

Everlight Electronics Co., Ltd.

2024 Annual Report

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Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Corporation Information

1. Spokesperson & Deputy Spokesperson

Spokesperson

Name: Hung-Yen Su

Title: Vice President

TEL: +886-2-2685-6688

Email: ir@everlight.com

Deputy Spokesperson

Name: Chien-Ming Ting

Title: Sr. Director

TEL: +886-2-2685-6688

Email: poaming@everlight.com

2. Headquarters, Branches and Plant

Corporate Headquarters

No.6-8, Chung-Hua Rd., Shu-Ling District, New Taipei City 23860, Taiwan, R.O.C.

TEL: +886-2-2685-6688

Branch

No. 35, Guoguang Ln., Yuanli Township, Miaoli County 358, Taiwan (R.O.C.)

TEL: +886-37-740-776

3. Common Share Transfer Agent and Registrar

Company: The Transfer Agency Department of Capital Securities Co., Ltd.

ADD: B2F., No. 97, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)

Website: www.capital.com.tw

TEL: +886-2-2702-3999

4. Auditors

Company: KPMG

Auditors: Au, Yao-Chun, Hsin, Yu Ting

ADD: 68F., No. 7, Sec. 5, Xinyi Rd., Xinyi Dist., Taipei City 110, Taiwan (R.O.C.)

Website: www.kpmg.com.tw

TEL: +886-2-8101-6666

5. Overseas Securities Exchange: N/A

6. Corporate Website

Website: <http://www.everlight.com>

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1. Letter to Shareholders

To Shareholders Report

Ladies and Gentlemen Shareholders,

Preface

In 2024, the world faced numerous political and economic uncertainties, including the Middle East geopolitical tensions triggered by the Israel– Hamas conflict, the ongoing stalemate in the Russia– Ukraine war, turmoil surrounding the U.S. presidential election, and weakened consumer spending in China due to a sluggish real estate market. Amid these challenges, major economies began to show signs of slowdown and responded by cutting interest rates to prevent a deeper recession. Despite such an economic environment, Everlight still delivered impressive operational results. In 2024, consolidated revenue reached NT\$ 20.97 billion, reflecting a 17.5% year-on-year growth. Gross margin improved by 1 percentage point to 30%, thanks to a better product mix and effective cost control. Furthermore, net income attributable to the parent company doubled to NT\$ 2.94 billion, benefiting from gains in non-operating income. Earnings per share (EPS) stood at NT\$ 6.64, and the board of directors approved a cash dividend of NT\$ 5.31 per share.

New technique and applications

Everlight's overall development strategy continues to focus on the invisible light and automotive sectors. With the continuous advancement of artificial intelligence (AI) and rising wages due to inflation, industrial automation is becoming a mainstream trend, driving demand for robotic arms, collaborative robots, and humanoid robots. In addition, the ESG-driven push for renewable energy has significantly increased demand for energy data processing, monitoring, and control. As a result, industrial servo systems, PLCs (Programmable Logic Controllers), and photovoltaic inverters are becoming growth drivers in the market, boosting demand for photocouplers. Meanwhile, although wearable devices have already become mainstream, new lightweight head-mounted devices and smart glasses are expected to see exponential growth, further driving demand for sensors. In the invisible light components market, Everlight has established a strong foundation through long-term collaboration with leading manufacturers. Moving forward, the company will continue to develop mid-to-high-end photocouplers and sensing components based on market trends and customer needs, promoting its products through R&D excellence and product quality.

In the automotive sector, Everlight will focus on the headlamp market, which accounts for the highest LED value in a vehicle. R&D efforts will aim to enhance headlamp brightness to improve road

safety. For interior lighting, in addition to existing reading lights, button lights, and dashboard indicator lights, the company will continue to enhance its Smart LED-based ambient lighting solutions to meet diverse interior lighting needs. In automotive displays, Everlight's Mini LED backlight unit modules for car displays, already in mass production since last year, are ahead of industry peers. The company is actively expanding its market presence and hopes this technological edge will make its products the standard choice for top automotive brands.

Summary of 2025 business plan

Looking ahead to this year, significant global political and economic shifts are expected following the inauguration of former President Trump. The U.S. appears to have abandoned its role as the global policeman and promoter of globalization, instead prioritizing "America First" policies and reducing government spending. With tariffs likely to inflate consumer prices and spending reductions limiting income growth, this policy shift may ultimately result in stagflation for the world's leading consumer economy. In 2025, the global economic outlook becomes increasingly unpredictable due to these changes in U.S. policy.

Within the LED industry, supply and demand have gradually returned to equilibrium after years of adjustment, and irrational price wars within the industry are subsiding. Everlight will maintain its humble approach in responding to market changes, leveraging its accumulated R&D capabilities and production quality to gain customer support. At the same time, the company will continue optimizing internal management processes to navigate the turbulence in the global political and economic landscape smoothly.

We sincerely thank all our shareholders for their long-term support and recognition. The Everlight management team will continue to work diligently to create greater value for our shareholders.

And, I wish our shareholders good health and all going well with you.

Chairman of BOD, Yin-Fu Yeh

2. Corporate Governance Report

2.1 Information about Directors, supervisors, president, vice presidents, assistant vice presidents, and department and branch managers 2.1.1 Information about directors

Title	Nationality or Place of Registration	Name	Gender /Age	Date Elected	Term (Year)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience & Education	Current Positions at Everlight and Other Companies	Managers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation ship	
Chairman	R.O.C.	Yin-Fu Yeh	Male Above 70	2024.06	3	1983.6	16,168,553	3.65	14,168,553	3.20	651,333	0.15	0	0.00	National Taipei University of Technology Department of Electronic Engineering	Please see note.	Director	Ting-Wei Yeh	Son	Note
Director	R.O.C.	Bo-Wen Zhou	Male Above 70	2024.06	3	1983.6	9,600,000	2.17	9,600,000	2.17	7,000,000	1.58	0	0.00	Department of Information Engineering of Chien Hsin University of Science and Technology Everlight Electronics Co., Ltd. Vice President	Please see note.	-	-	-	
Director	R.O.C.	Ting-Wei Yeh	Male 30-50	2024.06	3	2012.6	500,000	0.11	500,000	0.11	0	0.00	0	0.00	Ph. D of Material Science of University of Southern California Sales VP of ELA President of Everlight Electronics director, Sr. Director	Please see note.	Chairman	Yin-Fu Yeh	Father	
Director	R.O.C.	Bang-Yan Liu	Male 50-70	2024.06	3	2003.6	112,884	0.03	61,884	0.01	0	0.00	0	0.00	Hsieh Chih Vocational High School Everlight production business unit president	Please see note.	-	-	-	
Independent Director	R.O.C.	Rong-Chun Lin	Male 50-70	2024.06	3	1997.6	0	0.00	0	0.00	0	0.00	0	0.00	Ph. D of Business Administration of NCCU Dean of College of Management at Shih Chien University Consultant of Taiwan Academy of Banking and Finance	Please see note.	-	-	-	
Independent Director	R.O.C.	Liang-Gee Chen	Male 50-70	2024.06	3	2021.7	0	0.00	0	0.00	0	0.00	0	0.00	Ph.D. of National Cheng Kung University Chair Professor, Department of Electrical Engineering, National Taiwan University Minister of Ministry of Science and Technology, R.O.C.		-	-	-	

Apr. 14, 2024 Unit:Share

Title	Nationality or Place of Registration	Name	Gender /Age	Date Elected	Term (Year)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience & Education	Current Positions at Everlight and Other Companies	Managers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remark
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Independent Director	R.O.C.	Chin-Der Ou	Male Above 70	2024.06	3	2024.6	0	0.00	0	0.00	0	0.00	0	0.00	Ph.D. in Soil Mechanics from Case Western Reserve University Chairman and CEO, Taiwan High Speed Rail Corporation Chairman, Taipei Smart Card Corporation Deputy Mayor of Taipei City Minister, Public Construction Commission, Executive Yuan	Please see note.	-	-	-	
Independent Director	R.O.C.	Kuo-Chung Chi	Male Above 70	2024.06	3	2024.6	0	0.00	0	0.00	0	0.00	0	0.00	Ph.D. of Institute of Engineering and Applied Sciences of Yale University Chair Professor of the Department of Photonics of National Chiao Tung University Former National Policy Advisor of the Office of the President, R.O.C. (Taiwan)		-	-	-	

Note: Since foundation, Yin-Fu Yeh is the chairman and president. No matter operation or business strategy and all internal affairs, Yin-Fu Yeh takes care of every single thing in personal. As a result, Yin-Fu Yeh is highly mastered in overall industry, operation status, risk management and able to take the adequate action when the Company needs to make major operation strategy. Moreover, only 2 directors out of 8 directors who are also employees in the board, more than half of board members are external directors (including independent director). As a result, the resolution of Board of Directors could stay objectivity. The Company already added one more independent director since 2021 to strngthen the independence of Board and fulfill the regulations.

Nore: Ms. Hui-Chen Fu was elected as a director on June 12, 2024 but did not assume the position.

Note :

Name	Current Positions at Everlight and Other Companies
Yin-Fu Yeh	Everlight Electronics Chairman & President Evervision Electronics Co., Ltd. Chairman & president Forever Investment Co., Ltd. Chairman & president Pai Yee Investment Co., Ltd. Chairman & president Evlite Electronics Co., Ltd. Director Everlight Lighting Intellengence Technology Co., Ltd. Chairman Evervision Electronics (BVI) Director Everlight (BVI) Co., Ltd Director & president Everlight Lighting (China) Chairman Everlight Americas, Inc. Director Everlight Electronics Europe GmbH Director Everlight Optoelectronics Korea Co., Ltd. Chairman Evervision (HK) Ltd. Director Everlight Japan Corporation Chairman, GM Everlight Intelligence Technology KZ LLP Director Everlight (China) Ltd. Director Everlight (Guazhou) Ltd. Director(Registration Changing) Everlight (Zhongshan) Ltd. Director
Bo-Wen Zhou	Everlight Electronics Director
Ting-Wei Yeh	Everlight Electronics Director Everlight Optoelectronics Korea Co.,Ltd. Director Everlight Americas, Inc. Director Everlight (China) Ltd. Director Everlight (Guazhou) Ltd. Director Everlight (Zhongshan) Ltd. Director Everlight Electronics India Private Ltd. Director Everlight Japan Corp. Director
Bang-Yan Liu	Everlight Electronics Director
Rong-Chun Lin	Everlight Electronics Independent Director China Metal Products Co., Ltd. Independent Director Antec, Inc. Independent Director
Liang-Gee Chen	Everlight Electronics Independent Director Nuvoton Technology Corporation Director Vanguard International Semiconductor Corporation Independent Director Ganzin Technology Director Himax Technologies, Inc. Director Qisda Corporation Independent Director Kinsus Interconnect Technology Corp. Independent Director
Chin-Der Ou	Everlight Electronics Independent Director Century Development Corp., Director United Development Corporation, Director Jie-Zheng Property Service & Management Co., Ltd., Director Tong An Asset Director Development & Management, Century Tech. Construction & Management Corp. Director Radium Life Tech. Co., Ltd. Independent Director Elite Advanced Laser Corporation Independent Director Far Eastern Electronic Toll Collection Co., Ltd. Director FETC International Co., Ltd. Director
Kuo-Chung Chi	Everlight Electronics Independent Director Sagabio Co., Ltd. Director TaiCrystal International Technologies Co., Ltd., Director Best Epitaxy Co., Ltd., Director High Power Opto. Inc., Independent Director Ubright Optronics Corp., Indepent Director

2.1.2 Directors' Professional Qualifications and Independence Analysis:

Criteria Name	Professional qualifications and experience	Independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chairman Yin-Fu Yeh	<ol style="list-style-type: none"> 1. Possesses five or more years of work experience required for the Company's business 2. Currently the chairman and president of Everlight Electronics and its subsidiaries. 3. Not been a person of any conditions defined in Article 30 of the Company Law 	Not Applicable	None
Director Bo-Wen Zhou	<ol style="list-style-type: none"> 1. More than five years work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company. 2. Currently the director of Everlight Electronics, served as VP of the Company 3. Not been a person of any conditions defined in Article 30 of the Company Law 		None
Director Bang-Yan Liu	<ol style="list-style-type: none"> 1. More than five years work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company. 2. Currently the director of Everlight Electronics, and served as production business unit president of the Company 3. Not been a person of any conditions defined in Article 30 of the Company Law 		None
Director Ting-Wei Yeh	<ol style="list-style-type: none"> 1. More than five years work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company. 2. Currently the director and VP of Everlight Electronics, and responsible for oversea business of the Company 3. Not been a person of any conditions defined in Article 30 of the Company Law 		None

Independent Director Rong-Chun Lin	<ol style="list-style-type: none"> 1. More than five years as an Instructor or higher position in a department of commerce, law, finance, accounting, or other academic department related to the business needs of the company in a public or private junior college, college or university 2. More than five years work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company. 3. Currently the independent director and the member of the audit and remuneration committee of the Company. 4. Served as the Deputy Dean of the School of Management of Shi Shi University, Supervisor of Everlight Electronics, Director of Dehwa Construction, Supervisor of King Core Electronics, General Manager of Sanyang Securities, Director and VP of Masterlink Securities, VP of Masterlink Investment Consultant, Supervisor and Executive Secretary of the Chairman of CMP, AVP of Citibank, Taipei Branch. 5. Not been a person of any conditions defined in Article 30 of the Company Law. 	<ol style="list-style-type: none"> 1. Not a shareholder who holds the Company shares, together with those held by the person's spouse, minor children, or held by the person under others' names 2. Not a director, supervisor or employee of the company or any of its affiliates. 3. The spouse or the relative within the second degree of kinship not serve as a director, supervisor or employee of the Company or its affiliates. 4. The person , the spouse and the relative within the second degree of kinship not serve as a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. 5. Not a director, supervisor, or employee of a corporate shareholder that directly holds 	2
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Independent Director Liang-Gee Chen	<ol style="list-style-type: none"> 1. More than five years as an Instructor or higher position in a department of commerce, law, finance, accounting, or other academic department related to the business needs of the company in a public or private junior college, college or university 2. More than five years work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company. 3. Currently the independent director and the member of the audit and remuneration committee of the Company. 4. Served as the deputy director of the Department of Electrical Engineering of National Taiwan University, the director of the Institute of Electronics of National Taiwan University, the director of the National Taiwan University Creative Entrepreneurship Program, the deputy R&D director of National Taiwan University, and the deputy dean of the Institute of Electrical Engineering, the director of the National Applied Research Laboratories from 2012 to 2013. In May 2016, transferred from the deputy dean of National Taiwan University to the Deputy Minister of Education of the Ministry of Education. In February 2017, transferred to the Minister of Science and Technology, and returned to National Taiwan University in May 2019. 5. Not been a person of any conditions defined in Article 30 of the Company Law. 	<p>five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Law.</p> <ol style="list-style-type: none"> 6. If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the Same person or are spouses: the person, the spouse, relative within the second degree of kinship not serve as not a director, supervisor, or employee of that other company or institution. 7. Not the spouse or the relative with in the second degree of kinship with other directors. 8. Not a professional individual who provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company and received compensation in the past 2 years. 9. Not a governmental, juridical 	3
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Independent Director Chin-Der Ou	<ol style="list-style-type: none"> 1. More than five years work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company. 2. Currently the independent director and the member of the audit and remuneration committee of the Company. 3. Served as the Director of Century Development Corp., United Development Corp., Jie-Zheng Property Service & Management Co., Ltd., Tong An Asset Co., Ltd., Development & Management, Century Tech. Construction & Management Corp., Far Eastern Electronic Toll Collection Co., Ltd., FETC International Co., Ltd. and the Independent Director of Radium Life Tech. Co., Ltd., Elite Advanced Laser Corp. 4. Not been a person of any conditions defined in Article 30 of the Company Law. 	person or its representative as defined in Article 27 of the Company Law	2
Independent Director Kuo-Chung Chi	<ol style="list-style-type: none"> 1. More than five years as an Instructor or higher position in a department of commerce, law, finance, accounting, or other academic department related to the business needs of the company in a public or private junior college, college or university 2. More than five years work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company. 3. Currently the independent director and the member of the audit and remuneration committee of the Company. 4. Served as Chair Professor of the Department of Photonics of National Chiao Tung University and Former National Policy Advisor of the Office of the President, R.O.C. (Taiwan), Director of Sagabio Co., Ltd., TaiCrystal International Technologies Co., Ltd., Best Epitaxy Co., Ltd., and Independent Director of High Power Opto. Inc., Ubright Optronics Corp., 5. Not been a person of any conditions defined in Article 30 of the Company Law. 		2

Note: According to the Rules Governing Review of Securities Listings as well as the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, the Company has obtained the statement of independence for each independent director and confirms that all of them meet the independence requirements stipulated by laws and regulations.

Note: Ms. Hui-Chen Fu was elected as a director on June 12, 2024 but did not assume the position.

2.1.3 Board diversity policy (directive) and status of implementation thereof

According to Article 20 of “Corporate Governance Best Practice Principles”:

The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

1. Basic requirements and values: gender, age, nationality, and culture.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

According to Article 21 of “Corporate Governance Best Practice Principles”, the board members should generally possess the knowledge, skills and literacy for performing their duties. In order to achieve the ideal goal of corporate governance, all the board of directors should have the following capabilities:

1. Judgment of operation.
2. Abilities of accounting and financial analysis.
3. Abilities of operation and management.
4. Crisis handling capabilities.
5. Industrial knowledge.
6. Vision of international market.
7. Leadership.
8. Decision-making.

Diversity of board members:

Name	Condition												
	Gender	Ages	Nationality	Manager Level	1	2	3	4	5	6	7	8	Technology and Materials Application Expertise
Yin-Fn Yeh	Male	Above 70	R.O.C.	V	V		V	V	V	V	V	V	V
Rong-Chun Lin	Male	50-70	R.O.C.		V	V	V	V		V	V	V	
Liang-Gee Chen	Male	50-70	R.O.C.		V		V	V	V	V	V	V	V
Chin-Der Ou	Male	Above 70	R.O.C.		V		V	V		V	V	V	
Kuo-Chung Chi	Male	Above 70	R.O.C.		V		V	V	V	V	V	V	V
Bo-Wen Zhou	Male	Above 70	R.O.C.		V		V	V	V	V	V	V	
Bang-Yan Liu	Male	50-70	R.O.C.		V		V	V	V	V	V	V	
Ting-Wei Yeh	Male	30-50	R.O.C.	V	V		V	V	V	V	V	V	V

Note: Condition 1-8 apply to the capabilities above.

Note: Ms. Hui-Chen Fu was elected as a director on June 12, 2024 but did not assume the position.

There are eight directors in our Board including four directors and four independent directors. Percentage of independent director on the board is 50%. The terms of four independent directors is less than 3 sessions. the terms of two independent directos is less then 3 years, another one is in 4-6 years and the other one is in 6-9 years. All independent directors meet the independence requirement.

Three directors who are also employees account for 25% and external directos 75%. The three board members with academic proficiency accounts for 38%; four of them with material appliance,

and the other one with accounting, finance, and business administration background; the rest of four directors who all possess abundant knowledge, expertise, and practical experience of industry, and risk management. The combination of industry and academy could exert great synergy and implement the goal of diversification.

In addition, the company also emphasizes the independence and professional background of board members. The goal is to increase the number of independent directors and achieve an independent director ratio of over 50%.

The board's diversification is as follows:

1. Out of the 8 directors, 4 are independent directors, accounting for 50% of the total.
2. There are a total of 4 directors with a background in science and technology, representing 50% of the board.
3. Among the 4 independent directors, one has a finance and accounting background.
4. Out of the 8 directors, 6 have extensive experience in the LED and related industries, accounting for 75% of the board.
5. The number of directors with manager role does not exceed one-third.

2.1.4 Major Shareholder of the institutional shareholder: None

2.1.5 Major shareholders of the major shareholders that are juridical persons: None

2.2 Information Regarding Management Team

April 14, 2024 Unit: Share

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience & Education	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman& president	R.O.C.	Yin-Fu Yeh	Male	1983.05.15	14,168,553	3.20	651,333	0.15	0	0.00	Department of Electronic Engineering of National Taipei University of Technology	Everlight Electronics Chairman & President Evervision Electronics Co., Ltd. Chairman & president Forever Investment Co., Ltd. Chairman & president Pai Yee Investment Co., Ltd. Chairman & president Chairman & president Evlite Electronics Co., Ltd. Director Everlight Lighting Intelligence Technology Co., Ltd. Chairman Evervision Electronics (BVI) Director Everlight (BVI) Co., Ltd Director & president Everlight Lighting (China) Chairman and GM Everlight Americas, Inc. Director Everlight Electronics Europe GmbH Director Everlight Optoelectronics Korea Co., Ltd. Chairman Evervision (HK) Ltd. Director Everlight Japan Corporation Chairman, GM Everlight Intelligence Technology KZ LLP Director Everlight (China) Ltd. Chairman and GM Everlight (Guazhou) Ltd. Director (Registration Changing) Everlight (Zhongshan) Ltd. Director	St. Director	Ting-Wei Yeh	Son	Note
Vice President	R.O.C.	Hung-Yen Su	Male	2023.12.25	0	0.00	0	0.00	0	0.00	Master, Department of Electrical Engineering, Chang Gung	None	-	-	-	

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience & Education	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
											University Sr. Director of LCBU Everlight Electronics Supervisor. Cal-Comp Electronics (Thailand) Public Co.Ltd. Sr. Supervisor, Chicony Power Tech.					
Vice President	R.O.C.	Min-Ta Tsao	Male	2020.11.19	0	0.00	0	0.00	0	0.00	Taipei Kai-Nan High School Everlight Electronics Director	Everlight (Guazhou) Ltd. Chairman (Registration Changing)	-	-	-	
Vice President	R.O.C.	Yi-Chen, Chen	Female	2022.4.7	0	0.00	0	0.00	0	0.00	Department of Economics, National Cheng Kung University Everlight Europe and America Business department Director ASUS Computer and Mobile Phone Division - Product Operation Center – Supervisor	Everlight Optoelectronics (M) SDN. BHD. Director Everlight Electronics India Private Limited Director Everlight Electronics Singapore Pte. Ltd. Director	-	-	-	
Vice President	R.O.C.	Ting-Wei Yeh	Male	2022.4.7	500,000	0.11	500,000	0.11	0	0.00	Ph. D of Material Science of University of Southern California Sales VP of ELA President of Everlight Electronics director, Sr. Director	Everlight Electronics Director Everlight Optoelectronics Korea Co.,Ltd. Director Everlight Americas, Inc. Director Everlight (China) Ltd. Director Everlight (Guazhou) Ltd. Director Everlight (Zhongshan) Ltd. Director Everlight Electronics India Private Ltd. Director Everlight Japan Corp. Director	-	-	-	
Sr. Director	R.O.C.	Chien-Ming Ting	Male	2021.1.5	1,000	0.00	0	0.00	0	0.00	Master of Human Resource and Public Relations DaYeh University Everlight Human Resource and General Affair department director	None	-	-	-	
Sr. Director	R.O.C.	Che-wei, Hsu	Male	2022.4.7	30,000	0.00	0	0.00	0	0.00	Master, Institute of Electrical Engineering, National Taiwan Ocean University Foreign Trade Association International Trade Talent Training Course Everlight Opto. Products department Director UTC R&D Manager, GE R&D Manager	Everlight Lighting (China) Chairman & GM	-	-	-	

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience & Education	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Sr. Director	R.O.C.	Cheng-En Ko	Male	2023.6.6	0	0.00	-	-	0	0.00	MBA, University of Delaware Sr. Director, Everlight Electronics	Everlight (China) Ltd. Director Everlight (Guazhou) Ltd. Director Everlight Optoelectronics Korea Co., Ltd. Supervisor Everlight Electronics (China) Supervisor Everlight (Guazhou) Ltd. Supervisor Everlight Electronics (Zhongshan) Supervisor Everlight Japan Corporation Supervisor	-	-	-	
Accounting Officer	R.O.C.	Chun-Yu Lu	Female	2020.12.23	0	0.00	0	0.00	0	0.00	B.A. Department of Accounting, National CHENCHI University Everlight Financial and Accounting Center Manager		-	-	-	

Note: Since foundation, Yin-Fu Yeh is chairman and president. No matter operation or business strategy and all internal affairs, Yin-Fu Yeh takes care of every single thing personally. As a result, Yin-Fu Yeh is highly mastered in overall industry, operation status, risk management and able to take the adequate action when the Company needs to make major operation strategy. Moreover, only 2 directors who are also employees in board, more than half of board members are external directors (including independent director). As a result, the resolution of Board of Directors could stay objectivity. The Company will add one more independent director in 2021 to strngthen the independence of Board and fulfill the regulations.

Note: The company was officially declared bankrupt by a local court in Germany in April and May 2024. The bankruptcy process is still in progress and the merged company has lost control over it

2.3 Remuneration Paid to Directors, General Manager and Vice President in the most recent year

2.3.1 Remuneration Paid to Directors

Unit: NTS thousand

Title	Name	Director Remuneration						Compensation Earned by a Director Who is an Employee of Epistar or of Epistar's Consolidated Entities				Total Compensation (A+B+C+D+E+F+G) as a % of Net Loss after tax		Compensation Paid to Directors from Non-consolidated Affiliates						
		Base Compensation (A)		Severance Pay and Pensions (B)		Compensation to Directors (C)		Allowances (D)		Total Remuneration (A+B+C+D) as a % of Net Loss after tax		Base Compensation, Bonuses, and Allowances (E)			Severance Pay and Pensions (F)		Employees' Profits Sharing Bonus (G)			
		The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities		The Company	All Consolidated Entities	Cash	Stock	The Company	All Consolidated Entities
Independent Director	Yin-Fu Yeh																			
	Bo-Wen Zhou	0	0	0	0	19,932	240	240	240	20,172	20,172	15,273	96	15,777	0	15,777	0	51,312	51,312	N/A
	Bang-Yan Liu																			
	Ting-Wei Yeh																			
Independent Director	Johnsee Lee (Note 1)																			
	Chen-En Ko (Note 1)																			
	Jung-Chuen Lin	3,125	0	0	0	19,932	240	240	240	23,297	23,297	0	0	0	0	0	0	23,297	23,297	N/A
	Liang-Gee Chen																			
	Jin-De Ou (Note 1)																			
	Gou-Chung Chi (Note 1)																			

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration:

(1) According to the Articles of Incorporation of Company, Upon the Company director or supervisor's performance of company duties, the Company shall pay compensation accordingly whether or not the Company makes profit from business. The board of directors' meeting is hereby authorized to determine compensation which shall be based on their degree of participation and value of contribution to the Company's operation, and shall not exceed the highest salary standard prescribed in the Company's salary determination guidelines.

(2) If the Company makes a profit during the year, the directors' remuneration shall allocate no more than one percent of the profit.

(3) Since the company has a remuneration committee and an audit committee, independent directors have a higher participation in major proposals, so they can earn the distribution of earnings and fixed monthly salary; directors who are not employees can participate in the distribution of earnings.

2. In addition to the above remuneration, director remuneration shall be disclosed as follows when received from companies included in the consolidated financial statements in the most recent year to compensate directors for their services, such as being independent contractors.

* Separately list information for directors (non-independent directors) and independent directors.

Note 1: Mr. Johnsee Lee and Mr. Chen-En Ko resigned in June 2024. / Mr. Jin-De Ou and Mr. Gou-Chung Chi took office in June 2024.

2.3.2 Remuneration Paid to Directors

Range of Remuneration	Name of Directors				
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)		
	The Company	All Consolidated Entities H	The Company	All Consolidated Entities and Non-Consolidated Affiliates I	
NT\$0~NT\$1,000,000					
NT\$1,000,000~NT\$2,000,000					
NT\$2,000,000~NT\$3,500,000	Chen-En Ko (Note 1) 、Johnsee Lee (Note 1) 、Jin-De Ou (Note 1) 、Gou-Chung Chi (Note 1)	Chen-En Ko (Note 1) 、Johnsee Lee (Note 1) 、Jin-De Ou (Note 1) 、Gou-Chung Chi (Note 1)	Chen-En Ko (Note 1) 、Johnsee Lee (Note 1) 、Jin-De Ou (Note 1) 、Gou-Chung Chi (Note 1)	Chen-En Ko (Note 1) 、Johnsee Lee (Note 1) 、Jin-De Ou (Note 1) 、Gou-Chung Chi (Note 1)	
NT\$3,500,000~NT\$5,000,000					
NT\$5,000,000~NT\$10,000,000	Yin-Fu Yeh 、Bo-Wen Zhou 、Bang-Yan Liu 、Ting-Wei Yeh 、Liang-Gee Chen 、Jung-Chuen Lin	Yin-Fu Yeh 、Bo-Wen Zhou 、Bang-Yan Liu 、Ting-Wei Yeh 、Liang-Gee Chen 、Jung-Chuen Lin	Bo-Wen Zhou 、Bang-Yan Liu 、Liang-Gee Chen 、Jung-Chuen Lin	Bo-Wen Zhou 、Bang-Yan Liu 、Liang-Gee Chen 、Jung-Chuen Lin	
NT\$10,000,000~NT\$15,000,000			Ting-Wei Yeh	Ting-Wei Yeh	
NT\$15,000,000~NT\$30,000,000			Yin-Fu Yeh	Yin-Fu Yeh	
NT\$30,000,000~NT\$50,000,000					
NT\$50,000,000~NT\$100,000,000					
Over NT\$100,000,000					
Total	10		10		

Note 1: Mr. Johnsee Lee and Mr. Chen-En Ko resigned in June 2024. / Mr. Jin-De Ou and Mr. Gou-Chung Chi took office in June 2024.

2.3.3 Remuneration Paid to President and Vice Presidents

Unit: NT\$ thousand

Title	Name	Salary (A)		Severance Pay and Pensions (B)		Bonuses and Allowances (C)		Employees' Profit Sharing Bonus (D)				Total Compensation as a % of 2018 Net Profit (A+B+C+D)	Compensation Received from Non- consolidated From Affiliates
		The Company	All Consolidat ed Entities	The Company	All Consolida ted Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities		The Company	All Consolidated Entities	
President	Yin-Fu Yeh												
Vice President	Ting-Wei Yeh (Note 1)												
Vice President	Ruei-Min Li (Note 1, 2)												
Vice President	Hong-Yan Su (Note 1)												
Vice President	Yi-Jen Chen (Note 1)												
		23,492	23,492	420	420	3,960	3,960	33,785	0	33,785	0	61,658	0

Range of Remuneration	Name of President and Vice President	
	The Company	All Consolidated Entities E
NT\$0~NT\$1,000,000		
NT\$1,000,000~NT\$2,000,000		
NT\$2,000,000~NT\$3,500,000	Ruei-Min Li (Note 1, 2)	Ruei-Min Li (Note 1, 2)
NT\$3,500,000~NT\$5,000,000		
NT\$5,000,000~NT\$10,000,000	Ting-Wei Yeh (Note 1)	Ting-Wei Yeh (Note 1)
NT\$10,000,000~NT\$15,000,000	Hong-Yan Su (Note 1) 、Yi-Jen Chen (Note 1)	Hong-Yan Su (Note 1) 、Yi-Jen Chen (Note 1)
NT\$15,000,000~NT\$30,000,000	Yin-Fu Yeh	Yin-Fu Yeh
NT\$30,000,000~NT\$50,000,000		
NT\$50,000,000~NT\$100,000,000		
100,000,000 and above		
Total	5	5

Note 1: Mr. Hong-Yan Su and Ms. Yi-Jen Chen and Mr. Ting-Wei Yeh and Mr. Ruei-Min Li was promoted to Vice President, effective May 3, 2024.

Note 2: Mr. Ruei-Min Li resigned in January 2025

2.3.4 Employees' Profit Sharing Bonus Paid to Management Team

Dec. 31, 2024 Unit: NT\$ thousand; Shares k

Title	Name	Stock	Cash	Total Employees' Profit Sharing Bonus	Total Employees' Profit Sharing Bonus Paid to Management Team as a % of Net Loss
President	Yin-Fu Yeh	0	57,373	57,373	1.82%
Vice President	Ting-Wei Yeh (Note 1)				
Vice President	Hong-Yan Su (Note 1)				
Vice President	Yi-Jen Chen (Note 1)				
Vice President	Ruei-Min Li (Note 1, 2)				
Sr. Director	CHE WEI HSU				
Sr. Director	Min-Ta Tsao				
Sr. Director	Chen-En Ko				
Sr. Director	Chih-Min Ding				
Accounting Supervisor Financial Supervisor (Agent) Corporate Governance Officer	Chun-Yu Lu				

Note 1: Mr. Hong-Yan Su and Ms. Yi-Jen Chen and Mr. Ting-Wei Yeh and Mr. Ruei-Min Li was promoted to Vice President, effective May 3, 2024.

Note 2: Mr. Ruei-Min Li resigned in January 2025.

2.3.5 Comparison of Remuneration for Directors, Supervisors, President and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Supervisors, President and Vice Presidents

Title	The ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements for the two most recent fiscal years to directors, President and vice presidents of the Company, to the net loss & Profit.			
	2023		2024	
	The Company	All Consolidated Entities	The Company	All Consolidated Entities
Directors	1.59%	1.59%	1.48%	1.48%
President and Vice President	1.06%	1.06%	2.09%	2.09%

In fiscal year 2024, due to an increase in net income after tax compared to the previous year, the total amount allocated for directors' compensation was only slightly adjusted from 2023, resulting in a relatively minor change in the proportion of annual compensation to net income after tax. However, the proportion of compensation to net income after tax for the General Manager and Deputy General Managers showed a more significant change due to the addition of four Deputy General Managers.

1. Policies, Standards, and Combinations of Compensation Payments:

- A. Board remuneration in our company is determined according to Article 20 of the Company's Articles of Incorporation. If the company is profitable in a fiscal year, a provision of no more than one percent is allocated for board remuneration. The allocation amount is calculated based on our company's "Employee Remuneration Allocation Measures." Both directors and independent directors can participate in the distribution of

board remuneration. The reasonableness of compensation is reviewed by the Compensation Committee and the Board of Directors.

- B. Executive compensation in our company includes various allowances and bonuses to acknowledge and reward employees' efforts in their work. Related bonuses are determined based on the company's annual operational performance, financial condition, operational situation, and individual job performance. Additionally, if the company is profitable in a fiscal year, six to twelve percent is allocated for employee remuneration, calculated according to our company's "Employee Remuneration Allocation Measures." The performance evaluation results based on our "Performance Management Measures" serve as a reference for executive bonuses. The evaluation criteria for executives consist of two parts: (1) Financial indicators: distribution of departmental contributions to the company based on our management income statement and consideration of the managers' goal achievement rates; (2) Non-financial indicators: comprised of the practical application of the company's core values, operational management capabilities, and participation in sustainable business practices. The compensation for their operational performance is periodically reviewed based on the actual operational conditions and relevant regulations.
- C. The salary and compensation provided by our company, as defined in Article 7, Section 3 of our company's "Compensation Committee Organization Regulations," includes cash rewards, stock options, stock dividends, retirement benefits or severance pay, various allowances, and other measures with substantial rewards. Its scope aligns with the guidelines for disclosure items in the annual report of publicly traded companies concerning director and executive compensation.

2. Procedures for Setting Compensation:

- A. To regularly evaluate executive compensation, the performance evaluation results based on our company's "Performance Management Measures" serve as the basis. The general manager's remuneration is determined by referencing the "domestic industry distribution level" and linking it to the company's operational performance indicators, which is then submitted for board approval. To fully demonstrate the achievement of operational performance indicators, the evaluation scope for the general manager includes the three major strategic priorities: (1) Short-term operational indicators, (2) Mid-term strategic indicators, and (3) Corporate social responsibility. The evaluation scope encompasses key indicators such as revenue targets, cost efficiency, product research and development strategies, talent development strategies, environmental protection and workplace safety, social responsibility, and corporate governance. All these indicators are adjusted based on the company's operational strategy, recommendations from the Compensation Committee, and the Board of Directors.
- B. The performance evaluation and reasonableness of executive compensation in our company are reviewed and assessed annually by the Compensation Committee and the Board of Directors. It takes into account individual performance achievement rates, contributions to the company, overall operational performance, market salary surveys, industry development trends, and periodic reviews of the compensation system based on actual operational conditions and relevant regulations. The actual amounts of director and executive remuneration for the fiscal year 2024 are determined after review by the Compensation Committee and approved by the Board of Directors.

3. Relationship with Operational Performance:

The review of our company's compensation policy, related payment standards, and system is primarily based on the overall operational conditions of the company. The payment standards are determined based on performance achievement rates and contributions to enhance the overall organizational effectiveness of the management department. Industry salary standards are also considered to ensure that the compensation for our company's

management level remains competitive within the industry, thereby retaining outstanding3.4
Implementation of Corporate Governance
2.3.6 Board of Directors Meeting Status

1. A total of 7 (A) meetings of the Board of Directors were held in 2024. The directors' attendance status is as follows.

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Chairman	Yin-Fu Yeh	7	0	100	
Director	Bo-Wen Zhou	7	0	100	
Director	Bang-Yan Liu	7	0	100	
Director	Shinh Wum International Investment LTD representative : Ting-Wei Yeh	3	0	100	Not re-elected in the re-election.
Director	Ting-Wei Yeh	4	0	100	2024/6/12 Elected
Independent director	Chen-En Ko	3	0	100	Not re-elected in the re-election due to reaching the 9-year term limit for independent directors.
Independent director	Johnsee Lee	3	0	100	Not re-elected in the re-election due to reaching the 9-year term limit for independent directors.
Independent director	Rong-Chun Lin	7	0	100	
Independent director	Liang-Gee Chen	7	0	100	
Independent director	Chin-Der Ou	4	0	100	2024/6/12 Elected
Independent director	Kuo-Chung Chi	4	0	100	2024/6/12 Elected

*The overall Attendance rate of the board of directors is 100%

2. Other special disclosure:

(1) Where the Board of Directors' operation meets any of the following circumstances, please clearly state the directors' meeting date, term, contents of motions and resolution thereof, opinions of all independent directors and the Company's handling of said opinions:

i. Securities and Exchange Act §14-3 resolutions:

Term/____st /nd/rd/th time Date	Contents of motion	Resolution
14-20 2024.1.26	Disposal of BLU business and Investment	It was approved and as per the resolution was executed.
Independent director's opinion:None		
The Company's handling of independent director's opinion:N/A		
14-21 2024.3.13	Proposal for the appointment of the Chief Auditor by the Company.	It was approved and as per the resolution was executed.

	2023 financial report and business report.	
	Earning distribution of 2023.	
	Proposal to distribute cash dividends from capital surplus.	
	Proposal for the assessment of the independence of the certified public accountants for 2024.	
	Discussion of overdue more than 90 days account receivables required to transfer to the corporation lending	
	Approval of the Statement of Declaration on Internal Control System 2023.	
	Disposal of Investment.	
	Proposal to revise the Company's Table of Approval Authority.	
	Discussion of the proposal for the improvement plan.	
Independent director’s opinion:None		
The Company’s handling of independent director’s opinion:N/A		
14-22 2024.5.13	2024 financial report of Q1	It was approved and as per the resolution was executed.
	Discussion of overdue more than 90 days account receivables required to transfer to the corporation lending	
	Disposal of Investment.	
Independent director’s opinion:None		
The Company’s handling of independent director’s opinion:N/A		
15-2 2024.8.13	2024 financial report of Q2	It was approved and as per the resolution was executed.
	Discussion of overdue more than 90 days account receivables required to transfer to the corporation lending	
	Evaluate the contents of service and remuneration 2024 about appointment of CPAs	
	Proposal to authorize board members to sign audit reports.	
Independent director’s opinion:None		
The Company’s handling of independent director’s opinion:N/A		
15-3 2024.11.12	2024 financial report of Q3	It was approved and as per the resolution was executed.
	Discussion of overdue more than 90 days account receivables required to transfer to the corporation lending	
	Proposal to revise the Company's Table of Approval Authority.	
Independent director’s opinion:None		
The Company’s handling of independent director’s opinion:N/A		
15-4 2024.12.19	Approval of auditing plan for 2025	It was approved and as per the resolution was executed.
Independent director’s opinion:None		
The Company’s handling of independent director’s opinion:N/A		

ii. There were no other written or otherwise recorded resolutions on which an independent

director had a dissenting opinion or qualified opinion in 2024.

(2) Recusals of Directors due to conflicts of interests in 2024:

Term/____st/nd/rd/th time Date	Persons recusing themselves	Contents of motion	Status	Resolution
14-21 2024.3.13	Yin-Fu Yeh Ting-Wei Yeh	Disposal of Invesment	As Chairman Yeh Yin-Fu serves as both the Chairman and General Manager of the invested company, and Director Yeh Ting- Wei is his first- degree relative, the above-mentioned directors shall recuse themselves due to a conflict of interest.	Chen-En Ko was the acting chairman, avoidance directors did not vote and the other directors had no objection to the approval
15-2 2024.8.13	Yin-Fu Yeh Ting-Wei Yeh	Allocation of 2023 employee remuneration to managers and/or directors who were also employees.	The directors in relation to the individual's interest conflicts, each of the directors temporarily left and avoided each other, and did not participate in the discussion and voting.	Rong-Chun Lin was the acting chairman, avoidance directors did not vote and the other directors had no objection to the approval

(3) Listed companies shall disclose information such as the evaluation cycle and period, evaluation scope, method and evaluation content of the board of directors' self (or peers) evaluation, and fill in the attached form of the implementation of the board of directors' evaluation:

In December 2019, the board of directors approved the board performance evaluation measures to encourage self-assessment among board members and enhance the board's functionality. The internal board and functional committee performance evaluations are conducted annually. In the first quarter, the board conducts self-assessments and overall board self-evaluations, with results reviewed within the same quarter. External board performance evaluations are conducted at least once every three years by an external professional independent organization or a team of external experts and scholars, with the annual performance evaluation carried out in the fourth quarter of the year.

This evaluation is executed by the finance department. The process is to issue an internal questionnaire to each director and functional committee (audit and remuneration) members in January every year, and collect the questionnaire data at the end of the month. The self-evaluation results are collected and analyzed and then submitted Board of Directors for the first quarter of the year.

In 2024, internal evaluation has been conducted. The most recent internal evaluation targets are the board of directors, board members, and functional committees. The evaluation results for 2024 had been executed and reported at board meeting on 2025/3/13.

(1) The execution of internal evaluation to the board of directors

Evaluation cycle	Evaluation period (Note)	Scope of evaluation	Evaluation method	Evaluation items
Once a year	2024.1.1- 2024.12.31	All Board of Directors	Self evaluation	1. Participation in the company's operations

				2. Improvement of the quality of the board decisions 3. The composition and structure of the board 4. The selection of directors and continuous education 5. Internal control
Once a year	2024.1.1-2024.12.31	Each Directors	Self evaluation	1. Understanding of the Company's goals and tasks 2. Recognition of directors' duties 3. Participation in the company's operations 4. Internal relationship management and communication 5. Expertise and continuous education of directors 6. Internal control
Once a year	2024.1.1-2024.12.31	Audit committee members	Self evaluation	1. Level of Audit Committee's Involvement in Company Operations 2. Understanding of the Responsibilities of the Audit Committee 3. Enhancing the Decision-Making Quality of the Audit Committee 4. Composition and Selection of Audit Committee Members 5. Internal Control
Once a year	2024.1.1-2024.12.31	Compensation committee members	Self evaluation	1. Level of Compensation Committee's Involvement in Company Operations 2. Understanding of the Responsibilities of the Compensation Committee 3. Enhancing the Decision-Making Quality of the Compensation Committee 4. Composition and Selection of Compensation Committee Members

The overall board evaluation is divided into five aspects (1. Participation in company operations, 2. Improving the quality of board decision-making, 3. Board composition and structure, 4. Selection and continuous training of directors, and 5. Internal control), with an overall average achievement rate of 98%. The board of directors achieved nearly 100% in all indicators, except for 89% in the selection and continuous training of directors. This was mainly due to the lack of clear plans for directors' training and succession planning. In the future, the board will consider supplementing relevant systems to strengthen the board's functions.

The evaluation of individual board members is divided into six aspects (1. Understanding of company goals and tasks, 2. Awareness of director responsibilities, 3. Level of

participation in company operations, 4. Internal relationship management and communication, 5. Directors' professionalism and continuing education, 6. Internal control), with an average achievement rate of 100%. The board members self-assessed that the achievement rate of the six major indicators was 100%.

The audit committee evaluation is divided into five aspects (1. Participation in company operations, 2. Awareness of the responsibilities of the functional committee, 3. Improving the quality of decision-making of the functional committee, 4. Composition of the functional committee and selection of members, 5. Internal control), with an average achievement rate of 100%, indicating that the audit committee operates well. .

The evaluation of the Compensation Committee is divided into four aspects (1. Participation in the company's operations, 2. Awareness of the functional committee's responsibilities, 3. Improving the quality of functional committee decision-making, and 4. Functional committee composition and member selection). The average achievement rate is 99%, and only one member believes that the indicator of "determining director remuneration based on performance evaluation results" is not applicable. The Compensation Committee operates well.

2.3.7 Audit Committee Meeting Status

The audit committee of the Company is composed of four independent directors. The purpose of the audit committee is to supervise the Company's internal or external risk control, the compliance to the laws and regulations, the effective implementation of internal control and the adequacy of financial statements. The audit committee's main annual implementation matters are as follows:

1. Assessment of the effectiveness of the internal control system, issuing the Statement of Internal Control System and audit committee reviewing report.
2. The adoption or amendment of the procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others.
3. Asset transactions or derivatives trading of a material nature.
4. Loans of funds, endorsements, or provision of guarantees of a material nature.
5. Assessment of CPA's remuneration and independence.
6. The appointment or discharge of a financial, accounting, or internal audit officer.
7. Annual, quarterly and semi-annual financial reports.
8. Proposals regarding profit distribution.
9. Compliance with the laws and regulations.
10. Operation status and risk control of the subsidiaries.
11. Operation status of subsidiaries.
12. Self evaluation of the performance in audit committee.
13. Other material matters as may be required by this Corporation or by the competent authority.

A total of 6 (A) Audit Committee meetings were held in 2024. The independent directors' attendance status is as follows.

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Independent Director (Chairman)	Chen-En Ko	3	0	100	Not re-elected in the re-election due to reaching the 9-year term limit for independent
Independent Director	Johnsee Lee	3	0	100	directors. Not re-elected in the re-election due to reaching the 9-year term limit for independent directors.
Independent Director (Chairman)	Rong-Chun Lin	6	0	100	
Independent Director	Liang-Gee Chen	6	0	100	
Independent Director	Chin-Der Ou	3	0	100	2024/6/12 Elected
Independent Director	Kuo-Chung Chi	3	0	100	2024/6/12 Elected

* Overall attendance Rate is 100%

Other special disclosure:

- (1) Where the Audit Committee's operation meets any of the following circumstances, please clearly state the directors' meeting date, term, contents of motions and resolution of the Audit Committee, and the Company's handling of the Audit Committee's opinions:

i. Resolutions related to Securities and Exchange Act §14-5:

Term/____st/ nd/rd/th time Date	Contents of motion	Resolution of Audit Committee
2-21 2024.1.26	Disposal of BLU business and Investment	The motion was approved by all present directors unanimously, and approved by board meeting on 2024/1/26.
Independent director's opinion:None		
The Company's handling of independent director's opinion:N/A		
2-22 2024.3.13	Proposal for the appointment of the Chief Auditor by the Company.	The motion was approved by all present directors unanimously, and approved by board meeting on 2024/3/13.
	2023 financial report and business report.	
	Earning distribution of 2023.	
	Proposal to distribute cash dividends from capital surplus.	
	Proposal for the assessment of the independence of the certified public accountants for 2024.	
	Discussion of overdue more than 90 days account receivables required to transfer to the corporation	

	lending	
	Approval of the Statement of Declaration on Internal Control System 2023.	
	Disposal of Investment.	
	Proposal to revise the Company's Table of Approval Authority.	
	Discussion of the proposal for the improvement plan.	
Independent director’s opinion:None		
The Company’s (the board of directors’) handling of Audit Committee’s opinion: N/A		
2-23 2024.5.13	2024 financial report of Q1	The motion was approved by all present directors unanimously, and approved by board meeting on 2024/5/13
	Discussion of overdue more than 90 days account receivables required to transfer to the corporation lending	
	Disposal of Investment.	
Independent director’s opinion:None		
The Company’s (the board of directors’) handling of Audit Committee’s opinion: N/A		
3-01 2024.8.13	2024 financial report of Q2	The motion was approved by all present directors unanimously, and approved by board meeting on 2024/8/13.
	Discussion of overdue more than 90 days account receivables required to transfer to the corporation lending	
	Evaluate the contents of service and remuneration 2024 about appointment of CPAs	
Independent director’s opinion:None		
The Company’s (the board of directors’) handling of Audit Committee’s opinion: N/A		
3-02 2024.11.12	2024 financial report of Q3	The motion was approved by all present directors unanimously, and approved by board meeting on 2024/11/12.
	Discussion of overdue more than 90 days account receivables required to transfer to the corporation lending	
	Proposal to revise the Company's Table of Approval Authority.	
Independent director’s opinion:None		
The Company’s (the board of directors’) handling of Audit Committee’s opinion: N/A		
3-03 2024.12.19	Approval of auditing plan for 2025	The motion was approved by all present directors unanimously, and approved by board meeting on 2024/12/19.
Independent director’s opinion:None		
The Company’s (the board of directors’) handling of Audit Committee’s opinion: N/A		

ii. There were no other resolutions that were not approved by the Audit Committee but were approved by two thirds or more of all directors in 2024.

(2) There were no recusals of independent directors due to conflicts of interests in 2024.

- (3) Descriptions of the communications between the independent directors, the internal auditors, and the independent auditors in 2024:

Summary of the communication between independent directors and the external auditor

The Company's independent directors had fair communication with the external auditor. The communication in 2024 was outlined as following:

Date	Attendees	Points of communication	Communication result
2024/3/13	Chen-En Ko, Johnsee Lee, Rong-Chun Lin, Liang-Gee Chen, And CPA-Au,Yao-Chun	Summary: 1. External auditor's Independence 2. External auditor's responsibility of auditing. 3. Type of auditing reviewing conclusion 4. Audit and review scope 5. Audit and review discovery 6. Major internal control deficiencies and reminders 7. KPMG Audit Quality Indicators 8. Update on auditing regulations 9. Important update on accounting standards or interpretation, securities regulations and tax law	Independent director's opinion:None
2024/5/13	Chen-En Ko, Johnsee Lee, Rong-Chun Lin, Liang-Gee Chen, And CPA-Au,Yao-Chun	Summary: 1. External auditor's Independence 2. External auditor's responsibility of auditing. 3. Type of auditing reviewing conclusion. 4. Audit and review scope 5. Audit and review discovery 6. Important update on accounting standards or interpretation, securities regulations and tax law	Independent director's opinion:None
2024/8/13	Rong-Chun Lin, Liang-Gee Chen, Chin-Der Ou, Kuo-Chung Chi, And CPA-Au,Yao-Chun	Summary: 1. External auditor's Independence 2. External auditor's responsibility of auditing. 3. Type of auditing reviewing conclusion. 4. Audit and review scope 5. Audit and review discovery 6. IFRS Sustainability Disclosure Standards Introduction Plan 7. Important update on accounting standards or interpretation, securities regulations and tax law	Independent director's opinion:None
2024/11/12	Rong-Chun Lin, Liang-Gee Chen, Chin-Der Ou, Kuo-Chung Chi, And CPA-Au,Yao-Chun	Summary: 1. External auditor's Independence 2. External auditor's responsibility of auditing. 3. Type of auditing reviewing conclusion. 4. Audit and review scope 5. Audit and review discovery 6. The main impact of the expected amendment to Auditing Standard No. 600 7. Plan of annual auditing 8. Important update on accounting standards or interpretation, securities regulations and tax law 9. AQI Information	Independent director's opinion:None

Auditors' Opinions from 2020 to 2024

Year	Accounting Firm	CPA	Audit Opinion
2020	KPMG	Au, Yiu Kwan/ Lo, Jui Lan	Unqualified Opinion
2021	KPMG	Au, Yiu Kwan/ Lo, Jui Lan	Unqualified Opinion
2022	KPMG	Au, Yiu Kwan/ Lo, Jui Lan	Unqualified Opinion
2023	KPMG	Au, Yiu Kwan/ Lo, Jui Lan	Unqualified Opinion with Emphasis of Matter
2024	KPMG	Au, Yiu Kwan/ Hsin, Yu Ting	Unqualified Opinion

Audit Committee's Report for the Most Recent Year

Everlight Electronics Co., Ltd. Audit Committee's Review Report

The board of directors has prepared and submitted the Company's 2024 Business Report, Financial Statements and Proposal for Earnings Distribution of the Company for the year 2024. Yiu-Kwan Au CPA and Yu Ting Hsin CPA of KPMG have also audited the financial statements and issued the auditors' report. The Business Report, Financial Statements and Proposal for Earnings Distribution of the Company for the year 2024 have been reviewed and determined to be correct and accurate by the Audit Committee members of Everlight Electronics Co., Ltd. According to article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit the report.

Hereto

2025 Annual General Shareholders' General Meeting

Chairman of the Audit Committee: Rong-Chun Lin

Date: March 13th, 2025

Summary of the communication between independent directors and internal audit officer

The Company's independent directors had fair communication about status and result of the audit affairs through email and meeting by month or quarter. The internal auditing would follow the resolution from Audit Committee about the audit subject and scope. The communication in 2024 was outlined as following:

Date	Purpose	Method	Topic	Result
2024/3/13	1. Review of audit reports 2. Monthly report of internal audit	Audit Committee	1. Review of audit reports 2. Progress of audit cases 3. Significant audit findings 4. Status of improvement tracking 5. Handling of reported cases 6. Internal Control Report of 2024	1. Independent directors recommend analyzing the distribution of audit findings over the past three years, including trends and classification by department and function 2. The independent director further inquired about the content and details of the report. After the internal audit director responded and explained, the independent director had no other opinions.
2024/5/13	1. Review of audit reports 2. Monthly report of internal audit	Audit Committee	1. Review of audit reports 2. Progress of audit cases 3. Significant audit findings 4. Status of improvement tracking 5. Handling of reported cases	The independent director further inquired about the content and details of the report. After the internal audit director responded and explained, the independent director had no other opinions.
2024/8/13	1. Review of audit reports 2. Monthly report of internal audit	Audit Committee	1. Review of audit reports 2. Progress of audit cases 3. Significant audit findings 4. Status of improvement tracking 5. Handling of reported cases	The independent director further inquired about the content and details of the report. After the internal audit director responded and explained, the independent director had no other opinions.
2024/11/12	1. Review of audit reports 2. Monthly report of internal audit	Audit Committee	1. Review of audit reports 2. Progress of audit cases 3. Significant audit findings 4. Status of improvement tracking 5. Handling of reported cases 6. Progress of internal	The independent director further inquired about the content and details of the report. After the internal audit director responded and explained, the independent director had no other opinions.

			control system revision	
2024/12/19	1.Review of audit reports 2. Monthly report of internal audit 3. Annual auditing plan	Audit Committee and Annual plan report	1.Review of audit reports 2.Progress of audit cases 3.Significant audit findings 4.Status of improvement tracking 5.Handling of reported cases 6. 2025 implementation of the internal audit plan 7. Annual audit plan 8. 2025 annual man power and professional training plan	The independent director further inquired about the content and details of the report. After the internal audit director responded and explained, the independent director had no other opinions.

(4) Continuing Education/Training of Directors in 2024

Name	Date		Host by	Training Title	Hours	Total hours
	From	To				
Yin-Fu Yeh	2024/9/24	2024/9/24	Taiwan Corporate Governance Association	Innovation and Profitability Strategies for Enterprises in the Digital Economy Era	3.0	6
	2024/11/21	2024/11/21	Taiwan Corporate Governance Association	Current Global Economic and Financial Landscape	3.0	
Bo-Wen Zhou	2024/9/24	2024/9/24	Taiwan Corporate Governance Association	Innovation and Profitability Strategies for Enterprises in the Digital Economy Era	3.0	6
	2024/11/21	2024/11/21	Taiwan Corporate Governance Association	Current Global Economic and Financial Landscape	3.0	
Bang-Yan Liu	2024/9/24	2024/9/24	Taiwan Corporate Governance Association	Innovation and Profitability Strategies for Enterprises in the Digital Economy Era	3.0	6
	2024/11/21	2024/11/21	Taiwan Corporate Governance Association	Current Global Economic and Financial Landscape	3.0	
Ting-Wei Yeh	2024/9/24	2024/9/24	Taiwan Corporate Governance Association	Innovation and Profitability Strategies for Enterprises in the Digital Economy Era	3.0	6
	2024/11/21	2024/11/21	Taiwan Corporate Governance Association	Current Global Economic and Financial Landscape	3.0	
Rong-Chun Lin	2024/4/10	2024/4/10	Taiwan Institute of Directors	Navigating Corporate Wisdom: Corporate Governance as the Guiding Force	3.0	30
	2024/4/19	2024/4/19	Taiwan Academy of Banking and Finance	Corporate Governance Forum	3.0	
	2024/7/3	2024/7/3	Taiwan Stock Exchange Corporation	2024 Cathay Sustainable Finance and Climate Change Summit	6.0	
	2024/8/1	2024/8/1	Taiwan Corporate Governance Association	Tax Implications of Common Investment Structures in Southeast Asia	3.0	
	2024/9/24	2024/9/24	Taiwan Corporate Governance Association	Innovation and Profitability Strategies for Enterprises in the Digital Economy Era	3.0	
	2024/9/27	2024/9/27	Taiwan Academy of Banking and Finance	Corporate Governance Forum	3.0	

	2024/10/7	2024/10/7	Chinese National Association of Industry and Commerce	2024 Taishin Net Zero Summit	3.0	
	2024/11/21	2024/11/21	Taiwan Corporate Governance Association	Current Global Economic and Financial Landscape	3.0	
	2024/11/29	2024/11/29	Securities and Futures Institute	2024 Legal Compliance Briefing on Insider Shareholding Transactions	3.0	
Liang-Gee Chen	2024/8/2	2024/8/2	Independent Director Association Taiwan	Family Business Succession and Tax Practice	3.0	6
	2024/11/25	2024/11/25	Taiwan Corporate Governance Association	High-Tech Cybersecurity Risk Management	3.0	
Chin-Der Ou	2024/8/14	2024/8/14	Taiwan Corporate Governance Association	Trends in Smart Manufacturing and Applications of Digital Technology in Business Management	3.0	9
	2024/9/24	2024/9/24	Taiwan Corporate Governance Association	Innovation and Profitability Strategies for Enterprises in the Digital Economy Era	3.0	
	2024/10/9	2024/10/9	Securities and Futures Institute	Carbon Trading Mechanisms and Applications in Carbon Management	3.0	
Kuo-Chung Chi	2024/9/10	2024/9/10	Taipei Exchange	Briefing on Insider Shareholding Compliance for OTC and Emerging Stock Companies	3.0	9
	2024/9/24	2024/9/24	Taiwan Corporate Governance Association	Innovation and Profitability Strategies for Enterprises in the Digital Economy Era	3.0	
	2024/11/21	2024/11/21	Taiwan Corporate Governance Association	Current Global Economic and Financial Landscape	3.0	

2.3.8 Status of corporate governance, departures from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures
	YES	NO	
1. Does the Company follow “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies” to establish and disclose its corporate governance principles?	V		The Company has established, via Board resolution on Nov. 12, 2015, corporate governance best-practice principles and the latest amendment approved by board meeting on Nov. 13, 2024. The principle is disclosed on our website investor/corporate governance/important regulations of the Company
2. Shareholding Structure & Shareholders’ Rights (1) Does Company have Internal Operation Procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters. If yes, has these procedures been implemented accordingly? (2) Does Company possess a list of major shareholders and beneficial owners of these major shareholders? (3) Has the Company built and executed a risk management system and “firewall” between the Company and its affiliates?	V		None

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures
	YES	NO	
(4) Has the Company established internal rules prohibiting insider trading on undisclosed information?			<p>improper benefit transfers in intercompany transactions, including the purchase and sale of goods, acquisition and disposal of assets, endorsements and guarantees, and loans. Additionally, our company strictly adheres to the internal control system regulations.</p> <p>(4) The Company established the operating procedure for prevention of insider trading. The subjects referred to therein include but are not limited to insiders, including their related parties, persons who forfeit the identity of insider for less than 6 months, and persons who access the information from said persons. The Company also requires employees and insiders to undergo education and training when insiders take office and at various times to prevent from insider trading.</p> <p>The Company arranges at least one annual legal briefing session for managers and senior executives at headquarters, and the Suzhou, Zhongshan, Yuanli, and Tongluo plants. The content includes the confidentiality and disclosure of significant information, prevention of insider trading, and transactions of shares by insiders. The duration of the legal briefing is 60 minutes.</p> <p>On December 24, 2024, a legal briefing session was conducted, attended by 27 participants. Electronic training materials and relevant regulations were also distributed to managers and executives for reference.</p>

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures
	YES	NO	
			<p>Additionally, to prevent directors or employees from using non-public information to trade securities, the board of directors approved revisions to the Corporate Governance Practices Code on March 23, 2022. The revised code explicitly prohibits directors from trading stocks during the 30-day period before the annual financial report announcement and the 15-day period before the quarterly financial report announcements.</p> <p>Each quarter, an email reminder is sent to directors and insiders about the board meeting dates for the approval of financial reports and the blackout periods for stock trading. A total of 20 participants received these email reminders.</p>
<p>3. Composition and Responsibilities of the Board of Directors</p> <p>(1) Has the Company established a diversification policy of its Board of Directors and has it been implemented accordingly?</p>	V		<p>None</p>
			<p>(1) There are nine directors in our Board including four directors and four independent directors. Percentage of independent director on the board is 50%. The terms of four independent directors is less than 3 sessions, the terms of two independent directors is less than 3 years, another one is in 4-6 years and the other one is in 6-9 years. All independent directors meet the independence requirement.</p> <p>Note: Ms. Hui-Chen Fu was elected as a director on June 12, 2024 but did not assume the position. Three directors who are also employees account for 25% and external directors 75%. The three board members with academic proficiency accounts for</p>

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
			<p>38%, four of them with material appliance, and the other one with accounting, finance, and business administration background; the rest of four directors who all possess abundant knowledge, expertise, and practical experience of industry, and risk management. The combination of industry and academy could exert great synergy and implement the goal of diversification.</p> <p>In addition, the company also emphasizes the independence and professional background of board members. The goal is to increase the number of independent directors and achieve an independent director ratio of over 50%.</p> <p>The board's diversification is as follows:</p> <ol style="list-style-type: none"> 1. Out of the 8 directors, 4 are independent directors, accounting for 50% of the total. 2. There are a total of 4 directors with a background in science and technology, representing 50% of the board. 3. Among the 4 independent directors, one has a finance and accounting background. 4. Out of the 8 directors, 6 have extensive experience in the LED and related industries, accounting for 75% of the board. 5. The number of directors with manager role does not exceed one-third. <p>(2) The Company has set up Audit and Remuneration Committee and the committees executed related motions pursuant to laws. The Company will</p>
(2) Other than the Remuneration Committee and the Audit Committee that are required by law, does the Company plan to set up other Board			

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
committees?			
(3) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis?			<p>establish other functional committees pursuant to laws, or if necessary to the future operation.</p> <p>(3) The Board approved rules for “Board of Directors Self-Assessment of Performance” on December 26, 2019. From 2020, all Board Directors annually assess the functioning of the Board, Board Directors and functional Committee. The evaluation result in 2023 reported to the board meeting on 2025/3/13.</p> <p>(4) The Board of Directors of the Company evaluates the independence and suitability of its CPA on March 13, 2025. The Company also evaluates the accounting firm with regard to its financial interests, funding and guarantees, commercial relations, family and personal relations, employment relations, rotation of CPAs, and non-audit services, and obtains a statement of independence issued by the accounting firm. All results are consistent with independence with our audit accountants.</p>
(4) Does the Company regularly evaluate its external auditors’ independence?			

<p>4. Does the Company established a full- (or part-) time corporate governance unit or personnel to be in charge of corporate governance affairs (including but not limited to furnish information required for business execution by directors, handle matters relating to board meetings and shareholders' meetings according to laws, handle corporate registration and amendment registration, or record minutes of board meetings and shareholders meetings, etc.</p>	V	<p>The corporate governance unit is Finance Division, which also is the designated unit responsible for board meeting, audit committee meeting and shareholders' meeting. The board meeting approved Chun-Yu Lu, who meet the requirement with three years experience of accounting/finance officer, as the governance officer on 2022/12/21. Primary duties are:</p> <ul style="list-style-type: none"> ➤ Convene board meetings and shareholder meetings in compliance with laws and regulations, and disclose significant information as required to enhance transparency and protect shareholders' interests. ➤ Prior to discussing any agenda items, ensure that there are no conflicts of interest involving directors or related parties, and confirm that directors comply with the rules on avoiding conflicts of interest. ➤ Arrange board meeting agendas in accordance with legal requirements and include tracking reports on important company projects. ➤ Assist directors in their appointment and continuous education, and provide diverse training topics based on their needs. ➤ Provide directors with the necessary information for the execution of their duties. ➤ Assist directors and supervisors in complying with legal requirements. ➤ Implement annual evaluations of the effectiveness of the board and functional committees, and conduct external assessments every three years. ➤ Arrange regular communications between independent directors and auditors, as well as establish communication channels between directors and the operational team based on operational needs. ➤ Address other matters stipulated in the company's 	None
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Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures																													
	YES	NO																														
	Explanation																															
	<p>articles of incorporation or agreements.</p> <p>➤ Review of the legal lompliance of independent director qualifications.</p> <p>➤ Assistance with matters related to Board Member changes.</p> <p>2024 Training Course(total 15 hours) as follows:</p> <table><tr><th></th><th>Hosted by</th><th>Course Title</th><th>Period</th><th>Hour</th></tr><tr><td>1</td><td>Taiwan Institute of Directors</td><td>Steer the course of corporate wisdom and lead the way with corporate governance</td><td>2024/04/10</td><td>3.0</td></tr><tr><td>2</td><td>Taiwan Corporate Governance Association</td><td>Discussing integrity management and anti-corruption from the perspective of sustainable governance</td><td>2024/08/27</td><td>3.0</td></tr><tr><td>3</td><td>Taiwan Corporate Governance Association</td><td>In the digital economy era, how enterprises innovate to break through profitability</td><td>2024/09/24</td><td>3.0</td></tr><tr><td>4</td><td>Taiwan Stock Exchange Corporation</td><td>2024 WIW Forum "Digital Finance and Sustainable Finance Concerto under the AI Boom" Special Lecture</td><td>2024/10/08</td><td>3.0</td></tr><tr><td>5</td><td>Taiwan Corporate Governance Association</td><td>Trends and Risk Management in Digital Technology and Artificial Intelligence</td><td>2024/11/21</td><td>3.0</td></tr></table>				Hosted by	Course Title	Period	Hour	1	Taiwan Institute of Directors	Steer the course of corporate wisdom and lead the way with corporate governance	2024/04/10	3.0	2	Taiwan Corporate Governance Association	Discussing integrity management and anti-corruption from the perspective of sustainable governance	2024/08/27	3.0	3	Taiwan Corporate Governance Association	In the digital economy era, how enterprises innovate to break through profitability	2024/09/24	3.0	4	Taiwan Stock Exchange Corporation	2024 WIW Forum "Digital Finance and Sustainable Finance Concerto under the AI Boom" Special Lecture	2024/10/08	3.0	5	Taiwan Corporate Governance Association	Trends and Risk Management in Digital Technology and Artificial Intelligence	2024/11/21
	Hosted by	Course Title	Period	Hour																												
1	Taiwan Institute of Directors	Steer the course of corporate wisdom and lead the way with corporate governance	2024/04/10	3.0																												
2	Taiwan Corporate Governance Association	Discussing integrity management and anti-corruption from the perspective of sustainable governance	2024/08/27	3.0																												
3	Taiwan Corporate Governance Association	In the digital economy era, how enterprises innovate to break through profitability	2024/09/24	3.0																												
4	Taiwan Stock Exchange Corporation	2024 WIW Forum "Digital Finance and Sustainable Finance Concerto under the AI Boom" Special Lecture	2024/10/08	3.0																												
5	Taiwan Corporate Governance Association	Trends and Risk Management in Digital Technology and Artificial Intelligence	2024/11/21	3.0																												

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
5. Has the Company established a means of communicating with its Stakeholders or created a Stakeholders Section on its Company website? Does the Company respond to stakeholders' questions on corporate responsibilities?	V		The Company has established a Corporate Social Responsibility section with contact information of responsible person on the Company website. The Company has also established a Stakeholder section to timely respond issues which stakeholders care about
6. Has the Company appointed a professional registrar for its Shareholders' Meetings?	V		The Company has engaged Capital Securities Corporation's agency department to handle matters relating to Shareholders' Meetings.
7. Information Disclosure (1) Has the Company established a corporate website to disclose information regarding its financials, business and corporate governance status? (2) Does the Company use other information disclosure channels (e.g. maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)? (3) Does the company announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report the first, second, and third quarter	V		<p>(1) The Company discloses financial information and corporate governance items on its company website: http://www.everlight.com</p> <p>(2) Besides Chinese version, the Company also provides English, Japanese, Korean and simplified Chinese version of official website. The Company has designated appropriate persons as spokesperson to handle information collection and disclosure. The Company discloses related information through MOPS, media, investor conference. In 2024, we have held two investors' conference which on 5/27 and 12/26, which are taped and disclosed on MOPS. We will keep disclose our financial and business information through investors' conference.</p> <p>(3) In 2024, the company announced and declared the quarterly within 45 days and annual financial reports within 90 days(2025/3/17) and the monthly operating situation within 10 days after the month end.</p>

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures
	YES	NO	
financial statements as well as the operating status of each month before the prescribed deadline?			
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)?	V		<p>(1) The Company has got the certification of ISO9001, TS16949, ISO14001, OHSAS18001, TOSHMS, QC080000, and SA8000 social responsibility system. Additionally, the Company had disclosed 2024 ESG report which is certified by the third party in August, 2025. ESG reports are disclose in Everlight official website annually and also disclose in MOPS.</p> <p>(2) Training/Education of directors is disclosed in MOPS. Training hours of each director in board are more than 6 hours in 2024.</p> <p>(3) The Company has annually purchased liability insurance since 1998 and declare in MOPS. The latest one is reported to the Board on 2024/11/12.</p> <p>(4) The company has adopted a Risk Management Policy, approved by the board of directors on November 12, 2021. The Risk Management Team consists of various risk management units. The team is responsible for effectively analyzing, identifying, and evaluating potential risks to provide the management with a risk management system to mitigate or reduce risks. The risk management system is integrated into daily operations to adjust business strategies, improve performance, and achieve sustainable growth and mission of continuous stability and sustainability. As the highest decision-making body for risk management in the company,</p>

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
			<p>the board of directors requires the convener of the Risk Management Team to report on the operation and effectiveness of risk management to the board at least once a year.</p> <p>On 2024/11/12, an internal risk management report was reported to the audit committee and the board. The discussions primarily focused on information security risks and prevention, protection of trade secrets, management of technical data, compliance risks, risks related to business impact from epidemics and wars, and risks associated with green and energy-efficient equipment design. Strategies to address these risks were formulated. The annual implementation report was presented to the board on November 11 of the same year.</p> <p>(5) Succession planning for key management and board members</p> <p>1. Succession planning for board members: The current board of directors consists of eight members, including four independent directors, with diverse backgrounds spanning electronics, biotechnology, optoelectronics, chemical materials, finance, accounting, and management. They possess the industry decision-making capabilities, risk management skills, and managerial expertise required for executing business operations. The future composition and background of the board will continue to follow the current structure. In planning for board succession, individuals need to possess the</p>

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
			<p>necessary expertise, skills, and qualities for their roles, aligning their vision and values with the company's business philosophy and corporate culture. To facilitate succession planning, the company continues to groom senior executives for entry into the board, allowing them to familiarize themselves with board operations and various business units through job rotations. As for independent directors, the company plans to include members from academia and industry to ensure diversity and integrity within the board.</p> <p>2. Succession planning for key management: Employees at or above the departmental level are considered key management personnel. Each individual has completed job descriptions and work instructions for their respective positions, and designated deputies have been assigned. Planned training and development activities are conducted systematically. Additionally, based on the company's development strategy, operational plans, and employee retirement patterns, key talent rotation is implemented to cultivate a diverse range of talents, promoting seamless talent succession.</p> <p>Regarding talent development, the company has initiated succession planning since 2018 as part of its sustainable business strategy. Through a series of assessments and analyses of personality traits and individual strengths and weaknesses, personalized training programs are systematically designed. The</p>

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
			<p>first cohort of participants completed their training in 2019, and the company continues to cultivate successors, key experts, and high-potential talents. This comprehensive talent development approach aims to foster a pool of highly skilled and competitive individuals for Epiroc's long-term success.</p> <p>3. Operation of succession planning for key management personnel</p> <p>From 2018, the company conducted the "Taiwanese Excellence in Management and Practices Program" in collaboration with National Taiwan University. The program was designed for key management personnel, including the chairman and the CEO. It covered various topics such as leadership, talent development, organizational behavior, financial management and analysis, marketing and brand management, operations management, strategic management, industry competition and growth, and corporate decision-making. Through this specialized training, participants were able to break free from the constraints of existing processes and thinking patterns, develop their potential for creativity and innovation, enhance the efficiency and effectiveness of their current roles, and cultivate their operational and decision-making capabilities.</p> <p>With the rapidly changing economic environment and the accelerated pace of business, it is crucial to ensure that the company's talent pipeline keeps up</p>

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
			<p>with the demands. Therefore, the company holds annual strategic meetings for mid- to senior-level executives, including the CEO, to discuss future strategic planning. Talent development needs to be based on practical experience, which is why the company organizes comprehensive manager business simulation exercises, including financial-based business simulations, strategic thinking exercises, and evaluations of the effectiveness of talent development. These exercises aim to cultivate well-rounded successors in business management. The annual training plan includes a talent development ladder, with specific training courses outlined in the diagram below. At the end of each year, a capability assessment is conducted to evaluate the readiness for succession. During monthly employee meetings, the CEO and senior executives deliver speeches to share the company's internal operational focus, external industry knowledge, technological advancements, and exemplary business models with all employees. This sharing serves to disseminate the company's organizational culture and leadership practices in business management, while also fostering the sharing and inheritance of experiences to cultivate future key management talents.</p>
<p>9. The improvement status for the result of Corporate Governance Evaluation announced by Taiwan Stock Exchange in 2024 announced by Taiwan Stock Exchange, the Company was one of the companies ranking in the 21%~35%. In 2024, the company achieved the goal of having all members of the board of directors elected as natural persons after the</p>			

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures
	YES	NO	
re-election, and making independent directors account for half of the board of directors. In addition, to support the development of ESG, the company invested in three green energy bonds in 2024, investing in the development of ESG with actual actions, and disclosing the specific measures taken and the implementation results on the company's website, annual report or sustainability report. To safeguard shareholder rights, the Company will continue to enhance information transparency, strengthen communication channels and frequency with stakeholders, and promote sustainable operations and investment in energy-saving equipment. In response to ESG trends, the company will continue to promote workplace diversity, gender equality policies, and invest resources in domestic cultural industries to achieve workplace fairness and cultural diversity.			

2.3.9 Remuneration Committee

2.3.9.1 Remuneration Committee Members' Professional Qualifications and Independent Analysis

According to the relevant requirements set by Taiwan's Securities and Futures Bureau, the professional qualifications and independence status of the Company's Remuneration Committee members are listed in the table below.

2024/12/31			
Qualifications	Professional qualifications and experience (Note 2)	Independence situation (Note 3)	Number of members who are concurrently members of the compensation and remuneration committees of other public offering companies
Title(Note 1)	Name		

Convener and Independent Director	Rong-Chun Lin	<ol style="list-style-type: none"> 1. Ph.D., Department of Business Administration, National Chengchi University 2. Deputy Dean of the School of Management, Shizhan University 3. Chairperson of Department of Business Administration, Shizhan University 4. Director of the Institute of Innovation and Entrepreneurship Management, University of Practice 5. The CEO of the International Business English Degree Program, Shizhan University 6. Independent Director of Xiangyu Biomedical Technology Co., Ltd 7. Consultant of Taiwan Academy of Banking and Finance 8. Supervisor of Everlight Electronics 9. Director of Dehwa Construction 10. Supervisor of King Core Electronics 11. General Manager of Sanyang Securities, Director 12. Director and VP of Masterlink Securities 13. VP of Masterlink Investment Consultant 14. AVP of Citibank, Taipei Branch. 	<p>(1) Non-employees of the company or its affiliates.</p> <p>(2) Non-directors and supervisors of the company or its affiliated companies (except if the company and its parent company, subsidiaries or subsidiaries of the same parent company are independent directors established in accordance with this Act or the laws of the local country, this is not the case.).</p> <p>(3) Others than themselves and their spouses, minor children, or natural person shareholders who hold more than 1% of the company's total issued shares or hold the top ten shares in the name of others.</p> <p>(4) Spouses, relatives within the second degree of kinship or lineal blood relatives within the third degree of kinship, not the managers listed in (1) or the persons listed in (2) and (3).</p> <p>(5) Directors of corporate shareholders who do not directly hold 5% or more of the total issued shares of the company, who hold the top five shares, or who designate a representative to serve as a director or supervisor of the company in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Law; Supervisors or employees (except if the independent directors of the company</p>	2
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Independent Director	Liang-Gee Chen	<ol style="list-style-type: none"> 1. Minister of Science and Technology 2. Minister of State for Education, Ministry of Education 3. Emeritus Professor, Department of Electrical Engineering, National Taiwan University 4. Vice President of National Taiwan University 5. Associate Dean, School of Electric Power, National Taiwan University 6. Deputy R&D Director, National Taiwan University 7. Director, Institute of Electronics, National Taiwan University 8. Deputy Director, Department of Electrical Engineering, National Taiwan University 9. Director of the Institute of Electronics and the first director of the Institute of Electro-Optics, ITRI 10. Dean of the National Experimental Research Institute 11. Director of Nuvoton Technology Corporation Co., Ltd. 12. Director of GANZIN Co., Ltd. 13. Director of HIMAX Co., Ltd. 14. Independent Director of Vanguard International Semiconductor Co., 	<p>and its parent company, subsidiaries or subsidiaries of the same parent company act concurrently with each other in accordance with this Act or the laws of the local country, this does not apply).</p> <p>(6) The directors, supervisors or employees of other companies whose seats are not the same as the company's directors or whose voting shares are more than half of which are controlled by the same person (but if they are the company or its parent company, subsidiary company, or a child of the same parent company) This does not apply if the independent directors established by the company in accordance with this Act or the laws of the local country serve concurrently.)</p> <p>(7) Directors (council), supervisors (supervisors) or employees of other companies or institutions that are not the same person or spouse as the chairman, general manager or equivalent of the company (but if they are the company and its parent company) , subsidiaries or subsidiaries of the same parent company where independent directors established in accordance with this Act or the laws of the local country serve concurrently with each other, this is not the</p>	3
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		<p>Ltd.</p> <p>15. Independent Director of Qisda Co., Ltd.</p> <p>16. Independent Director of Kinsus Interconnect Technology Co., Ltd.</p> <p>17. Independent Director of CyberLink</p> <p>18. Independent Director of Jinli Technology</p> <p>19. OTC Review Committee Member of OTC Center</p> <p>20. Director of National Taiwan University Creative and Entrepreneurship Program</p> <p>21. Executive Director, School of Innovation and Design, National Taiwan University</p> <p>22. Lecture, Distinguished Professor, Professor, Associate Professor, National Taiwan University</p> <p>23. Lecturer and Associate Professor, National Cheng Kung University</p> <p>24. Visiting Researcher, Bell Labs, USA</p> <p>25. Visiting Scholar, University of Washington</p> <p>26. Ph.D., M.S., B.S. in Electrical Engineering, National Cheng Kung University</p>	<p>case). .</p> <p>(8) Non-directors (directors), supervisors (supervisors), managers or shareholders holding more than 5% of the shares of a specific company or institution that has financial or business dealings with the company (but if a specific company or institution holds the issued shares of the company) More than 20% of the total, but not more than 50%, and the independent directors of the company and its parent company, subsidiaries or subsidiaries of the same parent company are established in accordance with this Act or the laws of the local country.</p> <p>(9) Non-professionals, sole proprietors, partnerships, companies or institutions that provide auditing services for companies or affiliated companies or who have received remunerations in the last two years whose cumulative amount does not exceed NT\$500,000 in business, legal, financial, accounting and other related services</p> <p>Business owners, partners, directors (council), supervisors</p>	
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Independent Director	Chen-Der Ou	<ol style="list-style-type: none"> 1. Deputy Mayor, Taipei City 2. Minister, Public Construction Commission, Executive Yuan 3. Director-General, Taiwan Area National Expressway Engineering Bureau, MOTC 4. Senior Advisor and Director, Century Development Corporation 5. Director, Century Tech. C&M Corporation 6. Director, UD Corporation 7. Director, Century Biotech Development Co., Ltd. 8. Independent Director, Radium Life Technology Co., Ltd. 9. Independent Director, Elite Advanced Laser Co., Ltd. 10. Director, Jie Zheng Property Service & Management Co., Ltd. 11. Director, UVG Investment Co., Ltd. 12. Director, Far Eastern Electronic Toll Collection Co., Ltd. 13. Director, FETC International Co., Ltd. 14. Chairman, Subic Bay Development and Management Corporation, Inc. 15. Director, CDC Development India Pvt. Ltd. 16. Chairman & CEO, 	<p>(supervisors), managers and their spouses.</p> <p>However, this does not apply to the members of the Compensation Committee, Public Takeover Review Committee, or Special Committee on Mergers and Acquisitions who perform their functions in accordance with the Securities and Exchange Act or the Mergers and Acquisitions Act.</p> <p>(10) There is no one of the conditions in Article 30 of the Company Law.</p>	2
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		<p>Taiwan High Speed Rail Corporation</p> <p>17. Chairman, Taipei Smart Card Corporation</p> <p>18. Ph.D. in Soil Mechanics, Case Western Reserve University, USA</p> <p>19. Bachelor's and Master's Degrees in Civil Engineering, National Cheng Kung University</p>		
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Independent Director	Kuo-Chung Chi	<ol style="list-style-type: none"> 1. Minister without Portfolio to the Executive Yuan 2. National Policy Advisor to the Office of the President 3. Chair Professor, National Yang Ming Chiao Tung University 4. Chair Professor of Photonics, National Central University 5. Chair, Department of Photonic Engineering, National Chiao Tung University 6. Independent Director, High Power Optoelectronics, Inc. 7. Independent Director, Ubright Optronics Co., Ltd. 8. Director, Saga Biomedical Co., Ltd. 9. Director, TaiCrystal International Technology Co., Ltd 10. Director, best Epitaxy Manufacturing Co., Ltd. 11. Director, Star Energy Power Co., Ltd. 12. Ph.D. in Science and Engineering, Yale University, USA 13. Master's Degree in Physics, Yale University, USA 14. Bachelor's Degree in Physics, National Taiwan Normal University 	2
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2.3.9.2 Remuneration Committee Meeting Status

- (1) The Company's Remuneration Committee consists of 4 members for the time being, who are all independent directors.
- (2) from June 12, 2024 to June 11, 2027, and Mr. Chen-En Ko and Mr. Jung-Chuen Lin, both of them are Chairman of the Remuneration Committee, convened 3 (A) regular meetings in 2024. The Committee member attendance was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate in Person (%) (B/A)	Note
Chairman	Chen-En Ko	1	0	100%	The incumbent member served until June 11, 2024.
Member	Johnsee Lee	1	0	100%	The incumbent member served until June 11, 2024.
Member/Chairman	Rong-Chun Lin	3	0	100%	Reappointed member.
Member	Liang-Gee Chen	3	0	100%	Reappointed member.
Member	Chin-Der Ou	2	0	100%	The newly appointed member assumed the position starting from June 12, 2024.
Member	Kuo-Chung Chi	2	0	100%	The newly appointed member assumed the position starting from June 12, 2024.
<p>Annotation:</p> <p>1. In cases the Board doesn't adopt or revise Remuneration Committee's proposals, the Company shall list date/number of the Board meeting, agenda, the Board's resolution and the Company's response to Remuneration Committee's proposal: None.</p> <p>2. In cases Remuneration Committee members have dissenting opinions or qualified opinions against the resolution and recorded with notes in paper, the Company shall list date, number of the Remuneration Committee meeting, agenda, all members' opinion and the follow-up of the members' opinion: None.</p>					

2.3.9.3 The Duty and the Responsibility of the Remuneration Committee

The Company's Remuneration Committee faithfully following the responsibility of the fiduciary and implementing the duty as following.

All of the suggestions and discussions from the remuneration committee will submit for the Board of Directors.

- (1) Regularly formulate and review the policy, regulation, standard, and structure of the managers' performance and compensation.
- (2) Regularly evaluate and formulate the managers' compensation.

2.3.9.4 The information of the Remuneration Committee Meeting

The information of the company's salary and compensation reviewed and evaluated by the Company's Remuneration Committee in 2024 was as follows:

Meeting Date	Details of Reports and Discussions	The Conclusion of the Remuneration Committee	The Conclusion of the Board of Directors
2024.03.13	The appropriation total and allocation details of the remuneration to the directors in 2023.	All of the committee members reached a consensus and agreed	Submitted for the Board of Directors and all attendance directors agreed.
	The appropriation total of the remuneration to the employee in 2023.	All of the committee members reached a consensus and agreed	Submitted for the Board of Directors and all attendance directors agreed.
	The 2023 KPI performance evaluation of the president.	All of the committee members reached a consensus and agreed	Submitted for the Board of Directors and all attendance directors agreed.
2024.08.13	The management teams succession scheduled briefing.	The committee members examined the results of the management teams succession plan.	
	The analysis of the salary structure of the company's managers and the comparison of the salary of the same industry.	Compared with the same industry, the salary of the company's managers is reasonable.	
	The allocation details of the remuneration to the employee in 2023.	All of the committee members reached a consensus and agreed	Submitted for the Board of Directors and all attendance directors agreed.
2024.12.19	The 2025 KPI performance planning and rewards of the president.	All of the committee members reached a consensus and agreed	Submitted for the Board of Directors and all attendance directors agreed.

2.3.10 Status of corporate social responsibility

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures
	YES	NO	
I. Has the company established the governance framework for sustainable development and established a fully (or partially) dedicated sustainable development unit? Does the Board of Directors authorize the senior management to handle such matters under its supervision?	V		<p>The company's practices are broadly consistent with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.</p>
II. Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?	V		<p>The company's practices are broadly consistent with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.</p>


Assessment Item	Implementation Status (Note)			Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures						
	YES	NO	Explanation							
			<p>The <i>Sustainability Development Office</i> oversees ESG risk identification and management. The materiality assessment process begins with the collection of sustainability topics raised by stakeholders—26 in total. Representatives from each department then evaluate the scope of impact and the likelihood or frequency of occurrence for each topic. These issues are assessed for their significance across economic, environmental, and social dimensions, including human rights. The results are reviewed by department heads and validated with input from external experts. Ultimately, seven key material risks were identified, with corresponding risk management policies and strategies developed by relevant departments.</p> <p>Please refer to the table below for details on the seven material risks and their respective management approaches.</p> <table><tr><th>Sustainability</th><th>projects</th><th>Policy and Strategy Statement</th></tr><tr><td>Environmental Protection</td><td>Greenhouse Gas Emissions Management</td><td><div>1. Establish a carbon inventory mechanism to identify greenhouse gas (GHG) emission hotspots across operational sites, and develop medium- and long-term carbon reduction pathways in alignment with government decarbonization policies.</div><div>2. Evaluate the implementation of a carbon management platform and track emission reduction performance to support the company's</div></td></tr></table>	Sustainability	projects	Policy and Strategy Statement	Environmental Protection	Greenhouse Gas Emissions Management	<div>1. Establish a carbon inventory mechanism to identify greenhouse gas (GHG) emission hotspots across operational sites, and develop medium- and long-term carbon reduction pathways in alignment with government decarbonization policies.</div> <div>2. Evaluate the implementation of a carbon management platform and track emission reduction performance to support the company's</div>	
Sustainability	projects	Policy and Strategy Statement								
Environmental Protection	Greenhouse Gas Emissions Management	<div>1. Establish a carbon inventory mechanism to identify greenhouse gas (GHG) emission hotspots across operational sites, and develop medium- and long-term carbon reduction pathways in alignment with government decarbonization policies.</div> <div>2. Evaluate the implementation of a carbon management platform and track emission reduction performance to support the company's</div>								




Assessment Item	Implementation Status (Note)			Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures
	YES	NO	Explanation	
			<div>transition toward low-carbon operations and net-zero goals.</div> <div><div>Energy Management</div><div>1. Implement the ISO 50001 Energy Management System to enhance energy efficiency through the replacement of high-energy-consuming equipment and the use of smart monitoring technologies.</div><div>2. Actively adopt renewable energy sources to gradually increase the proportion of green electricity usage, while strengthening employee awareness and training on energy conservation.</div></div>	
			<div>Social Responsibility</div> <div><div>Product Quality and Safety</div><div>1. Continuously implement and enhance quality management systems such as ISO 9001 and IATF 16949 to ensure product safety throughout the entire life cycle.</div><div>2. Adopt and optimize standards including RoHS, REACH, and halogen-free requirements to strengthen raw material traceability and regulatory compliance, thereby reducing the risk of product recalls.</div></div>	

Assessment Item	Implementation Status (Note)			Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Explanation	
			Customer Relationship Management	
			Conduct annual customer satisfaction surveys, and require responsible departments to develop improvement plans for any identified areas of dissatisfaction, with continuous follow-up and monitoring.	
			Talent Attraction, Retention, and Development	
			1. Establish a human resource management system aligned with SA 8000 and the Responsible Business Alliance (RBA) Code of Conduct to foster a safe, diverse, and inclusive work environment. 2. Implement a credit-based training system and a job rotation mechanism to support career development and improve employee retention.	
			Corporate Governance	
			Information Security and Privacy Protection	
			1. Implement ISO 27001 and TISAX information security management systems, and establish personal data protection policies. 2. Conduct annual cybersecurity drills and training programs to strengthen internal and external defenses against information security risks.	

Assessment Item	Implementation Status (Note)			Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Explanation	
			<div>Innovation, R&D, and Intellectual Property Protection</div> <div>1. Promote credit-based training programs focused on technical expertise to enhance the skillsets of R&D personnel.</div> <div>2. Encourage employee innovation proposals and cross-departmental R&D collaboration to strengthen technological development and intellectual property protection.</div>	
III. Environmental Issues (1) Has the company established an appropriate environmental management system based on the characteristics of its industry?	V		<p>Everlight firmly believes that in promoting environmental protection, occupational safety, and health, it is essential not only to comply with applicable regulations but also to align with internationally recognized standards.</p> <p>Everlight's Environmental, Health, and Safety (EHS) policy aspires to achieve the goals of "zero accidents" and "environmental sustainability," positioning the company as a benchmark for EHS excellence in the global LED industry. To realize this vision, Everlight has adopted the following strategic principles: regulatory compliance, promotion of safety and health, enhanced resource efficiency and pollution prevention, control of EHS risks, fostering an EHS-conscious culture, building a green supply chain, and fulfilling corporate social responsibility.</p> <p>All Everlight manufacturing sites maintain valid certifications under the ISO 14001:2015 Environmental Management System</p>	The company's practices are broadly consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
			<p>and ISO 45001:2018 Occupational Health and Safety Management System. In addition, Everlight conducts annual greenhouse gas (GHG) inventories and third-party verifications in accordance with the ISO 14064-1 standard, which serves as a critical foundation for its carbon reduction strategy.</p> <p>Guided by a commitment to continuous improvement, Everlight actively strengthens its performance across key areas including climate change adaptation, pollution prevention and control, energy and resource conservation, waste reduction and recycling, occupational health and safety management, fire and explosion prevention, and earthquake risk mitigation—aiming to minimize overall EHS-related risks.</p>
(2) Has the company committed to improving energy efficiency and increasing the use of recycled materials with lower environmental impact?			<p>To continuously promote energy conservation, Everlight has prioritized the implementation of the ISO 50001 Energy Management System across its key operational sites. As of now, the Shulin Headquarters in Taiwan and the Suzhou Wujiang Plant in Mainland China have successfully completed system implementation and maintain active certification. The company actively promotes energy-saving initiatives by selecting high-efficiency and energy-conserving equipment to reduce both corporate and product-related energy consumption.</p> <p>In 2024 (Year 113 on the Taiwan calendar), Everlight participated in the government's Energy Performance Contracting (EPC) program, replacing inefficient equipment across facilities. Upgrades included: "Replacing high-energy-consuming chillers, chilled water pumps, and cooling water pumps, Substituting natural gas boilers with heat pump systems, Replacing conventional vacuum pumps with variable-frequency vacuum machines" These measures yielded an annual electricity savings</p> <p>The company's practices are broadly consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.</p>

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Explanation
			<p>of 1,573,919 kWh, resulting in a reduction of approximately 782.6 metric tons of CO₂ emissions, based on the Ministry of Economic Affairs' 2022 grid emission factor of 0.495 kg CO₂/kWh. In total, electricity consumption in 2024 was reduced by 247,600 kWh compared to the previous year, with a corresponding reduction of 122.3 metric tons of CO₂e. The average annual energy-saving rate reached 3.27%, exceeding the Ministry of Economic Affairs' benchmark of 1%.</p> <p>To comply with regulatory requirements and customer expectations regarding hazardous substance control, Everlight has implemented the IECQ QC080000 Hazardous Substance Process Management System. All production sites have obtained certification and continue to maintain its validity. Through the establishment of a hazardous substance process management framework, Everlight ensures that its products comply with global regulatory requirements and client specifications, including: "Restriction of Hazardous Substances Directive (RoHS) of the European Union, REACH (Registration, Evaluation, Authorization and Restriction of Chemicals), The Montreal Protocol on ozone-depleting substances, Halogen-free standards for electronic products, Restrictions on PFOS (Perfluorooctanesulfonic acid) and PFOA (Perfluorooctanoic acid) and their related substances". These efforts reinforce Everlight's commitment to sustainable product stewardship and global environmental compliance.</p> 

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
			  
(2) Has the company assessed the potential risks and opportunities of climate change on its current and future operations, and taken corresponding response measures?	V		<p>The company's practices are broadly consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.</p> <p>Everlight recognizes the impact of climate change and supports the framework established by the Task Force on Climate-related Financial Disclosures (TCFD) to assess climate-related information and the associated risks and opportunities. In 2024, the company established the Sustainability Development Office as a centralized platform for coordinating and communicating sustainability-related matters. The Chairman appointed the head of the Legal Division as the Office's representative, responsible for reporting planning and execution progress to the President. It is stipulated that major resolutions, strategic directions, and annual operational plans be reported to the Board of Directors at least once a year. In alignment with the TCFD recommendations issued by the Financial Stability Board, Everlight also evaluates the potential risks and opportunities of climate change on the organization.</p> <p>In response to the aforementioned risk factors, Everlight also identifies feasible opportunities and formulates corresponding mitigation measures. The company has progressively implemented and obtained certifications for international management systems, including ISO 14001, ISO 14064-1, and ISO 50001, at key production sites. (For details regarding certification validity periods and certified sites, please refer to Everlight's official website.) To assess the potential risks and opportunities posed by climate change—both current and future—Everlight takes into account relevant environmental regulations and the expectations of stakeholders. Each year, the company establishes electricity and</p>

Assessment Item	Implementation Status (Note)			Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	Explanation			
	YES	NO		
			water conservation targets, implements specific measures, and conducts ongoing performance tracking and management.	
(3) Has the company compiled data over the past two years on its greenhouse gas (GHG) emissions, water consumption, and total waste generated, and formulated policies for GHG reduction, water conservation, or other forms of waste management?			In the face of threats posed by extreme climate events, Everlight adopts the ISO 14064-1 Greenhouse Gas Inventory Standard to manage its emissions. The company has established clear GHG reduction targets and formulated corresponding mitigation measures. It continues to implement ISO 14064-1 standards and actively seeks third-party verification to ensure transparency and credibility in its carbon management practices.	The company's practices are broadly consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
			In terms of greenhouse gas emissions management:Over the past two years, Everlight has tracked and disclosed its greenhouse gas emissions intensity (measured in metric tons of CO ₂ e) across key operational sites, including the Shulin Headquarters, Yuanli Plant, Tongluo Plant in Taiwan, and the Suzhou Wujiang Plant and Zhongshan Plant in Mainland China.	

Assessment Item	Implementation Status (Note)			Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures		
	YES	NO	Explanation			
					D of reve nue)	
	Producti on Sites of the Parent Company and Its Subsidiar ies	Scope1	1,111.30		1,201.49	
		Scope2	80,203.22		85,968.52	
		Scope3	76,401.42		898,261.32	
	Subtotal	157,715.94	985,431.33			
	Subsidiar ies	Scope1	—	—		
		Scope2	—	—		
		Subtotal	—	—		
	Total	157,715.94	985,431.33			
	Greenhouse Gas Emissions Over the Past Five Years (Disclosure scope includes the Shulin Headquarters, Yuanli Plant, Tongluo Plant, Suzhou Wujiang Plant, and Zhongshan Plant; Unit: GHG emissions intensity = metric tons of CO ₂ e.)					
	Year		Scope 1	Scope 2		
	2020		908.5047	104477.5399		
	2021		985.9143	111025.0840		
	2022		1,614.2000	89,646.1000		
	2023		1,111.2983	80,203.2241		
2024		1,201.4870	85,968.5240			
In 2023, the greenhouse gas inventory for the company and its key production sites—including the Yuanli Plant, Tongluo Plant, Suzhou Wujiang Plant , and Zhongshan Plant —was						

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures																		
	YES	NO																			
	Explanation																				
		<p>completed and verified by a third-party organization in 2024, and the verified data has been disclosed.</p> <p>For 2024, the greenhouse gas inventory for each site is currently being conducted through a checklist-based approach. The updated and verified data will be disclosed in the following reporting year.</p> <ul style="list-style-type: none">● In water resource management: <p>Over the past five years, water usage has been disclosed for Everlight's facilities including the Everlight headquarters in Shulin, Miaoli Yuanli Plant, Miaoli Tongluo Plant, Wujiang Plant in Suzhou, and Zhongshan Plant in Guangdong. Water usage is measured in millions of liters (ML), with intensity expressed as millions of liters per person (ML/person).</p> <table><tr><th>Year</th><th>Water consumption</th><th>Water intensity</th></tr><tr><td>2020</td><td>441</td><td>0.0766</td></tr><tr><td>2021</td><td>405</td><td>0.0848</td></tr><tr><td>2022</td><td>685</td><td>0.175</td></tr><tr><td>2023</td><td>733</td><td>0.1706</td></tr><tr><td>2024</td><td>700</td><td>0.1856</td></tr></table> <ul style="list-style-type: none">● In waste management: <p>Everlight actively promotes process optimization and is committed to resource recycling and reuse, aiming to achieve a dual strategy of reducing environmental pollution and maximizing resource efficiency. The company strictly prohibits the import or export of any form of waste and consistently upholds the principle of making full use of recyclable or reusable resources, in line with its environmental protection values.</p> <p>Industrial waste is properly classified based on its characteristics.</p>	Year	Water consumption	Water intensity	2020	441	0.0766	2021	405	0.0848	2022	685	0.175	2023	733	0.1706	2024	700	0.1856	
Year	Water consumption	Water intensity																			
2020	441	0.0766																			
2021	405	0.0848																			
2022	685	0.175																			
2023	733	0.1706																			
2024	700	0.1856																			

Assessment Item	Implementation Status (Note)			Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures												
	YES	NO	Explanation													
			<p>Waste that cannot be directly processed internally is handled through partnerships with certified third-party contractors. All Everlight production sites have obtained certification under the ISO 14001 Environmental Management System, and the relevant certificates are publicly disclosed on the Everlight official website.</p> <p>Waste Discharge Over the Past Five Years(Disclosure scope includes the Shulin Headquarters, Yuanli Plant, Tongluo Plant, Suzhou Wujiang Plant, and Zhongshan Plant; Unit: metric tons.)</p> <table><tr><th>Year</th><th>Total waste emissions</th></tr><tr><td>2020</td><td>1771.54</td></tr><tr><td>2021</td><td>1658.37</td></tr><tr><td>2022</td><td>2464.34</td></tr><tr><td>2023</td><td>2931.49</td></tr><tr><td>2024</td><td>2636.23</td></tr></table>	Year	Total waste emissions	2020	1771.54	2021	1658.37	2022	2464.34	2023	2931.49	2024	2636.23	
Year	Total waste emissions															
2020	1771.54															
2021	1658.37															
2022	2464.34															
2023	2931.49															
2024	2636.23															
IV. Social Issues (1) Has the company established relevant management policies and procedures in accordance with applicable laws and international human rights conventions?	V		<p>Everlight firmly believes that respecting human rights and creating a dignified working environment are essential not only to the company itself but also to its supply chain partners. To ensure the thorough implementation of human rights protection, Everlight has taken concrete steps to strengthen its practices at the operational level.</p> <p>In 2024, Everlight provided 100% of new employees with human rights training and conducted six dedicated training sessions for existing employees. The company remains committed to promoting awareness and education on human rights topics, aiming to enhance organizational sensitivity to these issues and reduce the likelihood of related risks.</p>	The company's practices are broadly consistent with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies.												

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
			<p>As a member of the Responsible Business Alliance (RBA), Everlight conducts comprehensive due diligence in accordance with the RBA Code of Conduct to ensure that its business practices meet or exceed international standards. The company actively maintains the validity of its RBA certification through ongoing compliance efforts.</p> <p>In support of its commitment to respecting and protecting human rights, and in alignment with customer audit expectations and internal labor process reviews, Everlight has also obtained and maintained certification under SA8000, an internationally recognized social accountability standard. To uphold employee rights, the company has implemented policies that ensure a safe working environment, compliance with local labor laws and fair compensation, open communication channels, reasonable working hours, intellectual property protection, ethical conduct, participation in social welfare activities, and strict prohibitions against child labor, forced labor, disciplinary punishment, bribery, corruption, misappropriation of funds, discrimination, and unfair treatment.</p> <p>In 2024, a total of 4,013 employees across the Everlight Group participated in SA8000 awareness training sessions, accumulating 7,294 total training hours.</p>
(2) Has the company formulated and implemented reasonable employee welfare measures (including compensation, leave, and other benefits), and appropriately linked	V		The company's practices are broadly consistent with the Corporate Governance Best Practice Principles for

Assessment Item	Implementation Status (Note)			Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Explanation	
employee remuneration to business performance or results?			<p>A diverse management team and employee base enhance the company's competitiveness and contribute to sustainable development.</p> <p><u>Linking Business Performance to Employee Compensation</u> According to Article 20 of the company's Articles of Incorporation, when the company records a profit for the year, 6% to 12% of the annual earnings shall be allocated as employee compensation and up to 1% as compensation to directors and supervisors. Employee compensation may be distributed in the form of stock or cash and may also be granted to employees of affiliated or subsidiary companies meeting specific criteria, as determined by the Board of Directors.</p> <p>Employee compensation at Everlight includes monthly salary, performance bonuses distributed on a monthly basis, and profit-sharing (bonuses) based on the company's annual profitability.</p> <p>Performance bonuses and annual profit-sharing are designed to reward contributions and motivate continued excellence. By linking employee rewards to company and shareholder success, Everlight aims to achieve a win-win outcome for the company, its shareholders, and its employees.</p> <p>The total amount and distribution of performance bonuses and profit-sharing are determined based on the company's operating results and benchmarked against industry standards in Taiwan. The Compensation Committee proposes the allocation plan to the Board of Directors for approval. Once approved, the distribution of employee compensation is determined based on position,</p>	TWSE/TPEX Listed Companies.

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	YES	NO	Explanation
			<p>contribution, and individual performance.</p> <p><u>Employee Welfare Measures</u> Since its establishment in 1983, Everlight has prioritized creating a stable working environment that enables employees to work without concern for their livelihood. In accordance with the Labor Standards Act, the company has established work rules and formed a Supervisory Committee for Labor Retirement Reserves to oversee the funding and management of employee retirement reserves. Additionally, the Employee Welfare Committee is responsible for planning and managing the annual employee welfare budget and expenditures. (For details on employee benefits, please refer to Section V – Labor Relations.)</p> <p><u>Workplace Diversity and Gender Equality Policy</u> Everlight is committed to providing a safe and inclusive working environment. The company promotes diversity in hiring, fair compensation, and equal opportunities for promotion. It ensures that employees are not subject to discrimination, harassment, or unfair treatment on the basis of race, gender, religion, age, political affiliation, or any other status protected under applicable laws.</p> <p>Furthermore, employee compensation, incentives, training, and advancement opportunities must not be influenced by factors such as ethnicity, religion, gender, age, beliefs, political stance, pregnancy, or gender identity.</p>
(3) Does the company provide a safe and healthy working environment for employees and V conduct regular safety and health education			<p><u>Environmental, Health, and Safety (EHS) Policy</u> The core focus of Everlight's Environmental, Health, and Safety (EHS) Policy is to foster a safe working environment, actively prevent occupational injuries and illnesses, and promote employee</p> <p>The company's practices are broadly consistent with the Corporate Governance Best</p>

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
and training programs?		<p>physical and mental well-being through health education and training. The company emphasizes awareness and accountability across all levels of staff, aiming to embed EHS into its corporate culture.</p> <p>Key training programs include prevention of unlawful harm and occupational safety and health, which are mandatory for all new employees. In addition, in compliance with legal requirements, Everlight provides regular retraining sessions for employees holding relevant certifications to ensure their knowledge and skills remain up to date with evolving regulations and industry standards.</p> <p>In 2024, a total of 3,111 participants completed EHS onboarding training across all plant locations. There were 7 participants in initial training for professional certifications, and 161 participants in retraining courses.</p> <p><u>EHS Certification and Safety Governance</u></p> <p>In 2024, all Everlight manufacturing sites successfully maintained valid certification under the ISO 45001 Occupational Health and Safety Management System. (For certificate validity periods and certified site details, please refer to Everlight's official website.)</p> <p>The company's Environmental, Health, and Safety (EHS) objectives are as follows:</p> <ol style="list-style-type: none"> 1. Comply with applicable EHS, energy, and other regulatory requirements as well as customer-specific demands. 2. Conserve resources, support green procurement, and implement pollution prevention and industrial waste reduction. 3. Continuously improve energy performance and voluntarily 	Practice Principles for TWSE/TPEX Listed Companies.

Assessment Item	Implementation Status (Note)			Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Explanation	
			<p>undertake greenhouse gas (GHG) inventory, control, and reduction.</p> <p>4. Integrate principles of clean production and eco-design into product development and services.</p> <p>5. Improve workplace safety and employee health while promoting a zero-accident culture.</p> <p>6. Encourage personnel participation and commitment to EHS policies, aiming to achieve sustainable business operations.</p> <p>Everlight has established Safety and Health Committees at its Shulin, Yuanli, Tongluo, and Suzhou Wujiang sites. These committees consist of both labor representatives and management personnel and are responsible for supporting the development of a robust occupational health and safety management system. Quarterly meetings are held to discuss topics such as OSH management plans, risk assessments, regulatory compliance, and monitoring or inspection outcomes. Notably, more than one-third of each committee's members are labor representatives, ensuring that workers have a voice in management, policy feedback, and decision-making.</p> <p>Although a Safety and Health Committee has not been established at the Zhongshan Plant, EHS functions are managed in accordance with ISO 45001 standards through the local ESH unit. This approach enhances employee engagement and accountability, while also contributing to Everlight's social reputation and competitive advantage.</p> <p>In 2024, Everlight recorded a total of eight workplace injury incidents across its sites: 1 at the Yuanli Plant, 5 at the Suzhou</p>	

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	YES	NO	Explanation	
			<p>Plant, 2 at the Zhongshan Plant. These incidents affected approximately 0.21% of Everlight's total workforce as of the end of 2024.</p> <p>Upon occurrence, each incident was immediately reported to the ESH unit, which launched an occupational injury investigation to identify root causes. Labor representatives participated in the investigation to protect employee rights, and corrective measures were implemented to prevent recurrence. The injuries reported were related to mechanical entrapment, for which targeted safety training and awareness programs were carried out. No fatalities, occupational diseases, or work-related injuries involving non-employee personnel were reported in 2024. Additionally, no fire incidents occurred at any site during the reporting year.</p>	
(4) Has the company established effective training programs for career development and skill enhancement for its employees?	V		<p>Employee development is a critical factor in the company's continued growth, and Everlight firmly believes that its long-term success is closely tied to the ongoing advancement of its workforce. To foster this growth, the company integrates internal and external resources to offer diverse learning opportunities and meaningful work experiences, thereby cultivating a dynamic and inclusive learning environment. The company also implements the "Everlight Credit System 2.0" to promote goal-oriented, disciplined, and well-planned talent development in alignment with its core values.</p> <p>Everlight's talent development strategy is centered on two pillars: preparing future-ready capabilities and unleashing learning momentum. The company emphasizes proactive capability</p>	The company's practices are broadly consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
			<p>building and implements structured talent pipeline management. Development programs are tailored to meet individual employee needs through a combination of experiential learning, feedback and mentoring, formal training, and volunteer engagement. To further enhance learning autonomy, employees are supported with comprehensive in-person and digital learning resources.</p> <p>The company fosters a strong learning culture by offering a wide range of training methods, including on-the-job training, classroom sessions, online learning, job coaching, mentorship programs, and job rotation.</p> <p>Comprehensive Training Framework and Curriculum: New Hire Series: Basic onboarding training, production line practice, product and quality orientation, and on-the-job training (OJT). Managerial Development Series: -Senior Managers: Corporate governance, leadership, strategic talent development, team management, and performance management. -Middle Managers: Project management, execution accountability, team collaboration, and communication. -First-line Supervisors: Core training for new supervisors, frontline leadership, and on-site management (TWI), including 5S and supervisor pipeline development. Professional Skills Series: Product knowledge, negotiation techniques, LED manufacturing processes, patent training, project management, sales techniques, customer relationship management, quality tools, and the five core professional modules. Quality Management Series: Courses on ISO 9001, IATF 16949,</p>

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	YES	NO	
			<p>QC 080000, and other related systems.</p> <p>Employee Assistance Series: Software and system operations, emotional and stress management, health awareness seminars.</p> <p>Diverse Learning Channels: External trade shows, professional seminars, and job-function-based external training.</p> <p>E-Learning Platform: Everlight has developed an in-house online learning platform, providing flexible, on-demand, and location-independent learning resources to all employees.</p> <p>In 2024, Everlight conducted approximately 84,254 hours of training. On average, general employees received over 46 hours of training per person, while management personnel received an average of 34 hours. Overall course satisfaction exceeded 95%, with employees expressing high levels of practical application and benefits gained from the programs—effectively fulfilling the company's training policy of "learning for application and applying what is learned."</p>
(5) With regard to customer health and safety, privacy protection, marketing, and labeling, does the company comply with relevant laws and international standards, and has it developed policies and grievance mechanisms to safeguard consumer or client rights?			<p>The company's practices are broadly consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.</p>

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
			<p>Under this framework, a dedicated Personal Data Protection Task Force has been established. The task force is supported by certified ISO 27001 lead auditors with expertise in personal data privacy management systems, who assist in planning and implementing privacy protection measures.</p> <p>To facilitate transparency and responsiveness, Everlight provides multiple channels for raising concerns or complaints. Consumers and clients may contact the company directly via a designated email address: legal@everlight.com.</p>
(6) Has the company formulated a supplier management policy that requires suppliers to comply with relevant standards on environmental protection, occupational safety and health, and labor and human rights, and does it monitor the implementation of such standards?	V		<p>The company's practices are broadly consistent with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.</p> <p>The company partners with suppliers on a wide range of sustainability issues, including the promotion of green supply chains, carbon management in response to climate change, fire risk reduction, and environmental, safety, health, and disaster preparedness programs.</p> <p>As a formal member of the Responsible Business Alliance (RBA), Everlight conducts self-assessments to ensure that its practices and policies related to labor, health and safety, the environment, ethics, and management systems are aligned with or</p>

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures			
		Explanation				
	YES	NO				
		<p>exceed the standards outlined in the RBA Code of Conduct.</p> <p>To enhance supply chain sustainability and effectively manage risks, Everlight works closely with suppliers to ensure compliance with Taiwan’s environmental, safety, health, and fire protection regulations. The company has also developed a Supplier Code of Conduct, covering labor rights, occupational health and safety, environmental responsibility, ethical standards, and management systems. Everlight and its suppliers jointly assess and improve potential risks and impacts across economic, environmental, and social dimensions.</p> <p>Through knowledge-sharing and training programs, Everlight supports suppliers in elevating their sustainability performance, with the goal of exceeding international benchmarks and becoming a global leader in LED packaging.</p> <p>Supplier Management Practices: The company has established a Supplier Audit Task Force to conduct regular evaluations of both new and existing production suppliers. This evaluation process ensures that Everlight’s sustainability standards are embedded into daily supply chain operations. In line with environmental protection and restricted substances requirements, the company has also developed standard procedures for supplier assessment, selection, and management. Additionally, Everlight offers quality management support, technical consulting, and guidance to its suppliers to promote continuous improvement.</p> <table><tr><td>Supplier Evaluation</td><td>Supplier Audit</td><td>Supplier Outreach</td></tr></table>	Supplier Evaluation	Supplier Audit	Supplier Outreach	
Supplier Evaluation	Supplier Audit	Supplier Outreach				

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	Explanation			
	YES	NO		
			<div><div><div>● All new suppliers must undergo evaluation by the Supplier Audit Task Force and are required to comply with the Supplier Code of Conduct.</div><div>● All raw material suppliers must be certified under the ISO 9001 Quality Management System.</div><div>● Raw material suppliers must comply with RoHS or other relevant environmental regulations, as well as the quality requirements</div></div><div><div>● The company has established a Supplier Audit Task Force, which conducts quarterly performance evaluations of raw material suppliers. If a supplier fails to demonstrate effective improvement, the relevant departments (including the supplier) must form a QIT (Quality Improvement Team) to implement corrective actions. These actions are tracked through quality</div><div>● Suppliers are required to submit updated SA8000 and RBA Self-Assessment Forms annually. These self-assessment tools serve as a basis for communication and performance improvement, particularly in areas such as environmental protection, occupational safety and health, workplace hygiene, employee well-being, fire safety maintenance.</div></div></div>	

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	YES	NO	Explanation	
			<div><div>stipulated in contractual agreements.<ul style="list-style-type: none">Raw material suppliers are required to sign the following documents:<ol style="list-style-type: none">Supplier Social Responsibility Commitment Letter and SA8000 Self-Assessment QuestionnaireRBA Code of Conduct Compliance Declaration and Supplier RBA Self-Assessment Form</div><div>meetings and feedback via reports to ensure ongoing quality performance monitoring.</div><div>regulatory compliance risk, business ethics, and conflict minerals management.</div></div>	
V. Has the company prepared sustainability or other non-financial information reports in reference to internationally recognized reporting standards or guidelines? Has such	V		Everlight has prepared its 2024 Sustainability Report in accordance with internationally recognized reporting frameworks, including the GRI Standards 2021, SASB Standards , and the TCFD framework . The report has been externally verified by AFNOR Group , which conducted	The company's practices are broadly consistent with the Corporate Governance Best Practice Principles for

Assessment Item	Implementation Status (Note)		Departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
a report been assured or verified by an independent third party?			assurance procedures in line with the GRI Standards 2021 and the AccountAbility AA1000 Assurance Standard (AA1000AS v3) , based on the principles of accountability. A third-party assurance statement was issued as part of this verification process.
VI. If the company has established its own Sustainability Development Best Practice Principles in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies,” please describe its implementation status and any differences between the two: Everlight has formulated its own "Sustainability Development Best Practice Principles" based on the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.” The provisions are generally in alignment with the said guidelines.			
VII. Other Key Information Relevant to the Implementation of Sustainability Initiatives: For further details, please refer to Everlight’s Sustainability Section on the company website or consult the Everlight Sustainability Report .			

1. Climate-related Information Execution Status

1. Describe the supervision and governance of climate-related risks and opportunities by the board of directors and management.

Everlight closely monitors global climate change trends and international response strategies. In alignment with the recommendations of the **Task Force on Climate-related Financial Disclosures (TCFD)**, the company discloses climate-related information—including associated risks and opportunities—through key corporate reports. Everlight is committed to both climate change mitigation and adaptation efforts, conducting ongoing analyses and controls of internal energy consumption to actively reduce greenhouse gas (GHG) emissions.

To address the high degree of uncertainty in climate-related developments and to keep pace with rapidly evolving policy and market dynamics, the company regularly convenes senior management from various departments to identify significant climate-related risks and opportunities. Additionally, Everlight assesses the potential impacts of extreme weather events—such as floods, droughts, typhoons, and high temperatures—on its operational sites. These evaluations support a comprehensive understanding of the external climate environment and market shifts, which in turn informs the company’s strategic business planning.

	<p>In line with its vision and mission for sustainable development, Everlight established the Sustainability Development Office in 2024 to report directly to the President on ESG planning and execution. The Office also presents major resolutions, strategies, and annual operational plans—including climate-related topics—to the Board of Directors at least once per year, contributing to the company's environmental sustainability objectives.</p> <p>In accordance with Article 4 of Everlight's Risk Management Policy, which has been approved by the Board of Directors, the company has established a Risk Management Task Force composed of functionally relevant departments. This task force is responsible for conducting targeted analyses and implementing controls for material climate-related risks that may affect business operations. In collaboration with insurance providers, the team also evaluates the feasibility of risk transfer mechanisms to reduce potential losses.</p> <p>Furthermore, the Internal Audit Office formulates an annual audit plan based on internal control guidelines and applicable regulations to assess the execution quality of all operational procedures. The Risk Management Task Force oversees the company's overall risk management policies and procedures, including climate-related risks and evolving regulatory requirements across industries. Relevant functional units are invited to evaluate and prioritize the impact of specific climate risk factors on their areas of responsibility through regular cross-functional discussions.</p>
2. Explain how identified climate risks and opportunities affect the company's business, strategy, and finances (short-term, medium-term, long-term).	<p>EVERLIGHT follows the guidance of the TCFD framework for assessing climate risks, collaborating with external consultants and research institutions to gradually develop methods and procedures for measuring climate risks.</p> <p>Everlight Electronics adheres to its vision and mission of sustainable development. On April 8, 2019, it passed the "Corporate Social Responsibility Committee Organizational Regulations," with the Legal Department appointed by the Chairman as the part-time unit responsible for coordinating cross-departmental collaboration. It regularly convenes meetings to formulate, promote, and strengthen important policies and action plans for sustainable development (including climate-related issues) across the group's companies. It reviews, tracks, and revises the implementation and effectiveness of sustainable development and reports to the board of directors to achieve environmental sustainability goals.</p> <p>In accordance with the "Risk Management Measures" approved by the board of directors, Everlight Electronics has established a Risk Management Team composed of units responsible</p>

for relevant business areas. It conducts project analysis and control for significant climate change risks affecting the company's operations. It evaluates the feasibility of risk transfer with insurance resources to reduce company losses. The Audit Center formulates annual audit plans for internal control guidelines and related laws and regulations, reviewing the execution quality of various operations. The Risk Management Team is responsible for Everlight Electronics' risk management policies and procedures, including climate-related risk issues and the latest legal requirements for industry climate risks. It invites various risk management executing units to discuss the impact of various climate change risk factors on their responsibilities and prioritize them accordingly.

	Risk Categories and Opportunities	Short term (1~3 years)	Medium term (3~5 years)	Long term (more than 5 years)
Risk	Transition Risks The risks associated with transitioning to a low-carbon economy. Transition risks include regulatory, technological, market, and reputational risks.	Greenhouse gas emissions cap and carbon tax/fee.	1. Consumer demand and preference shifts 2. Transition to low-carbon technologies 3. Implementation of new renewable energy regulations 4. Inadequate climate adaptation actions leading to declining brand reputation	The net zero emissions trend
	Physical Risks Immediate physical risks stem from weather-related events such as storms, floods, droughts, etc.,	The extreme changes in climate patterns, including tropical	The severe drought triggers a water shortage crisis, leading to disruptions in the supply chain.	The average temperature rises.

		with their severity and frequency increasing over time. Long-term physical risks arise from prolonged changes in climate patterns, including shifts in precipitation levels and temperatures, which may result in rising sea levels, reduced availability of water resources, etc.	cyclones such as typhoons, bring with them increased rainfall intensity, resulting in greater power and causing an increase in floods, damaging the company's operational assets.		
Opportunities	Opportunity The positive impacts on individuals resulting from climate change. Efforts to mitigate and adapt to climate change can create climate-related opportunities for individuals.	Research and innovation in new low-carbon products and services.	Enhancing resource efficiency.	Enhancing corporate reputation.	

Everlight Electronics conducts assessments on the aforementioned risks, presenting climate-related risks and opportunities that may have significant financial impacts, along with the following response strategies:

Transition Risks/Climate Opportunities		
Risk/Opportunity	Financial impact — / +	Response strategies
R: Greenhouse gas emissions cap and carbon tax/fee	— Paying carbon fees (Tax) increases operating costs. — Purchasing renewable	• Actively monitor the progress of regulatory updates.

	R: Implementation of new renewable energy regulations	energy certificates increases operating costs. — Violating regulatory requirements results in fines, leading to an increase in operating expenses.	<ul style="list-style-type: none"> • Strengthen research and development to enhance energy efficiency. • Invest in energy-saving equipment.
	R: Uncertainty in the Effectiveness of Low-Carbon Technology Investments	— Increased capital and operational costs associated with the deployment of low-carbon technologies.	<ul style="list-style-type: none"> • Focus investments on key products where low-carbon technologies are most essential and impactful.
	R: Changing customer needs and preferences O: Research and innovation in new low-carbon products and services	— Decrease in market sales leading to a decline in revenue + Increase the sales proportion of low-carbon products, thereby increasing revenue	<ul style="list-style-type: none"> • Continuously invest in the research and development of low-carbon products • Utilize raw materials with low carbon footprints • Innovate in the development of green products
	R : Customer-specified low-carbon technology	— Developing new processes, increasing research and development costs, with the risk of financial loss if the development fails.	<ul style="list-style-type: none"> • Establishing project research and development teams.
	R : Growing Concern and Negative Feedback from Stakeholders	— Failure to meet stakeholder expectations may lead to lower ESG ratings, which could directly or indirectly affect stock performance.	<ul style="list-style-type: none"> • Progressively achieve carbon reduction targets, disclose implementation results transparently, and strengthen communication channels to ensure timely and effective information dissemination.
	O : Enhance corporate reputation	+ Enhance fundraising accessibility and reduce the cost of capital.	<ul style="list-style-type: none"> • Enhance corporate green image through transparent disclosure. • Strengthen corporate

			governance to establish a culture of prioritizing and taking action on climate-related issues. •Improve sustainability rating scores to build a positive image.
Physical Risks/Climate Opportunities			
Risk/Opportunity	Financial impact – / +	Response strategies	
R: Extreme changes in climate patterns, such as tropical cyclones bringing heavier rainfall, leading to increased flooding. R: Supply chain disruptions (drought).	<ul style="list-style-type: none"> – Factory shutdowns leading to decreased revenue. – Damage to machinery and equipment resulting in property loss – Increased operating costs due to rising raw material prices – Decreased production leading to decreased revenue" 	<ul style="list-style-type: none"> •Consideration of flood risks in the location selection of new factory sites. •Assessing flood risks at production sites and implementing risk mitigation measures. •Developing alternative raw materials. •Establish water recycling equipment 	
R: Increase in average temperature O: Enhance energy efficiency	<ul style="list-style-type: none"> – Increased electricity costs leading to higher operating expenses (R) – Price increases due to shortages of raw materials (R) – Increased costs or decreased production resulting in reduced revenue (R) 	<ul style="list-style-type: none"> •Using renewable energy •Developing alternative raw materials •Procuring energy-saving equipment •Implementing an environmental management system to track energy usage 	

		+ Decrease in electricity costs (O)
3. Describe the financial impact of extreme weather events and transition actions.	<p>The financial impact of extreme weather events Everlight Electronics identifies potential risks to production or transportation stages such as flooding, droughts, changes in precipitation patterns, and extreme changes in climate patterns through internal discussions, inventory, and evaluation. Heavy rainfall causing floods can lead to temporary shutdowns of factories and equipment damage, resulting in temporary inability to ship products. Droughts and water shortages can affect normal operation of production lines, requiring adjustments such as reducing water usage or transferring goods from other factories to maintain supply, leading to increased operating costs. Everlight Electronics will continue to refine physical risk scenario analysis, strengthen climate adaptation management, and strategies for merged companies.</p> <p>The financial impact of transformation actions Under transformation risks, transitioning to a low-carbon economy may face extensive policy, regulatory, technological, and market changes. Depending on the nature, speed, and focus of these changes, within the analysis timeframe, factors such as carbon fees, greenhouse gas emissions caps, renewable energy regulations, and shifts in consumer preferences may increase operating costs or decrease sales volumes. Everlight Electronics addresses these transformation risks by implementing energy-saving and carbon reduction projects to minimize climate impacts on operations and supply chains, improving energy efficiency, planning investments in green energy equipment, and investing in innovative green product development to meet consumer demands.</p>	
4. Explain how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	<p>Everlight Electronics follows the provisions of Article 4 of the Risk Management Measures approved by the internal board of directors, establishing a Risk Management Committee. The Legal Center serves as the highest risk management unit within the group, with risk management representatives appointed by various department-level units serving as committee members. The committee conducts project analyses and controls for significant risks affecting company operations. It evaluates the feasibility of risk transfer in coordination with insurance resources to reduce company losses. The Audit Center formulates an annual audit plan based on internal control guidelines and relevant laws and regulations, reviewing the execution quality of various operations.</p> <p>To identify the impact and severity of climate-related risk factors on various aspects of</p>	

	<p>Everlight's business operations, the company established the Sustainability Development Office in 2024. The Office is responsible for assessing how different climate risk factors affect their respective areas of responsibility. The findings of these assessments are submitted to the Risk Management Task Force, which convenes relevant risk management units to regularly report to the Board of Directors on risk mitigation progress and management implementation. This cross-functional mechanism ensures that the Board supervises, monitors, and reviews the effectiveness of the management team's risk response measures, thereby reinforcing the company's organizational resilience and capacity to manage climate-related risks.</p>
<p>5. If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analysis factors, and major financial impacts used.</p>	<p>Based on the climate-related risks and opportunities identified through our internal assessment, and the strategies and actions under consideration, Everlight plans to enter the evaluation and scenario planning phase by 2025. In alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the company will apply scenario analysis to assess the potential financial impacts and strategic resilience of material climate risks and opportunities under different external conditions.</p> <p>The scenario analysis will incorporate both global net-zero emissions targets and national climate policy goals relevant to the jurisdictions in which Everlight operates. It will evaluate the implications of specific transition and physical risks, including how future greenhouse gas (GHG) emissions control policies may impact the Group and its supply chain. These assessments will integrate Everlight's current decarbonization initiatives and analyze the accompanying financial consequences of climate risk.</p> <p>The scenario analysis will be constructed using publicly available data and information sources. For transition risk scenarios, reference materials will include:</p> <ul style="list-style-type: none"> - The World Energy Outlook 2022 published by the International Energy Agency (IEA) - Taiwan's 2050 Net Zero Emissions Pathway and Strategy (proposed by the National Development Council in 2022) - Taiwan's 2030 Nationally Determined Contributions (NDCs), which commit to a GHG reduction target of 28% \pm2% below 2005 levels by 2030 - The Ministry of Environment's announcement to introduce a carbon fee of NTD 300 per metric ton of CO₂e <p>For physical risk scenarios, the company will reference:</p> <ul style="list-style-type: none"> - The Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) - 3D Disaster Potential Maps developed by the National Science and Technology Center for Disaster Reduction

	<p>- The Fifth Assessment Report (AR5) released by the Intergovernmental Panel on Climate Change (IPCC) in 2014</p> <p>These data sources will support Everlight’s efforts to build robust climate risk models and to evaluate the long-term financial implications of climate change on its operations and value chain.</p> <p>In response to the challenges and transition opportunities arising from the climate emergency, Everlight is committed to advancing toward a low-carbon, green economy to mitigate the impacts of climate change. To realize this vision, the company has set forth a series of concrete goals and actions aligned with its sustainability commitments: Compliance with regulatory obligations, Promotion of occupational safety and health, Optimization of resource utilization and pollution prevention, Management of environmental, health, and safety (EHS) risks, Cultivation of a strong EHS culture, Development of a green supply chain, Fulfillment of corporate social responsibility.</p> <p>To support these objectives and advance its sustainability roadmap, Everlight has established dedicated targets and action plans across key areas such as greenhouse gas emissions, energy management, water resource management, and sustainable supply chain practices. Through these efforts, the company aspires to become a global benchmark for environmental protection, safety, and health in the LED industry.</p>									
6. If there are transformation plans to manage climate-related risks, explain the content of the plan, as well as indicators and targets used to identify and manage physical and transition risks.	<table><tr><th>Topic</th><th>Current Performance and Achievements</th><th>Future Direction and Goals</th></tr><tr><td>Greenhouse Gas (GHG) Emissions</td><td>Key production sites have implemented and continue to maintain international management systems such as ISO 14064-1 for greenhouse gas emissions accounting and verification.</td><td>Through investment and technological innovation, Everlight aims to develop new products and optimize manufacturing processes. The company plans to conduct internal assessments to identify key products and evaluate their product carbon footprints, with the goal of obtaining ISO 14067 certification as part of its comprehensive carbon reduction strategy.</td></tr><tr><td>Energy Management</td><td>1. Solar systems have been installed at the Suzhou</td><td>To meet renewable energy goals, Everlight actively invests in and promotes the</td></tr></table>	Topic	Current Performance and Achievements	Future Direction and Goals	Greenhouse Gas (GHG) Emissions	Key production sites have implemented and continue to maintain international management systems such as ISO 14064-1 for greenhouse gas emissions accounting and verification.	Through investment and technological innovation, Everlight aims to develop new products and optimize manufacturing processes. The company plans to conduct internal assessments to identify key products and evaluate their product carbon footprints , with the goal of obtaining ISO 14067 certification as part of its comprehensive carbon reduction strategy.	Energy Management	1. Solar systems have been installed at the Suzhou	To meet renewable energy goals, Everlight actively invests in and promotes the
Topic	Current Performance and Achievements	Future Direction and Goals								
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Energy Management	1. Solar systems have been installed at the Suzhou	To meet renewable energy goals, Everlight actively invests in and promotes the								

	<p>Wujiang Plant and the Zhongshan Plant in Guangdong.</p> <p>2. Key production facilities have implemented and continue to maintain the ISO 50001 Energy Management System.</p>	<p>use of renewable energy, recognizing its critical role in the transition to net-zero. The company continues to review and phase out high-energy-consuming equipment to enhance energy efficiency.</p>
Water Resource Management	<p>Everlight conducts regular internal assessments, reviews, and evaluations of water usage. Based on the results, the company upgrades and adjusts relevant infrastructure and equipment to improve efficiency, followed by effectiveness reviews to support the long-term goal of sustainable water conservation.</p>	<p>Efforts include independent water-saving initiatives and the procurement of backup recycled water sources.</p>
Supply Chain Management	<p>The company continuously engages in innovation and R&D to develop green technologies and products, supported by patents to ensure long-term market competitiveness.</p>	<p>Everlight actively invests in the development of high-efficiency products and seeks relevant certifications to strengthen its market position. The company also collaborates with supply chain partners to improve carbon management capabilities, reduce overall emissions, and enhance the climate impact of its supply chain.</p>
7. If internal carbon pricing is used as a planning tool,		Everlight will continue to evaluate the applicability of this planning tool and incorporate

explain the basis for price determination.	internal carbon pricing into the assessment scope of its carbon management strategy.
8. If climate-related targets are set, explain the activities covered, scope of greenhouse gas emissions, planning schedule, annual progress, etc. If carbon offsets or renewable energy certificates (RECs) are used to achieve the goals, explain the source and quantity of carbon offsets or the number of RECs exchanged.	During the 2024 planning and inventory phase, Everlight initiated climate-related work planning, including the activation of the Risk Management Task Force to conduct a comprehensive assessment of climate-related risks and opportunities. The review considered various factors, including government regulations, customer expectations, international pressures, environmental conditions, and the company's internal sustainability commitments. The analysis identified potential financial impacts on the organization, along with proposed risk mitigation and opportunity realization measures, which will serve as a foundation for the next stage of evaluation. In parallel, Everlight is also continuously evaluating the potential use of carbon offsets and Renewable Energy Certificates (RECs) , and plans to incorporate these mechanisms into its overall carbon management assessment framework.
9. Greenhouse gas inventory and assurance status (to be filled in separately)	Please refer to Table 1-1

1-1 Greenhouse Gas Inventory and Assurance Situation

Form Filing Instructions:

1. The information in Scope 1 and Scope 2 categories shall be processed according to the schedule prescribed in Article 10, Paragraph 2 of this guideline, while the information in Scope 3 category may be voluntarily disclosed by the company.
2. The company may conduct greenhouse gas inventories according to the following standards:
 - (1) The Greenhouse Gas Protocol (GHG Protocol).
 - (2) ISO 14064-1 published by the International Organization for Standardization (ISO).
3. Assurance institutions should comply with the assurance-related regulations set by the Taiwan Stock Exchange Corporation and the Taipei Exchange Foundation.
4. Subsidiaries may report individually, aggregate (e.g., by country or region), or consolidate (Note 1).
5. The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but data calculated based on revenue (in NT\$ million) should be disclosed at least (Note 2).
6. Operating sites or subsidiaries not included in the inventory calculation shall not account for more than 5% of the total emissions. The total emissions referred to herein shall be the emissions calculated according to the mandatory inventory scope specified in Form Filing Instruction 1.
7. The assurance situation description should summarize the content of the assurance report of the assurance institution and include the complete assurance opinion letter in the annual report (Note 3).

1-1 Greenhouse Gas Inventory and Assurance Situation

<p>Basic Company Information</p> <p><input type="checkbox"/> Companies with a capital of NT\$100 billion or more, steel industry, cement industry</p> <p><input type="checkbox"/> Companies with a capital of NT\$50 billion or more but less than NT\$100 billion</p> <p><input checked="" type="checkbox"/> Companies with a capital of less than NT\$50 billion</p>	<p>According to the guidelines of the Sustainability Development Roadmap for Listed Companies, at least the following disclosures should be made:</p> <p><input checked="" type="checkbox"/> Individual inventory of the parent company</p> <p><input type="checkbox"/> Inventory of subsidiaries in consolidated financial statements</p> <p><input type="checkbox"/> Assurance of the parent company</p> <p><input type="checkbox"/> Assurance of subsidiaries in consolidated financial statements</p>
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Scope 1	Total Emissions (metric tons CO ₂ e)	Density (metric tons CO ₂ e/million NT\$)	Assurance Statement	Assurance Explanation (Note 3)
Parent Company	1,111.2983	NA	TUV-NORD	continues to drive key plant initiatives, including obtaining ISO 14064-1
Subsidiaries	—		Taiwan TUV-NORD Technical Supervision Consulting Co., Ltd.	compliance for major sites such as the Yuanli Plant in Miaoli, the Wujiang Plant in Suzhou, and the Zhongshan Plant in Guangdong.
...(Note 1)				
Total	1,111.2983	NA		Assurance Explanation (Note 3)
Scope 2	Total Emissions (metric tons CO ₂ e)	Density (metric tons CO ₂ e/million NT\$)	Assurance Statement	Assurance Explanation (Note 3)
Parent Company	80,203.2241	NA	TUV-NORD	continues to drive key plant initiatives, including obtaining ISO 14064-1
Subsidiaries	—		Taiwan TUV-NORD Technical Supervision Consulting Co., Ltd.	compliance for major sites such as the Yuanli Plant in Miaoli, the Wujiang Plant in Suzhou, and the Zhongshan Plant in Guangdong.
...(Note 1)				
Total	80,203.2241	NA		
Scope 3	76,401.42			
<p>The scope of the company's 2023 greenhouse gas inventory covered the Shulin Headquarters, Yuanli Plant, Tongluo Plant, Suzhou Wujiang Plant, and Zhongshan Plant. Except for the Shulin Headquarters, all other sites completed third-party verification of their GHG inventory data in 2024. The verification was conducted in accordance with ISO 14064-1 and relevant domestic and international standards. The results of the verified data are presented as shown above.</p>				

1-1 The company's greenhouse gas inventory and verification status in the past two years

1-1-1 Greenhouse gas inventory information

Provide the greenhouse gas emissions for the past two years (in metric tons CO2e), intensity (in metric tons CO2e per million dollars), and data coverage scope.				
According to the sustainability development pathway requirements for listed companies with paid-in capital of less than 5 billion NT dollars, Everlight Electronics is subject to the following timeline: Everlight Electronics shall commence inventorying from the year 115 (Taiwan era), while its consolidated financial reports for subsidiary companies shall commence inventorying from the year 116 (Taiwan era). Everlight Electronics has established a greenhouse gas inventory mechanism in accordance with ISO 14064-1 standards and conducts regular annual inventories focusing on key manufacturing sites. The Miaoli Yuanli Plant, Suzhou Wujiang Plant, and Guangdong Zhongshan Plant have achieved compliance with ISO 14064-1 standards."				
Greenhouse gas emissions in the last 2 years :				
Year	2023		2024	
Projects (Units)	Emissions (Metric tons of CO2e)	Intensity (Metric tons of CO2e per million NTD of revenue)	Emissions (Metric tons of CO2e)	Intensity (Metric tons of CO2e per million NTD of revenue)
Parent	Scope1	1,111.30		1,201.49
	Scope2	80,203.22		85,968.52
	Scope3	76,401.42		898,261.32
	Subtotal	157,715.94		985,431.33
Subsidiaries	Scope1	—		—
	Scope2	—		—
	Subtotal	—		—
Total	157,715.94		985,431.33	
In 2024, all site-level greenhouse gas inventories were conducted using a checklist-based approach. Third-party verification procedures are expected to be completed by the third quarter of 2025.				
Greenhouse Gas Confirmation Information				
Provide an explanation of the verification status for the most recent two years up to the printing date of the annual report, including the scope of verification, verifying entity, verification criteria, and verification opinion.				
In accordance with the sustainability development pathway requirements for listed companies with paid-in capital of less than 5 billion NT dollars, Everlight Electronics is subject to the following timeline: Everlight Electronics is expected to complete verification by the year 117 (Republic of China calendar), while its consolidated financial reports for subsidiary companies should be verified by the year 118. Everlight Electronics has been verified by TUV-NORD Taiwan, a branch of the German-based technical surveillance and consulting company, in accordance with ISO 14064-1:2018 standards. The verification opinion is at a level of reasonable assurance.				

1-1-2

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

<p>Describe the greenhouse gas reduction base year and its data, reduction targets, strategies, specific action plans and achievement of reduction targets.</p>	<p>Everlight Electronics actively conducts greenhouse gas inventory and verification in accordance with the guidelines set forth by the Financial Supervisory Commission for greenhouse gas inventory and reduction. Following the requirements of the International Organization for Standardization ISO 14064-1 for greenhouse gas inventory and ISO 50001 for energy management systems, we are actively engaged in greenhouse gas inventory and verification. Currently, we are proactively conducting inventory and verification work at key factory sites and plan to formulate carbon reduction targets, strategies, and specific action plans based on recent inventory results, to comply with the regulations requiring disclosure of carbon reduction targets, strategies, and specific action plans by the Financial Supervisory Commission in the year 116 of the Republic of China.</p> <p>Greenhouse Gas Reduction Baseline Year and Reduction Targets</p> <p>To plan greenhouse gas reduction strategies, Everlight Electronics established reduction targets in the year 112 of the Republic of China, setting the reduction baseline year at 109, aiming to achieve a reduction compared to the baseline year by implementing specific actions in the fiscal year 119.</p> <p>Greenhouse Gas Reduction Strategies and Specific Action Plans</p> <p>Everlight Electronics integrates carbon management into its operational strategies, continuously adjusting relevant policies and programs. It develops proactive carbon reduction technologies such as process improvement and considers investing in low-carbon initiatives. Additionally, through an electronic dashboard platform, it consolidates group electricity usage information and implements comprehensive supervision of various greenhouse gas reduction projects, including enhancing energy efficiency, purchasing energy-saving machinery, and installing solar power generation systems. These efforts ensure that reduction targets are met on schedule, demonstrating a proactive approach to reducing carbon emissions and enhancing operational competitiveness."</p>
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For further climate concern information, please see our Sustainability Report on our web-site, www.everlight.com.

2.3.11 Status of corporate social responsibility, and any variance from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons for any such variance

Integrity is one of our fundamental business philosophies and is deeply rooted in the corporate culture. Directors, audit committee, professional managers and employees follow the provisions of the "Integrity, honesty and intellectual property rights agreement" and strictly abide by the agreement and they will not tolerate violations of business ethics and will use their professionalism and diligent management to create the best interests of shareholders. The Company established "The Code of Ethics for Employees" which regulated the donation or sponsorship made by the company is conducted in accordance with the internal regulations of the company to prevent any offering or receiving bribes or illegal political contributions from happening. In addition, the 15th Article of "Rules of Procedure for Board of Directors Meetings" states "When the relationship is likely to prejudice the interest of the Company, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director."

Assessment Item	Implementation Status (Note)		Departures from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
I. Establishment of Corporate Conduct and Ethics Policy and Implementation Measures (1) Has the Company established an ethical management policy approved by the Board, declared its ethical corporate management policies and procedures in its guidelines and external guidelines, as well as the commitment from its board and senior management to implement the policies?	V		(1)"Ethical Corporate Management Best Practice Principles" was approved by the board of directors on March 25, 2016. In order to foster a corporate culture of ethical management and sound development, and offer a reference framework for establishing good commercial practices, the company established "The Practical Code of Corporate Governance," "The Code of Integrity Management," and "The Code of Ethics for Employees" to guide directors, supervisors, managers, employees, and substantial controllers on how to conduct business. (2)Everlight has formulated prevention of unethical behavior in "Everlight Electronics' Work Rules", the "Code of Conduct for Employees", "Control Procedures for Ethical Advertisement, Fair Trade and
(2) Has the Company established a mechanism for evaluating the risk of unethical behavior? Do business activities with a higher risk of unethical behavior undergo			

Assessment Item	Implementation Status (Note)			Departures from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Summary	
regular analysis and assessments so that measures for the prevention of unethical behavior can be formulated, including at a minimum the behaviors defined under Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles"?			Anti-Monopoly" and "whistle blower policy". Everlight has not only published aforementioned procedures in the internal website for employees to have a better understanding about keeping ethical conducts, but also held training or propaganda to strengthen employees to stick to the Everlight's core value and procedures. Everlight doesn't tolerate any behavior which violates the code of conducts. Everlight punishes those employees who break the rules according to the company's regulations or takes legal action if necessary.	
(3) Has the Company established relevant policies that are duly enforced to prevent unethical conduct and provide implementation procedures, guidelines, consequence of violation, complaint procedures in such policies and with the aforementioned measures reviewed and updated on a regular basis?			(3) Everlight's audit center also plays an important role in ensuring professional ethics and compliance. In order to ensure that financial, management, operational information, and employee behavior comply with relevant procedures, operating methods and regulations, the Audit Center conducts various audits in accordance with the annual audit plan approved by the board of directors, and reports to the audit committee and the board of related audit results and follow-up. In addition to the improvement plan, it also conducts project audits to provide process improvement suggestions to ensure the effectiveness and efficiency of operations.	
II. Ethic Management Practice (1) Has the Company assessed the ethics records whose it has business relationship with and included business conduct and ethics related clauses in the business contracts?	V		(1) Everlight conducts its business transparently and fairly. Before dealing business with any party, Everlight evaluates the trading partner carefully in order to avoid dealing business with unethical trading partner. Everlight has formulated terms related to ethical conduct in the contract signed with	None

Assessment Item	Implementation Status (Note)		Departures from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures
	YES	NO	
			Summary
(2) Has the Company established a dedicated (part-time) unit supervised by the Board of Directors for the promotion of ethical corporate management that regularly (at least once a year) reports to the Board of Directors on its ethical management policy, precautions against unethical behavior, and implementation of oversight?			<p>the trading partner to protect mutual benefit before dealing business with them. Everlight conveys its standard of ethical conducts to its customers or suppliers in relevant activities and communicate corresponding issues with them</p>
			<p>(2) In order to perform due diligence in monitoring ethical operations, Everlight's board of directors has established several kinds of organizations and channels, such as audit committee, compensation committee, internal audit center and etc. Everlight has assigned that the legal division concurrently to be in charge of promoting ethical operations in March 2016. On May 25, 2016, the board of directors approves "Ethical Corporate Management Best Practice Principles" and the head of legal division as the convener of each department to ensure the implementation of the principles based on the scope and job description of each department and report the result to the board regularly. Under the supervision of the board, Everlight ensures that the financial or accounting information disclosed publicly and reported to the government are complete, fair, accurate, timely and understandable.</p> <p>Required training related to ethical conduct has been arranged for the new employees and regular propagation of policy related to ethical conduct is held. Contracts signed with suppliers (such as purchase contract) includes relevant terms regarding ethical conducts, such as promising and giving any commission, benefit, compensation, bribe, agency fee, kickback or other improper interest are</p>

Assessment Item	Implementation Status (Note)		Departures from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures
	YES	NO	
	Summary		
			<p>prohibited.</p> <p>The company will report this policy to the board of directors every year. On November 12, 2010, when the board of directors was held, the head of legal affairs submitted the [CSR report], which included the current year's performance progress of integrity management and future medium and long-term goals. The content is to continue to follow the RBA guidelines, and there are 4 ethics-related education and training, lectures and promotions, and there has been no corruption, bribery, extortion and anti-competitive incidents among Everlight employees. Directors have completed more than 6 hours of corporate governance related education training, lectures and publicity.</p> <p>(3) On May 25, 2016, the board of directors approves “Ethical Corporate Management Best Practice Principles” and formulated a policy to prevent conflict of interest. Everlight stipulates clearly that no preference or privilege can be given to related parties and its employees cannot ask, offer, give and take gift, treatment, kickback, bribe and etc. According to the "Employee Ethics Code", each employee should avoid any business, investment or relevant activities which may constitute conflict of interest between individual and Everlight unless with prior approval from the board of directors.</p> <p>(4) Everlight has established an effective and complete accounting and internal control system and carried out exception management systematically. Everlight’s independent internal audit unit has conducted audit based on the annual audit plan.</p>
(3) Has the Company established policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly?			
(4) Has the Company established effective systems for both accounting and internal control to facilitate ethical corporate management? Do internal auditors devise and carry out audit plans based on risk assessments of unethical behavior to investigate non-compliance, or			

Assessment Item	Implementation Status (Note)			Departures from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Summary	
have CPAs been retained to conduct such audits?			reported the audit work to the audit committee monthly and report to the audit committee and the board of directors. Internal audit unit also push deficiencies or weakness in the internal control system found from the audit to be remediated and improved adequately. Additionally, Everlight carried out self-assessment of internal control system annually as required by the law. Each unit in Everlight has to assess the effectiveness of designation and implementation of relevant internal control system	
(5) Does the Company provide internal and external ethical conduct training programs on a regular basis?			(5) Everlight upholds the core values of excellence, innovation, integrity, quality, and execution as the foundation of its business philosophy. In addition to posting related declarations across all facilities, the company organizes both internal and external training programs focused on these values. During onboarding, all new employees are required to participate in training on the company's ethics and integrity policies. All employees have access to the Code of Ethical Conduct for Employees and the Procedure for Ethical Advertising and Fair Trade Antitrust Compliance, which are available for download via the company's internal document management platform (DMP). These policies are also regularly displayed on digital signage to remind employees, suppliers, and visitors of Everlight's commitment to ethical behavior. Mandatory ethics-related training is included in the new hire orientation program, and regular ethics and integrity awareness campaigns are held for all	

Assessment Item	Implementation Status (Note)		Departures from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
	Summary		
			<p>employees. Supplier-facing documents, such as procurement contracts, explicitly state clauses on ethical conduct, strictly prohibiting any form of commitment or offer of commissions, benefits, rewards, bribes, agency fees, kickbacks, or other improper advantages to relevant personnel.</p> <p>Everlight continues to implement ongoing ethics education and has reported no incidents of corruption, bribery, extortion, or anti-competitive behavior involving internal employees. In alignment with the Responsible Business Alliance (RBA) Code of Conduct, the company has established formal policies including the Code of Ethical Conduct for Employees and the Procedure for Ethical Advertising and Fair Trade Antitrust Compliance. These are reinforced through training and awareness initiatives that require employees to adhere to anti-corruption standards and ethical principles, including a zero-tolerance policy for the acceptance of gifts in any form.</p> <p>Externally, all suppliers are required to sign the Supplier Social Responsibility Commitment Letter and the Supplier Integrity Commitment Letter, agreeing to uphold high standards of ethical conduct. These policies mandate that suppliers establish appropriate management and supervision mechanisms to avoid violations of business integrity, including bribery, gift-giving, and falsification of information.</p> <p>Everlight actively integrates its ethical business policy into organizational culture and daily operations. Training and communication are</p>

Assessment Item	Implementation Status (Note)			Departures from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures													
	YES	NO	Summary														
			<div>embedded into onboarding sessions and employee development programs. Topics covered include, but are not limited to:</div> <table><tr><th>Date</th><th>Training Topic</th><th>Number of Participants</th></tr><tr><td>2024</td><td>New Employee Orientation: Internal Audit and Anti-Corruption Awareness</td><td>126</td></tr><tr><td>2024</td><td>Trade Secrets Law and Compliance Awareness</td><td>126</td></tr><tr><td>2024/9/5</td><td>Procurement, Inspection, and Payment Procedures – Policy Briefing and Case Studies</td><td>337</td></tr><tr><td>2024/11/7</td><td>2024 Internal Control Self-Assessment – Policy Introduction</td><td>400</td></tr></table> <div>In 2024, all 488 new hires, including those who have since left the company, signed the "Everlight Integrity, Confidentiality, and Intellectual Property Agreement". By signing this agreement, employees commit to strictly adhering to the company's codes of conduct regarding integrity and ethical behavior. They pledge not to solicit or accept any improper benefits from Everlight's business</div>		Date	Training Topic	Number of Participants	2024	New Employee Orientation: Internal Audit and Anti-Corruption Awareness	126	2024	Trade Secrets Law and Compliance Awareness	126	2024/9/5	Procurement, Inspection, and Payment Procedures – Policy Briefing and Case Studies	337	2024/11/7
Date	Training Topic	Number of Participants															
2024	New Employee Orientation: Internal Audit and Anti-Corruption Awareness	126															
2024	Trade Secrets Law and Compliance Awareness	126															
2024/9/5	Procurement, Inspection, and Payment Procedures – Policy Briefing and Case Studies	337															
2024/11/7	2024 Internal Control Self-Assessment – Policy Introduction	400															

Assessment Item	Implementation Status (Note)		Departures from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and reasons for such departures
	YES	NO	
			<p>partners, including customers, suppliers, or service providers.</p> <p>Furthermore, employees agree that, during their employment or after separation from the company, they will not, for their own benefit or for the benefit of others, instigate or induce Everlight personnel to violate their professional responsibilities—including but not limited to internal company policies and regulations—nor engage in bribery or any form of improper exchange of interests with Everlight employees.</p>
<p>III. Implementation of Complaint Procedures</p> <p>(1) Has the Company established specific complaint and reward procedures, set up conveniently accessible complaint channels, and designate responsible individuals to handle the complaint received?</p>	V		None
(2) Has the Company established standard operating			<p>(1) The Company has established reporting channels and procedures related to the punishment of violating the ethical conducts and appealing in April 2017 and designated a spokesman and a unit to gather information regarding Everlight on the formal website of the company</p> <p>Additionally, Everlight has established a group to investigate corruption and bribe and also provided several reporting channels on the formal website of the company, such as mailed to the Audit Center (No. 6-8, Zhonghua Road, Shulin District, New Taipei City), phone (02-2685-6688 #7122), mailbox (whistleblower@everlight.com) and fair trade mailbox (legal@everlight.com), and also set up "Chairman's Mailbox" and "Employee Opinion Report Form" within the company, at any time accept reports from inside and outside of the organization either by name or anonymously.</p>

Assessment Item	Implementation Status (Note)			Departures from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	Summary	
<p>procedures for the investigation of complaints, what follow-up actions to take once an investigation is complete, and the relevant confidentiality mechanisms?</p> <p>(3) Does the Company adopt proper measures to prevent a complainant from retaliation for his/her filing a complaint?</p>			<p>(2) Everlight has established a standard procedure to deal with reporting cases and mechanism of protect whistleblower. Everlight deals with those report and subsequent investigation rigorously and confidentially, which has been formulated in the “whistleblower policy”.</p> <p>(3) Everlight protects whistleblower from unfair or improper treatment and prohibit any forms of revenge on the whistleblower or those who help with the investigation. The Company would protect reporters or investigators from maltreatment or any form of retaliation which clearly defined in reporting instruction. °</p>	
IV. Information Disclosure Does the Company disclose its guidelines on business ethics as well as information about implementation of such guidelines on its website and Market Observation Post System (“MOPS”)?	V		<p>The Company has disclosed information related to business culture, guideline of management, status of corporate governance and “The Practical Code of Corporate Governance,” “The Code of Integrity Management,” in the Corporate Social Responsibility Area of Everlight’s official website.</p> <p>The Company discloses the information related to the Company in the investor service section and stakeholder section on the Company’s official website at: http://www.everlight.com</p>	None
V. If the Company has established corporate governance policies based on “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies,” please describe any discrepancy between the policies and their implementation: None.				

Assessment Item	Implementation Status (Note)		Departures from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures
	YES	NO	
<p>VI. Other important information to facilitate better understanding of the Company's corporate conduct and ethics compliance practices (e.g., review the company's corporate conduct and ethics policy):</p> <p>The Company commits to abide by "Company Act," "Securities and Exchange Act," and related regulations of public-traded company or commercial activities as the foundation of integrity and ethic. Moreover, Everlight follows the development of related regulations to reviews and amandes "Corporate Governance Best Practice Principles," "Ethical Corporate Management Best Practice Principles," and "The Code of Ethics for Employees" at any time. Any contract with commercial activities such as purchasing contract etc. defines clearly the integrity related regulations about forbidding any commission, interest, reward, bribery, agent fee, and rebate.</p>			

2.3.12 Corporate Governance Guidelines and Regulations: Please refer to the Company's website at www.everlight.com or TWSE website at mops.twse.com.tw

2.3.13 Other Important Information Regarding Corporate Governance: None.

2.3.14 Internal Control Systems
Statement of Internal Control System

Everlight Electronics Co., Ltd.
Statement of Internal Control System

March 13, 2025

Based on the findings of a self-assessment, Everlight Electronics Co., Ltd. (referred to as “Everlight” hereinafter) states the following with regard to its internal control system during the year 2024:

1. Everlight’s Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. The internal control system is designed to provide reasonable assurance over the effectiveness and efficiency of our operations (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 its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and Everlight takes immediate remedial actions in response to any identified deficiencies.
3. Everlight evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (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. Everlight has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, Everlight believes that, on December 31, 2024, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency, and regulatory compliance of reporting, and compliance with applicable rulings, laws, and regulations.
6. This Statement is an integral part of Everlight’s annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This Statement was approved by the Board of Directors in their meeting held on March 13, 2025, with none of the eight attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

Everlight Electronics Co., Ltd.

Chairman Yin-Fu Yeh

President Yin-Fu Yeh

2. Where a CPA has been hired to carry out a special audit on the internal control system, furnish the CPA audit report: None

2.3.15 For the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report, disclose any sanctions imposed in accordance with the law upon the Company or its internal personnel. Sanctions imposed by the Company upon its internal personnel for violations of internal control system provisions, principal deficiencies, and the state of any efforts to make improvements:None.

2.3.16 Major Decisions of Shareholders' Meeting and Board Meetings :

2.3.16.1 2024 Shareholder' Meeting

Date	Motion	Resolution	Execution
2024/6/12	Approved the 2023 Business Report and Financial Statements	All attending members unanimously agree to pass the proposal.	Execute as resolution
	Approved the adoption of the proposal for distribution(Cash Dividend: NT\$ 2.6/share) of 2023 profits	All attending members unanimously agree to pass the proposal.	The Company decided to set up the ex-dividend date of cash dividend for August 8, 2023 and paid on August 31, 2023.
	Approved the cash distribution from capital Surplus(cash distribution : NT\$ 0.6/share)	All attending members unanimously agree to pass the proposal.	The Company decided to set up the ex-distribution date of cash distribution for August 8, 2023 and paid on August 31, 2023.
	Approved the amendment of the "Articles of Incorporation".	All attending members unanimously agree to pass the proposal.	The resolution shall be fully implemented and finished registration on 8/7/2024 and published on our web site on 8/31/2024
	Approved the amendment of the " Rules of Procedure of Shareholders' Meeting" of the Company.	All attending members unanimously agree to pass the proposal	The resolution shall be fully implemented and published on our web site on 8/31/2024
	Election of the Company's directors.	The elected directors: Yin-Fu Yeh, Bo-Wen Zhou, Ting-Wei Yeh, Bang-Yan Liu. The elected independent directors: Rong-Chun Lin, Liang-Gee Chen, Chin-Der Ou, Kuo-Chung Chi.	The elected results shall be fully implemented and finished registration on 8/7/2024 and published on our web site on 8/31/2024
	Approved the release from non-competition restrictions on directors	All attending members unanimously agree to pass the proposal.	The resolution shall be fully implemented.

2.3.16.2 Implementation of Board Meeting Resolutions in 2024(Article 14-3 of the Securities Exchange Law)

Term/____st/ nd/rd/th time Date	Motion	Resolution	Execution
14-22 2024.5.13	2024 financial report of Q1	All attending members unanimously agree to pass the proposal.	Execute as resolution
	Discussion of overdue more than 90 days account receivables required to transfer to the corporation lending	All attending members unanimously agree to pass the proposal.	
	Disposal of Investment.	All attending members unanimously agree to pass the proposal.	
15-2 2024.8.13	2024 financial report of Q2	All attending members unanimously agree to pass the proposal.	Execute as resolution
	Discussion of overdue more than 90 days account receivables required to transfer to the corporation lending	All attending members unanimously agree to pass the proposal.	Execute as resolution
	Evaluate the contents of service and remuneration 2024 about appointment of CPAs	All attending members unanimously agree to pass the proposal.	Execute as resolution
	Proposal to authorize board members to sign audit reports.	All attending members unanimously agree to pass the proposal.	Execute as resolution
	2024 financial report of Q2	All attending members unanimously agree to pass the proposal.	Execute as resolution
15-3 2024.11.13	2024 financial report of Q3	All attending members unanimously agree to pass the proposal.	Execute as resolution
	Discussion of overdue more than 90 days account receivables required to transfer to the corporation lending	All attending members unanimously agree to pass the proposal.	
	Proposal to revise the Company's Table of Approval Authority.	All attending members unanimously agree to pass the proposal.	Execute as resolution
15-4 2024.12.19	Approval of auditing plan for 2025	All attending members unanimously agree to pass the proposal.	Execute as resolution
15-5 2025.3.13	2024 financial report and business report.	All attending members unanimously agree to pass the proposal.	Execute as resolution
	Earning distribution of 2024	All attending members unanimously agree to pass the proposal.	Execute as resolution
	KPMG internal rotation of auditors	All attending members unanimously agree to pass the proposal.	Execute as resolution
	Evaluate the independence of CPAs	All attending members unanimously agree to	Execute as resolution

		pass the proposal.	
	Discussion of cash distribution from capital Surplus.	All attending members unanimously agree to pass the proposal.	Execute as resolution
	Evaluate the independence of CPAs	All attending members unanimously agree to pass the proposal.	Execute as resolution
	Discussion of overdue more than 90 days account receivables required to transfer to the corporation lending	All attending members unanimously agree to pass the proposal.	Execute as resolution
	Approval of the Statement of Declaration on Internal Control System 2024.	All attending members unanimously agree to pass the proposal.	Execute as resolution
	Discussion of ratification of investment in establishing a subsidiary in Thailand	All attending members unanimously agree to pass the proposal.	Execute as resolution
	Discussion of capital injection of Everlight Electronics (Thailand) Co.,Ltd	All attending members unanimously agree to pass the proposal.	Execute as resolution

2.3.17 Major Issues of Record or Written Statements Made by Any Director or Supervisor

Dissenting to Important Resolutions Passed by the Board of Directors : None

2.3.18 Resignation or Dismissal of the Company's Key Individuals, Including the Chairman, CEO, and Heads of Accounting, Finance, Internal Audit, Chief Officer of Corporate Governance and R&D : None

2.4 Audit Fee

NT\$, '000

Accounting Firm	Name of CPA	Audit Period	Audit Fee	Non-audit Fee	Total	Remark
KPMG	Ou, Yao-Chun & Hsin, Yu Ting	2024.01.01~2024.12.31	6,418	2,100	8,518	Service content as described in (1)

Note: Non-audit fee includes Business registration, Transfer Pricing report and tax compliance service.

- (1) Non-audit fee paid to auditors, the audit firm and its affiliates accounted for more than one-fourth of total audit fee: The non-audit services mainly include corporate income tax and transfer pricing audit and certification for NT\$2,060 thousand and industrial and commercial registration for NT\$40 thousand.
- (2) When the Company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed : None.
- (3) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10% or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefore shall be disclosed : None.

2.5 Replacement of CPAs: None

2.6 Information on the Company's Chairman, President, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm: None.

2.7 Any transfer / pledge / Changes in Shareholding of Directors, Supervisors, Managers, and Major Shareholders holding a stake of greater than 10 percent

2.7.1 Changes in Shareholding of Directors, Supervisors, Managers, and Major Shareholders
Unit: Share

Title	Name	2023		2024		2025	
		Net Change in Shareholding	Net Change in Shares Pledged	Net Change in Shareholding	Net Change in Shares Pledged	Until April 13	
						Net Change in Shareholding	Net Change in Shares Pledged
Chairman& President	Yin-Fu Yeh	0	0	0	-	0	-
Director	Bo-Wen Zhou	0	0	0	-	0	-
Director	Ting-Wei Yeh	0	0	0	-	0	-
Director	Bang-Yan Liu	0	0	(51,000)	-	0	-
IndependentDirector	Rong-Chun Lin	0	0	0	-	0	-
IndependentDirector	Liang-Gee Chen	0	0	0	-	0	-
IndependentDirector	Chin-Der Ou	0	0	0	-	0	-
IndependentDirector	Kuo-Chung Chi	0	0	0	-	0	-
Vice President	Hung-Yen Su	0	0	0	-	0	-
Vice President	Yi-Chen, Chen	0	0	0	-	0	-
Vice President	Min-Ta Tsao	0	0	0	-	0	-
Sr. Director	Chien-Ming Ting	0	0	0	-	0	-
Sr. Director	Cheng-En KO	NA	NA	0	-	0	-
Sr. Director	Kai-Hung Cheng	NA	NA	NA	NA	NA	NA
Sr. Director	Chan-Li Lin	NA	NA	NA	NA	NA	NA
Accounting Officer Financial Officer (Deputy) Corporate governance officer	Chun-Yu Lu	0	0	0	-	0	-

2.7.2 Stock Traded with Related Party: None

2.7.3 Stock Pledged with Related Party: None

2.8 Relationship among the Top Ten Shareholders

2024/4/14

Name	Shareholding		Spouse & Minor		Shareholding by Nominee Arrangement		The Relationship between Any of the Company's Top Ten Shareholders		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relation	
Chieh-Yao Investment CO., Ltd., representative:Ting-Wei Yeh who owned 500,000 shares, 0.11% of the Company.	20,766,548	4.68%	-	-	-	-	Yin-Fu Yeh Yu Ming Investment Co., Ltd. representative: Ding-Hao Yeh	Son	
Chuan Yi Investment Co., Ltd. representative:Ting-Wei Yeh, who owned 500,000 shares, 0.11% of the Company.	19,642,228	4.43%	-	-	-	-	Yin-Fu Yeh Yu Ming Investment Co., Ltd. representative: Ding-Hao Yeh	Brother Son	
Chang Wah Electromaterials Inc, representative: Chia-Neng Huang, personal holding: not available	17,296,000	3.90%	-	-	-	-		Brother	
Yin-Fu Yeh	14,168,553	3.20%	651,333	0.15%	-	-	Chuan Yi Investment Co., Ltd. & Shin-Wum Investment Ltd. representative : Ting-Wei Yeh Yu Ming Investment Co., Ltd. representative: Ding-Hao Yeh	Father	
Bo-Wen Zhou	9,600,000	2.17%	7,300,000	1.65%	-	-	Hsiu-Man Chien	Spouse	
Hsiu-Man Chien	7,300,000	1.65%	9,600,000	2.17%	-	-	Bo-Wen Zhou	Spouse	
Shinh Wum International Investment LTD representative:Ting-Wei Yeh who owned 500,000 shares, 0.11% of the Company.	7,095,000	1.60%	-	-	-	-			
Yu Ming Investment Co., Ltd. representative:Ding-Hao Yeh who owned 500,605 shares, 0.11% of the Company.	7,003,469	1.58%	-	-	-	-	Yin-Fu Yeh Chuan Yi Investment Co., Ltd. & Shin-Wum Investment Ltd. representative : Ting-Wei Yeh	Son Brother	
Chang Hwa Bank, representative: Chung-Yuan Ling, personal holding: not available	6,660,000	1.50%	-	-	-	-	-	-	
JP Morgan hosting Sanskrit Vanguard Emerging Markets Equity Index Fund account	5,781,410	1.30%	-	-	-	-	-	-	

2.9 The total number of shares and total equity stake held in any single enterprise by the Company, its directors and supervisors, managers, and any companies controlled either directly or indirectly by the Company

Dec 31, 2024 ; Unit : Share ; %

Long-term Investment	Ownership by the Company		Ownership by Directors, Managers and Directly/Indirectly Owned Subsidiaries		Total Ownership	
	Shares	(%)	Shares	(%)	Shares	(%)
Everlight (BVI) Co., Ltd.	1,539,946	98.00	36,622	2.00	1,576,568	100.00
Pai Yee Investment Co., Ltd.	23,939,525	100.00	—	—	23,939,525	100.00
Everlight Americas, Inc.	11,375,000	98.91	—	—	11,375,000	98.91
Evervision Electronics Co., Ltd.	4,477,028	24.27	8,060,077	43.7	12,537,105	67.97
Everlight Electronics (Europe) GmbH	75,000	75.00	—	—	75,000	75.00
Everlight Optoelectronics Korea Co., Ltd.	37,890	100.00	—	—	37,890	100.00
Forever Investment Co., Ltd.	42,487,490	100.00	—	—	42,487,490	100.00
Everlight Lighting Intelligence Technology Co., Ltd.	20,000,000	100.00	—	—	20,000,000	100.00
Eleocom Inc.	—	—	4,500,000	32.14	4,500,000	32.14
Evlite Electronics Co., Ltd.	7,000,000	100.00	—	—	7,000,000	100.00
Everlight Electronics India Private Limited	352,800	80.00	88,200	20.00	441,000	100.00
Everlight Electronics Singapore Pte. Ltd.	200,000	100.00	—	—	200,000	100.00
Everlight Optoelectronics (M) SDN. BHD.	—	—	253,649	100	253,649	100.00
WOFI Leuchten GmbH	5,775,000	100.00	—	—	5,775,000	100.00
Everlight Japan Corporation	5,000	100.00	—	—	5,000	100.00
Everlight Intelligence Technology KZ LLP	—	—	—	100.00	—	100.00
LeadTech Electronics Inc.	—	—	2,500,000	43.48	2,500,000	43.48

Note : Investments accounted for using equity method.

3. Capital Overview

3.1. Capital and Shares

3.1.1 Source of Capital

April 13, 2025 Unit:share/NT\$

Month/ Year	Authorized Capital		Paid-in Capital		Remarks	
	Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash
1983.06	702,200	7,022,000	702,200	7,022,000	Capital injection by cash	None
1986.12	2,702,200	27,022,000	2,702,000	27,022,000	Capital increase by cash	None
1988.12	5,000,000	50,000,000	5,000,000	50,000,000	Capital increase by cash	None
1989.12	9,000,000	90,000,000	9,000,000	90,000,000	Capital increase by retained earnings	None
1990.11	19,000,000	190,000,000	19,000,000	190,000,000	Capital increase by retained earnings Capital increase by cash	None
1995.12	35,000,000	350,000,000	35,000,000	350,000,000	Capital increase by cash Capital increase by retained earnings Capital increase by capital reserve	None
1996.10	70,000,000	700,000,000	50,000,000	500,000,000	Capital increase by cash Capital increase by retained earnings Capital increase by capital reserve	None
1997.07	70,000,000	700,000,000	60,500,000	605,000,000	Capital increase by retained earnings	None
1998.03	70,000,000	700,000,000	70,000,000	700,000,000	Capital increase by cash	None
1998.12	160,000,000	1,600,000,000	91,150,000	911,500,000	Capital increase by retained earnings Capital increase by capital reserve	None
1999.09	160,000,000	1,600,000,000	112,000,000	1,120,000,000	Capital increase by retained earnings Capital increase by capital reserve	None
1999.12	160,000,000	1,600,000,000	133,000,000	1,330,000,000	Capital increase by cash	None
2000.07	250,000,000	2,500,000,000	168,343,851	1,683,438,510	Capital increase by retained earnings Capital increase by capital reserve Capital increase by CB converted	None
2001.10	260,000,000	2,600,000,000	187,893,237	1,878,932,370	Capital increase by retained earnings	None
2002.02	260,000,000	2,600,000,000	187,936,828	1,879,368,280	Capital increase by CB converted	None
2002.09	260,000,000	2,600,000,000	218,016,687	2,180,166,870	Capital increase by retained earnings Capital increase by CB converted	None
2003.01	260,000,000	2,600,000,000	225,634,809	2,256,348,090	Capital increase by CB converted	None
2003.04	260,000,000	2,600,000,000	226,616,904	2,266,169,040	Capital increase by CB converted	None
2003.09	350,000,000	3,500,000,000	246,426,697	2,464,266,970	Capital increase by retained earnings	None
2004.07	350,000,000	3,500,000,000	273,664,667	2,736,646,670	Capital increase by retained earnings	None
2005.09	350,000,000	3,500,000,000	287,891,254	2,878,912,540	Capital increase by retained earnings	None
2006.01	350,000,000	3,500,000,000	309,221,678	3,092,216,780	Capital increase by CB converted	None
2006.04	350,000,000	3,500,000,000	309,694,072	3,096,940,720	Capital increase by CB converted	None
2006.09	500,000,000	3,500,000,000	320,083,954	3,200,839,540	Capital increase by retained earnings	None
2007.04	500,000,000	5,000,000,000	320,127,830	3,201,278,300	Capital increase by CB converted	None
2007.07	500,000,000	5,000,000,000	320,251,297	3,202,512,970	Capital increase by CB converted	None
2007.09	500,000,000	5,000,000,000	338,710,132	3,387,101,320	Capital increase by retained earnings	None
2007.10	500,000,000	5,000,000,000	345,174,221	3,451,742,210	Capital increase by CB converted	None
2008.01	500,000,000	5,000,000,000	350,974,762	3,509,747,620	Capital increase by CB converted	None

2008.04	500,000,000	5,000,000,000	351,316,461	3,513,164,610	Capital increase by CB converted Capital increase by warrant converted	None
2008.07	500,000,000	5,000,000,000	351,373,461	3,513,734,610	Capital increase by warrant converted	None
2008.08	500,000,000	5,000,000,000	364,479,791	3,644,797,910	Capital increase by retained earnings	None
2008.12	500,000,000	5,000,000,000	364,604,791	3,646,047,910	Capital increase by warrant converted	None
2009.10	500,000,000	5,000,000,000	365,882,548	3,658,825,480	Capital increase by CB converted	None
2009.12	500,000,000	5,000,000,000	399,212,548	3,992,125,480	Capital increase by cash	None
2010.01	600,000,000	6,000,000,000	410,234,155	4,102,341,550	Capital increase by CB converted Capital increase by warrant converted	None
2010.04	600,000,000	6,000,000,000	418,692,977	4,186,929,770	Capital increase by CB converted Capital increase by warrant converted	None
2010.06	600,000,000	6,000,000,000	419,169,328	4,191,693,280	Capital increase by CB converted Capital increase by warrant converted	None
2011.01	600,000,000	6,000,000,000	419,201,326	4,192,013,260	Capital increase by CB converted	None
2013.09	600,000,000	6,000,000,000	423,397,326	4,233,973,260	Capital increase by Restrictred employee share issuing 41,960,000	None
2014.04	600,000,000	6,000,000,000	424,475,754	4,244,757,540	Capital increase by CB converted Capital increase by warrant converted	None
2014.07	600,000,000	6,000,000,000	425,799,206	4,257,992,060	Capital increase by CB converted Capital increase by warrant converted	None
2014.09	600,000,000	6,000,000,000	428,262,106	4,282,621,060	Capital increase by warrant converted	None
2014.12	600,000,000	6,000,000,000	428,343,506	4,283,435,060	Capital increase by warrant converted Capital reduction by writing off RSA	None
2015.04	600,000,000	6,000,000,000	429,922,421	4,299,224,210	Capital increase by CB converted Capital increase by warrant converted	None
2015.06	600,000,000	6,000,000,000	431,096,996	4,310,969,960	Capital increase by CB converted Capital increase by warrant converted	None
2015.08	600,000,000	6,000,000,000	431,906,996	4,319,069,960	Capital increase by warrant converted	None
2015.12	600,000,000	6,000,000,000	436,189,046	4,361,890,460	Capital increase by warrant converted	None
2016.04	600,000,000	6,000,000,000	437,119,996	4,371,199,960	Capital increase by warrant converted	None
2016.05	600,000,000	6,000,000,000	437,352,246	4,373,522,460	Capital increase by warrant converted	None
2016.08	600,000,000	6,000,000,000	437,864,996	4,378,649,960	Capital increase by warrant converted	None
2016.12	600,000,000	6,000,000,000	440,266,696	4,402,666,960	Capital increase by warrant converted Capital reduction by writing off RSA	None
2017.04	600,000,000	6,000,000,000	440,561,996	4,405,619,960	Capital increase by warrant converted Capital reduction by writing off RSA	None
2017.05	600,000,000	6,000,000,000	441,085,946	4,410,859,460	Capital increase by warrant converted Capital reduction by writing off RSA	None
2017.09	600,000,000	6,000,000,000	439,941,836	4,399,418,360	Capital increase by warrant converted Capital reduction by writing off RSA	None
2017.12	600,000,000	6,000,000,000	440,377,786	4,403,777,860	Capital increase by warrant converted	None
2018.04	600,000,000	6,000,000,000	440,485,786	4,404,857,860	Capital increase by warrant converted	None
2018.05	600,000,000	6,000,000,000	440,542,586	4,405,425,860	Capital increase by warrant converted	None
2018.12	600,000,000	6,000,000,000	442,523,886	4,425,234,860	Capital increase by warrant converted	None
2018.12	600,000,000	6,000,000,000	442,913,586	4,429,135,860	Capital increase by warrant converted	None
2019.05	1,000,000,000	10,000,000,000	443,036,486	4,430,364,860	Capital increase by warrant converted	None
2019.09	1,000,000,000	10,000,000,000	443,101,136	4,431,011,360	Capital increase by warrant converted	None
2019.12	1,000,000,000	10,000,000,000	443,216,186	4,432,161,860	Capital increase by warrant converted	None
2020.04	1,000,000,000	10,000,000,000	443,259,286	4,432,592,860	Capital increase by warrant converted	None

2020.06	1,000,000,000	10,000,000,000	443,392,086	4,433,920,860	Capital increase by warrant converted	None
2020.09	1,000,000,000	10,000,000,000	443,393,086	4,433,930,860	Capital increase by warrant converted	None

April 13, 2025 Unit: thousand shares

Share Type	Authorized Capital			Remark
	Issued Shares (Note)	Un-issued Shares	Total Shares	
Common shares	443,393	556,607	1,000,000	Listed on TWSE

3.1.2 Major Shareholders

April 13, 2025 ; Unit : Share

Shareholders	Total Shares Owned	Ownership (%)
CAPITAL TIP Taiwan Select High Dividend ETF (00919.tw)	43,450,000	9.80%
Chieh-Yao Investment CO., Ltd.,	20,766,548	4.68%
Chuan Yi Investment Co., Ltd.	19,642,228	4.43%
Fuh Hwa Taiwan Technology Dividend Highlight ETF (00929.tw)	15,791,000	3.56%
Yuanta Taiwan High Dividend LowVolatility ETF (00713.tw)	14,550,000	3.28%
Chang Wah Electromaterials Inc.	14,429,000	3.25%
Yin-Fu Yeh	14,168,553	3.20%
Mega International Commercial Bank	12,800,000	2.89%
Yuanta Taiwan Value High Dividend ETF (00940.tw)	10,046,000	2.27%
Bo-Wen Zhou	9,600,000	2.17%

3.1.3 Dividend Policy and Implementation Status

3.1.3.1 Dividend Policy

According to our Articles of Incorporation:

Revenue from the Company's annual general settlement shall be first used to pay tax and compensate previous losses. Subsequently, ten percent of the balance shall be recognized as legal reserve and special reserve shall be recognized or reversed in accordance with laws and competent authority's requirements. The final balance together with more than fifty percent of accumulated undistributed revenue appropriated from the previous year shall serve as dividend for distribution. The board of directors' meeting shall submit distribution proposal to shareholder's meeting for resolution accordingly.

The dividend distribution methods will adopt two methods of capital increase through earning capitalization and cash dividend. Percentage for cash dividend shall not be lower than ten percent. Nevertheless, cash dividend can be replaced by stock dividend in the event that cash dividend is lower than NTD 0.2 (included) dollar per share.

3.1.3.2 Proposed Distribution of Dividend

Earnings distribution plan of the Company's in 2024 was approved by the Directors' meeting on March 13, 2025. The proposed distribution of NT\$ 5.31 per share and a total cash dividend of NT\$ 2,354,417,287, are not approved yet by the shareholders' general meeting.

3.1.4 Impact to 2025 Business Performance and EPS Resulting from Stock Dividend Distribution: Not applicable.

3.1.5 Remuneration to Directors and Profit Sharing Bonus to Employees

3.1.5.1 Information Relating to Employee Bonus and Directors' and Supervisors' Remuneration in the Articles of Incorporation

According to our Articles of Incorporation:

If the Company has gained profits within a fiscal year, 6% ~ 12% of the profits shall be reserved as the employees' compensation, and compensation for director shall not exceed 1%; employees of subsidiaries of the company meeting certain specific requirements are entitled to receive shares or cash as compensation. The term of certain specific requirements in this Article is authorized to be set by Board of Directors.

However, in case of the accumulated losses, certain profits shall first be reserved to cover them.

3.1.5.2 The basis for estimating the amount of remuneration to employees, directors and supervisors, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

(1) Calculation method: The Company calculate the employees' compensation and directors' compensation based on our profit of current financial period multiplied by

the percentage according our Article of Incorporation, we calculate our employees' compensation-NT\$ 435,951,850 and directors' compensation-NT\$ 39,864,197 respectively.

(2)The company has not issued stock compensation in this period

(3)Accounting treatment when the actual allocation amount in this period is different from the estimated number: The difference between the actual allocation and the amount recognized in the financial report is the change of accounting estimation and will allocate in the annual profit and loss.

3.1.5.3 2024 Remuneration to Directors and Employees' Profit Sharing Bonus: Our employees' compensation-NT\$ 435,951,850 and directors' compensation-NT\$ 39,864,197 will be approved by our meeting of directors are the same as our annual estimation.

3.1.5.4 2023 Remuneration to Directors and Employees' Profit Sharing Bonus: Our employees' compensation-NT\$ 189,637,469 and directors' compensation-NT\$ 19,771,453 approved by our meeting of directors and shareholders' meeting for the annual earnings in 2023 are the same as the actual distribution last year.

3.1.6 Buyback of Treasury Stock: None.

3.2 Issuance of Corporate Bonds:None

3.3 Preferred Shares: None.

3.4 Issuance of Overseas Depositary Shares:None

3.5 Status of Employee Stock Option Plan:None

3.6 Status of New Restricted Employee Shares: None.

3.7 Status of New Shares Issuance in Connection with Mergers and Acquisitions: None.

4. Operational Highlights

4.1 Business Activities

4.1.1 Our Operation

4.1.1.1 Our Main Business

The major product of the Company are optoelectronics components, can be divided to lighting components and sensing components. Lighting components include visible and infrared LED, and sensing components include photodiodes, optical IC and light sensing components, and also we provide LED light source, modules and light engines.

4.1.1.2 Our Major Products Proportion

Product Item	Major Application	Proportion
LED	Electronics, electrical and engineering appliances, electronic billboards, computer mice and household appliances, mobile phones, LCD backlight units, traffic signs, photoelectric switch, position sensing, infrared receivers	93.88%
Lighting	General lighting and professional lighting lamp	3.63%
LCD and Others	Electronic product displays, such as sphygmomanometers, phones, computers, satellite navigation, car displays, etc.	2.49%

4.1.1.3 Our Products(Services)

(1) Lamp (Low power LED Lamp)

This product is widely used and has a long operating life and stable quality, and can be designed as visible and infrared products. It is fully used in billboards, signal lights, traffic signs and other applications. The design covers 3mm / 5mm cylindrical LED Lamp or various customized LED Lamp.

(2) Middle Power LED

Our various types and sizes of high-quality and reliable medium-power PLCC lighting components (such as 3020, 3528, 5050, 5630, X12323 ...) have high efficiency, high color rendering, low power consumption and wide viewing angle range and other advantages.

(3) High Power LED

The high-power LEDs developed by us have high brightness, low thermal resistance and high-brightness components in a small size package. It has a thin ceramic package and uses electrically isolated technology to provide our users convenient way to design the heat dissipation and circuits. It is the best choice for solid state lighting source, such as general lighting, street lamps, spotlights, and various industrial and commercial lighting.

(4) LED backlighting

LED backlight module has many advantages such as power saving, small size, able to be mass production, integrated circuit pulse drive control brightness, high color uniformity, high reliability, and color saturation exceeding NTSC100%. Due to low power consumption, high brightness, fast response, instant lighting, and long operating life, the product can be widely used in portable communication displays (mobile phones), TFT-LCD backlight modules (watches, tablets, laptops) , MNT, TV), consumer electronics and industrial instruments and other different flat-panel displays.

(5) Digit/Dot Matrix Display

These products are mainly used in various control panels of industrial electronic engineering products and digital displays of various household appliances products. Due to their high brightness, rich and vivid color performance, and easy modularization, our products are very popular in Europe, America, Japan markets. LED display products in the market has increased in recent years with the diversification of digital display instruments for various household appliances.

(6) SMD type LED

In order to meet the needs of light, thin and short, the Surface Mount Technology is widely used in the current electronic industry, the applications mainly include various backlight of mobile devices, PC/NB, keyboard light source, smart speakers, indoor and outdoor Display screen, automobile, toy and other products.

The interior light in cars, such as dashboard backlight, the center console backlight and the ambient light source now have all used the SMD LEDs, and the penetration rate has already reached 100%. The exterior light in cars over 80% now also use high-power SMD LEDs on direction lights, daytime running lights, headlights, brake lights.

(7) Infrared LED

The application of infrared LED in Europe, America, Japan and other advanced countries has a long history, and with the rising of IoT application in recent years. Related applications of infrared LED for functional light source is becoming widely, such as automation industrial control, energy storage, electric vehicle, optical sensing, optical touch panel, security monitoring system, biometrics, AR/VR devices, DMS(driving monitoring system) , etc.. Total output power of infrared LED products could be low, medium and high power, depends on customers' design.

(8) Optical Sensor

Optical Sensor is a light-sensing optical component, which can detect visible or non-visible light. For example, an ambient light sensor that can simulates human eye sensitivity for light intensity, and a color sensor or module that can sense specific light wavelengths such as red, green, and blue light.

(9) Photo Transistor & Photo diode

Photo Transistor and Photo diode are both silicon-based semiconductor. Related applications: Such as light-controlled switch, fire smoke sensor, optical touch panel, electrics tags, gaming keyboard, smart meter, heart beat/oxygen detection, low

resolution optical Encoder, or used to design in an optical component.

(10) Photo Coupler

Photo coupler is a kind of product which combine emitter and receiver. It uses light signal to transmit electrical signal (ie. Electricity to light signal, and then light signal to electricity), and has very good electrical insulation, anti-interference capabilities. Most applications of Photo coupler is used for electric circuit design, such as electric signal feedback, I/O interface isolation, power system, electric motor, green energy, electric vehicle, or data transmission, etc.

(11) Multi Chip Packaging

The EL-Multi series follows the international ECE Binning standard and is used in dashboards, switches and other automotive interior lighting, and the series come with all bins and make for all applications. The series also comes with multi-color mixing products to make color conversion more convenient, more excellent and smoother, and provides the automotive manufacturer the light efficiency and the design convenience.

(12) RGB+IC Packaging

EL SMARTLED (S-Smart, M-Multi Function, A-Automotive, R-RGB, T-Technology) series, with Everlight's unique packaging technology to achieve better light uniformity, and has an embedded smart IC to controll the color position and brightness between the LEDs to provide a colorful combination of colors to meet the automotive interior lighting needs. Everlight expects to provide a complete smart solution for the original vehicle manufacturer (OEM) to develop and design the ambient light

(13) Mini LED

Mini LED is used in a variety of display fields, most of which are used in consumer TV, professional MNT display, car instrument/central control display & industrial control display. Small-pitch displays and Mini LEDs have considerable advantages in cutting into high-end display applications. The Gypsophila Mini LED area light control structure is adopted, and a large number of LED chips are placed on the backlight board with a pitch ranging from 1 to 12 mm. Divides the image into several regions, making the display to depict different brightness levels in different regions. It can accurately control the brightness, and increase the HDR contrast effect, enhance the color and three-dimensional effect, which is to make the Images look more nuanced. In addition to improve the display quality and increase the reliability of the product. It can be used for automotive interior display, industrial control display, and consumer signage in shopping malls, ordering machines in fast food restaurants, outdoor electric vehicle charging piles, and medical signage applications.

(14) Optical Switch / Photo Interrupter

Optical switch is a combination package of optical sensor and infrared LED, the purpose which is easy for customer application design. At present, Everlight optical switch has both DIP type and SMD type package.

(15) IRM, Infrared Receiver Module

Infrared receiver modules are used for the field of various optical remote control devices. There are a variety of frequency bands that can be used in various household appliances and consumer electronic products. At present, Everlight IRM products has both DIP type and SMD type package.

(16) Ultraviolet LED

Everlight's ultraviolet LED cover the UVA / UVB / UVC wavelength range and come with low, medium, high-power of high-efficiency packaging platforms to provide customers with a variety of application options. In recent years, under the breakthrough of compound semiconductor technology, ultraviolet LED have been used in industrial curing, nail beauty, mosquito trapping lamps, and sterilization, etc. In the future, it will be an important source of technology for water purification and air purification.

Everlight co-work with ACADEMIA SINICA to test UVC sterilize COVID-19 Pass.

(17) Energy-saving LED intelligent lighting system products

From lighting sources, professional lighting fixtures, to provide integrated solutions for intelligent lighting management system, Everlight provides ultra-high efficiency lamps, which customers can easily achieve energy saving goal, and energy Management to save the energy and to reduce carbon efficiently and to know how much they save. Our professional lighting management solution is one of the best choice for smart home and smart city.

(18) LED Customized Module

We meet the market demand to provide either a series of standard products or customized products, including LED light sources, LCD backlights, LED arrays and other products.

(19) Mini-led ADB special headlight package

The products of ALFS series are produced by Everlight have reached the brightness around 450 lumens, and can be used with optics to achieve mini-led ADB applications. In high-efficiency LED direct display applications, mini-led is the best plan of striking a balance between resolution and cost. It is able to fulfill resolution and extremely high brightness for ADB applications, and also to improve the shortcomings of large capacity laser modules, and solves the power consumption problem of DMD. It is the main design of mid-to-high-end cars today.

(20) 3D Tail Light

Everlight uses "LED 3D alignment structure" with "special light-guide material" to create a special and various "dimensional totem and line" effect. This technology is different from other technologies in the market, which is simple structured and space saving and complying with the ECE regulations R6/R7 (for taillights / brake lights / direction lights). The innovative 3D taillight intelligent lighting system has further entered the four-wheel market from the two-wheel market in 2018 to 2019.

(21) Curved Mini Tail Light

Mini LED display technology can use flip-chip packaging to achieve uniform light mixing; the small size structure of the wafer can adjust the dimming zone more finely to achieve higher HDR and high contrast effects. It also reduces the optical mixing distance (OD) to make the module to ultra-thin level. As a self-driving vehicle, the tail light system can be a medium tool for human-vehicle communication (ex. What is the next move of this car? Is it waiting for me?)

(22) Automotive UVC Sterilization Module

Automobile sterilization module combined with short-wave ultraviolet (UV-C) LEDs can provide the efficient virus sterilization solutions in vehicles and also surface sterilization solutions such as glove boxes. The technology proves that it can kill more than 90% of coronavirus. Also could use UVA+TiO₂ to design in car air purification.

(23) High power CSP (Chip Scale Package)

CSP is a packaging technology designed for high-power applications. It's compared with traditional packaging technology. It has higher power density and better heat dissipation performance, and is suitable for electronics that need to handle large amounts of power of devices and applications.

(24) Mini CSP

Mini CSP packaging technology provides better performance and reliability for matrix light sources and miniaturized electronic devices by minimizing package size, improving integration, optimizing layout and thermal management. It makes them in modern electronic devices application are becoming more and more widespread.

(25) Wide bandgap power devices

Wide bandgap power devices, such as SiC and GaN, offer high efficiency and low power loss, supporting various packaging formats, including TO and SMD. They are widely used in servers, motor control, DC charging stations, and electric vehicles. By utilizing these devices, products can significantly enhance energy conversion efficiency, power density, and overall performance to meet high-performance application demands.

4.1.1.4 Projected Development of New Products

(1) Control module of RGB LED

The control requirements of light source changes are getting higher and higher, so we try to design and develop RGB LED control modules for our end users to apply and adjust according to different needs. The module is designed to integrate optoelectronic thermoelectric and software control synchronously.

(2) Design and development of UV LED module of various applications

With the lead of compound semiconductor technology, UV light sources have earned full expectation in industrial, consumer and other markets. Therefore, UVA modules (water-cooled & air-cooled) and UVC sterilization modules have been developed to help global public health against the epidemic. The future growth potential of disinfection products is expected.

(3) Mini / Micro LED and related applications

Mini LEDs are about of half size of the standard LEDs. More LEDs can be installed

within the limited area of the display. Using more LEDs, the area light control area can be further improved to obtain greater contrast and fineness of the picture. Using more LEDs in the light control area can be further improved to obtain greater contrast and fineness of the picture. Compared with LCD displays, Mini LEDs are lighter and thinner, with wide color gamut, higher contrast, and fine dynamic partitioning. Mini LEDs can achieve regional dimming and HDR high dynamic range imaging when the display is used as a backlight. At the same time, the application of micro wearable display devices is becoming more and more diversified. Related Micro or Mini LED display modules play a pivotal role of development, which related technologies will become the focus of this year.

(4) Smart street light with IoT sensing and information exchange

The smart street light is a platform for smart city information exchange, which uses IoT sensors such as IP CAM, air box, noise detection, vibration detection and other sensing modules to collect big data around the environment through the communication networking and to process all the data by edge computing or cloud computing. The quantitative data on environmental can help to create a beautiful smart city with more effectively uses on social and natural resources.

(5) Special lighting for animal husbandry and agriculture

In order to effectively assist the refined development of agriculture and animal husbandry, through a variety of special wavelength LED combined with high-efficiency packaging design, the high market value agricultural and livestock products can be centralized and scaled production efficiency.

(6) Optical Proximity Sensor

The optical proximity sensor is which can detect proximity distance with non-visible band light source. Such kind of sensor can also combine visible ambient light sensor into one package, or it can has heart bit/oxygen detection function. So far, miniature package is also available for mobile device and wearable device application.

(7) Smart office lighting system

To cooperate with the government to enter the stage of eco-city policy. Integrate with smart green building ICT systems and equipment into buildings. The office buildings to have intelligent functions for active perception. Therefore, the factor of the intelligent control system is added to the existing lighting equipment. Make the lighting system more energy-efficient and smarter.

(8) Photo Diode

The sensor belongs to one kind of silicon semiconductor. Through packaging and special coating technology, it can sense different spectrum which response range from one segment to multi-segment.

(9) High performance photo coupler

In order to the rising needs of industrial control and power systems, Everlight continues to develop high performance photo coupler products for automotive/industry application, such as Low power consumption high speed coupler, Linear Coupler, high voltage SSR MOSFET, Power Photo Triac, and large supply current IGBT Driver,

Isolation Amplifier and capacitive coupler.

(10) Vertical Cavity Surface Emitting Laser Diode

As the diversified development of the optoelectronics industry, vertical cavity surface emitting laser (VCSEL) product is designed for wearable devices, virtual reality, biometrics, autonomous driving, ToF, etc.

(11) Optical Encoder

Strong demand for industrial control applications, at present, Everlight continue to develop digital optical encoders with different resolutions that can be used for various motor control system.

(12) Capacitive Digital Isolator

It can meet the needs of multi-channel operation and has the advantages of small size, making it easy to be applied in the field of industrial control PLC. Moreover, the capacitive digital isolator also has faster switching speed and anti-noise capability, and is suitable for wide-bandgap semiconductor applications.

4.1.2 Industry Overview

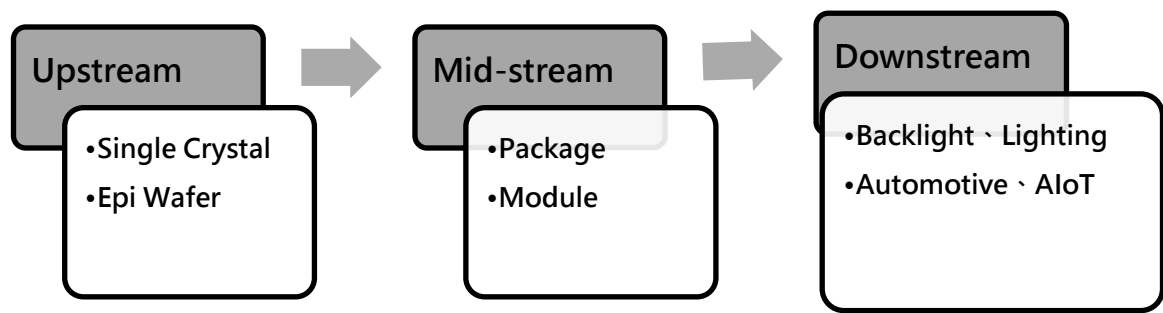
4.1.2.1 Industry Current Status and Development

LED is a semiconductor component which can convert electrical energy into light when driven by electric current, becoming the main modern light source. Compared with traditional lighting, LED lighting has the advantages of low power consumption, high luminous efficiency, unbreakable, high reliability, and long service life, and on top of that, it is mercury-free, non-toxic, compliant with the EU RoHS directive and eco-friendly. The LED industry is one of the key industries in Taiwan, as enterprises invest actively, the LED industry is booming, and production technology innovative constantly, the applications has gradually expanded, and it has been widely used.

In recent years, LED industry technology has continued to innovate and expand into high-value application areas, including automotive LED, sensing components, horticultural lighting, medical applications, UV-C sterilization technology, Mini/Micro LED display technology, and third-generation semiconductors. The LED market in 2024 still faces challenges such as supply chain adjustments and economic uncertainties. However, with the growth of AI, electric vehicles, and 5G applications, market demand has gradually rebounded.

According to OMDIA's latest optoelectronics market report, the global optoelectronics market reached USD 15 billion in 2023.

LED industry in Taiwan produce separately in a vertical supply chain. According to the process, it can be divided into Single Crystal, Epi Wafer, and Chip manufacturing at upstream, packaging and module manufacturing at mid-stream, and also the LED lighting applications for the end use such as automobiles, home appliances, industrial control, and so on.



4.1.2.2 The Relevance of the Industry Supply Chain

LED industry in Taiwan produce separately in a vertical supply chain, the product of upstream is epitaxial wafers, using various epitaxial technologies to grow multiple layers of multi-material thin films of different thicknesses on the substrate. After midstream manufacturers receiving the epitaxial wafer, they performs metal evaporation, exposure, photomask etching, electrode fabrication, cutting and cracking on the epitaxial wafer according to the device structure requirements, then passes the finished product to the downstream manufacturer for wire bonding, packaging and taping.

4.1.2.3 LED development trends and competition

(1) LED development trends

The development of LED has a history of more than 40 years, it has been widely used in home appliances due to its small size, fast response, good resistance, and long product life(more than 100,000 hours). With the development and the improvement of visibility, LED now have used on displays, traffic signals, automobile lighting and general lighting. The application of infrared components are very extensive and valuable, such as industrial quantity control, security systems, IoT, and various consumer electronic products.

A. Hight Power Packaging

- Due to the increasing requirements for the brightness of one single LED, high-power packaging now become a trend. The accelerated improvement of the core-chip performance and excellent heat dissipation by the ceramic substrates, these technologies help the high power lighting components to reach higher luminous efficacy.

B. Mid and Low Power Lighting Component

- With high efficiency, low price and the features of light, thin and small, mid and low power lighting LED will be continuourly the majority in this fiercely competitive lighting market.

C. Mid and Short range Photoelectric Component for Datacom and Telecom

- Due to the widespread use of optical fibers, the LEDs and LDs or receiving components now is also blooming.

(2) Product Development and Alternative Technology

- Price reduction of high-brightness products stimulates market utilization and expands market demand.
- SMD LED's lightness, thinness, shortness, and portability make it widely used in various 3C electronic products.
- The luminous efficiency and performance of High Power LED continue to improve, and expand lighting related applications.

(3) Major competitors and market share

Compared with the revenue of other competitors in Taiwan, EVERLIGHT is the largest professional LED packaging enterprise in Taiwan, especially in traditional Lamp, SMD, and other LEDs used for transmission and reception sensing. EVERLIGHT's revenue and gross profit margin are also better and more stable in LED businesses.

Product Mix	Application	Major Competitors
Lamp LED	traffic signals, outdoor signages, 3C, IA	Lite-ON, Bright LED, Ledtech
Digital Displays LED	home appliances, industrial control	Lite-ON, Kingbright
SMD LED	mobile phones, NB, PC, TV, IA	Nichia, Seoul Semi, ams Osram, Rohm, Harvatek
OPTIC	DVD Player, mouse, fiber optic light	Rohm, Vishay
Infrared Receiver Module	IR remote controls, IrDA, mouse, IR Sensor	Lite-ON, Vishay
Lighting LED	T5/T8, Bulb Lamp, filament, street lamp	MLS, Samsung, Nichia, Seoul Semi
Mid/High Power	Par Lights, downlight, street lamp, facade lighting, wallwasher	Seoul Semi, Nichia, Stanley
Automotive Lighting	Automotive Exterior / Automotive Interior, Indicator LED 、 brake light, Ambient Light, Backlight LED	ams Osram, Nichia, Seoul Semi, Dominant
Semi-Power Device	consumer electronics, Data center, OBC, Inverter, Energy Storage System	STM, Infineon, Rohm

Looking to the future, the three major growth drivers of the market will come from vehicle electrification, AIoT and compound semiconductor, Applications include electric vehicles, charging, energy storage facilities, smart cockpits, wearable devices, smart home appliances, smart manufacturing, AI servers and so on. EVERLIGHT provides a diverse product portfolio.



4.1.3 Research and Development

R&D expenses and developed technologies or products in the latest years

4.1.3.1 Research and Development Expenses in the Past Two Years (IFRS) :

NT\$, '000			
Year	2023	2024	2025(As of March 31)
Amount	786,656	857,600	203,331

4.1.3.2 Overview of Product Development and Research Achievement

The company and its subsidiaries will continue to invest in research and development activities. Expected research and development expenses in 2025 are approximately NT \$ 800 million, which will be 5% of total revenue, similar to previous years.

(1) New Products Developed in 2024

- Optical Encoder (High Resolution)
- IGBT Drive (Large operating current)
- Linear Photo Coupler
- High Voltage SSR
- Isolation Amplifier
- Low Voltage ALS
- ITR Module
- 2214 small form factor LED
- Side-emitting RGB LED
- 0.5W RGB LED
- Smart IC-embedded LED with general or proprietary purpose
- ALFS 2-in-1 dual function front lighting LED
- Mini CSP RGB-0.15T thinness of 3-chip CSP element
- Ultra-thin of Direct View keyboard B1010 RGB 0.18T
- Ultra-thin of Edge View keyboard B1803 RGB 0.3T
- Application of Special consumer ultra-thin B1212 RGBW 4-chip LED
- UVC/UVA air purifier application with lighting fixture

- UVC clean huge water design and application
- Horticulture PPE4.12 high performance design
- Mini CSP0603 five-sided light-emitting series products
- Mini CSP1005 single-sided light-emitting series products
- High power CSP1414 series products
- High-brightness headlight components ALFSxE series
- High-power headlight components TOP CONTACT 2-4GT
- RGB+IC EL 3534 SMART LED
- RGB+IC 3534 SMART LED (Open source IC)
- Interior RGB series (3030RGB和5515RGB) car lights
- Automotive Grille light 2016 series
- PLCC 3214/6014 Full-width taillight
- RGB Ultra-slim Backlit keyboard
- Miniaturized RGB+CPU direct-lit white indicator
- EMC Four-Sided Emitting Series Products
- High-Efficiency Ultra-Thin 7016 Backlight Product Design

(2) New Products Project in 2025

- RGB+IC EL 3534 SMART LED
- RGB+IC 3534 SMART LED (Open source IC)
- Interior RGB series (3030RGB和5515RGB) car lights
- Automotive Grille light 2016 series
- PLCC 3214/6014 Full-width taillight
- PLCC 3214/6014 through-type tail light
- EL 3534 SMART LED (Open source IC)
- Ultra-slim edge-lit keyboard backlight
- High reliability RGBIC memory lighting application
- Miniaturized high-reliability RGB network application indicator light
- Miniaturized RGB+CPS white light side-emitting indicator light
- Mini CSP0203 package level white light
- Capacitive Digital Isolator
- MOSFET Driver
- UVC water purifier module
- RGBW light guide module
- 5050 street light application with high light efficiency
- 1717 AFM product series
- Wide Color Gamut Dual-Chip BG Components
- High-Efficiency HUD Series Cascade Components

(3) Research and development for the future

1. The purpose of developing CSP packaging products is to reduce the thermal resistance and related costs effectively of the product, and to achieve the highest cost-effective products
2. Develop extremely small pitch RGB full-color led. In order to minimize the package size by using the small size flip chip, which can break through the limitations of

package size. Whether it is used in signage or TV applications, it can provide the better definition and resolution. Also can enhance the competitiveness of the company and customers' products. We will use special circuit design to enlarge the solder pad, which is more easily to manufacture and repair by customer.

3. We develop ultra-slim, miniaturized and multi-functional LED series products, through PCB process improvement, circuit design optimization, multiple molding to change the light effect and integrated IC for modularization as the new way of development. The flip chip structure is designed for the extremely slim module and the dimmable LED products, integrated IC design, has the advantages of not only space-saving for the circuit design but also lower module cost, to meet the customer's needs of light mixing.
4. We focus on plant / agriculture and fishery lighting, using specially designed LED lamp modules and hydroponic technology to break through the environmental constraints of agriculture, and optimizing crop quality by adjusting the spectral band. This year, we has also begun extending to other applications such as animal husbandry and aquaculture. We will use our experience of plant lighting to apply to the poultry, fish and shrimp farming industry to open up new market opportunities by our LED full-spectrum wavelength adjustment technology.
5. We keep develop sensors with special light wavelengths, such as multi-band optical spectrum or ultra-long wavelength spectrum. In the proximity sensor module, we continue to develop miniaturized white-balance sensing technologies and components.
6. The Company continues to develop a variety of infrared LED / VCSEL package components that meet market needs, and extend to longer-wavelength emission spectrum. The main applications are all kinds of biometrics, ToF, LiDAR and other new applications.
7. In terms of photo coupler, Everlight will continue develop new products for green energy industry, industrial control, BMS system , power management systems, automotive and other related market. Products line such as low power consumption high-speed photo coupler, large supply current IGBT gate driver, high voltage SSR/MOSFET, linear isolation and amplifiers, and capacity coupler, etc.
8. Wide band-gap power devices (SiC/GaN) is an important field of compound semiconductors in the future. The scope of product development will response to the needs of various power devices under the development of 5G technology in the future.
9. In order to e-sports, professional monitors, high-reliability automotive light source, high-end display panel, and local dimming effects, we set our development towards the three major technologies of Mini LED SMD, COB and COG, to show high-contrast effect of high-dynamic range(HDR), high-brightness and high-performance by LEDs turn on and off. In order to e-sports, professional monitors, high-reliability automotive light source, high-end display panel, and local dimming effects, we set our development towards the three major technologies of Mini LED, COB and COG,

to show high-contrast effect of high-dynamic range(HDR), high-brightness and high-performance by LEDs turn on and off.

10. The demand for UV LEDs is increasing and applications, such as sterilization and purification, will gradually be replaced by UVC LEDs in the future. The UV product development will focus on water purification and ambient air purification to offer our technology solutions to the global public health issues.
11. Everlight continues to launch more outstanding ALFS automotive headlight series products. For design of heat dissipation has made great progress in decreasing heat decay, and also to meet the needs of the niche market. In order to make the interior design of the indicator lights more flexible and diverse, a variety of color options allow our users to design the indicator lights more effectively. At the Same time, the products already passed the strict automotive reliability test, AEC-Q102.
12. Automotive components

From 2017 to the present, we have been rapidly developed and entered the mass production stage on headlight components-ALFS (Automotive Lighting Front system) B/D series, and obtained many opportunities and orders. Compared to other competitors, Everlight has better cost control on automotive products.

We provides not only a variety of options to meet the needs of our customers, but the ALFS series also will come out a second-generation headlamp model, the G series, in 2020 with better economic benefit. In addition, combined with the functions of indicators and daytime running lights, the white/yellow dual-color temperature model got very warm response from our customers at the development stage. The product integrated different functions provides customers with a thinner and lighter design.

The ALFS series can meet the requirement of current customers. In order to improve the luminance (brightness) of the device, we make new design with smaller light-emitting area (LES) of the LED and reduce the fluorescent light path with thinner PIG (<100 μm). Since the LED chip will perform color conversion through the PIG, and the brightness of the light will be attenuated while it passes through different medium. We find to make PIG thinner can increase the brightness from 380 lm to 420 lm (10%). This product is named for ALFSG (LES 1mm²). In addition, an ALFSE series (LES 0.5mm²) is also developed in response to the trend of car lights with small aperture. Through optical simulation, ALFSE can meet the regulation requirements of ECE R112 class B. Everlight will continue to develop more excellent ALFS series products, and to shine in the automotive market.

With the trend toward platform-based packaging and SMD-C type packaging for automotive LEDs, Everlight has developed several product lines to meet evolving market demands:

(1) Tail Lights

Currently, automakers and consumers are increasingly favoring full-width taillights, Mini LED taillights, and OLED-like tail lamps. Since tail lamp styling and design are not strictly regulated, Everlight has launched corresponding products with wide-angle emission, specifically designed for full-width applications.

(2) Grille Lights

In recent years, grille lighting has gained popularity, especially in electric vehicles. The trend is shifting from linear light sources to full-width front light bars. In response, Everlight has developed a variety of grille lighting products in 2024, working closely with automakers. These products are compliant with AEC-Q102 automotive reliability standards.

(3) Ambient Lighting

Ambient lighting is primarily used for decorative interior illumination, creating a unique and elegant in-cabin atmosphere in low-light environments. It allows flexible adjustment of color configurations, adding a finishing touch to automotive interior design. These lights must not interfere with safe driving. Applications include the center console, roof, door handles, door trims, door sills, welcome lights, and footwell illumination.

Moreover, ambient lighting is evolving toward functional lighting, providing features such as blind spot detection, lane change assistance, driver welcome effects, and even display or communication signals.

Ambient lighting has been widely adopted by European and Chinese OEMs. Everlight offers intelligent ambient lighting solutions featuring RGB LEDs with built-in driver ICs (ISELED). We also provide RGB LEDs using open-source communication protocols, which are expected to expand the ambient lighting market potential.

For automotive applications, the SMD LEDs of the company and its subsidiaries have earned the trust of large European and American manufacturers due to our excellent quality performance and stable production capacity, and the shipments and amounts have increased year by year. The company entered into the Chinese automotive supply chain in a short period of time and expected to grow continuously. At the Same time, based on the capabilities of research and development, our SMD LEDs of automotive products have the quality and functions at the Same level with large manufacturers. We will quickly enter the global automotive exterior lighting market with high-level products and competitive prices, which will make us the game changer of the world automotive supply chain.

13. Automotive module

In recent years, we have also integrated products from LED components to car light modules. In the case of car tail lights, tail lights have become an important part for parametric design and a standard in the design, such as the stripe tail lights, the tail light can enhance the three-dimensional sense of the tail and modern tech looks. We have developed different types of taillights in 3D, 2D and 1D for the trends. 3D taillights can generate special, diverse stereoscopic line and totem effects through LED 3D structure alignment "with special light guide materials". 2D taillights take Side-lit backlight technology as the basis to reduce the thickness greatly of traditional flat homogenous headlights. 1D curved mini LED taillights are using mini LED and more fine-grained zone Optical technology, to achieve higher HDR and high contrast effects. As a self-driving vehicle, the tail light system can be a medium tool for human-vehicle communication (ex. What is the next move of this car? Is it waiting for me?)

The automotive light source has gone from halogen lamps and xenon lamps to LED replacement light sources. We have completed the development of a full range of ECE standard light sources (L1, L5). All the products uses the heat dissipation mechanism platform method to design the automotive light source

module, which can be used on different applications of white light, yellow light and red light sources in exterior car lights, such as fog lights, direction lights and tail lights. And, automobile sterilization module combined with short-wave ultraviolet (UV-C) LEDs can provide the efficient virus sterilization solutions in vehicles and also surface sterilization solutions such as glove boxes. The technology proves that it can kill more than 90% of coronavirus.

4.1.4 Long- and short-term business development plan

4.1.4.1 Short-term plan

(1) Application for SMD LED

The Company has taken the lead in the industry of mobile phone key backlight. Based on the high market share in this field, the Company continues to expand the use of flashlights for mobile phones and TV backlights, and provides not only SMD for monochromatic light LED, but also Bi-Color and RGB full-color SMD LED product lines. At the Same time, we try to enter all markets aggressively, such as networking communication, consumer electronics, household appliances, servers, tablet computers, etc. and we have the lead position in production capacity, the most competitive price advantage, R&D resources, and a highly flexible global service system. The Company will continue to lead the global industry to increase market share, strengthen product portfolios, and continue to create growth in revenue.

In addition, the SMD LEDs of the Company has earned the trust of large European and American manufacturers in the automotive market by our excellent quality performance and stable production capacity, so the shipments and dollar amounts have increased year by year. At the Same time, with the the Chinese automotive market blooming, the Company has enter into the Chinese automotive automotive supply chain quickly and will continue to grow with the high-quality and rich product lines we provide. Our SMD LEDs for automobiles have reached at the Same level of product between the major suppliers due to our outstanding research and development capabilities, and we expect enter the global automotive exterior lighting market in a short period of time with the high-level products and competitive prices. We believe that we will turn the original situation around that the market occupied by the Europe and America suppliers and make the Taiwanese LED shine in the global automotive lighting market.

(2) LED display

The company is the top five leaders in the world in the LED displays market and with the continuous introduction of new products, the break-through of our capability, we expected that the market share of the Company in LED displays will continue to rise. At the Same time, with the improvement of our products, we expand our business and major applications by the global business marketing network, such as working with the world-famous household appliance brands to develop the new products and to promote the improvement of product. The company is moving towards the world's leading LED displays manufacturer of household appliances. In order to the rapid growth of digital set-top boxes(STB), expected the annual demand for 200 million sets, the Company now cooperated with the top five STB brands in the world, based on our

rapid product development and mass production capabilities, and will drive the substantial growth of the Company's LED display revenue. At the Same time, we are developing IC Display, which market now exclusively owned by European and American manufacturers. With our strong internal R&D resources and global sales network, we will launch a full range of IC Display product lines, to enter into the IC Display market. Our goal is to be the top of LED display market.

(3) Professional lighting and general lighting products

Based on our expertise in lighting and LED technology, we has developed a variety of LED lighting products that meet steet lighting, architectural lighting, display lighting, low temperature lighting, indoor lighting, etc., which meet not only market demand but also environmental protection and energy saving trends. These high-end technologies will be used in general lighting products, consumers can easily purchase high-efficiency and competitive-priced lighting products, which will promote the idea of energy saving and carbon reduction for everyone and improve the penetration rate of LED in the lighting market.

(4) Mini LED for backlight

Based on the fact that the Company has developed a wide variety of backlight products. Product applications are included typical LED backlight modules, Mini LED backlight modules, and high-reliability automotive LED backlights. We estimate that the amount of LEDs using for traditional direct-lit backlight modules is relatively low at the beginning, and it is a big disadvantage on the cost if using more LEDs for the traditional direct-lit backlight modules. Typical LED backlight modules continue to optimize LED reliability, increasing LED brightness, applied to low-end market demand, focusing on Mini LED backlight modules, and development of High Reliability Automotive LED Backlight.

Therefore, we focus on the pricey and bright product, such as the gaming, professional monitor, automotive backlights and large-size TVs, to develop competitive components to meet the reliability. We also design non-white LED backlight modules to make a change on the cost and emitting angle, and hopefully the modest drop on the cost can make the mini LED direct-lit module meet the market expectation..

(5) Infrared LED and sensor

The Company took the leading position in the number of shipments in the world on the infrared products and has built a strong competitive barrier. We have great influence in the opto-electronics industry, our customers are from all over the world and our applications are various, such as consumer electronics, home appliances, industrial control systems, network communication, automotive products, etc. In the future, in order to the development trends of 5G communications, industrial automation, and new energy vehicles, we set our priority to develop high-power LED, analog/digital sensors, biometric sensing components, and new-generation photocouplers, which will make the Company move to the leading position in all aspects globally.

4.1.4.2 Long-term plan

We will provide the customers and markets with the products and services needed to meet customer needs, to correspond the global energy-saving trend, to replace traditional lighting and to lead Taiwan moving to the next generation of lighting by developing higher efficient and bright energy-saving LEDs. In addition, the Company will also cooperate with upstream and downstream manufacturers to establish a closer international supply chain and partnership, to reduce production costs, to improve profitability, to expand global market share, and to strengthen the competitiveness of enterprises. We will put Taiwan as the R&D, the marketing and the operation headquarters to implement the Company's sustainable business goals and social responsibilities.

Everlight will integrate the long-term Product Development Roadmap of major material suppliers and consolidate the cross-departmental teams of the Company(R&D/sales/marketing/business planning...and other departments) to formulate product development plans for the next 3 to 5 years, to build up related equipment and the necessary supporting environment (such as test systems, core technology staffs, key material, and global trend information integration of the lighting market). We see ourselves a total solution provider of lighting components.

Through the cross-sector cooperation of industry, government and education, the Company can strengthen the arrangement of the technology and the patent constructed in various ways to improve the competitiveness of products worldwide.

We not only provide our products and services required by the customer needs, but also correspond to the global energy saving trends, produce and develop high-quality, efficient and economical LEDs, and cooperate with upstream and downstream manufacturers to establish a closer international supply chain partnership, reduce production costs, increase profitability, and expand global market share.

4.2 Overview of the market and production

4.2.1 Market Analysis

4.2.1.1 Major products and the region distribution

Our main products are visible components and sensing components, and the sales of region are as follows:

(1) Sales of major products

NT\$, '000

Products \ Year	2023		2024	
	Net Sales	(%)	Net Sales	(%)
LED	16,426,011	92.05	19,689,242	93.88
LCD	562,032	3.15	439,641	2.09
Lighting Module	772,865	4.33	761,007	3.63
Other	84,516	0.47	83,013	0.40
Total	17,845,424	100.00	20,972,903	100.00

(2) Sales of regions

NT\$, '000

Region \ Year	2023		2024	
	Net Sales	(%)	Net Sales	(%)
Asia	15,501,551	86.88	18,661,280	88.98
Europe	1,555,003	8.70	1,465,711	6.99
America	629,012	3.52	652,974	3.11
Other	159,858	0.90	192,938	0.92
Total	17,845,424	100.00	20,972,903	100.00

(3) Major competitors and market share

Everlight is currently the largest LED professional packaging company in Taiwan, our LEDs can majorly divided to lighting components, backlighting components, components for mobile devices and consumer electronics, components for automotive application and infrared and sensing components, all these products outscore other Taiwanese competitors. The relevant information is as follows.

Product Mix	Application	Major Competitors
Lighting components	For general lighting, both indoor and outdoor, street lighting, architectural lighting, plant and aquaculture lighting...etc.	MLS、Samsung、Hongli、Lumileds、Nichia
Backlighting components	For all size LCD screen back-light Unit, such as TV, Monitor, NB...etc.	Nichia、Samsung、Seoul Semiconductor、MTC、Lextar
Components for mobile devices and consumer electronics	For flashlight used on mobile devices. Keyboard light source-NB or desktop, light source for power or function button	Nichia、ams Osram、Seoul Semiconductor、Lumileds、Samsung

Components for automotive application	For all kinds of vehicle interior light sources, such as indicator lights, atmosphere lights, and exterior light sources (including headlights, direction lights, brake lights, tail lights... etc	ams Osram 、Nichia 、Lumileds 、Stanley Electric 、Dominant Opto
Infrared and sensing components	For reading head, mouse, plastic optical fiber, data transmission, various infrared sensors and receivers, and photo coupler for power control... etc.	ams Osram 、Vishay 、ROHM 、Lite-ON 、Goodtake

In terms of the revenue scale in Taiwan, our company is currently the largest professional LED packaging factory in the country, and our product lines are complete and our product quality is superior among the competitors. Ther Company's operating revenue and gross profit margin are also better and more stable in LED businesses. In terms of the industry's competitive situation and market share, we are occupying the leading position in the industry.

4.2.1.2 The demand and supply of the market and the growth in the future

The LED industry has experienced market inventory adjustments, and demand for consumer, automotive, mobile phone and other applications continues to increase. OMDIA estimates that the global LED market output value will grow from US\$15 billion in 2023 to US\$19.5 billion in 2029 with a 2023-2029 CAGR of 4.4%.

Among the long-term goals of net-zero carbon emissions, power conversion efficiency is the most important part. EVERLIGHT has over 40 years of R&D experience for reliable capability. EVERLIGHT adhere to the original intention of environmental protection and continue to reduce power consumption and CO2 emissions for the earth. EVERLIGHT plans to launch semi-power devices and product services that can improve power conversion efficiency, and deduce the carbon emissions generated by applications such as industry, servers, and transportation.

4.2.1.3 Competitive Opportunity

- Use the strength of Taiwanese electronics industry effectively to enter the global market.
- With strong research and development ability, our LED patents have exceeded 2,650 .
- Understand the market and grow with customers and strategic partners.

4.2.1.4 Advantages and disadvantages of development prospects and solutions

(1) Advantages

Vision of the industry

- The downstream industry technology is mature and stable, the midstream players already have the chip production technology, and the upstream epitaxial technology has developed steadily in Taiwan.
- The LED products have many characteristics, and can be widely used in the fields of automobiles, communications, consumer electronics, industry/instrumentation, lighting, signage/display, etc. New technologies and new applications are constantly

developed, and the overall industry growth is still optimistic.

Industry position

- The company's performance and profits are steady, and it has taken the shape of the international cooperation.
- We have a leading position of our product lines, quality and capital expenditures in LED industry.
- Our scale of productions and revenues is already the leader of LED industry.

Business overview

- The strategy is to sell not only domestic clients but also the international clients, and focus on all possible applications and clients. Therefore, the risk should be low and the room of growth should be big.
- Once we have target market, the only goal we want to reach is the market leader.
- The product lines are complete, and has the certificate of ISO-9001, QS-9000, ISO14001, TS-16949 and other international certifications. The product quality is good, the sales volume is steadily grown, and the relationship with international OEM manufacturers is a long time partner relationship.

Supply chain management

- We have reached the economies of scale on purchasing.
- The suppliers are plenty and full of options.
- We control the material by vertical integration.

Research and development capability

- Everlight invests every year a certain percentage of revenue in research and development for a very long period of time.
- We have strong energy of research and development to launch new products ahead of our competitors every year.

(2) Disadvantages and solutions

Vision of the industry

- The industry the Company locates faces unfavorable factors as rising wages and labor shortage, the Same as other industries in Taiwan.
- The packaging industry has less barriers to entry, so in great China area, we have many competitors and face severe competition.

Solutions:

- Cooperation internationally is the key to reduce manufacturing costs and expand production capacity.
- Raising the portion of OEM orders in the marketing strategy.
- The Company continues to develop new products and increase product diversification.

Business overview

- Some of the mature products are very competitive on prices and the gross profits are extremely low due to the severe competition.

Solutions:

- We increase our competitiveness by expanding our production scale and increase the productivity to reduce the cost.
- By improving quality and developing new products, new market and new application, we can expand our business.

Research and development capability

- It is not easy for the Company to hire and train due to the scale of downstream industry nature.

Solution:

- We improve our research and development manpower by training the internal talented people and introducing high quality talented people to the Company from universities.

4.2.2 The applications of major products and the summary of process

4.2.1 The applications of major products

Major products	Application
Visible Components	Consumer Electronics, Indoor/Outdoor Signage, Back Light module, Mini LED, Horticultural Lighting, General Lighting, Street Lighting, UVC sterilizing module, Automotive applications...etc.
Sensing Components	Power Supply, Proximity Sensor, Ambient Sensor, Wearable Device, Smoke Detector, Smart Meter, Smart Water Meter, 5G Base Station, Charging Station, ...etc.

4.2.2 The production process

Gluing Process

- Chip
|
- Die bonding
|
- Silver glue curing
|
- Wire bonding
|
- Epoxy/Silicon dispensing
|
- Short curing
|
- Long curing
|
- Tie bar
|
- Testing
|
- Packing
|
- ▽ finished goods

Molding Process

- Chip
|
- Die bonding
|
- Silver glue curing
|
- Wire bonding
|
- Molding
|
- Curing
|
- Cutting
|
- loosing
|
- Testing
|
- Packing
|
- ▽ finished goods

Light module Process

- SMT
|
- Testing
|
- Gluing
|
- Assemble
|
- Screwing
|
- Riveting
|
- Lens coving
|
- BURN IN
|
- Packing
|
- ▽ finished goods

4.2.3 Supply of our key materials

The key materials for our LED package are chips. In terms of packaging material, our chips purchasing amount to our total purchasing amount is more than 55%. Our major chip suppliers are TEKCORE, EPISTAR, EPILEDs who supply us high quality chips as well as developing cutting edge technologies with EVELIGHT. In addition, to develop competitive supply pool and avoid supply shortage risks, we also introduce multiple chip sources, such as OPTOTECH, TYNTEK, SANAN Opto, HC SEMITEK, ...etc. Other key materials, we have SHENZHEN DERUN, I-CHIUN in lead frame supply; AVARY HOLDING, UNIMICRON TECHNOLOGY in PCB supply.

4.2.4 Major Suppliers and Clients

4.2.4.1 Major Suppliers in the Last Two Calendar Years

NT\$, '000

	2023				2024				2025(As of March 31)(Note2)			
Item	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
					A company	944,056	11.80	None	A company	275,460	13.86	None
	Other	6,195,887	100	None	Other	7,056,401	88.20		Other	1,712,401	86.14	
	Net Total Supplies	6,195,887	100		Net Total Supplies	8,000,457	100		Net Total Supplies	1,987,761	100	

Note 1: Major suppliers refer to those commanding 10%-plus share of annual order volume.

2: For the listed company, the most recent quarterly financial information which has been audited or reviewed by the accountant, prior to the publication date of the annual report, should be disclosed.

4.2.4.2 Major Clients in the Last Two Calendar Years:NA

4.3 Human Resources

Items \ Year		2023	2024	As of March 31st in 2025
Number of Employees	Direct Employees	2123	2476	2184
	Indirect Employees	2323	2272	2172
	Total	4446	4748	4356
Average Age		37.4	37.4	33.8
Average Years of Service		7.4	7.4	8
Education ratio	Ph.D.	0.2%	0.16%	0.15%
	Masters	5.4%	4.81%	4.98%
	Bachelor's Degree	46.6%	14.39%	31.56%
	Senior High School and Below	47.8%	80.64%	63.31%
Total		100%	100%	100%

4.4 Information of environment protection

4.4.1 Since our establishment, the Company has been committed to green design, clean production, industrial waste reduction, and pollution prevention and the following are our achievements:

4.4.1.1 Green design

The Company started to introduce the lead-free production in 2003, gradually completed the replacement of Tin and Lead materials, and started a full series of product surveys in September 2003, and completed a full series of analysis and testing in March 2004, further comply with the RoHS, 2002/95/EC EU Announcement, in 2003, and passed the SONY GREEN PARTNER certification and LG Electronics Inc. Green Program Certificate qualified supplier certificate (2006.6.8). Other than our self-declaration, we required all raw material suppliers' products must comply with the relevant requirements from January 1, 2006. We also did internally self-test for all raw materials and products to strengthen manufacturing and production control, then we passed QC080000 in March 2008. With the appreciation of the importance of energy management and energy saving, the company's Shulin headquarters has obtained the ISO 50001 certificate in 2022. The company commits ourselves to the spirit of continuous improvement, the sustainable development of the enterprise, and the responsibility of the global community..

4.4.1.2 Clean production and pollution prevention

(1) Air pollution control

The Company invests in the high-efficiency air pollution prevention facilities, obtains government operation permits, operates regularly, pays air pollution dues quarterly, and runs regular tests under the related operation regulation constantly, and operates by the manual.

Items	Validity Period	Approval No.
Yuan-li Plant		
Operational permit for stationary	2027/10/02	No. K0981-01 issued by Miaoli County
Air pollution control personnel (Class A)	Certified	No. FA310271 issued by EPA, 2024
Tongluo Plan		
Operational permit for stationary	2028/1/10	No. K0951-00 issued by Miaoli County
Air pollution control personnel (Class A)	Certified	No. FA110427 issued by EPA, 2019

(2) Water pollution prevention

The company has set up a wastewater process plant to deal with our wastewater generated by the production line, and both Yuanli and Tongluo plant have obtained wastewater process permits on 2009/6/29 and 2017/3/31 respectively, and also have dedicated personnel to conduct quarterly test, regular declaration, and operating by the manual.

Professional personnel: wastewater control personnel(Class A)

Items	Validity Period	Approval No.
Yuan-li Plant		
Operational permit for stationary	2027/07/10	No. 00444-04 issued by Miaoli County
wastewater control personnel(Class A)	Certified	No. GA200160 issued by EPA, 2010
Tongluo Plan		
Operational permit for stationary	2027/05/24	No. 00637-00 issued by Miaoli County
wastewater control personnel(Class A)	Certified	No. GA040398 issued by EPA, 2007

(3) Waste management

The general and hazardous business wastes derived from our production process are

properly recycled and stored, and have been submitted to the local environmental protection bureau for the cleanup plan (Yuanli plant: No. 1080002498, Tongluo plant: No. 1070000205), and all the waste is processed by professional cleaning companies to ensure that the waste management goal is stabilized, harmless, and reducing.

Professional personnel: waste control personnel(Class A)

Items	Validity Period	Approval No.
Yuan-li Plant		
Waste control personnel(Class A)	Certified	No. HA200305 issued by EPA, 2018
Tongluo Plant		
Waste control personnel(Class B)	Certified	No. HB211253 issued by EPA, 2003

4.4.1.3 Industrial waste reduction

We follow the government's industrial waste reduction policy and promote the recycling of resources in the Company. Everlight encourages our employees both in the Company and dormitory to do a good job on recycling and making the policies to manage and recycle the waste of our production line. The valuable resource materials will be sold to qualified recycle processors for reusing, and suppliers will be gradually required to use the recyclable materials to implement the recycle policies.

4.4.2 The investment of pollution prevention equipment and the benefits:

2024/3/31, NTS'000

Equipment	Set	Acquired Date	Amount	Net Value	The Use and the benefits
Exhaust gas process equipment and the improvement	1	98.10.20	20,007.7	25.83	Processing the exhaust gas generated in the manufacturing process to meet the emission standards of environmental protection requirements, and which can reduce the annual air pollution fee by about 500,000.
Exhaust gas process equipment and the improvement	1	105.7.27	16,527	4,158.9	Processing the exhaust gas generated in the manufacturing process to meet the emission standards of environmental protection requirements, and which can reduce the annual air pollution fee by about 500,000.
Wastewater process equipment and the improvement	1	98.12.25	15,566.5	0	Processing the waste water generated in the manufacturing process to meet the standards of environmental protection requirements and reach the recyclable standards.

Wastewater process equipment and the improvement	1	105.12.30	10,978.2	3,356.8	Processing the waste water generated in the manufacturing process to meet the standards of environmental protection requirements and reach the recyclable standards.
Polluted water process equipment and the improvement (MBR)	1	97.10.30	5,631.5	0	Processing the polluted water generated by the personnel of production activities and meet the recyclable standard.
Polluted water process equipment and the improvement (MBR)	1	105.7.25	826	336.7	Processing the polluted water generated by the personnel of production activities and meet the recyclable standard.

4.4.3 The process of improving environmental pollution or the process dealing with incidents of pollution disputes in the past two years and as of the date of publication of the annual report:

Since 1998, the Company has been actively committed to the implementation and operation of the environmental management system. In 1999, it successfully passed the ISO14001 certification and passed the external certification in August 2005, and obtained the ISO14001: 2004 version certificate. In order to implement environmental protection, to keep industrial safety and health, and to apply to the concept of sustainable and operation, we set up a "environmental security department" to promote the operation of environmental safety and health systems and with a more aggressive action, we research and develop suitable environmental solutions to fulfill our commitment. On December 1, 1995, Everlight was awarded the Industrial Elite Award by the Bureau of Industry of the Ministry of Economic Affairs, demonstrating the Company's great efforts in continuous improvement in industrial safety and environmental protection. In order to slow down global warming, since 2009 Everlight has managed our greenhouse gas in accordance with the ISO 14064-1 every year, and has regularly proposed energy-saving solutions. With the goal of reducing carbon emissions output unit value every year, we will fulfill the corporate responsibility of protecting the environment.

4.4.4 Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions):

Yuanli Plant violated Article 31, Paragraph 1, Subparagraph 2 of the Waste Disposal Act, and was fined NT\$66,000. The improvement has been completed.

Tongluo Plant violated Article 31, Paragraph 1, Subparagraph 2 of the Waste Disposal Act, and was fined NT\$66,000. The improvement has been completed.

4.4.5 The impact of the current pollution situation and its improvement measures on the earnings, competitive position and capital expenditure and its expected major environmental capital expenditure in the next three years: NA

4.5 Relationship between the management and the labor

4.5.1 Employee compensation, benefit plans, retirement policies and labor-management agreement

4.5.1.1 Manager and employee compensation

According to the Articles 20 of Incorporation of Company, if the company makes a profit in the year, 6% to 12% should be allocated as employee remuneration and no more than 1% as director and supervisor remuneration; employee remuneration paid in stock or cash must be the employees of the controlling or subordinate company who meet certain conditions, and the certain conditions must be determined by the board of directors.

EVERLIGHT provides a diverse and competitive salary system on the premise of taking into account external competition, internal fairness and legitimacy, and adheres to the concept of profit sharing with employees to attract, retain, cultivate and motivate outstanding talents from all sides. With outstanding operational performance, Everlight's overall remuneration is maintained at a certain level.

The salary package of Everlight includes monthly salary, bonuses, and employee compensation from the annual profit.

Bonuses and employee compensation are rewarding their contributions, and inspiring all employees to continue their efforts, so that the interests of employees and shareholders can be aligned to a win-win situation for the Company, shareholders and employees.

4.5.1.2 Our welfare

Everlight Electronics, which was founded in 1983, has formulated work regulations and established a Labor Pension Fund Monitoring Committee which monitors pension fund contributions and allocations pursuant to the Labor Standards Act to ensure that employees can perform their work duties and lead their lives in a worry-free manner. An Employee Welfare Committee has also been formed. This committee is in charge of employee welfare fund planning and management over the whole year, which encourages employees to have a long-term planning and investment plan during their service in the company.

- (1) Employee uniforms and shoes for the factory floor
- (2) Group comprehensive insurance and annual health checkup
- (3) Grant for employees' advanced education, Educational Assistancess for Dependent Children
- (4) Birthday gift certificate
- (5) Domestic and overseas employee tours
- (6) Employees have statutory holiday: menstrual leave, marriage leave, bereavement leave, maternity leave, tocolysis leave, paternity leave, prenatal checkup, family care leave, etc. Above all given leave in accordance with the provisions of the Labor Standards Law. Employees can apply for relevant welfare subsidies for marriage, childbirth, and funeral.
- (7) Unpaid parental leave
- (8) According to the company's schedule announcement, during the Golden Week holiday, benefits will be provided
- (9) The company provides "HRCB SERVICE HELPER" to respond to employees' questions and needs (consultation on leave, labor insurance, health insurance, pension, travel insurance, performance and other related services) immediately.
- (10) The company offers a "Warmhearted Small Stack" that provides immediate services to address employees' questions and needs (including inquiries about health, sports, activities, group buying, and benefits).
- (11) Gifts certificate for three main national holidays
- (12) Statutory annual leave
- (13) Gym facilities and sports equipment rooms (table tennis room, badminton court)

provide employees with enhanced health management after get off work.

- (14) Health promotion activities include exercise time, daily steps logged in, and health promotion redeemable sports-related items.
- (15) Quarterly department dinner
- (16) Family insurance
- (17) Discount coupons for regular art and cultural activities.
- (18) Various competitions (badminton, billiards, basketball games, walking activities, health and fitness... etc.), corporate group activities (domino activity, handicrafts... etc.).
- (19) Public welfare activities, volunteer services (beach cleaning, public welfare food bank volunteer service, public welfare

Comprehensive related environmental protection, health and welfare activities, won the " Corporate Health Responsibility Platinum Award" by CommonHealth, "Badge of Accredited Health Workplace" by Health Promotion Administration, Ministry of Health and Welfare , "I Taiwan I Sports" by Sports Administration

- (20) Family Day(Festival events, day trips, movie watching, soccer game watching, amusement parks, sightseeing factories, etc)

This year, to enhance colleagues' health awareness and execution, we organized up to 10 health lectures. In addition to conducting diverse health seminars, we also joined our team to burn 690,000 calories. At the same time, select colleagues who meet the fitness criteria and encourage participation in the health shaping competition, where the total weight of 19,737 participants decreased by 359.8420 kilograms, equivalent to 67 60-kilogram adults. By reducing the risk of heart failure by an average of 26%. By integrating related environmental, health, and welfare activities, we have been honored with the CHR Health Corporate Citizen-Platinum Award, the National Health Administration's Health Launch Emblem, and the Sports Administration's Sports Enterprise Certification.

4.5.1.3 Our continuous training

Combine the Company's business strategy and employee function development, we organize complete training courses and multiple learning ways to create and maintain the company's best human quality.

(1) Our education and training programs in all aspects

- Newcomer series: newcomers basic training and production line internship courses, product introduction and quality control courses, on-the-job training (OJT), etc.
- Management development series: series courses of outstanding, attracting and retaining talents, team leadership, goal and performance management, corporate governance and other courses; mid-level talent development and training, project management, execution, teamwork communication, new supervisor training and other courses; On-site supervisor management, 5S management, on-site reserve supervisors training and other courses.
- Professional skill series: product training, the skills of communication, LED manufacturing process, patent courses, project management , sales skill, customer relationship management, quality control techniques, six core series courses, etc.
- Quality management series: ISO9001, IATF16949, QC080000, related courses.
- Staff assistance series: operating system and software operation learning courses, emotion and stress management, health lectures.

- Multiple learning channels: electronic exhibitions visiting, various professional technical seminar courses and external training courses base on employees' competency.
- E-learning system: the Company has built an online learning system platform to provide employees with independent, instant learning resources without any restrictions.

(2) Complete education and training system and courses

- In compliance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies," all internal auditors have completed the required 12 hours of annual continuing education.
- The Audit Department conducts 2-hour internal training sessions every month to enhance audit knowledge and practical skills.
- Some of our internal auditors possess the following certificates:
 - Certified Internal Auditor (CIA): 2 auditors in the Audit Department
 - Certification in Control Self-Assessment (CCSA): 1 auditor
 - Certified Information Systems Auditor (CISA): 1 auditor

(3) Implementation status of education and training

In 2024, the Training Department advanced its mission of "Embracing Responsibility, Sharing Knowledge" by accelerating the internalization of external training outcomes. Employees were encouraged to serve as internal instructors, embedding acquired expertise within Everlight's corporate framework to amplify organizational learning. Internal lecturers accounted for 64% of all training sessions, deepening knowledge transfer while saving approximately NT\$530,000 in instructional expenses.

Professional development initiatives included the VDA 6.3 training series, with 131 employees trained, achieving cost savings of approximately NT\$6.88 million. These efforts strengthened audit readiness for automotive clients and reinforced Everlight's standards in operational excellence and quality management.

The department also promoted health awareness and introduced the upgraded "Credit System 2.0," providing diversified pathways for learning and development. Through talent cultivation and digital upskilling programs, a full suite of required courses was launched, featuring esteemed instructors from academia and industry. Training completions reached 400 engineer participants, enhancing Everlight's internal capabilities and sustaining its competitive advantage.

In 2024, beyond the planned annual training programs, Everlight implemented "Pre-Employment Training" to ensure the consistency of educational practices across manufacturing sites, reinforcing employee familiarity with SOP standards and quality nonconformance procedures. All training sessions were recorded and consolidated into digital courses within the e-learning platform, enabling employees to access and review materials independently. During the year, the Everlight e-Academy recorded more than 50,644 logins for digital learning, demonstrating strong adoption alongside classroom and external training.

For indirect staff, Everlight advanced cross-functional coverage and multi-skilling initiatives. Departments encouraged employees to deliver peer-led training sessions,

broadening knowledge across disciplines, enhancing workforce agility, and improving employee engagement. Total participation reached 17,718 instances. In response to increasingly dynamic global competition, the organization remains committed to enhancing employee adaptability and strengthening individual competencies to sustain corporate competitiveness.

Headquarters continued to expand its training agenda, offering approximately 15,004 training hours throughout 2024. Overall course satisfaction exceeded 96%, with employees affirming the applicability of their training, achieving the company's core training objective: to align training with practical application.

4.5.1.4 Retirement system and implementation

In order to stabilize the life of employees after retirement, the company has formulated labor retirement measures according to law, and established a labor retirement reserve supervision committee. According to the actuarial report, the ratio of the total monthly salary expenses is allocated and deposited in a special bank account in Taiwan. to protect workers' rights. Since July 1, 2005, the government's new retirement system has been adopted in parallel, and 6% of the total wages of labor will be allocated to the employee's individual retirement pension account; if there is a voluntary contribution to retirement, the voluntary contribution rate will be paid from the employee's monthly salary. The agency will be withheld to the individual retirement pension account of the Labor Insurance Bureau.

According to the "Labor Standards Act" and the "Labor Pension Regulations", the applicable regulations of the company are as follows:

A. Voluntarily Retirement:

A worker may voluntarily retire under one of the following circumstances: (For those who choose to apply the Labor Pension Regulations, the same regulations apply)

- (1) Those who have worked for more than 15 years and have reached the age of 55.
- (2) Those who have worked for more than 25 years.
- (3) Those who have worked for more than 10 years and have reached the age of 60.

B. Mandatory retirement:

The company shall not compel an employee to retire unless one of the following situations occurs:

- (1) Persons over the age of 65.
- (2) Unqualified workers with disabilities.

The age specified in Subparagraph 1 of the preceding paragraph may be adjusted to the central competent authority for approval if the company is employed as a worker with special characteristics such as danger and strong physical strength. But not less than 55 years old.

C. Retirement payment standard:

- (1) The seniority before and after the application of the Labor Standards Act and the choice of continuing to apply the pension provisions of the "Labor Standards Act"

or retaining the seniority before the application of the Labor Pension Ordinance in accordance with the Labor Pension Act. The payment shall be calculated according to Articles 84-2 and 55 of the Standard Law.

- (2) For employees who have the preceding paragraph and who are forcibly retired in accordance with Article 54, Paragraph 1, Subparagraph 2, if they are performing their duties, they shall be subject to Article 55, Paragraph 1, 2, of the Labor Standards Act. Twenty percent shall be added to the provisions of the paragraph.
- (3) For employees who are subject to the pension provisions of the Labor Pension Act, the company will contribute 6% of their wages to the individual pension account of the laborer on a monthly basis.

D. Retirement payment:

The Company shall pay the retirement expense to the employees within 30 days from the date of retirement of the employees.

4.5.1.5 Labor agreements and employee rights protection

The Company always operates in the ways of independent management and full participation. All department heads and staffs have effectively communicated through regular business meetings, education and training, and the welfare committee to encourage harmonious labor relations.

4.5.1.6 Employee code of conduct or ethics

The company clearly communicates the corporate culture, employee work rules, and team spirit to each employee through "new comers training", "employee memo card", "bulletin board" and "internal website". Through internal website, electronic bulletin boards and other publications, we declare employee codes of conduct transparently, in order to comply with ethical and legal principles, protect shareholders' rights and interests and Everlight's corporate image. The main highlights are listed as follow:

(1) Code of ethics

- Do not accept any gifts or hospitality.
- Do not conceal any fraud.
- Comply with intellectual property rights regulations。

(2) Company resources

- Confidentiality of work content.
- Respect of patents and intellectual property rights.
- Corporation information protection.
- Blocking of inside trading.

(3) Conclusion:

Everlight upholds the business philosophy of "Excellence, Innovation, Integrity, Quality, and Execution", and meets the needs of employees with "effectiveness, execution, discipline, speed, accuracy, and creativity" and satisfies internal and external need with "service exceeds expectations". In accordance with the labor-related laws and regulations, we will taking care of every staff.

4.5.1.7 Working environment and employees' personal safety protection

Everlight's safety and health management framework is based on the occupational health and safety management system(ISO 45001) and Taiwan's occupational safety and

health management system (TOSHMS), and through the plan, do, check and act(PDCA) cycle management to achieve accident prevention, reach the goal of safety and health and protect the assets.

In accordance with the related laws and regulations of the labor safety and health, the Company has personnels in charge with labor safety and health, and they need to regularly test the working environment safety, and publicize labor safety regulations and knowledge. The company's safety and health management can be divided into several areas:

(1) Occupational accidents prevention plan

In order to achieve the goal of zero accidents, according to the the occupational health and safety management system(ISO 45001) and Taiwan's occupational safety and health management system (TOSHMS), Everlight regularly makes the next year's occupational accidents prevention plan at the end of the year, to aim at safety and health organizations, safety and health management, safety and health education and training, work safety analysis and coaching, safety and health inspection (automatic inspection), inspection of equipment and personal safety protective equipment, medical care, safety and health activities. All the detailed plans are established, approved by the environment and health management committee, and submitted to the execution unit for implementation. If any missing of the implementation through the audit system, the environment and health management committee will discuss every three months, and make the amendment plan according to the PDCA cycle management to achieve zero accidents.

(2) Implement of automatic inspection

Everlight makes the safety and health inspection plans to prevent employees from having accidents during work. The inspection plan includes regular inspections of general safety and health facilities, regular inspections of firefighting equipment, periodic inspections of low-voltage electrical equipment, periodic inspections of hazardous materials, and regular inspections of drying equipment, the second type of pressure vessel periodic inspection, organic solvent operation inspection, vehicle periodic inspection and other key inspection. In addition to the inspection of process equipment, we also established a safety communication mechanism between the equipment supplier and the Company's equipment technician department to improve the existing or potential risks of new equipments. In the part of safety work, we not only do the general inspection and operation safety management before operation, we also require the high-risk and the high-hazard operation control. And in the health management section, we offer both general health examination and special occupational health examination to care the occupational health management issues, including cancer prevention seminars and cancer examination, overwork and other human factors surveys and analysis. All of these can help us to conduct and formulate relevant measures to reduce operations risk.

(3) On-site operating environment measurement

According to the occupational accidents prevention plan, Everlight conducts working environment inspection for special operating environments, including 11 testing items, such as carbon dioxide, illuminance, noise, sulfuric acid, acetone, isopropanol, toluene, n-hexane, and ethyl acetate, methanol, dust working environment, all the test data obtained will be used as the basis for the future improvement of the working environment.

In the future, the Company will continue to reduce the impact of corporate activities on the environment, to keep our employees healthy physically and psychologically, to fulfill the corporate social responsibilities, and to keep the promises of continuous improvements.

4.5.1.8 Diversity in the workplace and promote gender equality policies

Our company is committed to promoting a friendly, equitable, and maternal-friendly workplace environment, following the regulations of the "Occupational Safety and Health Act," "Sexual Harassment Prevention Act," "Stalking Prevention Act," "Gender Equality in Employment Act," etc., specific measures for preventing unlawful infringements, procedures for complaints and penalties, as well as guidelines for protecting maternal health in the workplace have been established to ensure thorough prevention of sexual harassment and workplace violence.

We dedicated to promote Safe working environment for employees. Implement fairness in employment diversity, remuneration and promotion opportunities to ensure that employees do not suffer discrimination, harassment or unequal treatment based on race, gender, religious beliefs, age, political affiliation and any other status protected by applicable regulations. Employees must also not have their salary, rewards, training and promotion opportunities affected by factors such as race, religion, gender, age, belief, political affiliation, pregnancy, gender identity, etc.

1. 2024 Years Number and proportion of employee nationalities

	National	Non-national	Total
Number	1014	3734	4748
Proportion	21.36%	78.64%	100%

2. Female Diversity Indicator

Index	Percentage
Female account for total employee (%)	43.30%
Female account for all managers (%)	35.22%
Female account for senior executive (Division above) (%)	10.14%

In order to implement and protect the maternal health of female workers, the workplace maternal health protection management regulations are formulated with reference to the Occupational Safety and Health Act, the Implementation Measures for the Maternal Health of Female Workers, the Labor Standards Act, the Gender Equality at Work and the Ionizing Radiation Act to protect female employees before pregnancy. , postpartum physical and mental health during, after, and postpartum breastfeeding.

Factory nurses engaged in labor health services collect and compile relevant health information of female colleagues who are pregnant and less than one year postpartum in the factory, and then provide health guidance and management according to risk levels, and track health examinations and work suitability assessments. Make adjustments and

provide relevant assistance and other maternal health protection measures when necessary.

We attach great importance to the balance between work and family for female employees, aligning with government initiatives promoting breastfeeding and adhering to gender equality laws to facilitate equal opportunities in the workplace. We have established lactation rooms in the Shulin headquarters, Tongluo Factory, and Yuanli Factory, equipped with necessary items to support breastfeeding, enabling employees to return to work after childbirth with peace of mind. Pregnant female employees can also apply for free "pregnancy parking spaces" and "pregnancy shoe cabinets", which make it easier for employees to take the elevator up and down floors and avoid collisions with the crowds commuting to and from get off work. Parental leave without pay is provided regardless of gender, position, or work area. Both male and female employees are eligible to apply for parental leave without pay. In 2024, significant enhancements were made to the lactation room environment.

In addition to expanding existing recruitment channels, Taiwan's factories are planning student recruitment strategies to anticipate future student intake programs, ensuring a steady source of manpower.

Category	School	Number of students	Period
Cooperative education program students	Youth Senior High School	75	2021Y-2025Y
Cooperative education program students	JuangJing Vocational High School	65	2021Y-2025Y
International students	Minghsin University of Science and Technology	93	2021Y-2025Y

4.5.2 Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes (including labor inspection results found in violation of the Labor Standards Act, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions): The Company's labor relationship is good, and labor and management have reached a certain consensus, so there is no labor disputes and related losses occurred.

4.6 Information security management report :

Everlight Corporate in order to demonstrate the determination to reduce the risk of cyber security and provide the sustainable quality service to customer, we have built the necessary measures include IDC and network manage, starting from 2022, the ISO 27001 ISMS will be introduced. It will pass the annual review every year, and successfully pass the ISO 27001:2022 version transition again in 2024 to ensure the information asset confidentiality, integrity and availability to protect the rights of the company, customers and colleagues.

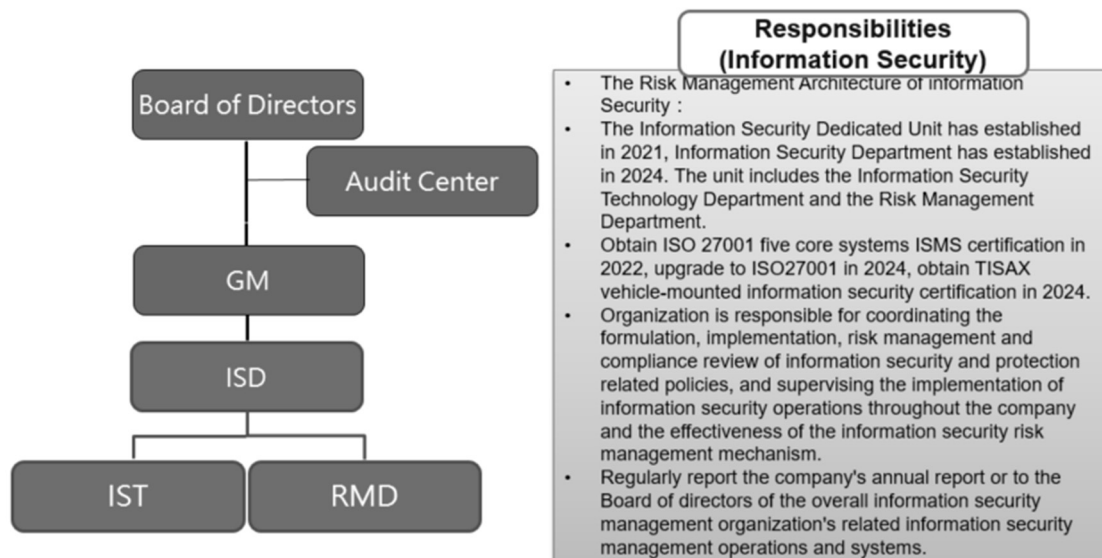
Everlight Corporate in order to comply with the regulatory requirements for information security of automotive customers, the TISAX (Trusted Information Security Assessment Exchange) in-vehicle information security standard will be introduced in 2024 to improve the information security level of automotive customers and strengthening the company's information security competitiveness in the automotive industry supply chain.

Information security rule are based on the technical support, application procedure and date security standard formulation and into the management operation system to assure the privacy protection and information security maintenance for colleagues, suppliers and customers during conducting business contacts. The goal of information security policy is protected business information and secret to ensure company operation normal. Regarding the information system and technology, the software on servers and PC are update regularly updated to defense virus and malware to protect computer security, and implement firewall to manage network, built the security Email gateway to filter mail to reduce the risk of the mail attack.

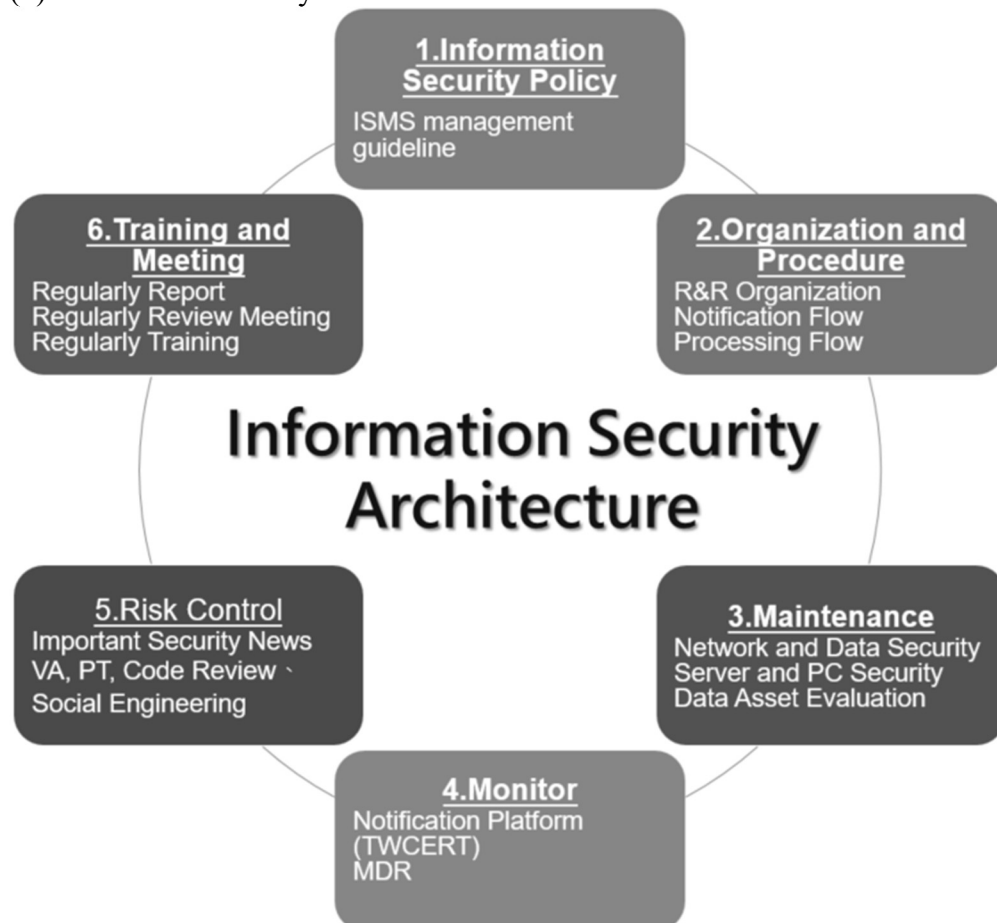
In 2022, the portable storage device like USB had be control to reduce the risk of data lose and virus infection. The new colleagues need to sign the NDA and join the security training to enhance the information security awareness to company information security.



(1) Information Security Organization and Responsibilities



(2) Information Security Architecture



(3)Information Security Policy-ISMS Management Guidelines :

The Information Security Management System has built and append 22 management procedures, 16 guidelines and 65 forms.

The “Electric Data Flow” and “Other Management Control System” have check include below items in 2024 year :

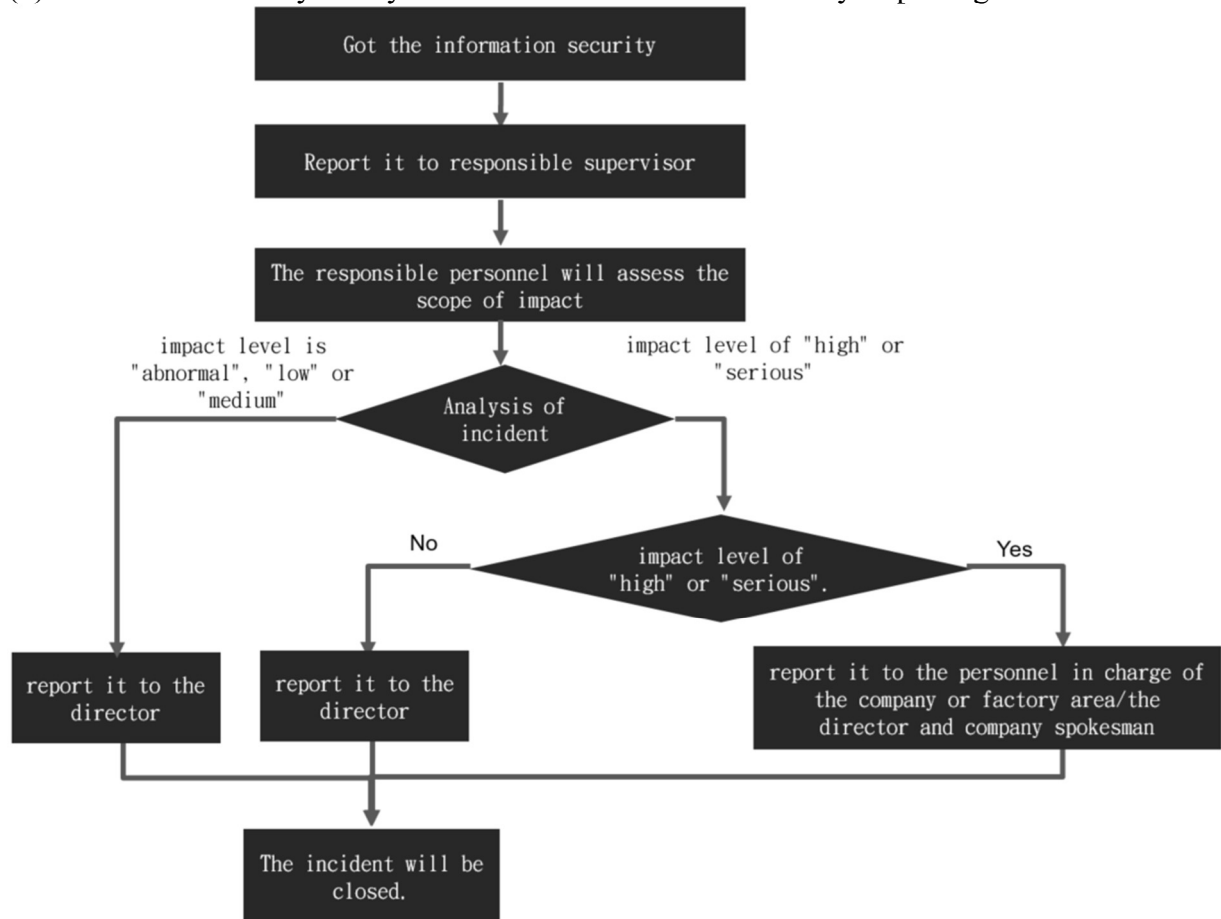
1. Check Plans and items :
 - Semi-annual Disaster recovery drill.
 - Semi-annual fire drill and maintenance in data center.
 - Daily system backup check.
2. In 2024, there weren’t critical defect.

Level 1, 2 Docum+A1:C29ent	Level 3 Document	Level 4 Document
<u>QSD-0000039 Information Security Management Manual</u>		QSD-0000039-F01_V1 List of documents
		QSD-0000039-F02_V1 List of external documents(Information Security)
<u>PRO-0000325 Information Security Organization Management Procedures</u>		PRO-0000325-F01_V1 Communication Channels, Timing, and Targets table
		PRO-0000325-F02_V1 Information Security Management Review Meeting Minutes
<u>PRO-0000028 Control of quality record procedure</u>		
<u>PRO-0000326 General Principles of Information Security Management</u>		PRO-0000326-F01_V1 Statement of Applicability
<u>PRO-0000326 Information Assets and Risk Management Procedures</u>		PRO-0000327-F01_V1 Risk Treatment Plan
		PRO-0000327-F02_V1 Information Assets Inventory and Risk Assessment Form
		PRO-0000327-F03_V1 Risk Assessment Report
<u>PRO-0000328 Information Equipment and Environmental Safety Management Procedures</u>	RPO-0000004_Data Center Management Procedure	PRO-0000004-F01_V1_IT Network/System/Device unusual Report
	SOP-0000464_Standard Operation of Environmental Management	PRO-0000328-F01_V1 Server Room Inspection Table
	SOP-0000465_Standard Operation of Entrance Restriction Management	SOP-3-006-C-F01_V2_Data Center Entrance Record
<u>PRO-0000329 Access Control Management Procedure</u>		PRO-0000329-F01_V1 Clock Synchronization School Hour Records
		PRO-0000329-F02_V1 Account permission control table
		SOP-0000211-F02_V1 IT service request form
<u>PRO-0000330 Communication Security Management Procedure</u>		SOP-0000211-F02_V1 IT service request form
		PRO-0000004-F01_V1_IT Network/System/Device unusual Report
	SOP-0008573 Standard	SOP-0000211-F02_V1 IT service request form

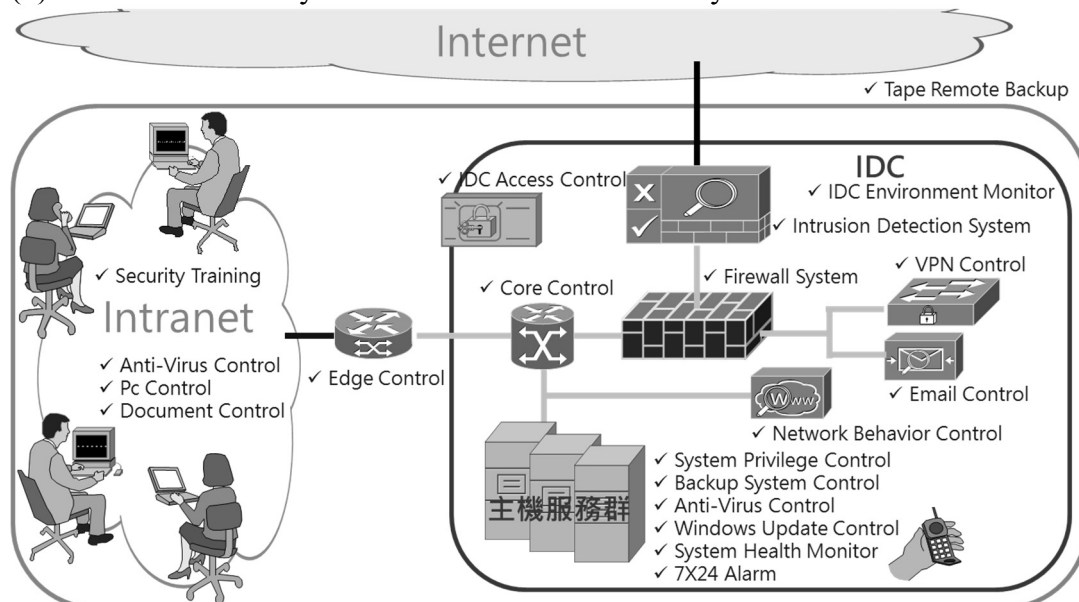
	Operation Procedure of Firewall Operation	
<u>PRO-0000331 Information System Acquisition, Development and Maintenance Management Procedure</u>		SOP-0000211-F02_V1 IT service request form
		SOP-0008574-F02_V1 SAP System Change Request form
		PRO-0000331-F01_V1 Legal Software Installation List
		PRO-0000331-F02_V1 Software Procurement Evaluation Form
	SOP-0008574_Standard Operation of Project Development	SOP-0000211-F02_V1 IT service request form
		SOP-0008574-F01_V1 Project Document Checklist
		SOP-0008574-F02_V1 SAP Transport Request Form
<u>PRO-0000332 Information System Outsourcing Management Procedure</u>		Information Outsourcing Supervision
		Outsourcing Maintenance Record
		PRO-0000332-F01_V1 Vendor Performance Evaluation Form
		PRO-0000332-F02_V1 Cloud Service Risk Assessment Record Form
<u>PRO-0000333 Information System Vulnerability Management Procedure</u>		PRO-0000333-F01_V1 Information Equipment Weakness Reinforcement Record Sheet
		PRO-0000333-F02_V1 Threat Information Registration Form
<u>PRO-0000024 Training Management Procedure</u>		PRO-0000024-F04_V2 Training course attendance list
<u>PRO-0000334 Information System Internal Audit and Corrective Management Procedure</u>		PRO-0000334-F01_V1 Internal Audit Plan
		PRO-0000334-F02_V1 Internal Audit Checklist
		PRO-0000334-F03_V1 Internal Audit Report
		PRO-0000334-F04_V1 Corrective Action Form
<u>PRO-0000335 Information System Performance Management Procedure</u>		PRO-0000335-F01_V1 Performance Indicators Summary Table
<u>PRO-0000336 Project Information Security Management Procedure</u>		PRO-0000336-F01_V1 Project Information Security Management Procedure Checklist
		PRO-0000336-F02_V1 Project Risk Assessment Form
<u>PRO-0000337 Information Security Incident Management Procedure</u>		PRO-0000004-F01_V1 IT Network/System/Device unusual Report
<u>PRO-0000338 Information System Personnel Safety Management Procedure</u>		4C2021V1 Contract of Recruitment
		7N2015V1 Non-Disclosure Agreement
		10C2021V1 Commitment Letter of Information Security
		5C2021V1 Contract of Integrity and Intellectual Property
<u>PRO-0000339 Information System Demand and Scope Management Procedure</u>		PRO-0000339-F01_V1 The issue, requirement and target analysis report
<u>PRO-0000340 Information Security Operations Management Procedures</u>	SOP-0008575_Standard Operation Procedure of Information System Change Management	SOP-0000211-F02_V1 IT service request form
	SOP-0008576_Standard	SOP-0008576-F01_Project Test Item List

	Operation Procedure of Application System Security	SOP-0008576-F02_Regression test record form
	SOP-0008577_Standard Operation Procedure of Database Security	SOP-0000211-F02_V1 IT service request form
	SOP-0008578_Standard Operation Procedure of Recording and Monitoring	SOP-0008578-F01_V1 system audit periodic record form
	SOP-0000466_Standard Operation of Data Backup	SOP-0000466-F01_V2 Machine list and schedule of backup
		SOP-0000466-F02_V2 Tape Cross-site Backup Record Table
		SOP-0000466-F03_V2 Daily Backup Status Table
		SOP-0000466-F04_V2 Operation Drill Plan and Record Table
		SOP-0000466-F05_V1 Emergency Response Rehearsal Table
	SOP-0008579_Standard Operation Procedure of Portable Information Equipment and Media	PRO-035-F03_V1 Fixed Assets Scrap
		PRO-035-F03_V1 Fixed Assets Transfer
		PRO-035-F03_V1 Fixed Assets Lose
		SOP-3-006-C-F01_V2 Data Center Entrance Record
	SOP-0008580_Standard Operation Procedure of Computer Virus Prevention	SOP-0000211-F02_V1 IT service request form
	SOP-0008581_Standard Operation Procedure of Data, Files and Documents Security	SOP-0000211-F02_V1 IT service request form
		SOP-0008581-F01_V1 Cloud service termination data processing record form
	<u>PRO-0000341_Information Security Compliance Management Procedures</u>	PRO-0000341-F01_V1 List of Applicable Laws and Regulations
		SOP-0000211-F02_V1 IT service request form
<u>PRO-0000342_Information System Operation Continuity Management Procedure</u> PRO-0000363_Information System Configuration Management Procedures		PRO-0000342-F01_V1 Operational Impact Analysis Table PRO-0000363-F01_V1 System configuration status form PRO-0000363-F02_V1 Configuration review record form

(4)Information Security Policy and Measure-Information Security Reporting Process

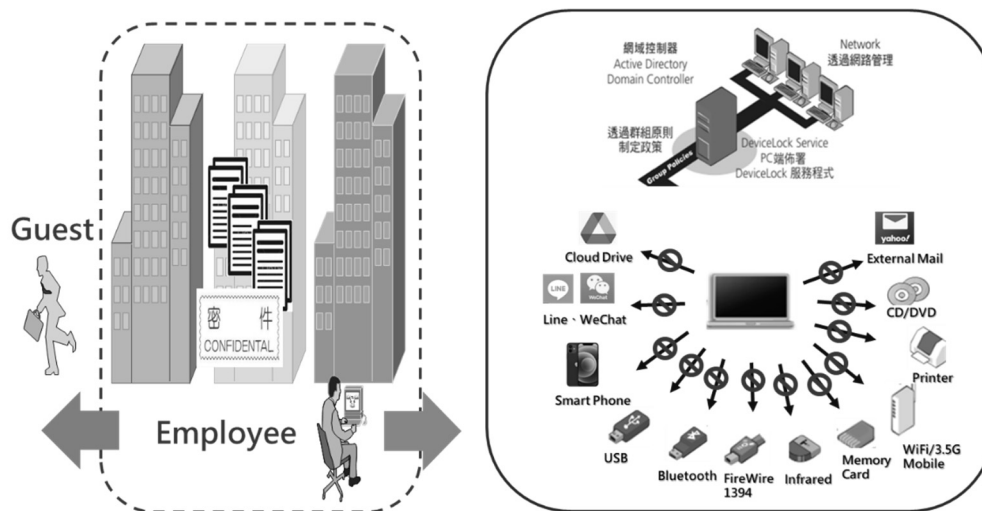


(5)Information Security Maintenance-Network Security

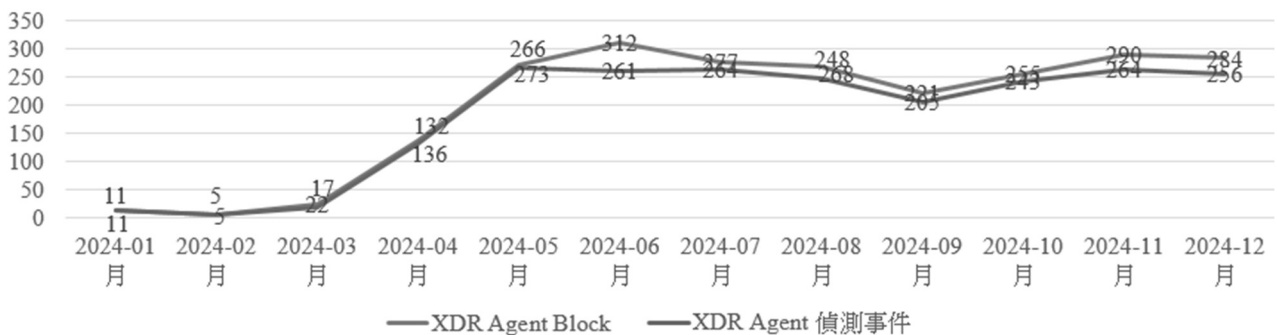


(6)Information Security Maintenance-Data Security

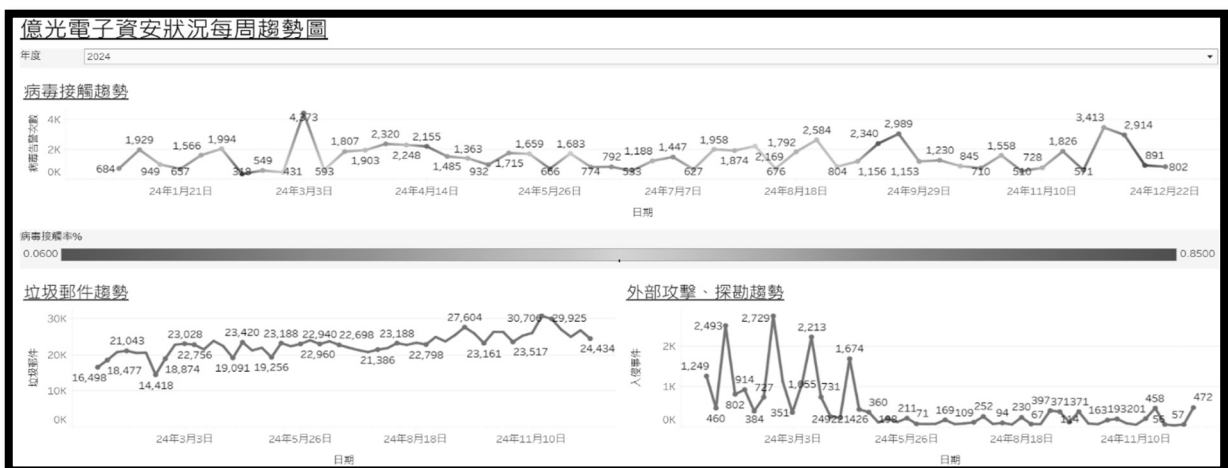
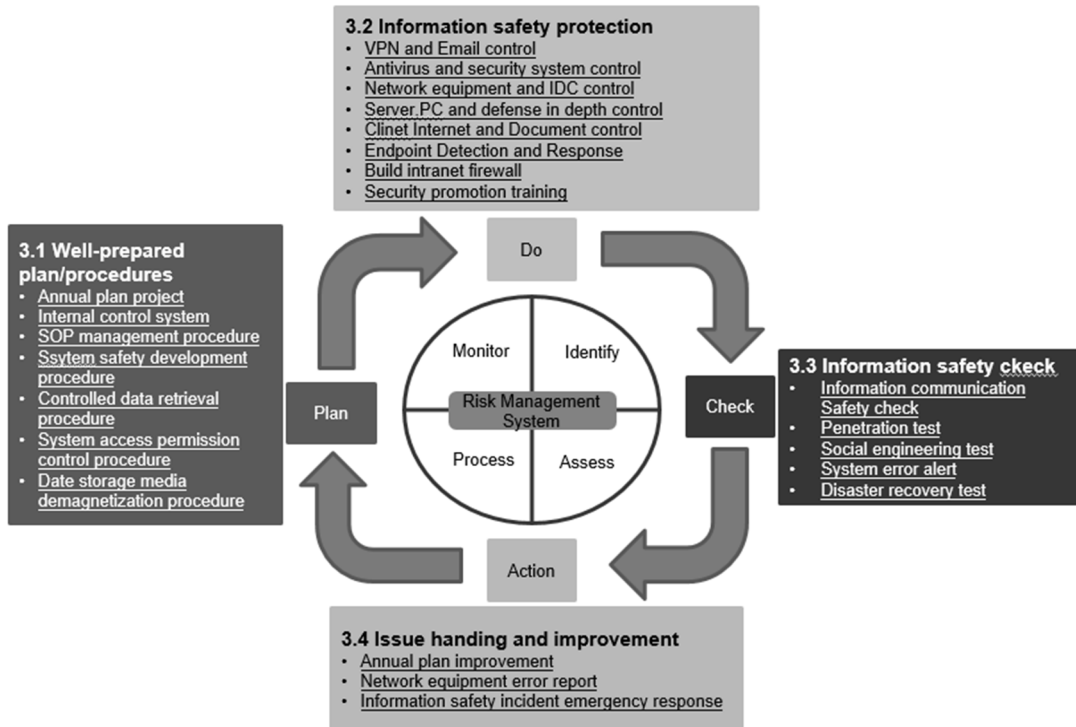
We are highly concerned about the privacy of every customer, with strict standard to protect the customer's privacy and personal data. Besides following edict, we also have with EC-Council CCISO certification, ISO 27701 PIMS lead auditor and ISO27001 ISMS lead auditor to supervise the group's sensitive data protection management system. company has established "Personal Information Security Maintenance Management Measures" and regularly promotes "Personal Information Protection Special Topics" to employees, properly records customer-related information, and does not manipulate, conceal or abuse proprietary information, misrepresent important facts or engage in other unfair trading behaviors. With annual check of personal data and related risk evaluation in order to acquire" Data privacy protection mark (dp.mark)". In 2024, there were no complaints related to infringement of customer privacy or loss of customer information.



(7)Information Security Monitor

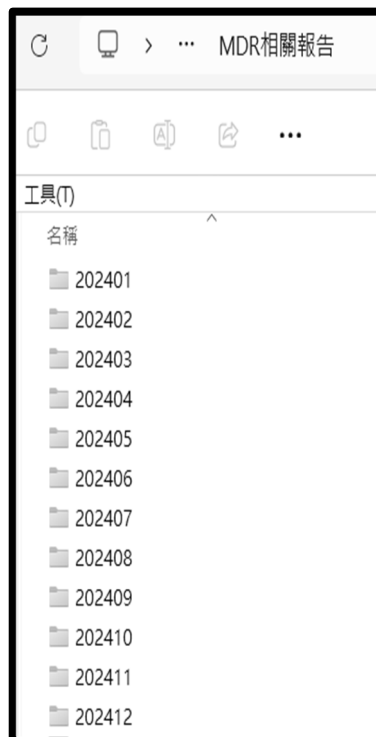
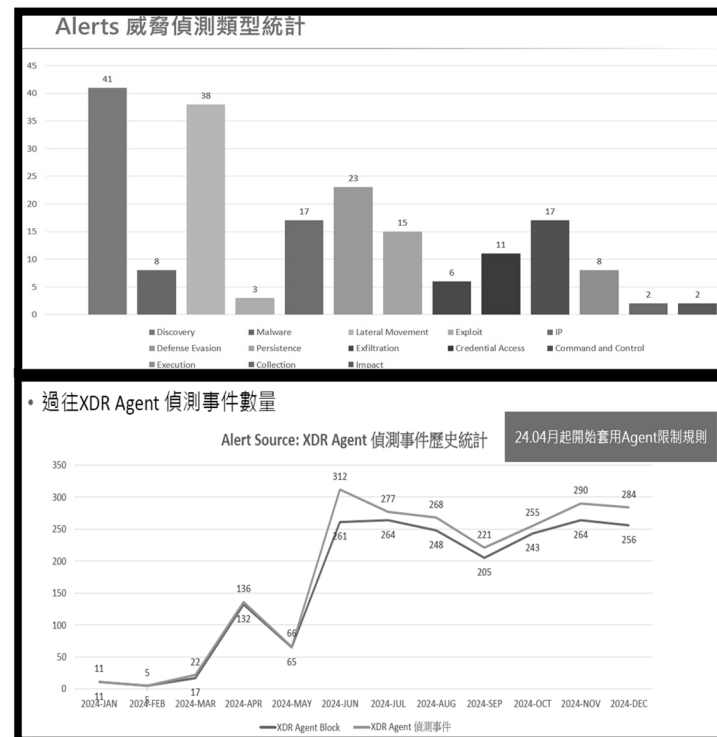
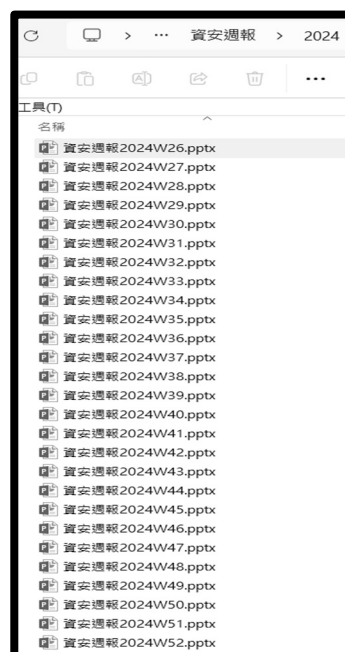


(8)Risk Control



(9)Education Training and Meeting-Regularly Security Meeting

We had built the dedicated security management unit and open the security sessions around 177 times weekly from 2021/01 till now. We also announce the security weekly report to grasp the information security situation and trends.



(10) Education Training and Meeting-Education Training

ISO27001 Introduction



ISO27001 Internal Audit



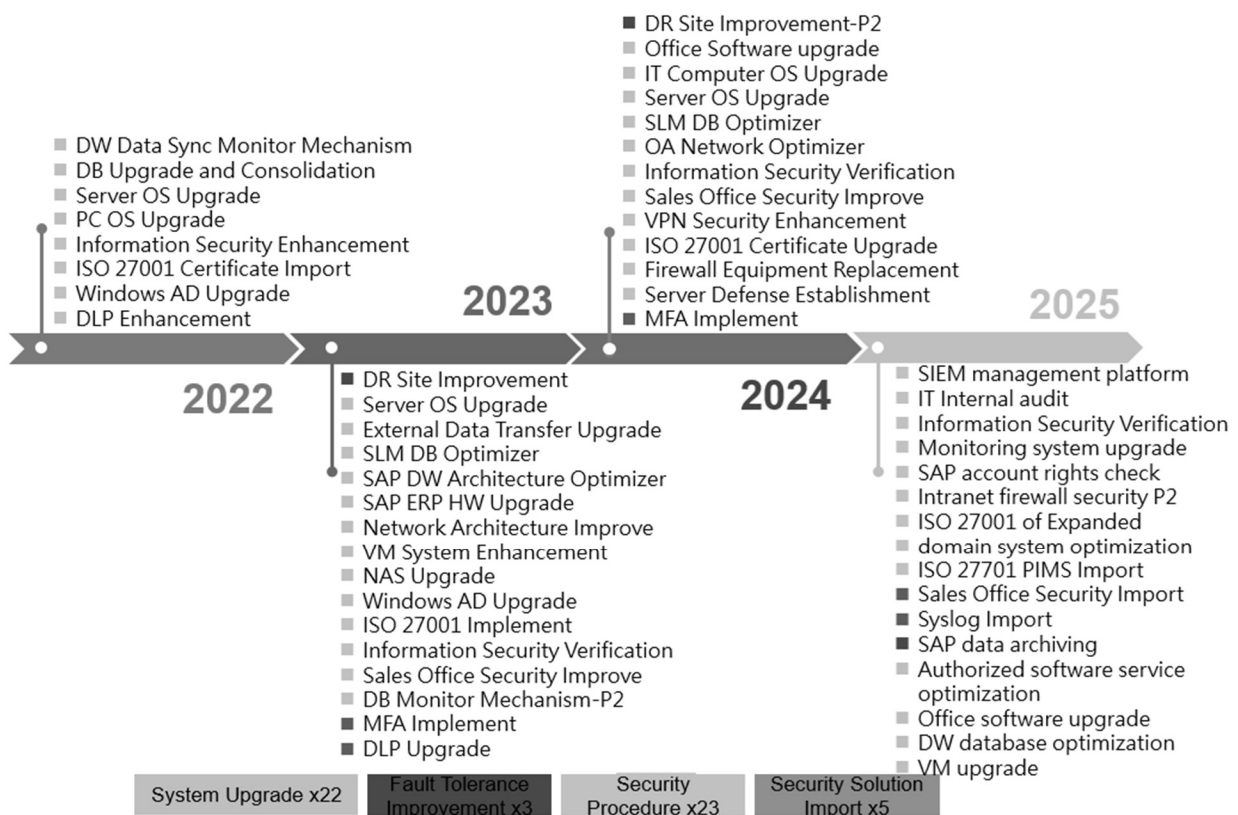
IS Management System



Social Engineering Education



(11)Annual Plan (Information security project in recent years.)



(12) Information Security Risk Disclosure

The impact of IT systems damage on the company's financial business.

The IT systems have performed the drill of IDC and disaster recovery, and built the high availability architecture and remote backup based on the priority to ensure the service level, data security and reduce the risk of service down.

The company continues to establish the security systems and SOP to keep the important service stability for the strategy of Information development, and we also perform the VA and PT to ensure the IT service security and stability.

From 2024 to the date of publication of the annual report, we have not detected any critical network attack and security event caused any impact on business and operations.

4.7 Material Contract

Agreement	Patent Owner	Effective Term	Technology	Limitation
Patent Cross Licensing Agreement	Osram	From 2009.03.25 to Patent Expiration	White Light LED Patents in Gloal fields including Automotive and General Lighting.	Confidential
Patent Licensing Agreement	Toyoda Gosei	From 2007.10.23 to Patent Expiration	White Light LEDs	Confidential
Patent Licensing Agreement	GE Lighting Solutions	Confidential	White Light LEDs	Confidential
Patent Licensing Agreement	National Institute for Materials Science (NIMS)	Confidential	White Light LEDs	Confidential

Under the current intellectual property management plan, the company will gradually establish its connection with operational goals in the future to strengthen the company's brand image, increase corporate profits, and avoid infringements that cause losses to the company. The initial plan is for a dedicated department to develop an intellectual property management system that is linked to operational objectives in the future. This will link R&D resources and business expansion needs to help companies consolidate their profit foundation.

Everlight's current measures to protect intellectual property rights:

- (1) Patent-related management and protection measures: The company has established a patent application reward system to encourage R&D personnel to make creative proposals and to assist and track patent output. Before submitting each application, we first conduct a patent literature search process to understand the status of previous technologies, strengthen the technical content and discussion of our own patent applications, and the quality of the application proposals.
- (2) Trade secret management and protection measures: The employee's employment contract should include provisions such as the obligation to keep company secrets confidential and prohibit the disclosure or use of trade secrets owned by the previous employer. Confidential technical documents are archived in the company's document management system, which manages the permissions for downloading, copying, and accessing documents, and can track the process and destination. Access control is set up in important areas. All manufacturers are required to sign a non-disclosure agreement (NDA).
- (3) Trademark management and protection measures: Regularly review market expansion plans with relevant personnel and actively register company trademarks in the country of operation and product sales.
- (4) Copyright management and protection measures: Important technology-related works are stored in the company's document management system, which is equipped with access permissions and flow tracking functions, and all internal computer file files are encrypted.

5. Review of Financial Conditions, Financial Performance, and Risk Management

5.1 Analysis of Financial Performance

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Current Assets	20,104,462	16,693,056	3,411,406	20.44
Fix Assets	5,775,316	6,104,676	(329,360)	(5.40)
Intangible Assets	23,010	25,232	(2,222)	(8.81)
Other Assets	3,876,992	3,297,838	579,154	17.56
Total Assets	29,779,780	26,120,802	3,658,978	14.01
Current Liabilities	7,957,576	6,292,240	1,665,336	26.47
Long-term Liabilities	1,045,521	922,730	122,791	13.31
Total Liabilities	9,003,097	7,214,970	1,788,127	24.78
Equity attribute to owners of parent	20,266,806	18,550,980	1,715,826	9.25
Capital Stock	4,433,931	4,433,931	-	-
Capital Surplus	8,818,763	9,095,266	(276,503)	(3.04)
Retained Earnings	7,669,520	5,864,626	1,804,894	30.78
Other Equity Interests	(655,408)	(842,843)	187,435	22.24
Treasury stock	-	-	-	-
Non-Controlling Interests	509,877	354,852	155,025	43.69
Total Equity	20,776,683	18,905,832	1,870,851	9.90
<ul style="list-style-type: none"> ● Analysis of changes in financial ratios: (Amount changes by more than 20%) <ol style="list-style-type: none"> 1. The increase in current assets was mainly the due to the increase in accounts receivable and other financial assets - current assets (time deposits of more than three months but less than one year). 2. The increase in current liabilities and total liabilities was mainly due to the increase in Short-term borrowings and purchases, which led to an increase in notes and accounts payable. 3. The increase in retained earnings and non-controlling interests was mainly due to the increase in net profit for the current period. 4. The increase in Non-controlling interests was mainly due to the increase in net profit of the investee. 5. The increase in other equity is mainly due to the impact of exchange rate changes. ● Response plan: The above changes have no material impact on the Company. 				

5.2 Analysis of Financial Performance

Unit: NT\$ thousands

Item	Year	2024	2023	Difference Amount	Difference (%)
Operating revenue		20,972,903	17,845,424	3,127,479	17.53
Cost of sales		14,619,727	12,656,193	1,963,534	15.51
Gross profit		6,353,176	5,189,231	1,163,945	22.43
Operating expenses		3,893,029	3,395,893	497,136	14.64
Operating Income		2,460,147	1,793,338	666,809	37.18
Non-operating income and expenses		1,531,844	234,394	1,297,450	553.53
Income before tax		3,991,991	2,027,732	1,964,259	96.87
Income tax expenses		869,195	519,036	350,159	67.46
Net Income		<u>3,122,796</u>	<u>1,508,696</u>	1,614,100	106.99

Analysis of changes in financial ratios(Over 20%):

1. The increase in operating gross profit and operating profit was mainly due to the increase in operating income in 2024 compared with the previous year.
2. The increase in net non-operating income and expenses was mainly due to increase in net profit from disposal of investments and net gains from foreign currency exchange in 2024.
3. The increase in pre-tax net profit was mainly due to the increase in net profit from non-operating income and expenses in 2024.
4. The increase in income tax expenses was mainly due to the increase in pre-tax net profit in 2024.
5. The increase in net profit for this period was mainly due to the increase in net profit from operating income and non-operating income and expenses in 2024.

5.3 Analysis of Cash Flow

5.3.1 Latest 2 years

NT\$, '000 ; %

Item \ Year	2024	2023	Difference (%)
Operating Activities	3,109,321	2,957,707	5.13
Investment Activities	(1,459,325)	(1,328,917)	(9.81)
Financing Activities	(942,323)	(1,473,548)	36.05
Analysis of change in cash flow in the current year : (Amount changes by more than 20%)			
The difference in cash flow from financing activities was mainly due to the increase in short-term borrowings during this year.			

5.3.2 Cash flow analysis in the coming year

NT\$, '000

Estimated Cash and Cash Equivalents, Beginning of Year	Estimated Net Cash Flow from Operating Activities	Estimated Cash Outflow (Inflow)	Cash Surplus (Deficit)	Leverage of Cash Surplus (Deficit)	
				Investment Plans	Investment Plans
5,820,316	3,316,543	2,854,417	6,282,442	-	-
<p>1. Analysis of cash flow changes in the coming year:</p> <p>(1) Operating activities: Mainly due to the expected cash inflow from the operation of the company.</p> <p>(2) Investment activities: Mainly due to cash outflows from the purchase of upgrade machinery and equipment.</p> <p>(3) Financing activities: Mainly due to the net cash outflows arising from the full year financing activities such as cash dividends, employee bonuses, director remuneration, and financing activities.</p> <p>2. Measures and liquidity analysis of expected cash shortfall: None</p>					

5.4 Major Capital Expenditure Items: None

5.5 Investment Policy in the Last Year, Main Causes for Profits or Losses, Improvement Plans and Investment Plans for the Coming Year:

5.5.1 The most recent annual investment policy, the main reason for its profit or loss, and improvement plans:

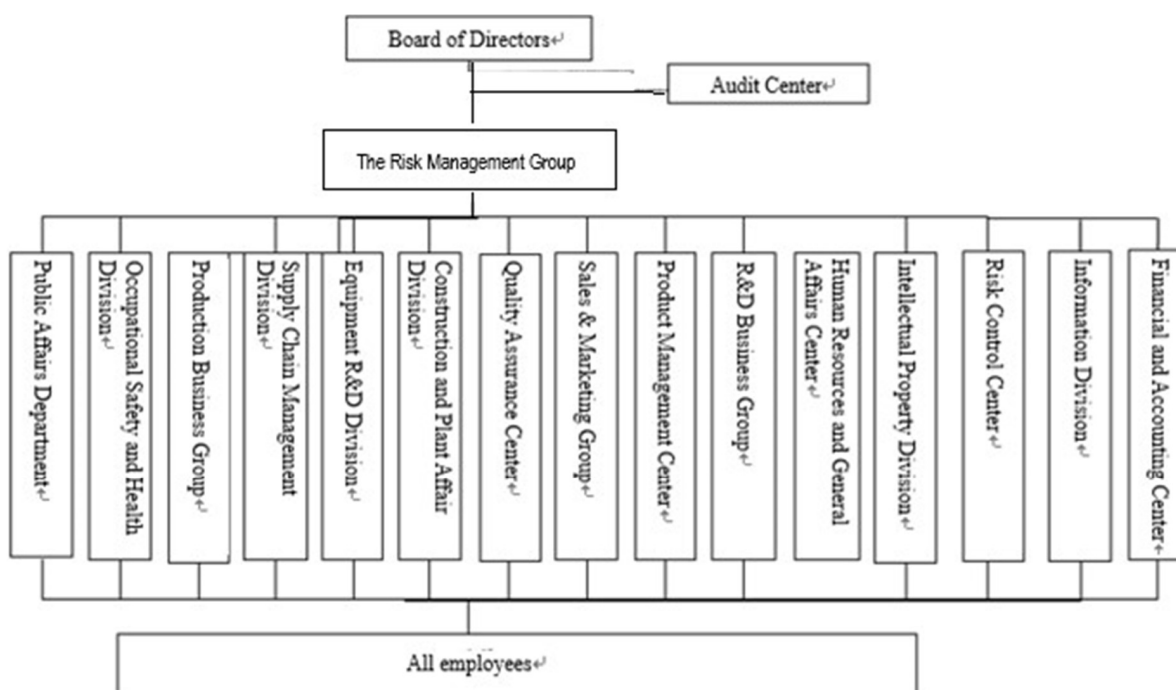
NT\$, '000

Our Investment	Profit/Loss	Business	Main Reason of Profit/Loss	Improvement Plan	Investment Plan
Everlight (BVI) Co., Ltd.	421,073	Holding company	The investment benefits of equity method	Not applicable	None
Pai Yee Investment Co., Ltd.	173,484	Investment company	The investment benefits of equity method and disposal	Not applicable	None
Everlight Americas, Inc.	99,700	LED Sales	Revenue increased	Expand business	None
Evervision Electronics Co., Ltd.	122,884	Production and sales of LCD panel	The investment benefits of equity method	Not applicable	None
Everlight Electronic Europe GmbH	31,284	LED Sales	Expenses were well controlled	Not applicable	None
Everlight Optoelectronics Korea Co., Ltd.	23,734	LED Sales	Expenses were well controlled	Not applicable	None
Forever Investment Co., Ltd.	136,520	Investment company	The investment benefits of equity method	Not applicable	None
Everlight Lighting Intellengence Technology Co., Ltd.	65,196	Sale of LED lighting products	Revenue increased	Not applicable	None
Tekcore Co. Ltd	651	Production and sales of LED wafers and chips	Disposed in April 2024	Not applicable	None
Evlite Electronics Co., Ltd.	16,035	LED Sales	Revenue increased	Not applicable	None
Everlight Electronics India Private Limited	4,760	LED Sales	Revenue increased	Not applicable	None
Everlight Electronics Singapore Pte.Ltd.	775	LED Sales	Revenue increased	Not applicable	None
WOFI Leuchten GmbH	(80)	Lighting products and accessories sales	In process of dissolution and liquidation	Not applicable	None
Everlight Japan Corporation	(8,419)	LED Sales	Revenue decreased	Not applicable	None

5.5.2 Investment plans for the coming year: The Company estimates no major investment plans for the future.

5.6 Risk Management

5.6.1 Risk Management Framework



To ensure that all potential risks are managed effectively, the objective of Everlight's risk management system is to adopt appropriate analytical procedures to proactively identify and assess potential risks. This enables management to reduce or mitigate risks through the implementation of a structured enterprise risk management (ERM) framework. Risk management is integrated into day-to-day operations to support strategic adjustments, enhance operational efficiency, and ultimately fulfill the company's mission of achieving steady growth and sustainable development. Operational risks are managed by relevant departments based on the nature of their business functions. The heads of each risk-responsible unit collectively form the Risk Management Task Force. Risk management activities are coordinated by the **Sustainability Development Office**, which leads the assessment and control of material risks that could impact the company's operations. In collaboration with insurance providers, the company also evaluates the feasibility of risk transfer strategies to reduce potential losses.

Each risk-responsible unit is tasked with consolidating internal risk data and reporting execution progress to the Task Force for the preparation of the Risk Management Report. The Internal Audit Division formulates the annual audit plan based on internal control standards and applicable laws and regulations, and reviews the effectiveness of risk management implementation across all operational activities.

Public Affairs Department	Responsible for managing the company's engagement with media, industry associations, and public welfare activities. The department oversees reputational risk management to reduce the likelihood of media-related crises.
Occupational Safety and Health Department	Manages the company's environmental, health, and safety (EHS) operations to prevent or minimize risks associated with workplace incidents and environmental pollution.
Production Business Group	Responsible for controlling risks related to production and manufacturing processes, including resource inefficiency and production inefficiencies.

Supply Chain Management Division	Oversees raw materials and component quality, compliance with restricted substances standards, and alignment with both company and customer requirements. The department ensures timely delivery and optimal procurement pricing, avoids material shortages, and minimizes inventory risks. It is responsible for managing external procurement risks (such as accident risks, price fluctuations, quality risks, and technological advancement) and internal procurement risks (such as contract compliance, acceptance risks, and inventory levels). The team also handles production scheduling and capacity planning to reduce resource waste and efficiency losses.
Equipment R&D Department	Handles the procurement, research, and development of production equipment, minimizing risks associated with equipment needs and technology development.
Quality Assurance Department	Responsible for managing risks related to incoming material inspection and in-process product quality, reducing internal and external failure risks due to poor material quality or manufacturing issues, thereby enhancing overall product quality.
Sales & Marketing Business Group	Responsible for meeting the company's annual sales targets and KPIs, developing new customers, maintaining existing relationships, and managing performance to reduce the risk of missing revenue goals. Also oversees marketing strategy and execution to mitigate product promotion and positioning risks.
Product Management Division	Responsible for marketing strategy implementation, product lifecycle planning, profit margin optimization, and long-term development. Provides strategic recommendations based on market trends to reduce the risk of failing to achieve performance or profit targets.
R&D Business Group	Manages risks associated with product development, design, and pilot production, using strategic planning and cost control. Evaluates industry trends and core technologies, integrates company resources, and develops new materials and manufacturing processes to minimize associated risks.
Administration Division(Including Human Resources, Training & Development, and General Affairs)	Manages risk related to human resource planning, training, recruitment, compliance with labor regulations, and talent retention to support business sustainability. Oversees administrative functions such as communication systems, energy control, facilities management, and ensures smooth business operations.
Information Technology Division	Responsible for the adaptability, reliability, scalability, and security of the company's information systems. Manages risks associated with IT infrastructure and projects to reduce exposure to cybersecurity threats.
Legal Division	Comprising the Legal Affairs Office and Intellectual Property Department. <i>Legal Affairs</i> manages legal and regulatory risks, ESG compliance, contract management, and litigation to reduce operational legal risks. <i>Intellectual Property</i> oversees IP risk management and patent dispute resolution in compliance with relevant regulatory policies.
Finance & Accounting	Manages risks related to financial planning, tax compliance, capital

Division	allocation, investment evaluation, derivatives, financing strategies, accounting, financial reporting, and internal controls. Ensures effective business continuity, reliable disclosures, operational efficiency, and regulatory compliance.
Internal Audit Division	Acts as the monitoring body within the company's risk management framework. Performs independent and objective audits to ensure the effectiveness of the company's risk management mechanisms.

5.6.2 Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures:

The Company's and subsidiaries' interest payments for 2023 and 2024 were NT\$11,432 thousand and NT\$17,305 thousand, respectively 0.06% and 0.08% of the consolidated net sales. Their ratios are very small and have no significant impact on the Company's profits. The Company and its subsidiaries consistently pay attention to the trend of interest rates by checking reports of various research institutions, and establish good relationships with financial institutions to keep lower capital costs. In addition to maintaining conservative and stable principles of working capital in the future, the Company and its subsidiaries will continue to strive to improve the financial structure to effectively control of the capital cost.

As for the exchange rate risk, the Company and its subsidiaries' foreign currency assets and liabilities are primarily in USD. Excessive exchange rate fluctuations would cost the profit of the Company and its subsidiaries. In 2023 and 2024, the Company and its subsidiaries recognized exchange gain of NT\$ 77,809 thousand and gain NT\$ 303,008 thousand, accounting for 0.44% and 1.44% of the net sales of each period. The Company and its subsidiaries are in accordance with the "Procedures for Derivative Product Transaction Engagement " and maintain a certain hedge ratio to reduce the impact of exchange rate fluctuations on profitability.

The impact of inflation on the profit and loss is not notable. The company and its subsidiaries will remain alert to inflation. It will work to cut costs, monitor the supply and demand for raw materials, track price fluctuations, and adjust inventory as needed. In the meantime, The Company and its subsidiaries devote in developing the high value-added products to respond the challenge.

5.6.3 Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions: The Company is not engaged in any high-risk, high-leverage investment. Please refer to the company's financial report for our loans to

others and endorsement or guarantee for others. Everlight trades derivative products only for the risk aversion and only undertake structured financial products with lower risks for the trading purposes.

5.6.4 Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales : None

5.6.5 The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures : None

5.6.6 Effects of and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales : Please see 5.6 Information security, Page 161-173.

5.6.7 The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures : None

5.6.8 Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans : None

5.6.9 Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans : Please see 4.8 Financing Plans and Implementation

5.6.10 Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration : The Company's sources of purchases and sales are well diversified and will not greatly be affected by a single customer.

5.6.11 Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, or Shareholders with Shareholdings of over 10% : None

5.6.12 Effects of, Risks Relating to and Response to the Changes in Management Rights : None

5.6.13 Litigation or Non-litigation Matters :

(1) Nichia Corporation ("Nichia") filed a lawsuit against the Company and Everlight Europe in the German Dusseldorf District Court alleging the infringement of Nichia European patents EP2276080("Patent 080") and EP2197053("Patent 053") in December 2016. The patent infringement cases are related to white light LED using specific phosphor. Patent 053 and Patent 080 had both expired on July 29th, 2017, therefore they won't affect the sales of the current products of the Company. In addition, this litigation was filed against only certain obsolete products of the Company, therefore the operation and sales of the Company won't be seriously impacted by this patent. As a result, The Company had withdrawn

litigation claims from this patent infringement case related to Patent 080. In October 2017, we received the European Patent Office's judgment that the claim scope of the European Patent No. EP2197053 was invalid. Therefore, the German Dusseldorf District Court withdrew the infringement lawsuit of the European patent EP2197053.

- (2) In April 2016, the Company filed opposition proceedings in the European Patent Office (“EPO”) alleging that Nichia's Patent 080 and Patent 053 are invalid. In October 2017, EPO issued decisions that the original claims were invalid, and the narrowly amended claims were valid. Both Nichia and the Company appealed. In October 2017, we received the European Patent Office judgments that the patent scope of European patent EP2197053 was invalid, but the patent scope of European patent EP2276080 was valid.
- (3) In September, 2015, Nichia filed a litigation in the German Dusseldorf District Court alleging that WOFI Leuchten (“WOFI”) infringes Nichia’s European Patent EP2276080 (“Patent 080”) and EP2197053 (“Patent 053”). The Dusseldorf District Court ruled against Wofi in December 2016. WOFI then appealed the case in January 2017 in the Dusseldorf Higher Regional Court. In October 2017, we received the European Patent Office's judgment that the claim scope of the European Patent No. EP2197053 was invalid. Therefore, the German Dusseldorf District Court withdrew the infringement lawsuit of the European patent EP2197053. In October 2016, we received the European Patent Office’s judgment that the claim scope of the European Patent No. EP2276080 was valid. On December 16, 2022, the Higher Court of Dusseldorf, Germany ruled that WOFI lost the case. Since then, the infringement lawsuit of European Patent No. EP2276080 has entered the coercive measure procedure. WOFI evaluated the final judgment result and the possible requested payment amount, and estimated RMB 141,316,000 (Euro 4,500,000) as a liability reserve that should be recorded. Currently, WOFI in this case has declared bankruptcy, and the bankruptcy proceedings are still ongoing.
- (4) In January, 2020, Bench Walk Lighting LLC (“BWL”) filed a litigation in the United States District Court for the District of Delaware alleging that the Company infringed BWL US patents US 6806658, US 7115428, US 7145182, US 7239080, US 7470936, US 7488990, US 7519287, US 7847300, US 9887338 及 US 9209,373. The patents are related to the design of lead frame, substrate and package in LED products. Currently, the case is reached a settlement on September 26, 2023, and the matter has concluded with the withdrawal of the lawsuit by Bench Walk Lighting LLC (BWL), a U.S. company.
- (5) The Group and local companies A3 Commerce LLP and Altocom Asia LLP in Kazakhstan (hereinafter “Consortium A”) executed in 2017 a contract for the project of installation as well as maintenance and operation of intelligent street

lights with the Pavlodar Government, the Republic of Kazakhstan. The project period is six years and the total contract price is USD 8,967 thousand. Consortium A has completed installation of light fixtures under the contract. On January 4, 2019, the Pavlodar Government completed the acceptance of the installation.

Nevertheless, during the subsequent operation period, the Pavlodar Government found a shortage in certain equipment of the intelligent control system, installed by A3 Commerce LLP, a member of Consortium A, and suspended release of the project payments for the second quarter of 2020, as well as the ensuing quarters, and issued a letter on October 26, 2020, asking Consortium A to install the missing intelligent control system according to the contract as soon as possible.

The Group believes that Consortium members A3 Commerce LLP failed to diligently perform its obligations of installing the intelligent control system, and Altocom Asia LLP failed to exercise the duty of management of maintenance and operation, and that both entities have become incompetent. To protect its rights and interests, the Group sent a letter to the Pavlodar Government in December 2020, asking for a change by removing A3 Commerce LLP and Altocom Asia LLP from the Consortium. However, the Pavlodar Provincial Government only sent a letter in January 2021, reemphasizing its request to correct the issues of equipment shortage and defects as mentioned above, and then filed a lawsuit on February 9, 2021, at a Kazakhstan court, demanding a termination of the contract with Consortium A and a compensation of KZT 268,883 thousand, (approximately \$18,203). The Group has retained Baker McKenzie Taipei Office and Almaty Office, with the goal of negotiating with Pavlodar Government to amend the contract and to allow the Group to complete the unfinished project individually. Because the Pavlodar Government failed to proceed with the negotiation with Consortium A before directly filing a lawsuit to terminate the contract, the local court in Kazakhstan has dismissed both the Pavlodar Government's action on March 10, 2021 and its appeal on April 22, 2021, for that the procedure was not compliant with the laws. The Pavlodar Government promptly started its negotiations with Consortium A after its action was dismissed.

According to the opinion issued by its lawyers on March 22, 2021, the Group is now trying to understand the claims and share of responsibilities of both parties, hoping to come up with a negotiation proposal to resolve the disputes. However, the actual outcome remains unpredictable. The maximum risk exposure in the case of contract termination is approximately \$141,599. As of December 31, 2020, the Group has estimated a projected loss of \$58,754 for 2020 based on reasonably estimated obligations. It also reserves the right to take legal recourse against Consortium members A3 Commerce LLP and Altocom Asia LLP for damage to the Group's right caused by their project defects.

Furthermore on June 21, 2021, the Energy and Utilities Department of the Pavlodar

region filed a lawsuit against the Utilities, Road, and Passenger Traffic Department of the Pavlodar City, all members of Consortium A, as well as all its contractors, claiming to invalidate the acceptance of the project completion in January 2019. The Group has hired lawyers to defend in court arguing that because the very same lawsuit was initiated by the Pavlodar Government in December 2020, and the court already ruled that the lawsuit was baseless and dismissed the case, so on the basis of the principle of double jeopardy, as well as on the fact that the plaintiff failed to comply with the pre-trial procedure for negotiation and that the Pavlodar Government has no legal right to claim to verify the acceptance is invalid, the lawsuit shall be dismissed. The lawyers have also asked the court to transfer the case to another court. On July 21, 2021, the first instance court ruled for a change of venue. Later, the Energy and Utilities Department of the Pavlodar region filed an appeal against such ruling. On August 5, 2021 the second instance court reversed the ruling of change of venue, and the case was remanded to the first instance court to continue the review. On September 13, 2021, the first instance court decided to dismiss the Group's arguments regarding the principle of double jeopardy, as well as regarding that the plaintiff failed to comply with the pre-trial procedure for negotiation and that the Pavlodar Government has no legal right to claim to verify the acceptance is invalid, and the court issued a judgment determining the project acceptance in January 2019 is invalid. Nevertheless, the Group believes the decision is apparently inconsistent with the law, and filed an appeal on October 1, 2021 to dismiss the ruling and another appeal on October 19, 2021 against the above judgment that determines the acceptance is invalid. On December 28, 2021, the second instance court judge dismissed the Group's motion and appeal, a dismissal that has the effect of a final court judgment.. The Group filed an appeal against the second instance ruling and judgment with the third instance court, and the third instance court dismissed the Group's appeal on April 4, 2022. The claim of the case was only to confirm that the act of acceptance in January 2019 is invalid, and the Pavlodar Government did not seek any compensation.

Because the negotiations between the parties were not successful, the Pavlodar Government again filed a lawsuit against Consortium A, asking to terminate the contract with Consortium A and demanding a compensation of KZT 1,345,882, thousand (approximately \$ 85,733) on February 10, 2022. The Group has retained lawyers for defense to ensure protection of the maximum legal interest of the Group. In view that termination of agreement may not be the best possible outcome for the parties, efforts are being made to continue negotiations with the Pavlodar Government to seek a resolution that benefits both parties. On April 27, 2022, the first instance court in its judgment granted all claims from the Pavlodar Government. The Group believes that such judgment is apparently contrary to the laws, and on June 2, 2022, an appeal was filed against the first instance judgment. On July 19, 2022, the second instance court judge dismissed the Group's appeal,

and finalized the judgment.

Taraz

The Group and a local company Altocom Asia LLP in Kazakhstan (hereinafter "Consortium B") executed a contract for the project of installation as well as maintenance and operation for intelligent street lights with the Taraz Government, the Republic of Kazakhstan in 2019. The project period is six years. The total contract price is USD 14,196 thousand. Consortium B is installing light fixtures according to the contract. On March 18, 2021, the Taraz Government claimed that Consortium B performed certain project work before the corresponding design papers were ready and failed to complete the project as agreed by December 30, 2020, and therefore, the Government filed a lawsuit to terminate the contract. However, the Group believed that Consortium B has proceeded with the relevant work under the contract and that there were no delays or defects as claimed. According to the opinion issued by its lawyers on March 22, 2021, the Group is now trying to understand the claims and share of responsibilities of the parties. However, the actual outcome remains unpredictable. Because the Taraz Government failed to proceed with the negotiation with Consortium B before directly filing a lawsuit to terminate the contract, the lawyers representing the Group are expecting to make a defense against the Taraz Government's action by claiming that the procedure was not compliant with the laws. The Group's lawyers have also filed a motion for change of venue and have been trying to negotiate with the Taraz Government to resolve the disputes. On April 22, 2021, the local court of laws granted the motion for change of venue and decided to transfer the case to a local commercial court. On July 21, 2021, the commercial court of Taraz Province issued a ruling against the Group. The Group filed an appeal on August 19, 2021. On September 23, 2021, the second instance court issued a judgment to dismiss the appeal, and such judgment is final and binding. Because the Group believes Consortium B was not at fault, it filed an appeal against the second instance judgment with the third instance court, and the third instance court dismissed the appeal on April 18, 2022. In this case, the judgment is only to determine whether the termination of contract is valid, and the Taraz Government did not claim for compensations. On the other hand, the Group will continue to evaluate whether to claim against the Taraz Provincial Government for return of equipment or price.

According to the opinion issued by its lawyers on March 17, 2022, the Group evaluated the outcome of the final judgments of the two cases and possible amount to be claimed, and entered an additional provision of NT\$55,981 thousand for 2021 recorded as other expenses and losses. Further, in response to the expected uncollectible accounts receivable due to the above two cases and expenditures of loans to other Consortium members, the Group entered an allowance for loss totaling NT\$84,143 thousand recorded as expected credit loss, Other losses

NT\$622 thousand and provision for liabilities amounted to NT\$114,113 thousand.

As of the financial reporting date, The Group with the assistance of lawyers, has determined that the relevant litigation in Kazakhstan has exhausted all judicial procedures and reached the Supreme Court in Kazakhstan. Although there are special relief procedures similar to retrial in Taiwan available locally, The Group believes that these procedures may not yield favorable results due to factors such as the local political environment and judicial peculiarities.

Based on the above assessment, The Group has increased its provision for bad debts by NT\$37,554 thousand for the two cases that are expected to be unrecoverable in 2022. This amount has been recognized as an expected credit loss under the allowance for credit losses account. In addition, the company has recognized inventory impairment losses of NT\$62,214 thousand under the cost of goods sold account, and has provided for obligations, compensation, and losses that can be reasonably inferred in the amount of NT\$117,553 thousand, which has been recorded under the other losses account. Due to the bankruptcy declaration of **A3 Commerce LLP**, the company has filed a creditor claim in accordance with applicable laws. The company is currently awaiting the issuance of a certificate of claim by the court. Upon receipt, the notarization process will be carried out locally.

5.6.14 Other Major Risks : None

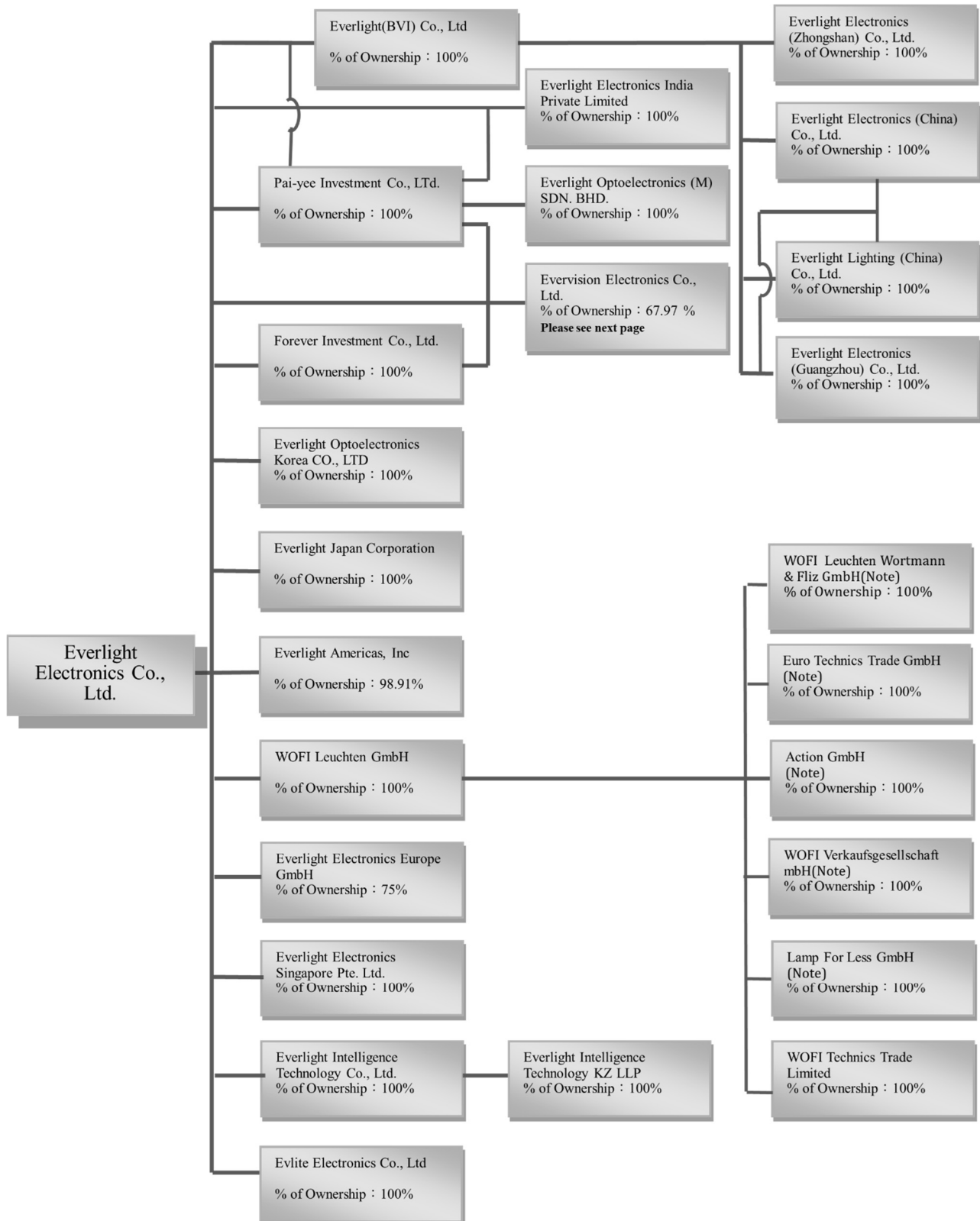
5.7 Other Major Items : None

6. Special Disclosure

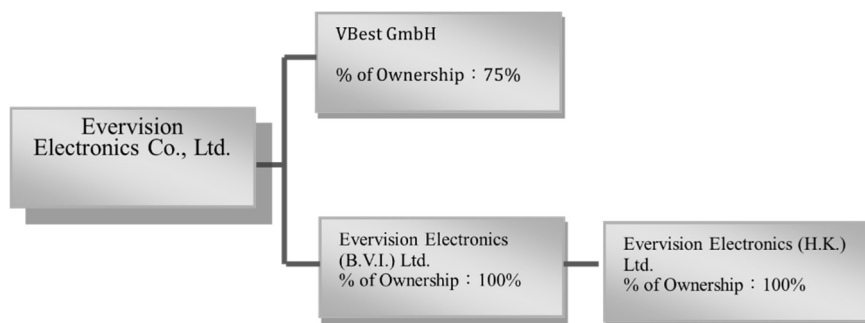
6.1 Summary of Affiliated Companies :

6.1.1 Organization Chart

2024/12/31



Note : The proceeding of that company's bankruptcy that was formally adjudged by the court in Germany in April and May 2023 was still in progress, the Group lost control of that company accordingly.



6.1.2 Basic information of related companies

	Incorporate Date	Address	Capital ('000)	Business	Remark
Pai Yee Investment Co., Ltd.	1997.09.06	No. 6-8, Zhonghua Rd. Shulin Dist, New Taipei City	NTD239,400	Investment company	
Everlight (BVI) Co.,Ltd.	1995.10.06	Palm Grove House, P.O.Box 438, Road Town, Tortola, British Virgin Islands.	USD157,657	Holding company	
Everlight Americas, Inc.	2003.01.27	3220 Commander Drive, Suite 100, Carrollton, TX 75006	USD11,500	LED Sales	
Everlight Electronics Europe GmbH	2000.10.16	Siemensallee 84, Building 7302,5F,D-76187 KARLSRUHE GERMANY	EUR100	LED Sales	
Everlight Optoelectronics Korea Co.,Ltd.	2008.02.11	7F,S706-1 Garden 5 Works Choongmin Rd52., Songpa-gu, Seoul , KOREA	USD200	LED Sales	
Forever Investment Co., Ltd.	2007.04.11	No. 6-8, Zhonghua Rd. Shulin Dist, New Taipei City	NTD424,875	Investment company	
Everlight Lighting Intelligence Technology Co., Ltd.	2011.3.31	5F,No. 6-8, Zhonghua Rd. Shulin Dist, New Taipei City	NTD 200,000	Sale of LED lighting products	
Evlite Electronics Co.,Ltd.	1996.01.04	Units 1606~10, Prosperity Place, 6 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong	HKD7,000	LED Sales	
Evervision Electronics Co., Ltd.	1998.04.15	6F,No. 6-8, Zhonghua Rd. Shulin Dist, New Taipei City	NTD184,441	Manufacture and sales of LCD and LED processing	
Everlight Electronics (China) Ltd.	2001.02.27	No. 2135, Zhongshan North Road,Wujiang Economic and Technological Development Zone	USD124,140	LED production	
Everlight Lighting (China) Ltd.	2002.09.28	Room 1327, No. 139, Futexiyi Road, China (Shanghai) Pilot Free Trade Zone ShangHai China	USD10,000	LED Sales	
Everlight Electronics (Guangzhou) Ltd.	2007.06.08	Room 501, No. 131 Dongxing Road, Shiqiao Street, Panyu District, Guangzhou City (Location: No. 8)	RMB45,968	Business development and customer services	
Everlight Electronics (Zhongshan) Ltd.	2008.01.09	1-4 Floor, Factory Building, No. 8, Industrial Avenue South, Xiaolan Town, Zhongshan City, Guangdong Province	USD30,000	Manufacture of LED-related components	
Everlight Optoelectronics (M) SDN. BHD.	1990.2.22	B-04-20, Krystal Point, 303, Jalan Sultan Azlan Shah, 11900 Sungai Nibong, Penang	MYR254	Business development and customer services	

Evervision Electronics (B.V.I.) Ltd.	1998.03.12	Mandar House, 3rd Floor, Suite 301, P.O. Box 3159, Road Town, Tortola, British Virgin Islands	USD20,567	Holding company	
VBest GmbH	2006.7.13	Siemensallee 84, Building 7302,5F,D-76187 KARLSRUHE GERMANY	EUR25	LCD display sales	
Evervision Electronics(H.K.) Ltd.	1998.09.23	Units 1606-1610 16/F Prosperity place 6 shing yip street kwun tong KL	HKD300	LCD display sales	
Everlight Electronics India Private Limited	2012.7.25	No. 606, 6th Floor, Surya Kiran Building, Connaught Place, KG Marg, Delhi 110001	INR4,410	LED Sales	
Everlight Electronics Singapore Pte. Ltd.	2013.5.21	The Octagon 105 Cecil Street #13-01 Singapore 069534	USD200	LED Sales	
Everlight Japan Corporation	2013.10.21	7F, Taiju Life Kyoto Yamashina Bldg. 46-1takehanadonomaechou, Yamashina Ku, Kyoto,607-8085,Japan	JPY50,000	LED Sales	
WOFI Leuchten GmbH	2006.11.14	Im Langel 6, 59872 Meschede	EUR5,775	Lighting products and accessories sales	
WOFI Leuchten Wortmann & Filz GmbH	2012.8.13	Im Langel 6, 59872 Meschede	EUR100	Lighting products and accessories sales	Note1
Euro Technics Trade GmbH	2004.8.16	Im Langel 6, 59872 Meschede	EUR 25	Lighting products and accessories sales	Note1
WOFI Technics Trade Ltd.	2006.3.1	10/F COFCO TOWER 262 GLOUCESTER ROAD CAUSEWAY BAY HK	HKD100	Lighting products and accessories sales	
Action GmbH	2000.9.13	Im Langel 6, 59872 Meschede	EUR 26	Lighting products and accessories sales	Note1
WOFI Verkaufsgesellschaft mbH (WOFI VG)	2017.10.11	Im Langel 6, 59872 Meschede	EUR 25	Lighting products and accessories sales	Note1
Lamp For Less GmbH	2018.7.27	Im Langel 6, 59872 Meschede	EUR 25	Lighting products and accessories sales	Note1
Everlight Intelligence Technology KZ LLP	2020.01.17	Republic of Kazakhstan, Almaty, Markova st. 61/1, block 1	KZT 1,000	Sale of LED lighting products	

Note1 : The proceeding of that company's bankruptcy that was formally adjudged by the court in Germany in April and May 2023 was still in progress, the Group lost control of that company accordingly.

6.1.3 Industries covered by all of our related subsidiaries:

Industries covered by all of our related subsidiaries includes the manufacture and sale of visible and sensing components, the manufacture and sale of LED, the processing and manufacture and sale of LCD products, the development of lighting products and electronic components, and some of the subsidiaries are investment business related.

6.1.4 Director, Supervisors and Managers of Our Subsidiaries:

NT\$, '000, shares, %

Company	Position	Name	representative	Ownership		Remark
				Shares	Ownership %	
Pai Yee Investment Co., Ltd.	Chairman Director Director Supervisor President	Everlight Electronics Co., Ltd. Everlight Electronics Co., Ltd. Everlight Electronics Co., Ltd. Chun-Yu Lu Robert Yeh	Robert Yeh Alice Fu Ding-Hao Yeh	23,939,525	100	
Everlight (BVI) Co., Ltd.	Director President shareholder	Everlight Electronics Co., Ltd. Robert Yeh Pai Yee Investment Co., Ltd.	Robert Yeh	1,539, 945.94 36,622.33	98 2	
Everlight Americas, Inc.	Director Director President	Everlight Electronics Co., Ltd. Everlight Electronics Co., Ltd Bernd Kammerer	Robert Yeh Ting-Wei Yeh	11,375,000 125,000	99 1	
Everlight Electronics Europe GmbH	Director President	Everlight Electronics Co., Ltd. Bernd Kammerer	Robert Yeh	75,000 25,000	75 25	
Everlight Optoelectronics Korea Co.,Ltd.	Director Director Director Supervisor	Everlight Electronics Co., Ltd. Everlight Electronics Co., Ltd. Everlight Electronics Co., Ltd Everlight Electronics Co., Ltd.	Robert Yeh Ting-Wei Yeh Chung-Wei Wang Chun-Yu Lu	37,890	100	
Forever Investment Co., Ltd.	Chairman President	Everlight Electronics Co., Ltd. Robert Yeh	Robert Yeh	42,487,490	100	
Everlight Lighting Intellengence Technology Co., Ltd.	Chairman Director Director Supervisor	Everlight Electronics Co., Ltd. Everlight Electronics Co., Ltd. Everlight Electronics Co., Ltd Everlight Electronics Co., Ltd.	Robert Yeh Kai-Hung Cheng Li-Fu Lu Alice Fu	20,000,000	100	
Evlite Electronics Co., Ltd.	Director	Everlight Electronics Co., Ltd.	Robert Yeh	Note1	100	
Everlight Electronics (China) Ltd.	Chairman Director Director Supervisor President	Everlight (BVI) Co., Ltd. Everlight (BVI) Co., Ltd. Everlight (BVI) Co., Ltd. Everlight (BVI) Co., Ltd. Everlight (BVI) Co., Ltd.	Robert Yeh Hung-Wen Tsai Chen-En Ko Chun-Yu Lu Robert Yeh	Note1	100	
Everlight Lighting (China) Ltd.	Chairman Director Director Supervisor President	Everlight Electronics (China) Ltd. Everlight (BVI) Co.,Ltd. Everlight (BVI) Co.,Ltd. Everlight (BVI) Co.,Ltd. Everlight (BVI) Co.,Ltd.	Robert Yeh Ting-Wei Yeh Che-wei, Hsu Chun-Yu Lu Robert Yeh	Note1	48 52	
Everlight Electronics (Guangzhou) Ltd.	Chairman Director Director Supervisor	Everlight Electronics (China) Ltd Everlight (BVI) Co.,Ltd Everlight (BVI) Co.,Ltd. Everlight (BVI) Co.,Ltd	Robert Yeh Min-Ta Tsao Ting-Wei Yeh Chun-Yu Lu	45,000,000 968,300	97.89 2.11	
Everlight Electronics (Zhongshan) Ltd.	Chairman Director Director Supervisor	Everlight (BVI) Co.,Ltd. Everlight (BVI) Co.,Ltd. Everlight (BVI) Co.,Ltd. Everlight (BVI) Co.,Ltd.	Robert Yeh Chen-En Ko Ting-Wei Yeh Chun-Yu Lu	Note1	100	

Company	Position	Name	representative	Ownership		Remark
				Shares	Shares	
Everlight Optoelectronics (M) SDN. BHD.	Director Director	Pai Yee Investment Co., Ltd. Pai Yee Investment Co., Ltd.	Low Khee Poay Yi-Chen Chen	253,649	100	
Evervision Electronics Co., Ltd.	Director Supervisor President	Everlight Electronics Co., Ltd. Alice Fu Robert Yeh	Robert Yeh	12,537,105	67.97	
Evervision Electronics (BVI) Ltd.	Director	Evervision Electronics Co., Ltd.	Robert Yeh	20,566,735	100	
VBest GmbH	Shareholder Director	Evervision Electronics Co., Ltd. Bernd Kammerer	Robert Yeh	Note1	75 25	
Evervision Electronics (HK) Ltd.	Director	Evervision Electronics (BVI) Ltd.	Robert Yeh	300,000	100	
Everlight Electronics India Private Limited	Shareholder	Pai Yee Investment Co., Ltd.	Robert Yeh	88,200	20	
	Director	Everlight Electronics Co., Ltd.	Ting-Wei Yeh	352,800	80	
	Director	Everlight Electronics Co., Ltd.	Yi-Chen Chen			
	Director	Everlight Electronics Co., Ltd.	Anuradha Rajashekar			
Everlight Electronics Singapore Pte. Ltd.	Director	Everlight Electronics Co., Ltd.	Yi-Chen Chen	200,000	100	
	Director	Everlight Electronics Co., Ltd.	Gooi Yih Chi			
Everlight Japan Corporation	Director	Everlight Electronics Co., Ltd.	Robert Yeh	5,000	100	
	Director	Everlight Electronics Co., Ltd.	Ting-Wei Yeh			
	Supervisor	Everlight Electronics Co., Ltd.	Chun-Yu Lu			
	President	Everlight Electronics Co., Ltd.	Chan-Li Lin			
WOFI Leuchten GmbH	Director President	Everlight Electronics Co., Ltd. Yu-He Chang	Robert Yeh	5,775,000	100	
WOFI Leuchten Wortmann & Filz GmbH	Director President	Everlight Electronics Co., Ltd. Yu-He Chang	Note2	100,000	100	Note2
Euro Technics Trade GmbH	Director President	Everlight Electronics Co., Ltd. Yu-He Chang	Note2	25,000	100	Note2
WOFI Technics Trade Limited	Director President	Everlight Electronics Co., Ltd. Yu-He Chang	Robert Yeh	100,000	100	
Action GmbH	Director President	Everlight Electronics Co., Ltd. Yu-He Chang	Note2	26,000	100	Note2
WOFI Verkaufsgesellschaft mbH	Director President	Everlight Electronics Co., Ltd. Yu-He Chang	Note2	25,000	100	Note2
Lamp for less GmbH	Director President	Everlight Electronics Co., Ltd. Yu-He Chang	Note2	25,000	100	Note2
Everlight Intelligence Technology KZ LLP	Director President	Everlight Electronics Co., Ltd. Kai-Hung Cheng	Robert Yeh	Note1	100	

Note1 : Limited

Note2 : The proceeding of that company's bankruptcy that was formally adjudged by the court in Germany in April and May 2023 was still in progress, the Group lost control of that company accordingly

6.1.5 Operating overview of our subsidiaries:

NT\$, '000

Company	Capital	Total Assets	Total Liability	Net Value	Revenues	Operating Income	Net Income/Loss (After Tax)	EPS (After Tax)
Pai Yee Investment Co., Ltd.	239,400	673,157	12,419	660,738	-	(6,197)	173,484	7.25
Everlight (BVI) Co., Ltd.	4,649,435	7,682,761	456	7,682,305	-	(107)	429,666	-
Everlight Americas, Inc.	376,982	277,691	265,070	12,621	355,256	(44,288)	100,799	-
Evilite Electronics Co., Ltd.	29,541	1,038,545	852,150	186,395	1,044,851	(53,219)	16,035	-
Everlight Electronics Europe GmbH	3,394	448,926	224,359	224,567	1,192,756	15,493	41,712	-
Everlight Electronics (China) Ltd.	4,013,138	8,671,260	3,004,850	5,666,410	8,677,537	222,805	222,918	-
Everlight Lighting (China) Ltd.	327,810	1,494,467	1,028,159	466,308	2,239,662	86,866	110,786	-
Forever Investment Co., Ltd.	424,875	542,370	374	541,996	-	(3,700)	136,520	3.21
Everlight Electronics (GuangZhou) Co., Ltd.	206,297	70,708	63,991	6,717	-	(27,632)	8,456	-
Everlight Electronics (Zhongshan) Ltd.	983,430	1,077,665	143,030	934,635	553,965	4,720	15,940	-
Everlight Optoelectronics Korea Co., Ltd.	4,225	137,718	23,220	114,498	-	(64,653)	23,734	-
Company	Capital	Total Assets	Total Liability	Net Value	Revenues	Operating Income	Net Income/Loss (After Tax)	EPS (After Tax)

Evervision Electronics Co., Ltd.	184,442	1,610,244	210,010	1,400,234	549,845	82,309	506,313	27.45
Evervision Electronics (B.V.I.) Ltd.	674,198	1,141,129	3,780	1,137,349	-	(211)	559,029	-
VBest GmbH	849	32,274	2,243	30,030	170,022	24,778	18,416	-
Evervision Electronics (H.K.) Ltd.	1,266	1,055	-	1,055	-	(70)	(63)	-
VBest Electronics (Kunshan) (Note2)	-	-	-	-	239,848	12,725	30,988	-
Everlight Lighting Intelligence Technology Co., Ltd.	200,000	476,341	179,270	297,071	647,053	76,722	78,092	3.90
Everlight Optoelectronics (M) SDN. BHD.	1,860	3,528	276	3,252	-	(2,920)	804	-
Everlight Electronics India Private Limited	1,688	30,649	560	30,089	-	(7,521)	5,951	-
Everlight Electronics Singapore Pte. Ltd.	6,053	14,483	1,211	13,272	-	(13,734)	775	-
Everlight Japan Corporation	10,425	24,236	13,838	10,398	-	(42,031)	(8,419)	-
WOFI Leuchten GmbH	196,031	3,105	577,290	(574,185)	-	(98)	(80)	-

Company	Capital	Total Assets	Total Liability	Net Value	Revenues	Operating Income	Net Income/Loss (After Tax)	EPS (After Tax)
Zhongshan Everlight Lighting Ltd.(Note3)	-	-	-	-	-	-	(634)	-
Everlight Intelligence Technology KZ LLP	63	25,536	25,536	-	-	(1,001)	(2,426)	-
Shan Yi Investment Co., Ltd. (Note4)	-	-	-	-	-	(5,303)	(5,020)	-

Note1: All subsidiaries need to be explored, and the exchange rates are NT\$/US\$-32.781, NT\$/EUR-33.9447, NT\$/HK\$-4.2201, NT\$/RMB-4.4910, NT\$/KOW-0.0223, NT\$/INR-0.3828, NT\$/JPY-0.2085, NT\$/SIN-24.0242, NT\$/MYR-7.3336, NT\$/KZT-0.0625.

Note2: VBest Electronics (Kunshan) was Sold to an unrelated party in December 2024

Note3 The liquidation process of Zhongshan Everlight Lighting Ltd. was completed in May 2024

Note4: Shan Yi Investment Co., Ltd. was established in January 2024 and disposed of in March of the same year.

6.1.6 Relationship Report: None

6.1.7 Affiliates Consolidated Financial Statements: Please see our latest Consolidated Financial Report

6.2 Private Placement Securities in the Most Recent Years: None

6.3 The Shares in the Company Held or Disposed of by Subsidiaries in the Most Recent Years and up to the date of publication of the annual report: None

6.4 Other supplementary notes: None

6.5 Any Events in the most recent year and up to the Date of publication of this Annual Report that Had Significant Impacts on Shareholders' Right or Security Prices as Stated in Item 3, Paragraph 2 of Article 36 of Securities and Exchange Act of Taiwan: None.

Everlight Electronics Co., Ltd.

Chairman :