategy, and financial plan, on November 1, 2024.</p> <p>As of the publication date of this annual report, the Company has not yet adopted scenario analysis to assess resilience to climate-related risks. Future disclosures will be made in the annual report and sustainability report based on the status of implementation.</p> <p>As of the publication date of this annual report, the Company has not yet established a transition plan for managing climate-related risks. Future disclosures will be made in the annual report and sustainability report based on the status of implementation.</p> <p>As of the publication date of this annual report, the Company has not yet used internal carbon pricing as a planning tool.</p> <p>In 2023, the Company launched a voluntary greenhouse gas inventory program, designating 2023 as the base year. The Company identified emission sources and calculated carbon emissions under Scope 1, Scope 2, and Scope 3, in order to locate emission hotspots and gradually set carbon reduction targets to effectively manage GHG</p>
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<p>targets, the source and quantity of carbon credits or RECs to be offset should be specified.</p> <p>9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).</p>	<p>emissions. The progress of the inventory program is reported regularly to the Board of Directors and will be disclosed in the annual report according to the status of implementation.</p> <p>Please refer to Tables 1-1 and 1-2.</p>
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1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

• Greenhouse Gas Inventory Information

Describe the emission volume (metric tons CO₂e), intensity (metric tons CO₂e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

The Company has been monitoring and surveying greenhouse gases since 2014 to address the issue of global warming. The target and actual emissions in the last 3 years are explained below:

Item		Year	2022	2023	2024
Greenhouse gas - total emissions	Scope 1		44	151	164
	Scope 2		1,401	1,515	1,652
	Subtotal		1,445	1,666	1,816
Carbon emission intensity (metric tons CO ₂ e per NT\$1 million in revenue)			*Not applicable	1.2203	1.0382
Percentage change in carbon emission intensity (%)			*Not applicable	Base year	-14.97%
Greenhouse gas - total emissions	Scope 4 (Note 3)		*Not applicable	1,093	2,108

Note 1: Unit: Tons of carbon dioxide equivalent (tons).

Note 2: Scope of data coverage: All facilities of Edison Opto (Taipei) as an individual company and all facilities of the consolidated subsidiary Edison-Litek Opto (Taipei).

Note 3: Data for all three years was internally inventoried by the Company. In 2023, the Company began ISO 14064-1 guidance and designated this year as the base year; therefore, the figures are more accurate compared to the previous year. In 2022, the "direct fugitive emissions" under Scope 1 were not included in the calculation; thus, the carbon emissions per unit of product and the carbon emission intensity for that year are temporarily not applicable.

Note 4: Scope 3 mainly includes CO₂ emissions from employee business travel, raw material transportation, product transportation, purchased products (electricity, natural gas, water), and waste treatment. It does not yet include CO₂ emissions from raw materials provided by suppliers.

• Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

In 2023, the Company initiated ISO 14064-1 guidance. The GHG inventory and verification progress for each company within the Group is as follows:

Group Company	Scope	2023	2024
Edison Opto Taipei	Standalone entity	Inventory	Inventory completed, pending third-party verification by SGS
Edison-Litek Taipei	Consolidated subsidiary	Inventory	Inventory completed, pending third-party verification by SGS
Edison Opto (Dong Guan)	Consolidated subsidiary	Not applicable	Inventory
Yangzhou Edison	Consolidated subsidiary	Not applicable	Inventory
Edison-Litek Yangzhou	Consolidated subsidiary	Not applicable	Inventory

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

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

1. Greenhouse gas reduction base year, data, and reduction target:

The Company has designated 2023 as the base year, with a goal of reducing the carbon emission intensity (electricity consumption per NT\$1 million output value) by 2% in 2025 compared to 2023.

2. Strategy and concrete action plan, and the status of achievement of the reduction targets:

(1) Strategic goal:

The Company's greenhouse gas emissions are primarily indirect, with carbon emissions from electricity and water consumption being the main sources. Therefore, conserving electricity and water is the top priority for energy saving and carbon reduction.

(2) Specific action plan:

(A) Product-related: Continue developing energy-saving, power-efficient products and technologies that meet safety certifications in various countries.

(B) Production-related: Continuously optimize process operation control, improve production yield, and increase the output efficiency of production equipment.

(C) Daily operations: Continuously promote habits such as turning off lights and power when not in use, conduct regular daily energy-saving patrols, encourage employees to use stairs instead of elevators during work hours to reduce electricity consumption and carbon emissions.

(D) Digitalization: Promote electronic workflows and move toward a paperless office to reduce the use of paper and toner, thereby lowering electricity use and carbon emissions.

(3) Status of target achievement: As 2023 is the Company's base year, the carbon emission intensity in 2024 has already decreased by 14.79%.

(VI) Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons:

Assessment criteria	Actual governance			Deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
1. Establishment of ethical corporate management policies and programs	V		(I) The Company adopts a corporate culture of "Integrity, Pragmatism, and Modesty," and conveys its integrity commitments to the public. The Company has established "Business Integrity Code of Conduct," "Code of Ethical Conduct for Directors, Managerial Officers, and Appointees," and "Employee Ethics Code of Conduct" with the approval of the board of directors; they outline the Company's integrity policies and practices, and convey integrity commitments from the board of directors, the senior management, and all employees.	Complies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
(II) Has the Company established a set of board-approved business integrity policy, and stated in its Memorandum or external correspondence about the policies and practices it implements to maintain business integrity? Are the board of directors and the senior management committed to fulfilling this commitment?	V		(II) The Company has "Ethical Behavior Guidelines for Directors, Managers, and Employees," "Employee Ethics Guidelines," and "Fraud and Violation Reporting Policy" in place that specifically prohibit directors, managers, agents, and employees from engaging in any activities listed in Paragraph 2, Article 7 of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" or any other business activities that are prone to higher integrity risk.	Complies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
(III) Has the Company developed systematic practices for assessing integrity risks? Does the Company perform regular analyses and assessments on business activities that are prone to higher risk of dishonesty, and implement preventions against dishonest conducts that include at least the measures mentioned in Paragraph 2, Article 7 of "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"?	V		(III) The Company has "Ethical Behavior Guidelines for Directors, Managers, and Employees," "Employee Ethics Guidelines," and "Fraud and Violation Reporting Policy" in place that outline relevant operating procedures, behavioral guidelines, and penalties and grievance systems for violations. All of which are being enforced as intended. The Company has stated on its website the following contact methods that can be used to report illegal conducts involving any group employee or representative of the Company over the course of transaction: (1) Telephone: +886-2-8227-6996, ext 3325, Legal Department - Mr. Fang (2) Whistleblower Mailbox: law@edison-opto.com.tw The above preventions against dishonest conduct are evaluated in the first quarter of each year for appropriate amendments at the time when previous year's financial statements are passed.	Complies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies

II. Enforcement of business integrity				
(I) Does the Company evaluate the integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?	V		(I) Prior to commencing a business relationship, the Company would evaluate its business partner for legitimacy and history of dishonest conduct, thereby avoiding dealing with vendors of poor integrity. Before making the initial transaction, the Company requires each supplier to sign an "Integrity Commitment" and comply with commercial ethics. The Company may, at any time, terminate or cancel contract with any counterparty that violates policy or terms of agreement or is involved in dishonest conduct, and blacklist them from future dealings.	Complies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
(II) Does the Company have a unit that enforces business integrity directly under the board of directors? Does this unit report its progress (regarding implementation of business integrity policy and prevention against dishonest conducts) to the board of directors on a regular basis (at least once a year)?	V		(II) Below are the current arrangements: The Company's "General Administrative Division" assumes the concurrent role of business integrity enforcer directly under the Board of Directors. It assists the Board and the management in the establishment, supervision, and execution of business integrity policies as well as preventive measures, ensures that the Business Integrity Code of Conduct is duly implemented throughout the organization, and oversees division of responsibilities. The division reports its progress to the Board of Directors at least once per year, and progress for 2024 had already been reported to the Board of Directors on November 1, 2024. The relevant implementation status for 2024 is as follows: 1. Education and training In 2024, the Company organized 43 sessions of training on compliance, internal control, and risk management. Enrollment count for internal and external training courses totaled 1,309. Furthermore, the Company continues to advocate and enforce business integrity management, and encourages employees to participate in the management and prevention of dishonest conducts. Relevant information has been disclosed on the corporate website. 2. Compliance awareness The General Administrative Division organizes online courses each year to promote employee' awareness on various topics such as: Business Integrity Code of Conduct, Business Integrity Procedures and Behavioral Guidelines, prohibition against dishonest conducts and harms to stakeholders' interests, and confidentiality over intellectual property rights. The educational materials have been placed in the e-learning section for employees to read at any time. 3. Regular inspections The Company assesses corruption risk of business activities taking place at all locations. Relevant business units are required to conduct self-audits and compliance self-assessments each year to ensure effective control and proper execution of existing systems. Additionally, the Company has a separate auditing unit that conducts independent audits to prevent dishonest conducts. 4. Whistleblower system and protection The Company has implemented a whistleblower system in its "Corporate Governance Code of Conduct" and "Business Integrity Code of Conduct" as a pro-active way of preventing dishonest conducts. Internal and external personnel may use various grievance channels to report dishonest or inappropriate conducts. The Legal Affairs Office has been designated as the unit responsible for handling misconduct reports. The Company also has a whistleblower protection system in place to maintain confidentiality over whistleblowers' identity and nature of report, and to protect informants from retaliation as a result of their report. The Company received 0 misconduct report from external sources and 0 misconduct report from employees in 2024. No dishonest action was found during the year.	Complies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies

(III)	Does the Company have any policy that prevents conflict of interest, and channels that facilitate the report of conflicting interests?	V		(III)	The Company has established "Business Integrity Code of Conduct," "Ethical Behavior Guidelines for Directors, Appointees, and Managers," "Employee Ethics Guidelines" with conflicting interest prevention policy, and "Fraud and Violation Reporting Policy," and implemented appropriate reporting channels and practices for enforcement.	Complies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
(IV)	Has the Company implemented an effective accounting policy and internal control system to maintain business integrity? Has an internal or external audit unit been assigned to devise audit plans based on the outcome of integrity risk assessment, and to audit employees' compliance with various preventive measures against dishonest conduct?	V		(IV)	The Company has established effective accounting policies and internal control system to enforce business integrity throughout the organization. Internal auditors are assigned to conduct regular audits to ensure compliance of the abovementioned policies/system, and thereby enforce the business integrity policy.	Complies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
(V)	Does the Company organize internal or external training on a regular basis to maintain business integrity?	V		(V)	The Company organizes integrity training on a regular basis, and uses various meetings to convey the corporate culture and duties toward business integrity. To implement integrity management encompassing legal compliance, financial security, and information security, the Company conducted a total of 43 internal training sessions in 2024. The total number of participants in both in-house and external training programs was 1,309. In addition, department heads are responsible for promoting anti-corruption awareness within their respective departments to instill proper values among employees.	Complies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
III. Whistleblowing system						
(I)	Does the Company provide incentives and means for employees to report misconducts? Does the Company assign dedicated personnel to investigate the reported misconducts?	V		(I)	The Company has outlined in its "Employee Ethics Guidelines" and "Fraud and Violation Reporting Policy" a whistleblower system along with accessible reporting channels, and made available a broad variety of reporting channels over the corporate website, including an integrity reporting hotline, physical mailing address, email address, and online opinion section. The Company has designated the Legal Affairs Office as the unit responsible for handling misconduct reports.	Complies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
(II)	Has the Company implemented any standard procedures for handling reported misconducts, and subsequent actions and confidentiality measures to be undertaken upon completion of an investigation?	V		(II)	The Company has a "Fraud and Violation Reporting Policy" in place that outlines standard procedures and confidentiality measures for investigating misconduct reports.	Complies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
(III)	Has the Company adopted any measures to prevent whistleblowers from retaliation for filing reports?	V		(III)	The Company has established a set of "Employee Ethics Guidelines" that contains protection measures for whistleblowers. The guidelines explicitly protect whistleblowers against retaliation that may arise as a result of their misconduct report.	Complies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies

IV. Enhanced information disclosure (I) Has the Company disclosed its integrity principles and progress onto its website and MOPS?	V	(I) The Company conveys its corporate culture over its website and makes relevant disclosures on Market Observation Post System. Information is consolidated into annual shareholder meeting reports.	Complies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
V. If the Company has established business integrity policies in accordance with "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies," please describe its current practices and any deviations from the Best Practice Principles: None.			
VI. Other information useful to the understanding of integrity in business dealings: (I) Business integrity - Training and performance The Company has established a Code of Integrity and Business Conduct, which was approved by the Board of Directors on March 6, 2017. To implement integrity management measures, the Company formulated the "Code of Ethical Conduct for Directors, Managerial Officers, and Appointees" in 2014 (most recently revised by the Board of Directors on August 4, 2020, and approved by the shareholders' meeting on July 15, 2021), as well as the "Employee Code of Ethics" for compliance. As integrity management encompasses areas such as legal compliance, financial security, and information security, the Company held a total of 43 related internal training sessions in 2024. The number of participants in both in-house and external training programs reached 1,309. Furthermore, department heads are also responsible for promoting anti-corruption awareness within their departments to instill correct values among employees. Owing to the Company's effective awareness promotion efforts, no violation of Business Integrity Code of Conduct has occurred to date. (II) Business integrity - execution progress and approach 1. Promotion of integrity philosophy: "Integrity" forms part of Edison Opto's corporate culture. The Company not only conveys its respect for corporate social responsibilities using the corporate website, but also enforces business integrity, fairness, and ethics as a righteous organization. The Company complies with government regulations and does not tolerate any form of bribery, fraud, coercion, improper gain, or illegal conduct. Furthermore, it has confidential and secured whistleblowing channels in place to facilitate misconduct reports. 2. Business integrity - Commercial cooperation: (1) Prior to commencing business relationships, the Company evaluates its business partners for legitimacy and history of dishonest conduct, and thereby avoids dealing with vendors of poor integrity. The Company ceases further dealings with any counterparty that violates policy, and blacklists them from future dealings. (2) The Company requires suppliers to sign "Integrity Commitment" for compliance with commercial ethics. Completion of this commitment is checked by the Audit Office on a quarterly basis with findings reported to the Chairman and the management. The Company may terminate or cancel contract at any time if a supplier is found to exhibit dishonest conduct or breach of contract terms. 3. Work ethics - all employees: Starting from 2016, all existing and new employees are being required to comprehend "Employee Ethics Guidelines" and sign "Integrity Commitment." Meanwhile, employees are reminded to stay alert for any conduct that violates work ethics, and are obligated to report to their line managers when in doubt or upon discovering any violations. The Company requires all employees to comply with the guidelines, and thereby protect the interests of Edison Opto and all stakeholders. 4. Violation of Integrity Management Practices: The Company has established the "Code of Ethical Conduct for Directors, Managerial Officers, and Appointees" and the "Employee Code of Ethics" as the standards that directors, managerial officers, and employees are required to follow. Violators of business integrity are disciplined according to the Company's "Fraud and Violation Reporting Policy." 5. Business integrity training: Corporate governance and insider courses are arranged for directors and managers on a regular basis. The Company also organizes training programs to help employees develop awareness towards business integrity. (III) Business integrity - Whistleblowing system All business activities must be carried out while observing corporate social responsibilities, corporate ethics, and government regulations. All employees are prohibited from engaging in any form of unfair commercial practice, and must refrain from any form of bribery, improper gain, fraud, coercion, illegal conduct, and possible conflict of interest for long-lasting partnership.			

(VII) Other important information sufficient to enhance the understanding on the operation of corporate governance could be disclosed together:

1. The Company's operation procedures for internal major information processing: the "Operation Procedures for Management on Preventing Insider Transactions" was set forth in the Company's operation procedures for internal major information processing, which should be the principle followed by the Directors, Managers and employees.

2. The Directors' Continuing Education in 2024:

Course name (Note 1)	Organizer	Date of appointment	Continuing education date	Position	Name	Continuing education hours
2024 Cathay Sustainable Finance and Climate Change Summit	Taiwan Stock Exchange Co., Ltd.	2022.06.22	2024.07.03	Chairperson	Jason Wu	6.0
2024 Cathay Sustainable Finance and Climate Change Summit	Taiwan Stock Exchange Co., Ltd.	2022.06.22	2024.07.03	Director	Representative of YOUNGTEK ELECTRONICS CORP.: June Wung	6.0
2024 Cathay Sustainable Finance and Climate Change Summit	Taiwan Stock Exchange Co., Ltd.	2022.06.22	2024.07.03	Director	Wen-Ruei Cheng	6.0
2024 Cathay Sustainable Finance and Climate Change Summit	Taiwan Stock Exchange Co., Ltd.	2022.06.22	2024.07.03	Director	Representative of Weixin Investment Co., Ltd.: Po-Chung Wang	6.0
2024 Cathay Sustainable Finance and Climate Change Summit	Taiwan Stock Exchange Co., Ltd.	2022.06.22	2024.07.03	Director	Nan-Yang Wu	6.0
2024 Cathay Sustainable Finance and Climate Change Summit	Taiwan Stock Exchange Co., Ltd.	2022.06.22	2024.07.03	Independent director	Wen-Chao Wang	6.0
The Role of Directors and Compliance Responses to Management Rights Challenges under Corporate Governance 3.0	Taiwan Corporate Governance Association	2022.06.22	2024.05.13	Independent director	Tung-Hsiung Hung	3.0
Common Internal Control Deficiencies and Case Studies	Accounting Research and Development Foundation of the Republic of China	2022.06.22	2024.05.22	Independent director	Tung-Hsiung Hung	6.0
Design of Senior Management Compensation and ESG Performance System	Taiwan Corporate Governance Association	2022.06.22	2024.01.19	Independent director	Yin-Fei Liu	3.0
2024 Cathay Sustainable Finance and Climate Change Summit	Taiwan Stock Exchange Co., Ltd.	2022.06.22	2024.07.03	Independent director	Yin-Fei Liu	6.0
2024 Cathay Sustainable Finance and Climate Change Summit	Taiwan Stock Exchange Co., Ltd.	2022.06.22	2024.07.03	Independent director	Tseng-Nan Chou	6.0

Note 1: The continuing education hours of the serving Directors met the hours as specified in the "Key Points for Implementation of Continuing Education on Directors and Supervisors of Listed and OTC Companies."

Note 2: In accordance with the provisions of paragraph 2 of Article 3 of the "Key Points for Implementation of Continuing Education on Directors and Supervisors of Listed and OTC Companies": those who continued to serve should take the continuing education for at least six hours a year during their tenure. However, if he acted as a lecturer of course relevant to corporate governance in a training institution listed in Paragraph 4 of Point 3 "Training System" (1) in the current year, and the provisions of the preceding paragraph for 12 hours of training for new electees in the current year had been complied with, when he taught the course once, one hour for his continuing education could be deducted, and the total hours deducted should be limited to three hours.

3.2024 Managers' (and their position agents') participation in continuing education and training related to corporate governance:

Position	Name	Continuing education date	Organizer	Course name	Continuing education hours
Corporate Governance Officer	Cheng-Dian Hsu	2024.07.03	Taiwan Stock Exchange Co., Ltd.	2024 Cathay Sustainable Finance and Climate Change Summit	6.0
Corporate Governance Officer	Cheng-Dian Hsu	2024.10.04	Taiwan Stock Exchange Co., Ltd.	2024 Insider Trading Prevention Conference	3.0
Corporate Governance Officer	Cheng-Dian Hsu	2024.10.08	Taiwan Stock Exchange Co., Ltd.	2024 World Investor Week Joint Forum – A Symphony of Digital Finance and Sustainable Finance in the Era of AI Boom	3.0
Corporate Governance Officer	Cheng-Dian Hsu	2024.10.18	Taiwan Stock Exchange Co., Ltd.	2024 Business Advocacy Meeting of Listed Companies	3.0
Corporate Governance Officer	Cheng-Dian Hsu	2024.10.25	Taiwan Stock Exchange Co., Ltd.	2024 Insider Shareholding Compliance Awareness Seminar	3.0
Chief Financial and Accounting Officer	Xi-Quan Hu	March 18, 2024 to March 27, 2024	Accounting Research and Development Foundation of the Republic of China	Induction Training Program for Accounting Officers of Issuers, Securities Firms, and Stock Exchanges	30.0
Chief Financial and Accounting Officer	Xi-Quan Hu	2024.07.30	Taipei Exchange	2024 Internal Control System Awareness Seminar on Sustainability Information Management	3.0

Note 1: All the above-mentioned personnel met the qualification conditions for the accounting head of issuers, securities firms and stock exchanges, and provisions for each year's continuing education in the Professional Continuing Education Measures, the Guidelines for Establishment of Internal Control Systems by Public Companies and the provisions of Article 29 of the Company's Practical Codes for Corporate Governance. The accounting personnel related to the preparation of financial reports also took professional courses for more than 6 hours every year.

Note 2: The "Practical Codes for Corporate Governance" was adopted by the Board of Directors on November 4, 2014, and according to the resolution adopted by the Board of Directors on May 6, 2019, Mr. Zheng-Dian Xu was concurrently appointed as the head of corporate governance. He had at least 3 years of experience in acting as the head of legal, financial, stock or corporate governance related units of public companies, could ensure the effective implementation of his duties for corporate governance and other duties, and did not involve any conflict of interests or violation of the Internal Control System.

4. Purchase of liability insurance by the Company for the Directors in 2024

Insured object	Insurance company	Insurance amount	Insurance term
All the Directors	Fubon Property Insurance Co., Ltd.	USD 5 million	From December 10, 2023 to December 10, 2024
All the Directors	Fubon Property Insurance Co., Ltd.	USD 5 million	From December 10, 2024 to December 10, 2025

Note: The insurance amount, coverage and premium rate of the renewed director liability insurance had been submitted to the Board of Directors on November 10, 2023.

(VIII) Execution situation of internal control

1. For the statement of Internal Control Systems, see Appendix 1 (Page 122).
2. If a CPA was entrusted to conduct a special audit of the Internal Control System, the CPA's audit report should be disclosed: none.

(IX) In the most recent year and by the end of the date of publishing the annual report, important resolutions of the shareholders' meeting and the Board of Directors:

1. Contents and execution situation of important resolutions of the 2024 shareholders' general meeting:

Date	Contents and execution situation of important resolutions
2024.05.30	<ul style="list-style-type: none"> ● Adoption of 2023 final accounting reports. Execution situation: the business report and financial statements had been recognized and adopted by the shareholders' general meeting. ● Adoption of the 2023 earnings distribution proposal. Execution situation: Approved by vote as proposed. ● Adoption of the Company's 2023 cash dividend distribution from capital surplus Execution situation: the original proposal was adopted by voting, and according to the resolution of the Board of Directors on May 30, 2024, July 5, 2024 was set as the ex-dividend base date, and the cash dividend had been paid on July 22, 2024. ● Adopted the amendments to the Company's "Rules of Procedure for Shareholders' Meetings." Execution situation: the original proposal was adopted by voting, the amendment measures had been uploaded onto the Company's website, and the amendments were made according to the amendment procedures. ● Approved the issuance of restricted stock awards (RSAs). Execution situation: The original proposal was approved by vote, and the Company obtained the competent authority's approval letter for the issuance of RSAs on July 9, 2024.

2. In the most recent year and the current year up to the date of publication of the annual report, important resolutions of the Board of Directors

Meeting	Date	Resolution Items
The 13th meeting of eighth Board of Directors	2024.02.29	<ul style="list-style-type: none"> ● Approved the achievement and assessment results of performance objectives of the directors in 2023. ● Approval of the remuneration of employees and Directors of the Company in 2023 ● Approval of the Company's 2023 final accounting reports and business report ● Approval of the Company's 2023 earnings distribution ● Approval of the proposal for distribution of cash dividends from capital surplus for 2023 ● Approval of the Company's 2023 "Statement of Internal Control System" ● Amendments to the Company's "Organizational Procedures for Remuneration Committee" ● Amendments to the "Rules of Procedure for Meeting of the Board of Directors" ● Amendment to the Company's "Rules of Procedure for Shareholder Meetings" ● Approval of the regular evaluation on the independence of certified public accountants ● Approved the removal of restrictions on the non-competition of the Company's managers ● Approved the issuance of RSAs ● Approved matters related to the convening of the 2024 shareholders' general meeting

Meeting	Date	Resolution Items
The 14th meeting of eighth Board of Directors	2024.05.02	<ul style="list-style-type: none"> ● Approval of the consolidated financial statements of the Company for the first quarter of 2024 ● Approval of the proposed earnings distribution by the Company's subsidiaries ● Approval of the amendment to the Company's "Rules of Financial and Business Matters Between Related Parties."
The 15th meeting of eighth Board of Directors	2024.05.30	<ul style="list-style-type: none"> ● Adopted setting the cash dividend base date for the Company's 2023 earnings and capital reserve ● Approved the retirement of the Company's Vice President
The 16th meeting of eighth Board of Directors	2024.08.08	<ul style="list-style-type: none"> ● Approval of the Company's consolidated financial statements for the second quarter of 2024 ● Approval of the amendment to the Company's "Regulations Governing the Restricted Stock Awards for 2024" ● Approval of the proposed issuance of the Company's fourth domestic unsecured convertible corporate bonds
The 17th meeting of eighth Board of Directors	2024.09.26	<ul style="list-style-type: none"> ● Approval of the proposed cash capital increase handled by Edison-Litek Opto Corporation, a subsidiary of the Company ● Approval of the proposed change in the use of funds for the fourth domestic unsecured convertible corporate bonds issuance, as originally approved by the Board of Directors on August 8, 2024 ● Approval of the proposed purchase of plant and office in response to the Group's operational space needs ● Approval of the planned capital reduction and name change of the Company's subsidiary
The 18th meeting of eighth Board of Directors	2024.11.01	<ul style="list-style-type: none"> ● Adopted the Company's consolidated financial statements for the third quarter of 2024 ● Approval of the Company's purchase of directors' liability insurance for 2025 ● Approval of the amendment to the Company's "Internal Control System" and "Implementation Rules for Internal Audits" ● Approval of the establishment of the Company's "Sustainable Information Management Procedures" ● Approval of the establishment of the Company's "Sustainability Report Preparation and Assurance Procedures" ● Approval of the amendment to the Company's "Financial Statement Preparation Process Management Regulations"
The 19th meeting of eighth Board of Directors	2024.12.26	<ul style="list-style-type: none"> ● Approval of the submission of the Company's managerial officers' appraisal and bonus for 2024 ● Approval of the issuance of restricted stock awards (RSAs) and the confirmation of the allocated employee list and number of shares granted ● Approval of the Company's proposed implementation of an employee stock ownership trust plan starting in 2025, including managerial participation in the trust ● Approval of the formulation of the 2025 audit plan ● Approval of the limit of lending of funds between the companies within the Group for 2025 ● Approval of the purchase of short-term derivatives by subsidiaries in 2025 ● Approval of the renewal of contract after the expiration of the Company's bank facilities ● Approved the subsidiary of the Company's participation in the cash capital increase of the Group's subsidiaries ● Approval of the intended acquisition of right-of-use assets by the subsidiaries of the Company from related parties in 2025 ● Approval of the amendments to the Company's "Articles of Association" ● Approval of the amendments to the Company's "Practical Codes for Corporate Governance" ● Approval of the amendment to the Company's "Delegation of Authority and Acting Regulations" ● Approval of the proposed change of the CPA for the Group's financial statements by KPMG Taiwan ● Approval of the appointment and remuneration of certified public accountants of the Group for 2025 ● Approval of the formulation of the general principles of the Company's pre-approval policy for non-assurance services provided by the attesting CPA firm ● Approval of the Company's proposal to establish a subsidiary in Europe

Meeting	Date	Resolution Items
		<ul style="list-style-type: none"> Approval of the Company's 2025 business plan and budget report
The 20th meeting of eighth Board of Directors	2025.02.26	<ul style="list-style-type: none"> Approved the achievement and assessment results of performance objectives of the directors in 2024. Approval of the remuneration of employees and Directors of the Company in 2024 Approval of the Company's 2024 final accounting reports and business report Approval of the Company's 2024 earnings distribution proposal Approval of the Company's 2024 "Statement of Internal Control System" Approval of the amendment to the Company's "Personal Data Protection Management Policy" Passed the regular assessment of the independence and suitability of CPAs Approval of the proposed change of the CPA for the Group's financial statements by KPMG Taiwan Approval of the election of directors and independent directors for the 9th term of the Company Approval of the submission to the shareholders' meeting for approval the removal of restrictions on non-compete of new Directors and their representatives of the Company Approval of the issues relevant to holding the 2025 shareholders' general meeting

(X) In the most recent year and by the end of the date of publishing the annual report, if the Directors or Supervisors had different opinions on the important resolutions adopted by the Board of Directors and had records or written statements, their main contents were: none.

IV. Information of Professional Fees for CPAs

- (I) If the proportion of non-audit public expenses paid to the certified public accountants, the firm to which the certified public accountants belonged and its affiliated enterprises accounted for more than one fourth of the audit public expenses, the amount of audit and non-audit public expenses and the contents of non-audit services should be disclosed:

Amount unit: NT \$1000

Name of CPA firm	Name of CPA	CPA Audit Term	Audit public expenses	Non-audit public expenses					Total	Remarks
				System design	Industrial and commercial registration	Human resources	Others	Subtotal		
KPMG	Shu-Chih Yang	2024	4,150	0	0	0	300	300	4,450	Other non-audit public expenses were reviewed for transfer pricing
	Bei-Chi Chen									

- (II) If the CPA firm was replaced and the audit public expenses paid in the year of replacement were lower than those in the previous year, the amount and reasons of audit public expenses before and after the replacement should be disclosed: no such situation.

- (III) If the audit public expenses were reduced by more than 15% compared to the previous year, the amount, proportion and reasons for the reduction of audit public expenses should be disclosed: no such situation.

V. Information about CPA replacement:

(I) For former CPA:

Replacement date	December 26, 2024		
Replacement reason and description	In compliance with Statement of Auditing Standards No. 46, relevant regulations of the securities authority, and the internal risk control requirements of the accounting firm, starting from the fourth quarter of 2024, the certifying CPAs responsible for the audit and review of the Group's financial statements have been changed from CPAs Heng-Sheng Lin and Pei-Chi Chen of KPMG Taiwan to CPAs Shu-Chih Yang and Pei-Chi Chen of the same firm.		
To state that the appointment was terminated or not accepted by the principal or CPA	Situation	Certified Public Accountant	Principal
	To voluntarily terminate the appointment	Not applicable	Not applicable
	To no longer accept (continue) the appointment	Not applicable	Not applicable
Opinions and reasons for issuing audit reports other than the one with unqualified opinions within the latest two years	No such situation		
Was there any disagreement with the issuer?	Yes		Accounting principles or practices
			Disclosure of financial reports
			Audit scope or steps
			Others
	None	V	
	Description		
Other disclosures (Items 1-4 to 1-7 of paragraph 6 of Article 10 of the Standards should be disclosed)	No such situation		

(II) For the CPA succeeded:

Firm name	Not applicable
Name of CPA	Not applicable
Appointment date	Not applicable
Items and results of consultation on accounting treatment methods or accounting principles for specific transactions and possible opinions issued for the financial reports before appointment	Not applicable
Written opinions of the CPA succeeded on items on which the former CPA disagreed	Not applicable

(III) The reply of the former CPA to items 1 and 2-3 of paragraph 6 of Article 10 of the Standards: not applicable.

VI. If the Chairman, General Manager or Managers in charge of financial or accounting affairs of the Company had worked in a firm to which the CPA belonged or its affiliated enterprise in the most recent year, his name, title and service term in the firm to which the certified public accountant belonged or its affiliated enterprise should be disclosed: none.

VII. In the most recent year and by the end of the date of publishing the annual report, changes in equity transfer and equity pledge of the Directors, Managers and shareholders holding more than 10% of shares of the Company:

(I) Changes in equity of the Directors, Managers and shareholders holding more than 10% of shares of the Company

March 30, 2025 Unit: Shares

Position	Name	2024		2025 up to March 30	
		Increase (decrease) in number of shares held	Increase (decrease) in number of shares pledged	Increase (decrease) in number of shares held	Increase (decrease) in number of shares pledged
Chairman / General Manager	Jason Wu	0	0	0	0
Director	YOUNGTEK ELECTRONICS CORP.	0	0	0	0
	Representative: June Wung	0	0	0	0
Director	Weixin Investment Limited	0	0	0	0
	Representative: Po-Chung Wang	0	0	0	0
Director	Wen-Ruei Cheng	0	0	0	0
Director	Nan-Yang Wu	0	0	0	0
Independent director	Wen-Chao Wang	0	0	0	0
Independent director	Tung-Hsiung Hung	0	0	0	0
Independent director	Yin-Fei Liu	0	0	0	0
Independent director	Tseng-Nan Chou	0	0	0	0
Vice President	Guolun Liao	0	0	0	0
Vice President	Yaochuan Hong	0	0	0	0
Vice President and Corporate Governance Officer	Cheng-Dian Hsu	0	0	0	0
Associate Manager	Kundian He	0	0	0	0
Chief Financial and Accounting Officer	Xi-Quan Hu	0	0	0	0
Major shareholder	Liangdian Investment Co., Ltd.	(14,655,000)	0	(440,000)	0

(II) Information that the counterparty of equity transfer was a related party: none.

(III) Information of the counterparty of the equity pledge was a related party: none.

VIII. Information of Shareholders with the Top 10 Shareholdings who are Related Parties or are Spouses or Relatives within the Second Degree of Consanguinity:

March 30, 2025; Unit: Thousand shares

NAME	NUMBER OF SHARES HELD BY HIMSELF		SHAREHOLDING OF SPOUSE AND MINOR CHILDREN		TOTAL NUMBER OF SHARES HELD IN THE NAME OF OTHERS		IF THE TOP 10 SHAREHOLDERS WERE A RELATED PERSON OR A SPOUSE OR A RELATIVE WITHIN THE SECOND DEGREE OF KINSHIP TO EACH OTHER, THEIR NAME AND RELATIONSHIP.		REMARKS
	Shares	Shareholding percentage %	Shares	Shareholding percentage %	Shares	Shareholding percentage %	Name	Relation	
Chun-Chung Cheng	5,746	3.95	0	0.00	0	0.00	None	None	
Weixin Investment Limited Person in charge: Jason Wu	4,827	3.32	0	0.00	0	0.00	Jason Wu	The same person with the person in charge	-
							Weicheng Investment Corporation	The responsible persons are father and daughter.	
President Securities Corporation	4,068	2.79	0	0.00	0	0.00	None	None	-
Jason Wu	3,819	2.62	999	0.69	0	0.00	Weixin Investment Limited	The same person with the person in charge	
							Weicheng Investment Corporation	The responsible persons are father and daughter.	
Masterlink Securities Corp.	3,647	2.50	0	0.00	0	0.00	None	None	-
Harvatek Corporation Person in charge: Bing-Long Wang	3,415	2.35	0	0.00	0	0.00	YoungTek Electronics Corp.	The same person with the person in charge	
Hsiu-Mei Hsu	2,918	2.00	0	0.00	0	0.00	None	None	
Chu Chi Investment and Development Co., Ltd.	2,834	1.95	0	0.00	0	0.00	None	None	-
YoungTek Electronics Corp. Person in charge: Bing-Long Wang	2,549	1.75	0	0.00	0	0.00	Harvatek Corporation Person in charge	The same person with the person in charge	-
Weicheng Investment Corporation Person in charge: Pei-Chun Wu	2,514	1.73	0	0.00	0	0.00	Jason Wu	The responsible persons are father and daughter.	
							Weixin Investment Limited	The responsible persons are father and daughter.	

IX. The number of shares held by the Company, its Directors, Managers and enterprises directly or indirectly controlled by the Company in the same enterprises reinvested, and the comprehensive shareholding ratio should be consolidated to be calculated:

March 30, 2025; Unit: Thousand shares; %

Enterprises reinvested	Investment of the Company		Investment of the Directors, managers and enterprises directly or indirectly controlled		Comprehensive investment	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
Edison Opto Corporation	30	100%	0	0%	30	100%
Ledison Opto Corporation	4,500	100%	0	0%	4,500	100%
Best Opto Corporation	41,000	100%	0	0%	41,000	100%
Best Led Corporation (Note 2)	41,000	100%	0	0%	41,000	100%
Edison Fund Investment Limited	25,000	100%	0	0%	25,000	100%
Edison-Litek Opto Corp. Limited	5,500	17%	23,463	73%	28,963	90%
Dongguan Edison Opto Co., Ltd.	(Note 1)	100%	0	0%	(Note 1)	100%
Yangzhou Edison Opto Co., Ltd. (Note 4)	(Note 1)	100%	0	0%	(Note 1)	100%
Yangzhou Aichuang Electronic Trading Corporation (Note 5)	(Note 1)	100%	0	0%	(Note 1)	100%
Edison Opto USA Corporation (Note 6)	220	55%	0	0%	220	55%
Yangzhou Edison-Litek Opto Corporation (Note 7)	(Note 1)	17%	0	73%	(Note 1)	90%
Ledionopto Intelligent Technology Co., Ltd. (Note 8)	2,200	100%	0	0%	2,200	100%
Edison Auto Corporation (Note 9)	1,000	100%	0	0%	1,000	100%
Edison-Litek Opto Corporation	18,375	80%	1,834	8%	20,209	88%
Ledison Opto Company Limited	980	100%	0	0%	980	100%

Note 1: It is a limited Company, so there are no shares.

Note 2: Best Led Corporation is a 100% owned subsidiary of Best Opto Corporation.

Note 3: Dongguan Edison Opto Co., Ltd., is a 100% owned subsidiary of Ledison Opto Corporation.

Note 4: Yangzhou Edison Opto Co., Ltd., is a 100% owned subsidiary of Best Led Corporation.

Note 5: Yangzhou Aichuang Electronic Trading Co., Ltd. is a 100% owned subsidiary of Yangzhou Edison Opto Co., Ltd.

Note 6: Edison Opto USA Corporation is a 55% subsidiary of Edison Fund Investment Limited

Note 7: Yangzhou Edison-Litek Opto Co., Ltd., is a 100% owned subsidiary of Edison-Litek Opto Corporation Ltd.

Note 8: Ledion Intelligent Technology Co., Ltd., is a 100% subsidiary of Edison Fund investment Limited

Note 9: Edison Auto Corporation, is a 100% owned subsidiary of Edison Fund investment Limited

Three. Capital Overview

I. Capital and shares

(I) Source of share capital

Year/Month	Issue price	Authorized Shares		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of capital	Non-cash assets in lieu of capital	Others
2001.10	10	20,000,000	200,000,000	7,800,000	78,000,000	Capital established	None	Note 1
2002.11	10	20,000,000	200,000,000	9,500,000	95,000,000	Issuance of common stock of NT\$17,000,000	None	Note 2
2003.12	15	20,000,000	200,000,000	15,000,000	150,000,000	Issuance of common stock of NT\$55,000,000	None	Note 3
2004.09	10	20,000,000	200,000,000	18,270,000	182,700,000	Common stock dividends of NT\$32,700,000	None	Note 4
2005.08	10	30,000,000	300,000,000	21,202,500	212,025,000	Common stock dividends of NT\$29,325,000	None	Note 5
2006.10	10	50,000,000	500,000,000	23,300,000	233,000,000	Common stock dividends of NT\$20,975,000	None	Note 6
2006.10	41	50,000,000	500,000,000	28,000,000	280,000,000	Issuance of common stock of NT\$47,000,000	None	Note 6
2007.08	20	50,000,000	500,000,000	29,000,000	290,000,000	Stock warrant of NT\$10,000,000	None	Note 7
2007.08	10	50,000,000	500,000,000	35,700,000	357,000,000	Common stock dividends of NT\$67,000,000	None	Note 8
2008.02	90	50,000,000	500,000,000	40,500,000	405,000,000	Issuance of common stock of NT\$48,000,000	None	Note 9
2008.09	10	100,000,000	1,000,000,000	49,920,000	499,200,000	Common stock dividends and capital reserve transferred to capital of NT\$94,200,000	None	Note 10
2009.09	10	100,000,000	1,000,000,000	60,000,000	600,000,000	Common stock dividends and capital reserve transferred to capital of NT\$100,800,000	None	Note 11
2009.10	15.4	100,000,000	1,000,000,000	60,810,000	608,100,000	Stock warrant of NT\$8,100,000	None	Note 12
2009.11	80	100,000,000	1,000,000,000	66,810,000	668,100,000	Issuance of common stock of NT\$60,000,000	None	Note 13
2010.07	10	100,000,000	1,000,000,000	77,831,500	778,315,000	Common stock dividends, employee stock bonus and capital reserve transferred to capital of NT\$110,215,000	None	Note 14
2010.09	11	100,000,000	1,000,000,000	78,211,750	782,117,500	Stock warrant of NT\$3,802,500	None	Note 15
2010.11	108	100,000,000	1,000,000,000	88,800,000	888,000,000	Issuance of common stock of NT\$105,882,500	None	Note 16
2011.08	10	150,000,000	1,500,000,000	102,120,000	1,021,200,000	Common stock dividends and capital reserve transferred to capital of NT\$133,200,000	None	Note 17
2011.10	10	150,000,000	1,500,000,000	102,369,200	1,023,692,000	Stock warrant of NT\$2,492,000	None	Note 18
2012.03	10	150,000,000	1,500,000,000	108,047,309	1,080,473,090	Stock warrant of NT\$475,500 and convertible bond conversion of NT\$56,305,590	None	Note 19
2012.04	10	150,000,000	1,500,000,000	110,344,583	1,103,445,830	Convertible bond conversion of NT\$22,972,740	None	Note 20
2012.07	10	150,000,000	1,500,000,000	110,501,336	1,105,013,360	Convertible bond conversion of NT\$1,567,530	None	Note 21
2012.08	10	200,000,000	2,000,000,000	116,051,336	1,160,513,360	Capital reserve transferred to capital of NT\$55,500,000	None	Note 22
2012.10	10	200,000,000	2,000,000,000	116,054,336	1,160,543,360	Stock warrant of NT\$30,000	None	Note 23

2013.01	10	200,000,000	2,000,000,000	116,074,538	1,160,745,380	Convertible bond conversion of NT\$202,020	None	Note 24
2014.03	10	200,000,000	2,000,000,000	121,808,652	1,218,086,520	Convertible bond conversion of NT\$57,341,140	None	Note 25
2014.07	10	200,000,000	2,000,000,000	132,763,179	1,327,631,790	Convertible bond conversion of NT\$109,545,270	None	Note 26
2015.05	10	200,000,000	2,000,000,000	134,763,179	1,347,631,790	Issuance of restricted stock awards of NT\$20,000,000	None	Note 27
2015.10	10	200,000,000	2,000,000,000	134,643,179	1,346,431,790	Retirement of restricted stock awards of NT\$1,200,000	None	Note 28
2016.01	10	200,000,000	2,000,000,000	132,623,179	1,326,231,790	Retirement of treasury stocks and restricted stock awards of NT\$20,200,000	None	Note 29
2016.07	10	200,000,000	2,000,000,000	132,536,379	1,325,363,790	Retirement of restricted stock awards of NT\$868,000	None	Note 30
2017.01	10	200,000,000	2,000,000,000	132,382,379	1,323,823,790	Retirement of restricted stock awards of NT\$1,540,000	None	Note 31
2017.05	10	200,000,000	2,000,000,000	132,354,379	1,323,543,790	Retirement of restricted stock awards of NT\$280,000	None	Note 32
2018.02	10	200,000,000	2,000,000,000	130,302,379	1,303,023,790	Retirement of treasury stocks and restricted stock awards of NT\$20,520,000	None	Note 33
2018.07	10	200,000,000	2,000,000,000	130,020,379	1,300,203,790	Retirement of restricted stock awards of NT\$2,820,000	None	Note 34
2018.08	10	200,000,000	2,000,000,000	125,020,379	1,250,203,790	Retirement of treasury stocks of NT\$50,000,000	None	Note 35
2019.01	10	200,000,000	2,000,000,000	125,001,379	1,250,013,790	Retirement of restricted stock awards of NT\$190,000	None	Note 36
2019.05	10	200,000,000	2,000,000,000	123,001,379	1,230,013,790	Retirement of treasury stocks of NT\$20,000,000	None	Note 37
2019.07	10	200,000,000	2,000,000,000	125,001,379	1,250,013,790	Issuance of restricted stock awards of NT\$20,000,000	None	Note 38
2020.08	10	200,000,000	2,000,000,000	122,556,379	1,225,563,790	Retirement of treasury stocks and restricted stock awards of NT\$24,450,000	None	Note 39
2021.07	10	200,000,000	2,000,000,000	122,528,560	1,225,285,600	Retirement of restricted stock awards of NT\$330,000 and convertible bond conversion of NT\$51,810	None	Note 40
2021.10	10	200,000,000	2,000,000,000	128,207,278	1,282,072,780	Convertible bond conversion of NT\$56,787,180	None	Note 41
2022.03	10	200,000,000	2,000,000,000	128,861,726	1,288,617,260	Convertible bond conversion of NT\$6,544,480	None	Note 42
2022.08	10	200,000,000	2,000,000,000	128,835,326	1,288,353,260	Retirement of restricted stock awards of NT\$264,000	None	Note 43
2022.09	10	200,000,000	2,000,000,000	135,335,326	1,353,353,260	Capital reserve transferred to capital of NT\$65,000,000	None	Note 44
2023.05	10	200,000,000	2,000,000,000	137,715,192	1,377,151,920	Convertible bond conversion of NT\$23,798,660	None	Note 45
2023.08	10	200,000,000	2,000,000,000	141,888,345	1,418,883,450	Convertible bond conversion of NT\$41,731,530	None	Note 46
2023.12	10	200,000,000	2,000,000,000	143,609,435	1,436,094,350	Retirement of NT\$16,800,000 in treasury shares and NT\$34,010,900 from bond conversions	None	Note 47
2025.03	10	200,000,000	2,000,000,000	145,609,435	1,456,094,350	Issuance of restricted stock awards of NT\$20,000,000	None	Note 48

Note 1: Approval document, Jing (90) Zhong-Zi No. 09032876610 dated October 4, 2001 issued by Central Region Office, Ministry of Economic Affairs.

Note 2: Approval document, Jing-Shou-Zhong-Zi No. 09132999770 dated November 19, 2002 issued by Central Region Office, Ministry of Economic Affairs.

Note 3: Approval document, Jing-Shou-Zhong-Zi No. 09233049910 dated December 3, 2003 issued by Central Region Office, Ministry of Economic Affairs.

- Note 4: Approval document, Jing-Shou-Zhong-Zi No. 09332725070 dated September 22, 2004 issued by Central Region Office, Ministry of Economic Affairs.
- Note 5: Approval document, Jing-Shou-Zhong-Zi No. 09432618530 dated August 8, 2005 issued by Central Region Office, Ministry of Economic Affairs.
- Note 6: Approval document, Jing-Shou-Zhong-Zi No. 09533032650 dated October 25, 2006 issued by Central Region Office, Ministry of Economic Affairs.
- Note 7: Approval document, Jing-Shou-Zhong-Zi No. 09632544990 dated August 6, 2007 issued by Central Region Office, Ministry of Economic Affairs.
- Note 8: Approval document, Jing-Shou-Zhong-Zi No. 09632676610 dated August 27, 2007 issued by Central Region Office, Ministry of Economic Affairs.
- Note 9: Approval documents, Jing-Guan-Zheng-1-Zi No. 0960067553 dated November 30, 2007 issued by Financial Supervisory Commission, and Jing-Shou-Shang-Zi No. 09731736800 issued by MOEA dated February 18, 2008.
- Note 10: Approval documents, Jing-Guan-Zheng-1-Zi No. 0970035161 dated July 14, 2008 issued by Financial Supervisory Commission, and Jing-Shou-Shang-Zi No. 09733000070 issued by MOEA dated September 15, 2008.
- Note 11: Approval documents, Jing-Guan-Zheng-Fa-Zi No. 0980033755 dated July 7, 2009 issued by Financial Supervisory Commission, and Jing-Shou-Shang-Zi No. 09801201710 issued by MOEA dated September 3, 2009.
- Note 12: Approval document, Jing-Guan-Zheng-1-Zi No. 0960051593 dated September 27, 2007 issued by Financial Supervisory Commission. This was the first ESO for 2007 issued in 2,000 units. Each unit subscribed amounted to 1,000 ordinary shares. The subscription price amounted to NT\$25 per share (as of the year end of 2005, EPS indicated in the audited financial statement amounted to NT\$19.8 per share). The subscribers were employees who had a two-year lapse since restricted stock awards were vested. They may subscribe according to schedule and proportion. The duration period amounted to six years. This was the first exercise. A total of 810 thousand shares, with a striking price of NT\$15.4 per share(subsequent to earnings distribution for 2009, the subscription price dropped from NT\$19.47 per share to NT\$15.4 per share).
- Note 13: Approval documents, Jing-Guan-Zheng-Fa-Zi No. 0980050701 dated September 28, 2009 issued by Financial Supervisory Commission, and Jing-Shou-Shang-Zi No. 09801272850 issued by MOEA dated November 25, 2010.
- Note 14: Approval documents, Jing-Guan-Zheng-Fa-Zi No. 0990024463 dated May 14, 2010 issued by Financial Supervisory Commission, and Jing-Shou-Shang-Zi No. 09901141920 issued by MOEA dated July 6, 2010.
- Note 15: Approval document, Jing-Shou-Shang-Zi No. 09901234190 issued by MOEA dated October 18, 2010. This was the second exercise for ESO issued in 2007 of 380 thousand shares with a striking price of NT\$11.0 per share (subsequent to earnings distribution for 2010, the subscription price dropped from NT\$15.4 per share to NT\$11.0 per share).
- Note 16: Approval documents, Jing-Guan-Zheng-Fa-Zi No. 0990039027 dated July 26, 2010 issued by Financial Supervisory Commission, and Jing-Shou-Shang-Zi No. 09901266400 issued by MOEA dated October 18, 2010.
- Note 17: Approval documents, Jing-Guan-Zheng-Fa-Zi No. 1000027166 dated June 17, 2011 issued by Financial Supervisory Commission, and Jing-Shou-Shang-Zi No. 10001171160 issued by MOEA dated August 1, 2011.
- Note 18: Approval document, Jing-Shou-Shang-Zi No. 10001242400 issued by MOEA dated October 21, 2011. This was the third exercise for ESO issued in 2007 of 249 thousand shares with a striking price of NT\$10 per share (subsequent to earnings distribution for 2011, the subscription price dropped from NT\$11.0 per share to NT\$10 per share).
- Note 19: Approval document, Jing-Shou-Shang-Zi No. 10101038520 issued by MOEA dated March 8, 2012. This was the fourth exercise for ESO issued in 2007 and a conversion of corporate bonds of 5,679 thousand shares in total with a striking price of NT\$10 per share and a conversion price of NT\$55.5 per share.
- Note 20: Approval document, Jing-Shou-Shang-Zi No. 10101061950 issued by MOEA dated April 11, 2012. A conversion of corporate bonds of 2,297 thousand shares was performed, with a conversion price of NT\$55.5 per share.
- Note 21: Approval document, Jing-Shou-Shang-Zi No. 10101140680 issued by MOEA dated July 17, 2012. A conversion of corporate bonds of 157 thousand shares was performed, with a conversion price of NT\$55.5 per share.
- Note 22: Approval documents, Jing-Guan-Zheng-Fa-Zi No. 1010028684 dated June 28, 2012 issued by Financial Supervisory Commission, and Jing-Shou-Shang-Zi No. 10101181490 issued by MOEA dated August 31, 2012.
- Note 23: Approval document, Jing-Shou-Shang-Zi No. 10101211200 issued by MOEA dated October 12, 2012. This was the fifth exercise for ESO issued in 2007 of 3 thousand shares in total with a striking price of NT\$10 per share.
- Note 24: Approval document, Jing-Shou-Shang-Zi No. 10201002490 issued by MOEA dated January 8, 2013. A conversion of corporate bonds of 20 thousand shares was performed, with a conversion price of NT\$49.50 per share.
- Note 25: Approval document, Jing-Shou-Shang-Zi No. 10301053520 issued by MOEA dated March 26, 2014. A conversion of corporate bonds of 5,734 thousand shares was performed, with a conversion price of NT\$34.46 per share.
- Note 26: Approval document, Jing-Shou-Shang-Zi No. 10301142680 issued by MOEA dated July 18, 2014. A conversion of corporate bonds of 10,955 thousand shares was performed, with a conversion price of NT\$34.46 per share.
- Note 27: Approval document, Jing-Shou-Shang-Zi No. 10401069270 issued by MOEA dated May 5, 2015. Restricted stock awards of 2,000 thousand shares were issued, with a par value of NT\$10 per share.
- Note 28: Approval document, Jing-Shou-Shang-Zi No. 10401218730 issued by MOEA dated October 30, 2015. Restricted stock awards of 120 thousand shares were canceled, with a par value of NT\$10 per share.

- Note 29: Approval document, Jing-Shou-Shang-Zi No. 10501002430 issued by MOEA dated January 12, 2016. Treasury stocks and restricted stock awards of 2,000 thousand shares and 20 thousand shares respectively were canceled, both of which with a par value of NT\$10 per share.
- Note 30: Approval document, Jing-Shou-Shang-Zi No. 10501175540 issued by MOEA dated July 26, 2016. Restricted stock awards of 86.8 thousand shares were canceled, with a par value of NT\$10 per share.
- Note 31: Approval document, Jing-Shou-Shang-Zi No. 10601002440 issued by MOEA dated January 18, 2017. Restricted stock awards of 154 thousand shares were canceled, with a par value of NT\$10 per share.
- Note 32: Approval document, Jing-Shou-Shang-Zi No. 10601065050 issued by MOEA dated May 22, 2017. Restricted stock awards of 28 thousand shares were canceled, with a par value of NT\$10 per share.
- Note 33: Approval document, Jing-Shou-Shang-Zi No. 10701003310 issued by MOEA dated February 2, 2018. Treasury stocks and restricted stock awards of 2,000 thousand shares and 52 thousand shares respectively were canceled, both of which with a par value of NT\$10 per share.
- Note 34: Approval document, Jing-Shou-Shang-Zi No. 10701075880 issued by MOEA dated July 6, 2018. Restricted stock awards of 282 thousand shares were canceled, with a par value of NT\$10 per share.
- Note 35: Approval document, Jing-Shou-Shang-Zi No. 10701102410 issued by MOEA dated August 13, 2018. Treasury stocks of 5,000 thousand shares were canceled, with a par value of NT\$10 per share.
- Note 36: Approval document, Jing-Shou-Shang-Zi No. 10801002990 issued by MOEA dated January 11, 2019. Restricted stock awards of 19 thousand shares were canceled, with a par value of NT\$10 per share.
- Note 37: Approval document, Jing-Shou-Shang-Zi No. 10801055070 issued by MOEA dated May 16, 2019. Treasury stocks of 2,000 thousand shares were canceled, with a par value of NT\$10 per share.
- Note 38: Approval document, Jing-Shou-Shang-Zi No. 10801092600 issued by MOEA dated July 19, 2019. Restricted stock awards of 2,000 thousand shares were issued, with a par value of NT\$10 per share.
- Note 39: Approval document, Jing-Shou-Shang-Zi No. 10901156910 issued by MOEA dated August 27, 2020. Treasury stocks and restricted stock awards of 1,618 thousand shares and 827 thousand shares respectively were canceled, both of which with a par value of NT\$10 per share.
- Note 40: Approval document, Jing-Shou-Shang-Zi No. 11001130500 issued by MOEA dated July 27, 2021. Restricted stock awards were canceled and capital reduced by 33 thousand shares. A conversion of corporate bonds of 5 thousand shares were performed, with a conversion price of NT\$19.30 per share and a par value of NT\$10 per share.
- Note 41: Approval document, Jing-Shou-Shang-Zi No. 11001190150 issued by MOEA dated October 21, 2021. A conversion of corporate bonds of 5,679 thousand shares was performed, with a conversion price of NT\$19.30 per share.
- Note 42: Approval document, Jing-Shou-Shang-Zi No. 11101036760 issued by MOEA dated March 24, 2022. A conversion of corporate bonds of 654 thousand shares was performed, with a conversion price of NT\$19.10 per share.
- Note 43: Approval document, Jing-Shou-Shang-Zi No. 11101140870 issued by MOEA dated August 2, 2022. Restricted stock awards of 26 thousand shares were canceled, with a par value of NT\$10 per share.
- Note 44: Approval document, Jing-Shou-Shang-Zi No. 11101173850 issued by MOEA dated September 6, 2022. This capital increase is made through the capitalization of capital surplus, totaling 6,500 thousand shares, with a par value of NT\$10 per share.
- Note 45: Approval document, Jing-Shou-Shang-Zi No. 11230082860 issued by MOEA dated May 23, 2023. A conversion of corporate bonds of 2,380 thousand shares was performed, with a conversion price of NT\$17.90 per share.
- Note 46: Approval document, Jing-Shou-Shang-Zi No. 11230156640 issued by MOEA dated August 23, 2023. A conversion of corporate bonds of 4,173 thousand shares was performed, with a conversion price of NT\$17.90 per share.
- Note 47: Approval document, Jing-Shou-Shang-Zi No. 11230222400 issued by MOEA dated December 11, 2023. This capital adjustment includes a capital reduction through the cancellation of 1,680 thousand treasury shares and the conversion of 3,401 thousand shares from convertible corporate bonds. The conversion price per share is NT\$17.70, with a par value of NT\$10 per share.
- Note 48: Approval document, Jing-Shou-Shang-Zi No. 11430030890 issued by MOEA dated March 19, 2025. Restricted stock awards of 2,000 thousand shares were issued, with a par value of NT\$10 per share.

March 30, 2025; Unit: Shares

Type of shares	Authorized Shares			Remarks
	Outstanding shares	Unissued shares	Total	
Common share	145,609,435	54,390,565	200,000,000	Publicly traded shares

(II) List of major shareholders:

March 30, 2025

Major shareholder \ Share	Shares held	Shareholding percentage (%)
Chun-Chung Cheng	5,746,000	3.95%
Weixin Investment Limited	4,827,428	3.32%
President Securities Corporation	4,067,510	2.79%
Jason Wu	3,819,107	2.62%
Masterlink Securities Corp.	3,647,000	2.50%
Harvatek Corporation	3,415,453	2.35%
Hsiu-Mei Hsu	2,918,000	2.00%
Chu Chi Investment and Development Co., Ltd.	2,833,524	1.95%
YoungTek Electronics Corp.	2,549,367	1.75%
Weicheng Investment Corporation	2,514,297	1.73%
Total	36,337,686	24.96%

(III) Dividend Policy and Implementation Status

1. Dividend policy:

If the Company has any surplus in the earnings as concluded by the annual accounting book close, the Company shall pay tax and make up for the accumulated losses first, and then set aside 10% as legal reserve, but if the legal reserve has reached the amount of the Company's paid-in capital, no further provision shall be made, and the remainder shall be set aside or reversed as special reserve in accordance with the Securities and Exchange Act; if there is any remaining balance, the Board of Directors shall, together with the accumulated undistributed earnings, prepare an earnings distribution proposal and submit it to the shareholders' meeting for resolution on the distribution of dividends to shareholders.

The Company's dividend policy is to distribute dividends to shareholders at a rate of not less than 60% of the available-for-distribution earnings each year, with the capital, financial structure, operating conditions, future development plans, capital requirements, domestic and international competition taken into account, as well as the interests of shareholders. If the accumulated available-for-distribution earnings are less than 20% of the paid-in capital, no earnings distribution should be made. Dividends may be distributed to shareholders in cash or in stock, with cash dividends not less than 10% of the total dividends.

2. Distribution of dividend:

(1) As per the Board of Directors resolution on February 26, 2025, the profit distribution table for 2025 submitting to the Shareholders' Meeting is as follows:

Edison Opto Corporation PROFIT DISTRIBUTION TABLE

Unit: NT\$

Item	Amount	
	Subtotal	Total
Undistributed earnings at the beginning of the period		2,229,259
Add: Net profit after tax for 2024	141,904,918	
Change in actuarial gain and loss for the period	372,000	142,276,918
Available-for-distribution earnings for the period		144,506,177
Distributable items:		
Provision for legal reserve	(14,227,692)	
Provision of special reserve for deduction from equity	(2,229,259)	
Dividend to shareholders - cash (NT\$ 0.738867/share)	(105,000,000)	(121,456,951)
Undistributed retained earnings at the end of the period		23,049,226

(2) Proposed dividend distribution in 2025 Shareholders' Meeting

Unit: NT\$

Dividend year	Dividend distribution date resolved by the Board resolution	Stock dividend			
		Cash dividends	Cash dividend from capital reserve	Stock dividend from capital reserve	Stock dividend from retained earnings
2024	2025.02.26	105,000,000 (NT\$0.738867 per share)	0	0	0

3. Anticipated major change in dividend policy: None.

(IV) Effect of the proposed stock dividends at the shareholders' meeting on the Company's operating results and earnings per share: Not applicable. As per the "Regulations Governing the Publication of Financial Forecasts of Public Companies," the Company is not required to disclose financial forecast.

(V) Amount or scope of employee compensation and Director remuneration

1.Amount or scope employee compensation and Director remuneration as per the Articles of Incorporation

Item	Amount or scope
Employee compensation	Each year, if the Company is profitable, 5% to 15% of the profit shall be appropriated as employee compensation. The Board of Directors shall determine by resolution to distribute the compensation in stock or cash. The eligible party shall be employees of the Company or its affiliates that meet certain criteria. However, if the Company has accumulated losses, the amount

	of losses make-up shall be reserved in advance and then the employees and directors' profit sharing remuneration shall be appropriated in accordance with the aforementioned percentages.
Director remuneration	The Board of Directors shall determine by resolution to distribute no more than 3% of the aforementioned profit amount as the remuneration of Directors.

2.The basis for the estimation of the amount of employee compensation and Director remuneration, computation basis of number of stock dividend for the current period (2024), and the accounting treatment in the event of a difference between the estimated amount and the actual compensation and remuneration paid in shares or cash:

For a profitable fiscal year (a profitable fiscal year refers to the annual profit before tax before deducting the profit-sharing remuneration for employees and profit-sharing remuneration for directors), the Company shall first offset the accumulated losses before appropriating and recognizing 5% and 1% of the profit as profit-sharing remuneration for employees and profit-sharing remuneration for directors, which are expenses for the year. In the event that the actual disbursement differs from the estimated amount, the deviation amount shall be recognized as a profit or loss in the following year.

3.Compensation and remuneration resolved by the Board of Directors:

(1) Profit-sharing remuneration for employees and profit-sharing remuneration for directors in cash or shares. If there is any discrepancy between the estimated amount and the recognized expense for the fiscal year, the difference, reason, and handling should be disclosed: On February 26, 2025, the Board of Directors approved the recognition of employee compensation and director compensation for 2024 as follows. The difference is considered a change in estimate and will be adjusted in 2024.

Unit: NT\$

Item	Board resolution	Recognition of compensation and remuneration for the year	Deviation
Employee compensation (cash)	7,800,000	7,800,000	0
Director remuneration (cash)	1,800,000	1,800,000	0
Total	9,600,000	9,600,000	0

(2) Employee compensation distributed in stock, and the said compensation as a percentage of the sum of after-tax profit and total employee compensation in the standalone financial statements: Not applicable as no distribution has been made.

4. Actual disbursement of employee compensation and Director remuneration for the preceding year (2024; including employee stocks, cash disbursement and share prices). Where the actual disbursed amount differs from the recognized amount, the deviation amount, causes and measures shall be disclosed:

Unit: NT\$

Item	Actual Distribution Approved at Shareholders' Meeting (May 30, 2024)	Proposed Distribution Approved at Board Meeting (February 29, 2024)	Deviation	Cause of deviation
Employee compensation (cash)	2,660,000	2,660,000	0	None
Director remuneration (cash)	540,000	540,000	0	None
Total	3,200,000	3,200,000	0	None

(VI) Repurchase of the Company's shares:

March 30, 2025

Repurchase round	The seventh series
Purpose for repurchase	Transfer of shares to employees
Repurchase period	September 5, 2022 - October 4, 2022
Repurchase price range	NT\$13 to NT\$22
Type and number of shares repurchased	Common stock 1,500 thousand shares
Amount of shares repurchased	NT\$24,847 thousand
Actual shares repurchased as a percentage of predetermined shares repurchased (%)	50.00%
Number of shares retired and transferred	0 shares
Cumulative number of shares held in the Company	1,500 thousand shares
Cumulative number of shares held in the Company as a percentage of total issued shares (%)	1.04%

II. Corporate bonds:

Types of corporate bonds	Fourth domestic unsecured convertible corporate bonds
Date of issuance	November 22, 2024
Issuance and trading location	Taipei Exchange
Issue price	Issued at 101% of the face value
Total principal	NT\$300,000,000
Interest rate	0% coupon rate
Tenure	Three-year; maturity date: November 22, 2027
Credit guarantee institution	Not applicable
Underwriter	Cathay Securities Corporation Co., Ltd.
Legal counsel	Not applicable
CPA	Not applicable
Repayment method	Apart from the bondholders exercising conversion to common shares as per article 10 and redemption as per article 18 of the terms of corporate bond issuance and conversion, and the Company recalling and retiring the bonds as per article 19, the repayment upon maturity shall be made with a bullet payment in cash at the face value.
Unpaid principal	NT\$300,000,000
Criteria of redemption or early repayment	Please see article 18 of the terms of corporate bond issuance and conversion
Covenants	None
Credit rating agency, date of rating and rating of corporate bond	Not applicable
Other	The amount of
	None

equity	converted (exchanged or subscribed) common shares	
	Issuance and conversion	Please see the terms of corporate bond issuance and conversion
Dilution effect and other adverse effects on existing shareholders		Please see page 74 to 78 of the bond issuance prospectus
Custodian		None

Convertible corporate bonds

Types of corporate bonds		Fourth domestic unsecured convertible corporate bonds
Item	Year	2024 (Note 1)
Market price of convertible corporate bond	Highest	NT\$119.00
	Lowest	NT\$103.35
	Average	NT\$110.75
Conversion price		NT\$25.5
Date of issuance and conversion price at issuance		Date of issuance: November 22, 2024 Conversion price at issuance: NT\$25.5
Underwriter		Cathay Securities Corporation Co., Ltd.
Method by which conversion obligations will be satisfied		Issuance of new shares

Note 1: The Company's fourth domestic unsecured convertible corporate bonds were listed for trading on the Taipei Exchange on November 22, 2024.

III. Preferred shares: None.

IV. Overseas depositary receipts: None.

V. Employee stock option: None.

VI. Restricted stock awards:

- (1) Restricted stock awards that have yet to meet the vesting conditions and effect on existing shareholders:

March 30, 2025

Types of restricted stock awards	Third restricted stock awards
Effective date declared and total number of shares	Effective upon registration on July 9, 2024, with a total of 2,000,000 shares
Date of issuance	March 3, 2025
Issued restricted stock awards	2,000,000 shares
Remaining number of shares available for issuance as restricted stock awards	None
Issue price	The issuing price is gratuitous.
Issued restricted stock award shares as a percentage of total issued shares	1.37%
Vesting conditions of restricted stock awards	Employees have to wait for a one-year lapse since restricted stock awards are vested. If they are still with the Company, the Company and individual performance indicators are met, and they have met the vesting conditions, the shareholding proportions are as follows: 1. Company financial performance indicators: The Company's revenue for the four quarters prior to the vesting date showed growth compared to the same period

	<p>of the previous year, and the financial statements audited by the CPA for the year prior to the vesting date reported net income after tax.</p> <p>2. Individual performance indicators:</p> <p>(1) Vesting points of time:</p> <p>a. Point of time I: One-year lapse since restricted stock awards are vested.</p> <p>b. Point of time II: Two-year lapse since restricted stock awards are vested.</p> <p>c. Point of time III: Three-year lapse since restricted stock awards are vested.</p> <p>(2) Vesting proportion:</p> <p>a. Point of time I: Upper limit at 30% of vesting shares. Those receiving grade excellent or above for yearly performance appraisal shall be granted 30% of vesting shares; those receiving grade A for yearly performance appraisal shall be granted 24% of vesting shares; those receiving grade B or below for yearly performance appraisal shall be granted 0% of vesting shares.</p> <p>b. Point of time II: Upper limit at 30% of vesting shares. Those receiving grade excellent or above for yearly performance appraisal shall be granted 30% of vesting shares; those receiving grade A for yearly performance appraisal shall be granted 24% of vesting shares; those receiving grade B or below for yearly performance appraisal shall be granted 0% of vesting shares.</p> <p>c. Point of time III: Upper limit at 40% of vesting shares. Those receiving grade excellent or above for yearly performance appraisal shall be granted 40% of vesting shares; those receiving grade A for yearly performance appraisal shall be granted 32% of vesting shares; those receiving grade B or below for yearly performance appraisal shall be granted 0% of vesting shares.</p>
Restrictions for restricted stock awards	Except for inheritance, the restricted stock awards shall not be sold, pledged, transferred, gifted to others, configured as a guarantee or disposed via other means.
Custody of restricted stock awards	After employees are granted the restricted stock awards, the Company shall register the shares granted on the shareholder register and deliver common shares newly issued by a book-entry transfer. In the event that the custody of the shares is managed by a trust, the shares shall be entrusted within the vesting period as per the trust agreement.
Restricted stock awards granted or subscribed but vesting conditions not met	The Company shall recall without consideration and retire the shares. However, the bonus shares and dividend derived need not be returned by the employees.
Recalled or repurchased restricted stock award shares	0 shares
Shares released of restrictions	0 shares
Shares yet to be released of restrictions	2,000,000 shares
Percentage of unvested restricted shares to total issued shares (%)	1.37%
Effect on existing shareholders	The EPS dilution effect for 2025, 2026, 2027, and 2028 is forecast to be NT\$0.16, NT\$0.11, NT\$0.05, and NT\$0.01, respectively, which has not constituted a major influence on the shareholders' interest.

(2) Name and accumulated restricted stock award acquisition of top ten managerial officers and employees:

March 30, 2025

Position		Name	Restricted stock award shares acquired	Restricted stock award shares acquired as a percentage of total issued shares	Restrictions released				Restrictions yet to be released			
					Shares released of restrictions	Issue price	Amount issued	Shares released of restrictions as a percentage of total issued shares	Shares yet to be released of restrictions	Issue price	Amount issued	Shares yet to be released of restriction as a percentage of total issued shares
Manager	President	Jason Wu	314,000	0.22%	0	0	0	0.00%	314,000	0	0	0.22%
	Vice President	Yaochuan Hong										
	Vice President	Guolun Liao										
	Vice President	Cheng-Dian Hsu										
	Associate Manager	Kundian He										
	Vice director	Xi-Quan Hu										
Employees	Senior director	Hao-Yun Chang	450,000	0.31%	0	0	0	0.00%	450,000	0	0	0.31%
	Manager	Chou, Hsiang-Chi										
	Senior director	Hsing-Wei Ho										
	Senior manager	Tseng, Kuo-Fung										
	Manager	Yi-Min Chen										
	Assistant Manager	Wan-Jung Kuo										
	Manager	Wang, Hung-Chan										
	Manager	Chiao-Feng Cheng										
	Manager	Kuo-Wei Kao										
	Manager	Mao-Ho Du										

VII. Issuance of New Shares with Shares Acquired or Assigned from Other Companies: None.

VIII. Implementation of the Fund Usage Plan:

For the period as of the quarter preceding the date of publication of the annual report, with respect to each uncompleted public issue or private placement of securities, and to such issues and placements that were completed in the most recent three years but have yet fully yielded the planned benefits: None.

Four. Business Review

I. Business Activities

(I) Scope of business

1. Principal business activities of the Company and subsidiaries:

- (1) Lighting Facilities Manufacturing
- (2) Electronic Parts and Components Manufacturing
- (3) Traffic Signs Installation Engineering
- (4) Traffic Marking Engineering
- (5) Wholesale of Electronic Materials
- (6) Retail Sale of Traffic Sign Equipments and Materials
- (7) Retail Sale of Electronic Materials
- (8) International Trade
- (9) Electric Appliance Construction
- (10) Electric Appliance Installation
- (11) Lighting Equipments Construction
- (12) Solar Thermal Energy Equipment Installation Engineering
- (13) Wholesale of Batteries
- (14) Retail Sale of Batteries
- (15) Energy Technical Services
- (16) All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Main products of the Company and subsidiaries and percentage relative to consolidated revenues - 2024:

Unit: NTD thousands; %

Main products	Operating revenues	Weight of operating revenues
LED lighting products	1,296,395	50.66
LED automotive products	1,112,803	43.49
Sensor element	122,290	4.78
Others	27,302	1.07
Consolidated operating revenue	2,558,790	100.00

3. Current main products of the Company and subsidiaries:

The Company's main products are categorized into sensor components, LED lighting products, and LED automotive products. Through its comprehensive LDMS (Lighting Design Manufacturing Service) platform, the Company provides customized professional design and manufacturing services, assisting clients in addressing challenges related to thermal management, circuit integration, mechanical design, and optical design during the development and application of LED lighting systems.

4. New products planned for the future:

(1) LED components, modules, and products

- A. High-efficiency, small-sized flexible wall washer light strip with a 40-degree beam angle and IP67 rating.
- B. High POWER factor, low-frequency flashover high-voltage linear module
- C. COMMERCIAL LED lighting module (including high lighting efficiency and high CRI LED components) for embedded light and ceiling light applications. The lamp can reach a high-quality of light source with 140 lm/W or above, and above CRI 95.
- D. INTEGRATED smart and dimmable module for commercial lighting, combining TRAIC, 1–10V, and DIP switch functionalities on a single PCB to reduce inventory requirements. The module is equipped with a wireless smart control unit, enabling the implementation of intelligent lighting solutions.
- E. SWIR short-wave infrared LEDs, including applications for detecting and monitoring vision, improving product automation and medical-related semi-conductor type detection and measurement equipment capability enhancement.
- F. LOW-power/high-power slim and compact automotive light source.
- G. VARIOUS LED automotive lighting modules (e.g., turn signals, ambient lights) adopt an ultra-thin, compact design, offering excellent design flexibility for automotive lighting manufacturers.
- H. HIGH-penetration, daylight color sealed beam fog light module.
- I. The Head-Up Display (HUD) LED component for vehicles incorporates a compact light-emitting surface design to provide customers with a local dimming solution.

(2) Optoelectronic sensor components and modules.

- A. In RESPONSE to the growing demand for diverse sensing technologies in smart devices in recent years, the Company has developed infrared optoelectronic components in various sizes and specifications to meet customer design requirements and enable high-performance, high value-added applications.
- B. The Company is also developing high-precision infrared optoelectronic sensor modules to OPTIMIZE customer design integration, enhance sensing accuracy and system simplification, while improving production efficiency and cost-effectiveness.

(3) Human-centric and health-focused lighting fixtures (high color rendering eye-protection desk lamps, lighting for office, education, and residential applications).

(4) Biological regulation solutions (such as lighting for long-term care, beauty, and sports wellness).

(5) Smart full-spectrum solutions (full-spectrum lighting combined with smart control and platform integration).

(6) Smart streetlights with various functions such as streetlight lighting, monitoring, management, and information transmission through internet networking and management platform.

(7) Green energy supply lighting system

- A. Development of various energy-efficient labeled lighting fixtures, such as indoor lighting (PANEL lights, recessed lights, tri-proof lights) and outdoor lighting (streetlights, floodlights, and high bay lights).
- B. VARIOUS green energy related accessories, such as solar panels.
- C. INTEGRATION of green energy battery accessories, such as high-quality lithium iron PHOSPHATE (LiFePO₄) batteries.

- D. DEVELOPMENT of all-in-one solar streetlights (integrating solar controllers, solar modules, batteries, and other components).
- (8) Environmentally friendly lighting equipment by using environmentally friendly materials to design reusable or recyclable lamps.
- (9) Semiconductor Factory Lighting Equipment: T8 light tubes, including yellow light T8 tubes with 160 lm/W efficiency and white light T8 tubes.
- (10) Development of E-sports Lighting Products:
 - A. The e-sports industry has experienced explosive global growth in recent years, evolving from a niche form of entertainment into an emerging industry with immense market potential and widespread attention.
 - B. By closely collaborating with upstream and downstream industry partners such as e-sports equipment manufacturers and game developers, the Company seeks to achieve resource sharing and complementary advantages, jointly driving technological innovation and market expansion for e-sports lighting products.
- (11) Development of Smart Voice-Controlled Lighting Solutions:
 - A. With the continuous integration of the Internet of Things (IoT) and artificial intelligence (AI) technologies, the smart home market is undergoing explosive growth.
 - B. Smart voice-controlled lighting, as a key component of smart homes, enables users to control lighting on/off, adjust brightness, and modify color temperature through voice commands—greatly enhancing user experience and the convenience of home living.

(II) Industry overview

1. Current and future industry prospects

"LED Manufacturing" refers to the business of producing various forms of LED components. Taiwan Industry Economics Services has classified "LED (Light Emitting Diode) Manufacturing" as "Light-Emitting Diode Manufacturing" under "Optical Materials and Components Manufacturing" based on Version 11 of "Standard Industrial Classification System of the Republic of China" published by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan.

LED is an electronic component made from semiconductor materials that emits light when electricity passes through. These materials use chemicals from groups III-V of the periodic table (such as: gallium phosphide (GaP), gallium arsenide (GaAs) etc.) to convert electrical energy into light. By applying electrical current on semiconductor compounds made with different materials and taking advantage of electrons and electron holes, excess energy can be released in the form of light to achieve illumination. Different materials produce light at different wavelengths, and are perceived by the eye as different colors. LED is a luminescent light source and has a life span of more than 100,000 hours. The key advantages of LEDs include no idling time, rapid response speed (approximately 10 seconds), compact size, energy efficiency, low pollution, suitability for mass production, and high reliability. LEDs can be manufactured as ultra-compact or array-type components to meet diverse application needs. Their wide range of applications primarily includes the lighting market, panel backlighting, and display signage. Within the lighting segment, applications can be further categorized into general lighting, commercial lighting, automotive lighting, outdoor lighting, landscape lighting, and plant lighting. The LED products manufactured by the Group are primarily applied in the general lighting market, which accounted for an average of 68.60% of operating revenue over the past three fiscal years. The second-largest segment is automotive lighting, with an average revenue share of 13.40% over the past three years. An overview of the current state and development of the industry segments in which the Group operates is as follows:

A. General Lighting:

LED lighting offers several advantages such as energy efficiency, shock resistance, low heat emission, absence of harmful substances, and long service life. For these reasons, it is considered the eco-friendly lighting source of the 21st century. It can be used in various lighting configurations across different spaces and is especially suitable for environments that demand high lighting quality and efficiency or require adjustable lighting features. Main product applications include LED panel lights, track lights, recessed lights, streetlights, and garden lights.

Global demand for lighting has been growing at a slow rate in recent years. Population growth, economic growth, urbanization, and energy conservation needs are some of the key demand drivers. The faster the economic growth and the higher the rate of urbanization, the higher the demand for office buildings, plants, services, and residence. Furthermore, increased wealth is often associated with the need to travel at night, and higher demand for lighting. Lighting is a highly localized business and there are only few global players. Vertical integration efforts in recent years have opened up opportunities and diversity for smart lighting solutions, which may change the future of lighting products and market. Faced with the uprise of smart lighting, global players are actively changing their existing business models to transform into lighting system providers. In addition to refining the current lighting technology, these global players have committed additional resources into developing visible light communication and accurate indoor positioning, and devised a series of strategies to transition from supplying standalone products to providing integrated solutions, systems, platforms, and services, while at the same time expand application from lighting to smart building/campus/city solutions. Overall, the lighting industry as a whole is transforming toward sustainability by incorporating digital, networking, and smart features, and had made noticeable efforts to carbon neutrality in 2030.

B. Automotive Lighting Market:

The rise and fall of the automotive lighting industry are primarily influenced by the overall economic conditions of the automobile market. In the field of automotive lighting, LED lamps offer significant advantages over traditional light sources such as incandescent and halogen lamps. These advantages include faster response time, energy efficiency, environmental friendliness, and longer service life. LEDs can greatly reduce fuel consumption and carbon dioxide emissions and light up instantly to signal vehicles behind, providing drivers with more reaction time and thus improving road safety and reducing traffic accidents. Major application products include headlights, fog lights, daytime running lights, tail lights, and turn signal lights.

Since 2022, although demand in the automotive market has continued to grow steadily, with increasing new orders and substantial capacity release among manufacturers—driving growth in Taiwan's automotive LED market revenue—global inflation and ongoing inventory de-stocking at the end-user level have weakened global consumer demand. As a result, the global LED industry experienced a noticeable decline in output value in 2023. However, according to a TrendForce LED industry report, the global LED market is expected to resume growth in 2024. This recovery will be primarily driven by demand for automotive lighting, general lighting, LED displays, and IR/UV LEDs. In 2024, benefiting from the increase in new energy vehicle (NEV) sales and the continued advancement of technologies such as adaptive headlights, Mini LED tail lights, continuous tail lights, grille lights, full-width front light bars, intelligent ambient lighting, and Mini LED backlight displays, the demand for automotive lighting and display lighting is expected to rise. The market sizes are projected to reach US\$37.395 billion and US\$3.445 billion respectively in 2024.

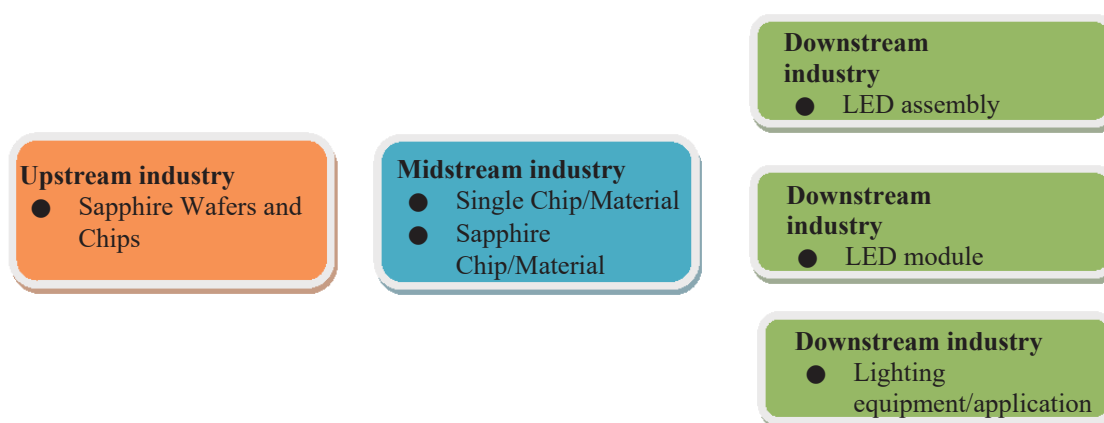
The observation of Taiwan's LED industry import and export performance is shown in the graph below. In 2022, Taiwan's top five LED export destinations were China, Hong Kong, Malaysia, South Korea, and Vietnam, accounting for 53.69%, 16.07%, 6.86%, 4.90%, and 4.25% of total exports, respectively. These five countries together made up 85.77% of total exports, indicating high

export concentration, particularly toward China. Although China fully lifted its COVID-related restrictions in 2023, its economy has been affected by ongoing real estate issues and high unemployment rates, resulting in weaker-than-expected economic growth and, consequently, dampened consumer and import demand. This led to a more than 40% year-over-year decline in Taiwan's LED exports to China in 2023.

In summary, Taiwan's LED industry appears to have bottomed out in the second half of 2023. As the business environment improves in 2024, supported by synchronized growth in markets such as backlighting, general lighting, display signage, automotive lighting, Mini LED/Micro LED, and niche applications, the industry is expected to rise quarter by quarter. Looking ahead to 2025, the LED industry is set to undergo diversified and intelligent development driven by technological innovation and growing market demand, with promising breakthroughs anticipated across more application fields.

2. Association between upstream, midstream, and downstream industry participants

LED manufacturing can be generally divided into EPI wafer production in the upstream, LED chip production in the midstream, LED assembly and module in the downstream, and end-user application. The Company offers LED modules, assembly services, and lighting equipment and applications, which places it in the downstream of the industry chain. Association between upstream, midstream, and downstream participants is illustrated below:



Source: LED manufacturers database, Taiwan Institute of Economic Research (2019/12)

3. Product trends

(1) LED market share continues to increase

A. Advancement of LED lighting technology

To date, continuous innovation and improvement in LED lighting technology have significantly enhanced the performance and efficiency of LED lighting products, including aspects such as optics, color temperature, color saturation, and product lifespan. This has enabled LED products to better meet consumers' demands for high-quality lighting, thereby increasing market competitiveness. New technologies are constantly developing new applications across various fields, such as UV-LEDs used in medical settings to kill bacteria on the surface of medical equipment to prevent cross-infection; smart city lighting, where LEDs, combined with smart control systems, can automatically adjust brightness based on environmental conditions and pedestrian traffic; and stage and television lighting, where LEDs replace traditional incandescent lights, offering color adjustment and beam control capabilities to enrich stage lighting effects and enhance visual performance and atmosphere. The advancement of LED lighting technology will continue

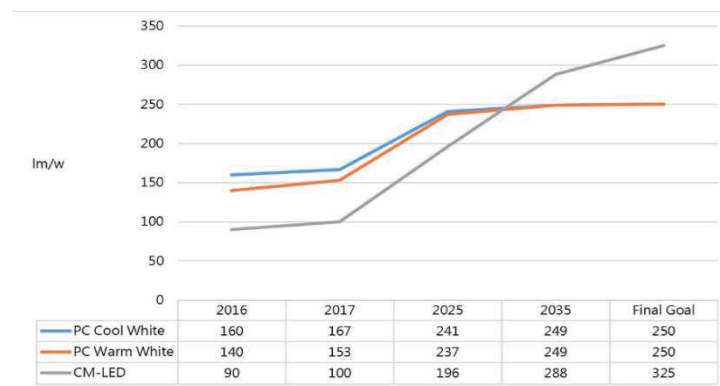
to evolve with market demand, including energy efficiency, multifunctionality, etc., and is expected to keep growing.

B. Improved Cost-Performance Ratio of LED Lighting

As LED technology matures and production scales expand—along with the replacement of traditional lighting—LED

products have gained widespread acceptance among consumers. The cost of these products continues to decline. According to the U.S. Department of Energy's technology development roadmap, the luminous efficacy of cool white LEDs is projected to reach up to 240 lm/W by 2025. Meanwhile, as prices of LED components fall and manufacturers invest additional resources into development, many indoor LED lighting products are now priced more competitively than conventional lighting products.

In summary, LED lighting far surpasses other lighting products in terms of price-to-performance ratio, and is being regarded as the ceiling of high efficiency lighting technology. Other light sources such as OLED and laser will have to overcome the current efficiency and price barriers in order to compete with LED, and new products will have to offer better efficiency at similar pricing to have a chance of being accepted by the market. For these reasons, LED's should secure its dominance as the mainstream light source in the next 5 years.



Source: U.S. Department of Energy (2020)

(2) Increasing market influence from AI technologies

A. AI growing in significance

LED lighting has continually improved in efficiency and decreased in pricing in recent years to create a technological ceiling that make it difficult to compete for new lighting technologies such as OLED. Low price and high efficiency of LED lighting also mean that the industry offers little margin in return. Given the ongoing price competition and uprise of smart city and IoT applications, the lighting industry will compete on integrated LED lighting equipment, IoT lighting, lighting management system, and light as a service (LaaS) for the next growth phase. As AI becomes a part of lighting new features such as smart technology, sensor, communication module, interoperability/compatibility, safety technology, integrated technology etc. will receive greater attention in the future.

B. Increasing technological barrier

IoT and smart city projects will invite more innovative suppliers to develop lighting equipment into connection hubs that transmit data and make cities/buildings smart. To realize this vision, manufacturers will have to find ways of integrating smart technologies into lighting products and bring "intelligence" into lighting. Considering how demand for lighting systems varies between residential, commercial, and industrial applications, it is crucial for suppliers to

explore customers' needs and satisfy them with lighting control systems that offer a favorable price-to-performance ratio and stability. Smart lighting technology is more than just manufacturing and selling lighting equipment, but also involves integration of computing technology, wireless communication, automated control, and database. These integrations make products more difficult to develop by any single manufacturer, and would require strategic alliance or business partnership to succeed. Today, dominant manufacturers of lighting and light control solutions such as Osram, Lutron, and Legrand have made noticeable progress in terms of business acquisition or strategic alliance, which raised capital barrier of entry and made the technology too sophisticated to be single-handedly mastered by any single manufacturer. The industry has changed so much that it is no longer appropriate to classify LED as a conventional "hardware" industry. Instead, it should be recognized as an important part of smart city, for it integrates communication, sensor, computing, and cloud technologies. The prospect of smart lighting has attracted not only lighting manufacturers, but also manufacturers from non-lighting industries, as they, too, try to expand application of their products and score an early win in the race. This conflict has prompted participants to form collaborative yet competitive business relationships within the smart lighting industry.

(3) Uprise of new business models

A. Transition toward lighting system service

Smart lighting technology presents a new blue ocean for reputable lighting manufacturers in the world. Driven by mankind's pursuit for convenience and comfort, lighting designs in the future will be custom-tailored to personal needs, and in order to achieve personalized design, lights will have to be combined with sensors to form smart systems, thereby allowing consumers to control and adjust according to preference. This level of customization means that light can no longer be presented in only one color as it used to, but diversified to accommodate system integrations and lighting designs. They may even incorporate AI technology in the future to further satisfy human needs. Faced with the uprise of smart lighting, large manufacturers are changing their business models progressively and taking the initiative to transform into lighting system providers. In other words, they are transitioning from selling lighting equipment to selling "light," as illustrated in the figure below.



Source: Industrial Technology Research Institute, IEK Consulting (2019/3)

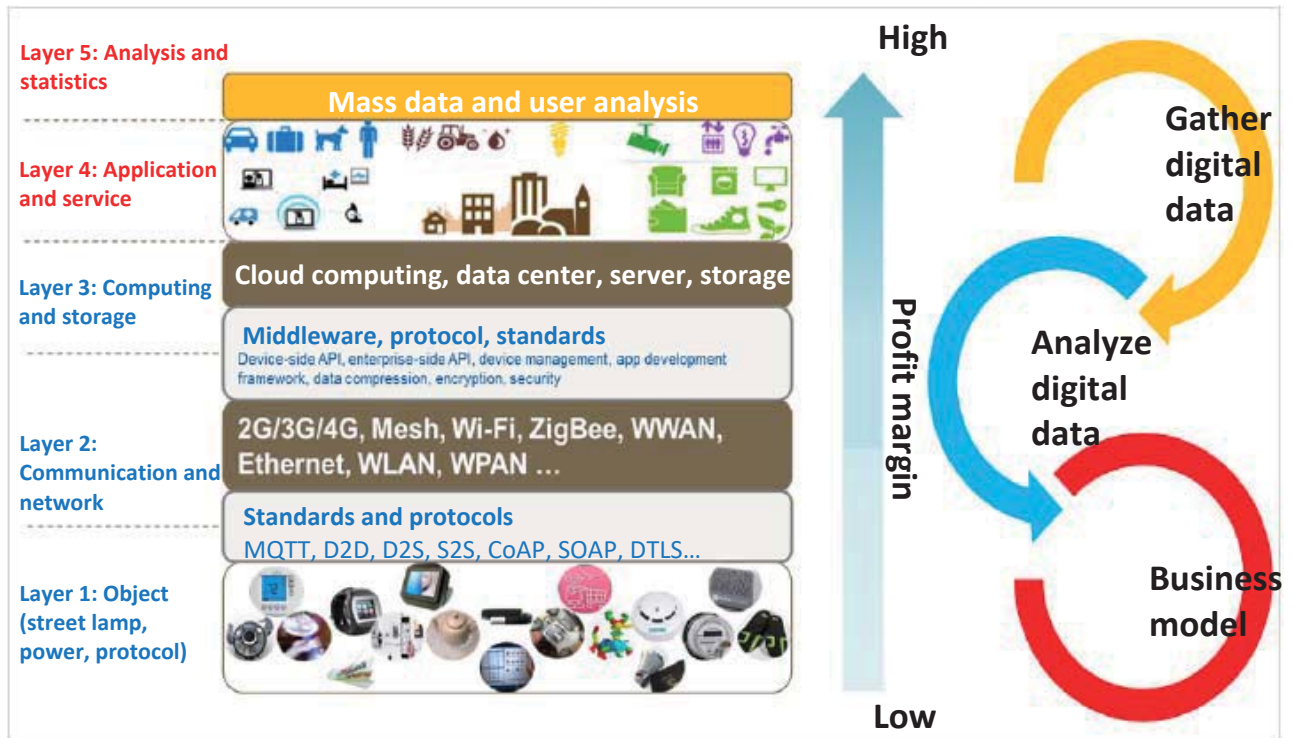
U.S. lighting manufacturer, Acuity Brands, mentioned the arrival of artificial intelligence and IoT as part of its future roadmap, and in addition to refining its current lighting technology, Acuity

Brands has committed additional resources into developing visible light communication and accurate indoor positioning, and devised a series of strategies to transition from supplying standalone products to providing integrated solutions, systems, platforms, and services. Smart lighting is an inevitable development trend in the global shift toward the Internet of Things (IoT) era. LED lighting products are no longer limited to merely providing illumination. For example, smart streetlights equipped with intelligent monitoring capabilities can analyze and compare surrounding pedestrian and vehicle traffic conditions, offering suggestions for traffic management and optimal route planning. They can even help track the whereabouts of missing persons, the elderly, or children, assisting law enforcement in maintaining social order. LED lighting products integrated with communication modules can enable network connectivity within the illuminated area. By further incorporating IP functionality, each LED fixture can serve as a point for indoor positioning, delivering smart, energy-saving, and high-performance lighting for smart homes or offices.

B. Development of new business model

Promising as smart lighting may be, the concept is relatively new to the lighting market and solutions are still under development, not to mention the issues concerning consumers' awareness and user habits. So far, smart lighting is seen primarily in government projects (such as smart street lamp) or government-initiated demonstrations, and is therefore financed mainly by way of Private Finance Initiative (PFI). While PFI is a common model for public infrastructures in the past, it is not an innovative model developed specifically for smart lighting. There are also some conglomerates that develop smart lighting projects in collaboration with local governments using a leasing model (where long-term contracts are signed with local governments to lease out street lamp operations), but neither of the above methods devote much attention to data applications and opportunities given rise by AI or IoT technologies.

From the figure below, it can be seen that innovative business models and new opportunities associated with smart lighting are still under development, and that system operation and data analysis are where the most values can be derived. It is evident that future business models for smart lighting will focus on creating values from the massive volume of data gathered over a long period of time to the benefit of consumers and manufacturers/operators.



(4) Product competition

a. LED lighting products

Currently, world's major manufacturers of high power LED include Nichia, Osram, Matsushita, Lumileds, Toyota Gosei, Stanley, Toshiba, and Citizen. In terms of market competitiveness and positioning, Nichia, Toyota Gosei, and Cree currently take the lead in high-end technologies such as blue light and white light; whereas European and American companies Lumileds and Osram are well-established in vertical integration. Considering the versatility of LEDs to be used in lighting, signage, and automotive applications, being able to secure market trends, distribution channels, and raw materials is critical to future success.

From the perspective of luminous efficacy, LED lighting sources have long been ready for widespread adoption in the lighting market. With declining manufacturing costs and continuously decreasing product prices, LED lighting has now begun to penetrate general household lighting. It is expected that its future competitive advantage will shift from general lighting toward professional lighting applications. The Company, on the other hand, prioritizes on the assembly of high power LEDs (with operating current greater than 350mA) that are designed specifically for lighting. Driven by the LDMS (Lighting Design Manufacturing Service) concept, the Company provides a TEMO (Thermal Management, Electrical Driving Conditions, Mechanical Refinement and Optical Optimization) platform that helps customers develop all sorts of lighting equipment using LED light source, and contributes to the expansion of LED lighting applications. High power LEDs manufactured by the Group are mainly used for lighting in applications such as: stage lighting, commercial lighting, building/landscape lighting, street lamp, decorative lighting, automotive lighting, general indoor lighting, and special applications including curing light, horticulture lamp, medical light, and surgical light.

The Group currently covers high-power LEDs ranging from 1 to 40 watts, extending our reach across various professional lighting sectors to fully meet diverse market demands. In the realm of stage, photography, and film lighting, we offer high CRI designs and can be paired with different secondary optical lenses to optimize mixed light quality and design flexibility. Our technical level is on par with other major international manufacturers, and the overall

lighting market has reached economies of scale. Consequently, the overall cost of LEDs has relatively decreased, enhancing the cost-effectiveness of LEDs. In product development and application, we have gradually attracted and persuaded customers to incorporate high-power LED designs, possessing brand recognition and brand advantages, making our products highly competitive.

b. LED automotive products

With the recent rise of the electric vehicle market, the Group also possesses a comprehensive automotive lighting solution. By utilizing our specialized eutectic process in combination with an array approach, we reduce the light-emitting area to enhance the illumination of traditional LED headlights where low beams are insufficient and high beams have short illumination distances. Our full range of automotive products not only complies with regulatory standards in terms of light color and specifications but also demonstrates high reliability under extreme operating conditions, with product designs based on the IATF16949 process. Having earned the trust of headlamp manufacturers in North America, the group was able to receive ODM and OEM orders for multiple car models, and continues to grow its customer base. Due to safety concerns, automobile manufacturers require genuine LED lighting modules to pass rigorous design and safety tests, and it takes as long as 1-2 years to design, develop, and certify a module. First-time dealing with Tier I manufacturer may take 2-3 years or longer just to review, certify, and deliver samples. However, it is because of the time-consuming and costly nature that deters competitors in the short term, and the rigorous automotive lighting standards imposed by Tier I manufacturers are not something that can be met by manufacturers of general consumer LED lights.

For Tier I manufacturers, discontinuing relationship with an existing supplier in favor of parts from an alternative supplier incurs additional time and cost to certify, not to mention that it is difficult to assess how the change of parts will affect lighting performance. Out of conservatism and concerns for cost and risk, it is unlikely for Tier I manufacturers to change part suppliers.

c. Sensor element

Sensor components use light and optical fibers to transmit information. With the rapid development of related sensor component technologies, sensors have become an important medium for data transmission. In recent years, multimedia applications involving audio and video have developed rapidly, and consumer expectations for data and audiovisual quality have continued to rise. Using light as the medium for transmitting audio data enables higher transmission quality, thereby better meeting consumer demands.

As bandwidth increases, transducers are made smaller and used in high-end products that require higher bandwidths. Currently, plastic optic fiber modules are widely used as transmission interfaces for audio data on sound systems, Mini Disc (MD) devices, DVD players, PS2 consoles, PC motherboards, and laptop computers. At present, optical fiber transmission modules/systems are widely used in consumer electronics as high-quality digital audio data transmission interfaces. In the information technology sector, products such as PC motherboards and notebook computers have also begun to adopt them as standard transmission interfaces.

Given the expected rapid proliferation of digital homes in the coming years, there will be strong demand for data transmission media among various digital household appliances. However, as bit rates and transmission distances increase, traditional copper cables will gradually become unsuitable. Meanwhile, the high cost of glass optical fibers makes them less acceptable to consumers in the digital home market. Plastic optical fiber connectors are well-positioned to fill this gap. As a result, sensor products are expected to maintain annual

growth rates of over 20% until digital technologies become fully mainstream. The sensor components developed by the Group have been widely used in audio equipment, DVD players, and motherboards for notebooks and PCs. Currently, the Group holds the number one market share in Taiwan in terms of shipment volume. With economies of scale and low production costs, these products offer significant competitive advantages.

(III) Technology and R&D overview

1. R&D expenses made in the last year up until the publication date of annual report

Unit: NT\$1,000

Item	2023	2024	2025 Q1
Consolidated R&D expense	129,774	146,068	Not applicable
Consolidated operating revenue	1,991,061	2,558,790	
Percentage of R&D expense	6.52%	5.71%	

2. Technologies or products successfully developed

The Company and subsidiaries have built up their existing production portfolio and developed their current competitive advantage after accumulating many years of technical know-how and making innovative designs and improvements according to customers' requirements. Aside from high power LED components, automotive applications such as headlamp and fog light modules will be the Group's next big focus. Recent development outcomes, future projects, and estimated budgets are explained below:

Unit: NT\$1,000

Year	Project ID	R&D project	Additional amounts to be committed into project
2023	RD4	SWIR short-wave infrared LED development	5,000
	RD5	Green energy supply lighting system	6,000
	RD6	Environmental friendly lighting equipment	4,000
2024	S310017010	Low-power/high-power slim and compact automotive light source development	5,000
	S310024001	Development of human-centric and health-oriented lighting fixtures	6,000
	S320224003	Tool-free detachable smart streetlight with optional light distribution	6,000
2025	S310013020	Integrated smart and dimmable module	500
	T8Y	Semiconductor lighting equipment	1,000
	RD7	Development of Compact High-Power LEDs for Automotive Head-Up Display (HUD)	3,000
	RD8 (Tentative)	Development of optoelectronic sensor components and modules	5,000

	RD6	Development of e-sports lighting products	4,500
	RD6	Development of smart voice-controlled lighting solutions for home use	10,000

(IV) Long and short-term business plans

1. Short-term business plans

- (1) Continue new automotive product development; explore technologies that increase luminance and evenness; and develop LED headlamp modules according to the needs of automobile manufacturers. To meet the evolving demands of future driving experiences, we are actively developing LED solutions for Head-Up Displays (HUD) in addition to exterior automotive LEDs, providing a variety of HUD options to support and prepare for the growth of the electric vehicle market.
- (2) In response to the push for ESG, we continue to expand our engagement in LED lighting projects, offering businesses higher quality and customized energy-saving and carbon reduction solutions.
- (3) Develop application modules for LED products; provide usage and application instructions that facilitate adoption of LED products.
- (4) Adopt modular production procedures for customization opportunities; adopt flexible production procedures to accommodate the needs of different customers. Integrate certain previously developed module circuits onto a single circuit board and standardize the materials used to a unified specification, thereby reducing the complexity and cost of inventory preparation.
- (5) Develop LED controller IC and circuitry design capabilities for improved structure, heat dissipation, and integration.
- (6) Continue adopting the LDMS (Lighting Design Manufacturing Service) approach to provide professional lighting design, manufacturing, and technical support; apply the T.E.M.O. platform and the concept of system integration to helping customers resolve problems in every stage of product development, and satisfy customers' needs.
- (7) SWIR short-wave infrared LEDs can be used with sensor imaging to obtain clearer images of objects at high temperatures of 200 to 500 degrees or in rain and fog, for semiconductor-based inspection and medical-related applications in the industry.
- (8) Provide higher quality and continuously optimize the production process by enhancing automation and implementing digital (e-) management, streamlining manpower to improve efficiency and product competitiveness.
- (9) Introduce new production procedures and measuring instruments; increase production capacity, improve product stability, and support new product development.
- (10) Enhance business and operational management for reduced operating cost and improved competitiveness.
- (11) Enhance corporate governance practices and raise visibility of the Company through marketing and participation in major exhibitions.

2. Long-term business plans

The Company and subsidiaries are dedicated to developing energy-efficient, environment-friendly, and high luminance LEDs, and providing customers with the most speedy services and best quality products that meet their needs. In light of future standards on energy-efficient lighting, the group will aim to develop LEDs of high luminance and high CRI that meet energy-saving requirements, and contribute to the competitiveness of Taiwan's LED industry.

With regards to production procedures, the Company will form stronger long-term relationship with upstream and downstream partners of Taiwan's LED industry as well as equipment suppliers to further reduce production cost, increase profitability, raise competitiveness, and improve market share.

Solar green power system with high-performance outdoor lamp projects, such as street lights, patio lights, flood lights, etc., to provide the unit to the environment, society, and corporate governance of ESG solutions. High-efficiency lighting equipment to reduce energy consumption and greatly extend the duration of green lighting, and the project is powered by solar energy, which does not require the consumption of traditional energy, and is very helpful in reducing carbon emissions and pollution to the environment, in line with the requirements of sustainable development. Solar green power system combined with high efficiency outdoor lamp, its plan can be introduced to government agencies, enterprises, schools, parks and other public places, and private homes, etc., become an important part of the future green energy market. The outdoor solar lighting lamp, for example, can intelligently monitor and adjust the lighting intensity, detect the surrounding environment and road conditions, etc., further promoting the market development of solar green power system combined with high efficiency outdoor lamp.

Smart street lighting project:

- A. Market expansion: Through cooperation with government departments and city construction companies, we will expand the market for smart street lights and apply them to public places such as city roads, parks, and communities.
- B. Strengthen technical innovation: continuously improve the technical level and functions of smart streetlights, enhance the ability of remote monitoring, automatic control and intelligent energy saving of smart streetlights, and develop more innovative products.
- C. Strengthen brand building: Increase brand exposure, improve brand awareness, expand domestic and international market share, and establish a solid brand advantage.
- D. Provide complete solutions: Provide comprehensive intelligent street lighting products and solutions, including street lighting, intelligent monitoring, intelligent energy saving, intelligent management and other services.
- E. Strengthen after-sales service: Provide perfect after-sales service, solve customers' problems in a timely manner, and provide customers with high-quality pre-sales, in-sales, and after-sales services.
- F. Develop international markets: Develop international markets to further expand the scale and market share of our products and increase international awareness. In general, the market for smart streetlamps has a promising prospect and will continue to grow in the next

few years. By enhancing technological innovation, brand building, providing complete solutions, and strengthening after-sales services, we can effectively improve the market competitiveness of smart streetlights and achieve sustainable business development.

Backed by technological advantage and inspired by the mission to support Taiwan's industries, the Company and subsidiaries will continue nurturing talents within the LED industry while at the same time develop a broader range of low-cost, high lighting efficiency products to satisfy customers' needs. By making LEDs popular, the Company fulfills its corporate social responsibilities and sustainability goals.

II. Overview of Market and Production/Sales

(I) Market analysis

1. Locations where products are mainly sold

Unit: NT\$1,000

Location		2023		2024		2025 Q1	
		Sales amount	Percentage (%)	Sales amount	Percentage (%)	Sales amount	Percentage (%)
Domestic sale		283,218	14.22	392,126	15.33	Not applicable	
Export sale	America and Europe	743,266	37.33	997,026	38.96		
	China	640,470	32.17	848,413	33.16		
	Africa	33,999	1.71	24,075	0.94		
	Others	290,108	14.57	297,150	11.61		
Total		1,991,061	100.00	2,558,790	100.00		

2. Market share of main products

The Company and its subsidiaries' main products currently include LED lighting products, LED automotive products, sensor components, and electronic circuit parts. As our company and its subsidiaries belong to the midstream and downstream packaging and assembly sectors of the LED industry, LED lighting products account for the highest proportion of revenue, with approximately 51% of the revenue in 2024. Due to the vast diversity of products sold, the Company was unable to obtain sufficient amount of direct and objective data to support calculation of product market share. Based on IEK's statistics on the production value of LEDs in Taiwan, the Company accounts for approximately 2.0-3.5% of LED production value in Taiwan. Faced with intensifying competition from around the world, the Company will continue to respond by focusing on innovative R&D, marketing products under the proprietary brand, and introducing products of exceptional quality and innovative features ahead of competitors to capture a higher market share.

3. Future market supply, demand and growth

(1) Demand for LED lighting

LED packaging components are applied in a wide range of fields, including alternative light source lighting, handheld lighting, architectural lighting, retail display lighting, residential lighting, entertainment lighting, outdoor lighting, commercial lighting, industrial lighting, image inspection, and security applications. The market share of white LEDs used in large or medium/small-sized LCD backlight modules has continued to decline, while the share used in lighting sources and fixtures has continued to grow significantly due to global demand.

The global emphasis on green energy has propelled the continuous growth of the LED industry. LEDs consume 50% less energy than Cold Cathode Fluorescent Lamps (CCFLs) and Compact Fluorescent Lamps (CFLs) under the same brightness conditions, potentially reducing carbon dioxide emissions by approximately 70 billion tons annually. LED lighting is increasingly becoming mainstream in the global lighting market, and as LED penetration rates rise, the reduction in carbon footprint also increases.

(2) Supply of LED lighting

LED lighting, due to its energy efficiency, durability, and versatility, is widely used in residential, commercial, outdoor, automotive, and decorative lighting. The variety of LED lighting fixtures includes traditional bulbs, tube lights, spotlights, floodlights, etc. In the future, LED systems can integrate with smart controls in homes, offices, etc., becoming part of intelligent lighting domains. LED plant lighting, driven by climate change and the reduction of arable land, is

promoting the development of controlled environment agriculture, leading to a continuous increase in LED penetration rates. It is estimated that the LED plant lighting market size will be \$1.44 billion in 2023, reaching \$2.44 billion by 2027. As environmental conservation and energy saving become increasingly popular, the traditional lighting market will be replaced by LED lighting.

4. Competitive advantage

(1) Strong management team and proprietary technology

The Company and subsidiaries specialize in the research and development of LED lighting for general purpose as well as automotive use. The management team averages more than 10 years of experience in the LED industry, and has extensive knowledge on industry changes, product trends, production procedures, and marketing to help raise overall competitiveness and ensure sustainability of business operations.

Optics, structural design, heat dissipation, and circuitry are some of the technologies involved in the development of LED products. Through LDMS, the Company and subsidiaries are able to provide professional lighting design, manufacturing, and technical support services to help customers resolve problems in every stage of product development. Using the T.E.M.O. platform, the group is able to apply the concept of system integration and help address customers' most critical concerns in LED lighting application (namely heat, electricity, structure, and optics), and thereby helping customers design new generation of semiconductor lighting products in the shortest time possible. The group already leads domestic peers in the research and development of high power LEDs and PLCC components, and has been expanding its involvement to automotive LED lighting in recent years to great results.

Transitioning from components to module and end-product applications, the Company has not only developed a variety of new products but has also obtained multiple patents for protection. The Company and subsidiaries were the first in the industry to establish a LM-80 laboratory, which has been certified by UL for safety and energy efficiency. This laboratory allows products to be validated quickly for fast introduction to the international market. Most product lines today have passed certification and the scope of which is increasing continuously. The Company and subsidiaries have also introduced MES (manufacturing execution system) in recent years to optimize production procedures and strengthen the group's competitive advantage in LED lighting. The extensive experiences accumulated over time have enabled the Company and subsidiaries to develop unrivaled competitive advantage in the research, development, and innovation of high power LED components/modules and PLCC components.

(2) Diverse and complete product line

The main products of the Company and its subsidiaries include high-power LEDs and PLCC component modules, which can be applied to various lighting equipment such as portable product lighting, architectural lighting, automotive lighting, commercial lighting, entertainment lighting, streetlights, and indoor lighting. The diversified range of product applications helps insulate the Company from the economic fluctuations of any single industry, contributing to the Company's long-term and stable development. In terms of high power LEDs, the Company offers high power components ranging from 1W to 150W, and makes modules and products with thoroughly designed exterior based on these components. In addition to being the assembly plant with the most comprehensive lineup of high power and PLCC components, the Company also invests aggressively into automotive LED modules and products for greater competitiveness as well as the ability to satisfy customers' needs in any application.

(3) International marketing channels and sound customer relation

The Company and subsidiaries sell products to the domestic and overseas markets under the proprietary brand - "Edison." Having recognized the importance of globalization and the vastness and diversity of LED applications, the group actively explores global markets through distributors located in Europe and Asia, and offers professional services to help customers resolve issues concerning design and application in the shortest time possible. After years of

dedicated effort and cultivation, the Company has established a sales presence in over 100 countries worldwide. By continuing to collaborate with end-brand lighting customers and serving as a reliable supplier of LED components, the Company has strengthened its customer relationships, built a comprehensive marketing and after-sales service network, and established a strong reputation for its own brands under both the Company and its subsidiaries.

In addition to providing customers with high-quality products at low cost, the Company and subsidiaries also offer professional planning on product and technical aspects as a value-adding service through a proprietary program called LDMS. From quality, yield, delivery to after-sale service, the group maintains positive, long-term relationship with customers in ways that shorten product development timeline and builds marketing channels that support mutual business growth.

(4) Economy of scale and high production efficiency

The Company and subsidiaries produce different lighting products at 3 locations, including Taipei Zhonghe Plant in Taiwan and Dongguan Plant and Yangzhou Plant in Mainland China. Being able to produce at economies of scale and having strong production management capabilities are the keys to reducing production cost and increasing competitiveness. For many years, the Company has devoted attention to improving production procedures and production line management, while shifting low-margin, standardized, and mass production activities to overseas locations where local resources can be used for maximum yield. By applying stringent production management in overseas plants, the group is able to mass-produce at economies of scale to compete for higher market share.

(5) Creation of LDMS platform

The Company and subsidiaries specialize in the development and design of LED lighting components, assembly processes, modules, products, and applications. High power LEDs achieve far higher luminance than conventional LEDs, and therefore require very different designs in terms of heat dissipation, circuitry, structure, and optics. Inspired by customers' needs and the concept of system integration, the Company and subsidiaries jointly introduced a new service called LDMS that emphasizes on bilateral communication with customers as a means to help them resolve technical issues that may arise during product development.

5. Future opportunities, threats, and response strategies

(1) Opportunities

A. LED lighting and applications continue to expand, which present growth potentials for the Company

LED bulbs offer several advantages including energy efficiency, environment friendliness, and longer lifespan. Not only do they require one-tenth of the power to generate the same luminance compared to incandescent bulbs, the light source contains no hazardous substance such as mercury and lead, and has been widely recognized as a "green lighting solution." Furthermore, the potential to increase luminance continuously in the future has made LED the best replacement for incandescent bulbs in countries around the world. Australia, Canada, UK, Japan, and EU countries are progressively phasing out sale of incandescent bulbs. In Taiwan, the government has introduced LED subsidies for street lamps and certain constructions that will prove beneficial to the LED lighting industry. LED can also be used in a broad range of applications from displays, automobiles, laser treatment, retina scan to indoor/outdoor lighting, and is gradually replacing fluorescent lamp and other indoor lights as the preferred lighting solution due to price drops. As lighting efficiency and luminous flux improve, cost-per-lumen (lm) falls while issues concerning heat and structural integrity are resolved, thereby allowing LEDs to replace fluorescent lamps and tungsten bulbs at a faster rate particularly in a period of rising energy expenses and environmental/energy awareness, and support growth of the LED industry.

B. Complete supply chain

LED manufacturing in Europe, America, and Japan is dominated by few global players; Taiwan, on the other hand, has many participants in the LED industry that operate with high degree of specialization and form a complete supply chain. There are drastic differences in the types of business models adopted. Taiwan's LED industry is characterized by high level of specialization between upstream, midstream, and downstream participants, which presents advantages in terms of agility and flexibility. The industry as a whole is considered self-dependent and self-sufficient, whereas individual participants exercise exceptional production management and make up a complete supply chain to rival European, American, Japanese, and Korean competitors in pricing. For downstream assembly plants, almost all raw materials such as LED chip, lead frame, frame, and resin can be sourced from domestic suppliers, and compared to international competitors, Taiwanese assembly plants have adequate control over product quality, delivery time, and cost, and therefore are able to minimize risk of supply disruption and logistics delay.

C. R&D capability and LDMS platform

The domestic LED industry has many assembly plants operating in the midstream and downstream, but most of which are involved in low power or conventional LED assembly and matured applications such as smartphone backlight and traffic signals. The Company and subsidiaries, on the other hand, prioritizes on the assembly of high power LEDs and PLCC components, and constantly explores new lighting applications to tap into the immense opportunities of LED lighting in the future. High power LEDs achieve far higher luminance than conventional LEDs, and therefore require very different designs in terms of heat dissipation, optics, structure, and circuitry. These differences provide clear distinction between Edison group and other domestic LED assemblers in the downstream. The Company and subsidiaries share many years of practical experience in research and development, and specialize in the development, design, and manufacturing of high power LEDs and semiconductor lighting modules, applications, and products. The Company's technology team has accumulated extensive experience and built up strong knowledge in high power LEDs through proprietary research, making it the earliest pioneer and the most technologically advanced manufacturer among domestic peers that rivals global competitors. Furthermore, in an attempt to help users minimize challenges over the course of development, Edison also introduces the industry's first "LDMS (Lighting Design Manufacturing Service)" that uses a modular system combined with the T.E.M.O (thermal, electrical, mechanical, and optical) platform to provide customers with professional customization, design, and manufacturing services. From heat dissipation, circuitry layout, structural planning to optical simulation, LDMS address the critical issues of lighting application all in one package. This gives Edison the ability to propose solutions on a per-product or per-application basis, and manufacture/develop new generation of lighting products with great efficiency while assuring customers with the best and highest quality alternative lighting solutions.

(2) Threats and response measures

A. Patent infringement risk

Patent has always been a major issue to the LED industry. Taiwan's LED development efforts began later than Japan, USA, and European nations, and considering the vast number of patents associated with LEDs, it is essential for businesses to acquire patents as a means to secure intellectual property rights. Patents also enable businesses to develop monopoly in the market, and serve as competitive advantage as competitors are forced to forgo use of critical technology and take more time to establish presence in the market. For this reason, patent infringement litigations are commonly used as a means to disrupt competitors, and as Edison group grows in size, it becomes more susceptible to patent infringement claim from global competitors.

Response strategies:

Edison Group cooperates with world-renowned business leaders including: IC suppliers Samsung, Bridgelux, Epistar, San'an Optoelectronics, and Epileds and phosphor suppliers Mitsubishi, Intematix and GE Current to avoid the risk of patent infringement of Edison Group's products by choosing materials that are free from the risk of patent infringement; and has dedicated personnel responsible for the strategic planning and maintenance of patent rights, such as the strategic planning of patents related to the Group's key products. In addition to general lighting, the Company is pursuing patent deployment for products such as automotive lighting, health lighting, plant lighting, and infrared sensing. As of December 2024, Edison Group (including Edison-Litek) has obtained a total of 210 patents, including 33 invention patents. The invention patents are primarily deployed in Europe, the United States, and China to leverage innovative technologies and mitigate the risk of patent infringement.

B. Incoming competitors, price competition, and lower margins

Bridgelux, a major player, has acquired such a comprehensive portfolio of patents from around the world that it approached Chinese manufacturers Forest Lighting and Zhongshun Semiconductor for OEM service in the last two years. This change of business model not only gives Bridgelux the absolute advantage in terms of pricing, its comprehensive patent coverage allows the organization to dominate in general lighting molds and equipment even in markets such as India and North America.

LED lighting application presents such a large opportunity that manufacturers have emerged all over the world. Not only are existing LED manufacturers setting up barriers of entry, global non-LED players, too, are eager for a share of the market and have established their own semiconductor lighting subsidiaries. As far as the Company is concerned, increasing competitors in the market will ultimately result in price war.

Response strategies:

Most listed companies resolve to capital investment, joint venture, and business acquisition as ways to develop competitive advantage. Edison group, on the other hand, has been avoiding direct competition by targeting niche markets and special applications outside of basic portfolio and engaging large players in strategic collaboration in recent years. By relying on good market instinct, thorough planning, and unique sales channel, the group has been able to deliver favorable results in areas such as full-spectrum lighting, high luminance outdoor EMC, and horticulture lighting.

The Company and subsidiaries will continue developing new products and product lines to improve the diversity and completeness of the portfolio. Meanwhile, more efforts will be directed toward vertical technology integration and helping customers resolve the four most critical technical bottlenecks in LED lighting (namely thermal, electrical, mechanical, and optical). In order to provide added value to customers and avoid competing on price, the Company will continue exploring opportunities in components and products for special applications. Meanwhile, additional resources will be invested into new production technologies and procedure improvements to reduce production cost and widen technological advantage over competitors. For overseas markets, the Company and subsidiaries will aim to expand marketing channels and raise the quality of after-sale services for customer satisfaction as well as enhancements to corporate image and brand awareness.

(II) Main product applications and production processes

1. Main product applications

LED products manufactured by the Company and subsidiaries are used for general lighting, automotive lighting, and datalink. The main uses are as follows:

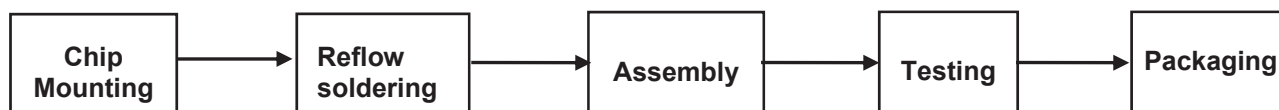
Main products	Purpose
LED lighting components and module end products	Street lamp, horticulture lighting, biomedicine lighting, landscape lighting, stage lighting, commercial lighting, office lighting, household lighting, freezer lighting, emergency lighting, warning light, road lighting etc.
Automotive LED lighting modules	In-vehicle reading light, turn signal, fog light, brake light, tail light, and headlamp.
Sensor element	Transducers are used to send and receive audio signals in the form of LED-generated infrared light. Transducers produced by the Company conform with the SPDIF standard, and are widely used in consumer multimedia products such as: DVD, MP3, CD, MD, TV, cellphone, PC, NB, and game console.

2. Production processes of main products

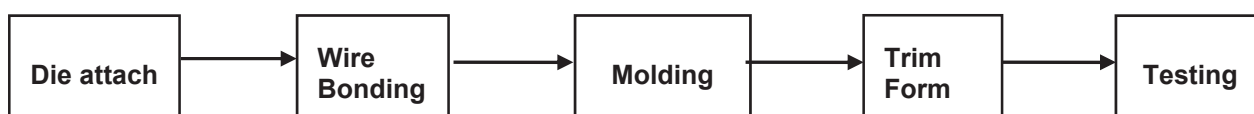
(1) LED lighting components



(2) LED lighting modules and products



(3) Sensor element



(III) Supply of key materials

Main materials	Supply status
Crystalline grain	Good; quality is stable
PCB	Good; quality is stable
Phosphor	Good; quality is stable
Electronic parts	Good; quality is stable
Hardware	Good; quality is stable

(IV) Customers accounting for 10 % or more of the Company's total procurement (sales) volume in either of the 2 most recent fiscal years:

1. Suppliers accounting for 10 % or more of the Company's total procurement volume in either of the 2 most recent fiscal years:

Unit: NT\$1,000

Item	2023			2024			2025 up to March 31		
	Name	Amount	As a % of net purchases for the whole year (%)	Relations hip with the issuer	Name	Amount	As a % of net purchases for the whole year (%)	Relations hip with the issuer	As a % of net purchases for the current year up to the previous quarter (%)
1	Others	1,108,157	100.00	None	Others	1,398,601	100.00	None	
	Total	1,108,157	100.00		Total	1,398,601	100.00		
	Not applicable								

Explanation of the changes:

The main products of the Company and its subsidiaries include LED lighting products, LED automotive lighting products, optical transmission components, and specialty lighting. Key raw materials include LED chips, lead frames, gold wire, phosphor, PCB substrates, IC electronic components, and plastic injection materials. As the shipment ratio of LED module end products increases, the proportion of finished components and ICs procured from suppliers has also gradually risen.

Material procurements from suppliers changed according to our shipment mix over the past two years. To ensure stable sourcing, product quality, pricing, as well as risk diversification, the Company maintained its policy that the purchase amount from a single supplier is controlled below 10%, except for one particular supplier. No other significant changes occurred during the period.

2. Names of customers who accounted for 10% or more of the sales in any of the two most recent years, the amount and percentage of sales, and the reasons for the changes.

Unit: NT\$1,000

Item	2023			2024			2025 up to March 31		
	Name	Amount	As a % of net sales for the whole year (%)	Relationship with the issuer	Name	Amount	As a % of net sales for the whole year (%)	Relationship with the issuer	As a % of net sales for the current year up to the previous quarter (%)
1	A4003	103,120	5.18	None	A4003	397,207	15.52	None	Not applicable
2	Others	1,991,061	100.00	None	Others	2,161,583	84.48	None	
	Total	1,991,061	100.00		Total	2,558,790	100.00		

Explanation of the changes:

The main customers of the Company and its subsidiaries include manufacturers or distributors of LED lighting-related application products, LED automotive lighting manufacturers, and manufacturers of optical transmission components. Sales rankings may vary depending on customer demand and product mix. As downstream applications in the LED market continue to grow, the Company is actively transforming toward the development and application of LED modules, end products, and LED automotive lighting products, in order to diversify and mitigate customer concentration risk.

In terms of LED automotive lighting products, the automotive industry generally imposes stricter quality requirements on component suppliers. Once cooperation is established between automakers and suppliers, such partnerships are less likely to change, allowing for more stable and long-term collaboration. In 2023, in line with the Company's transformation strategy, the Company retained its existing automotive module production lines while expanding into the assembly of automotive end products to reduce customer concentration risk. In 2024, the Company received stable orders for automotive end products. As these are customized products, long-term relationships have been established with clients. However, the shipment ratio to the primary customer for the full year still exceeded 10%. Currently, aside from sales to this Tier 1 LED automotive customer, there are no other individual customers whose revenue accounts for more than 10% of the Group's total net sales during the reporting period.

III. Employees

Year		2023	2024	2025 up to March 30
Employee count	Direct employees	310	335	353
	Indirect employees	413	438	459
	Total	723	773	812
Average age		36.98	37.70	37.11
Average years of service		5.36	6.09	5.26
Academic background	Doctoral Degree	0.14%	0.13%	0.12%
	Master's Degree	3.87%	4.40%	4.68%
	Bachelor Degree	58.78%	53.69%	52.34%
	Senior high school	17.01%	16.69%	15.89%
	Below senior high school	20.19%	25.10%	26.97%

IV. Information of Environmental Protection Expenses

(I) Any losses (including compensations) or fines incurred due to pollution in the last year up till the publication date of annual report. State any future response strategies (including improvement measures) and possible expenses (including possible losses due to absence of response strategy, estimated amount of penalties and compensations etc.; provide explanation if amounts can not be reasonably estimated):

1. The Company and subsidiaries have devoted significant efforts to wastewater treatment and waste reduction since incorporated. The following is a description of accomplishments to date:

(1) Wastewater treatment

Pollutive facility installation permit or pollutant discharge permit relating to water treatment:

Company	Permit No.
EDISON OPTO Zhonghe Plant	Wastewater and pollution permit No.: Jing-Huan-Zi No. 03201-00 (Class B water treatment technician certificate Responsible person: 80 Huan-Shu-Shui-B-Zi No. 0354)
Yangzhou Edison	Wastewater discharge permit: 31321091793826207B001Y
Edison Opto (Dong Guan)	Fixed Source Pollution Registration Number: 91441900787972902A001W Permit No. Yue-Guan-Pai-(2020)-Zi No. 1060149

(2) Industrial waste reduction

The Company and subsidiaries support the government's industrial waste reduction initiatives by sorting and recycling waste and implementing relevant management

policies. Valuable resources are sold, whereas recyclable materials are reused or handed over to qualified waste disposal service providers, thereby reducing the amount of waste produced. Approved permits and reference number:

EPA control No.: H43A7657

Environmental Protection Bureau Approval Number: Fu-Huan-Shi-Zi No. 1120236792

Company	Category	Permit No.
Edison Opto (Zhonghe Plant) and Edison-Litek Opto Zhonghe Plant	D-1801 waste from living activities	Han-Wei Environmental Engineering Co., Ltd. Waste Disposal Permit Number: 112 New Taipei City Fei-Yi-Qing-Zi No. 0096
	E-0218, E-0221 Stable solid waste	LILIAN ENVIRONMENTAL CORP. Waste Disposal Permit Number: 112 Taoyuan City Fei-Jia-Qing-Zi No. 0181 FGD Recycling Industrial Co., Ltd. Processing Permit No.: Taichung City Waste Processing No. 0127 for the year 2023
	C-0301 Flammable industrial waste (liquid)	YEUAN CHI CO., LTD. Erasure permit number: Taoyuan City Waste Disposal No. 0055 for the year 2020 SHANG-DA CHEMICAL MANAGEMENT CO., LTD. Processing Permit No.: Taoyuan City Waste Processing No. 0071-1 for the year 2022
Yangzhou Edison	Hazardous chemicals	Yangzhou Qizhiyou Environmental Technology Co., Ltd.: Disposal of chemical waste packaging bottles, waste wiping paper, waste cleaning agents, and waste activated carbon (Permit No.: JSYZ1003CS0002-3)
Edison Opto (Dong Guan)	Hazardous chemicals	Dongguan Zhongxin Environmental Technology Co., Ltd. Business License: 91441900MA539E5M89 Hazardous Waste Management Permit No.: 4419000024 Dongguan Xunfeng Logistics Co., Ltd. Business License: 91441900061532203K Road transport permit No.: 441900094244
Yangzhou Edison-Litek Opto	Waste solder paste Waste PCB	Gaoyou Kangbo Environmental Resources Co., Ltd. (Permit No.: JS108400I549-4) Jiangsu Run Lian Renewable Resources Technology Co., Ltd. (Permit No.: JSCZ0411OOD063-3)

2. Investment in pollution prevention equipment, the purpose of equipment, and possible benefits: None.

(II) Describe the current state of pollution and how improvements may affect the Company's earnings, competitiveness, and capital expenditure; estimate major capital expenditures on environmental protection in the next 2 years: None.

V. Labor-Management Relations:

(I) Availability and execution of employee welfare, education, training and retirement policies. Elaborate on the agreements between employers and employees, and protection of employees' rights

1. Employee welfare

The Company and subsidiaries have established their own work rules and assembled employee welfare committees in accordance with the Labor Standards Act to promote labor-management relations, unite employees, and cater for employees' benefits. The committee is responsible for the planning and execution of welfare programs, as well as the planning and payment of annual employee benefits. The committee also arranges the following measures:

(1) Employee insurance:

Each employee is covered by Labor Insurance and National Health Insurance from the day onboard as required by laws. In addition, the Company offers a group omnibus insurance package covering term life, accident, accident treatment, cancer treatment, and critical illness, and business travel insurance covering medical and emergency aid for employees on overseas business trips, with 100% subsidized premiums to provide employees with more comprehensive protection.

(2) Pension system: The Company has implemented its own retirement policy in accordance with "Labor Standards Act" and "Labor Pension Act" to accommodate employees' life after retirement.

(3) Employee Health Checkups: Regular employees are entitled to periodic physical health examinations and health data management. Physicians are invited to the Company to provide individual consultations and explanation of examination reports for employees.

(4) Occasion-based benefit: Including birthday cash, Labor Day cash, Dragon Boat Festival cash, Mid-autumn Festival cash, year-end banquet and lottery as well as year-end bonus.

(5) Long service reward: Employees are given long service rewards upon accumulating 5 years, 10 years, 15 years and 20 years of service as a gratitude for their dedication.

(6) Allowances and subsidies: Employees are entitled to a comprehensive range of subsidies from wedding, funeral, child birth, hospitalization, on-job training to children's education.

(7) Work-Life Balance Activities: The Company values family harmony for employees and periodically organizes recreational activities for employees and their families, such as domestic and overseas group trips, charitable events, and club activities. These initiatives aim to relieve employees' work-related stress and strengthen their sense of belonging and unity with the Company.

2. Retirement system and implementation

The Company has implemented its own retirement policy in accordance with the "Labor Standards Act" and "Labor Pension Act" to accommodate employees' life after retirement. A Labor Pension Fund Supervisory Committee has also been assembled to oversee management of the pension fund, as well as execution of pension contributions and benefits. Pension benefits and standards:

(1) Employees who adopt the pension rules of the Labor Standards Act shall have years of service compensated using the following standards: two basis points are awarded for every year of service rendered. However, one basis point is awarded for every full year of service rendered beyond 15 years, subject to a maximum of 45 basis points. Services less than six months are counted as one half year, whereas services more than six months are counted as one full year.

(2) For employees who opted to continue adopting the pension rules of the "Labor Standards Act" after the Labor Pension Act came into effect and those who opted to carry forward years of service from before enactment of the Labor Pension Act, pension benefits are paid according to the rules outlined in the preceding subparagraph.

(3) Employees who opted for the pension rules of the Labor Standards Act and are forced to retire under Article 35, Paragraph 1, Subparagraph 2, shall be given 20% additional pay if their mental or physical disability was caused while performing job duties.

(4) For employees who are subject to the pension rules of the Labor Pension Act, the Company makes contributions equal to 6% of their monthly salary into their personal pension accounts. Benefit claims are subject to the rules imposed by the authority.

3. Training and continuing education

To ensure that all employees understand the Company's history, corporate culture, and become familiar with the work environment and regulations, the Company provides orientation training for new employees. In addition, to enhance employees' professional skills and management capabilities,

internal management and professional training courses are held periodically. When necessary, employees are also assigned to participate in training programs organized by external institutions, offering comprehensive training and continuing education opportunities.

4. Employees' behavior and moral principles

- (1) Employees shall uphold professional ethics and comply with all policies and orders when carrying out services. All employees shall be modest and sincere to customers, and carry out tasks meticulously and efficiently without arrogance, negligence, and delay. Employees are expected to tidy up workplace and return any retrieved documents back to the designated places before leaving work for the day. Employees shall pay constant attention to maintaining ethics, presentable appearance, and proper etiquette. Employees shall also refrain from undesirable habits and are expected to make good use of company assets.
- (2) The Company has a "Business Integrity Code of Conduct," "Ethical Behavior Guidelines for Directors and Managers," and "Employee Ethics Guidelines" that are available to guide directors, managers, and employees.

5. Enforcement of labor agreements and employee rights

The Company and subsidiaries have maintained harmonic employment relations, and use e-mail, employee opinion box, and labor-management meeting as ways to exchange opinions and maintain relationship between labor and management.

(II) Actual or estimated losses arising as a result of employment dispute in the last year up until the publication date of annual report, and any response measures taken. State the reasons if losses can not be reasonably estimated:

The Company did not suffer any loss due to employment dispute in the last two years up until the publication of annual report. Current and future response measures undertaken by the Company and subsidiaries to enhance employment relations:

1. Promoting employment ethics under the concept of a big family.
2. Implementation of interactive communication and grievance channels: The Company adopts a humane management approach that respects employees, and uses a number of communication channels such as the opinion box and department meetings to facilitate one-way or bilateral communication or exchange of opinions between employees and managers.
3. Full compliance with employment regulations and enhanced welfare measures.
4. Current and future potential losses: The Company and subsidiaries adopt a rational management approach, and consider current employment relations to be harmonious and unlikely to incur monetary losses in the absence of other external variables.

VI. Management of Information and Communication Security:

(I) Explain the cybersecurity risk management framework, cybersecurity policy, management practices, and resources committed

1. Cybersecurity risk management framework:

(1) Cybersecurity responsibilities and training:

The IT Center oversees cybersecurity within the Company. All resigned and transferred employees will have system access canceled according to procedures. The Company promotes internal cybersecurity awareness and conducts cybersecurity checks; outcomes of which are reported to the Chairperson.

(2) Internet security control:

An external firewall is in place to control data transmission and access from outside sources. Antivirus definitions on endpoint systems are regularly updated, and a centralized control mechanism has been established for unified management.

(3) Cybersecurity response:

The Company examines emergency response plans on a regular basis and organizes annual drills to ensure the effectiveness of data recovery procedures. A backup mechanism has been implemented, thereby allowing data and systems to be covered in the shortest time possible if an incident occurs.

(4) Data access control:

The addition and modification of application system access permissions are handled in accordance with the procedures established by the information system lifecycle. Access rights are assigned based on the functions of each department.

2. Cybersecurity policy:

The Company has implemented Computer System Cycle and cybersecurity rules to enforce cybersecurity management. The IT Center oversees execution of cybersecurity tasks and operates with the following goals in mind:

- (1) To maintain integrity and usability of data.
- (2) To ensure that data is accessed by departments within their duties and functions.
- (3) To prevent unauthorized use of data and system.
- (4) To reduce intrusion risk for the Company's networks and systems.
- (5) To prevent inappropriate use of network resources.
- (6) To apply strict controls in accordance with the Personal Data Protection Act over access of any system where personal data is stored.
- (7) To promote cybersecurity awareness among new and existing employees.
- (8) Collection of information security status, risk assessment and promotion and prevention

3. Management practices:

The Company has adopted the following cybersecurity management actions to minimize cybersecurity risks and ensure that abnormalities are resolved and operations resumed in the shortest time possible when an incident occurs.

- (1) External risk preventions: firewalls for filtering external access and blocking intrusions; spam filters for blocking social engineering mails; dual factor authentication for remote office sign-in.
- (2) Equipment management and protection: update of antivirus software, operating system vulnerability scan and enhancement, continuous monitoring of cybersecurity trends, and timely responses.
- (3) Response and recovery: establishment of system backups and recovery drill, and implementation of response plans (for hacker intrusion, power outage etc.).

4. Implementation status:

- (1) In August 2023, our company established a dedicated information security unit, comprising a chief information security officer and a dedicated information security staff member.
 - (2) This year, the firewall equipment was upgraded, and external resources were integrated to reduce the risk of hacking and phishing websites.
 - (3) To strengthen our information security mechanisms and facilitate the exchange of cybersecurity intelligence within the industry, in August 2023, we joined the Information Security Chiefs Association of the Republic of China and in October 2023, the Taiwan Computer Emergency Response Team Coordination Center (TWCERT). Through participation in these associations and various cybersecurity activities, we have enhanced our cybersecurity awareness and defense capabilities.
 - (4) Data recovery drills have been completed this year to ensure data availability.
 - (5) The number of participants in information security training sessions this year totaled 50, with ongoing updates on the latest cybersecurity trends.
 - (6) In 2024, information security personnel participated in a total of three ransomware-related seminars hosted by external partners, enhancing their professional competencies in cybersecurity.
 - (7) There were no cybersecurity breaches affecting company operations in 2024.
 - (8) Our company regularly reviews its cybersecurity policies and reports to the Board of Directors. On November 1, 2024, the cybersecurity unit reported to the Board on our cybersecurity risk management framework, policies, risk assessment results, and the status of our planned actions.
- (II) Losses arising as a result of major cybersecurity incident in the last year and the current year up to the date of publication of the annual report, and possible impacts and response measures; state the reasons if losses can not be reasonably estimated: The Company did not succumb to hacker attack or encounter any cybersecurity incident in 2024 that affected company operations

VII. Major Contracts:

List the parties, main details, restrictive clauses, and duration of any material contractual arrangement (that are relevant to shareholders' interest), such as supply/sale agreement, technological collaboration contract, construction contract, long-term borrowing contract etc., that is currently effective or had expired in the last year: None.

Five. Review and Analysis of Financial Position and Financial Performance, and Risk Management

I. Financial position Analysis

Unit: NT\$1,000

Item \ Year	2024	2023	Difference	
			Amount	%
Current Assets	2,376,354	2,105,630	270,724	12.86
Property, plant and equipment	1,611,539	1,623,932	(12,393)	(0.76)
Intangible asset	1,163	2,309	(1,146)	(49.63)
Other Assets	195,236	146,637	48,599	33.14
Total Assets	4,185,351	3,879,985	305,366	7.87
Current liability	676,583	744,639	(68,056)	(9.14)
Current liability	325,216	171,035	154,181	90.15
Total Liabilities	1,001,799	915,674	86,125	9.41
Equity attributable to owners of the parent	3,008,024	2,836,686	171,338	6.04
Share capital	1,436,094	1,436,094	0	0.00
Additional paid-in capital	1,527,876	1,562,759	(34,883)	(2.23)
Retained Earnings	181,492	53,426	128,066	239.71
Other equity	(103,274)	(181,429)	78,155	43.08
Treasury stock	(34,164)	(34,164)	0	0.00
Non-controlling interests	175,528	127,625	47,903	37.53
Total Equity	3,183,552	2,964,311	219,241	7.40
Change in percentage variance analysis explanation: (Changes of over 20%, and a variance amount exceeding NT\$10 million)				
<ol style="list-style-type: none"> Other assets increased compared to the previous period, primarily due to the signing of a property pre-sale agreement (Green Vision No. 1) with Green Vision Development Co., Ltd. on November 11, 2024. The total contract amount is NT\$432,880 thousand. As of December 31, 2024, a payment of NT\$43,360 thousand had been made, with the remaining NT\$389,520 thousand to be paid according to the construction progress. Non-current liabilities increased compared to the previous period, mainly due to the issuance of convertible corporate bonds and the repayment of long-term loans during 2024. The increase in retained earnings from the previous period was mainly due to increased profits for the period. Other equity increased compared to the previous period, primarily due to an increase in the cumulative translation adjustment resulting from exchange rate fluctuations, calculated in accordance with Statement of Financial Accounting Standards No. 14, "The Effects of Changes in Foreign Exchange Rates." Non-controlling interests increased compared to the previous period, mainly due to increased profits of a subsidiary in 2024, leading to a higher recognition of minority shareholders' equity in that company. 				

II. Financial performance

(I) Financial performance analysis (consolidated entity)

Unit: NT\$1,000

Item \ Year	2024	2023	Difference	
			Amount	%
Revenue	2,558,790	1,991,061	567,729	28.51
Gross profit	632,401	511,349	121,052	23.67
Operating expenses	489,122	463,556	25,566	5.52
Net operating profit	143,279	47,793	95,486	199.79
Non-operating income and expenses	30,983	1,620	29,363	1,812.53
Net pre-tax profit	174,262	49,413	124,849	252.66
Income tax expense	21,910	4,911	16,999	346.14
Profit for the year	152,352	44,502	107,850	242.35
Explanation for variations exceeding 20% and with a change amount reaching NT\$10 million or more: <ol style="list-style-type: none"> 1. Operating revenue, gross profit, and operating income increased compared to the previous period, primarily due to the growth in revenue from the automotive market in 2024, which drove overall increases in revenue, gross profit, and operating income. 2. Non-operating income and expenses increased compared to the previous period, mainly due to exchange rate fluctuations. 3. Profit before tax, income tax expense, and net profit for the period increased, primarily as a result of the growth in consolidated revenue in 2024, an increase in gross profit, improvements in the overall profitability structure, and a corresponding increase in income tax expense. 				

(II) A sales volume forecast and the basis therefor, and describe the effect upon the Company's financial operations as well as measures to be taken in response.

Information of research institutions such as PIDA, research of company's business department indicates that:

1. LED Lighting Products: In recent years, the international community has paid attention to the issue of greenhouse gas reduction. With the global rise in energy prices, governments around the world have started to realize the importance of energy-saving and environmental protection. LED, being energy-efficient and a rapidly developing alternative lighting technology, is actively promoted in Europe, America, and Japan. However, due to the impact of low-price competition from Chinese manufacturers, the Company and its subsidiaries have continued to cultivate the existing markets for components, modules, and end products while actively pursuing transformation by exploring new applications and markets. Under the current capacity structure, combined with outsourced manufacturing partnerships and a focus on maintaining profitability, the sales of LED lighting products in 2025 are expected to grow by 28% compared to 2024.
2. LED Automotive Products: In 2024, the global automotive market continued to experience steady demand from end users, with stable deliveries. The Company remains focused on the North American market and continues to collaborate with major international manufacturers on new product development. However, the primary sales market for automotive components remains China. Due to the large electric vehicle (EV) market and relatively lower component requirements, demand has increased, which is expected to drive overall revenue growth for automotive components. It is estimated that LED automotive product sales in 2025 will increase by 25% compared to 2024.
3. Optical Transmission Components: With the rapid development of multimedia products, consumer electronics are placing greater demands on audio and video quality. The rise of the 5G era and the

popularity of digital audio have further driven growth in the use of optical transmission components. However, due to low-price competition from Chinese manufacturers, the Company and its subsidiaries continue to seek new applications and technologies. Sales volume for optical transmission components in 2025 is expected to increase by approximately 39% compared to 2024.

III. Cash flow

(I) Change in consolidated cash flow in 2021

Item \ Year	2024	2023	Change in proportion
Cash flow ratio	35.16%	18.28%	92.34%
Cash flow adequacy ratio (%)	73.96%	79.4%	(6.85%)
Cash flow reinvestment ratio (%)	3.37%	2.13%	58.22%
Remarks for analysis of changes:			
<ol style="list-style-type: none"> The cash flow ratio increased compared to the previous period, primarily due to the increase in cash flow from operating activities in 2024 and the repayment of short-term borrowings under current liabilities and long-term borrowings under non-current liabilities. The cash reinvestment ratio increased, mainly due to the increase in cash flow from operating activities in 2024. 			

(II) Liquidity improvement plan:

The net cash inflow from operating activities of the Company in 2024 was stable, and the net cash inflow from operating activities was higher than the cash outflow from investment activities for the acquisition of property, plant and equipment, and prepayment for equipment. At present, there is no problem of insufficient liquidity. In case of cash shortage in the future, the Company will give priority to bank borrowings. The borrowing facilities negotiated with banks can still meet the Group's operating requirements.

(III) Analysis of cash liquidity in the coming year

Unit: NT\$1,000

Cash balance at the beginning of 2021	Expected net cash flow from business activities	Expected cash outflow	Expected surplus or shortage in cash	Expected remedies for shortage in cash	
				Investment plan	Financing plan
1,140,781	200,000	622,390	718,391	0	0
Remarks:					
<ol style="list-style-type: none"> Cash Flow Analysis for the Coming Year <ol style="list-style-type: none"> Operating Activities: It is mainly expected that in 2025, with the continued adjustment of the product mix, the gross margin and profitability will improve, resulting in net cash inflow from operating activities. Investing activities: Cash outflows from investing activities were mainly due to the planned capital expenditures in 2025, in response to the Group's continued development of the automotive and commercial lighting markets. These included the acquisition of machinery and equipment for production lines and laboratories, as well as the replacement of outdated equipment, totaling approximately NT\$105,690 thousand in fixed asset capital expenditures. In addition, approximately NT\$411,700 thousand was spent on the purchase and related renovation costs of the new Zhongli plant. Financing activities: the cash outflow from financing activities was mainly due to distribution of cash dividends of 105,000 thousand. Expected remedies for shortage in cash and liquidity analysis: As we expected shortage in cash, we will make bank loans in priority. 					

IV. Major Capital Expenditure Items and Source of Capital

(I) The situation of utilization of major Capital Expenditure Items and Source of Capital

Unit: NT\$1,000

Project items	Actual or expected source of funds	Scheduled completion date	Total capital required	Schedule of utilization of actual or expected capital				
				2024	2025	2026	2027	2028
Fixed assets	Own funds	2024.01 to 2028.12	965,206	122,816	622,390	60,000	60,000	60,000

(II) Expected benefits:

To align with the Group's business development and transformation toward focusing on the sales of lighting end products and automotive LED end products, efforts have been made to continuously improve production efficiency and optimize processes. In 2024, the Group acquired assembly production lines and testing equipment, which are expected to begin delivering benefits progressively from 2025, thereby expanding the Group's presence in the automotive lighting market.

Additionally, in response to the global supply chain restructuring triggered by the U.S.-China trade war, and to mitigate operational risks across the Group, it has become necessary to replicate the production lines in China within Taiwan. Accordingly, in the fourth quarter of 2024, the Group signed an agreement with ReaLy Development & Construction Corp. for the use of "ReaLy Pioneer No. 1" as an expanded production base.

V. The annual report shall describe the company's reinvestment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year.

(I) The company's reinvestment policy

According to factors, such as operational requirements and consideration of future growth, The management team of the company and its subsidiaries conduct reinvestment, set a detailed assessment and evaluation recommendations for reinvestment cases, by the organization type, investment purpose, setting location, market conditions, business development, possible joint venture partners, shareholding ratio, reference price and financial status of the reinvested enterprises, for management making investment decisions. As for the invested enterprises, we can keep understand their operating conditions at times, and analyze investment results, so as to help management conduct due diligence.

The re-investment enterprises of the company and its subsidiaries are based on suppliers or customers who transact with the company, directly or indirectly. We can acquire capacity required for production, or keep a cooperative relationship in the present markets, through investments. The group has changed from component manufacturing of LED to the trend of cooperation between modules of the downstream and applications of the finished product. By a relationship of re-investments, we keep a stable source of supplies, and support customers to increase the scale of the markets, to achieve a win-win purpose. At present, the Company and its subsidiaries have no plans for reinvestment companies for financial operations.

(II) Main reasons for investment gains or losses in 2024 and improvement plan:

December 31, 2024 Unit: NT\$ thousand

Reinvested Company	Shareholding ratio	Amount of long-term investment	Investment Profit (loss) in 2024	Major reasons for profit or loss	Improvement plan	Other future investment plan
Edison Opto Corporation	100%	1,005	(75)	Mainly due to the recognition of management expenses	None	None
Ledison Opto Corporation	100%	247,333	(10,797)	Recognition of investment losses of Dongguan Edison	To help earn profits of subsidiaries	None
Edison Opto (Dong Guan) Co., Ltd. (Note 1)	100%	251,262	(14,099)	Losses induced by revenues that do not reach economic scales	To expand markets	None
Best Opto Corporation	100%	1,052,232	20,927	Recognized investment income of Best LED	None	None
Best Led Corporation (Note 2)	100%	1,054,927	19,358	Recognized the investment income of Yangzhou Edison	None	None
Edison Opto (Dong Guan) Co., Ltd. (Note 3)	100%	1,054,922	19,358	Mainly due to integration of resources and the product combination with higher margin, so profits will be increased.	None	None
Yangzhou Aichuang Electronic Trade Corporation (Note 4)	100%	2,463	32	Mainly due to the recognition of interest income	None	None
Edison Fund Investment Limited	100%	93,341	5,361	Mainly due to recognition of investment income in subsidiaries and income on disposal of shares	None	None
Edison Opto USA Corporation (Note 5)	55%	39,369	3,143	Net profit is generated mainly by customers with better gross margins as counterparties	None	None
Ledionopto Intelligent Technology Co., Ltd (Note 5)	100%	21,994	318	Mainly the dividend income from holding the parent company's shares	None	None
Edison Auto Lighting Corporation (Note 5)	100%	7,056	1,938	Although revenue did not reach scale, proper expense control resulted in a net profit.	None	None
Edison-Litek Opto Corporation Limited (Note 6)	72.77%	207,376	(14,589)	The loss was primarily due to the payment of management fees to Edison-Litek Opto.	To help earn profits of subsidiaries	None
Yangzhou Edison-Litek Opto Corporation (Note 6)	72.77%	165,789	9,322	Revenue has gradually increased, and gross margins on orders have improved, resulting in profitability.	None	None
Edison-Litek Opto Corp.	79.89%	422,737	45,528	The scale of automotive lighting products has expanded significantly, leading to noticeable profits.	None	None
Ledison Opto Company Limited	100%	9,633	(677)	Primarily due to the recognition of product development expenses.	None	None

Note 1: The company holds shares of Edison Opto (Dong Guan) Co., Ltd. through Ledison Opto Corporation.

Note 2: The Company holds shares of Best Led Corporation through Best Opto Corporation.

Note 3: The company holds shares of Yangzhou Edison Opto Corporation through Best Led Corporation.

Note 4: The company holds shares of Yangzhou Aichuang Electronic Trade Corporation through Yangzhou Edison Opto Corporation.

Note 5: The company invests and holds shares of Edison Opto USA Corporation, Ledionopto Intelligent Technology Co., Ltd, and Edison Auto Lighting Corporation through Edison Fund Investment Limited.

Note 6: Edison-Litek Opto Corporation Limited is jointly invested and established by the company and two shareholders. The company and its subsidiary, Edison-Litek Opto Corp., hold 72.77% of shares, and 100% invested Yangzhou Edison-Litek Opto Corporation through it.

(III) Investment plans for the coming year:

The company and its subsidiaries have improved their competitiveness by considering conditions of the market and operating, for business expansion and global layout, changing from component sales to the finished product of modules in various fields such as LED lighting and automotive applications in the markets, leading requirements of customers in the LED lighting of end-users' market, and improving the operating strategy by transformation of old business model as component manufacturers of LED. Taiwan and China will continue to invest in research and development of new equipment in new application fields in the future. As the group has a certain production capacity, we will reduce the investment in equipment of packaging components and increase automotive modules and SMT equipment.

VI. Matters for Analysis and Assessment for Risks

(I) Risk factors:

1. The impact of recent changes in interest rates, exchange rate changes and inflation on the profit and loss of the Company and its subsidiaries and future countermeasures
 - (1) Interest Rate: The interest expenses of the Company and its subsidiaries for 2023 and 2024 were NT\$13,109 thousand and NT\$10,185 thousand, respectively, accounting for 0.66% and 0.40% of the net sales revenue for the respective periods. These ratios are relatively low and do not have a material impact on the consolidated statements of profit and loss. With the growth of performance and the expansion of the operating scale, it is necessary to continuously invest in capital expenditures such as R&D equipment to increase the Company's competitiveness. However, the Company and its subsidiaries reference opinions of various research institutions, pay attention to the trend of interest rates, and establish good cooperative relations with financial institutions to receive lower capital costs. Except for keeping conservative principles and sincere use of working capital, we will continue to improve the financial structure to control the cost of capital.
 - (2) Exchange Rate: The net foreign exchange gains of the Company and its subsidiaries accounted for 0.32% and 0.94% of operating revenue in 2023 and 2024, respectively. As the Company and its subsidiaries have a high proportion of export sales, with most transactions denominated in U.S. dollars, fluctuations in the exchange rates of the New Taiwan Dollar and the Renminbi may affect profit and loss. Management of exchange risks adopts the conservative principle and stable balance of assets and liabilities to reduce the impact of fluctuations of exchange rates on the Company's operating profits. The Group's countermeasures in exchange changes:
 - A. As the business division makes a quotation to the customer, it will consider the trend of the exchange rate, by comprehensive consideration of the impact, with a more stable quotation, in order to avoid the huge change in the company's profits, triggered by the change in the exchange rate.
 - B. The financial division keeps a close relationship with financial institutions, observes changes in exchange rates, adjusts foreign currency assets and liabilities at times, manages foreign exchange positions, and adjusts foreign currency positions held to balance assets and liabilities of the foreign currency. Hence, we expect to decrease the impact on the profit and loss.
 - (3) Inflation: The company and its subsidiaries pay close attention to inflation, continue to reduce costs, pay attention to the supply and demand of raw materials and price changes, adjust inventories at times, and develop high value-added products, etc., for countermeasures.
2. The company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future.
 - (1) The company and its subsidiaries have set "Regulations Governing the Acquisition and Disposal of Assets," "Regulations Governing Making of Endorsements/Guarantees" and "Regulations Governing Loaning of Funds to others," approved by the shareholders' meeting, as for the company to do relevant transactions.
 - (2) The Company and its subsidiaries haven't invested high-risk and high-leverage investments in 2024 and the current year as of the date of publication of the annual report.
 - (3) In 2024 and up to the date of publication of this annual report, the Company and its subsidiaries conducted the following short-term intercompany lending for necessary working capital purposes:

Yangzhou Edison Opto Co., Ltd. lent RMB 5 million to Yangzhou Edison-Litek Optoelectronics Co., Ltd., and as of the date of this report, the full amount of RMB 5 million has been utilized. Edison-Litek Opto Corporation Limited lent USD 1.4 million to Edison-Litek Optoelectronics Co., Ltd.. As of the date of this report, the full amount of USD 1.4 million has also been utilized. The above transactions were conducted in accordance with the Company and its subsidiaries' "Procedures for Lending Funds to Other Parties."

- (4) The Company and its subsidiaries haven't made endorsements/guarantees in 2024 and the current year as of the date of publication of the annual report.
 - (5) In 2024 and the current year up to the date of publication of the annual report, the Company purchased short-term (within 3 months) principal-guaranteed wealth management products denominated in RMB to receive higher gains. As its income is relevant to SHIBOR interest rate, exchange rate or gold, etc., it shall be seemed a derivative, according to the Company's "Regulations Governing the Acquisition and Disposal of Assets" for derivatives, with regular evaluation and report to the Board of Directors and do public announcements. Except for the above operations, the Company and its subsidiaries have not invested in other derivatives transactions.
3. Research and development work to be carried out in the future, and further expenditures expected for research and development work.
- (1) The company and its subsidiaries engage in the research, development and production of high-power LED components, LED lighting and automotive module products, optical transmission components and invisible light (infrared and ultraviolet) products, etc. The relevant plans in the future go as follows:
 - A. Continue new automotive product development; explore technologies that increase luminance and evenness; and develop LED headlamp modules according to the needs of automobile manufacturers.
 - B. In response to the push for ESG, we continue to expand our engagement in LED lighting projects, offering businesses higher quality and customized energy-saving and carbon reduction solutions.
 - C. Develop application modules for LED products; provide usage and application instructions that facilitate adoption of LED products.
 - D. Adopt modular production procedures for customization opportunities; adopt flexible production procedures to accommodate the needs of different customers.
 - E. The company has acquired the IATF 16949 for LED module of car lamp, for assuring the stable quality of automotive products to customers. At present, The company has launched a series of components and modules for automotive headlights, fog lights and turn signals, with thin miniature designs and provide manufacturers of the automotive with flexibility of design.
 - F. Specific lighting components and modules, except for general lighting products, the company also increases the application field of LED and develops various special lighting products, such as street lighting, medical beauty, situational decoration, plant lighting, intelligent lighting, UVC cleaning, and LD IR laser.
 - (2) The Company and its subsidiaries have always been committed to improvement of the luminous efficiency, light output quality and production procedure of LED, and applied for patents of the component packaging technology, module low-frequency flicker technology, and module wide voltage of LED in many countries, in order to improve Industrial competitiveness of LED packaging and module technologies in Taiwan. In addition, we also develop new packaging materials with hardware and software equipment with high-stability, high-precision, to decrease the difficulty of the packaging process of LED, and time for LED development, promote upgrading the industries of LED, and get closer to the international markets. In the future, we will continue to focus on the development of core technologies, research and development of innovative product lines, related to LED lighting technology. We expect that expenses and capital expenditure on equipment for research and development in 2025 will be over 5% of the operating revenues, to enhance the competitive advantage.
4. Effect on the Company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response.
- The operation of the Company and its subsidiaries obey relevant domestic and foreign laws and regulations, and always aware of changes in domestic and foreign policies and laws, and has a profession for legal and intellectual property and pays attention to changes in important domestic and

foreign policies and laws at any time, and provides countermeasures. In 2024 and the current year up to the date of publication of the annual report, the Company and its subsidiaries have not been affected by changes in important domestic and foreign policies and laws that affect the Company's financial and business operations.

5. Effect on the Company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response.

The required technical level shall be different from ordinary LEDs, as requirements of global environmental protection, energy saving and changes in technology, the application field of energy-saving and environmentally friendly high-power of LED lighting has increased. The Company and its subsidiaries improve and innovate their own technology, and focus on research and development of new products and technologies. Our developed technologies are applied for multi-national patents to correspond to changes in the technological environments, and we will continue to invest in technological research and development in the future. The Company and its subsidiaries have concentrated on the market for many years, and have a high degree of understand of the demand and changes in the market. We can adjust the business strategies for changes in industries, in order to keep the Company's competitiveness and decrease the impact on our finance and business. In 2024 and the current year up to the date of publication of the annual report, changes in science and technology as well as industrial change has no significant impact on the Company.

In August 2023, our company established a dedicated information security unit, comprising a chief information security officer and a dedicated information security staff member. The Company has adopted the following cybersecurity management actions to minimize cybersecurity risks and ensure that abnormalities are resolved and operations resumed in the shortest time possible when an incident occurs:

- A. External risk preventions: firewalls for filtering external access and blocking intrusions; spam filters for blocking social engineering mails; dual factor authentication for remote office sign-in.
- B. Equipment management and protection: update of antivirus software, operating system vulnerability scan and enhancement, continuous monitoring of cybersecurity trends, and timely responses.
- C. Response and recovery: establishment of system backups and recovery drill, and implementation of response plans (for hacker intrusion, power outage etc.).

In 2024 and up to the date of publication of this prospectus, neither the Company nor its subsidiaries has experienced any cybersecurity incidents or breaches that have impacted business operations.

6. Effect on the company's crisis management of changes in the company's corporate image, and measures to be taken in response.

Since our establishment, the company and its subsidiaries have taken the corporate culture of "Integrity & honesty, action & pragmatism, modesty & steadfastness" as our development goals. Except for the development of the industry, the company continues to focus on development of energy-saving LED lighting, and pays attention to quality of products, promotes customer service, and we has established a good market reputation. By putting much effort in public welfare activities, we committed to keeping corporate image, and obey relevant laws and regulations. As of now, we don't have any matters which make changes in the company's corporate image.

7. Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken.

As of the recent year and the date of publication of the annual report of the company and its subsidiaries, we don't have any plan of acquisition. Except for conducting a plan of acquisition in the future, we will follow relevant laws and regulations, and our internal management procedures, with a sincere attitude, in order to consider if it brings synergies for the company, and assure rights of ordinaries shareholders.

8. Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken.

In response to the global supply chain restructuring triggered by the U.S.-China trade war, and in consideration of diversifying operational risks across the Group, it has become necessary to replicate the production lines in China within Taiwan. As the existing space is no longer sufficient, on September 26, 2024, the Board of Directors approved the purchase of the 6th floor of the newly constructed "ReaLy Pioneer No. 1" building located in the Zhongli Industrial Park for NT\$435 million to serve as the

Group's production base. The project is expected to be completed in June 2025. All related procedures have been handled in accordance with the Company's "Procedures for Acquisition or Disposal of Assets" and internal control regulations.

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

The company and its subsidiaries purchased materials, such as chips, phosphors, brackets, PCB substrates, semiconductor ICs, electronic parts, lenses, heat sinks, mechanical components, plastic injection materials, and lighting modules required by customers. As for the purchases in the recent two years, it has no single supplier whose purchase amount accounted for over 10%, hence no risk of concentration of purchases.

In order to maintain the stability, quality, price and delivery time of our supply, the company not only pays on time to win trust of suppliers, but also keeps a good relationship with purchasers. Due to factors, such as the cost, scale of economical procurement, and cooperation between the two parties, we purchase from suppliers with good quality, a good application with production, and stable supplies. The company and its subsidiaries also increase other suppliers. At present, raw materials come from more than two suppliers, to reduce the risk of concentration of material sources, and kept a good cooperative relationship with suppliers. The quality and delivery time of each supplier are normal over years, with no shortage or interruption of the supply.

The company and its subsidiaries sell products, such as LED lighting products, LED automotive products and optical transmission components. For the last two years, except for a customer of Tier I of automotive modules whose sales amount accounted for more than 10% of revenues, there is no other customer whose sales ratio exceeds 10% of revenues. Hence, there is no risk of concentration on sales.

10. Effect upon and risk to the Company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the Company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken. In 2024 and the current year up to the date of publication of the Annual Report, there were no significant transfers of shares in excess of 10% of the capital of the Company by the directors and major shareholders holding more than 10% of the shares.
11. Effect upon and risk to company associated with any change in governance personnel or top management, and mitigation measures being or to be taken.

As for the establishment of the company, management has held important positions related to the company for a long while. For the spirit of corporate governance, the directors and supervisors were re-elected on June 13, 2013, and we voluntarily adopted the audit committee (it will be the 5th period after the re-election of the shareholders' meeting in 2025) for Supervision of the decision-making content of the board of directors and the operation of the company. The management of the company will support the company's business philosophy and good ethics, improve the company's operating performance and profit growth to earn shareholders' recognition of the management team in the future. As of now, the company's management rights are stable. As of the publication date of the annual report, the Company has no change in governance personnel or top management.

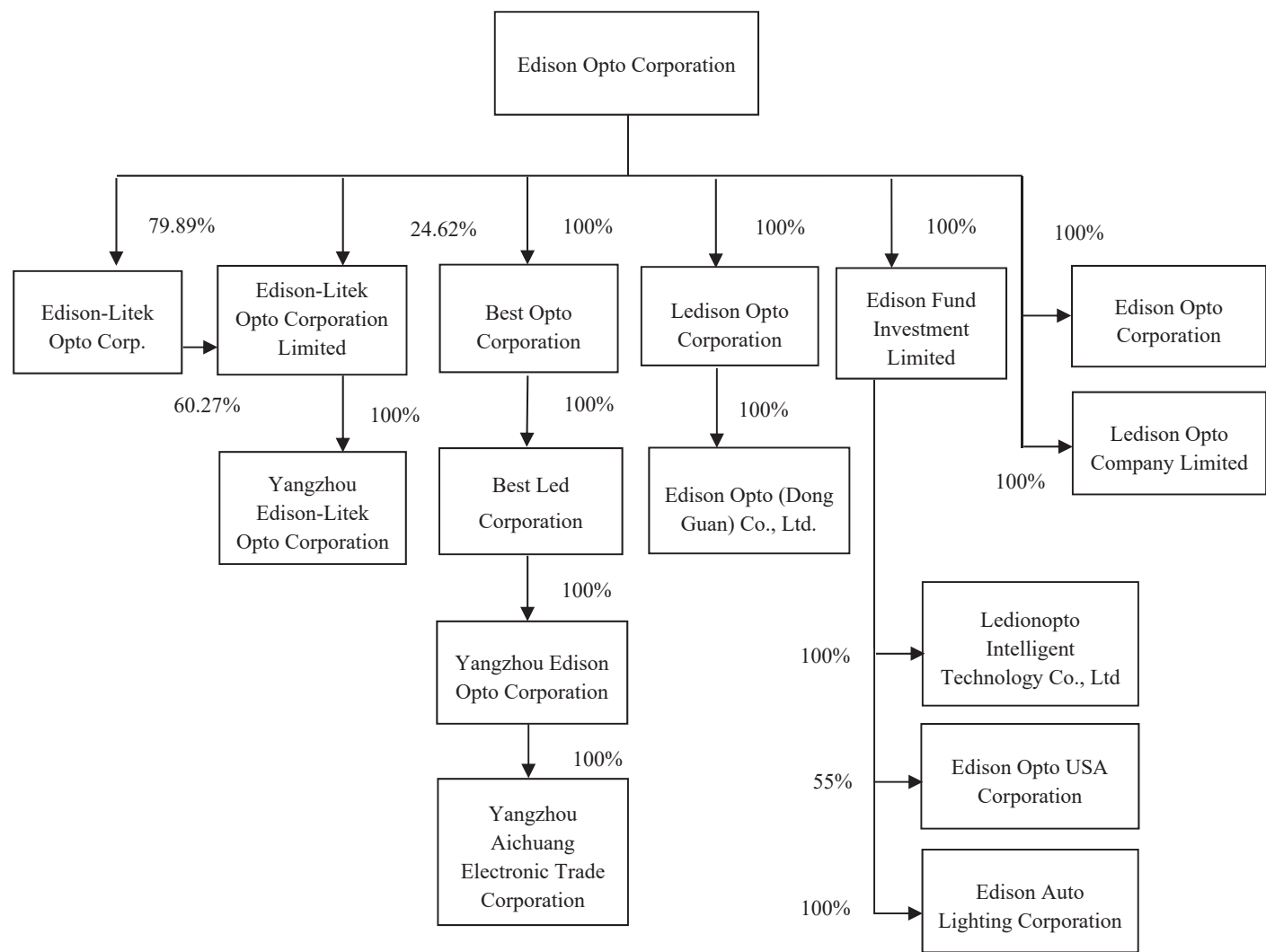
12. Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that: (1) involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report.
13. Other important risks, and mitigation measures being or to be taken.

VII. Other material matters: None.

Six. Affiliated Companies and Special Notes

I. Summary of affiliated companies:

(I) Affiliated companies chart (2024/12/31)



(II) Information of affiliated companies

December 31, 2024 Unit: NT\$ thousand

Company	Date of Incorporation	Place of Registration	Capital Stock (NT\$)	Main business or production activities
Ledison Opto Corporation	2005.08.11	Offshore chambers, Po Box 217, Apia, Samoa	USD 4,500	Investment
Edison Opto Corporation	2003.06.19	Offshore chambers, Po Box 217, Apia, Samoa	USD 30	Sales of optoelectronic products
Best Opto Corporation	2006.08.04	Portcullis TrustNet chambers, Po Box 1225, Apia, Samoa	USD 41,000	Investment
Best LED Corporation	2006.08.08	Portcullis TrustNet chambers, Po Box 1225, Apia, Samoa	USD 41,000	Investment
Edison Opto (Dong Guan) Co., Ltd.	2006.05.17	Section 1, Xicheng Industrial, Hengli Town, Dongguan City, Guangdong Province, China	USD 4,500	Optoelectronic products' production and sales
Yangzhou Edison Opto Corporation	2006.11.10	No. 101, Huayang West Road, Yangzhou City, Jiangsu Province, China	USD 41,000	Optoelectronic products' production and sales
Yangzhou Aichuang Electronic Trade Corporation	2019.09.23	No. 101, Huayang West Road, Yangzhou City, Jiangsu Province, China	RMB 500	Sales of optoelectronic products
Edison Fund Investment Limited	2011.04.22	17F., No. 17, Qiaohe Rd., Zhonghe Dist., New Taipei City	NTD 250,000	Investment
Edison Opto USA Corporation	2009.10.15	1809 Excise Avenue, Suite 201, Ontario CA 91761	USD 400	Sales of optoelectronic products
Edison-Litek Opto Corporation Limited	2014.06.30	Units 3306-12 33/F Shui On CTR 6-8 Harbour Rd Wanchai Honh Kong	USD 11,000	Investment
Yangzhou Edison-Litek Opto Corporation	2014.07.22	No. 101, Huayang West Road, Yangzhou City, Jiangsu Province, China	USD 8,875	Optoelectronic products' production and sales
Ledionopto Intelligent Technology Co., Ltd	2008.06.05	17F., No. 13, Qiaohe Rd., Zhonghe Dist., New Taipei City	NTD 22,000	Sales of optoelectronic products
Edison-Litek Opto Corp.	2017.11.14	17F., No. 13, Qiaohe Rd., Zhonghe Dist., New Taipei City	NTD 230,000	Optoelectronic products' production and sales
Ledison Opto Company Limited (Note 2)	2018.11.08	17F., No. 13, Qiaohe Rd., Zhonghe Dist., New Taipei City	NTD 9,800	Sales of optoelectronic products
Edison Auto Lighting Corporation	2019.10.03	17F., No. 13, Qiaohe Rd., Zhonghe Dist., New Taipei City	NTD 10,000	Sales of optoelectronic products

Note 1: As of December 31, 2024, the exchange rates of the U.S. dollar and the Renminbi against the New Taiwan dollar were 32.785 and 4.5604, respectively.

Note 2: The company completed its name change in October 2024, changing from Edison-Egypt Opto Corporation to Ledison Opto Company Limited.

(III) Information on the same shareholders, who have control and affiliated relationship with the company, according to Article 369-3 of the Company Act: None.

(IV) The type of industries and its connection of the affiliated companies: investment, holding, manufacturing, and merchandising-sector companies.

Company	the orientation strategy of the company	Main products	Business relationships among affiliates	Sales partners
Ledison Opto Corporation	Holding company	Ordinary investments	Holding company	-
Edison Opto Corporation	Sales company	Optoelectronic products	Sales of optoelectronic products	The sales partner is the company around the world
Best Opto Corporation	Holding company	Ordinary investments	Holding company	-
Best LED Corporation	Holding company	Ordinary investments	Holding company	-
Edison Opto (Dong Guan) Co., Ltd.	Foreign production, R&D and sales	Optoelectronic products	Produces and sales of Optoelectronic products	Selling to EDISON OPTO and the company in China
Yangzhou Edison Opto Corporation	Foreign production, R&D and sales	Optoelectronic products	Produces and sales of Optoelectronic products	Selling to EDISON OPTO and the company in China
Yangzhou Aichuang Electronic Trade Corporation	Sales company	Optoelectronic products	Sales of optoelectronic products	The sales partner is the company around the world
Edison Fund Investment Limited	Reinvested Company	Ordinary investments	Holding company	-
Edison Opto USA Corporation	Sales company	Optoelectronic products	Sales of optoelectronic products	The sales partner is the company in America
Edison-Litek Opto Corporation Limited	Holding company	Ordinary investments	Holding company	-
Yangzhou Edison-Litek Opto Corporation	Foreign production, R&D and sales	Optoelectronic products	Produces and sales of Optoelectronic products	The sales partner is the company around the world
Ledionopto Intelligent Technology Co., Ltd	Sales company	Optoelectronic products	Sales of optoelectronic products	The sales partner is the company around the world
Edison-Litek Opto Corp.	Production, R&D and sales	Optoelectronic products	Produces and sales of Optoelectronic products	The sales partner is the company around the world
Ledison Opto Company Limited	Sales company	Optoelectronic products	Sales of optoelectronic products	The sales partner is the company around the world
Edison Auto Lighting Corporation	Sales company	Optoelectronic products	Sales of optoelectronic products	The sales partner is the company around the world

(V) Directors, supervisors, and presidents of affiliates:

December 31, 2024

Unit: Shares

Company	Position	Name or representative					Shares held	
							Shares	Shareholding percentage (%)
Ledison Opto Corporation	Director	Jason Wu					4,500,000	100
Edison Opto Corporation	Director	Jason Wu					30,000	100
Best Opto Corporation	Director	Jason Wu					41,000,000	100
Best LED Corporation	Director	Jason Wu					41,000,000	100
Edison Opto (Dong Guan) Co., Ltd.	Chairperson	Jason Wu	Director	Yaochuan Hong	Director	Guolun Liao	-	100
Yangzhou Edison Opto Corporation	Chairperson	Jason Wu	Director	Yaochuan Hong	Director	Guolun Liao	--	100
	Supervisor	Cheng-Dian Hsu						
Yangzhou Aichuang Electronic Trade Corporation Company	Chairperson	Jason Wu	Direct or	Guolun Liao	Direct or	Kundian He	-	100
	Supervisor	Cheng-Dian Hsu						
Edison Fund Investment Limited	Chairperson	Edison Opto Corp., representative:WU, CHIEN-JUNG					25,000,000	100
	Director	Edison Opto Corp., representative:WU, CHIEN-JUNG						
	Director	Edison Opto Corp., representative: Guolun Liao						
	Supervisor	Edison Opto Corp., representative: HSU, CHENG-TIEN						
Edison Opto USA Corporation	Chairperson	Wen-Ruei Cheng					220,000	55
	Director	Wang, Li-Li		Director	Ashley Cheng			
Edison-Litek Opto Corporation Limited	Chairperson	Jason Wu					18,962,500	73
Yangzhou Edison-Litek Opto Corporation	Chairperson	Jason Wu	Director	KAO, CHANG-C HING	Director	YOO JUN SANG	-	73
	Supervisor	Cheng-Dian Hsu						
Ledionopto Intelligent Technology Co., Ltd	Chairperson	Edison Opto Corp., representative: WU, CHIEN-JUNG					2,200,000	100
	Director	Edison Opto Corp., representative: WANG, LI-LI						
	Director	Edison Opto Corp., representative: WANG, PO-CHUNG						
	Supervisor	Edison Opto Corp., representative: HSU, CHENG-TIEN						
Edison-Litek Opto Corp.	Chairperson	Jason Wu					1,000,000	4
	Director	KAO, CHANG-CHIN					754,025	3
	Director	Edison Opto Corp., representative: Xi-Quan Hu					18,375,000	80
	Supervisor	Cheng-Dian Hsu					80,000	-
Ledison Opto Company Limited	Chairperson	Edison Opto Corp., representative: WU, CHIEN-JUNG					980,000	100
	Supervisor	Edison Opto Corp., representative: HSU, CHENG-TIEN						
Edison Auto Lighting Corporation	Chairperson	Edison Opto Corp., representative: WU, CHIEN-JUNG					1,000,000	100
	Supervisor	Edison Opto Corp., representative: HSU, CHENG-TIEN						

(VI) Consolidated financial statements of affiliated companies

December 31, 2024

Unit: NT\$ thousand, except for earnings per share which is expressed in NT\$ dollars

Company	Capital Stock (NT\$)	Total Assets	Total Liabilities	Net worth	Revenue	Operating profit	Profit or loss (after tax) for the period	Proforma earnings per share (NT\$) (After income tax)
Ledison Opto Corporation	147,533	251,461	0	251,461	0	0	(14,,100)	-
Edison Opto Corporation	984	7,836	6,852	984	0	(128)	(75)	-
Best Opto Corporation	1,344,185	1,054,956	0	1,054,956	0	0	19,358	-
Best LED Corporation	1,344,185	1,054,923	0	1,054,923	0	0	19,358	-
Edison Opto (Dong Guan) Co., Ltd.	152,928	394,178	142,918	251,259	586,691	(14,702)	(14,099)	-
Yangzhou Edison Opto Corporation	1,243,533	1,235,009	180,090	1,054,919	690,016	(5,746)	19,358	-
Yangzhou Aichuang Electronic Trade Corporation	2,280	2,463	0	2,463	0	0	32	-
Edison Fund Investment Limited	250,000	107,015	3	107,012	0	(91)	5,361	0.22
Edison Opto USA Corporation	13,114	83,339	11,770	71,570	78,337	6,646	5,714	-
Edison-Litek Opto Corp. Limited	360,635	244,281	0	244,281	0	(30,821)	(17,185)	-
Yangzhou Edison-Litek Opto Corporation	252,003	354,552	126,724	227,828	403,843	10,468	12,811	-
Ledionopto Intelligent Technology Co., Ltd.	22,000	22,017	23	21,994	0	(65)	318	0.14
Edison-Litek Opto Corp.	230,000	702,564	173,423	529,141	613,003	46,756	56,001	3.04
Ledison Opto Company Limited	9,800	10,120	487	9,633	0	(965)	(677)	(0.32)
Edison Auto Lighting Corporation	10,000	9,677	2,621	7,056	35,210	1,568	1,938	1.94

(VII) Consolidated Financial Statements of Affiliates: Relevant information has been disclosed in the consolidated financial statements. Please refer to the most recent parent-subsidiary consolidated financial statements audited and certified by the CPA.

(VIII) Report of affiliated companies: None.

II. Private Placement Securities in the Most Recent Years: None.

III. Other supplementary information: None.

IV. Any of the situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.

Edison Opto Corporation
Statement of Internal Control System

Date: February 26, 2025

Based on the findings of a self-assessment, the company states the following with regard to its internal control system during the year 2024:

- I. The company's board of directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.
- II. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and the company takes immediate remedial actions in response to any identified deficiencies.
- III. The company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing Establishment of Internal Control Systems by Public Companies (herein below, the Regulations). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communications, and (5) monitoring activities. each element includes each item. Please see regulations for the above items.
- IV. Sysage has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
- V. Based on the findings of such evaluation, the company believes that, on December 31, 2024, it maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries) to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws, and regulations.
- VI. This Statement is an integral part of the company's annual report for the year 2024 and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This statement was passed by the board of directors in their meeting held on February 26, 2025, with nine attending directors all affirming the content of this Statement.

Edison Opto Corporation

Chairperson: Jason Wu

President: Jason Wu

Edison Opto Corporation

Chairperson: Jason Wu



Edison Opto Corporation

