STOCK CODE
2258

FOXTRON

Foxtron Vehicle Technologies Co., Ltd.

2024
Annual Report

Annual Report Website
Market Observation Post System: https://mops.twse.com.tw
Company website: https://www.foxtronev.com

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1. Company spokesperson:
   Name: Wang, Li-We
   Position: Vice President
   Tel: (02) 5590-6168
   Email: ir@foxtronev.com

   Deputy spokesperson:
   Name: Chu, Yu-Liang
   Position: Senior Manager

2. Head Office, Branch Office, Factory Address and Telephone Number

Company/Factory	Address	TEL
Head Office	7F., No. 26, Baogao Rd., Xindian Dist., New Taipei City	(02) 5590-6168
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   Name: Grand Fortune Securities Co., Ltd.
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   Name: CPA Hsu, Chieh-Ju, CPA Hsu, Sheng-Chung
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5. Name of the trading venue for the listing and trading of securities overseas:
   None
6. Company web address: https://www.foxtronev.com

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I. Business Report to Shareholders

In 2024, Taiwan’s automotive market experienced a steady demand recovery, with total sales reaching 457,830 units, marking a 4% decline compared to the previous year. The electric vehicle (EV) market, however, saw significant growth, with sales reaching approximately 38,033 units—a 53.5% increase from 2023. Taiwan’s EV market remains in a growth phase, driven by government policies, increasing demand, improvements in charging infrastructure, and the diversification of offerings from various manufacturers. Globally, the EV market continues to expand despite economic uncertainties and geopolitical influences. In some regions, the shift from government-driven incentives to market-driven demand has slightly dampened growth momentum. Nevertheless, the overall market remained on an upward trajectory, with worldwide EV sales reaching approximately 11 million units in 2024, reflecting a 10.3% year-over-year increase.

As the global push for sustainability and net-zero emissions intensifies, the new energy vehicle market is expected to continue its expansion. Foxtron Vehicle Technologies Co., Ltd. (hereafter referred to as "the Company") remains committed to its core philosophy of "promoting EV adoption through an open platform" and will continue to invest in EV research and development while aiming to expand its global presence and drive industry-wide growth.

The Company's business strategy encompasses three key areas: passenger vehicles, commercial vehicles, and technology services. Since its debut in 2022, the self-developed MODEL T electric bus has been deployed in multiple cities across Taiwan. In 2024, the bus model obtained national recognition as part of Taiwan’s transportation fleet. To further advance bus electrification, the Company initiated the construction of a new plant in Qiaotou, Kaohsiung, which will serve as a state-of-the-art EV bus manufacturing facility and research center. The Company's first passenger vehicle, MODEL C, entered mass production in Q4 2023 and began scaling deliveries in 2024. With strategic marketing efforts, the model secured the second-best sales ranking in Taiwan’s EV market for the year. With the support of these two major product lines, the Company achieved substantial revenue growth in 2024. Below is an overview of the Company’s 2024 operational performance and outlook for 2025.

I. 2024 Annual Business Results

(1) Business results

The Company’s consolidated operating revenue for the year 2024 was NT$8,520,611 thousand , an increase of 716% compared to the consolidated operating revenue of NT$1,043,992 thousand in 2023. Due to eEffective financial management mitigated , the net loss, resulting in a performance performed better than the internal targets.

Financial Data and Profitability Analysis				
				Unit: Thousands NTD; %
Revenue	2024	2023	Increase (decrease) of Amount	Rate of change (%)
Gross profit	8,520,611	1,043,992	7,476,619	716
Net (loss) from operations	1,609,876	157,098	1,452,778	925
Net (loss) before tax	(2,675,568)	(2,380,559)	(295,009)	12
Net (loss) after tax	(2,473,680)	(2,192,674)	(281,006)	13
Earnings Per Share	(2,137,329)	(1,927,201)	(210,128)	11
Revenue	(1.23)	(1.20)	(0.03)	3

(2) Research and development status in 2024

The Company invested NT$6,093,007 thousand in research and development in 2024 to strengthen its vehicle developments, mass production, technology integration and software construction, and manufacturing base construction with the following achievements:

- Tech Day (HHTD 2024), with test drives available during the event
- MODEL C: Began mass production deliveries in 2024, with an extended-range variant introduced by year-end and unveiled North American version at HHTD 2024
- MODEL D: Completed reference design, with the first public reveal at HHTD 2024
- MODEL U: Completed reference design, with the first public reveal at HHTD 2024
- MODEL T: Continued development to meet customer demands and received national recognition in November 2024
- Qiaotou New Plant: Initiated construction with structural framing and completed topping-out ceremony by year-end

II. Summary of the 2025 Business Plan

(1) Business directions

A. Passenger vehicle: expand deliveries of existing models in line with customer marketing strategies; advance new models toward mass production; enhance product quality and cost efficiency for both domestic and overseas markets

B. Commercial vehicle: continuously improve customer satisfaction, increase overall production capacity and capability through the operation of the Qiaotou Industrial Park factory, advance new models toward mass production, promote product quality and cost improvement, as well as the development of domestic and overseas markets

C. Company’s operations: aim for net zero emissions by 2050, actively implement management teams and systems, promote electrification of transportation, develop policies and corporate goals

(2) Expected sales volume and basis

1. Major factors to consider that may impact the Company's sales volume:
   (1) The passenger and commercial electric vehicle market continues to grow.
   (2) The electric vehicle infrastructure continues to improve.
   (3) Policies are promoting electrification of commercial vehicles.
   (4) The completion and operationalization of the Qiaotou plant.
2. The Company will drive revenue and profitability by continuing to align with domestic and international customer needs and explore new business opportunities.

(3) Important production and marketing policies

1. Strengthen existing customer relationships within the passenger and commercial vehicle sectors while leveraging the Contract Design and Manufacturing Service (CDMS) model to attract new clients, and continue to develop new vehicle models.
2. Establish strong relationships with the Company's supplier and strategic partners to ensure technology, production capacity, delivery time, quality, and competitiveness.
3. Remain vigilant and adaptive to market dynamics and technology trends in order to continuously advance research and development.

III. Future company development strategy

The Company is committed to "promoting the popularization of electric vehicles with its Open EV Platform". Sharing a platform that leverages the collective effort and wisdom of all platform users reduces development costs and time, and facilitates achieving economies of scale. The Company aims to provide a cross-customer sharing platform through its professional expertise and technical services.

With the Foxconn group's CDMS (Contract Design and Manufacturing Service) cooperation model, the Company plays a key role in providing design, engineering, supply chain management, and other services. The Company offers CDMS services to multiple brand customers. Through its vertical integration and technical capabilities, it intends to collaborate with partners to facilitate research and development, cost efficiency, and market expansion.

IV. Influence of external competitive environment, regulatory environment, and overall business environments

The Company operates in compliance with relevant domestic and international laws and regulations. It continually monitors important policy and regulatory changes, market trends, significant technological developments, and industry dynamics. The Company responds promptly to environmental changes and implements appropriate measures to optimize delivery.

Recognizing the growing stringency of global ESG standards, the Company established a Sustainability Office in 2024 and initiated the implementation of IFRS sustainability reporting standards. The first Foxtron Sustainability Report was completed in 2024, outlining the Company's roadmap toward net-zero emissions, social responsibility, and corporate governance.

In alignment with the Group's "Sustainable Management = EPS + ESG" strategy, the Company integrates sustainability into its operations while closely monitoring legal and environmental developments to mitigate risks.

The Company will continue to strengthen its research and development capabilities and expand customer relationships in 2025, while continuously optimizing product quality and cost efficiency. Its financial operations prioritize stable growth and long-term investments. Resources are allocated according to operating plans, focusing on talent development and robust team building. This approach enables the Company to meet diverse requirements and adapt to evolving competition and regulatory environmental challenges, while working towards its 2050 net zero emissions and electric vehicle goals. The Company's management and employees uphold the principles of "integrity, professionalism, and openness" to meet the challenges of 2025 and deliver value to shareholders.

Chairman Liu, Young-Way

II. Corporate Governance Report

1. Profiles of Directors, CEO and Senior Vice Presidents, Vice Presidents, Heads of the Departments and BranchesOrganizational Structure

(1). Director

March 25, 2025

Position	Nationality or place of registration	Name	Sex Age	Appointment Date	Term	Date first elected	Shareholding while elected		Current shareholding		Spouse and minor children currently hold shares		Shareholding in the name of others		Main Experience (Education)	Currently hold concurrent positions in this company and other companies	Other executives, directors, or supervisors with a spouses, or close relatives within the second degree			Remarks (Note)
							Shares	Share-holding ratio%	Shares	Share-holding ratio%	Shares	Share-holding ratio%	Shares	Share-holding ratio%			Position	Name	Relationship	
Chairman	Republic of China	HON HAI PRECISION IND. CO., LTD.	—	2023.10.17	3	2020.9.24	794,400,000	49.92	794,400,000	45.62	—	—	11,029,000	0.63	—	Note 1	—	—	—	—
	Republic of China	Representative: Liu, Young-Way	Male 61 ~ 70 years old	2023.10.17	3	2020.9.24	—	—	—	—	—	—	—	—	Chairman of SOCLE Technology Corporation Special Assistant to the Chairman of HON HAI PRECISION IND. CO., LTD. General Manager of Princeton Technology Corporation (PTC) Founder of ADSL IC Design House, Integrated Telecom Express Inc. Founder of ITE Tech. Inc. Founder of Young Micro Systems Master of Electrical Engineering and Computer Science at the University of Southern California	Chairman and General Manager of HON HAI PRECISION IND. CO., LTD. Chairman of Foxsemicon Integrated Technology Inc. Chairman of PowerX Semiconductor Corporation Chairman of SiliconAuto Taiwan CO., LTD. Director of Fulltime International Investment Limited Chairman of MIH Consortium Chairman of Foxtron Vehicle Technologies Co., Ltd. Director of SiliconAuto B.V. Director of Ceer National Automotive Company	—	—	—	—
Vice Chairman	Republic of China	HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD.	—	2023.10.17	3	2020.9.24	763,200,000	47.96	763,200,000	43.83	—	—	—	—	—	—	—	—	—	—
	Republic of China	Representative : Tso, Chi-Sen	Male 71 ~ 80 years old	2023.10.17	3	2020.9.24	—	—	—	—	—	—	—	—	Special Advisor of YULON MOTOR CO., LTD Senior Vice President of Hua-Chuang Automobile Information Technical Center Co., Ltd. Special Assistant of CMC Corporation General Manager of South East (Fujian) Motor Co., Ltd. General Manager of PIHSIANG MACHINERY MFG. CO., LTD. National Chengchi University Department of Business Administration Entrepreneurial	Chairman of LUXGEN MOTOR CO., LTD. Director of Yulon Finance Corporation	—	—	—	—

Position	Nationality or place of registration	Name	Sex Age	Appointment Date	Term	Date first elected	Shareholding while elected		Current shareholding		Spouse and minor children currently hold shares		Shareholding in the name of others		Main Experience (Education)	Currently hold concurrent positions in this company and other companies	Other executives, directors, or supervisors with a spouses, or close relatives within the second degree			Remarks (Note)
							Shares	Share-holding ratio%	Shares	Share-holding ratio%	Shares	Share-holding ratio%	Shares	Share-holding ratio%			Position	Name	Relationship	
															Management Research Class					
Director	Republic of China	HON HAI PRECISION IND. CO., LTD.	—	2023.10.17	3	2020.9.24	794,400,000	49.92	794,400,000	45.62	—	—	11,029,000	0.63	—	Note 1	—	—	—	—
	Japan	Representative: Seki Jun	Male 61 ~ 70 years old	2023.10.17	3	2023.10.17	—	—	—	—	—	—	—	—	Nidec Representative Director, President and CEO Alliance SVP (Renault, Nissan, Mitsubishi), Production Engineering Senior Vice President National Defense Academy of Japan	Foxconn and Chief Strategic Officer for EV Director of ZF Foxonn Chassis Modules GmbH Director of Indigo Technologies, Inc. CEO of MIH EV Research Institute	—	—	—	—
Director	Republic of China	HON HAI PRECISION IND. CO., LTD.	—	2023.10.17	3	2020.9.24	794,400,000	49.92	794,400,000	45.62	—	—	11,029,000	0.63	—	Note 1	—	—	—	—
	Republic of China	Representative: Huang, Ying-Shih	Male 51 ~ 60 years old	2023.10.17	3	2023.1.16	—	—	—	—	—	—	—	—	Senior Associate of EY Transaction Advisory Services Inc. Assistant Manager of SYSTEX Corporation Assistant Manager of HP Inc. National Chung Cheng University Department of Accounting and Information Technology	Note 2	—	—	—	—
Director	Republic of China	HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD.	—	2023.10.17	3	2020.9.24	763,200,000	47.96	763,200,000	43.83	—	—	—	—	—	—	—	—	—	—
	Republic of China	Representative : Hsu, Kuo-Hsing	Male 61 ~ 70 years old	2024.08.01 (Note 3)	3	2024.08.01	—	—	—	—	—	—	—	—	General Manager, Yulon Finance Co., Ltd Department of Mechanical Engineering, National Taiwan University of Science and Technology	Director and General Manager, Yulon Motor Co., Ltd. Director, China Motor Corporation Director, Luxgen Motors Co., Ltd. Vice Chairman, Yulon Finance Co., Ltd. Chairman, Xing-Chi Co., Ltd. Director, Advance Power Machinery Co., Ltd. Director, Yulon Management Enterprise Co., Ltd. Vice Chairman, Yulon Construction Co., Ltd. Director, Yulon Nissan Motor Co., Ltd. Vice Chairman, Tokio Marine Newa Insurance Co., Ltd	—	—	—	—
Independent director	Republic of China	Sonia Sun	Female 41 ~ 50 years old	2023.10.17	3	2023.10.17	—	—	—	—	—	—	—	—	Senior Advisor, Tax and Investment Department, KPMG Law Firm in Taiwan Executive Consultant, KPMG Law Firm China Development Financial Holding Corporation/China Development Industrial Bank Legal Affairs Department Deputy Manager Master of Finance Law, Boston University, United States	Partner Lawyer at Innovatus Law Independent Director of WALRUS PUMP Co., Ltd.	—	—	—	—

Position	Nationality or place of registration	Name	Sex Age	Appointment Date	Term	Date first elected	Shareholding while elected		Current shareholding		Spouse and minor children currently hold shares		Shareholding in the name of others		Main Experience (Education)	Currently hold concurrent positions in this company and other companies	Other executives, directors, or supervisors with a spouses, or close relatives within the second degree			Remarks (Note)
							Shares	Share-holding ratio%	Shares	Share-holding ratio%	Shares	Share-holding ratio%	Shares	Share-holding ratio%			Position	Name	Relationship	
Independent director	Republic of China	Hsiao, Hsing-Chin	Female 51 ~ 60 years old	2023.10.17	3	2023.10.17	—	—	—	—	—	—	—	—	Professor and Vice President of the Department of Accounting Information at National Taipei University of Business Director of the Small & Medium Enterprise Credit Guarantee Fund of Taiwan Director of the Taiwan Small & Medium Enterprise Counseling Foundation Member of the Disciplinary Committee at Taiwan Futures Exchange Advisor of the ESG Sustainable Development Committee of the National Federation of Certified Public Accountants AI FinTech Association First Board of Directors Member of the Professional Responsibility Identification Committee of the National Federation of Certified Public Accountants Director of the Institute of Internal Auditors and Translation Publishing Committee Member PhD in Accounting at National Chengchi University	Professor of Accounting Information Systems at National Taipei University of Business	—	—	—	—
Independent director	Republic of China	Lin, Bor-Tsuen	Male 61 ~ 70 years old	2023.10.17	3	2023.10.17	—	—	—	—	—	—	—	—	Consultant, Metal Industries Research & Development Centre Dean of the College of Engineering, National Kaohsiung University of Science and Technology, First Campus Industrial Technology Research Institute Distinguished Research Fellow Researcher, Department of Mechanical and Process Engineering, ETH Zurich, Switzerland PhD in Mechanical Engineering from the University of Michigan, United States	Lecture Professor of Department of Mechanical and Electrical Engineering, National Kaohsiung University of Science and Technology	—	—	—	—
Independent director	Republic of China	Hwang, Hsiu-Ying	Female 61 ~ 70 years old	2023.10.17	3	2023.10.17	—	—	—	—	—	—	—	—	Director of the Department of Vehicle Engineering, National Taipei University of Technology Senior Engineer, Ford Motor Company, USA PhD in Mechanical Engineering from the University of Iowa, United States	Associate Professor, Department of Vehicle Engineering, and Director, Student Assistance Center, Office of Academic Affairs at National Taipei University of Technology	—	—	—	—

Note: If the Chairman and the CEO or equivalent positions (top managers) of the company, is the same person, spouses, or close relatives within the first degree, please explain the reasons, rationale, necessity, and corresponding measures (such as increasing the number of independent directors, and ensuring that more than half of the directors do not concurrently hold positions as employees or managers) related to this matter: None.

Note 1: The legal representative and director of the legal person currently concurrently holds positions in this company and other companies are Baoxin International Investment Co., Ltd. Legal director, Hongyang Entrepreneurship Investment Co., Ltd. Legal director, Liyi International Investment Co., Ltd. Legal director, Hongyang Semiconductor Co., Ltd. Legal director, Hongyuan International Investment Co., Ltd. Legal director, Hongqi International Investment Co., Ltd. Legal director, Syntrend Creative Park., Ltd. Legal director, SOCLE Technology Corp. Legal supervisor, PEROBOT CO., LTD. Legal director, USUN Technology Co., Ltd. Legal director, Futa International Investment Co., Ltd. Legal director.

Note 2: HON HAI PRECISION IND. CO., LTD. Senior Executive Director, Altus Technology Inc. Chairman, XSemi Corporation Director, iCana Ltd. Director, Advanced Power Electronics Corp. Director, ,Healthconn Corp. Chairman, SolidEdge Solution Inc. Chairman, FARobot Inc. Chairman, Genconn Biotech Co., Ltd. Chairman, Socle Technology Corp. Chairman, Linker Vision Co., Ltd. Director, Pan-International Industrial Corp. Director, ShunSin Technology Holdings Limited Director, Batt. Cycle Materials Co., Ltd. Director, Beijing Hengyu Electric Vehicle Rental Co., Ltd. Director, Fujipo New Business Development Group Co., Ltd. Director, PowerX Semiconductor Corporation Director, Foxconn New Energy Vehicle Industry Development (Henan) Co., Ltd. Chairman, Foxconn EV Netherlands Holdings Director, SiliconAuto B.V. Director, Foxconn New Energy Battery (Zhengzhou) Co., Ltd. Director, Long Time Technology Co., Ltd. Director, Hong Yang Semiconductor Corporation. Director, CHAMPION JOY CO., LTD. Director, Pollux Technologies, Inc. Director.

Note 3: The corporate director, Hua-Chuang Automobile Information Technical Center Co., Ltd., has reassigned its representative. Director Yao, Zhen-Xiang stepped down on August 1, 2024, and the newly appointed director, Hsu, Kuo-Hsing, assumed office on the same date.

(2). Major shareholders of corporate shareholders

March 31, 2025

Name of corporate shareholder	Major shareholders of corporate shareholders	Shareholding ratio %
HON HAI PRECISION IND. CO., LTD.	Terry Gou	12.54
	New Labor Pension Fund	1.77
	Standard Chartered in custody for LGT Bank Investment Account	1.27
	Citibank in custody for Government of Singapore Investment Account	1.25
	Standard Chartered in custody for Vanguard STAR Developed Markets Index Fund	1.22
	Citibank in custody for Government of Norges Bank Investment Account	1.16
	JPMorgan Chase in custody for Vanguard Emerging Markets Stock Index Fund	1.10
	China Trust in custody for Yuanta Taiwan Excellence 50	1.00
	Deutsche Bank in custody for iShares Emerging Markets ETF Investment Account	0.77
	Chunghwa Post Co., Ltd.	0.69

March 31, 2025

Name of corporate shareholder	Major shareholders of corporate shareholders	Shareholding ratio %
HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD.	Yulon Motor Co., Ltd	99.99
	HTC Corporation	0.00
	Ying Yuna Ta Investments. Co., Ltd.	0.00
	Altek Corporation	0.00

(3). The main shareholders of corporate shareholders are corporate entities, and their main shareholders

March 29, 2025

Name of corporate shareholder	Major shareholders of corporate shareholders	Shareholding ratio %
YULON MOTOR CO., LTD.	Tai Yuen Textile Co., Ltd.	17.43
	China Motor Corporation	16.02
	Li-Lien Chen Yen	3.19
	UBS AG, Taipei Branch in custody for Michelle Yen Trust Account	3.17
	UBS AG, Taipei Branch in custody for John Yen Trust Account	3.17
	Fan Te Investment Co., Ltd.	1.96
	Yan Tjing Ling Industrial Development Foundation	1.03
	WEITAI Investment Co., Ltd.	0.80
	JPMorgan Chase Bank in custody for Vanguard STAR Developed Markets Index Fund	0.76
	Weiwen Investment Co., Ltd.	0.76

(4). Disclosure of director's professional qualifications and independent director independence information

Condition / Name	Professional qualifications and experiences	Independence status	Number of independent directors serving concurrently in other publicly listed companies
HON HAI PRECISION IND. CO., LTD. Representative: Liu, Young-Way (Chairman)	Founded in 1988, Young Micro Systems established its own motherboard brand in the United States and founded IC design company ITE Tech in Silicon Valley, creating ITeX with its ADSL chipset products. ITeX was successfully listed on NASDAQ in 2001. Recruited by Terry Gou, the founder of HON HAI in 2007, he took over as chairman of Hon Hai in 2019 and proposed the "3+3" development strategy, with "electric vehicles, digital health, robots" as the three major emerging industries and "artificial intelligence, semiconductors, next-generation communication technology" as the three new technology fields as important long-term development strategies for the Hon Hai Group.	-	0
HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD. Representative: Tso, Chi-Sen (Vice Chairman)	With rich experience in the automotive industry and a complete technical background, he has been involved in the design and manufacture of Yue Loong Feeling cars and held various positions in car manufacturers and car electronics factories. Current Position: Chairman of Luxgen Motor Co., Ltd., and Director of Yulon Finance Corporation.	-	0
HON HAI PRECISION IND. CO., LTD. Representative: Seki Jun (Director)	Joined Nissan Motor Company in 1986, served in the Japanese automotive industry for many years, and served as the Deputy COO of the Renault-Nissan-Mitsubishi Alliance in 2019. In 2023, he was recruited by HON HAI to serve as the Chief Strategy Officer of Foxconn Electric Vehicles.	-	0
HON HAI PRECISION IND. CO., LTD. Representative: Huang, Ying-Shih (Director)	Current Position: Senior Executive Director of HON HAI PRECISION IND. CO., LTD., Director of XSemi Corporation, Director of ShunSin Technology Holdings Limited, and Chairman of ALTUS TECHNOLOGY INC. Experience: Senior Associate of EY Transaction Advisory Services Inc.; Assistant Manager at Systex Corporation.	-	0
HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD.	Possessing extensive experience in the automotive industry and manufacturing, he has held key positions in multiple automobile companies. Current Position: Director	-	0

Condition / Name	Professional qualifications and experiences	Independence status	Number of independent directors serving concurrently in other publicly listed companies
Representative: Hsu, Kuo-Hsing (Director)	and President of Yulon Motor Co., Ltd., as well as Director of Yulon Nissan Motor Co., Ltd., Luxgen Motor Co., Ltd., China Motor Corporation, and Vice Chairman of Yulon Finance Corporation.		
Sonia Sun (Independent director)	Current Position: Partner Lawyer at Innovatus Law, and Independent Director of WALRUS PUMP Co., Ltd. Former Senior Advisor, Tax and Investment Department, KPMG Law Firm in Taiwan, and Executive Consultant, KPMG Law Firm; Associate, Legal Affairs Department, CDIB Capital Group / China Development Industrial Bank.	Note 1	1
Hsiao, Hsing-Chin (Independent director)	Current Position: Professor of Accounting Information Systemsat National Taipei University of Business Experience: Professor and Vice President of the Department of Accounting Information and Dean of the Department of Accounting Information at National Taipei University of Business; Director of the Small & Medium Enterprise Credit Guarantee Fund of Taiwan; Director of the Taiwan Small & Medium Enterprise Counseling Foundation; Member of the TAIFEX Disciplinary Committee; Advisor of the ESG Sustainable Development Committee of the National Federation of Certified Public Accountants; AI FinTech Association First Board of Directors; Member of the Professional Responsibility Identification Committee of the National Federation of Certified Public Accountants; Director of the Institute of Internal Auditors and Translation Publishing Committee Member.	Note 1	0
Lin, Bor-Tsuen (Independent director)	Current Position: Lecture Professor of Department of Mechanical and Electrical Engineering, National Kaohsiung University of Science and Technology Experience: Consultant, Metal Industries Research & Development Centre; Dean of the College of Engineering, National Kaohsiung University of Science and Technology, First Campus;; Industrial Technology Research Institute Distinguished Research Fellow; Researcher, Department of Mechanical and Process Engineering, ETH Zurich, Switzerland.	Note 1	0

Condition / Name	Professional qualifications and experiences	Independence status	Number of independent directors serving concurrently in other publicly listed companies
Hwang, Hsiu-Ying (Independent director)	Current Position: Associate Professor, Department of Vehicle Engineering and Director, Student Assistance Center, Office of Academic Affairs National Taipei University of Technology Experience: Director of the Department of Vehicle Engineering, National Taipei University of Technology; Senior Engineer, Ford Motor Company, USA.	Note 1	0

Note: All directors are not involved in any events stated in Article 30 of the Company Act.

Note 1: Independent directors have met in any of the situations described in Article 3, Paragraph 1 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies in the two years before their appointment and during their term of office:

(1) Neither myself, my spouse, nor any second-degree relatives have held any positions in this company or its related enterprises.

(2) The person, the spouse, or a relative within the second degree of kinship (or anyone else whose name is used) does not hold shares of the Company.

(3) Without situations stated in Article 3 Paragraph 1 Sub-paragraphs 5-8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

(4) The remuneration received for commercial, legal, financial, or accounting services provided to the Company or the affiliates in the most recent 2 years.

(5). Diversity and Independence of Board of Directors

1. Diversity of Board of Directors

The company intends to establish a diversity policy in order to strengthen corporate governance and promote the sound development of the composition and structure of the board of directors. The appointment of the company's board members is based on their qualifications and capabilities. They possess diverse complementary capabilities in various industries, including gender, age, nationality, and culture, as well as professional industry backgrounds and relevant experiences. This is to ensure the implementation and effective management of the company’s goals and to establish a sound structure for the board of directors.

The Company has stipulated the "Corporate Governance Best Practice Principles", and shall ensure that members of the board of directors possess the necessary knowledge, skills, and qualities to fulfill their duties. To achieve the ideal goal of the company, the board of directors shall possess the following abilities:

(1). Ability to make operational judgments.

(2). Ability to perform accounting and financial analysis.

(3). Ability to conduct operation and management.

(4). Ability to conduct crisis management.

(5). Knowledge of the industry.

(6). An international market perspective.

(7). Ability to lead.

(8). Ability to make policy decisions.

The Company also places importance on gender equality in the composition of the board of directors, with three out of nine members are female, accounting for 33%. All directors of

this company are not employees.

The current board of directors of the company has implemented the policy of diversity as follows:

Diversity items / Director's Name	Position	Nationality	Sex	Age (years)	Diversity core items							
					Ability to make operational judgments	Ability to perform accounting and financial analysis	Ability to conduct operation and management	Ability to conduct crisis management	Knowledge of the industry	An international market perspective	Ability to lead	Ability to make policy decisions
HON HAI PRECISION IND. CO., LTD. Representative: Liu, Young-Way	Chairman	Republic of China	Male	61-70	✓	✓	✓	✓	✓	✓	✓	✓
HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD. Representative: Tso, Chi-Sen	Vice Chairman	Republic of China	Male	71-80	✓	—	✓	✓	✓	✓	✓	✓
HON HAI PRECISION IND. CO., LTD. Representative: Seki Jun	Director	Japan	Male	61-70	✓	—	✓	✓	✓	✓	✓	✓
HON HAI PRECISION IND. CO., LTD. Representative: Huang, Ying-Shih	Director	Republic of China	Male	51-60	✓	✓	✓	✓	✓	✓	✓	✓
HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD. Representative: Hsu, Kuo-Hsing	Director	Republic of China	Male	61-70	✓	—	✓	✓	✓	✓	✓	✓
Sonia Sun	Indepen-dent director	Republic of China	Femal e	41~50	✓	✓	✓	✓	—	✓	✓	✓
Hsiao, Hsing-Chin	Indepen-dent director	Republic of China	Femal e	51~60	✓	✓	✓	✓	—	✓	✓	✓
Lin, Bor-Tsuen	Indepen-dent director	Republic of China	Male	61~70	✓	—	✓	✓	✓	✓	✓	✓
Hwang, Hsiu-Ying	Indepen-dent director	Republic of China	Femal e	61~70	✓	—	✓	✓	✓	✓	✓	✓

2. Specific management objectives of the diversity policy, and the achievements are as follows:
   A. Specific management objectives:
      At least two directors among all board members must possess any one of the abilities listed above.
      Individual directors must possess at least five of the above abilities.
   B. Current achievements:
      Currently, all members of the board of directors have achieved the goal of diversity policy.

3. Independence of Board of Directors
   The current board of directors of the company consists of 9 members, including 5 directors and 4 independent directors. The proportion of independent directors is 44.44%, and all independent directors have a tenure of less than 3 years.
   The independent directors of the company comply with "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies". There are no circumstances as specified in Article 26-3, Paragraphs 3 of the Securities and Exchange Act between the directors and independent directors. The Board of Directors of the company is independent. For information on the professional qualifications and experience of the directors and the independence of the independent directors, please refer to pages 10~11.

(6). The CEO, Senior Vice President , and the chiefs of all the company's divisions and branch units

March 25, 2025

Position	Nationality	Name	Sex	Appoint-ment Date	Shareholding		Spouse and minor children shareholding		Shareholding in the name of others		Main Experience (Education)	Currently holding concurrent positions in other companies	Manager with spouse or within second-degree relationship			Remarks (Note)
					Shares	Share-holding ratio%	Shares	Share-holding ratio%	Shares	Share-holding ratio%			Position	Name	Relation-ship	
CEO/ Head of Electrical Electronics Systems (concurrently)	Republic of China	Lee, Bing-Yen	Male	2020.9.24	1,926,000	0.11	—	—	—	—	Deputy general manager of Foxconn Interconnect Technology Limited Deputy general manager of HTC Corporation Master of Electrical Engineering at the California Institute of Technology, United States	Director of Foxtron Vehicle Technologies (Hangzhou) Ltd.	—	—	—	—
Senior Vice President/Head of Vehicle Integration & Architecture	Republic of China	Chen, Ching-Ya	Male	2020.9.24	946,500	0.05	—	—	—	—	Vehicle Project deputy general manager of Hua-Chuang Automobile Information Technical Center Co., Ltd. Deputy general manager of Technical Development Group, China Motor Corporation Master of Science in Department of Mechanical Engineering at National Cheng Kung University	Director of Nanjing Futeng New Energy Automobile Technology Co., Ltd Director of Foxtron Vehicle Technologies (Hangzhou) Ltd. CEO of Foxtron Vehicle Technologies Co., Ltd. Southern Taiwan Science Park Branch	—	—	—	—
Senior Vice President/Head of Project Mgmt Office	Republic of China	Huang, Ching-Hsien	Male	2022.1.1	765,500	0.04	—	—	—	—	Supervisor of Chassis Module Integration Engineering, Ford Motor Company Vehicle Project Assistant Manager of Hua-Chuang Automobile Information Technical Center Co., Ltd. Engineering Unit Supervisor of Ford Motor Company Project Manager of Modern Engineering Master of Mechanical Engineering, University of Texas at Arlington	—	—	—	—	—
Accounting Officer Financial Officer (concurrently)	Republic of China	Huang, Chih-Ying	Female	2022.11.09 2024.09.02	80,000	0.00	—	—	—	—	Senior officer of HON HAI PRECISION IND. CO., LTD. Chief Financial Officer of Quanyue Technology Co., Ltd National Chengchi University Department of Public Finance	—	—	—	—	—
Chief internal Auditor	Republic of China	Lin, Tong	Female	2022.11.9	72,000	—	—	—	—	—	Casetek Holdings Limited Management Audit of Deloitte Touche Tohmatsu Limited Soochow University Department of Accounting	—	—	—	—	—

Position	Nationality	Name	Sex	Appoint-ment Date	Shareholding		Spouse and minor children shareholding		Shareholding in the name of others		Main Experience (Education)	Currently holding concurrent positions in other companies	Manager with spouse or within second-degree relationship			Remarks (Note)
					Shares	Share-holding ratio%	Shares	Share-holding ratio%	Shares	Share-holding ratio%			Position	Name	Relation-ship	
Corporate Governance Officer	Republic of China	Lu, Miao-chich	Female	2023.12.25	30,000	0.00	—	—	—	—	Senior stock services supervisor of HON HAI PRECISION IND. CO., LTD. Yuanta Securities Shareholder Services Agency Department Capital Securities Corporation Shareholder Services Department Fu Jen Catholic University Department of Finance and International Business Master of Finance	Senior stock services supervisor of HON HAI PRECISION IND. CO., LTD.	—	—	—	—

Note: If the CEO or equivalent positions (top managers) of the company, is the same person, spouses, or close relatives within the first degree, please disclose the reasons, rationale, necessity, and corresponding measures (such as increasing the number of independent directors, and ensuring that more than half of the directors do not concurrently hold positions as employees or managers) related to this matter: There is no such situation.

(7). Recent annual remuneration for directors and key managers

1. Remuneration for directors and independent directors

Unit: Thousands NTD

Position	Name	Director's remuneration								The total amount and the proportion of net profit after tax for items A, B, C, and D		Concurrent employees receive relevant remuneration								The total amount and the proportion of net profit after tax for items A, B, C, D, E, F, and G		Receive remuneration from investment businesses other than subsidiaris, or the parent company
		Remuneration (A)		Retirement pension (B)		Director's remuneration (C)		Operating expenses (D)				Salary, bonuses, and special allowances, etc (E)		Retirement pension (F)		Employee 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	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			
Chairman	HON HAI PRECISION IND. CO., LTD.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	Representative: Liu, Young-Way	—	—	—	—	—	—	24	24	24 (0.0011)	24 (0.0011)	—	—	—	—	—	—	—	—	24 (0.0011)	24 (0.0011)	(Note 1)
Vice Chairman	HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	Representative: Tso, Chi-Sen	—	—	—	—	—	—	24	24	24 (0.0011)	24 (0.0011)	—	—	—	—	—	—	—	—	24 (0.0011)	24 (0.0011)	—
Director	HON HAI PRECISION IND. CO., LTD.	—	—	—	—	—	—	—	—		—	—	—	—	—	—	—	—	—	—	—	—
	Representative: Seki Jun	—	—	—	—	—	—	12	12	12 (0.0006)	12 (0.0006)	—	—	—	—	—	—	—	—	12 (0.0006)	12 (0.0006)	(Note 1)
Director	HON HAI PRECISION IND. CO., LTD.	—	—	—	—	—	—	—	—			—	—	—	—	—	—	—	—	—	—	—
	Representative: Huang, Ying-Shih	—	—	—	—	—	—	30	30	30 (0.0014)	30 (0.0014)	—	—	—	—	—	—	—	—	30 (0.0014)	30 (0.0014)	(Note 1)
Director	HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	Representative: Hsu, Kuo-Hsing(Note 2)	—	—	—	—	—	—	18	18	18 (0.0008)	18 (0.0008)									18 (0.0008)	18 (0.0008)	—
Director	HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD.	—	—	—	—	—	—	—	—	–	–	—	—	—	—	—	—	—	—	—	—	—
	Representative: Yao, Zhen-Xiang(Note 2)	—	—	—	—	—	—	12	12	12 (0.0006)	12 (0.0006)	—	—	—	—	—	—	—	—	12 (0.0006)	12 (0.0006)	—
Independent director	Sonia Sun	400	400	—	—	—	—	30	30	30 (0.0201)	30 (0.0201)	—	—	—	—	—	—	—	—	30 (0.0201)	30 (0.0201)	—

Position	Name	Director's remuneration								The total amount and the proportion of net profit after tax for items A, B, C, and D		Concurrent employees receive relevant remuneration								The total amount and the proportion of net profit after tax for items A, B, C, D, E, F, and G		Receive remuneration from investment businesses other than subsidiaries, or the parent company
		Remuneration (A)		Retirement pension (B)		Director's remuneration (C)		Operating expenses (D)				Salary, bonuses, and special allowances, etc (E)		Retirement pension (F)		Employee 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	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	The company	All companies in the financial report	
Independent director	Hsiao, Hsing-Chin	400	400	—	—	—	—	30	30	30 (0.0201)	30 (0.0201)	—	—	—	—	—	—	—	—	30 (0.0201)	30 (0.0201)	—
Independent director	Lin, Bor-Tsuen	400	400	—	—	—	—	30	30	30 (0.0201)	30 (0.0201)	—	—	—	—	—	—	—	—	30 (0.0201)	30 (0.0201)	—
Independent director	Hwang, Hsiu-Ying	400	400	—	—	—	—	30	30	30 (0.0201)	30 (0.0201)	—	—	—	—	—	—	—	—	30 (0.0201)	30 (0.0201)	—

1. Please specify the policy, system, standards, and structure for the remuneration of independent directors, and explain the correlation between their responsibilities, risks, time commitment, and the amount of remuneration to be paid:
   (1) Salary policy, system, standards and structure
      A. Independent director remuneration and attendance fees shall be handled in accordance with the "Director and Manager Remuneration Regulations" approved by the board of directors.
      B. Attendance fee for independent directors: For the income derived from performing business activities, it is issued based on the number of personal attendances at board meetings, audit committee meetings, remuneration committee meetings, or attendance at shareholders' meetings.
   (2) The relationship between the responsibilities, risks, time commitment, and the amount of remuneration to be paid is stated
      A. Article 26 of the company's Articles of Incorporation stipulates that director remuneration is set at zero.
      B. The remuneration of independent directors is a fixed payment received every quarter.
      C. Independent directors serve as members of the audit committee and remuneration committee, participating in discussions and decisions at committee meetings. Attendance fees are issued based on the actual number of attendances, without receiving variable compensation or any other remuneration.
      D. The company reviews the "Director and Manager Remuneration Regulations" annually to seek a balance between sustainable business operations and risk management.
2. In addition to the disclosures in the above table, the remuneration received by the company directors in the most recent fiscal year for providing services (such as serving as consultants to the parent company/other companies within the financial reports/all non-employee affiliated investment ventures) is as follows: None.

Note 1: The directors of HON HAI PRECISION IND. CO., LTD.received a total remuneration of 445,757 thousand NT dollars from investment businesses other than subsidiaries, or the parent company.

Note 2:The corporate director, Hua-Chuang Automobile Information Technical Center Co., Ltd., has reassigned its representative. Director Yao, Zhen-Xiang stepped down on August 1, 2024, and the newly appointed director, Hsu, Kuo-Hsing, assumed office on the same date.

Remuneration Range Table

Ranges of remuneration paid to each of the Company's directors	Director's Name			
	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 (H)	The company	Parent company and all invested businesses (I)
Less than NT$ 1,000,000	–	–	–	–
NTD 1,000,000 (incl.) ~ NTD 2,000,000 (excl.)	–	–	–	–
NTD 2,000,000 (incl.) ~ NTD 3,500,000 (excl.)	–	–	–	–
NTD 3,500,000 (incl.) ~ NTD 5,000,000 (excl.)	–	–	–	–
NTD 5,000,000 (incl.) ~ NTD 10,000,000 (excl.)	–	–	–	Huang, Ying-Shih
NTD 10,000,000 (incl.) ~ NTD 15,000,000 (excl.)	–	–	–	–
NTD 15,000,000 (incl.) ~ NTD 30,000,000 (excl.)	–	–	–	Seki Jun(Note)
NTD 30,000,000 (incl.) ~ NTD 50,000,000 (excl.)	–	–	–	–
NTD 50,000,000 (incl.) ~ NTD 100,000,000 (excl.)	–	–	–	–
NTD 100,000,000 or above	–	–	–	Liu, Young-Way
Total	–	–	–	3

Note：The disclosure period for director Seki Jun's remuneration in the 2023 annual report is from October 17, 2023 to December 31, 2023. The remuneration disclosure period for the year 2024 is from January 1, 2024 to December 31, 2024.

2. Remuneration of CEO and Senior Vice President

Unit: Thousands NTD

Position	Name	Salary (A)		Retirement pension (B)		Bonus and special allowance, etc. (C)		Employee remuneration amount (D)				The total amount and the proportion(%) of after-tax net profit(loss) for items A, B, C, and D		Receive remuneration from investment businesses other than subsidiaries, or the parent company
		The company	All companies in the financial report	The company	All companies in the financial report	The company	All companies in the financial report	The company		All companies in the financial report		The company	All companies in the financial report	
								Cash amount	Stock amount	Cash amount	Stock amount			
CEO	Lee, Bing-Yen	3,117	3,117	108	108	14,536	14,536	—	—	—	—	17,761 (0.8)	17,761 (0.8)	—
Senior Vice President	Chen, Ching-Ya	2,316	2,316	108	108	9,401	9,401	—	—	—	—	11,825 (0.6)	11,825 (0.6)	—
Senior Vice President	Huang, Ching-Hsien	2,316	2,316	108	108	7,401	7,401	—	—	—	—	9,825 (0.5)	9,825 (0.5)	—

3. Remuneration to the Five Highest Remunerated Management Personnel of a TWSE or TPEx listed Company

Unit: Thousands NTD

Position	Name	Salary (A)		Retirement pension (B)		Bonus and special allowance, etc. (C)		Employee remuneration amount (D)				The total amount and the proportion(%) of after-tax net profit(loss) for items A, B, C, and D		Receive remuneration from investment businesses other than subsidiaries, or the parent company
		The company	All companies in the financial report	The company	All companies in the financial report	The company	All companies in the financial report	The company		All companies in the financial report		The company	All companies in the financial report	
								Cash amount	Stock amount	Cash amount	Stock amount			
CEO	Lee, Bing-Yen	3,117	3,117	108	108	14,536	14,536	—	—	—	—	17,761 (0.8)	17,761 (0.8)	—
Senior Vice President	Chen, Ching-Ya	2,316	2,316	108	108	9,401	9,401	—	—	—	—	11,825 (0.6)	11,825 (0.6)	—
Senior Vice President	Huang, Ching-Hsien	2,316	2,316	108	108	7,401	7,401	—	—	—	—	9,825 (0.5)	9,825 (0.5)	—
Accounting Officer	Huang, Chih-Ying	1,038	1,038	63	63	1,223	1,223	—	—	—	—	2,324 (0.1)	2,324 (0.1)	—
Financial Officer	Ko, Hui-Ching (Note)	685	685	43	43	77	77	—	—	—	—	805 (0.0)	805 (0.0)	—

Note： The tenure of Ko, Hui-Ching was from March 21, 2022, to October 1, 2024.

4. Manager’s name and distribution status of employee remuneration: Not applicable.

5. The analysis of the total amount of remuneration paid to the directors, CEO, and Senior Vice President of the company and its consolidated financial statements in the past two fiscal years as a percentage of the individual or separate financial report’s net profit after tax

Item / Position	Total amount and the proportion(%) of after-tax net income(loss)			
	2023		2024	
	The company	All companies in the financial report	The company	All companies in the financial report
Directors	(0.03)	(0.03)	(0.09)	(0.09)
CEO and Senior Vice President	(1.81)	(1.81)	(1.84)	(1.84)

6. The policy, standards, and composition of remuneration, the procedure for deciding remuneration, and the relationship with business performance and future risks
   (1). Article 26 of the company’s Articles of Incorporation stipulates that director remuneration is set at zero.
   (2). Director (including independent director) remuneration and attendance fees shall be handled in accordance with "Director and Manager Remuneration Regulations" approved by the board of directors.
   (3). Directors (including independent directors) receive attendance fees, and independent directors receive fixed remuneration on a quarterly basis. The company has not issued any variable remuneration.
   (4). CEO and Senior Vice President: The remuneration of the company’s CEO and Vice President includes salary, bonuses, and employee remuneration. Salary and bonuses are determined based on the position held, responsibilities undertaken, and contributions to the company, taking into account industry standards. Employee remuneration is handled in accordance with the Articles of Incorporation.
   (5). According to Article 26 of the company’s Articles of Incorporation, if there is a profit for the year, 5% to 7% should be allocated for employee compensation. In order to regularly evaluate manager salaries, the compensation for managers shall be handled in accordance with the "Director and Manager Remuneration Regulations" of the company. The performance evaluation items under these regulations are divided into: 1. Financial performance indicators: Based on the company’s revenue growth, after-tax profit, and budget achievement;2. Other various indicators: Performance indicators are established based on the individual responsibilities of managers, such as the progress of new product development and the development of new market businesses. Remuneration is calculated based on their operational performance. Review the executive remuneration system in a timely manner according to the actual operating conditions and relevant laws and regulations.

2. Corporate Governance Operation

(1). Board of Directors Operations Information

1. Recently, in 2024, the board of directors held 5 meetings (A), and the attendance of directors is as follows:

Position	Name	Actual number of attendance (presence) (B)	Number of attendances by proxy	Actual attendance (presence) rate (%) (B/A)	Remarks
Chairman	HON HAI PRECISION IND. CO., LTD. Representative: Liu, Young-Way	4	1	80	
Vice Chairman	HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD. Representative: Tso, Chi-Sen	4	1	80	
Director	HON HAI PRECISION IND. CO., LTD. Representative: Seki Jun	2	3	40	
Director	HON HAI PRECISION IND. CO., LTD. Representative: Huang, Ying-Shih	5	0	100	
Director	HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD. Representative: Hsu, Kuo-Hsing	3	0	100	Newly appointed on 2024.08.01
Director	HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD. Representative: Yao, Zhen-Xiang	2	0	100	Resignation on 2024.08.01
Independent director	Sonia Sun	5	0	100	

Position	Name	Actual number of attendance (presence) (B)	Number of attendances by proxy	Actual attendance (presence) rate (%) (B/A)	Remarks
Independent director	Hsiao, Hsing-Chin	5	0	100	
Independent director	Lin, Bor-Tsuen	5	0	100	
Independent director	Hwang, Hsiu-Ying	5	0	100	

Other matters required to be recorded:

1. If any of the following situations occur in the operation of the board of directors, the date and session of the board meeting, agenda, comments of all independent directors, and the company's handling of the comments of independent directors should be clearly stated:
   (1) Items listed in Article 14-3 of the Securities and Exchange Act: The company has established an audit committee, which is not subject to the provisions of Article 14-3 of the Securities and Exchange Act. For information regarding the explanation of the matters listed in Article 14-5 of the Securities Exchange Act, please refer to the operation of the Audit committee (pages 26~27).
   (2) In addition to the aforesaid issues, the resolution of the board meeting to which an independent director has an objection or reservation comments on record or stated in a written statement: None.
2. Directors' execution of abstaining from conflicts of interest should include the disclosure of the director's name, the content of the motion, the reasons for recusal of interest, and their participation in the voting process:
   (1) On February 29, 2024, regarding the Case of Lifting the Non-Compete Restriction for Directors. Stakeholders (Huang, Ying-Shih, Director) abstained from voting on the above proposal. The remaining attending directors had no objections and the motion was passed.
   (2) On August 6, 2024, the proposed Lease of the Environmental Laboratory of Yulon Motor. Stakeholders (Hsu, Kuo-Hsing, Director) abstained from voting on the above proposal. The remaining attending directors had no objections and the motion was passed.
3. Assessment of the goals to strengthen the functions of the board of directors in the current and recent fiscal years (such as establishing an audit committee, enhancing information transparency, etc.) and their implementation status: The company has set up an audit committee and a remuneration committee to assist the board of directors in fulfilling its supervisory responsibilities.

2. Board of Directors Evaluation Execution Status:

Assessment cycle	Assessment period	Assessment scope	Assessment method	Assessment content
Implement once a year	2024/01/01 to 2024/12/31	the performance evaluation regarding the board of directors, individual directors and functional committees	the performance self-evaluation regarding the board of directors, directors and functional committees	1. The performance self-evaluation regarding the board of directors should cover the following aspects: (1). Level of involvement in company operation. (2). Improvement in the quality of board decisions. (3). Composition and structure of the Board of Directors. (4). The election of the directors and their continuing professional

Assessment cycle	Assessment period	Assessment scope	Assessment method	Assessment content
				education. (5). Internal control. 2. The performance self-evaluation regarding the directors should cover the following aspects: (1). Control of company objectives and tasks. (2). Awareness of directors' responsibilities. (3). Level of involvement in company operation. (4). Internal relationship management and communication. (5). Professional competence and continuing education of directors. (6). Internal control. 3. The performance self-evaluation regarding the functional committees should cover the following aspects: (1). Level of involvement in company operation. (2). Awareness of Functional Committee's responsibilities. (3). Improvement in the quality of Functional Committee decisions. (4). Composition of Functional Committees and selection of members. (5). Internal control. 4. Assessment result: The results of the board performance evaluation for this session have been submitted to the board and functional committees on February 27, 2025. The results of the board performance evaluation in 2024 are as follows: (1). The overall average score for the board of directors' self-assessment is 4.71out of 5. The overall average score for board members' self-assessment is 4.69 out of 5. The overall evaluation of the board of directors' performance is still considered effective. (2). The Audit committee's overall average self-assessment score is 4.98 out of 5. (3). The Remuneration Committee's

Assessment cycle	Assessment period	Assessment scope	Assessment method	Assessment content
				overall average self-assessment score is 4.99 out of 5.

(2). Audit committee Operation Information:

1. Recently, in 2024, the Audit committee held 6 meetings (A), and the attendance of independent directors is as follows:

Position	Name	Actual number of attendance (B)	Number of attendances by proxy	Actual attendance rate (%) (B/A)	Remarks
Independent director (Convener)	Sonia Sun	6	0	100%	-
Independent director	Hsiao, Hsing-Chin	6	0	100%	-
Independent director	Lin, Bor-Tsuen	6	0	100%	-
Independent director	Hwang, Hsiu-Ying	6	0	100%	-

Other matters required to be recorded:

1. If any of the following circumstances occur in the operation of the Audit committee, the date and period of the Audit committee meeting, the content of the proposal, independent directors' objections, reservations and major suggestions, the resolutions of the Audit committee, and the Company's handling of the opinions of the Audit committee shall be stated.
   (1) Matters Listed in Article 14-5 of the Securities and Exchange Act: Please refer to pages 26~27 for details.
   (2) In addition to those mentioned in the foregoing, other resolutions not adopted by the Audit committee but approved by two-thirds and more of all directors: None.
2. Regarding the execution situation of conflict of interest proposals avoided by independent directors, their names, proposal content, reasons for avoiding interests, and participation in voting should be stated: None.
3. Communication among the independent directors, chief internal auditor and accountants (which should include significant matters, methods and results of communication regarding the Company's financial and business condition).
   (1) Communication Policy among Independent Directors and Chief Internal Auditor and Accountants:
      A. Convene the meeting at least once a year with independent directors, chief internal auditor, and accountants only, to discuss completed external audit comments from chief internal auditor and accountants, as well as communicate and record comments on deficiencies identified during the annual audit.
      B. The chief internal auditor shall submit the audit report for the previous month by the end of each month, and submit the follow-up report on a quarterly basis, and submit the implementation status of the annual audit plan and improvement of internal control deficiency tracking to the independent directors for review. The progress of the audit report shall be reported to the independent directors at least once per quarter. If there are any significant abnormal events, they will be immediately reported and verified, and the independent directors will be notified. There were no such abnormal conditions in 2024.
      C. The independent directors and accountants shall communicate and discuss audit planning matters and key audit matters.
      D. Others: Significant abnormal incidents or matters that independent directors, chief internal auditor, and accountants deem necessary for independent communication may be discussed in meetings held

irregularly and at any time.

E. As of the date of publication, the company's independent directors have had good communications with the chief internal auditor and accountants.

(2) Details of communication meetings between independent directors, chief internal auditors, and accountants only in 2024:

A. Details of chief internal auditor's communication with independent directors:

(1) The chief internal auditor holds quarterly communication meetings with independent directors. Four separate meeting has been held in 2024.

(2) The status of communication is shown in the tabel below:

(i) Individual communication meeting

Date of meeting	Attend	Key Summary	Communication result
2024/02/29	Sonia Sun, Lin, Bor-Tsuen, Hsiao, Hsing-Chin, Hwang, Hsiu-Ying	1. Internal audit report for the fourth quarter of 2023. 2. Internal Control System Statement for 2023.	No comments on this meeting.
2024/05/08	Sonia Sun, Lin, Bor-Tsuen, Hsiao, Hsing-Chin, Hwang, Hsiu-Ying	1. Internal audit report for the first quarter of 2024.。 2. Completion of the Internal Audit Digital Transformation promotion.	No comments on this meeting.
2024/08/06	Sonia Sun, Lin, Bor-Tsuen, Hsiao, Hsing-Chin, Hwang, Hsiu-Ying	1. Internal audit report for the second quarter of 2024. 2. The internal audit supervisor responded to questions raised during the meeting.	No comments on this meeting.
2024/11/08	Sonia Sun, Lin, Bor-Tsuen, Hsiao, Hsing-Chin, Hwang, Hsiu-Ying	1. Internal audit report for the third quarter of 2024. 2. Amendment of "internal audit implementation rules" 3. The company's audit plan for 2025. 4. The internal audit supervisor responded to questions raised during the meeting.	No comments on this meeting.

(ii) Audit committee

Date of meeting	Attend	Key Summary	Communication result
2024/02/29	Sonia Sun, Lin, Bor-Tsuen, Hsiao, Hsing-Chin, Hwang, Hsiu-Ying	1. Internal audit report for the fourth quarter of 2023. 2. Internal Control System Statement for 2023	No comments on this meeting.
2024/05/08	Sonia Sun, Lin, Bor-Tsuen, Hsiao, Hsing-Chin, Hwang, Hsiu-Ying	1. Internal audit report for the first quarter of 2024.	No comments on this meeting.

2024/08/06	Sonia Sun, Lin, Bor-Tsuen, Hsiao, Hsing-Chin, Hwang, Hsiu-Ying	1. Internal audit report for the second quarter of 2024.	No comments on this meeting.
2024/11/08	Sonia Sun, Lin, Bor-Tsuen, Hsiao, Hsing-Chin, Hwang, Hsiu-Ying	1. Internal audit report for the third quarter of 2024. 2. Amendment of "Internal audit implementation rules" 3. The company's audit plan for 2025	No comments on this meeting.

B. Details of communication between accountants and independent directors in separate meetings:

(1) Accountants hold separate communication meetings with independent directors every quarter. Four separate meeting has been held in 2024.

(2) Communication is detailed below:

Date of meeting	Attend	Key Summary	Communication result
2024/02/29	Sonia Sun, Lin, Bor-Tsuen, Hsiao, Hsing-Chin, Hwang, Hsiu-Ying	1. 2023 Consolidated and Individual Financial Statement Audit Summary Report. 2. 2022 PwC Audit Quality Indicators Communication Presentation.	Independent directors have had sufficient communication with the accountants, and the independent directors have no objections.
2024/05/08	Sonia Sun, Lin, Bor-Tsuen, Hsiao, Hsing-Chin, Hwang, Hsiu-Ying	1. Consolidated Financial Statement Review Summary Report for the first quarter of 2024.	Independent directors have had sufficient communication with the accountants, and the independent directors have no objections.
2024/08/06	Sonia Sun, Lin, Bor-Tsuen, Hsiao, Hsing-Chin, Hwang, Hsiu-Ying	1. Consolidated Financial Statement Review Summary Report for the second quarter of 2024.	Independent directors have had sufficient communication with the accountants, and the independent directors have no objections.
2024/11/08	Sonia Sun, Lin, Bor-Tsuen, Hsiao, Hsing-Chin, Hwang, Hsiu-Ying	1. Consolidated Financial Statement Review Summary Report for the third quarter of 2024. 2. Discussion and communication by the auditor regarding the communication plan, the role and responsibilities of the lead auditor, audit strategy, auditor independence, and the quality	Independent directors have had sufficient communication with the accountants, and the independent directors have no objections.

		management system of the audit firm.	

4. Annual work priorities and operations of the Audit committee:

(1) Annual work priorities

A. Regularly communicate audit report results with the chief internal auditor based on the annual audit plan.

B. Regular communication is conducted with the certified public accountant of the company regarding the review or audit results of the quarterly financial statements.

C. Review financial reports.

D. Assessment of the effectiveness of the internal control system.

E. A material asset or derivatives transaction.

F. The hiring, discharge, or compensation of a certified public accountant.

G. Certified public accountant qualifications and independence assessment.

H. Review and amendment of the handling measures for major financial or business activities, such as for acquiring or disposing of assets, engaging in derivatives transactions, extending loans to others, granting endorsements or guarantees for others.

I. Compliance with applicable laws.

(2) Operation

Audit committee Date/No.	Proposal Content and Follow-up Processing	Matters Listed in Article 14-5 of the Securities and Exchange	Independent directors' dissenting opinions, reservation, or major recommendations
2024/02/29 1st Session 3rd	1. The company's financial report for 2023.	V	None
	2. The company and its subsidiaries propose to pre-approve the CPA firm and its affiliates to provide non-assurance services	V	None
	3. The company's financial statements for 2024 are proposed to be audited and attested by PwC, the evaluation of the auditors' independence and service fees is detailed in the statement.	V	None
	4. The company proposes engaging PwC to provide assurance services, consulting services, and assistance in writing the ESG report for 2024.	V	None
	5. The Company's statement of internal control system proposal is presented for 2023	V	None
	Audit committee Resolution Result (2024/02/29): All committee members present agreed to adopt it.		
	Company's reactions towards the Audit committee's comments: All directors present agreed to adopt it.		
2024/02/29 1st Session 4th	1. The company's loss off-setting proposals for 2023.	V	None
	2. The company's business report for 2023		None
	Audit committee Resolution Result (2024/02/29): All committee members present agreed to adopt it.		

		Company's reactions towards the Audit committee's comments: All directors present agreed to adopt it.		
	2024/05/08 1st Session 5th	1. The company's financial report for the first quarter of 2024.		
		Audit committee Resolution Result (2024/05/08): All committee members present agreed to adopt it.		
		Company's reactions towards the Audit committee's comments: All directors present agreed to adopt it.		
	2024/08/06 1st Session 6th	1. The company's financial report for the second quarter of 2024.	V	None
		2. The Company proposes to lease the Environmental Laboratory of Yulon Motor.		None
		Audit committee Resolution Result (2024/08/06): All committee members present agreed to adopt it.		
		Company's reactions towards the Audit committee's comments: All directors present agreed to adopt it.		
	2024/11/08 1st Session 7th	1. The company's financial report for the third quarter of 2024.		None
		2. The company's audit plan for 2025.		None
		3. Amendment of "internal audit implementation rules".	V	None
		4. Amendment of "Eight Cycles of Internal Control System" and "Computerized Information System Processing Operations."	V	None
		Audit committee Resolution Result (2024/11/08): All committee members present agreed to adopt it.		
		Company's reactions towards the Audit committee's comments: All directors present agreed to adopt it.		
	2024/12/18 1st Session 8th	1. Enactment of "Management of Sustainability Information"		None
		2. The Company proposes to engage PwC to provide non-assurance ESG services for 2025.	V	None
		3. The Company's Medium- to Long-Term Business Plan and the 2025 Budget Proposal.		None
		Audit committee Resolution Result (2024/12/18): All committee members present agreed to adopt it.		
		Company's reactions towards the Audit committee's comments: All directors present agreed to adopt it.		

(3). Status of corporate governance and operation, differences in the Corporate Governance Best Practices for TWSE/TPEx Listed Companies, and the reasons

Evaluation Item	Operation			Differences in the Corporate Governance Best Practices for TWSE/ TPEx Listed Companies, and the Reasons
	Yes	No	Description	
1. Does the company follow the	V		The Company has established "Corporate	No significant

Evaluation Item	Operation			Differences in the Corporate Governance Best Practices for TWSE/ TPEx Listed Companies, and the Reasons
	Yes	No	Description	
Corporate Governance Best Practices Principels for TWSE/ TPEx Listed Companies to develop and disclose its corporate governance best practices?			Governance Code of Practice", which include regulations aimed at protecting the shareholders' rights and interests, strengthening the functions of the Board of Directors, respecting the stakeholders' rights and interests, and enhancing information transparency；for information regarding the company's Corporate Governance Best Practice Principles, please refer to the company's official website.	differences.
2. The Company's shareholding structure and shareholders' equity (1) Does the company have internal operating procedures to deal with shareholders' suggestions, doubts, disputes and litigation? If yes, have these procedures been implemented accordingly?	V		The company has a spokesperson, deputy spokesperson, and shareholder service agent. The contact information of the spokesperson and shareholder service agent is disclosed in the annual report, serving as a channel for handling shareholder suggestions, inquiries, and disputes to ensure shareholder rights.	No significant differences.
(2) Does the company possess a list of major shareholders who actually control the company and the persons who have ultimate control over major shareholders?	V		The company has fully grasped the list of major shareholders and ultimate controllers, and the shareholder service agent updates the relevant information at any time.	No significant differences.
(3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	V		The company establishes effective risk management mechanisms through the "Procedures for Transactions with Related Parties, Specific Companies, and Group Enterprises" and internal control systems, in accordance with relevant laws and regulations.	No significant differences.
(4) Does the company have internal norms that prohibit company insiders from trading securities using information not disclosed to the market?	V		The company has established the "Guard against insider trading operation procedures" and the "Procedures for Handling Material Inside Information", which prohibit insiders from trading securities based on undisclosed information and specify closed periods. Directors are not allowed to trade the company's stocks or other equity securities during the closed periods, that is, thirty days prior to the announcement of the annual financial report and the fifteen days prior to the	No significant differences.

Evaluation Item	Operation			Differences in the Corporate Governance Best Practices for TWSE/ TPEx Listed Companies, and the Reasons
	Yes	No	Description	
			announcement of each quarterly financial report.	
3. Composition and duties of the Board of Directors (1) Has the Board of Directors established and implemented a diversification policy and specific management objectives?	V		In accordance with "Director election method" and "Corporate Governance Code of Practice", the Company shall take into account diversity factors in the selection of members for the board of directors, ensuring that they possess the necessary knowledge, skills, and qualities to fulfill their duties.	No significant differences.
(2) Besides the Remuneration Committee and the Audit committee which are established as required by law, does the company voluntarily establish any other types of functional committees?	V		The company has established a Remuneration Committee and an Audit committee to implement corporate governance. The establishment of other functional committees will be evaluated as needed in the future.	No significant differences.
(3) Does the company have a board of directors' performance evaluation system and a method thereof, and conduct performance evaluation annually and regularly, and submit the results of performance evaluation to the board of directors for reference of individual director's salary and compensation and nomination for re-election?	V		The company passed the resolution of the Board of Directors on December 30, 2022 to establish the "Board and Manager Performance Evaluation Measures". Performance evaluations will be conducted annually, and the measurement dimensions of each functional committee will be clearly defined. The recent internal performance evaluation of the Board of Directors was conducted through self-assessment by the directors using an internal questionnaire. The results of this board performance evaluation have been submitted to the board and functional committees on February 27, 2025. The performance evaluation results will be used as a reference for the reappointment of individual directors.	No significant differences.
(4) Does the company regularly evaluate the independence of its certified public accountants?	V		When discussing the independence and suitability of appointing a certified public accountant, the board of directors of the company must provide the recommended accountant's personal resume, each accountant's independence statement, and the 'Guidelines for Audit Quality Indicators (AQI) Prepared by Accounting Firms' (covering five major aspects—professionalism, independence, quality control, supervision,	No significant differences.

Evaluation Item	Operation			Differences in the Corporate Governance Best Practices for TWSE/ TPEx Listed Companies, and the Reasons
	Yes	No	Description	
			and innovation capability, as well as 13 specific indicators) for the board of directors' evaluation. The board of directors of the company approved on February 27, 2025 that all certified public accountants meet the company's standards for independence and suitability assessment. (There is no direct or significant indirect financial interest between the audit customer; the firm overly relies on a single customer for fees, and there is a significant and close business relationship with the audit customer... etc.).	
4. Does the TWSE/TPEx listed company have the adequate number of qualified corporate governance personnel and appoint the corporate governance officer to be in charge of corporate governance affairs (including but not limited to providing information necessary for directors and supervisors to perform their duties, assisting directors and supervisors in complying with laws and regulations, handling matters related to board meetings and shareholders' meetings in accordance with the law, preparing minutes of board meetings and shareholders' meetings)?	V		In order to implement corporate governance and enable the board of directors to fulfill their responsibilities to safeguard the rights and interests of investors, the company has the adequate number of qualified corporate governance personnel, and appoints Lu, Miao-chich,Senior Manager of HON HAI PRECISION IND. CO., LTD. as the Director of Corporate Governance, effective from December 25, 2023. This appointment aims to protect shareholder rights and strengthen the functions of the board of directors. Lu, Miao-chich, a senior manager, has over 20 years of experience in the management of publicly traded company stocks. She is responsible for company governance-related matters and handling director compliance with laws and regulations, conducting related matters of board of directors and shareholders' meetings, preparing minutes of board of directors and shareholders' meetings, and assisting in arranging continuing education courses for board members, etc.	No significant differences.
5. Has the company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, suppliers) and set up a stakeholder section on the company's website to properly respond to important CSR issues of concern to	V		The company's communication with all stakeholders was reported to the Board of Directors on November 8, 2024.The company's official website has a "Stakeholder Zone" where contact information for spokespersons and relevant business departments is provided to address important corporate social responsibility issues of stakeholders (including but not limited to shareholders, employees,	No significant differences.

Evaluation Item	Operation			Differences in the Corporate Governance Best Practices for TWSE/ TPEx Listed Companies, and the Reasons
	Yes	No	Description	
stakeholders?			customers, and suppliers). Please refer to the company's official website at https://www.foxtronev.com/tw/index.	
6. Does the company appoint a professional stock affairs agency to handle the affairs of the shareholders' meeting?	V		The company has appointed the shareholder service agent "Grand Fortune Co., Ltd. Shareholder Services Department" to handle shareholder meeting affairs.	No significant differences.
7. Information Disclosure (1) Does the company have a website to disclose financial operations and corporate governance information?	V		The official website of the company contains relevant information on annual financial operations and corporate governance.	No significant differences.
(2) Does the company employ other means of information disclosure (e.g., establishing an English website, appointing a person to collect and disclose company information, implementing a spokesperson system, placing the investor presentation process on the company's website)?	V		The company has an English website to disclose relevant information. The company has a spokesperson, deputy spokesperson, and a shareholder service department and relevant departments responsible for disclosing relevant information in accordance with regulations.	No significant differences.
(3) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	V		The annual financial report and the First, Second,third quarter financial report were announced and filed within the prescribed legal deadlines. Additionally, the company's revenue information was announced on the 5th of the following month.	No significant differences.
8. Has the Company disclosed other important information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee care, investor relations,	V		(1) Employee rights: The company provides subsidies for marriage, funeral, childbirth, and other occasions, and regularly organizes employee health checks to ensure the well-being of employees. We also offer travel allowances to enrich leisure activities for colleagues and improve team-building. (2) Employee care: All the management	No significant differences.

Evaluation Item	Operation			Differences in the Corporate Governance Best Practices for TWSE/ TPEx Listed Companies, and the Reasons
	Yes	No	Description	
supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?			regulations of the company are based on the interests of the employees. We care about their lives and welfare, and establish reasonable salary and benefits. (3) Investor relations: The company has a spokesperson and deputy spokesperson system responsible for handling shareholder inquiries and suggestions. (4) Supplier relations: The company has a good supply chain relationship with suppliers, achieving overall production cost optimization. (5) Rights of stakeholders: Stakeholders may communicate with and provide suggestions to the Company in order to protect their legal rights. (6) Continuing education of directors: All directors of the company have industry expertise and practical experience in management. (Please refer to (8). Other significant information sufficient to enhance the understanding of corporate governance and operation may be disclosed along with the report). (7) Implementation of Risk Management Policies and Risk Measurement Standards: The company has established various internal regulations and internal control systems in accordance with the law, and conducts various risk management and assessments. The internal audit unit regularly and irregularly checks the implementation of internal control systems. (8) Implementation of customer policies: The company maintains close contact with customers and maintains a good relationship. (9) Situation of the company purchasing directors' liability insurance: In order to protect directors from personal liability and financial losses caused by third-party lawsuits arising from the performance of their duties, the company has purchased directors' liability insurance. The company	

Evaluation Item	Operation			Differences in the Corporate Governance Best Practices for TWSE/ TPEx Listed Companies, and the Reasons
	Yes	No	Description	
			reported the latest annual insurance situation to the board of directors on February 27, 2025. The insurance period is from January 15, 2025, to January 14, 2026.'	
9. Please describe the improvements that have been made and propose priorities and measures to strengthen those that have not yet been improved with respect to the results of the corporate governance evaluation issued by the Corporate Governance Center of Taiwan Stock Exchange in the most recent year. (Not applicable for unlisted companies, please leave blank): As the company has not yet obtained the results of the most recent corporate governance evaluation., it is not applicable.				

(4). Remuneration Committee and its composition, responsibilities, and operation:

1. Remuneration Committee Member Information

Condition / Status / Name		Professional qualifications and experiences	Independence status	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Member of the Remuneration Committee
Independent Director (Convener)	Hsiao, Hsing-Chin	The remuneration Committee of the company is composed of four independent directors. Please refer to the "Disclosure of Directors' Professional Qualifications and Independent Director Independence Information" in this annual report for the qualifications, experience, and independence of the committee members. (Pages 10~11.)		-
Independent director	Sonia Sun			1
Independent director	Lin, Bor-Tsuen			-
Independent director	Hwang, Hsiu-Ying			-

2. Duties of the Remuneration Committee
   (1). Review the Remuneration Committee Charter on a periodic basis and provide advices on its revision.
   (2). Establishing and periodically reviewing the performance assessment standards of the directors and managers, along with the annual and long-term performance target, and the policies, systems, standards, and structure for the remuneration, and the content of the performance evaluation standards shall be disclosed in the annual report.
   (3). Regularly evaluate the achievement of performance goals for the directors and managers of the company, and determine the content and amount of their individual salary compensation based on the evaluation results obtained according to performance evaluation criteria.

3. Information on the Operation of the Remuneration Committee
   A. The Company's Remuneration Committee comprises 4 members.

B. Term of office of current members: October 20, 2023 to October 16, 2026. The Remuneration Committee has held 4 meetings in recent year (2024) (A). The qualifications of the committee members and their attendance are as follows:

Position	Name	Number of actual attendance (B)	Number of attendances by proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Hsiao, Hsing-Chin	4	0	100%	
Member	Sonia Sun	4	0	100%	
Member	Lin, Bor-Tsuen	4	0	100%	
Member	Hwang, Hsiu-Ying	4	0	100%	

Other matters required to be recorded:

I. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, the board shall specify the date, period, agenda items, resolutions, and how the company's position on the Remuneration Committee's recommendations were addressed (for example, if the board approves compensation that is higher than the Remuneration Committee's recommendations, the differences and reasons should be detailed): No such circumstances.

II. For matters resolved by the Remuneration Committee, if any members express opposing or reserved views, and that are recorded or in submitted writing, the date, period, agenda items, all members' opinions, and how those opinions were addressed shall be specified. There are no such instances: No such circumstances.

(5). Promotion and implementation of sustainable development, and the differences in the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons

Promotion Item	Implementation Status			Differences in the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
1. Does the company have a governance framework in place to promote sustainable development and a dedicated (concurrent) unit for fulfilling sustainable development, with the board of directors authorizing senior management to handle such efforts, and having relevant progress supervised by the board of directors?	V		The company has established a "Sustainable Development Promotion Office" chaired by the General Manager serving as the convener. The office's dedicated team is responsible for formulating and driving the company's sustainability policies, setting short-, medium-, and long-term sustainability development plans, and monitoring the execution progress and effectiveness of various projects. The " Sustainable Development Promotion Office" convenes internal meetings focused on material sustainability topics to identify sustainability issues affecting the company’s operations and of interest to stakeholders. It formulates corresponding strategies and work plans, allocates sustainability-related budgets across	No significant differences

Promotion Item	Implementation Status			Differences in the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
			organizations, plans and implements annual initiatives, and tracks the effectiveness of execution to ensure the full integration of sustainability strategies into the company's daily operations. The " Sustainable Development Promotion Office" reports quarterly to the Board of Directors on the results of sustainability initiatives and future work plans. In 2024, five meetings were held, covering the following agenda items: (1) identifying key sustainability issues and formulating action plans; (2) revising sustainability-related objectives and policies; (3) overseeing the implementation of sustainability practices and evaluating performance. The Board reviews strategic progress and success probability, and advises management to make timely adjustments when necessary.	
2. Does the company perform risk assessments on environmental, social and corporate governance issues related to the company's operation based on the materiality principle and develop relevant risk management policies or strategies?	V		The disclosure information has reported the company's sustainable development performance at major locations for the period January to December 2024. The boundary and scope of risk assessment primarily cover the company's operations in Taiwan. The "Sustainable Development Promotion Office" conducts analysis in alignment with the materiality principle outlined in the Sustainability Report, communicates with internal and external stakeholders, and evaluates significant ESG issues by reviewing domestic and international research reports, literature, and integrating evaluation data from various departments and subsidiaries. This process leads to the establishment of effective risk management policies for identifying, measuring, assessing, supervising, and controlling risks, along with specific action plans to mitigate the impact of related risks. Based on the assessed risks, the following relevant risk management policies/strategies are established: I. Environmental Material Issues:	No significant differences

Promotion Item	Implementation Status			Differences in the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
			1. Climate Change Management II. Social Material Issues: 1. Labor-Management Relations and Talent Retention and Development 2. Workplace Diversity and Equality 3. Occupational Safety and Health III. Governance Material Issues: 1. Corporate Governance and Financial Performance 2. Legal Compliance and Integrity Management 3. Information Security and Privacy Management 4. Technology Research and Innovation 5. Product Quality Management and Customer Relations 6. Sustainable Supply Chain Management Details of these policies and strategies will be further disclosed in the Company's 2024 Sustainability Report.	
3. Environmental Issues (1) Does the company have an appropriate environmental management system developed based on its industry characteristics?	V		The company is mainly engaged in electric vehicle technology research and development, vehicle and component manufacturing management, and sales services, and outsources assembly production to contract manufacturers, without directly engaging in production manufacturing itself, so environmental pollution incidents should not occur. The company's "Sustainable Development Promotion Office" serves as the leading unit responsible for supervising climate change governance issues within the company. It is convened by CEO, leading the team to convene various units to identify climate-related risks and opportunities, formulate response strategies, manage goals, and implement corporate goal execution. Progress is reviewed regularly each year and implementation results are reported to the board of directors. In 2023, a climate risk and opportunity	No significant differences

Promotion Item	Implementation Status			Differences in the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
			identification mechanism is introduced to identify important environmental issues, establish environmental sustainable development strategies and goals. It follows and implement the Greenhouse Gas Protocol (GHG Protocol) for greenhouse gas inventory and assurance by external parties to achieve carbon reduction goals. Relevant management systems and performance will be disclosed on the company's official website and in the corporate Sustainability Report.	
(2) Is the company committed to improving energy efficiency and using renewable materials that have a low impact on the environment?	V		The company is committed to promoting energy saving, carbon reduction, and improving the efficiency of various resources, such as: Promoting electrification of official vehicles, setting time switches to effectively control the electricity consumption of air conditioning, continuously digitizing to reduce paper usage, and implementing office resource recycling measures to reduce environmental impact. The goal for 2024 is to reduce the fuel consumption of official vehicles compared to the baseline year. In 2023, the reduction was 15%, with a decrease of 21,063.7700 liters of fuel. In 2024, the company began transitioning its fleet from fuel-powered official vehicles with electric ones, converting 8 traditional vehicles into electric vehicles. This resulted in a fuel consumption of 7,564.8900 liters, achieving a reduction of 13,498.8800 liters of fuel consumption (approximately 39%), thus meeting the reduction target.	No significant differences
(3) Does the company evaluate the potential risks and opportunities in climate change with regard to the business now and in the future, and take appropriate action to address them?	V		The company's Sustainable Development Promotion Office follows the TCFD climate risk and opportunity framework to identify and assess the potential impacts of climate change on the company's operations. After internal meetings and discussions with various departments regarding operational conditions, 8 climate risks and 4 climate opportunities relevant to the company were selected. From these, 3 were	No significant differences

<table>
<tr><th rowspan="2">Promotion Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Differences in the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td></td><td></td><td></td><td>chosen as the key climate risk and opportunity issues for the year. Detailed information will be disclosed in the company's 2024 Sustainability Report.</td><td></td></tr>
<tr><td>(4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?</td><td>V</td><td></td><td>To mitigate the impacts of climate change and reduce greenhouse gas emissions, the company has established short-, medium-, and long-term reduction targets for 2026, 2028, 2030, and 2050. Starting in June 2024, the company will replace 8 fuel-powered vehicles and purchase 17 electric official vehicles. In the same year, the company will also conduct a greenhouse gas inventory following the Greenhouse Gas Protocol (GHG Protocol) and undergo external verification (Assurance Report date: April 11, 2025).

Greenhouse Gas Emissions in the Past Two Years
<table>
<tr><th>2023[Note 1]</th><th>Emissions (tCO_2e)</th><th>Carbon Intensity (tCO_2e / NT$ Million)[Note4]</th></tr>
<tr><td>Scope 1</td><td>170.5341</td><td>0.1646</td></tr>
<tr><td>Scope 2</td><td>938.4218</td><td>0.9057</td></tr>
<tr><td>Total</td><td>1,108.956</td><td>1.0703</td></tr>
<tr><th>2024[Note 2]</th><th>Emissions (tCO_2e)</th><th>Carbon Intensity (tCO_2e / NT$ Million)[Note4]</th></tr>
<tr><td>Scope 1 (Parent Company)[Note 3]</td><td>248.9208</td><td>0.0292</td></tr>
<tr><td>Scope 1 (Subsidiary)</td><td>3.4521</td><td>0.0004</td></tr>
<tr><td>Total</td><td>252.373</td><td>0.0296</td></tr>
<tr><td>Scope 2 (Parent Company)[Note 3]</td><td>1,672.9170</td><td>0.1963</td></tr>
<tr><td>Scope 2 (Subsidiary)</td><td>20.8323</td><td>0.0024</td></tr>
<tr><td>Total</td><td>1,693.749</td><td>0.1987</td></tr>
<tr><td>Total Scope 1 + Scope 2</td><td>1,946.122</td><td>0.2283</td></tr>
</table>
Note 1: The organizational boundary for the 2023 emissions inventory is based on the operational control approach, covering operations in Taiwan, with confirmation</td><td>No significant differences</td></tr>
</table>

Promotion Item	Implementation Status			Differences in the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
			Note 2: The organizational boundary for the 2024 emissions inventory is based on the operational control approach, covering operations in Taiwan; the inventory also includes subsidiaries in the consolidated financial statements, including offices in Mainland China and the United States. Note 3: The verification scope for the 2024 greenhouse gas inventory data is limited to the operations of the parent company, Honghua Advanced, in Taiwan. It does not include the operations of subsidiaries within the consolidated financial statements. The verification of consolidated emission data is planned for a future year. Note 4: Carbon intensity is calculated based on the annual revenue, with the unit in NTD million. In terms of water resource protection and management, the company's policy focuses on water conservation, reduction, and the installation of water-saving devices. For waste management policies and initiatives, the company advocates for a circular supply chain and resource recycling, continuing to promote waste reduction at the source and strengthening waste classification and recycling. Detailed information will be disclosed in the company's 2024 Sustainability Report.	
4. Social Issues (1) Does the company establish its management policies and procedures in accordance with relevant regulations and the International Bill of Human Rights?	V		The company establishes "work rules" in accordance with Labor Standards Act to protect the legitimate rights and interests of employees. The company also follows internationally recognized labor human rights, and does not discriminate in the use of human resources based on gender, race, socio-economic status, age, marital status, or family situation, to ensure equality and fairness in employment, employment conditions, remuneration, benefits, training, performance evaluation, and promotion opportunities. In order to prevent workplace sexual harassment, the company has formulated the "Regulation for Establishing Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace and established a Complaint	No significant differences

Promotion Item	Implementation Status			Differences in the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
			Handling Committee responsible for handling related complaints. Provide effective and appropriate complaint mechanisms for incidents that harm workers' rights, ensuring equality and transparency in the complaint process.	
(2) Has the Company established and implemented reasonable employee welfare measures (including salary/compensation, leave, and other benefits, etc.), and are business performance or results appropriately reflected in employee salary/compensation?	V		1. Employee welfare measures: The company has established and implemented reasonable employee welfare measures (including salaries, group insurance, holiday bonuses or gifts, and marriage, funeral, and maternity subsidies etc.), and set up an Employee Welfare Committee to coordinate welfare activities. The company's leave policies are handled in accordance with the Labor Standards Act, labor leave regulations, and other regulations specifying dates for holidays designated by central authorities, encouraging employees to take adequate rest and balance work and life. 2. Business performance reflected in employee remuneration: According to Article 26 of the Company's Articles of Incorporation, 5% ~ 7% of profit (if the Company gains profits) of the current year shall be set aside as the employees' compensation. Details will be disclosed in the Company's 2024 Sustainability Report.	No significant differences
(3) Does the company provide a safe and healthy work environment for its employees and conduct regular safety and health training for its employees?	V		1. The company has established an occupational safety and health plan, including plans to prevent human-induced hazards, protect maternal health, prevent unlawful infringement in performing duties, and prevent diseases caused by abnormal workloads, in pursuit of the goal of zero disasters, zero occupational diseases, and zero accidents.Safety and Health educational training are also conducted to new employees and current	No significant differences

Promotion Item	Implementation Status			Differences in the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
			employees to enhance employees' safety awareness, with a total of 2,980 hr in 2024. 2. In 2024, there were 5 occupational disasters in the workplace while no major occupational accidents . The company conducted an accident investigation for each occupational disaster, identify the main causes of accidents, and strengthen necessary safety and health educational training to reduce the occurrence of similar accidents, strengthen personnel safety and health concepts to reduce disaster risks for employees and property. 3. The company has established the "Labor Safety and Health Work Guidelines" for employees to follow, and to improve the safety and health work environment of employees, the following methods are implemented: (1) Conduct regular and irregular on-site inspections to reduce risks at the factory. (2) Arrange regular monitoring of the working environment to ensure workplace safety. (3) Organize annual employee health check-ups and provide on-site medical services, offering health consultations to employees. (4) Conduct AED+CPR training courses to enhance employees' first aid skills. (5) Hold irregular employee health promotion activities and recreational events to enrich employees' leisure activities and foster camaraderie. (6) Promote a smoke-free workplace to ensure employees work in a comfortable and healthy environment. Details will be disclosed in the Company's 2024 Sustainability Report.	
(4) Does the company have an	V		The company encourages employees to	No significant

Promotion Item	Implementation Status			Differences in the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
effective professional competency development training program for employees?			undergo training at external units according to their career plans and business needs, and occasionally holds internal educational training courses to enhance employees' self-cultivation. Details will be disclosed in the Company's 2024 Sustainability Report.	differences
(5) Do the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling, and are relevant consumer protection or customer rights protection and complaint procedure policies implemented?	V		The company follows relevant laws and international standards in providing products and services, and places importance on the protection of related intellectual property rights. There is a "Personal Data Protection Regulation" to ensure that the collection, processing, and utilization of data comply with regulations; Confidential measures are taken for customer data, and employees are required to sign documents such as "Employee Self-Discipline Agreement," "Service Agreement," "Commitment to Compliance with Personal Data Protection Laws and Other Relevant Regulations, " "Confidentiality Agreement," and "Integrity and Intellectual Property Rights Agreement" upon employment to implement the principle of customer data confidentiality. Through customer satisfaction surveys, objective methods are used to understand whether the products and services provided can meet customer needs from different customer groups, as a basis for continuous improvement. The company's official website has a contact person responsible for customer inquiries or complaints, and major issues are discussed at management meetings and dealt with promptly.	No significant differences
(6) Does the company have a supplier management policy that requires suppliers to follow relevant norms on issues, such as environmental protection,	V		The company requires suppliers to comply with local laws and the company's corporate social responsibility code of conduct. In procurement activities, social responsibility and environmental benefits are fully considered, prioritizing the	No significant differences

Promotion Item	Implementation Status			Differences in the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
occupational safety and health, or labor human rights? If so, describe its implementation status.			purchase of environmentally friendly products and services, balancing economic and environmental benefits. Optimize and improve green procurement standards and management systems, jointly implement environmental protection, energy conservation, carbon reduction, zero waste, green product management with upstream and downstream suppliers.Therefore, in 2024, the company established the "Supply Chain Management Policy" and the "Social and Environmental Sustainability Commitment Letter", and formulated 25 sustainability risk assessment items to effectively monitor and audit suppliers. In 2024, a total of 221 qualified suppliers signed the "Social and Environmental Sustainability Commitment Letter" and completed the sustainability self-assessment. Details will be disclosed in the Company's 2024 Sustainability Report.	
5. Does the company refer to the international standards or guidelines for the preparation of reports to prepare Sustainability Reports and other reports that disclose non-financial information? Does the aforementioned reports acquire the assurance or guarantee of the third-party certification unit?	V		The company's Sustainability Report is prepared in accordance with the Global Reporting Initiative (GRI) Standards for Sustainability Reporting, United Nations Sustainable Development Goals (SDGs), and other indicators, disclosing strategies, goals, and specific performance on environmental, social, and corporate governance aspects, as well as major thematic policies. Some performance data in the company's 2024 Sustainability Report and the assurance criteria and assurance level have been audited by PwC Taiwan in accordance with the Assurance Standard No. 3000 of the Republic of China "Assurance Engagements Other Than Historical Financial Information Audit or Review," providing a limited assurance report on the selected key performance indicators (expected Assurance Report date by August 30, 2025).	No significant differences

Promotion Item	Implementation Status			Differences in the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
6. Describe the differences between actual practice and the sustainable development principles, if the company has formulated such principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies: The company has established the "Sustainable Development Best Practice Principles" and will continue to implement it in accordance with its regulations, with no significant differences in the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies".				
7. Other important information to facilitate a better understanding of the Company's implementation of sustainable development: The status of other sustainable development initiatives is disclosed in the Company's 2024 Sustainability Report.				

(6). Climate-related information

1. Climate-related information implementation status

<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td>1. Describe the supervision and governance of climate-related risks and opportunities by the board of directors and management.</td><td>At the Board of Directors level, the Foxtron Vehicle Board of Directors serves as the highest supervisory unit for overall management and progress tracking of climate-related initiatives. At the management level, the Sustainable Development Promotion Office under the Board is the main coordinating and management unit for climate-related matters. The Sustainable Development Promotion Office is led by the General Manager as the convener, who regularly oversees and provides guidance. The office's senior executives lead the teams responsible for coordinating internal and external stakeholders and communicating on climate issues. The office gathers various business units to identify climate-related risks and opportunities, formulate response strategies and management goals, and implement corporate objectives. The office reports the implementation results to the Board of Directors annually. Starting from the second quarter of 2024, the Sustainable Development Promotion Office will present sustainability issues, including climate, to the Board on a quarterly basis.</td></tr>
<tr><td>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the company in the short, medium, and long term.</td><td>The company integrates climate risk into its enterprise risk managementmanagement. Since 2023, the company has implemented a climate risk and opportunity identification mechanism, conducting initial assessments based on the company's development strategies, industry characteristics, market trends, local regulations where the company operates, as well as potential trends and geographic climate characteristics. Through workshops with various departments on climate-related issues and considering the company’s current operational status, the company evaluates and identifies the expected timeframes, value chain coverage, likelihood, and severity of each material climate-related risk and opportunity, these findings are summarized in the table below:
<table>
<tr><th colspan="3">Climate risk</th><th>Risk Description</th><th>Impact Period</th><th>Value Chain Impact Scope</th><th>Possibilities</th><th>Severity of Impact</th></tr>
<tr><td>Transformation Risk</td><td>Policy and Regulations</td><td>Total/Carbon tax/Carbon fee control</td><td>Currently, industries subject to carbon fees by the Taiwanese government do not include Foxtron Vehicle Technologies Co., Ltd. However, due to global climate change, government net-zero carbon emission targets, stricter greenhouse gas reduction requirements, and energy-saving</td><td>Mid-term
(3 ~ 5 years)</td><td>Self-operation
Upstream
Supplier</td><td>hight</td><td>medium</td></tr>
</table></td></tr>
</table>

Item	Implementation Status							
				policies and regulations, operational costs may increase. In the future, carbon fees may be imposed, resulting in higher electricity generation costs from Taiwan Power Company, indirectly transferring electricity cost burdens to users and leading to fluctuations in electricity prices, thus increasing the company's energy costs. Upstream metal raw material suppliers may also be affected, leading to higher raw material costs. The company will continue to monitor new regulations, such as the European Union Carbon Border Adjustment Mechanism (CBAM).				
			Product and service mandatory regulations	The company's primary products are electric vehicle technology development, vehicle and component manufacturing management, and platform sales services. In response to global regulations that encourage or mandate electric vehicle usage, while this can expand market opportunities and increase sales, it also faces challenges such as the gradual popularization of electric vehicles, annual reductions in government energy consumption regulations and electric vehicle incentives (e.g., Taiwan's electric vehicle goods tax halving and full exemption from license plate taxes), and eventual exit from these incentives. Additionally, regulatory requirements to recycle batteries, adjust handling fees, extend battery warranty periods, and provide production history may increase operational costs and risks.	Mid-term (3 ~ 5 years)	Self-operation Upstream Supplier Downstream Customer	medium	medium

Item	Implementation Status							
		Technology	Cost of transitioning to low-carbon technology	As a startup in the electric vehicle manufacturing sector, if the company's products fail to secure a significant market share, the return on initial investments in new technology development may decrease, the payback period may lengthen, and the company's profitability may be negatively impacted, even leading to the risk of losses.	Long-term (5 years or longer)	Self-operation Downstream Customer	low	low
		Market	Changes in customer behavior	During the early stages of electric vehicle development, consumer willingness to purchase may be impacted by high prices for fully electric vehicles and insufficient charging infrastructure (e.g., charging stations). As a result, consumers may continue to purchase gasoline vehicles or switch to hybrid vehicles, extending the transition period for electric vehicle adoption. Once electric vehicle products are sufficiently available and charging infrastructure becomes more user-friendly, electric vehicles are likely to become the consumer's final choice. During this transition period, the company's sales volume may be slower due to shifting consumer preferences, potentially resulting in operational development crises. Honghua Advanced will continue to monitor market trends and maintain competitiveness.	Mid-term (3 ~ 5 years)	Self-operation Downstream Customer	hight	medium
			Rising costs of raw materials and energy resources	Amid intense competition among automakers, the prices of key raw materials such as lithium, cobalt, and nickel in batteries may increase due to supply and demand dynamics, leading to higher purchasing costs. The company may also face disruptions due to extreme weather events such	Short-term (0 ~ 3 years)	Self-operation Upstream Supplier Downstream Customer	hight	hight

Item	Implementation Status							
				as floods, heavy rains, or snowstorms in regions where suppliers are located, requiring the use of alternative parts or sourcing from different suppliers. In urgent delivery situations, transportation methods may shift from sea freight to air freight, increasing transportation costs, and delays may result in penalties. Regarding energy resources, the implementation of carbon fees and green energy policies may indirectly increase the company's costs for purchasing energy resources, leading to an overall rise in operational costs.				
		Reputation	Stakeholder concerns and negative feedback	If companies fail to effectively manage climate risks, resulting in huge losses, or fail to seize climate opportunities, it may bring negative publicity to the company, affect the corporate brand image, reduce investors' willingness to invest in the company, or weaken consumer brand preferences, thereby affecting product sales.	Mid-term (3 ~ 5 years)	Self-operation	medium	medium

Item	Implementation Status							
	Physical Risks	Severe	Climate events caused by extreme weather (including floods, typhoons)	The occurrence of disasters caused by extreme weather (such as typhoons, floods, etc.) may result in employees unable to go to work, causing problems in manpower allocation leading to project delays affecting delivery schedules; disasters may also cause damage to property and equipment, increasing equipment maintenance and operating costs; in addition, it may also lead to unstable supply situations from upstream suppliers, causing contract manufacturers' production to be disrupted, thereby affecting delivery schedules.	Short-term (0 ~ 3 years)	Self-operation Upstream Supplier Downstream Contract Manufacturers and Customers	medium	medium
		Chronic	Changes in precipitation (water) patterns and long-term extreme changes in climate, such as: Leading to water resource shortages, rising average temperatures	Due to global warming causing continuous rise or instability in temperatures, the design and specification standards of vehicle materials need to be enhanced due to climate change (e.g. heat resistance or cold resistance), and the corresponding verification costs generated during the research and development process will also increase. The increasingly serious global warming leads to continuous rise or instability of temperature, and the expected increase in energy consumption such as electricity, water, gas, etc., thereby increasing operating costs. For upstream suppliers, in addition to the unstable supply caused by changes in shipping routes and delayed delivery dates, the scarcity of water resources may also hinder the production of whole vehicle components (e.g. automotive computer system chips) and affect the assembly schedule of contract manufacturers.	Mid-term (3 ~ 5 years)	Self-operations Upstream suppliers, downstream contract manufacturer and customer	medium	medium

Item	Implementation Status							
	Opportunities	Market	Develop new markets	The company is launching a low-carbon, high-efficiency, modular passenger car - electric vehicle, which will become the flagship product of environmentally friendly mobile vehicles. With the increasing public awareness of environmental protection, people tend to choose transportation methods with lighter environmental burdens and lower pollution in their daily lives. Coupled with the prevalence of the sharing economy, buying a car is no longer a necessary option. Public transportation will gradually become an important low-carbon transportation method. Therefore, the company actively develops commercial mobile vehicles - electric buses, hoping to become a blue ocean of electric vehicles under the sustainable trend.	Short-term (0 ~ 3 years)	Self-operation Downstream Customer	hight	hight
		Innovative Products and Services	R&D and innovation of low-carbon products and services	In response to the market's demand for low-emission transportation, continuous innovation and optimization are carried out on the existing product line (such as networking, intelligence, lightweight, etc.) to meet consumer expectations and drive the company's performance improvement. The company invests a large amount of research and development funds for different types of vehicles to ensure continuous technological innovation and competitiveness, allowing consumers to choose corresponding vehicles according to their needs, thus optimizing resource utilization.	Short-term (0 ~ 3 years)	Self-operation Downstream Customer	medium	medium

<table>
<tr><th>Item</th><th colspan="8">Implementation Status</th></tr>
<tr><td></td><td></td><td>Resource Efficiency</td><td>Energy-saving transportation and production</td><td>By adopting low-energy consumption technologies, optimizing the distribution system, and utilizing local procurement, or by using energy-saving/high-efficiency equipment and process improvements to enhance production efficiency, the company can achieve its energy-saving and carbon reduction goals, further lowering operational costs.</td><td>Mid-term (3 ~ 5 years)</td><td>Self-operation
Upstream Supplier and Logistics</td><td>medium</td><td>medium</td></tr>
<tr><td></td><td></td><td>Operational Flexibility</td><td>Operational resilience</td><td>Collaborate with suppliers to enhance climate change risk management measures, improve resistance and recovery capabilities when facing uncontrollable factors, ensure smooth operation and supply chain flow, and strengthen the overall operational flexibility of the company and its supply chain.</td><td>Mid-term (3 ~ 5 years)</td><td>Self-operation
Upstream Supplier
Downstream Contract Manufacturer</td><td>medium</td><td>medium</td></tr>
<tr><td>3. Describe the impact of extreme weather events and transition actions on finances.</td><td colspan="8">After assessing the risk and opportunity matrix, the company select the top three climate risk and opportunity items for the year as the significant climate risk and opportunity topics, and conduct financial impact assessments and adaptation planning for these major climate issues:
<table>
<tr><th colspan="2">Major climate risks and opportunities</th><th>Assessment of climate-related financial impacts (Note)</th></tr>
<tr><td>Climate opportunities</td><td>R&D and innovation of low-carbon products and services</td><td>In response to the government policy of net zero emissions by 2050, the Company is committed to ‘promoting the popularization of electric vehicles with its Open EV Platform’. By sharing a platform that is enabling the collective effort and wisdom from all the platform users, development costs can therefore be reduced, development time can be shortened, and the key economies of scale is easier achievable. The Company aims to provide such a cross-customer sharing platform through its professional expertise and technical services. With the CDMS (Contract Design and Manufacturing Service) cooperation model of the Foxconn group, the Company is playing a key role in providing design, engineering, supply chain management, and other services. The Company offers CDMS services to multiple brand customers, and through its vertical integration and technical capabilities, it expects to complement its partners in their research and development, cost efficiency, and expand their go to market options.</td></tr>
</table></td></tr>
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<table>
<tr><th>Item</th><th colspan="3">Implementation Status</th></tr>
<tr><td></td><td></td><td>Develop new markets</td><td>In response to the international trend of achieving zero emissions, actively develop low-carbon emission products - passenger vehicles and commercial vehicles, and meet the regulatory requirements of various countries to market domestically and internationally.</td></tr>
<tr><td></td><td>Climate risk</td><td>Rising costs of raw materials and energy resources</td><td>1. Rising raw material costs: Market demand increase, lack of natural resources, and geopolitical instability all lead to rising costs.
- Green consumption concepts prevail, and consumers' inclination to purchase electric vehicles continues to increase. In a competitive situation, the battery raw materials (lithium, cobalt, nickel) increase according to market supply and demand.
- The lack of natural gas energy, logistics costs derived from the Russia-Ukraine war, labor shortages caused by the epidemic, and delays in delivery due to piracy in the Red Sea (from sea freight to air freight) may lead to cost increases.
2. Rising raw material transportation costs: Natural disasters affecting delivery schedule and lead to increased transportation costs.
- The supplier's location has encountered natural disasters due to extreme weather conditions, causing delays in meeting delivery schedules. This may require switching suppliers at short notice or changing from sea freight to air freight, resulting in increased overall costs. Moreover, the change in transportation mode may also lead to an increase in carbon emissions during the operation process.
3. Increased energy consumption:
- Due to carbon fees and the transition to green energy strategies, energy costs will rise.
- Rising or unstable temperatures, for example: increased air conditioning operation time, leading to higher energy costs.</td></tr>
<tr><td colspan="3">(For more information, please refer to the climate chapter of the company's Sustainability Report)</td></tr>
<tr><td>4. Describe how to integrate the process of identifying, assessing, and managing climate risks into the overall risk management system.</td><td colspan="3">Foxtron Vehicle Technologies Co., Ltd. has established a comprehensive management system and clearly defined responsibilities to address risks faced during its operations. Climate-related risks are integrated into the company's overall risk management framework. The primary unit responsible for risk management at Foxtron is the Business Management Department, while the Sustainable Development Promotion Office takes charge of managing and overseeing environmental risks.
In 2024, internal assessments identified four major risk categories: strategic risk, operational risk, financial risk, and climate risk. The Business Management Department is responsible for managing and overseeing the first three risk categories, while the Sustainable Development Promotion Office handles climate risk</td></tr>
</table>

<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td></td><td>management. Other risk categories are managed by the relevant business units based on their functions and operational scope. Starting in 2025, the Business Management Department will regularly report the progress of risk management to the Board of Directors to ensure the effectiveness of the company's risk management system.</td></tr>
<tr><td>5. If using scenario analysis to assess resilience to climate change risks, it should explain the scenario, parameters, assumptions, analysis factors, and major financial impacts used.</td><td>In line with the IFRS sustainability disclosure standards, the company plans to conduct a climate change risk scenario analysis in 2027.</td></tr>
<tr><td>6. If there is a transformation plan to address climate-related risks, please explain the content of the plan, as well as the indicators and goals used to identify and manage physical risks and transition risks.</td><td>Plan adaptation and countermeasures for significant climate risks and opportunities of the company, establish management indicators and goals to guide the company in continuing climate transformation.
<table>
<tr><th colspan="2">Significant climate risks and opportunities</th><th>Adaptation and countermeasures</th></tr>
<tr><td rowspan="2">Climate opportunities</td><td>R&D and innovation of low-carbon products and services</td><td>1.Continuously improve functions such as networking, intelligence, and lightweight to enhance customer driving experience.
2.Improve air dynamics design to reduce energy consumption, enhance vehicle power, lightweight body design, and upgrade systems to increase endurance.
3.Deepen the CDMS (Contract Design and Manufacturing Service) business model, enhance technical capabilities, improve R&D efficiency, reduce costs, and expand the market.</td></tr>
<tr><td>Develop new markets</td><td>In addition to the existing domestic market, also explore international sales channels:
1. Passenger vehicle
■ After launching the first model of C-class cars with the highest market demand, we will continue to invest in the research and development of B-class cars to expand the market.
■ Actively developing Model B to enter the B-class SUV market, the platform adopts modular design and reuses components from the original C-class car to reduce development costs.
■ Actively developing the Model D-class vehicle — a new-generation multifunctional leisure utility vehicle (LMUV) — to meet the demands of the North American market.
■ Tapping into North America and Southeast Asian countries.</td></tr>
</table></td></tr>
</table>

Item	Implementation Status		
			2. Commercial vehicle ■ In line with government public transportation policies, actively developing electric bus production, collaborating with passenger transport operators to obtain government procurement subsidies. ■ In response to the electrification of urban buses by 2030, as well as the growing demand for electrification, extend the existing electric bus products and invest in the development of the mid-sized bus market. ■ Actively developing the Model U mid-size electric bus, which emphasizes flexibility and multifunctionality, capable of navigating narrow urban alleys and remote areas to expand presence in the global market. ■ Tapping into Southeast Asian countries (e.g. Thailand, Indonesia) and respond to local demand by adding right-hand drive options to the existing left-hand drive, expanding the sales market.
	Climate risk	Rising costs of raw materials and energy resources	1. Sign long-term purchase contracts with vendors and negotiate with suppliers on the mechanism for adjusting raw material prices to avoid significant price increases due to market fluctuations. 2. Increase the number of key spare parts suppliers to stabilize the supply of raw materials and promote sharing and modularization. 3. Build factories to create an electric vehicle ecosystem and establish a complete battery production chain to increase production capacity and reduce costs. 4. Internally drive various departments to participate in the company's energy-saving and carbon-reduction plan, so that the concept of energy-saving and carbon reduction can be deeply rooted in the company's corporate spirit, and gradually upgrade the lighting, air conditioning, and water supply systems at other workplaces to energy-saving smart systems. 5. Install solar panels on the rooftop of the Baogao office in Xindian.
	Climate-Related Indicators and Targets:		
	Short to Medium Term (0-5 years)		

<table>
<tr><th>Item</th><th colspan="2">Implementation Status</th></tr>
<tr><td></td><td>Greenhouse Gas Emissions Management</td><td>■ 2026: Reduce emissions from electricity usage in the "office, service, and production sites" by 3% compared to the baseline year.
■ 2028: Reduce emissions from electricity usage in the "office, service, and production sites" by 40% compared to the baseline year.
■ Climate Issue Management: Continue reporting climate-related progress to the Board of Directors. The company’s Sustainable Development Promotion Office reported on climate-related issues 5 times in 2024.
■ Gradual Elimination of Gasoline Vehicles: Starting from June 2024, replace 8 gasoline vehicles with 17 electric vehicles. Ongoing internal carbon reduction campaigns: In 2024, the company participated in the "My Carbon Reduction Passbook" initiative for the Greater Taipei Area and won the first place in the "Model Enterprise" category for the first, second, and third quarters of the year. Additionally, the company participated in the production of corporate media promotional videos.
■ Participation in Environmental Initiatives and Certifications: In 2024, the company received the voluntary net-zero standard certification from the Taiwan Net Zero Action Alliance, along with the Green Net Zero Label.</td></tr>
<tr><td></td><td>Low-Carbon Product Sales Promotion</td><td>■ Continuous Launch of Low-Carbon, High-Efficiency Electric Vehicles: In 2024, the company’s passenger vehicles contributed to a carbon reduction of approximately 11,838 tons, while the commercial vehicles had a cumulative sales of 150 units, achieving a carbon reduction of about 5,166 tons. In 2025, the company plans to launch new models (Model B) and promote the export of Model C, with expected significant growth in sales volume.</td></tr>
<tr><td></td><td>Energy Efficiency Management</td><td>■ The Kaohsiung Qiaotou plant is expected to complete its construction by the end of 2025. The company will subsequently evaluate the introduction and implementation of environmental and energy management systems. In parallel, it plans to obtain third-party certification, initiate the installation of renewable energy systems, and apply for Green Building Silver Certification.</td></tr>
<tr><td></td><td colspan="2">(For more information, please refer to the climate chapter of the company’s Sustainability Report)</td></tr>
<tr><td>7. If using internal carbon pricing as a planning tool, the basis for price determination should be explained.</td><td colspan="2">The Company is currently in the process of establishing an internal carbon pricing mechanism.</td></tr>
<tr><td>8. If climate-related</td><td colspan="2">(1) The company has set the goal of achieving net zero emissions for all offices by 2030, and net zero greenhouse gas</td></tr>
</table>

<table>
<tr><th>Item</th><th>Implementation Status</th></tr>
<tr><td>goals are set, the activities, scope of greenhouse gas emissions, planning schedule, and annual progress towards achieving the goals should be explained. If carbon offsetting or renewable energy certificates (RECs) are used to achieve the goals, the source and quantity of carbon offsetting or the quantity of RECs should be specified.</td><td>emissions for all service and production sites by 2050, in line with global trends and Taiwan’s 2050 net zero carbon emission goal.
<table>
<tr><td colspan="2">Climate-Related Indicators and Targets</td></tr>
<tr><td colspan="2">Long Term (5+ Years)</td></tr>
<tr><td>Greenhouse Gas Emissions Management</td><td>■ 2030: Achieve 100% net-zero emissions in the "office site. "
■ 2050: Achieve 100% net-zero emissions in the "office, service, and production sites. "
■ Climate Issue Management: Continue reporting progress on climate-related issues to the Board of Directors.
■ Electric Vehicle Transition: All company vehicles will be replaced with electric vehicles.
■ Internal Carbon Reduction Campaigns: Continue promoting internal carbon reduction initiatives among employees.
■ Environmental Initiatives and Certifications: Respond to domestic and international environmental initiatives and obtain relevant certifications.</td></tr>
<tr><td>Low-Carbon Product Sales Promotion</td><td>■ Continuous Launch of Low-Carbon, High-Efficiency Electric Vehicles: Continue introducing low-carbon and high-performance electric vehicles.</td></tr>
<tr><td>Energy Efficiency Management</td><td>■ Kaohsiung Qiaotou Plant Environmental and Energy Management Systems: Maintain third-party verification for the environmental and energy management systems at the Kaohsiung Qiaotou plant.</td></tr>
</table>
(2) The company currently does not use any carbon offset or Renewable Energy Certificates (RECs) to implement carbon reduction measures.</td></tr>
<tr><td>9. Greenhouse gas inventory and confirmation situation, reduction targets, strategies, and specific action plans.</td><td>Please refer to the content of 2 and 3 below.</td></tr>
</table>

2. Recent two-year company greenhouse gas inventory and Assurance situation

A. Greenhouse Gas Inventory Information

Report the emissions (tCO_2e), intensity (tCO_2e NT$ Million), and data coverage of greenhouse gases for the past two years.

The company's data scope is based on 2024 data disclosure and greenhouse gas emissions are compiled and verified following the Greenhouse Gas Protocol (GHG Protocol), with external assurance. After external assurance, the total greenhouse gas emissions for the parent company in scope 1 and scope 2 in 2024 were 1,921.8378 tCO_2e. In accordance with the regulations of the Financial Supervisory Commission (FSC), a greenhouse gas inventory was conducted for the consolidated subsidiaries in 2024. The total greenhouse gas emissions for all operational sites in scope 1 and scope 2 amounted to 1,946.1222 tCO_2e. Please refer to the table below for the greenhouse gas emissions data:

Total Greenhouse Gas Emission

	2023		2024	
	Emissions (tCO_2e)	Carbon Intensity (tCO_2e / NT$ Million)	Emissions (tCO_2e)	Carbon Intensity (tCO_2e / NT$ Million)
Scope 1 Parent Company	170.5341	0.1646	248.9208	0.0292
Scope 1 Subsidiaries	-	-	3.4521	0.0004
Total	170.534	0.1646	252.373	0.0296
Scope 2 Parent Company	938.4218	0.9057	1,672.9170	0.1963
Scope 2 Subsidiaries	-	-	20.8323	0.0024
Total	938.4218	0.9057	1,693.749	0.1987
Scope 1 + Scope 2 Total	1,108.956	1.0703	1,946.122	0.2283
Total Revenue (NT$ Million)	$1,036.0840		$ 8,520.6110	

Note 1: The organizational boundary for the 2023 data is defined using the operational control approach, covering Taiwan's operations, with limited assurance provided by the auditors.

Note 2: The organizational boundary for the 2024 data follows the operational control approach, covering Taiwan headquarters, regional offices, temporary offices, laboratories, warehouses, dormitories, and other operational sites. The 2024 inventory includes consolidated subsidiaries, including offices in Hangzhou, Zhejiang Province, Fuzhou, Fujian Province, and the U.S.

Note 3: The 2024 greenhouse gas data assurance scope covers only the parent company's operations in Taiwan. The data from the consolidated subsidiaries will be included in future years for assurance.

Note 4: The greenhouse gases included in the 2024 inventory are carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons

(HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3) — a total of seven gases.

Note 5: The emission factors for 2024 greenhouse gases were sourced from the Ministry of the Environment's greenhouse gas emission factor management table (version 6.0.4) and the Environmental Protection Administration's product carbon footprint information website. The GWP values are based on the IPCC AR6 (2021) global warming potential figures. Scope 1 emissions calculations use the Energy Bureau's energy product unit calorific value table.

Note 6: The 2024 scope 2 purchased electricity emissions are calculated on a location-based method. For Taiwan, the emission factor for electricity is based on the Ministry of Economic Affairs' announced carbon emission coefficient. Since the 2024 coefficient has not yet been announced, the 2023 coefficient of 0.494 kg CO_2e/kWh was used for calculation. For Mainland China, the emission factor from the Ministry of Ecology and Environment's 2022 announcement for East China was used: 0.5617 kg CO_2e/kWh.

Note 7: Emission intensity is calculated based on annual revenue, with the unit being NT$ million.

B. Greenhouse gas Assurance information

Explain the recent two-year Assurance situation as of the date of printing of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.
After going public in November 2023, the company completed its greenhouse gas inventory in the first quarter of 2024. The reasonable assurance engagement is currently being conducted by PwC Taiwan in accordance with TWSAE 3410. The complete information will be disclosed in our Sustainability Report and on Market Observation Post System. (Assurance Report date: April 11, 2025).

3. Greenhouse gas reduction goals, strategies, and specific action plans

Describe the baseline year and its data for greenhouse gas reduction, reduction targets, strategies, specific action plans, and the achievement of reduction targets.
The company used the 2023 data as the baseline year for its first greenhouse gas inventory (Note). The baseline emissions for 2023 amounted to 1,108.956 tCO_2e. The company has performed a carbon hotspot analysis based on these emissions and has developed a plan to reduce carbon emissions year by year. In 2024, the total greenhouse gas emissions for the parent company (scope 1 and scope 2) were 1,921.838 tCO_2e. In accordance with the regulations of the Financial Supervisory Commission (FSC), the company conducted a greenhouse gas inventory for consolidated subsidiaries. The total greenhouse gas emissions from all operational sites (scope 1 and scope 2) were 1,946.122 tCO_2e. The status of the reduction targets is outlined in the table below.

Short-term and Medium-term Goals (0~5 years)	Long-term Goals (5+ years)	2024 Target Achievement
■ By 2026, reduce electricity-related emissions in office, service, and production sites by 3% compared to the baseline year.	■ By 2030, achieve 100% net-zero emissions in office sites. ■ By 2050, achieve 100%	In 2024, the total greenhouse gas emissions for the parent company were 1,921.838 tCO_2e, representing a 73% increase compared to the baseline year of 2023. The increase in emissions was primarily due to purchased electricity (scope 2). The main factors contributing to this growth are as follows:

■ By 2028, reduce emissions from office, service, and production sites by 40% compared to the baseline year.	net-zero emissions in office, service, and production sites.	1. Full electrification of company vehicles. 2. Increased electric vehicle (EV) research and development capacity, with the development of multiple car models in 2024 (compared to one model in 2023). 3. Staff expansion, with an increase of 165 employees (from 783 to 948 employees) compared to the baseline year.

Note : In 2024, the company expanded the boundary of its greenhouse gas inventory. Since third-party assurance for emissions data was obtained only for the parent company, the emissions data for the baseline year of 2023 was retained to ensure consistency in comparison of assured data between years. The emissions data for consolidated subsidiaries will be assured in future years.

(7). Ethical Corporate Management - Implementation Status and Difference in the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

Evaluation Item	Operation			Differences in the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
1. Establishment of ethical corporate management policies and approaches				
(1) Does the company have an ethical corporate management policy adopted by the board of directors, and state in its regulations and external documents the ethical corporate management policy and practices, as well as the commitment of the board of directors and management towards enforcement of such policy?	V		The company has established the "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", and "Regulations of Ethical Conduct" as the basis for implementing integrity management. The board of directors and management team deeply recognize their importance in establishing good business operations and fulfilling the commitment to integrity management policies.	No significant differences.
(2) Does the company have a mechanism to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company formulate the programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Article 7, Paragraph 2, of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?	V		The company has established the "Procedures for Ethical Management and Guidelines for Conduct", which includes specific measures to prevent dishonest behavior. This is to ensure that relevant personnel adhere to the guidelines, and the content covers the provisions of Article 7, Section 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies".	No significant differences.
(3) Does the company provide the clear operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above and perform regular reviews and amendments?	V		The company has established "Procedures for Ethical Management and Guidelines for Conduct" and "Regulations of Ethical Conduct", which specify operational procedures, behavior guidelines, disciplinary measures for violations, and complaint mechanisms. These are periodically promoted to strengthen the implementation of the integrity operation policy.	No significant differences.
2. Implementation of ethical corporate management				

Evaluation Item	Operation			Differences in the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
(1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	V		The company's "Procedures for Ethical Management and Guidelines for Conduct" clearly states that we should avoid engaging in business transactions with agents, suppliers, customers, or other business counterparts involved in dishonest behavior. If any business partner or collaborator is found to be engaging in dishonest behavior, we should immediately cease business dealings with them and categorize them as a refused business counterpart, in order to uphold the company's policy of integrity in operations.	No significant differences.
(2) Does the company have a dedicated unit directly under the Board of Directors to promote corporate integrity, which will report regularly (at least once a year) to the Board of Directors on the ethical management policies and programs against unethical conduct and oversee their implementation?	V		The Company designates the Financial Planning & Analysis Group as the dedicated unit responsible for promoting the policy of integrity in operation and the formulation and supervision of measures to prevent dishonest behavior, and reports to the board of directors at least once a year. The report date for the year 2024 is November 8. The status of ethical business conduct promotion in 2024 is as follows: 1. Promotion of Ethical Conduct Among Suppliers: Suppliers were encouraged to sign the "Social and Environmental Sustainability Commitment," which includes provisions for ethical business conduct. To date, 203 suppliers have signed the commitment, achieving a 94% completion rate. 2. Orientation on Ethical Conduct for New Employees: All new employees have signed the "Integrity, Anti-Corruption, and Intellectual Property Agreement" upon onboarding. 3. Commitment by Directors and Senior Executives: All directors and senior executives have signed the Statement of Ethical Business Conduct.	No significant differences.

Evaluation Item	Operation			Differences in the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
			4. Training Implementation Results: A total of 841 participants have completed training courses on the "Code of Ethical Conduct" and the "Procedures and Guidelines for Ethical Business Operations." 5. Whistleblower Channels: In accordance with the Code of Ethical Conduct, a dedicated whistleblower mailbox and hotline have been established. No whistleblower reports were received in 2024.	
(3) Does the company have policies to prevent conflicts of interest, provide proper appeal channel, and implement them?	V		The company's "Procedures for Ethical Management and Guidelines for Conduct" clearly prohibits various dishonest behaviors and outlines the corresponding handling procedures. It also stipulates that company personnel, when carrying out company business, should report any situations involving conflicts of interest or potential improper benefits to their immediate supervisors and the dedicated unit of the company, and the immediate supervisors should provide appropriate guidance.	No significant differences.
(4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	V		To ensure the implementation of honest operations, the company has established effective accounting and internal control systems. In addition, an internal audit plan has been formulated, and internal auditors regularly examine the adherence to the system based on the audit plan. If any dishonesty is verified, it should be immediately reported to the board of directors.	No significant differences.
(5) Does the company hold regular internal and external education and training on ethical corporate management?	V		The company non-periodically promotes the concept of integrity in business operations and its importance. Relevant internal regulations and laws will also be explained to new employees upon their arrival.	No significant differences.
3. Operation of the Company's Whistle				

Evaluation Item	Operation			Differences in the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	No	Description	
blowing System (1) Does the company have a specific reporting and reward system, and has it established a channel to facilitate reporting and assigned appropriate staff for the accused party?	V		The company has established specific procedures in "Procedures for Ethical Management and Guidelines for Conduct", including reporting channels, responsible units, disciplinary measures, rewards, and protection measures. Furthermore, the company has not violated any principles of honest operation or engaged in any illegal activities.	No significant differences.
(2) Does the company have standard operating procedures for the investigation of reported matters, as well as follow-up measures and relevant confidentiality mechanisms after the completion of the investigation?	V		The company has established specific procedures in "Procedures for Ethical Management and Guidelines for Conduct", including the handling of reported matters, measures to be taken after investigation completion, and related confidentiality mechanisms.	No significant differences.
(3) Does the company take measures to protect whistleblowers from being subjected to improper treatment as a result of reporting?	V		Personnel of this Corporation handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. This Corporation also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing.	No significant differences.
4. Information Disclosure Enhancement Has the company disclosed the contents of its ethical corporate management principles as well as relevant implementation results on its website and on the Market Observation Post System?	V		The "Ethical Corporate Management Best Practice Principles" of the company is disclosed on the company's website and Market Observation Post System.	No significant differences.
5. Describe the differences between actual practice and the ethical corporate management principles, if the company has formulated such principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies: No difference.				
6. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies: 1. The company strictly adheres to the Company Act, Securities and Exchange Act, Commercial Accounting Act, relevant regulations for TWSE/TPEx Listed Companies, and other relevant commercial laws and regulations as the foundation for implementing honest and ethical business operations. 2. Please refer to the company's official website at https://www.foxtronev.com/tw/investor for the "Ethical Corporate Management Best Practice Principles".				

(8). Other significant information sufficient to enhance the understanding of corporate governance and operation may be disclosed along with the report.

1. The continuing education of the directors of the company in 2024:

Position	Name	Advanced training date	Organizer	Course Title	Hours of Continuing Education
Chairman	Liu, Young-Way	2024/11/22	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Regulations - Understanding the Regulatory Oversight by Authorities for Senior Executives of Listed Companies	3
		2024/11/22	Corporate Operating and Sustainable Development Association	Global Political and Economic Trends - Taiwan Business Strategies and Mergers & Acquisitions	3
Vice Chairman	Tso, Chi-Sen	2024/09/12	Taiwan Project Management Association	Continuing Education for Listed Company Directors - ESG Project Management and Sustainable Development	3
		2024/09/12	Taiwan Project Management Association	Continuing Education for Listed Company Directors - From Digital Transformation to AI Empowerment	3
Director	Seki Jun	2024/11/22	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Regulations - Understanding the Regulatory Oversight by Authorities for Senior Executives of Listed Companies	3
		2024/11/22	Corporate Operating and Sustainable Development Association	Global Political and Economic Trends - Taiwan Business Strategies and Mergers & Acquisitions	3
Director	Huang, Ying-Shih	2024/01/24	Taiwan Securities Association	Corporate Control Disputes and the Business Litigation Act	3
		2024/11/22	Corporate Operating and Sustainable Development	Corporate Governance and Securities Regulations - Understanding the	3

Position	Name	Advanced training date	Organizer	Course Title	Hours of Continuing Education
			Association	Regulatory Oversight by Authorities for Senior Executives of Listed Companies	
		2024/11/22	Corporate Operating and Sustainable Development Association	Global Political and Economic Trends - Taiwan Business Strategies and Mergers & Acquisitions	3
Director	Hsu, Kuo-Hsing	2024/09/12	Taiwan Project Management Association	Continuing Education for Listed Company Directors - ESG Project Management and Sustainable Development	3
		2024/09/12	Taiwan Project Management Association	Continuing Education for Listed Company Directors - From Digital Transformation to AI Empowerment	3
Independent director	Sonia Sun	2024/05/10	Taiwan Investor Relations Institute	Analyzing Corporate Financial Information and Decision-Making Applications	3
		2024/05/30	Taiwan Corporate Governance Association (serving as a lecturer)	Post-Pandemic Era - How Should Taiwanese Enterprises Position Themselves?	3
		2024/06/28	Taiwan Corporate Governance Association (serving as a lecturer)	Post-Pandemic Era - Adapting to the Challenges and Opportunities of Upgrading and Transformation (Part 2)	1.5
		2024/08/20	Taiwan Corporate Governance Association (serving as a lecturer)	The Era of "Carbon Pricing" is Coming - How Should Enterprises Respond?	1.5
		2024/08/22	Taiwan Corporate Governance Association (serving as a lecturer)	The Era of "Carbon Pricing" is Coming - How Should Enterprises Respond?	1
		2024/11/22	Corporate Operating and Sustainable	Corporate Governance and Securities Regulations -	3

Position	Name	Advanced training date	Organizer	Course Title	Hours of Continuing Education
			Development Association	Understanding the Regulatory Oversight by Authorities for Senior Executives of Listed Companies	
		2024/11/22	Corporate Operating and Sustainable Development Association	Global Political and Economic Trends - Taiwan Business Strategies and Mergers & Acquisitions	3
Independent director	Hsiao, Hsing-Chin	2024/10/29	Taiwan Academy of Banking and Finance	Cybersecurity Governance Lecture - Key Cybersecurity Standards and Compliance	3
		2024/11/01	Taiwan Academy of Banking and Finance	Corporate Governance Lecture - Corporate and Director Responsibilities and Obligations under the Securities and Exchange Act	3
		2024/11/19	Taiwan Institute for Sustainable Energy	7th Global Corporate Sustainability Forum (GCSF) 1-2	3
		2024/11/19	Taiwan Institute for Sustainable Energy	7th Global Corporate Sustainability Forum (GCSF) 2-2	3
		2024/11/22	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Regulations - Understanding the Regulatory Oversight by Authorities for Senior Executives of Listed Companies	3
		2024/11/22	Corporate Operating and Sustainable Development Association	Global Political and Economic Trends - Taiwan Business Strategies and Mergers & Acquisitions	3
Independent director	Lin, Bor-Tsuen	2024/11/22	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Regulations - Understanding the Regulatory Oversight by Authorities for Senior	3

Position	Name	Advanced training date	Organizer	Course Title	Hours of Continuing Education
				Executives of Listed Companies	
		2024/11/22	Corporate Operating and Sustainable Development Association	Global Political and Economic Trends - Taiwan Business Strategies and Mergers & Acquisitions	3
Independent director	Hwang, Hsiu-Ying	2024/11/22	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Regulations - Understanding the Regulatory Oversight by Authorities for Senior Executives of Listed Companies	3
		2024/11/22	Corporate Operating and Sustainable Development Association	Global Political and Economic Trends - Taiwan Business Strategies and Mergers & Acquisitions	3
		2024/12/05	The Greater Chinese Financial Development Association	Global and Taiwan Economic Outlook	3
		2024/12/17	The Greater Chinese Financial Development Association	Trump 2.0 - Challenges to the Global Landscape	3

2. The company's corporate officer's continuing education in 2024：

Position	Name	Advanced training date	Organizer	Course Title	Hours of Continuing Education
Corporate Governance Officer	Lu, Miao-chich	2024/01/24	Taiwan Securities Association	Corporate Control Disputes and the Business Litigation Act	3
		2024/04/26	Corporate Operating and Sustainable Development Association	In an Era of Turmoil: Challenges and Business Thinking for Taiwanese Enterprises	3
		2024/11/22	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Regulations - Understanding the	3

Position	Name	Advanced training date	Organizer	Course Title	Hours of Continuing Education
				Regulatory Oversight by Authorities for Senior Executives of Listed Companies	
		2024/11/22	Corporate Operating and Sustainable Development Association	Global Political and Economic Trends - Taiwan Business Strategies and Mergers & Acquisitions	3
		2024/11/27	Corporate Operating and Sustainable Development Association	Analysis of Practical Disputes in Board Meetings	3
		2024/12/05	Corporate Operating and Sustainable Development Association	How to Effectively Reduce Cybersecurity Risks in Business Operations	3

3. The company continues to strengthen its corporate governance operations. The company's official website (https://www.foxtronev.com/tw) has set up a "Corporate Governance" section to explain the company's governance operations and the effectiveness of its initiatives.

(9). Implementation of internal control system

1. Statement of Internal Control System

Foxtron Vehicle Technologies Co., Ltd.

Statement of Internal Control System

February 27, 2025

Based on the findings of a self-assessment, Foxtron Vehicle Technologies Co., Ltd. states the following with regard to its internal control system during the year 2024:

1. We acknowledge that it is the responsibility of our Board of Directors and management to establish, implement and maintain an adequate internal control system. The purpose is to provide reasonable assurance to the effectiveness and efficiency of our operation (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency and regulatory compliance of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three objectives as mentioned above. Furthermore, 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 we take immediate remedial actions in response to any identified deficiencies.

3. We 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 communication, and(5)monitoring activities. Each component also includes several items which can be found in the Regulations.
4. We have evaluated the design and operating effectiveness of its internal control system according to the aforementioned Regulations.
5. Based on the results of the aforementioned evaluation, we believe that the design and implementation of our internal control system as of December 31, 2023 (including supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency and regulatory compliance with relevant regulatory requirements, is effective, and that it can reasonably assure the achievement of the aforementioned objectives.
6. This statement will constitute an integral of our annual report and prospectus, and will be made public. In case of any unlawful aspects such as falsehood or concealment of facts in relation to the aforementioned statement, the Company shall be legally liable under Articles 20, 32, 171 and 174 of the Securities and Exchange Act.
7. To comply with the regulations for TIB, our company, in accordance with Article 25 of the Regulations, has commissioned an accountant to conduct a special review of the reliability of external financial reporting and the internal control system related to asset security (ensuring that assets are not obtained, used, or disposed of without authorization) for the specified period. As stated above, the design and implementation of these controls are effective, with no significant deficiencies that would impact the reliability of the recording, processing, summarization, and reporting of financial information, nor are there any significant deficiencies affecting asset security that would allow unauthorized acquisition, use, or disposal of assets.
8. This statement was approved by the Board of Directors in their meeting held on February 27, 2025, with none of the nine attending directors expressing dissenting opinions, and the remainder all affirming the content of this statement.

Foxtron Vehicle Technologies Co., Ltd.

Liu, Young-Way
Chairman

Lee, Bing-Yen
Chief Executive Officer

2. When a CPA is commissioned to review the internal control system, the CPA's review report should be disclosed.

REVIEW OF INTERNAL CONTROL SYSTEM

Independent Auditor’s Reasonable Assurance Report

To Foxtron Vehicle Technologies Co., Ltd.:

Foxtron Vehicle Technologies Co., Ltd. (hereinafter referred to as "Foxtron ") states that it has evaluated its internal control system related to external financial reporting and safeguarding of assets, and

the statement that it was effectively designed and implemented as of December 31, 2024, has been reviewed by our auditors upon completion of reasonable assurance procedures.

Subject Matter, Subject Matter Information, and Applicable Criteria of Assurance

The subject matter of this assurance engagement is the design and implementation of the internal control system related to Foxtron's external financial reporting and safeguarding of assets as of December 31, 2024, and the statement issued by Foxtron on February 27, 2025, asserting that its internal control system related to external financial reporting and safeguarding of assets is effectively designed and implemented (hereinafter collectively referred to as the assurance target).

The applicable criteria for measuring or evaluating the effectiveness of the above-mentioned assurance targets are the internal control system effectiveness assessment items of the "Regulations Governing Establishment of Internal Control Systems by Public Companies".

Inherent Limitations

Due to inherent limitations, the internal control system of Foxtron may not be able to prevent or detect errors or fraud that have already occurred. In addition, the degree of compliance with the internal control system may decrease due to future environmental changes, so the effective internal control system in this period does not necessarily mean it will be effective in the future.

Responsibilities of Management

The responsibility of management is to establish an internal control system in accordance with relevant laws and regulations, review it at any time to maintain the continuous effectiveness of the internal control system's design and implementation, and issue an internal control system statement based on the assessment of its effectiveness.

Auditor's Responsibilities

The responsibility of auditor is to perform necessary procedures for assurance targets to obtain reasonable assurance in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and Assurance Standard No. 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", and to conclude whether the subject matter of assurance complies with applicable criteria in all material respects and whether an appropriate expression can be made.

Independence and Quality Controls

This auditor and the firm to which they belong have complied with the provisions of the Norm of Professional Ethics for Certified Public Accountant. The fundamental principles contains integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. In addition, the firm follows quality control standards and maintains a comprehensive quality control system, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards, and applicable laws and regulations.

Summary of the Implemented Procedures

The auditor plans and performs the necessary procedures based on professional judgment to obtain the evidence to the related subject matter and subject matter information. The procedures executed include understanding the company's internal control system, evaluating the process by which

management assesses the effectiveness of the overall internal control system, testing and evaluating the design and implementation effectiveness of internal control systems related to external financial reporting and safeguarding of assets, and other review procedures that the auditor considers necessary. The auditor believes that this review work provides a reasonable basis for the conclusions reached.

Assurance Engagement Conclusion

According to the auditor's opinion, based on the internal control system effectiveness assessment items of the "Regulations Governing Establishment of Internal Control Systems by Public Companies", the internal control system related to external financial reporting and asset safeguarding of Foxtron as of December 31, 2024, in design and implementation, can maintain effectiveness in all material respects; the statement issued by Foxtron on February 27, 2025, confirming the effectiveness of its internal control system related to external financial reporting and asset safeguarding as of December 31, 2024, in all material respect, has been appropriately expressed.

Hsu, Chieh-Ju

Hsu, Sheng-Chung

For and on Behalf of PricewaterhouseCoopers, Taiwan
February 27, 2025

(10). Significant resolutions made during shareholders' meetings and board meetings in 2024 and up to the publication date of this annual report:

1. May 23, 2024, matters and implementation of resolutions attended by all shareholders at the shareholders' meeting

<table>
<tr><th>Resolution</th><th>Implementation Status</th></tr>
<tr><td>Approval of the Company's Business Report and Financial Statements for 2023</td><td>The proposal was approved as originally presented.</td></tr>
<tr><td>Approval of the Company's Loss Off-Setting Proposal for 2023</td><td>The proposal was approved as originally presented.</td></tr>
<tr><td>Approval of the Lifting of Non-Competition Restrictions for the Company's Director</td><td>The lifting of the non-competition restriction on the director is in accordance with the resolution of the shareholders' meeting.
<table>
<tr><th>Director Name</th><th>Concurrent Company/Position:</th></tr>
<tr><td>Hon Hai Precision Industry Co., Ltd. Legal Representative: Huang, Ying-Shih</td><td>Foxconn New Energy Vehicle Industry Development (Henan) Co., Ltd. (Note)-Chairman
Note: Foxconn New Energy Vehicle Industry Development (Henan) Co., Ltd. is a wholly-owned subsidiary of Hon Hai Precision Industry Co., Ltd.</td></tr>
</table></td></tr>
</table>

2. Important resolutions of the Board of Directors in 2024 before February 27, 2025

Date	Important Resolution	Implementation Status
2024.02.29	1. The company's senior management distribution of performance bonuses proposal for 2023	All attending directors unanimously approved the proposal as presented.
	2. The company's financial report for 2023	All attending directors unanimously approved the proposal as presented.
	3. The company's loss off-setting proposals for 2023	All attending directors unanimously approved the proposal as presented.
	4. The company and its subsidiaries propose to pre-approve the CPA firm and its affiliates to provide non-assurance services	All attending directors unanimously approved the proposal as presented.
	5. The company's financial statements for 2024 are proposed to be audited and attested by PwC, the evaluation of the auditors' independence and service fees is detailed in the statement.	All attending directors unanimously approved the proposal as presented.
	6. The company proposes engaging PwC to provide assurance services, consulting services, and assistance in writing the ESG report for 2024.	All attending directors unanimously approved the proposal as presented.
	7. The company's business report for 2023	All attending directors unanimously approved the proposal as presented.
	8. The Company's statement of internal control system proposal is presented for 2023	All attending directors unanimously approved the proposal as presented.
	9. Amendment of "Stock Affairs Operations Management Regulations"	All attending directors unanimously approved the proposal as presented.
	10. To approve the lifting of non-competition restrictions on the director.	All attending directors unanimously approved the proposal as presented.
	11. The establishment of the date and reasons for convening the company's shareholders' meeting in 2024.	All attending directors unanimously approved the proposal as presented.

Date	Important Resolution	Implementation Status
	12. Procedures for handling proposals submitted by shareholders holding more than 1% of shares	All attending directors unanimously approved the proposal as presented.
2024.05.08	1. The company's financial report for the first quarter of 2024	All attending directors unanimously approved the proposal as presented.
	2. The Company's senior management Key Performance Indicator for 2024.	All attending directors unanimously approved the proposal as presented.
	3. Amendment of "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct"	All attending directors unanimously approved the proposal as presented.
2024.08.06	1. The company's financial report for the second quarter of 2024	All attending directors unanimously approved the proposal as presented.
	2. The Company proposes to lease the Environmental Laboratory of Yulon Motor.	All attending directors unanimously approved the proposal as presented.
	3. Enactment of the "Guidelines for the Distribution of Performance Bonuses for senior management"	All attending directors unanimously approved the proposal as presented.
	4. The company's senior management salary adjustment plan	All attending directors unanimously approved the proposal as presented.
	5. The company proposes the 2023 Sustainability Report proposal	All attending directors unanimously approved the proposal as presented.
2024.11.08	1. The company's financial report for the third quarter of 2024	All attending directors unanimously approved the proposal as presented.
	2. To address working capital turnover needs and the management of interest rate and exchange rate risks, it is proposed to apply for relevant credit facilities from financial institutions and execute related agreements	All attending directors unanimously approved the proposal as presented.

Date	Important Resolution	Implementation Status
	3. The company's audit plan for 2025	All attending directors unanimously approved the proposal as presented.
	4. Amendment of "internal audit implementation rules"	All attending directors unanimously approved the proposal as presented.
	5. Amendment of "Eight Cycles of Internal Control System" and "Computerized Information System Processing Operations."	All attending directors unanimously approved the proposal as presented.
	6. Enactment of "Procedures for the Preparation and Assurance of Sustainability Reports"	All attending directors unanimously approved the proposal as presented.
	7. Amendment of "Rules Governing Approval Authority"	All attending directors unanimously approved the proposal as presented.
	8. Amendment of "Rules for Budget Management"	All attending directors unanimously approved the proposal as presented.
	9. Amendment of "Regulations Governing Procedure for Board of Directors Meetings" and "Audit Committee Organizational Rules"	All attending directors unanimously approved the proposal as presented.
2024.12.18	1. Enactment of "Management of Sustainability Information"	All attending directors unanimously approved the proposal as presented.
	2. The Company proposes to engage PwC to provide non-assurance ESG services for 2025.	All attending directors unanimously approved the proposal as presented.
	3. The Company's Medium- to Long-Term Business Plan and the 2025 Budget Proposal.	All attending directors unanimously approved the proposal as presented.
	4. The Company's senior management Key Performance Indicator Weight Adjustment Plan for 2024.	All attending directors unanimously approved the proposal as presented.
	5. The Company's senior management Key Performance Indicator for 2025.	All attending directors unanimously approved

Date	Important Resolution	Implementation Status
		the proposal as presented.
2025.02.27	1. The Company's Consolidated and Separate Financial Statements for 2024	All attending directors unanimously approved the proposal as presented.
	2. The Company's Proposal for Loss Appropriation for 2024	All attending directors unanimously approved the proposal as presented.
	3. The Company's Business Report for 2024	All attending directors unanimously approved the proposal as presented.
	4. Performance Evaluation of Senior Management for 2024	All attending directors unanimously approved the proposal as presented.
	5. The Company's Assessment of the Effectiveness of the Internal Control System and Internal Control System Statement for 2024	All attending directors unanimously approved the proposal as presented.
	6. Appointment of PricewaterhouseCoopers Taiwan as the Independent Auditor for the Company's 2025 Financial Statements; Evaluation of Auditor Independence and Service Fees as Described	All attending directors unanimously approved the proposal as presented.
	7. Pre-approval of Non-Assurance Services Provided by the Appointed Auditors, Their Firm, and Affiliated Firms to the Company and Its Subsidiaries	All attending directors unanimously approved the proposal as presented.
	8. Proposed Capital Increase through Issuance of Common Shares for Participation in the Issuance of Overseas Depositary Receipts	All attending directors unanimously approved the proposal as presented.
	9. Definition of "Basic-Level Employees" and Proposed Amendments to the Company's Articles of Incorporation	All attending directors unanimously approved the proposal as presented.
	10. Proposal to Release Directors from the Non-Compete Restrictions	All attending directors unanimously approved the proposal as presented.
	11. Determination of the Date and Agenda for the Company’s 2025 Annual General Shareholders’ Meeting	All attending directors unanimously approved the proposal as

Date	Important Resolution	Implementation Status
		presented.
	12. Proposal to Approve the Procedures for Shareholder Proposals by Shareholders Holding 1% or More of the Company's Shares	All attending directors unanimously approved
	13. Adjustment to the Company's Financial Budget for 2025	All attending directors unanimously approved
	14. Adjustment to Performance Targets for Senior Management for 2025	All attending directors unanimously approved

(11). The different opinions of directors or supervisors on important resolutions adopted by board meetings that are documented or declared in writing in the most recent year and up to the publication date of the annual report, and the main content thereof: None.

3. Information Regarding Professional Fees of Certified Public Accountant

(1). Information regarding professional fees of certified public accountant

Unit: Thousands NTD

Accounting firm name	Accountant's name	Accountant Audit Period'	Audit fee	Non-audit fee	Total	Remarks
PwC Taiwan	Hsu, Chieh-Ju Hsu, Sheng-Chung	2024/01/01 2024/12/31	3,530	3,089	6,619	Note

Note : Includes internal control project reviews after the listing on the Innovative Board, ESG assurance services, tax certification services, and the domestication agreement procedures for the electric bus project.

(2). If there is a replacement of the accounting firm and the audit fees for the year in which the replacement occurred are less than those for the prior year, the amounts paid for audit fees before and after the replacement as well as the reason for the fee reduction should be disclosed: None.

(3). If there is a 10% or more reduction in the audit fees compared to those for the prior year, the amount and percentage of reduction as well as the reason for the audit fee reduction should be disclosed: Not applicable.

4. Information on Change of CPA

(1). Information regarding the former accountant：None.

(2). Information Regarding the Successor CPAs：None.

(3). The reply letter from the former CPA regarding the Company's disclosures regarding the matters under Article 10.6.A and 10.6.B(c) of the Regulations: None.

5. The Company's Chairman, CEO or Managers in Charge of Financial or Accounting

Affairs Have Served in the CPA Firm or the Affiliates Thereof for the Most Recent Year: None.

6. Change in the Transfer and Pledge of Shares by Directors, Managers, and Shareholders Holding over 10% of Outstanding Shares

Please refer to the relevant path on the Market Observation Post System (MOPS) under

1.Equity Transfer:

Market Observation Post System (MOPS) > Individual Company > Shareholding Changes / Securities Issuance > Equity Transfer Information Inquiry > Insider Shareholding Change Post-Declaration Form

https://mops.twse.com.tw/mops/#/web/query6_1

2.Pledge Status Change of Shares:

Market Observation Post System (MOPS) > Individual Company > Shareholding Changes / Securities Issuance > Insider Pledge / Release of Pledge > Insider Pledge / Release of Pledge Announcement

https://mopsov.twse.com.tw/mops/web/STAMAK03_1

7. Information of Relationship Among Top 10 Shareholders

March 25, 2025

Name	Principal Shareholding		Spouse and minor children shareholding		Aggregate Shareholding in the Name of Others		Title or Name of the Ten Largest Shareholders, Who May Be Related Parties to Each Other or Be Spouses or Relatives within the Second Degree of Kinship, and the Relationships		Remarks
	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Name	Relationship	-
HON HAI PRECISION IND. CO., LTD. Representative: Liu, Young-Way	794,400,000	45.62	-	-	11,029,000	0.63	1.Hongyang Entrepreneurship Investment Co., Ltd. 2. Baoxin International Investment (Stock) Company	Parent and subsidiary companies	-
HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD. Representative: Li,Jian-Huei	763,200,000	43.83	-	-	-	-	None	None	-
Grand Fortune Securities Co., Ltd. Representative: Huang, Bing-Jing	19,183,000	1.10	-	-	-	-	None	None	-
Lin,shih-jhong	8,000,000	0.46	-	-	-	-	None	None	-
Hongyang Entrepreneurship Investment Co., Ltd. Representative: Huang, De-cai	5,800,000	0.33	-	-	-	-	HON HAI PRECISION IND. CO., LTD.	Parent and subsidiary companies	-
Nan Shan Life Insurance Co. Ltd. Representative: Chung-Yao Yin	5,080,000	0.29	-	-	-	-	None	None	-

Baoxin International Investment (Stock) Company Representative: Huang, De-cai	4,300,000	0.25	-	-	-	-	HON HAI PRECISION IND. CO., LTD.	Parent and subsidiary companies	-
Johnson Chiang	3,475,000	0.20	-	-	-	-	None	None	-
Wu, Chen-Lung	3,188,000	0.18	-	-	-	-	None	None	-
Mega International Commercial Bank Co., Ltd. Representative:Dong,Bin-Huei	3,000,000	0.17	-	-	-	-	None	None	-

8. The Number of Shares in the Same Reinvested Enterprise Held by the Company, the Company's Directors, Managers, and the Enterprises Controlled Directly or Indirectly by the Company, and the Consolidated Shareholding Ratio

March 31, 2025 /Unit: Thousand shares

Reinvestment Business	Investments of the Company		Investments of Directors, Managers, and Enterprises Controlled Directly or Indirectly by the Company		Comprehensive Investment	
	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)
Foxtron Vehicle Technologies (Hangzhou) Ltd.	Note	100.00	Note	-	Note	100.00
Foxtron Vehicle Technologies USA, Inc.	Note	100.00	Note	-	Note	100.00

Note: The limited company does not issue shares.

III. Company shares and found raising

1. Capital and Shares

(1). Source of share capital

A. Type of Shares

March 25, 2025/Unit: Thousand shares

Type of Shares	Authorized Capital			Remarks
	Outstanding shares	Unissued shares	Total	
Common stock	1,741,314	758,686	2,500,000	Listed stocks

B. Capitalization

Unit: Thousand shares/NTD thousand

Year and Month	Issue Price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of share capital	Share payment offset by property other than cash	Others
2020.11	10	1,960,000	19,600,000	1,539,232	15,392,321	Initiate establishment	The amount of NT$ 7,542,000 thousand is property and technology as the valuation	Note 1
2021.07	10	1,960,000	19,600,000	1,557,600	15,576,000	Cash capital increase and intangible asset valuation increase by NT$ 183,679 thousand	The intangible assets are valued at NT$ 90,000 thousand	Note 2
2023.01	10	1,960,000	19,600,000	1,591,314	15,913,140	Employee stock options are converted into new shares worth NT$ 337,140 thousand	None	Note 3
2023.11	50	2,500,000	25,000,000	1,741,314	17,413,140	Cash capital increase by issuing new shares of NT$ 1,500,000 thousand	None	Note 4

Note 1: Letter MOEA DOC No. 10901188520 from the Ministry of Economic Affairs, dated November 6, 2020.
Note 2: Letter MOEA DOC No. 11001097040 from the Ministry of Economic Affairs, dated July 26, 2021.
Note 3: Letter MOEA DOC No. 11230024640 from the Ministry of Economic Affairs, dated March 30, 2023.
Note 4: Letter MOEA DOC No. 11230229060 from the Ministry of Economic Affairs, dated December 22, 2023.

C. Information about the shelf registration system: None.

(2). List of Major Shareholders

March 25, 2025

Shares / Name of Major Shareholder	Number of Shares Held	Shareholding ratio (%)
HON HAI PRECISION IND. CO., LTD.	794,400,000	45.62
HUA-CHUANG AUTOMOBILE INFORMATION TECHNICAL CENTER CO., LTD.	763,200,000	43.83
Grand Fortune Securities Co., Ltd.	19,183,000	1.10
Lin,shih-jhong	8,000,000	0.46
Hongyang Entrepreneurship Investment Co., Ltd.	5,800,000	0.33
Nan Shan Life Insurance Co. Ltd.	5,080,000	0.29
Baoxin International Investment (Stock) Company	4,300,000	0.25
Johnson Chiang	3,475,000	0.20
Wu, Chen-Lung	3,188,000	0.18
Mega International Commercial Bank Co., Ltd.	3,000,000	0.17

(3). Company dividend policy and implementation status

1. The dividend policy stipulated in the Articles of Incorporation

   According to Article 27 of the Articles of Incorporation, the dividend policy is as follows:

   The Company shall, upon closing of accounts, if there is surplus profit, after paying all taxes and dues and making up all losses for the proceeding years, set aside 10 percent of such profits as legal reserve. Nevertheless, when the amount of legal reserve has reached the total amount of paid-in capital, the above may not apply. The remainder profits plus non-distributed earnings accumulated from previous period shall also be set aside as special reserve or reversed special reserve. If there still profits, in accumulation undistributed earnings, the board will scheme distribution plan, and have it submitted to the shareholders' meeting to determine the bonus to shareholders.

   The Board of Directors of the Company may determine to distribute all or part of dividends, bonus, legal reserve or additional paid-in capital in cash by the resolution of the Board of Directors Meeting attended by a majority vote at a meeting of board of directors attended by two-thirds of the total number of the attended Directors and may report to the Shareholders' Meeting. This paragraph is exempted from the provision that shall be approved by the Shareholders' Meeting in the preceding paragraph.

   According to Article 28 of the Articles of Incorporation, given such facts notably the Company’s profitability, future operating plans, funding needs and changes in the industrial environments and taking into account the long-term shareholders’ equity and the Company’s long-term financial planning, the Company’s dividend distribution plan is mapped out not below 30% of the total surplus available for distribution in the current

year in principle. The dividends are distributed in either cash or in stocks among which the proportion of cash dividends shall not be less than 10% of the aggregate total dividends.

2. The proposed (already) dividend distribution for this fiscal year is as follows:

   The company will not distribute shareholder dividends for 2024 due to remaining losses that need to be offset.

(4). The effects of the stock dividends proposed at the current shareholder meeting on the Company's business performance and earnings per share: Not applicable.

(5). Employees' compensation and directors' remuneration

1. The proportion or ranges with respect to remuneration to employees and that to directors as set forth in the Articles of Incorporation:

   According to Article 26 of the Articles of Incorporation, in order to motivate employees and management teams, where there is profit at the end of each fiscal Year, after covering the accumulated losses, 5%-7% of the profit shall be distributed as employees' compensation. Directors' remuneration is zero.

   The employees' remuneration in the previous section may be distributed in the form of either cash or stock bonus and may be distributed to the employees of subsidiaries of the Company. Qualification requirements of the employees who are entitled to receive the employees' remuneration may be specified by the Board of Directors.

   A company may, by a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, have the profit distributable as employees' remuneration in the preceding paragraphs distributed in the form of shares or in cash; and in addition, there to a report of such distribution shall be submitted to the shareholders' meeting.

2. The basis for estimating the amount of remuneration of employees and directors; the basis for calculating the number of shares to be distributed as employee remuneration; and the accounting treatment for any difference between the actual distributed amount and the estimated amount, for the current period:

   The company still has pending losses to be offset in 2024, so the amount of employee remuneration has not been estimated.

3. The approval from the Board of Directors on the sharing of profit:

   The company still has pending losses to be offset in 2024, so the amount of employee remuneration has not been estimated.

4. Disclosure of any difference between actual remuneration distribution to employees and directors (including the number of shares distributed, the amount and share price) and the recognized remuneration of employees and directors, reasons thereof, and responses:

   The company still has losses to be made up for in 2023, so there is no distribution situation.

(6). Buyback of the Company's shares by the Company: None.

2. Corporate Bonds Processing Status: None.

3. Preferred Stock (with Attached Warrants) Processing Status: None.

4. Global Depository Receipts (GDRs) Processing Status: None.

5. Employee Stock Options Processing Status

(1). Employee stock options that have not yet reached their maturity period

Types of Employee Stock Options	2022 First Employee Stock Options
Effective date of declaration and total number of units	September 6, 2023/46,728,000 units
Issue (Processing) Date(Note)	January 16, 2023
Number of units issued	46,728,000 units
Number of units that can still be issued	—
The ratio of subscribed shares to the total number of issued shares	3.00%
Exercise period	4 years
Performance method	New shares
Restrict the exercise period and ratio of stock options	Execute immediately: 72.15% 2 years and 8 months have passed: 100%
Already executed to obtain the number of shares	33,714,000 shares
Amount of subscribed capital executed	$ 337,140,000
Unexercised number of stock options	13,014,000 units
The exercise price per share for unexercised warrant holders (NTD)	$ 10
The ratio of unexercised shares to the total number of issued shares	0.74%
Impact on shareholder equity	The issuance of this stock options only accounts for 3% of the total issued shares, and it is gradually executed during the existence period, resulting in a dilution of the original shareholders' equity year by year. Therefore, its dilution effect is still limited.

Note: The issue date is the same as the processing date.

(2). The Names, Acquisition Details, and Subscription Status of the Top Ten Employees Who Have Obtained Employee Stock Options

March 25, 2025

Unit: Shares; Thousands NTD; %

	Position	Name	Obtain the number of subscribed shares	The ratio of the number of shares subscribed to the total number of issued shares	Exercised				Not executed			
					Number of shares subscribed	Price of shares subsc-ribed (NTD)	Sum of shares subscribed	Ratio of the number of subscribed shares to the total number of issued shares	Number of shares subscribed	Price of shares subsc-ribed (NTD)	Sum of shares subscribed	Ratio of the number of subscribed shares to the total number of issued shares
Manager	CEO/ Supervisor of Electrical Electronics Systems (concurrently)	Lee, Bing-Yen	5,644,000	0.32	3,923,000	10	39,230	0.22	1,721,000	10	17,210	0.10
	Senior Vice President/Head of Vehicle Integration & Architecture	Chen, Ching-Ya										
	Senior Vice President/Head of Project Mgmt Office	Huang, Ching-Hsien										
	Accounting Officer	Huang, Chih-Ying										
	Financial Officer	Ko, Hui-Ching (Note)										
	Chief internal Auditor	Lin, Tong										
Employees	Vice President	Lu, Suu-Yi	5,645,000	0.32	3,925,000	10	39,250	0.22	1,720,000	10	17,200	0.10
	Vice President	Wang, Li-We										
	Sepecial Assistant of CEO	Chuang, Shih-Wen										
	Sepecial Assistant of CEO	Kuo, Yao-Tsung										
	General Manager	Wang, Chih-Hsin										
	General Manager	Wei, Yun-Fei										
	General Manager	Jao, Hsien-Chiu										
	General Manager	Liu, Hung-Wen										
	General Manager	Wang, Li-Chung										
	General Manager	Shan, Yi-Fan										

Note：The tenure of Ko, Hui-Ching was from March 21, 2022, to October 1, 2024

6. Subscription of new shares for employee restricted stocks

(1). Restricted Stock Award Processing Status: None.

(2). Obtain the names and acquisition status of the top ten employees who have acquired restricted stock award: None.

7. Issuance of New Shares in Connection with Mergers and Acquisitions or with Acquisitions of Shares of Other Companies: None.

8. Implementation of Fund Utilization Plans

(1). Cash capital increase for 2023

1. Project Content

(1). Cash capital increase approval date and document number: Taiwan-Securities-Listing II No. 1121703362 dated September 6, 2023

(2). Total amount of funding required for the project: 7,500,000 thousands NTD

(3). Source of funds: Cash capital increase issued 150,000 thousand shares, with a par value of NT$10 per share, issued at a premium. The issue price per share is NT$50, raising a total of NT$7,500,000 thousand.

(4). Project items and expected funding utilization progress

Unit: Thousands NTD

Project Item	Estimated completion time	Total amount of funds required	Scheduled capital utilization time	
			Fourth quarter of 2023	First quarter of 2024
Enhance working capital	First quarter of 2024	7,500,000	2,500,000	5,000,000

(5). Expected benefits

The company plans to raise a total of NT$7,500,000 thousand for this project, which is expected to be fully used to enhance operational capital. This decision is made in consideration of the company's long-term development and future growth, as well as the need for operational capital to support the continuous growth of the business. By doing so, it will increase the company's own funds, which will have a positive impact on overall operational development and strengthening of the financial structure.

(6). Change project content, change reasons, change before and after benefits, and submit the date of the shareholders' meeting: There is no such situation.

(7). Date of entering data to the information reporting website designated by the Financial Supervisory Commission: September 06, 2023.

2. Implementation Status

(1). Project execution progress

Unit: Thousands NTD

Project Item	Implementation Status		2023 Q4	2024 Q1	2024 Q2	As of 2024 Q2	Reasons for being ahead or behind schedule and improvement plans
Enhance working capital	Amount	Estimated	2,500,000	5,000,000	—	7,500,000	All of the funds raised by the Company have been fully utilized, with an execution progress of 100%.
		Actual	1,067,993	2,702,397	3,729,610	7,500,000	
	Execution progress (%)	Estimated	33.33%	66.67%	—	100.00%	
		Actual	14.23%	36.04%	49.73%	100.00%	

(2). Project execution efficiency

Unit: Thousands NTD

Item \ Year		Q3 2023 (pre-fundraising)	Q4 2023 (post-fundraising)
Current assets		3,807,428	11,130,605
Current liabilities		722,527	1,458,676
Total liabilities		1,014,077	2,074,493
Interest expenses (including capitalized interest)		555	1,183
Revenue		588,481	1,043,992
Earnings (loss) per share (NTD)		(0.91)	(1.20)
Financial structure	Debt-to-assets ratio (%)	7.71	9.76
	Ratio of long-term funds to property, plant and equipment (%)	1,315.84	1,694.77
Solvency	Current ratio (%)	526.96	763.06
	Quick ratio (%)	421.64	694.49

(3). Benefit assessment

The company's financial structure and debt repayment ability, including the ratio of long-term funds to real estate, plants, and equipment, current ratio, and quick ratio, have improved after issuing new shares for cash to replenish operating funds. The evaluation shows that the company's current cash capital increase plan has positively contributed to strengthening the financial structure, enhancing the flexibility of capital utilization, improving the company's operational quality and competitiveness, and the benefits should already be reasonably evident.

IV. Operation Overview

1. Business

(1). Business Scope

1. Main business operation

Business item code	Business items
CD01030	Motor Vehicles and Parts Manufacturing
F106030	Wholesale of Molds
F114010	Wholesale of Motor Vehicles
F114030	Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories
F401010	International trade
F601010	Intellectual Property Rights
I301030	Electronic Information Supply Services
I501010	Product Designing
I599990	Other Designing
IG02010	Research and Development Service
ZZ99999	All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

2. Proportion of business

Unit: Thousands NTD

Item	2024	
	Revenue	Percentage (%)
Vehicle sales	8,409,348	98.69
Technical service	29,106	0.34
Others	82,157	0.97
Total	8,520,611	100.00

3. Current product (service) offerings

The company is engaged in the research and development of electric vehicle technology, manufacturing management of complete vehicles and components, and sales services. The main products include platforms, complete vehicles, and parts for electric vehicles. It is a startup company that provides integrated services from key modules to complete vehicle systems. Through a one-stop service, customers can achieve their concept of mobile applications quickly and cost-effectively.

4. New product (service) under development plan

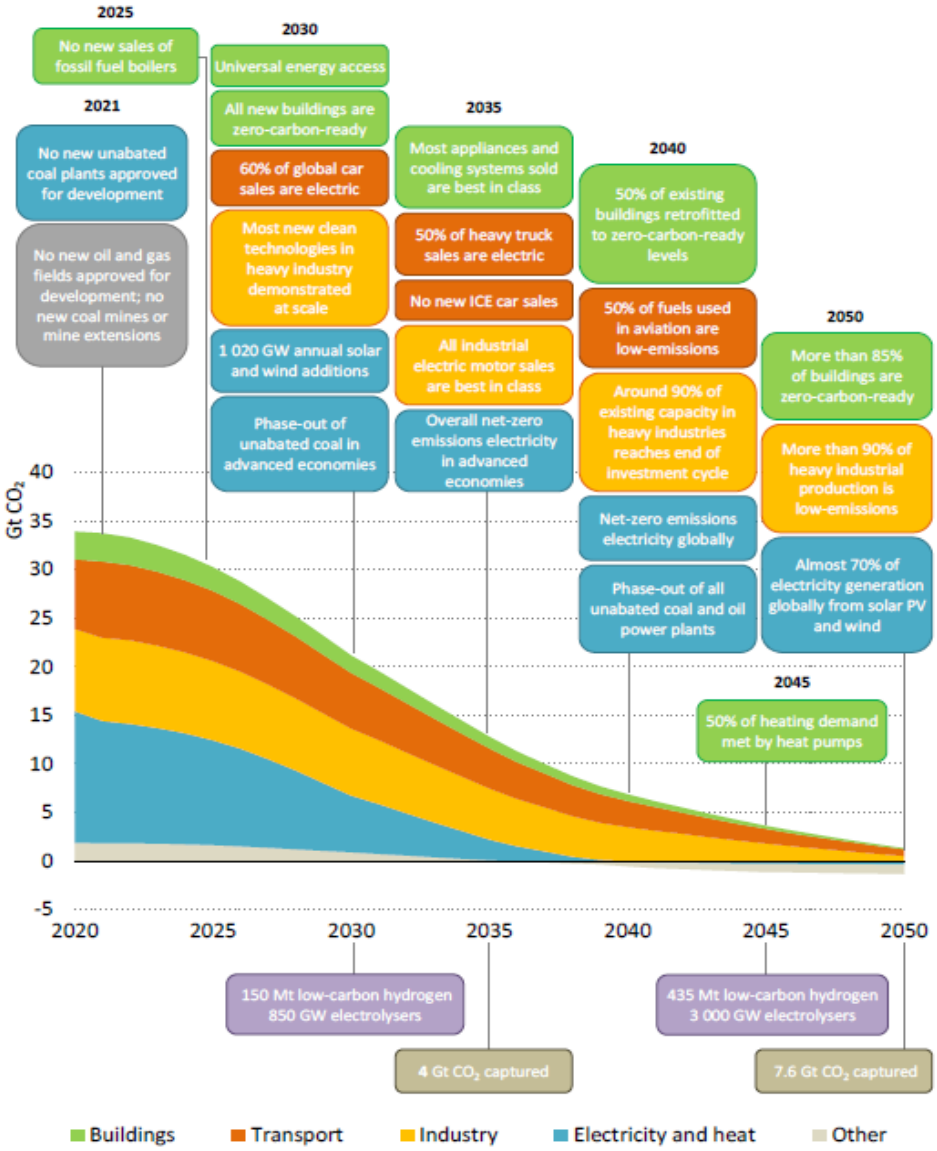
New product item	Statement
Model D	The reference design was exhibited in October 2024.
Model U	The reference design was exhibited in October 2024.
Model B production vehicle	Expected to start mass production in the third quarter of 2025
Model C overseas production vehicle	Expected to prepare mass production in the fourth quarter of 2025.

(2). Industry Overview

1. Current status and development of the industry

(1). "Net Zero Emissions" Opens the Era of Electric Vehicles

[Key Milestones of Net Zero Emission Path]



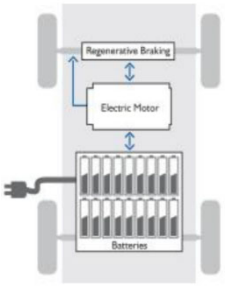
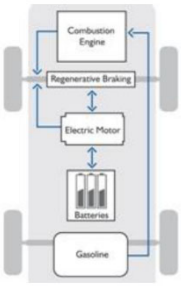
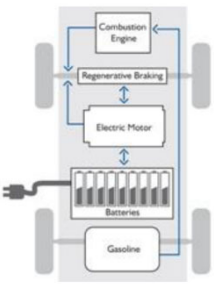
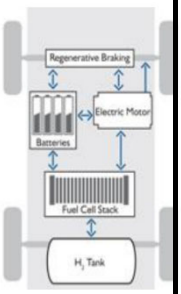
Source: Net Zero by 2050, IEA

Net Zero Carbon Emissions is committed to minimizing the greenhouse gas emissions generated by human activities, such as coal, oil, and natural gas, as well as non-energy sources like industrial manufacturing, agriculture, and waste. This is achieved through the use of negative carbon technologies such as CO_2 Capture Storage (CCS) and CO_2 Capture Utilization Storage (CCUS), as well as natural carbon sinks like forest and ocean absorption, in order to offset and achieve the goal of net zero emissions.

As the negative impacts of climate change caused by global warming become increasingly severe, the Intergovernmental Panel on Climate Change (IPCC) released a report in March 2022 stating that global warming will lead to a temperature increase of 1.5°C within 20 years. The international community and countries' businesses are paying more attention to this issue. Following the release of the International Energy Agency's (IEA) global energy sector roadmap to net zero emissions by 2050, over 135 countries have responded and declared their net zero emission targets. As shown in the graph above, the targets include achieving a 50% reduction in carbon emissions by 2030, with important milestones such as electric vehicle sales accounting for 60% of total car sales, 1,020 GW (gigawatts) of installed solar and wind power capacity, and zero-carbon readiness in new buildings. By 2040, the goals include achieving global net zero emissions in the power sector, having 50% of buildings ready for zero-carbon, using low-emission fuels for 50% of aviation fuel, and phasing out all coal and oil-fired power plants. By 2050, the goal is to achieve net zero emissions, including having 70% of global electricity generation come from clean energy sources such as solar and wind power, and over 90% of heavy industries adopting low-emission production methods.

(2). Electric vehicle industry

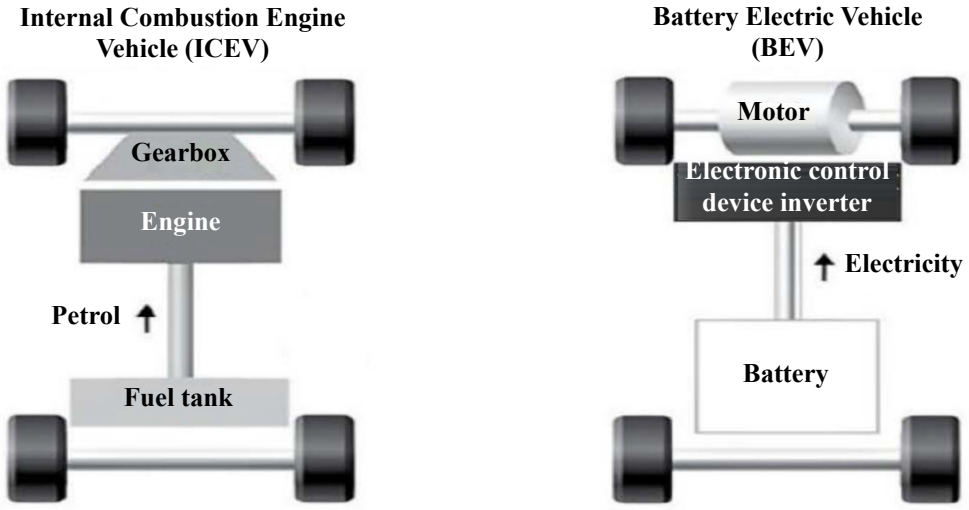
An electric vehicle (EV) refers to a car that is powered by electricity. Currently, mainstream types of electric vehicles can be classified into four categories based on their power systems: Battery Electric Vehicle (BEV), Hybrid Electric Vehicle (HEV), Plug-in Hybrid Electric Vehicle (PHEV), and Fuel Cell Electric Vehicle (FCEV).

Name in Chinese	Battery Electric Vehicle	Hybrid Electric Vehicle	Plug-in Hybrid Electric Vehicle	Fuel Cell Electric Vehicl
Abbreviat-ion in English	BEV	HEV	PHEV	FCEV
Vehicle body icon				
Power source	Battery	Engine, battery	Engine, battery	Fuel cell
Energy source	Charging	Refuel, charging	Refuel, charging	Hydrogen refueling
Energy form	Electricity	Thermal energy, electricity	Thermal energy, electricity	Chemical energy
Carbon reduction effect	100%	5%~40%	50%~100%	100%

Source: IEK; summarized by Grand Fortune Securities Co., Ltd.

The biggest difference between electric vehicles and traditional internal combustion engine vehicles (ICEVs) lies in their power systems. The power source of electric vehicles is "electricity", while the power source of fuel-powered vehicles is the heat energy generated by gasoline and diesel combustion. As shown in the figure below, the driving system of a fuel-powered vehicle consists of an engine, which is mainly responsible for converting the fuel in the fuel tank into thermal energy through ignition, and then converting it into kinetic energy to enable the car to move. On the other hand, the driving system of an electric vehicle consists of an electric motor, which draws power from the battery and converts electrical energy into kinetic energy to achieve the purpose of movement. In summary, electric vehicles replace the fuel tank and engine with batteries and electric motors. They use electricity to drive the motors and replace fuel with electrical energy, thereby achieving the goal of reducing carbon emissions.

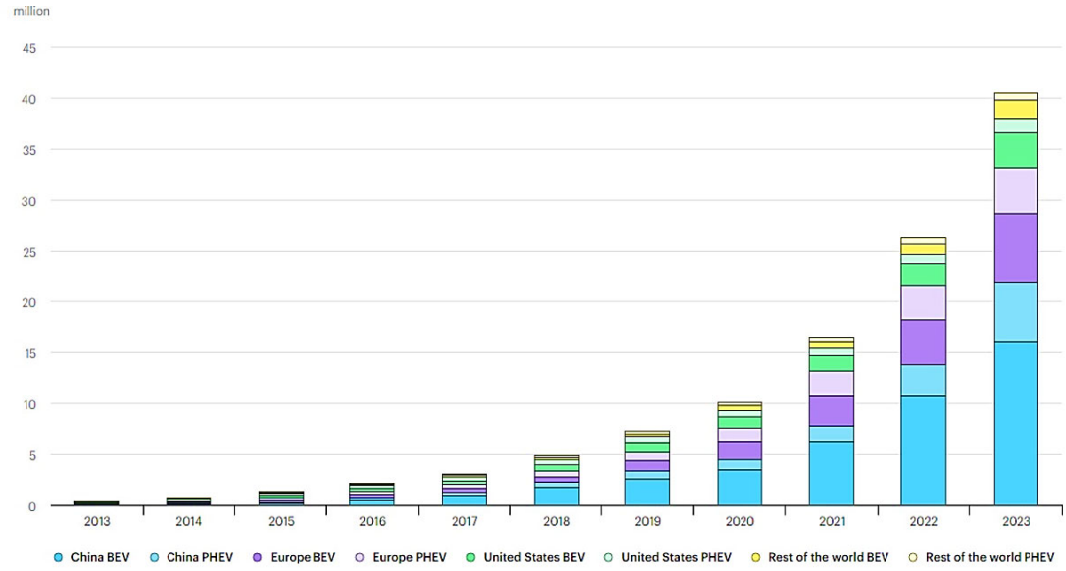
[Fuel Vehicle and Electric Vehicle Configuration Diagram Examples]



Source: Taiwan Economic Monthly; Ministry of Economy, Trade, and Industry in Japan

According to the statistics of the International Energy Agency (IEA) on the global number of electric vehicles, there are over 40 million electric vehicles worldwide in 2023. Among them, China, Europe, and the United States are the top three electric vehicle markets globally. Compared to the past five years, the number of electric vehicles are still significantly increasing. Countries' car manufacturers continue to push forward with the research and development of electric vehicles and related technologies. This is in line with governments around the world cooperating to achieve the international goal of net zero carbon emissions by 2050, and subsequently implementing policies related to the transition from fossil fuels to electric power.

[Global Electric Vehicle Statistics]



Source: IEA (2024)

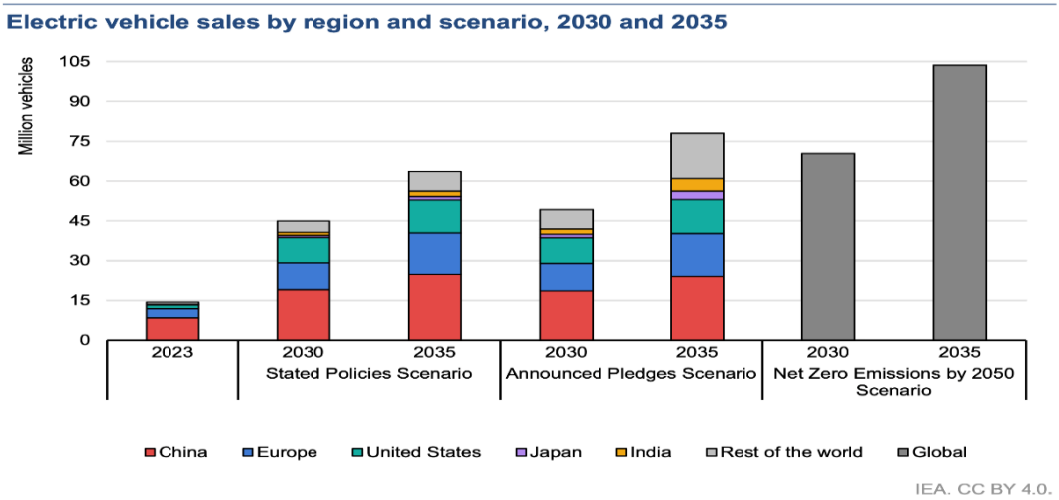
The company's electric vehicle products mainly include electric buses and electric passenger vehicles. The target sales markets include Taiwan and the global market. The electric bus Model T is already being sold in Taiwan and Indonesia, while the electric passenger vehicle Model C is launched for sale from 2023. In 2024, 7,121 units were registered, achieving a market share of 18.7% in Taiwan's electric vehicle market. The Taiwanese government released the "Taiwan 2050 Net Zero Emissions Pathway and Strategy" in March 2022, setting detailed strategies and goals for four major transformation targets (energy, industry, lifestyle, and society). It specifically sets the goal of achieving full electrification of urban buses by 2030 and achieving 100% market share of electric cars and electric motorcycles by 2040. In the US market, the Biden administration passed the Infrastructure Investment and Jobs Act in November 2021, which aims to build over 500,000 charging stations and upgrade electric grid infrastructure in the United States. Stimulating consumer willingness to purchase electric vehicles.

In addition, Southeast Asia and New Zealand and Australia are also important potential markets for the electric vehicle industry. The company plans to enter the Southeast Asian market, such as Thailand, Indonesia and Vietnam. The Thai government is vigorously promoting a series of electric vehicle-related policies, such as under the EV3.5 policy, it is expected that 34 billion Thai Baht will be allocated by 2027 to transition Thailand's automotive industry from traditional vehicles to electric vehicles. Starting from 2024, electric vehicle buyers will receive a subsidy of up to 100,000 Thai Baht per vehicle. And BEV batteries from consumption tax, and reducing or exempting import duties on components. They are also promoting the "East Economic Corridor" policy to encourage companies to research and develop electric vehicles, thereby promoting the development of the

electric vehicle industry in Thailand. In addition, in major international markets, China has extended subsidies and exempted vehicle purchase taxes. In 2018, they also issued the "Parallel Management Measures for Average Fuel Consumption of Passenger Vehicle Enterprises and New Energy Vehicle Credits", also known as the "Dual Credit System", to control the sales and transformation of Chinese car manufacturers. The European Union has been implementing the strictest car carbon emission regulations since 2020. 95% of new cars must achieve an average carbon emission of 95 g/km, and by 2021, all new cars must meet this requirement. Additionally, there is a requirement to reduce the average carbon emissions by 15% in 2025 and 37.5% in 2030 compared to the levels in 2021.

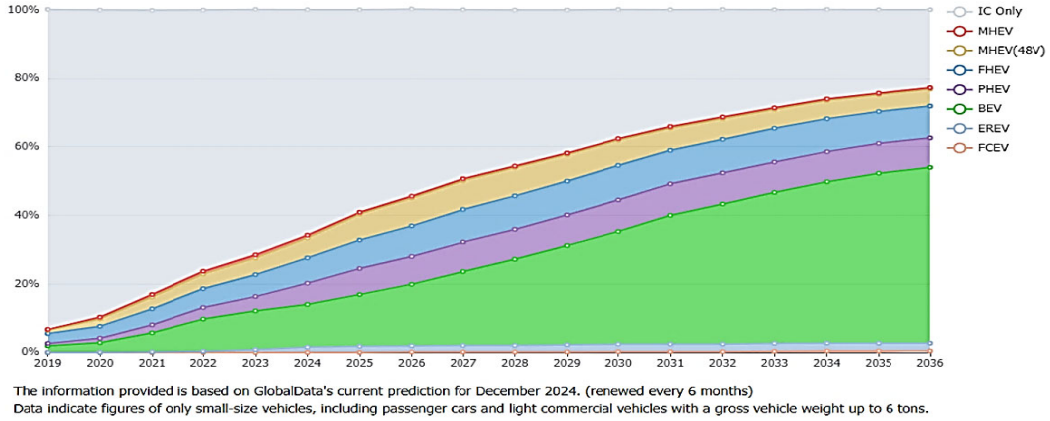
According to the "Global Electric Vehicle Outlook 2024" released by the IEA, under the current policy and measures implemented scenarios in various countries around the world, global electric vehicle sales (excluding two-wheelers and three-wheelers) are expected that electric vehicles will reach nearly 45 million by 2030, approach 65 million by 2035, and even exceed 50% market share by 2035. Under the scenario where countries have announced their committed visions, global market share of electric vehicles is expected to reach 45% by 2030 and exceed two-thirds by 2035. According to a prediction by MarkLines, global sales of battery electric vehicles (BEV) are projected to grow annually starting from 2022. By 2025, the market share in the global passenger vehicle market is expected to exceed 15%. By 2030, the market share is expected to further exceed 30%. In conclusion, it is evident that electric vehicles will continue to grow in sales driven by international trends.

【2030 and 2035 Global EV sales by scenario】



Source: IEA (2024)

[Global Powertrain Composition Ratio forecast]

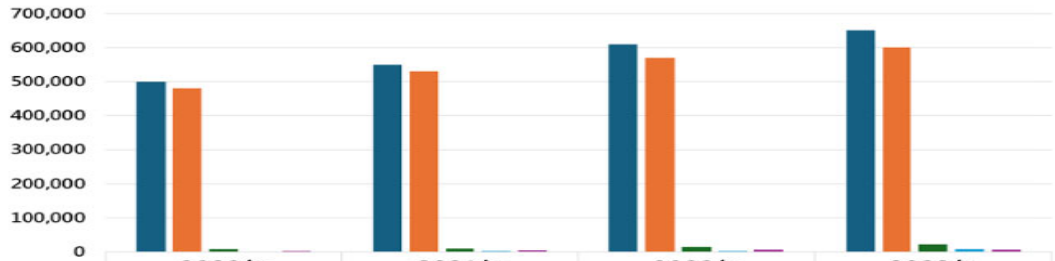


Source: MarkLines；GlobalData(2024)

(3). Electric bus industry

Electric buses can be divided into self-sustaining and non-self-sustaining types. Self-sustaining electric buses store energy in onboard batteries, similar to electric vehicles with power batteries. Non-self-sustaining electric buses rely on external charging sources, such as flywheel vehicles or trackless trams. Electric buses can be classified into two types based on their length: medium-sized (6.1 ~ 10 meters) and large-sized (over 10 meters). They can also be categorized based on their power source, such as BEV, PHEV, and FCEV. According to data from the International Energy Agency (IEA), by the end of 2023, the global electric bus fleet reached 650,000 vehicles. In that year, approximately 50,000 electric buses were sold. China and several European countries (such as Belgium, Norway, and Switzerland) accounted for over half of the bus sales in 2023 being electric buses. In countries like Canada, Chile, Finland, the Netherlands, Poland, Portugal, and Sweden, the share of electric buses in total bus sales exceeded 20%. Overall, China continues to dominate the market in terms of sales volume.

[Electric Bus Market Trend]



	2020年	2021年	2022年	2023年
Global	500,000	550,000	610,000	650,000
China	480,000	530,000	570,000	600,000
Europe	7,500	10,000	15,000	22,000
India	1,100	2,100	3,100	8,400
America	2,700	3,800	6,100	6,900
Annual Growth Rate of Global Electric Buses		10%	10.9%	6.6%

Unit: Vehicles

Source: IEA；Vehicle center organization(2024)

(4). According to Bloomberg NEF (BNEF) electric vehicle outlook, it is expected that by 2032, nearly 50% of buses worldwide will be electric. China will continue to dominate the market, with more than 90% of the global electric bus fleet. In Europe, it is projected that by 2030, one-third of buses will be electric. Development of electric vehicle charging station.

According to the International Energy Agency (IEA), as of 2023, home charging remains the most common method of charging electric vehicles. Although the number of private charging stations is higher, public charging infrastructure is crucial for achieving the widespread adoption of electric vehicles. In densely populated urban areas, where many people live in multi-unit residences, the opportunities for home charging are more limited, and EV owners increasingly rely on public charging. Currently, the regions with the fastest adoption of electric vehicles are China, Europe, and the United States. Countries are introducing various policies and plans to accelerate the establishment of domestic charging networks. For example, China has previously released the "Energy-saving and New Energy Vehicle Industry Development Plan" (2012 ~ 2022) and the "Green Travel Action Plan" (2019 ~ 2022), which include the overall planning of charging infrastructure in China. This includes planning the transportation system, setting relevant charging facility standards, encouraging the establishment of charging-related enterprises, and establishing charging pricing mechanisms, among other related policies. Subsequently, the "New Energy Vehicle Industry Development Plan" (2021 ~ 2035) was released to promote new directions for charging infrastructure in the next 15 years. The European Union issued Directive 2014/94/EU "Deployment of Alternative Fuels Infrastructure" in 2014, which requires member states to promote alternative fuels and infrastructure. It suggests that there should be at least one charging station every 34 kilometers on the core road network. However, the implementation of policies varies among EU countries, and there are still disparities in the ratio of charging stations to vehicles in different countries. The United States is primarily funded by federal and local governments, which provide incentives such as subsidies, tax reductions, and tax refunds to attract domestic businesses. Companies like Tesla and ChargePoint have captured a market share of 70% of public charging stations. According to the "Current Situation and Outlook of the Electric Vehicle Industry" from the Industry Economics Database, Taiwan Institute of Economic Research, as well as the "Development Trends of Smart Charging for Electric Vehicles and Preliminary Exploration of Charging Service Demand in Taiwan" report from the Industry, Science and Technology International Strategy Center, Industrial Technology Research Institute, it is pointed out that countries are actively building charging infrastructure. Major regional markets such as the United States are expected to have 500,000 charging stations installed by 2030, the

European Union is expected to have 3 million charging stations installed by 2030, and China is expected to meet the demand for 20 million electric vehicles by 2025.

[Charging facility policy establishment goals in various countries]

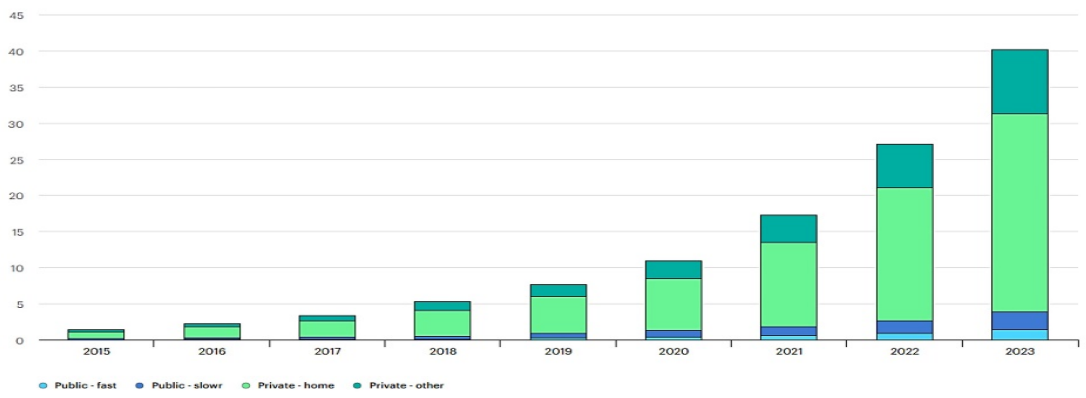
Item	Charging facility policy establishment goals in various countries
USA	Up to 500,000 units in 2030
European Union	Up to 1 million units in 2025; up to 3 million units in 2030
United Kingdom	Up to 1 million units in 2030
France	Up to 7million units in 2030
Germany	Up to 1 million units in 2030
China	Meet the demand for 20 million electric vehicles by 2025
Japan	Up to 150,000 units in 2030
South Korea	Up to 158,000 units in 2030
Taiwan	Up to 6,500 units in 2025

Source: Industry Economics Database, Taiwan Institute of Economic Research (2023/3); summarized by Grand Fortune Securities Co., Ltd.

In 2023, the number of public charging stations grew by more than 40%, with fast-charging stations seeing a growth rate of 55%, surpassing the growth of slow-charging stations. By the end of 2023, fast chargers accounted for over 35% of the total public charging stations. According to the latest survey by TrendForce, it is estimated that the growth rate of public charging stations will be 30% in 2024. To improve charging efficiency, many countries are rapidly expanding their fast-charging infrastructure. TrendForce forecasts that the global share of fast chargers will reach 37% in 2024, an increase of 2% compared to 2023. The continued expansion of public charging stations remains one of the most viable solutions to addressing range anxiety. Therefore, although the growth rate of public charging stations may slow, it will continue to experience positive growth.

[Global Charging Station Inventory Trend]

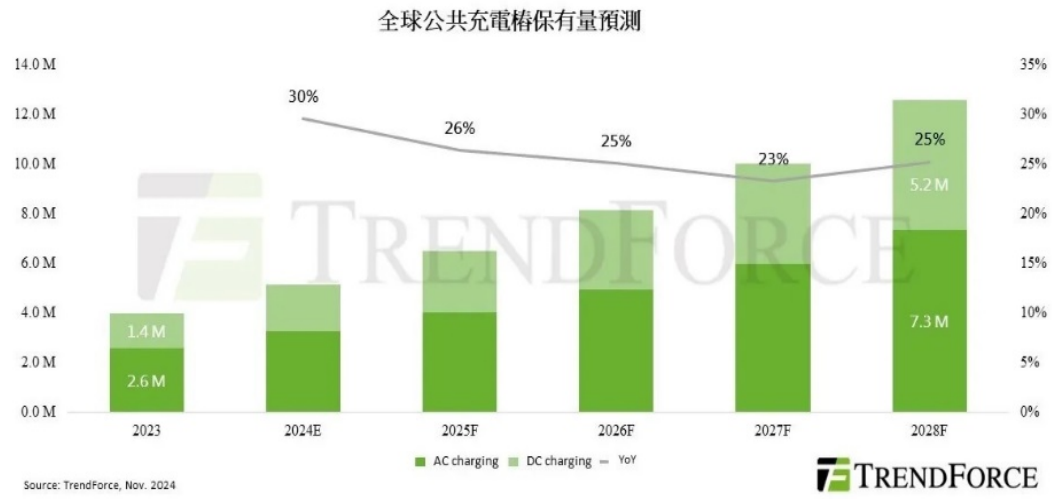
Unit: Million units



Source: IEA(2024)

[Global Public Charging Station Inventory Forecast]

Unit: units



Source: TrendForce (2024)

(5). Overview of the Electric Vehicle Contract Manufacturing Industry

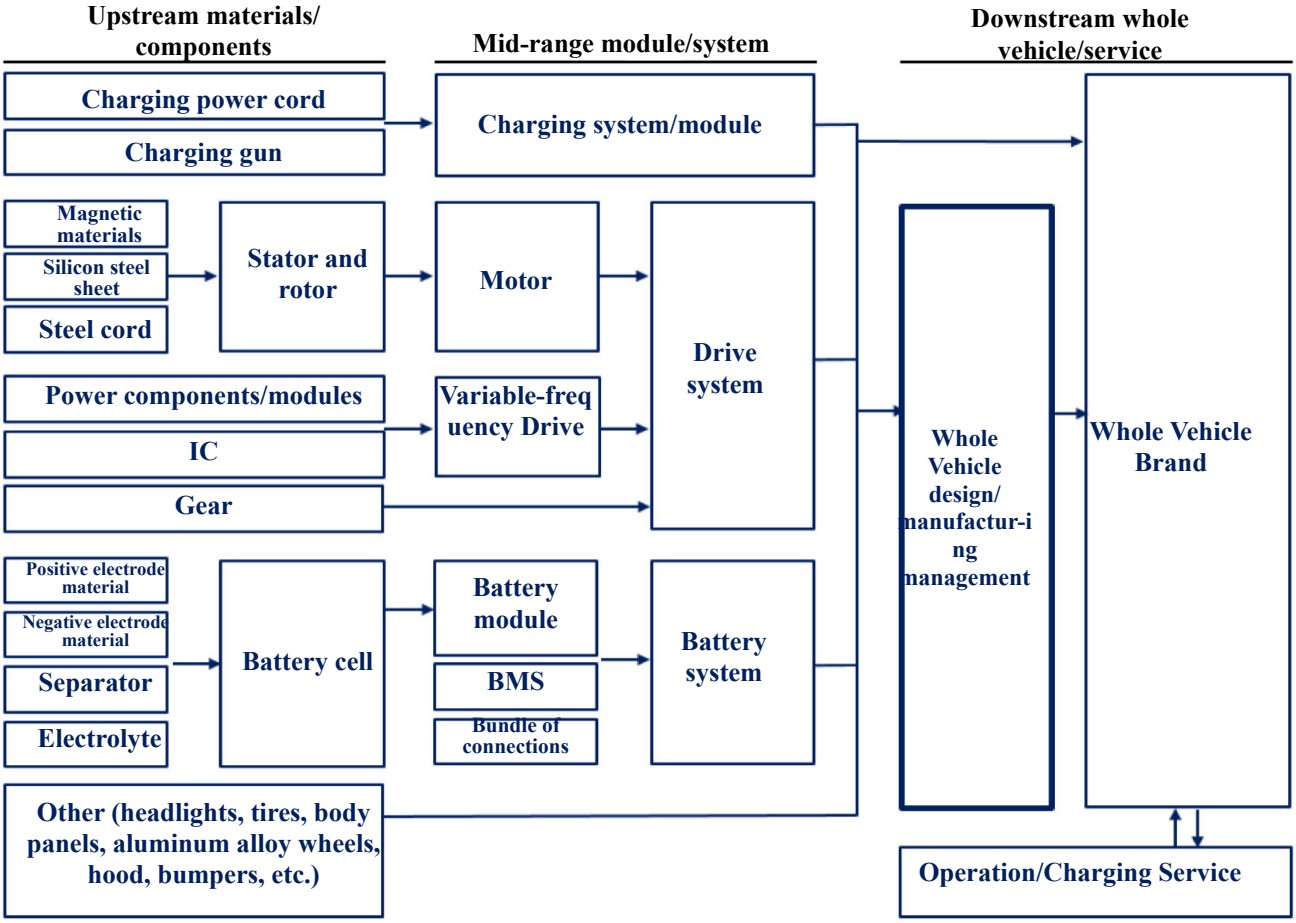
Contract manufacturing is a new business model in the era of electrification. In addition to building their own factories, car brand owners can choose to establish joint ventures or collaborate with contract manufacturers for production. By outsourcing to contract manufacturers, electric vehicle (EV) companies can accelerate the overall industry towards standardization and modularization. This approach also lowers the entry barriers for new players in the electric vehicle market, as they do not need to invest heavily in factory construction and production costs in the initial stages. Instead, they can focus on development and brand management or collaborate with vehicle design firms to accelerate the launch of independent vehicle models. This is beneficial in attracting more EV companies for collaboration. Generally, there are three types of participants in the electric vehicle contract manufacturing model: 1. Vehicle manufacturers, which have existing factories and production capacity, production experience, and key component manufacturing capabilities. 2. Tier 1 suppliers, which can provide a wide range of components, have strong integration capabilities, offer electric vehicle platforms, and have experience in cooperating with car manufacturers. 3. New contract manufacturers, who offer flexible manufacturing options, open electric vehicle platforms, reduce customer development investments, and speed up the introduction of suppliers.

2. The relationship between upstream, midstream, and downstream industries

The upstream of the electric vehicle industry mainly consists of battery materials and component suppliers. Upstream products include charging guns, charging power cords, battery materials (such as positive electrode materials, negative electrode materials, electrolytes, and separators), motor materials (such as magnetic materials, silicon steel

sheets, and steel wires), power components, ICs, gears, vehicle body materials (such as headlights, tires, sheet metal, etc.). The midstream of the electric vehicle industry mainly integrates the battery materials and components from the upstream into various modules. The main products include charging systems, drive systems, battery systems, powertrains, and other subsystems. The downstream of the electric vehicle industry mainly consists of electric vehicle manufacturers and sales companies. The main products include electric cars, electric buses, electric motorcycles, electric bicycles, and other end products. The following diagram illustrates the upstream, midstream, and downstream relationships of the industry:

[Electric Vehicle Industry Upstream, Midstream, and Downstream Connections]



Source: Industry, Science and Technology International Strategy Center, Industrial Technology Research Institute: summarized by Grand Fortune Securities Co., Ltd.

3. Various trends and competitive situations in product development

A. Various trends in product development

(A)New energy vehicles are moving towards the development of pure electric platforms

The development of new energy vehicles starts with the modification of traditional fuel vehicles, using the platform of fuel vehicles to quickly achieve

vehicle electrification and reduce the development cost of electric vehicles by replacing the engine with an electric motor and replacing the fuel system with a battery system. However, there is a significant difference between the engine and fuel system and the electric motor and battery system. They are not the same in terms of size or weight configuration. Electric vehicles converted from fuel vehicles will no longer have a competitive advantage in terms of space efficiency and weight configuration compared to platforms and vehicles designed with a pure electric architecture. Therefore, the new generation of new energy vehicles from various brands are all moving towards a pure electric platform, such as Mercedes-Benz's EVA platform, Volkswagen's MEB platform, Hyundai's E-GMP platform, and so on. In addition to achieving optimal space and weight configuration advantages for pure electric platforms, the company's open platform is also modular. Through module combinations, it can achieve broader platform specifications and cover the platform needs of more types of vehicles.

(B) Electronic and electrical architecture (EEA) is moving towards integrated development

The new generation of vehicles needs to achieve the integration of cars and people in the field of mobility ecology, in order to establish the axis and blueprint of the future mobile world based on the needs of "people". To achieve this goal, in terms of technical requirements, it is necessary to connect and integrate the information between vehicles through the internet and related software, so that the information between the vehicle owner and the vehicle can be communicated in real-time. It is also necessary to use detection and sensing components such as cameras, ultrasonic sensors, and radar in vehicles to transmit information for integration and analysis, in order to provide diverse and safe autonomous driving functions, etc. And the underlying supporting technology behind this requires vehicles to have a powerful EEA architecture to efficiently, quickly, and safely integrate vehicle control, connected technology, autonomous driving, and in-vehicle infotainment system (IVI). The company's EEA architecture adopts a highly integrated Fusion Domain architecture, which integrates the dispersed control architecture of vehicles into centralized control, enhancing control efficiency and safety, and efficiently and safely realizing the integration of humans and the vehicle ecosystem.

(C) The future of software-defined cars

In the past, traditional car manufacturers relied on hardware equipment to create differentiation. With the rapid development of technologies such as electric vehicles, car connectivity, and autonomous driving, more and more functionalities are now dependent on software. The definition has shifted from

hardware to software, paving the way for the future of "software-defined cars". Software Defined Vehicle (SDV) refers to the control and application system of a vehicle that can be updated through software, such as Over-the-Air (OTA) technology, allowing for further enhancement of the vehicle's safety, functionality, convenience, and driving experience. It also leads the trend of software development for vehicle applications. In addition to being able to update and activate vehicle functions through software, the company's vehicles also have a secure mechanism for Software OTA and Firmware OTA on OTA, enabling efficient and secure implementation of software-defined vehicles.

(D) V2X technology is flourishing

With the continuous efforts of major international car manufacturers over the years, global automotive autonomous driving has reached the milestone of Level 2 assisted driving and continues to move towards the next stage. As autonomous driving technology becomes more mature, advanced autonomous driving requires the installation of a greater variety of sensors. The communication technology of V2X (Vehicle to Everything), which is equipped with self-driving cars, has become a battleground that must be contested by all. V2X refers to the technology of vehicle communication, including V2V (Vehicle to Vehicle), V2P (Vehicle to Pedestrian), V2N (Vehicle to Network), V2I (Vehicle to Infrastructure), etc. It covers direct and indirect communication methods between vehicles, pedestrians, networks, and transportation infrastructure. It mainly involves communication and information exchange between vehicles and surrounding objects, sharing and processing visual blind spots, safe distances, and environmental parameters, ensuring and reducing uncertainties in driving, increasing intelligent judgment, and providing suggestions to improve driving safety and stability. In addition to having the ability to flexibly configure various types of detector hardware and networking hardware, the company's vehicles are designed with a high-performance EEA control architecture and network security mechanism to ensure the ability to respond to future V2X development needs.

B. Competition situation

The company is mainly engaged in electric vehicle technology research and development, vehicle and component manufacturing management, and sales services. The industry it operates in is highly competitive. In terms of the main operating elements of the company, the main similar products include Tesla, General Motors (GM), Volkswagen, BYD, NIO, XPeng, and Magna. Under the competition of various brands, the developed models of electric vehicles are diverse, with differences in hardware platform, software platform design, and functionality.

Compared to domestic and foreign counterparts, the company has competitive advantages in terms of product technology, as mentioned above, in modular pure electric platforms, integrated domain EEA architecture, software-defined vehicles, and secure networking. In terms of business models, the company is one of the few manufacturers with the capability of designing and developing electric vehicles as a whole, providing comprehensive services to enterprises that wish to enter the new energy vehicle industry or transform fuel vehicles into new energy vehicles. Using "open mode" and "collaborative development" as the starting point, we aim to break the "traditional closed" and "independent development" model of traditional car manufacturers. Under this mindset, through the company's complete research and vertical integration capabilities, we achieve the feasibility of "modular sharing" and "flexible customization" of products. At the same time, we meet customers' needs for cost and time savings through sharing, as well as customization to create product differentiation, thereby enhancing customers' competitive advantage.

(3). Technical and R&D Overview

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

(1). Vertical integration

The company has a foundation and advantage in the traditional automotive and ICT industries. Under the development framework of the new generation EV open platform, we promote vertical integration of software and hardware for critical components.

A. Hardware

Taking the advanced EEA architecture as an example, execute component controls to achieve energy saving and cost reduction. Implement software-defined vehicles through software and hardware separation, and introduce them in the production of Model C Production vehicle. Simultaneously develop advanced architectures for ADAS and IVI, master key technologies, and apply them to autonomous driving and sharing.

B. Software

Motion Control Platform: Integrating control vehicle dynamic units such as brakes, power, and steering at the application layer not only enhances the driving experience for customers but also enables vertical integration of key technologies and reduces development resources through an abstracted framework.

Thermal Control Module: Developing a thermal management system is an important part of energy-saving technology for electric vehicles. By applying heat pump technology, waste heat from the battery and motor is recovered to improve energy efficiency. Combining this with an Active grille system, the

aerodynamic coefficient is actively optimized based on different driving conditions, achieving the goal of increasing driving range and energy savings.

(2). Platform application

The whole vehicle EV open platform and advanced EEA architecture platform are developed with modular, shared, flexible, and customized platforms, which are continuously used in product design. They can achieve software and hardware separation and the application development of software-defined cars.

(3). Customized development

Master the development trend of styling, strengthen the development of user experience, optimize global customer service through commissioned design and manufacturing, and shorten development time through vertical integration, modularization, and sharing.

(4). Key component development

In addition to mastering the advanced EEA framework for independent core development, we will also develop in sync with our partners in batteries, motors (electrical engineering), and other key components. By utilizing the modular and shared architecture of the EV open platform, we aim to achieve the design and development of electric vehicles as a whole, enabling rapid realization of independent design concepts, testing, verification, and other developments.

2. Recent annual and year-end R&D expenses incurred up to the date of printing of the annual report

Unit: Thousands NTD; %

Item/Year	2024	As of March 31, 2025
Research and development expenses	3,637,657	764,120
Revenue	8,520,611	1,753,625
Ratio of Research and development expenses to Revenue (%)	43%	44%

3. Successfully developed technologies or products

Year	Result of R&D
2022	Model B (reference design), Model C (commercialized vehicle), Model T (Production vehicle)
2023	Model B (commercialized vehicle), Model C (Production vehicle)
2024	Model D(reference design)、Model U(reference design)

(4). Long-term and Short-term Business Development Plans

1. Short-term Business Development Plans

(1). The first mass-produced electric bus Model T has been sold in Taiwan and Indonesia.Following that, efforts will be made to strengthen the overall layout in the Southeast Asian market and expand into other markets to increase global market share. At the same time, in order to increase production capacity, we plan to build a factory in Kaohsiung Qiaotou.

(2). The mass-produced version of the first SUV - Model C, was put into production and delivery to clients in the second half and in the last quarter of 2023 respectively. In 2024, the market share in Taiwan reached 18.7%. The company is now focused on expanding into international markets.

(3). The commercialized vehicle of the first Crossover - Model B, was designed and showcased in 2023. It is scheduled for its mass production launch in Taiwan in the third quarter of 2025, with a priority focus on expanding into overseas right-hand drive markets.

(4). The first sedan - Reference design product of Model E has been launched and exhibited one after another, and the mass production version will be released based on market and customer demand adjustments.

(5). The first luxury MPV, reference design product of Model D, has launched in the fourth quarter of 2024.

(6). The first medium-sized bus, reference design product of Model U, has launched in the fourth quarter of 2024.

2. Long-term Business Development Plans

(1). Continuously deepen the CDMS (Contract Design and Manufacturing Service) business model and promote technology services for industry integration.

(2). Continuously cultivating foreign markets such as Taiwan, North America and Southeast Asia, and further expanding the business model to global markets in order to increase market share and avoid the risk of sales concentration in a few markets.

(3). Continuously strive for cooperation with domestic and international brand customers, launch diverse vehicle models, and leverage the advantages of modular vehicle design.

(4). Continuously develop patent technologies for hardware, EEA, and software platforms to enhance overall vehicle design capabilities.

(5). Continuously develop key components and modularization in collaboration with suppliers.

2. Overview of market and sales

(1). Market Analysis

1. Main product (service) sales (provision) area

Unit: Thousands NTD; %

Year / Region	2023		2024	
	Amount	Ratio %	Amount	Ratio %
Taiwan	1,035,055	99.14	8,503,766	99.80
Asia	8,937	0.86	16,845	0.20
Total	1,043,992	100.00	8,520,611	100.00

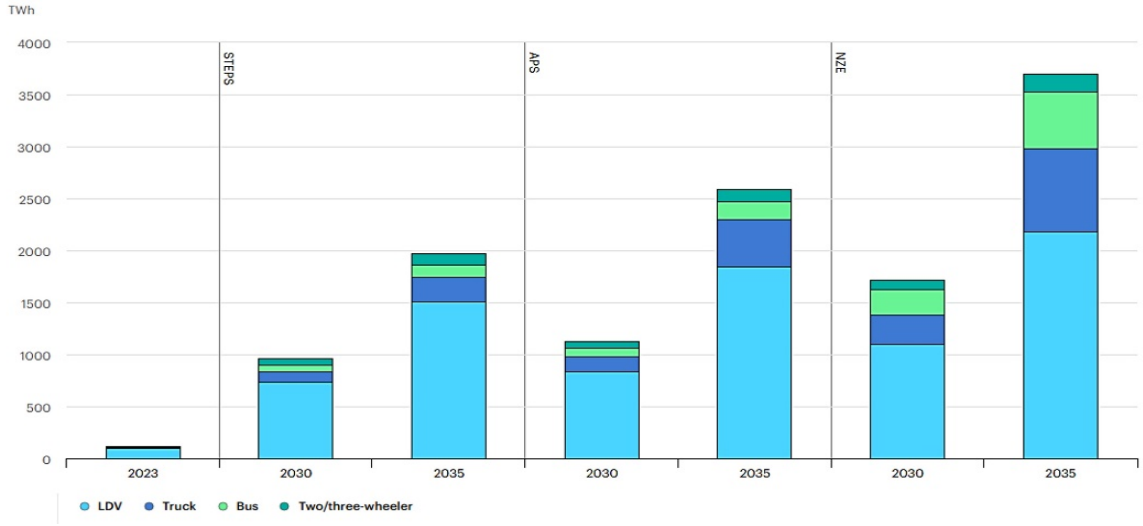
2. Market share

The company mainly engages in electric vehicle technology research and development, as well as the manufacturing management, and sales of complete vehicles and components. We have successfully developed the electric bus for Model T, Model U, electric vehicle for Model C, Model B, Model E, and Model D. In the second half of 2022, the electric bus Model T began deliveries to bus and passenger transport operators. By 2024, Model T held approximately a 12.4% market share in Taiwan's electric category A passenger bus market. In 2024, the passenger vehicle Model C recorded 7,121 units in Taiwan, capturing 18.7% of the electric vehicle market with a single model. The company will continue to invest in the design and research and development of its core business and various patented technologies in order to provide products that meet customer needs, strengthen cooperation in depth and breadth, and expect growth potential in revenue scale and market share.

3. Market future supply and demand situation and growth prospects

With the growing sales of electric vehicles, the global demand for power batteries and electricity is also increasing. According to the "Global Electric Vehicle Outlook 2024" released by the IEA, global electric vehicles consumed approximately 130 TWh of electricity in 2023. It is projected that the electricity demand for electric vehicles will reach around 1,000 TWh by 2030, with an compound annual growth rate of approximately 33.84%. By 2035, the electricity consumption of electric vehicles is expected to account for 8.1% of global electricity demand, a significant increase from the 0.5% in 2023. The IEA also pointed out (as detailed in the chart "2030 and 2035 Global EV sales by scenario") that global electric vehicle sales in 2023 were approximately 15 million units. It is projected that by 2030, global electric vehicle sales will grow to about 45 million units, with an compound annual growth rate of around 16.99%. The development of electric vehicles was initially led by China and Europe during 2018-2019, and now, developing countries in Southeast Asia, South America, and other regions have begun to promote electric vehicles. As infrastructure continues to improve, it is expected that the electric vehicle market will continue to grow steadily.

【Electricity Demand by Mode】



Source: IEA (2024)

4. Competitive niche

(1). Solid research and development capabilities, with the ability to design complete vehicles

The company inherits more than 30 years of research and development experience from Yulon Group and Hua-Chuang Vehicle Automobile Information Technical Center Co., Ltd. (hereinafter referred to as Haitec). We have obtained Haitec's patented technology related to electric vehicles, and the company's research and development team continues to devote itself to the development and design of complete vehicles. Through solid chassis platform research and development experience, such as suspension systems, transmission systems, brake systems, steering systems, etc., we have achieved the foundation of the electric vehicle hardware platform. We further combine the development of wheelbase, battery modules, power modules, key components, electronic and electrical systems, etc., to achieve the design, development, and trial production of complete electric vehicles. The company has a research and development team with rich experience in domestic vehicle development, which enables us to quickly realize self-designed concepts, conduct testing and verification, and even bring reference designs to production. This demonstrates the company's extensive and solid research and development capabilities, as well as its ability to design and develop electric vehicles as a whole.

(2). Modularization of car models with flexible customization, combined with comprehensive financial flow recycling efficiency

The company is based on the concept of "shared development". We modularize the chassis platform, drivetrain, battery pack, and components based on market demand. We have developed four different chassis platforms with varying wheelbases,

including SUV (Sport Utility Vehicle), MPV (Multi-Purpose Vehicle), Sedan, and Hatchback. We offer three types of drivetrains: front-wheel drive, rear-wheel drive, and all-wheel drive. The battery pack options include three different configurations based on the number, size, and placement of batteries. Through modularization, customers can easily and flexibly customize their vehicles according to their needs. We can also quickly develop different vehicle models to meet the diverse requirements of our customers. This approach maximizes the efficiency of the "shared" chassis platform and other modular components. On one hand, it helps save costs and development time. On the other hand, by sharing among multiple brands, we can jointly share the initial development costs and alleviate the financial pressure on car manufacturers.

(3). Powerful and advanced EEA framework

In the past, fuel-powered vehicles emphasized the craftsmanship of the chassis and powertrain. There were approximately 1,500 component nodes, each requiring its own control unit and wiring harness. As car functions increased and became more complex, the number of control units and wiring harnesses also increased, resulting in a significant increase in related costs. This made the overall vehicle connection system too large, leading to a decrease in stability and reliability. The company has developed its own advanced Electrical/Electronic Architecture (EEA) for vehicles. The advanced EEA can be seen as the brain and neural network of the vehicle, simplifying the wiring of thousands of automotive components, integrating various electronic components and connectors into a comprehensive solution. It effectively addresses the pain points of traditional electronic architectures in conventional fuel vehicles, while saving 40% of wiring costs and reducing testing and validation time. The company combines advanced EEA architecture with chassis control, powertrain control, body control, body control module (BCM), in-vehicle infotainment system (IVI), advanced driver assistance systems (ADAS), and other areas to achieve continuous upgrading and updating of vehicle software through the application of OTA and software technology, thereby realizing the concept of "software-defined car".

(4). Deepen the vertical integration capability of "manufacturing management" by combining extensive ICT manufacturing management experience

The company’s management team has a background in the information and communication technology (ICT) industry and years of experience in the automotive electronics field. Due to the complexity of electric vehicle components and the numerous suppliers in the supply chain, the company has incorporated extensive ICT manufacturing management experience to optimize the management efficiency of electric vehicle components. In the past, the ecology of the automotive industry was mostly developed through the standardization of EV systems

commissioned by Tier 1 system manufacturers, who integrated the relevant supply chains of Tier 2 and Tier 3. The company is responsible for supply chain management, seeking and evaluating suitable suppliers, and jointly developing with them. Through open vehicle model modules, we deepen cooperation by matching and developing suitable software, hardware, components, batteries, etc. Therefore, in the future, car manufacturers can not only commission the company for vehicle design but also rely on us for vertical integration of suppliers, breaking the rules of Tier 1 system manufacturers and playing the role of Tier 0.5. We serve as the invisible support for various car manufacturers, providing services for vehicle design and even manufacturing management of supplier integration.

(5). Adopt a light asset management model with flexible characteristics

The company specializes in the design and development of electric vehicles. We adopt a "light asset" business model to collaborate flexibly with brand customers. By outsourcing production and assembly to contract manufacturers, we reduce the significant capital expenditure associated with traditional automotive industry. We evaluate the quality, cost, efficiency, and compatibility of contract manufacturers to select the most suitable ones for production, ensuring control over product quality and reducing operational risks. Other international technology giants such as Apple, Amazon, Google, Xiaomi, Tencent, Baidu, etc. are also entering the electric vehicle market. However, they do not have the manufacturing capacity for electric vehicles. If they want to quickly enter the electric vehicle market, they will have to rely on external manufacturing capabilities. It is evident that in the face of intense competition, operating with light assets is becoming a trend. Some countries may implement trade barriers in order to promote and protect the development of domestic electric vehicle companies. However, the company can achieve BOL (Build Operate Localize) through light asset management by finding suitable contract manufacturers locally based on the needs of our brand customers. This allows us to overcome the limitations of exporting to multiple countries from a single production base and enhances our competitiveness in regional manufacturing.

5. Favorable and unfavorable factors and coping strategies for future development

(1). Favorable factors

A. Various countries' policies and favorable conditions are driving the development of the electric vehicle industry

In response to the global trend of net zero emissions, countries have been setting net zero emission targets and implementing various policies. For example, the administration in the United States signed an executive order in December 2021 with the goal of achieving net zero emissions by 2050. They have also passed a $1.2 trillion infrastructure bill to promote the construction of electric vehicle charging networks. In October 2020, Japan released the "Green Growth

Strategy" which focuses on areas such as wind power, hydrogen energy, and electric vehicles to promote greenhouse gas reduction. The European Union has proposed the Carbon Border Adjustment Mechanism (CBAM), which requires imported products to pay CBAM certificates to accelerate carbon reduction efforts in various countries. China has declared in 2021 that they will strengthen the implementation of "dual control of energy consumption" (total energy consumption and intensity control), limiting high-energy-consuming enterprises and their electricity consumption. They are also promoting the "Energy Saving and New Energy Vehicle Technology Roadmap 2.0", which aims to have electric vehicle sales account for 25% of total vehicle sales by 2025. They are providing preferential policies for electric vehicle charging, parking, and public services. By 2035, all new car sales will be environmentally friendly vehicles, with 50% pure electric vehicles and 50% hybrid vehicles. Taiwan is also promoting the "Taiwan 2050 Net Zero Emissions Pathway and Strategy", setting a target for electric vehicle sales to reach 30% and aiming for 100% by 2040. In addition to carbon reduction and energy policies, countries have set clear targets and timelines for banning gasoline vehicles. For example, Norway has announced a ban on gasoline vehicles by 2025, while the European Union, Canada, and China have set a target of 2035. Japan plans to ban pure gasoline vehicles (excluding HEV and PHEV) by 2035. Some state governments in the United States have also proposed bans, although there is no federal legislation yet. As mentioned above, all countries are actively responding to the net zero trend, and the policies enacted have largely benefited the electric vehicle industry, leading to its active development. It is expected to drive the future development of the company in sync.

B. Open platform sharing, breaking traditional closed ecosystem

In the past, the traditional automotive industry ecosystem was closed, with each car manufacturer collaborating with their Tier 1 suppliers to develop and accumulate extensive testing data and parameters for key components such as electric motors, chassis, suspension, main systems, sub-systems, etc. This was done in order to develop their own fuel-powered vehicle models and maintain competitiveness. External supply chains are extremely difficult to penetrate into closed ecological chains and supply chains that have already formed. The development of external supply chains requires a significant amount of time and cost. However, even after investing in the development of external supply chains, there is no guarantee of achieving corresponding development results, returns, or validation and adoption by end car manufacturers, creating a significant entry barrier. The company is based on the principles of "open mode" and "shared development" to attract more market participants to develop

related products based on the company's EV sharing platform. By using the successful EV sharing platform developed by the company, along with upstream and midstream suppliers, we can obtain various parameters of the EV sharing platform to assist in testing and developing their own major development projects. This helps to save the high investment costs and time of various automotive components, software, and hardware supply chains. After the successful development, the company will integrate and manage suppliers to collaborate and develop related components, in order to break the traditional closed gap and facilitate the creation of an ecosystem centered around the company's platform, achieving a win-win situation.

C. Efficient execution team

Since its establishment in November 2020, the company's highly efficient execution team immediately showcased three reference design cars, Model C, Model T, and Model E, at the "HHTD (Hon Hai Technology Day) " in October 2021. Following that, the Model T entered mass production in mid-2022, followed by the Model C in the second half of 2023, setting a record of launching two vehicle models within three years of the company's establishment. In 2024, at the "Hon Hai Tech Day (HHTD)," two new prototype vehicles were introduced: Model D and Model U, along with the U.S. version of Model C and the mass production version of Model B. Subsequently, new products will be released at a rate.

The first model, Model C, built on the company's EV sharing platform, is a pure electric SUV with a spacious 5 + 2 seating arrangement. In collaboration with Luxgen, the company launched the Luxgen "n7" model. In 2023, the vehicle achieved 7,121 registrations in the Taiwanese market, capturing a 17.8% market share with a single model. The reference design of Model E is developed in collaboration with the renowned Italian design company "Pininfarina", focusing on advanced dynamic control technology, high-performance electric drive, luxurious and comfortable interior, and long-lasting battery life to address user concerns about mileage anxiety. The company has further collaborated with Luxgen and commissioned the design and planning of the commercialized vehicle Model C. We have launched the Luxgen "n^7" model and achieved pre-orders of over 25,000 vehicles. . The Model B is a smart, sporty crossover designed for urban mobility. Its stylish design and sophisticated tech cabin are aimed at attracting younger and female drivers. The Model D, on the other hand, is a new-generation Lifestyle Multipurpose Utility Vehicle (LMUV), developed on a new modular platform. It features advanced technology, including an 800V electrical architecture, air suspension, rear-wheel steering, and Navigation on Autopilot (NOA) autonomous navigation assisted driving, while offering a

luxurious and comfortable cabin that can meet both business and family needs.

For commercial vehicles, the Model T is positioned as an intelligent transport solution. It boasts a high-rigidity body design, with a maximum 400 kWh power battery module and a range of 400 km, making it ideal for urban transport buses. Additionally, for the small-to-medium bus market, the new Model U offers highly customizable mobility spaces for various applications, including business reception, mobile offices, and outdoor leisure activities.

D. New generation technology evolution, continuous optimization of product performance

New generation technologies such as third-generation wide band gap semiconductor technology evolution, the first-generation semiconductor "silicon (Si) " has reached its physical limits, unable to further improve speed, power, and reduce heat loss, etc. The second-generation semiconductors "gallium arsenide (GaAs) " and "indium phosphide (InP) " have characteristics such as high frequency, high voltage resistance, and radiation resistance, and are widely used in wireless communication, optical communication, defense, aviation, and satellite fields. However, the temperature, power, and frequency conditions of low bandgap materials used in the first and second generations of semiconductors cannot be overcome after being subjected to heat or energy. Moreover, when the operating temperature exceeds 100°C, the products are prone to failure or degradation, making them unsuitable for harsh environments. Therefore, the third-generation wide bandgap semiconductors have emerged as a result. The third-generation wide bandgap (Wide Band Gap) semiconductors mainly include silicon carbide (SiC), gallium nitride (GaN), and gallium oxide (Ga_2O_3). Due to their material characteristics, they can achieve higher voltage, generate greater power, reduce energy consumption, and significantly reduce the size compared to silicon (Si) components. They are also suitable for use in high temperature, harsh automotive environments, or small spaces. Therefore, various car manufacturers are actively adopting wide bandgap semiconductors in applications such as low-power air conditioning systems, water pumps, auxiliary systems, as well as high-power main drive inverters and on-board chargers. With the introduction of new generation technologies such as the third-generation wide bandgap semiconductors, the company will be able to jointly develop multiple component functions and applications with suppliers, achieving advantages such as simplified design, miniaturization, lightweight, reduced energy consumption, and cost reduction. The performance of our products will continue to be optimized.

(2). Unfavorable factor

A. Traditional car manufacturers and technology giants are aggressively catching

up

With the implementation of carbon reduction policies in various countries, and the continuous introduction of subsidies for the electric vehicle industry, many traditional car manufacturers such as Volkswagen, GM, Toyota, Ford, Hyundai, Mercedes-Benz, BMW, etc., have all joined the ranks of researching, developing, and selling electric vehicles. Traditional car manufacturers currently dominate the global automobile sales market, and they have a considerable presence in sales channels, supply chains, and maintenance systems. With years of experience in research, development, and sales of fuel-powered vehicles, they have a strong momentum in catching up with the development of electric vehicles. In addition, technology giants such as Apple, Amazon, Google, Microsoft, Sony, Tencent, Xiaomi, and Baidu have successively entered and invested in the electric vehicle market. They have acquired start-up car manufacturers, participated in joint development of automotive systems, or developed with the concept of shared modules. With the entry of non-automotive industry players such as technology giants into the electric vehicle market, existing car manufacturers will face pressure from many competitors.

Coping strategies

The company inherits years of rich research and development experience in the field of electric vehicles from Haitec, as well as a strong research and development team. After the establishment of the company, we have successively released and exhibited electric vehicle products such as Model C,Model E, Model B, Model D, and electric bus Model T, Model U. Among them, the electric bus has already achieved sales performance, and the domestic brand car manufacturers have adopted the electric vehicle Model C. The company utilizes the advantages of modular vehicle design to provide brand customers with engineering design and vehicle testing services. During the execution of engineering tests, adjustments and improvements are made based on accumulated data such as power, safety, durability, and NVH performance. For latecomers, it takes several years to obtain and accumulate relevant parameters, and they have less experience in performance tuning and handling, which prolongs the engineering design and testing process. Additionally, latecomers find it difficult to obtain vehicle testing parameters and other data from other industry peers, and the integration of software, hardware, and systems also requires time and cost, making it challenging for new vehicle models to keep up with the development speed of the company. The company abandons the traditional approach of relying on a single vehicle model chassis platform for designing a single vehicle model, and instead develops different

vehicle models through modular vehicle design, saving development time and cost. We will continue to research and develop related patented technologies and deepen our core capabilities to widen the gap with market competitors and strive for cooperation opportunities with all electric vehicle manufacturers, including traditional car manufacturers and technology giants. The company will provide design and manufacturing management services to make them our target customers rather than competitors.

B. The research and development process is time-consuming

It takes 3 to 5 years for a single vehicle model to go from design, development, and verification to market launch. The investment cost is extremely high, and the payback period after investment until mass production and sales is long. Moreover, if there are changes in the industry, policies, market, or user habits during the development period, it is possible that the vehicle model that has already been invested in research and development may lose its original competitiveness, becoming an operational risk that every car manufacturer will inevitably face.

Coping strategies

The company is based on the concept of modularization of vehicle models, and is committed to design and research and development through the thinking of sharing chassis platforms. By modularizing chassis platforms, battery packs, and driving methods, the development of different vehicle models can be flexibly based on customer needs, allowing for quick "flexibility" choices or upgrades, achieving a more comprehensive "customization". In addition, through the company's self-developed advanced EEA architecture, the development and testing time of vehicles can be effectively shortened, and investment costs can be reduced, solving the pain points of longer development and recovery periods for traditional car manufacturers.

C. Insufficient infrastructure leads to anxieties about charging and mileage for car owners

Charging anxiety refers to the longer time it takes for vehicle owners to complete charging; range anxiety refers to the mileage limitation of a vehicle's ability to travel on a single charge. With the booming development of the electric vehicle industry and the increasing willingness of consumers to purchase, global electric vehicle sales have been climbing year by year. In the initial stage, the establishment relied on the infrastructure construction plans and related subsidies of various governments. However, the construction of charging stations in various countries is still severely inadequate, which easily leads to charging anxiety and range anxiety for vehicle owners. This will also suppress consumers' willingness to purchase electric vehicles.

Coping strategies

In addition to various countries implementing infrastructure plans and related subsidy policies, car manufacturers are also working on increasing charging power to address charging anxiety. There are two ways to increase charging power: increasing voltage or increasing current. Currently, electric vehicle manufacturers mainly use a 400 V voltage platform. When they travel approximately 500 kilometers, the average charging time takes more than 1 hour. Compared to refueling time for gasoline vehicles, it is not convenient. In recent years, various car manufacturers have been actively developing 800 V voltage platforms. By increasing the charging power to over 300 kW, they can reduce heat loss and achieve high-power fast charging. This also helps to reduce wiring and battery costs, improve system efficiency, extend the driving range, and alleviate the charging anxiety of car owners. The company optimizes through engineering design, such as reducing wind resistance, tire resistance, and power design. Additionally, it achieves the goal of reducing energy consumption by utilizing technologies such as waste heat recovery and regenerative braking, in order to alleviate range anxiety.

D. Battery materials are scarce

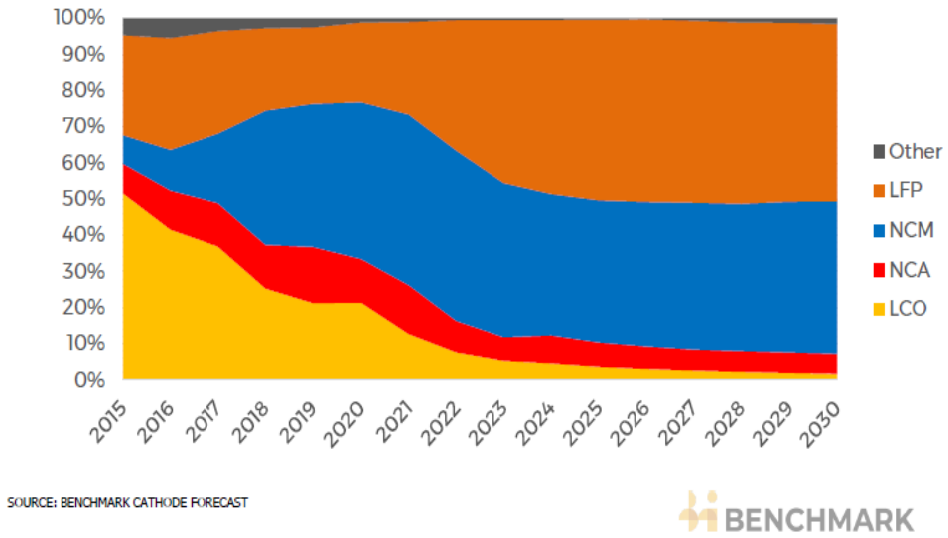
The application fields of lithium batteries are extensive, including electric vehicles, consumer electronics products (such as laptops, mobile phones, power banks, etc.), and energy storage, among which power batteries have the largest proportion. The strong growth momentum of the electric vehicle industry is due to various car manufacturers actively investing in the development of their own electric vehicles. According to Digitimes Research's estimation, the demand for power batteries will account for 80% of the overall lithium battery market starting from 2024. Additionally, the installed capacity of power batteries is projected to reach 1,689 GWh in 2025, representing a growth of 569% compared to that in 2021. Among them, battery materials are mainly divided into three types: ternary, lithium iron phosphate, lithium cobalt oxide, lithium manganese oxide, etc. Currently, the mainstream technologies in the market are focused on ternary batteries and lithium iron phosphate batteries (LFP). The ternary battery is mainly composed of three chemical elements: nickel, cobalt, and aluminum (NCA) and nickel, cobalt, and manganese (NCM). Its advantages are high energy density, resulting in longer mileage. However, its disadvantages are lower safety and stability. The main raw material, cobalt, is a strategic and scarce metal. The supply and price of cobalt will affect the cost and installation volume of power batteries for electric vehicles, as well as the production and sales volume of electric vehicles.

Coping strategies

The company's current vehicle models, Model C, Model B, Model D and Model

T, Model U mainly use lithium iron phosphate batteries (LFP). The main advantages of LFP batteries are higher safety, longer cycle life, lower cost, and higher energy storage capacity. However, they have lower energy density and poorer performance in low-temperature environments. With international car manufacturers such as Tesla, Mercedes-Benz, Volkswagen, etc. starting to adopt lithium iron phosphate batteries, it is evident that lithium iron phosphate batteries have become one of the mainstream choices as a power battery material. According to statistics from Benchmark Source, the market share of lithium iron phosphate (LFP) batteries surpassed that of nickel cobalt manganese (NCM) batteries starting in 2023. It is predicted that from 2025 onwards, the market share of LFP batteries will exceed 50%, and will continue to be the dominant technology in the market until 2030. Nowadays, lithium iron phosphate batteries are integrated and packaged using technologies such as CTP (Cell to Pack) and CTC (Cell to Chassis). The former integrates the battery core into the battery pack, while the latter integrates the battery core into the chassis of an electric vehicle, achieving higher integration levels. This aims to improve energy density and reduce costs. Alternatively, nano-scale processes can be used to develop lithium iron phosphate batteries or lithium manganese iron phosphate batteries (LMFP). In summary, the company collaborates continuously with battery module suppliers to develop and enhance in order to avoid the risk of insufficient supply of power batteries due to low reserves, high prices, and limited availability of certain metal materials.

[Forecast of market share for positive electrode battery materials]



Source: Benchmark Source (2024)

(2). The important usage and production processes of the main products

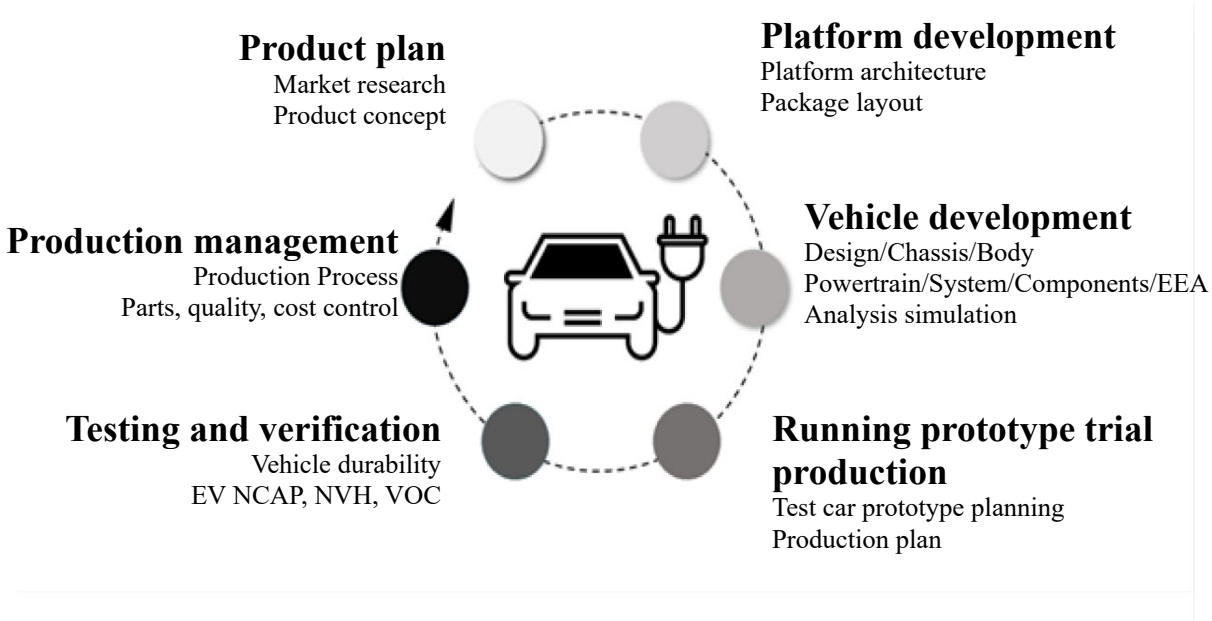
1. Important uses of main products

Main product names	Purpose

Main product names	Purpose
Open EV Platform	As an open platform, we can provide customers with modular design and create different car models according to their preferences.
Model B for reference design, commercialized vehicle and production vehicle	1. The reference design is built by the company based on product planning in order to gather market and customer feedback, and then provide customers with reference designs to develop into complete vehicle products that meet customer needs. 2. The commercialized vehicle is a complete vehicle product designed and developed by the company based on the reference design, taking into account market trends and feedback from potential customers. 3. Production vehicle is designed and developed by the company based on the commercialized vehicle and is according to customization and differentiation needs of customers. These cars are launched into the market as complete products to meet customer demands.
Model C for reference design, commercialized vehicle and production vehicle	
Model D for reference design	
Model E for reference design	
Model U for reference design	
Model T for reference design and production vehicle	

2. Manufacturing process of main products

The company develops all products through the entire vehicle development process,



starting from product concept and project planning, platform development and configuration adjustments, and proceeding with overall vehicle development including styling and various engineering simulation analyses, until the trial production of reference designs. We will proceed with the relevant design adjustments, testing, and verification to make the product more mature and move towards mass production based on the confirmation of customer's requirements for style and destination(market) regulations. In addition, the company will also cooperate with customers' local areas and

countries to select the most suitable manufacturing solutions and manufacturers, and the company will execute related production management such as parts and quality.

(3). Supply status of main raw materials

The main raw material of the company's products is automotive battery module. We mainly purchase from internationally renowned suppliers. The company has a good cooperation with the suppliers, and the purchase price is regularly adjusted according to the actual global raw material supply and cost. In addition, the company strictly controls the quality of the supply to ensure the reliability of the raw materials.

Main ingredients	Main suppliers	Supply situation
Car battery module	B1 Company	Good

(4). Names of customers accounted for more than 10% of the total volume of imports (sales) in any of the last two years, as well as the amount and proportion of their purchases (sales), and the reasons for their changes in increase or decrease

1. Information on the major suppliers in the last two years

Unit: Thousands NTD

Item	2023				2024			
	Name	Amount	Percentage of net purchases for the entire year (%)	Relationship with the Issuer	Name	Amount	Percentage of net purchases for the entire year (%)	Relationship with the Issuer
1	B1 Company	581,947	46.40	None	B1 Company	1,995,363	45.74	None
2	Others	672,296	53.60	-	B8 Company	760,603	17.43	None
3					Others	2,368,750	36.83	-
	Net Purchase	1,254,243	100.00		Net Purchase	4,362,943	100.00	

Reasons for increase or decrease

Changes in purchase amount and proportion are mainly due to changes in customer product demand.

2. Main sales customers data in the last two years

Unit: Thousands NTD

Item	2023				2024			
	Name	Amount	Percentage of net sales for the year (%)	Relationship with the Issuer	Name	Amount	Percentage of net sales for the year (%)	Relationship with the Issuer
1	A3 Company	264,284	25.31	None	Luxgen	8,213,882	96.40	Related parties (Note)
2	A4 Company	180,096	17.25	None	Others	306,729	3.60	—
3	Luxgen	171,410	16.42	Related parties (Note)				
4	A5 Company	122,979	11.78	None				

5	Others	305,223	29.24	—				
	Net sales	1,043,992	100.00		Net sales	8,520,611	100.00	

Note :Luxgen is a subsidiary of Yulon Motor Co., Ltd.

Reasons for increase or decrease

Changes in sales amount and proportion are mainly due to changes in customer product demand.

3. Recent Two-Year and Year-End Employee Data for Printing and Publishing of Annual Reports

Unit: Person; age; year

Year		End of 2023	End of 2024	As of March 31, 2025
Number of employees	Managers	6	4	4
	Developers	595	673	690
	General employee	203	271	269
	Total	804	948	963
Average age		41.1	40.3	40.3
Average years of service (Note 1)		2.1	2.5	2.5
Average years of service (Note 2)		7.4	6.8	6.8
Educational background distribution ratio %	Doctoral degree	0.87	0.84	0.94
	Master degree	54.23	53.80	54.52
	College/University	43.16	43.78	42.99
	High school degree or equivalent	1.74	1.58	1.56
	Less than high school degree	-	-	-

Note 1: The company was established on November 6, 2020, which is the average length of service of the company.
Note 2: It includes the average years of service of the company and Haitec.

4. Environmental expenditure information

Losses suffered due to environmental pollution in the recent fiscal year and up until the printing date of the annual report: There is no such situation.

5. Labor Relations

(1). Employee welfare measures, continuing education, training, retirement system, and implementation status, as well as labor-management agreements and employee rights protection measures

1. Employee welfare measures

(1). Enjoy special leave and allocate retirement benefits in accordance with the law, establish a staff welfare committee to coordinate welfare activities and safeguard the rights and interests of workers.

(2). All employees are required to participate in labor insurance and national health insurance in accordance with the law. In addition, the company provides group insurance and travel insurance for employees, with the premiums paid by the company.

(3). Regularly conducting employee health checks to ensure the well-being of employees.

(4). The Spring Festival, Labor Day, Dragon Boat Festival and Mid-Autumn Festival both have cash gifts or presents.

(5). Marriage, funeral, childbirth, etc. are all eligible for subsidies.

2. Employee development and training

To enhance employees' professional skills, improve work efficiency, and emphasize the importance of product quality, internal and external training will be conducted to strengthen the professional capabilities of employees in various functional departments. The company's training programs are listed as follows:

(1). New employee training. On the first day of employment, a briefing session will be provided to new employees regarding the company's corporate culture, organizational history, work rules, employee benefits, important notices, and an introduction to the working environment, in order to give them a basic understanding of the company.

(2). Employee Training: Cultivate employees' professional skills, knowledge, and management abilities in their work.

3. Retirement system and implementation status

The company aims to ensure a stable retirement life for its employees and enhance their service spirit during their employment. In accordance with the regulations of the Labor Retirement Pension Act, a retirement fund is allocated to each employee's personal retirement account at a rate of 6% of their monthly salary.

The company has established a defined retirement policy, applicable to employees who meet the retirement criteria as of November 6, 2020. In addition, the company estimates the balance of the retirement reserve account for the previous year before the end of each fiscal year. If the balance is insufficient to pay the estimated retirement benefits for eligible employees in the following year, the company will make a one-time allocation of the difference by the end of March of the following year.

4. Agreements between labor and management and measures to protect employee rights

The company values employee rights and maintains harmonious labor relations and convene a labor-management meeting quarterly. Employees can exchange comments through open communication channels to maintain a good interaction between labor and management. As a result, there have been no significant labor disputes to date.

(2). Work environment and employee personal safety protection measures

The company has established occupational safety and health management personnel and fire management personnel in accordance with the laws and regulations to ensure the safety and health of employees in the workplace. The main implementation measures are as follows:

1. Environmental safety aspect

(1). Handle the declaration of public safety inspection and maintenance of buildings.

(2). Set up access control card swiping and cooperate with security management. In case of any abnormality, security personnel will promptly contact the emergency contact person to eliminate the anomaly and ensure the safety of company personnel and property.

(3). Perform daily inspections of fire sources, fire evacuation facilities, and fire safety equipment every month.

(4). Carry out two self-defense fire brigade training sessions and one fire safety equipment inspection declaration every year to reduce the risk of disasters to employees and property.

(5). Quarterly water quality testing for water dispensers.

(6). To set up an AED (Automated External Defibrillator) in the work environment to prevent accidents.

(7). All our mechanical, electrical, and fire protection equipment in this company require at least one annual maintenance or repair.

2. Employee safety

(1). Perform employee annual health check-ups.

(2). Regularly arrange specialist doctors to provide on-site health services, and employ full-time nurses to continuously care for the physical and mental health of employees.

(3). Conduct employee occupational safety and health education training.

(4). Set up first aid personnel according to regulations and regularly arrange lectures and training.

(5). In order to effectively reduce the risks of employees being exposed to harm and contracting occupational diseases, the company has developed relevant plans in response to workplace health issues under the Occupational Safety and Health Act. These plans include addressing human factors engineering, unlawful infringement, overwork, and maternity protection. Additionally, a questionnaire survey will be conducted among colleagues as a follow-up health risk assessment and improvement measure.

(6). According to the Gender Equality Act, a sexual harassment complaint and investigation channel shall be established, and all employees are required to comply with the law.

(7). Occupational safety personnel periodically inspect the workplace for hazards.

(8). Regular maintenance is arranged for the official vehicles used by employees to prevent accidents.

(9). Provide employees with group insurance, labor insurance, health insurance, and occupational accident insurance.

(10). For the tracking and retraining of legal education training certificates, in order to comply with the latest regulations.

(11). Accident Reporting and Handling Operations Company formulates accident handling operation regulations as the basis for implementation. When colleagues have accidents, the company's occupational safety personnel or occupational health personnel will provide health care and assistance. Internal accidents in the factory, safety personnel and unit supervisors initiate accident investigations, propose improvement measures to prevent further accidents.

(3). To specify the losses incurred as a result of labor disputes in the most recent year and up to the publication date of the annual report: None.

6. Information Security Management

The Company places great importance on information and communication security and is committed to establishing a comprehensive management system to effectively address the growing challenges posed by cybersecurity. The following outlines the Company's specific measures regarding the framework, policies, implementation plans, and resource allocation for managing information security risks:

(I) Information Security Risk Management Framework and Policies

1. Information Security Risk Management Framework:

   To strengthen information security management, the Company appointed a Chief Information Security Officer (CISO) in December 2023. The Information Department is responsible for the planning, monitoring, and execution of overall information security. Currently, the team includes one dedicated Information Security Manager and two Information Security Specialists tasked with driving all cybersecurity-related operations.

2. Information Security Policies:

   (1) Internal Regulations:

   In alignment with the "Information Security Control Guidelines for TWSE/TPEx Listed Companies," the Company has developed internal ISO-based standards, including procedures for information security operations, outsourced IT service security management, and data correction processes. These regulations are incorporated into the Company's computerized internal control system (Cycle CE) to ensure effective execution.

   (2) Annual Training Program:

   The Company implements an annual information security training plan to raise employee awareness and ensure full compliance.

(II) Information Security Management Measures

1. IT Systems Inventory and Risk Assessment:

   The Company conducts regular IT system inventories, establishes a core system asset registry, and performs security assessments and risk analyses to identify potential threats and determine appropriate management strategies.

2. Network Security Risk Management Initiatives:

   (1) **Regular Reporting and Risk Assessment:** The Company provides monthly updates to senior management on information security implementation and continuously evaluates potential security risks to identify and mitigate threats.

(2) **Enhancing Employee Awareness:** Security awareness training sessions have been conducted for employees, with 877 participants and a 99% pass rate on assessments, significantly improving awareness and capability across the organization.

(3) **Adoption of Advanced Security Technologies:** The Company has adopted advanced cybersecurity tools and technologies, including Intrusion Detection Systems (IDS), firewall high availability (HA), data encryption, DDoS protection, Endpoint Detection and Response (EDR), and secondary backup network lines, greatly enhancing its defense capacity.

(4) **Supplier Security Management:** The Company promotes cybersecurity awareness among its IT vendors and communicates its external service security standards to ensure supply chain security.

(5) **Regular Vulnerability Scanning:** The Company regularly performs system vulnerability scans to detect and promptly address potential system flaws.

(III) Resource Allocation for Information Security

1. External Collaboration:

(1) The Company is a member of TWCERT/CC (Taiwan Computer Emergency Response Team/Coordination Center) to stay informed of the latest cybersecurity trends and threat intelligence.

(2) ◦ The Company also participates in the Chinese Software Association and the Chief Information Security Officer (CISO) networking forum to share and obtain cybersecurity intelligence.

2. Internal Reinforcement:

(1) The Company takes part in monthly group information security meetings to continuously strengthen internal cybersecurity capabilities.

(2) The Company also performs regular equipment upgrades and system maintenance to ensure stability and security.

Through these measures, the Company continues to advance its information security management to safeguard digital assets and maintain operational stability.

(IV) Specify the losses, potential impacts, and response measures incurred due to significant information and communication security incidents during the most recent fiscal year and up until the printing date of the annual report. If unable to reasonably estimate, explain the fact that it cannot be reasonably estimated: None.

7. Important Contracts

Contract Nature	Party	Contract start and end date	Main Content	Restriction
Technology Cooperation Agreemen	B5 Company	2023/5/15~Six months after parts mass production	Design and Development Agreement	—
Technology Cooperation Agreemen	B21 Company	2024/5/24~Acceptance completed	Design and Development Agreement	—
Technology Cooperation Agreement	B20 Company	2024/4/11~Acceptance completed	Design and Development Agreement	—
Technology	B22 Company	2024/3/1~2024/4/8	Design and Development	—

Contract Nature	Party	Contract start and end date	Main Content	Restriction
Cooperation Agreement			Agreement	
Technology Cooperation Agreement	B23 Company	2024/3/6~Six months after parts mass production	Design and Development Agreement	—
Technology Cooperation Agreement	B24 Company	2024/2/17~Six months after parts mass production	Design and Development Agreement	—
Technology Cooperation Agreement	B15 Company	2024/4/3~Six months after parts mass production	Design and Development Agreement	—
Technology Cooperation Agreement	B15 Company	2024/1/31~Six months after parts mass production	Design and Development Agreement	—
Technology Cooperation Agreement	B25 Company	2024/4/3~Acceptance completed	Design and Development Agreement	—
Technology Cooperation Agreement	B26 Company	2024/4/29~Six months after parts mass production	Design and Development Agreement	—
Procurement contract	B1 Company	2023/4/21 (Note 1)	Raw material mold trading	—
Procurement contract	B24 Company	2024/3/21 (Note 1)	Basic Agreement for the Purchase and Sale of Vehicle Components and Molds	—
Procurement contract	B1 Company	2024/4/21 (Note 1)	Mass production mold contract	—
Procurement contract	B20 Company	2024/4/23 (Note 1)	Software procurement and licensing agreement	—
Procurement contract	B1 Company	2024/5/28 (Note 1)	Basic Agreement for the Purchase and Sale of Vehicle Components and Molds	—
Procurement contract	B28 Company	2024/8/20 (Note 1)	Equipment contract	—
Procurement contract	B27 Company	2024/7/29~2033/7/29	Equipment contract	—
Procurement contract	B27 Company	2024/9/30 (Note 1)	Equipment contract	—
Procurement contract	B13 Company	2024/11/18 (Note 1)	Basic Agreement for the Purchase and Sale of Vehicle Components and	—

Contract Nature	Party	Contract start and end date	Main Content	Restriction
			Molds	
Procurement contract	B1 Company	2024/12/6 (Note 1)	Purchase and sale of battery module molds	—
Lease Agreemen	HON HAI PRECISION IND. CO., LTD	2023/7/1~2024/6/30	Lease of Office	—
Lease Agreemen	B29 Company	2024/3/25~2033/2/29	Lease of land	—
Lease Agreemen	B29 Company	2024/5/1~2033/2/29	Lease of land	—
Lease Agreemen	Yulon Motor Co., Ltd	2024/8/7~2033/8/6	Lease of laboratory	—
Loan agreement	Mega International Commercial Bank Co., Ltd.	2024/9/26~2025/9/25	Loan for purchase of materials	—
Loan agreement	Bank Sinopac Company Limited	2024/8/31~2025/8/31	Loan for purchase of materials	—
Loan agreement	KGI Bank Co., Ltd.	2023/12/13~2024/12/12	Loan for purchase of materials	—
Loan agreement	E.Sun Commercial Bank Co., Ltd.	2024/5/3~2025/5/7	Loan for purchase of materials	Note 2
Loan agreement	CTBC Bank Co., Ltd.	2023/4 (Note 3)~2024/1/31	Short-term borrowings	—
Loan agreement	Far Eastern International Bank Co., Ltd.	2024/2/22~2025/2/22	Loan for purchase of materials	—

Note 1: Any individual contract shall terminate if no further individual contract or purchase order is signed within 3 years after the expiration of the existing contract.

Note 2: Review the consolidated financial statements of Hon Hai Precision Industry Co., Ltd. on March 31, May 15, August 15, and November 15 each year. The Company needs to be a subsidiary of Hon Hai Precision Industry Co., Ltd. If it does not meet the requirements, the credit line will be suspended from the review date, the credit line that has been used will be recovered upon maturity, and the credit line will be restored for use when the conditions are met in the next review period. By April 30 of each year, review the financial reports audited and certified by the accountant for the previous year. The debt-to-equity ratio must be less than 200%. If it does not meet the requirements, the credit line will be suspended from the review date, and the credit line that has been used will be recovered upon maturity.

Note 3: As stated in the credit notification letter.

V. Review and Analysis of Financial Position and Financial Performance, and Risk Matters

1. Analysis of financial status

Unit: Thousands NTD

Item \ Year	2023 (Consolidated)	2024 (Consolidated)	Differences	
			Amount	Percentage (%)
Current assets	11,130,605	7,812,567	(3,318,038)	(29.81)
Property, plant and equipment	1,167,477	3,891,731	2,724,254	233.35
Intangible assets	7,213,662	6,721,446	(492,216)	(6.82)
Other assets	1,732,950	2,238,216	505,266	29.16
Total assets	21,244,694	20,663,960	(580,734)	(2.73)
Current liabilities	1,458,676	2,562,421	1,103,745	75.67
Non-current liabilities	615,817	1,055,562	439,745	71.41
Total liabilities	2,074,493	3,617,983	1,543,490	74.40
Share capital	17,413,140	17,413,140	—	—
Capital surplus	6,053,782	6,066,557	12,775	0.21
Retained Earnings (Accumulated deficit)	(4,295,580)	(6,434,477)	(2,138,897)	49.79
Other equity	(1,141)	757	1,898	(166.35)
Non-controlling interests	—	—	—	—
Total Equity	19,170,201	17,045,977	(2,124,224)	(11.08)

1. Analysis of changes in increase and decrease ratios (when the changes between the two periods exceed twenty percent and the amount of change reaches ten million NTD)
   (1). Current assets: Due to continuous investment in personnel, research and development, and equipment procurement related to operations in 2024, cash and cash equivalents, as well as financial assets measured at amortized cost, have decreased..
   (2). Property, Plant, and Equipment: The increase is due to the addition of equipment required for operations in 2024.
   (3). Other assets: The increase is mainly due to higher taxable losses in 2024, leading to the recognition of additional deferred tax assets in accordance with IFRS 12 Income Taxes. Additionally, the increase is attributable to the acquisition of equipment and right-of-use assets necessary for operations.
   (4). Current liabilities: The increase is primarily due to material procurement for the production of the Model T electric bus and Model C passenger vehicle, as well as research and prototyping for the Model B, resulting in higher accounts payable and other payables.
   (5). Non-current liabilities: The increase is mainly due to temporary differences arising from the capitalization of R&D expenses in 2024, leading to the recognition of additional deferred tax liabilities. Additionally, lease liabilities increased due to operational needs, along with a rise in contract liabilities to customers.
   (6). Accumulated deficit: The increase is primarily due to higher net losses after tax in 2024.
2. Future response plan for those significantly affected: The above changes have no significant adverse impact on the Company, and the overall performance of the Company is not significantly abnormal, so there is no need to formulate a response plan.

2. Analysis of operation results

Unit: Thousands NTD

Item \ Year	2023 (Consolidated)	2024 (Consolidated)	Differences	
			Amount	Percentage (%)
Revenue	1,043,992	8,520,611	7,476,619	716.16
Operating costs	886,894	6,910,735	6,023,841	679.21
Gross profit	157,098	1,609,876	1,452,778	924.76
Operating expenses	2,537,657	4,285,444	1,747,787	68.87
Operating loss	(2,380,559)	(2,675,568)	(295,009)	12.39
Non-operating revenue and expenses	187,885	201,888	14,003	7.45
Net income (loss) before tax	(2,192,674)	(2,473,680)	(281,006)	12.82
Income tax benefits	265,473	336,351	70,878	26.70
Net profit (loss) in current period	(1,927,201)	(2,137,329)	(210,128)	10.90
Other comprehensive income (loss) for the period (net of tax)	(1,292)	330	1,622	(125.54)
Total comprehensive (loss)income for the period	(1,928,493)	(2,136,999)	(208,506)	10.81

1. Analysis of changes in increase and decrease ratios (when the changes between the two periods exceed twenty percent and the amount of change reaches ten million NTD)
   (1). Revenue, Operating costs, Gross profit: Mainly due to the mass production and sale of passenger vehicle Model C in 2024, leading to higher operating revenue, operating costs, and gross profit compared to 2023.
   (2). Operating expenses: Mainly due to the gradual growth in operations in 2024, the company continues to recruit outstanding talents, resulting in an increase in personnel costs, as well as intangible assets generated from vehicle technology and internal development. After reaching the usable state, various amortization expenses are recognized, leading to an increase in operating expenses compared to 2023.
   (3). Income Tax Benefit: Mainly due to the growth in operating revenue compared to 2023, the company is still in the business expansion phase. Revenue is not yet sufficient to cover operating expenses such as research and development, which resulted in a higher pre-tax net loss compared to 2023. As a result, the income tax benefit also increased.the gradual growth of operations in 2024. The company has continued to recruit outstanding talent, leading to an increase in personnel costs. Additionally, as various vehicle model projects have progressed, related research and development expenses have been incurred.
2. Sales volume forecast and the basis for the forecast: Since the company has not prepared and announced financial forecasts, it is not applicable to expected sales quantities and basis.
3. Possible impacts on the Company’s future financial performance and responsive actions to such impacts: The company’s finances are still sound, mainly supported by long-term sources of funds or financing channels to support related expenses, and the above changes have no significant adverse effects on the company. Our overall performance is still not significantly abnormal, and there is no need to formulate response plans.

3. Analysis of cash flow

(1). Financial Analysis for the Most Recent Two Years

Unit: Thousands NTD

Year / Account Item	2023 (Consolidated)	2024 (Consolidated)	Increase (Decrease) Variations	
			Amount	Percentage (%)
Cash flows from (used in) operating activities	(669,548)	(565,778)	103,770	15.50
Cash flows from (used in) investing activities	(4,827,835)	(1,734,090)	3,093,745	64.08
Cash flows from (used in) financing activities	7,497,651	(74,769)	(7,572,420)	(101.00)
Main reasons for changes in cash flows for the most recent year: (1) Investing activities: Mainly due to the increase in cash outflows due to the acquisition of real estate, equipment, and intangible assets related to vehicle technology required for operations in 2024, as well as an increase in cash inflows resulting from the maturity of time deposits with terms over three months. (2) Financing activities: The decrease in cash inflows from financing activities in 2024 compared to 2023 is mainly because there was a capital increase for the company's listing prior to 2023, and no similar activity took place in 2024.				

(2). Improvement plan for insufficient liquidity:

If the company does not have enough cash, it mainly copes with bank financing and capital market financing.

(3). Cash flow analysis for the coming year

Unit: Thousands NTD

Cash balance at the beginning ①	Expected net cash flows from operating activities for the year ②	Expected net cash flows from investing activities for the year ③	Expected net cash flows from financing activities for the year ④	End of year cash amount ①+②+③+④	Remedy for expected cash shortfall	
					Financing Plan	Investment Plan
4,180,593	(3,596,900)	(4,119,390)	4,630,140	1,094,443	4,630,140	—
Analysis of deviation in cash flow for the year 2024: 1. Operating Activity: It is expected to generate net cash inflows from the sales and procurement of electric vehicles and electric buses, as well as the continued investment in operating-related personnel costs and research and development expenses. 2. Investing activities: It is expected to generate net cash outflows due to expenditures on the purchase of vehicle development molds, laboratory equipment, and the construction of an electric bus factory. 3. Financing activities: The expected net cash outflows from operating and investing activities will be funded through bank credit facilities and overseas financing..						

4. Impact of Major Capital Expenditures in the Most Recent Year on Finance

The Company's significant capital expenditures in 2024 mainly involved acquiring fixed assets and intangible assets totaling NT$ 3,694,487 thousand. This was due to the operational development needs, capitalization of expenses related to the research and development of electric buses and electric vehicles. The aforementioned expense investments will contribute to the Company's research, design, mass production, and sales of electric vehicles and electric buses, thus having a positive impact on the Company's finances and operations.

5. Policies on Investment In Other Companies, Main Reasons for Their Profit or Loss and Improvement Plans in the Most Recent Year, and Investment Plans for The Coming Year:

(1). Re-investment policy in recent years:

The company injected 100% equity into Foxtron Vehicle Technologies (Hangzhou) Ltd. on April 20, 2023, positioning it for procurement and quality management nearby. Additionally, on April 15, 2024, the company made an investment to acquire 100% ownership of Foxtron Vehicle Technologies (USA) Inc. The subsidiary's main business activities include the design and sale of electric vehicles and related components.

(2). Policies on investment in other companies, main reasons for their profit or loss and improvement plans in the most recent year, and investment plans for the coming year

In the recent year, the investment policy has been evaluated prudently from a long-term strategic perspective to respond to future market demands and enhance competitiveness. Foxtron Vehicle Technologies (Hangzhou) Ltd., as the company's strategic procurement hub, has generated service income through reasonable internal pricing and has reached breakeven in the most recent fiscal year. On the other hand, Foxtron Vehicle Technologies (USA) Co., Ltd., due to the ongoing development of its business activities, has not yet incurred any significant expenditures.

6. Risk Matters Assessment

(1). The impact of changes in interest rates, exchange rates and inflation on the Company's profit and loss and future response measures

1. The impact of interest rate fluctuations and responsive measures for such impact

   The Company currently uses its lines of credit arranged with banks for short-terms financing covering the needs such as material purchases, import and export credits, and short-term revolving loans. To avoid the impact of interest rate fluctuations on the Company's funding costs, the Company maintains a good relationship with its banks to obtain favorable interest rates. In the future, the Company will continue to monitor the trend of interest rate fluctuations while maintaining a certain level of return to minimize the impacts of interest rate fluctuation.

2. The impact of exchange rate fluctuations and responsive measures for such impact

   The impacts of foreign exchange volatility on the Company's foreign exchange gains and

losses arise from the purchase transactions used in various functional currency, primarily with respect to the RMB and USD. Taking into account the relevant information and future trends in the exchange rate market, if the New Taiwan Dollar shows an upward trend, the Company will pre-purchase applicable foreign currencies as a basis for adjusting its foreign currency accounts, proactively responding to the impact of exchange rate fluctuations. In addition, the Company maintains close contact with the foreign exchange departments at various banks, constantly monitoring changes in the foreign exchange market. This allows its relevant managers and personnel to make timely adjustments to exchange rate fluctuations, while serving as a basis for price negotiation for purchasing personnel to reduce the risk of exchange rate fluctuations.

3. The impact of inflation and responsive measures for such impact

   The company constantly monitors the prices for raw materials across a range of commodity markets, maintains good relationships with its suppliers and customers, and controls the Company's cost structures to respond to changes in the market environment, thereby reducing the impact of inflation on the Company's operational profitability.

(2). The policy of engaging in high-risk, highly leveraged investments, lending of funds to others, endorsements, guarantees and derivatives trading, the main reasons for profit or loss, and future response measures

The Company did not engage in any high-risk/highly leveraged investments, derivatives trading, endorsements and guarantees for other parties, or lending to other parties in the most recent year and as of the publication date of the annual report. The Company has developed the "Procedures for acquiring or disposing of assets ", the "Endorsement guarantee operation procedures ", the "Fund lending and others' operating procedures", and the "Engage in derivative commodity transaction processing procedures", which were approved upon the resolution at a shareholders' meeting. All future transactions and their management will be conducted in accordance with applicable requirements and procedures.

(3). Future R&D plans and expected R&D expenses

1. Future R&D plans

Item	Our future development
Vertical integration	The company has a foundation and advantage in the traditional automotive and ICT industries. Under the development framework of the new generation EV open platform, we promote vertical integration of software and hardware for critical components. (1) Hardware: Taking the advanced EEA architecture as an example, execute component controls to achieve energy saving and cost reduction. Implement software-defined vehicles through software and hardware separation, and introduce them in the production of Model C Production vehicle. Simultaneously develop advanced architectures for ADAS and IVI, master key technologies, and apply them to autonomous driving and sharing.

Item	Our future development
	(2) Software: Motion Control Platform: Integrating control vehicle dynamic units such as brakes, power, and steering at the application layer not only enhances the driving experience for customers but also enables vertical integration of key technologies and reduces development resources through an abstracted framework. Thermal Control Module: Developing a thermal management system is an important part of energy-saving technology for electric vehicles. By applying heat pump technology, waste heat from the battery and motor is recovered to improve energy efficiency. Combining this with an Active grille system, the aerodynamic coefficient is actively optimized based on different driving conditions, achieving the goal of increasing driving range and energy savings.
Platform application	The whole vehicle EV open platform and advanced EEA architecture platform are developed with modular, shared, flexible, and customized platforms, which are continuously used in product design. They can achieve software and hardware separation and the application development of software-defined cars.
Customized development	Master the development trend of styling, strengthen the development of user experience, optimize global customer service through commissioned design and manufacturing, and shorten development time through vertical integration, modularization, and sharing.
Key component development	In addition to mastering the advanced EEA framework for independent core development, we will also develop in sync with our partners in batteries, electrical engineering, and other key components. By utilizing the modular and shared architecture of the EV open platform, we aim to achieve the design and development of electric vehicles as a whole, enabling rapid realization of independent design concepts, testing, verification, and other developments.

2. Estimated R&D expenses

   The Company plans to invest approximately NT$ 7.97 billion in R&D expenses for 2025. This budget will be gradually allocated based on the development of new products and technologies, and will be adjusted according to its operational conditions to maintain a certain level of growth, ensuring the Company's competitive advantage.

(4). The impact of important domestic and foreign policies and legal changes on the Company's financial business and response measures

The Company's operations are conducted in accordance with relevant domestic and international laws and regulations. We constantly monitor trends in important policy developments and regulatory changes both domestically and internationally, providing insights for the decision-making in the top management. We also promptly respond to changes in the market environment and implement appropriate strategies accordingly. There was no impact on the Company's financial performance resulted from major changes in domestic and foreign government policies and regulatory environment in the most recent year and as of the publication date of the annual report.

(5). The impact of technological changes (including information security risks) and industry changes on the Company's financial business and response measures

The Company constantly monitors market trends and relevant technological developments in its industry to swiftly grasp industry dynamics. We consistently enhance our research and development capabilities and evaluate their impact on company operations. We will continue to develop new technologies and products in the future. Furthermore, the Company has established an information security policy and conducts regular information security risk assessments and audit cycles to ensure the effectiveness of its information and management systems, as well as compliance with laws and regulations. There was no major impact on the Company's financial performance resulted from changes in technology, information security, and industry in the most recent year and as of the publication date of the annual report.

(6). The impact of corporate image change on corporate crisis management and response measures

The Company is committed to focusing on its core business operations and development, adhering to principles of integrity and professional management in a persistent manner. We continuously strengthen our internal management and enhance quality management capabilities. Since its establishment, the Company has not encountered any incidents that would affect its corporate image. Additionally, the Company will comply with and implement all applicable requirements for corporate governance. There was no change in the Company's corporate image as of the publication date of the annual report.

(7). Expected benefits, possible risks and response measures for conducting M&A

There was no business merger/acquisition involved with the Company in the most recent year and as of the publication date of the annual report.

(8). Expected benefits, possible risks and response measures for the expansion of the plant

In order to provide customers with more timely and relevant services, the company will expand the factory as needed to meet requirement, so the risk remains limited.

(9). Risks on vendor and customer concentration and response measures

1. Purchase concentration

   The Company is primarily engaged in the technical development of electric vehicles, vehicle assembly, and manufacturing management and sales of vehicle components. Once a product design is completed, raw materials for the electric vehicle are procured from suppliers. The assembly of the vehicle is then outsourced to a contract manufacturer. Due to the complexity of electric vehicle design and manufacturing processes, key considerations for our suppliers include their process technology, product yield, cost, production capacity, delivery lead time, and past performance. Also, battery modules typically account for 30% to 40% of the total cost of an electric vehicle, making them the most expensive and critical component in electric vehicles. In the consideration of these

factors above, the Company takes the reasonable approach by concentrating its procurement of battery modules from the world's major suppliers with leading technology while maintaining good relationships with these suppliers to ensures that its products maintain competitive advantages in terms of quality, performance, and pricing. In the future, the Company will continue to explore collaboration opportunities with other battery module suppliers in order to mitigate the concentration risk associated with suppliers.

2. Sales concentration

As the Company operates under a startup business model and is in the early stage of its business expansion, also the automotive industry has a longer product development cycle (from development to market launch) compared to typical consumer products, the Company was exposed to significant customer concentration with a single customer accounting for more than 25% of total sales in 2023. The Company will continue to develop new technologies and products to meet the diverse needs of its customers. We aim to gradually expand into other customer markets and new regions. Following the mass production and sales of new products, it is expected that the risk of customer concentration will be reduced through market diversification with the needs of different customers being met.

(10). The impact of substantial transfer or replacement of shareholdings of directors or major shareholders holding more than 10% of shares on the Company, its risks and response measures

There was no transfer of significant numbers of shares by or change in any of Company's directors and/or shareholders holding more than 10% of outstanding shares on the Company in the most recent year and as of the publication date of the annual report.

(11). The impact of the change of management rights on the Company, its risks and response measures

There was no change of control on the Company in the most recent year and as of the publication date of the annual report.

(12). Litigious or non-litigious disputes

1. Material litigation, non-litigious proceeding, or administrative dispute involving the Company: None.
2. Any material litigation, non-litigious proceeding, or administrative dispute involving any of the Company's directors, CEO, de facto responsible person, major shareholders with a stake of more than 10 percent, or affiliates: None

(13). Other important risks and response measures

There was no other important risk as of the publication date of the annual report.

7. Other Important Matters: None.

VI. Special Disclosure

1. Information on Affiliates

   Please refer to the relevant path in the Public Information Observatory Station –Market Observation Post System (MOPS) > Individual Company > Electronic Document Download > Affiliated Enterprises' Three Statements Section
   https://mopsov.twse.com.tw/mops/web/t57sb01_q10

2. Private Placement of Securities in the Most Recent Year and up to the Publication of the Annual Report: None.

3. Holding or Disposal of the Company's Shares by Subsidiaries in the Most Recent Year and up to the Publication of the Annual Report: None.

VII. Matters that Have a Significant Impact on Shareholders' Equity or Securities Prices

Matters with important impacts on shareholders' equity or prices of securities as indicated in Article 36 Paragraph 2 Subparagraph 2 of the Act over the past year and up to the date the Annual Report was printed: None1

Foxtron Vehicle Technologies Co., Ltd.

Chairman　Liu, Young-Way

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