NOTICE: If there is any discrepancy between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese version shall prevail.

Senao International Co., Ltd.
2025 General Shareholders' Meeting Minutes

Date and Time: May 28, 2025 at 9:00 a.m. (Wednesday)

Location: 6F., No.533, Zhongzheng Rd., Xindian Dist., New Taipei City
Number of shares represented by shareholders present:

Shares represented by the shareholders in attendance or by proxies totaled 199,184,013 (including the 181,750,656 shares represented by the shareholders exercising voting rights through e-voting), accounting for 77.12% of the total shares issued by the Company, i.e. 258,252,657 shares.

Chairman: Cheng-hsien Yu, Chairman of the Board of Directors

Recorder: Yu-lin Liao

Directors represent:

Cheng-hsien Yu

Pao-Yung Lin

Kung-liang Yeh, Member of the Audit Committee, Member of the Compensation Committee, Independent Director

Cheng-Kang Lin

Attendees:

Yong-Zhi Lin, CPA of PwC Taiwan
Yun-Ru Huang, Huang & Partners Law Office

I. Announcement of the Commencement of the Meeting

II.. Chairperson's Remarks: (comitted)

III. Reporting Matters

1. 2024 Business Report. Please Kindly Review. (Attachment 1)
2. 2024 Audit Committee Report. Please Kindly Review. (Attachment 2).
3. Report on the Distribution of Dividends and Bonuses for 2024. Please Kindly Review. (Shareholders' Meeting Handbook)
4. Report on Distribution of Employees' Compensation and Directors' Remuneration for 2024. Please Kindly Review. (Shareholders' Meeting Handbook)

IV. Recognition Matters

Agenda 1: 2024 Business Report and Financial Statements. Recognition is Respectfully Requested.

Proposed by the Board of Directors

Explanation: (1) The 2024 Financial Statements (including consolidated financial statements) were prepared by the Company and audited by independent auditors Yong-Zhi Lin and Hui-Ling Pan of PwC Taiwan, who have submitted an unqualified independent auditors' report. The Audit committee has audited the financial statements together with the Business Report, and recognition was respectfully requested.

(2) Please refer to this handbook for the Business Report, Independent Auditors' Report, financial statements (including consolidated financial statements.) and Earnings Distribution Plan (Attachment 1、3 and 4)

Resolution: Voting results: 197,211,475 "for" votes, representing 99.00% of the shares present at the time of voting; 59,263 "against" votes; 0 "invalid" vote; 1,913,275 "abstain/non-vote" votes

RESOLVED, the above proposal submitted by the Board of Directors was ratified upon shareholder voting

V. Discussion Matters

Agenda 1: Amendments to parts of the "Articles of Incorporation" of the Company are submitted for discussion.

Proposed by the Board of Directors

Explanation: (1) Amend certain provisions of the Articles of Incorporation in accordance with legal amendments and the practical needs of the Company. For the comparison table of the provisions before and after the amendment (Attachment 5).
(2) The original "Articles of Incorporation" (Shareholders' Meeting Handbook)

Resolution: Voting results: 197,193,954 "for" votes, representing 99.00% of the shares present at the time of voting; 77,822 "against" votes; 0 "invalid" vote; 1,912,237 "abstain/non-vote" votes

RESOLVED, the above proposal submitted by the Board of Directors was ratified upon shareholder voting

VI. Election Matter

Agenda: Proposal for full re-election of directors, please proceed with the election.

Proposed by the Board of Directors

Explanation: (1) The term of office of the current directors of the Company will mature on June 14, 2024, and full re-election of directions is to be held in the present annual general shareholders' meeting.

(2) The Company has established the Audit Committee according to the Securities and Exchange Act, and the Audit Committee consists of all independent directors, and the number of committee members shall not be less than three.

(3) Pursuant to the provision of Article 17 of the Articles of Incorporation of the Company, 13 directors (including 5 independent directors) shall be elected, and the election of directors adopts the candidate nomination system.

(4) The term of office of the new directors is 3 years, starting from May 28, 2025 to May 27, 2028. The term of office of the original directors shall end upon the completion of the present annual general shareholders' meeting.

(5) The present election is executed according to the amended "Procedures for Election of Directors" of the Company. please refer to Handbook.

(6) Relevant information of the director candidates is described in the following:with discussion.

Nominee Category	Name	Education	Experience	Current Position	Name of Government or Entity Represented	Number of Shares Held
Director	Cheng-hsien Yu	Institute of Management Science, I-Shou University Master's degree	Chairman, Taiwan Sugar Corporation Minister of the Ministry of the Interior, Republic of China County Magistrate of Kaohsiung County Legislative Yuan Member	Director, Taiwan Sugar Corporation Vice President, Chinese Taipei Baseball Association Chairman, Kao-Yuan Vocational High School of Technology & Commerce Chairman, Ba Gua Liao Foundation	Chunghwa Telecom Co., Ltd.	71,773,155
Director	Wen-chih Lin	Master's in Automatic Control Engineering, Feng Chia University	Vice General Manager of Business Management Division, Chunghwa Telecom Co., Ltd.	Executive Vice General Manager (Business Affairs), Chunghwa Telecom Co., Ltd. Chairman, SmartFun Digital Co., Ltd. Director, Chung Hwa Telecom Foundation Director, Chung Hwa Digital Cultural and Creative Management Consulting (Co.) Ltd. Director, Spring House Entertainment Technology Inc. Director, KKBOX Taiwan Co., Ltd.	Chunghwa Telecom Co., Ltd.	71,773,155
Director	Chung-yung Chia	Doctor of Computer Science, National Yang Ming Chiao Tung University	Vice General Manager, Network Technology Group, Chunghwa Telecom Co., Ltd.	General Manager, Network Technology Group, Chunghwa Telecom Co., Ltd. Chairman, Chunghwa Telecom Europe GmbH Director, Taiwan International Standard Electronics Ltd Director, Senao Networks Inc.	Chunghwa Telecom Co., Ltd.	71,773,155
Director	Hsueh-hai Hu	Master's in Transportation Management, National Cheng Kung University	General Manager, Chunghwa Telecom Co., Ltd., Consumer Business Group	General Manager, Chunghwa Telecom Co., Ltd., Consumer Business Group Director, So-net Entertainment Taiwan Limited	Chunghwa Telecom Co., Ltd.	71,773,155

Nominee Category	Name	Education	Experience	Current Position	Name of Government or Entity Represented	Number of Shares Held
				Director, Taipei Financial Center Corporation Director, Honghua International Co., Ltd. Director, China Investment Co., Ltd. Director, Chung Hwa Digital Cultural and Creative Management Consulting (Co.) Ltd.		
Director	Su-chiu Ke	Department of Land Administration, National Chengchi University	Vice General Manager, Chunghwa Telecom Co., Ltd., Consumer Business Group	Vice General Manager, Chunghwa Telecom Co., Ltd., Consumer Business Group Director, SmartFun Digital Co., Ltd.	Chunghwa Telecom Co., Ltd.	71,773,155
Director	Pao-yung Lin	Municipal Dongshiguomin Junior High School	Vice Chairman and General Manager, Senao International Co., Ltd.	Vice Chairman and General Manager, Senao International Co., Ltd. Director, Senao Networks Inc. Chairman, Engenius Technologies Co., Ltd. Chairman, Zhengfeng Investment Co., Ltd.	Zhenggang Investment Co., Ltd.	14,820,975
Director	Cheng-feng Lin	Master's in International Business Management (English Program), National Chengchi University	Director, Senao International Co., Ltd. Special Assistant, Senao International Co., Ltd.	Director, Senao International Co., Ltd. Special Assistant, Senao International Co., Ltd.; Director, E-Life Corporation Director, Tsann Kuen Enterprise Co., Ltd Director, National Taiwan University Innovation Incubation Co., Ltd. Director, Youth Co., Ltd. Director, Shenyang Insurance Agency Co., Ltd.	Zhenggang Investment Co., Ltd.	14,820,975
Director	Cheng-kang Lin	Master's in International Business Management (English Program), National Chengchi	Director, Senao International Co., Ltd. Director of Business Planning Department,	Director, Senao International Co., Ltd. Director of Business Planning Department, Senao International Co., Ltd.	Zhenggang Investment Co., Ltd.	14,820,975

Nominee Category	Name	Education	Experience	Current Position	Name of Government or Entity Represented	Number of Shares Held
		University; Department of Japanese, University of British Columbia, Canada	Senao International Co., Ltd.	Director, E-Life Corporation		
Independent Director	Kung-liang Yeh	EMBA, Graduate Institute of Finance, National Taiwan University	Chairman, Concord Securities Co., Ltd. Chairman, Concord Futures Corp. Chairman, Fubon Direct Marketing Consulting Co., Ltd. Director, Fubon Financial Holding Co., Ltd. Chairman, Fubon Securities Co., Ltd.	Director, Fubon Securities Co., Ltd. Independent Director, Senao International Co., Ltd.	None	0
Independent Director	Fu-hai Yeh	Department of Electronic Engineering, Feng Chia University	Chief Executive Officer, WPG Holdings Limited Chief Executive Officer, Asian Information Technology Inc. Chairman, eChannelOpen Inc. General Manager, Arrow Electronics, Inc. Vice General Manager, Acer Incorporated	Vice Chairman, WPG Holdings Limited Director, WPG Electronics Limited Independent Director, BenQ Materials Corporation Independent Director, Senao International Co., Ltd.	None	0
Independent Director	Wen-tsan Wu	Master's and Doctorate in Electrical Engineering, University of Washington, USA	Vice President of Cortina Systems, Inc. in the United States Chairman and General Manager, StorLink Semiconductors, Inc.	Chairman, Metanoia Communications Inc. Independent Director, Senao International Co., Ltd.	None	0

Nominee Category	Name	Education	Experience	Current Position	Name of Government or Entity Represented	Number of Shares Held
			General Manager, SMB Division, Broadcom Asia-Pacific Founder and CEO, Altima			
Independent Director	Min-ching Cheng	Department of Electrical Engineering, National Kaohsiung University of Science and Technology	Chairman, Honghwa International CO., LTD. General Manager, Northern District Telecommunications Branch, Chunghwa Telecom Co., Ltd. Vice General Manager, Mobile Business Group, Chunghwa Telecom Co., Ltd.	Independent Director, Next Commercial Bank Co., Ltd. Independent Director, Senao International Co., Ltd.	None	0
Independent Director	Ying-chi He	Master's Degree in Business Administration, National Taiwan University	General Manager, Yahoo! Digital Marketing Co., Ltd. Chairman, Kou Ki International Enterprise Co., Ltd.	Chairman, 91APP, Inc. Chairman, 91APP (TAIWAN), INC. Chairman, Omni-Channel Retail System Corporation Corporate Director Representative, 91APP HK Limited EasyStore Commerce Sdn. Corporate Director Representative, Bhd. Corporate Director Representative, Jinghong Co., Ltd. Independent Director, E-Life Corporation Corporate Director Representative, Omnichat Limited Director, NineYi Capital Inc. Director, N-Team, Inc. Director, Venture Plus Fund I Taiwan Inc.	None	0

Voting Results:
Director:

Shareholder Account No. or ID No.	Shareholder Name & representative name	number of votes
27188	Representative of Chunghwa Telecom Co., Ltd.：Cheng-hsien Yu	210,500,491
18612	Representative of Chengkang Investment Co., Ltd.：Lin Pao Yung	192,290,326
27188	Representative of Chunghwa Telecom Co., Ltd.：Hsueh-hai Hu	179,629,303
27188	Representative of Chunghwa Telecom Co., Ltd.：Su-chiu Ke	179,627,516
27188	Representative of Chunghwa Telecom Co., Ltd.：Chung-yung Chia	179,571,594
27188	Representative of Chunghwa Telecom Co., Ltd.：Wen-chih Lin	179,566,830
18612	Representative of Chengkang Investment Co., Ltd.：Lin Cheng Kang	179,542,623
18612	Representative of Chengkang Investment Co., Ltd.：Lin Cheng Feng	179,441,552

Independent Director:

Shareholder Account No. or ID No.	Shareholder Name & representative name	number of votes
R10007XXXX	Yeh Kung Liang	185,055,140
H10228XXXX	Fu-hai Yeh	181,651,294
J12024XXXX	Ying-chi He	181,573,209
N101342XXX	Cheng Min Ching	181,510,457
A12380XXXX	Wu Wen Tsan	181,423,454

VII. Other

Agenda: Proposal on cancellation of restriction on non-compete of directors and representatives thereof, please proceed with discussion.

Proposed by the Board of Directors

Explanation:(1) Pursuant to Article 209 of the Company Act, “A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”

(2) To include expertise and relevant experience of new directors of the Company, it is proposed to obtain consents on the cancellation of restriction on non-compete of directors and representatives thereof.

(3) The non-compete restriction content for new directors and their representatives proposed to be removed is described in the following table.

Title	Name	Current adjunct positions at other companies
Director	Cheng-hsien Yu	Director, Taiwan Sugar Corporation Vice President, Chinese Taipei Baseball Association Chairman, Kao-Yuan Vocational High School of Technology & Commerce Chairman, Ba Gua Liao Foundation
Director	Wen-chih Lin	Executive Vice General Manager (Business Affairs), Chunghwa Telecom Co., Ltd. Chairman, SmartFun Digital Co., Ltd. Director, Chung Hwa Telecom Foundation Director, Chung Hwa Digital Cultural and Creative Management Consulting (Co.) Ltd. Director, Spring House Entertainment Technology Inc. Director, KKBOX Taiwan Co., Ltd.
Director	Chung-yung Chia	Vice General Manager, Network Technology Group, Chunghwa Telecom Co., Ltd. Chairman, Chunghwa Telecom Europe GmbH Director, Taiwan International Standard Electronics Ltd Director, Senao Networks Inc.
Director	Hsueh-hai Hu	General Manager, Chunghwa Telecom Co., Ltd., Consumer Business Group Director, So-net Entertainment Taiwan Limited Director, Taipei Financial Center Corporation Director, Honghua International Co., Ltd. Director, China Investment Co., Ltd. Director, Chung Hwa Digital Cultural and Creative Management Consulting (Co.) Ltd.
Director	Su-Chiu Ke	Vice General Manager, Chunghwa Telecom Co., Ltd., Consumer Business Group Director, SmartFun Digital Co., Ltd.
Director	Pao-yung Lin	Director, Senao Networks Inc. Chairman, Engenius Technologies Co., Ltd.

		Chairman, Zhengfeng Investment Co., Ltd.
Director	Cheng-feng Lin	Director, E-Life Corporation Director, Tsann Kuen Enterprise Co., Ltd Director, National Taiwan University Innovation Incubation Co., Ltd. Director, Youth Co., Ltd. Director, Shenyang Insurance Agency Co., Ltd.
Director	Cheng-kang Lin	Director, E-Life Corporation
Independent Director	Kung-liang Yeh	Director, Fubon Securities Co., Ltd.
Independent Director	Fu-hai Yeh	Vice Chairman, WPG Holdings Limited Director, WPG Electronics Limited Independent Director, BenQ Materials Corporation
Independent Director	Wen-tsan Wu	Chairman, Metanoia Communications Inc.
Independent Director	Min-ching Cheng	Independent Director, Next Commercial Bank Co., Ltd.
Independent Director	Ying-chi He	Chairman, 91APP, Inc. Chairman, 91APP (TAIWAN), INC. Chairman, Omni-Channel Retail System Corporation Corporate Director Representative, 91APP HK Limited EasyStore Commerce Sdn. Corporate Director Representative, Bhd. Corporate Director Representative, Jinghong Co., Ltd. Independent Director, E-Life Corporation Corporate Director Representative, Omnichat Limited Director, NineYi Capital Inc. Director, N-Team, Inc. Director, Venture Plus Fund I Taiwan Inc.

Resolution: Voting results: 197,004,933 “for” votes, representing 98.90% of the shares present at the time of voting; 247,258 “against” votes; 0“invalid” vote; 1,931,822 “abstain/non-vote” votes

RESOLVED, the above proposal submitted by the Board of Directors was ratified upon shareholder voting

VIII.Special Motions

IX.Meeting Adjourned 09:16 a.m. of the same day

These minutes of the General Shareholders’ Meeting record a summary of the essential points of the proceedings and the results of the meeting pursuant to Paragraph 4 of Article 183 of the Company Act. The audio or video recordings of meeting proceedings, procedures and shareholders’ speeches (no shareholders’ speeche) shall prevail.

Appendix 1

1. Operating Results for 2024

(1) Operating Results and Financial Expenditures:

The consolidated revenue for the entire year reached NT$32.307 billion, with a pre-tax net profit of NT$576 million. The net profit for the period was NT$477 million, and the net profit attributable to the owners of the parent company was NT$478 million. The earnings per share after tax amounted to NT$1.85.

(2) Budget Execution Status: The financial forecast for 2024 has not been made public; therefore, there is no information regarding budget achievement.

(3) Profitability Analysis:

Profitability Analysis

Item \ Year	2024	2023
Return on Assets (%)	4.81	7.03
Return on Equity (%)	7.41	11.05
Net Profit Margin (%)	1.47	2.25
Earnings per Share (NT$)	1.85	2.73

Note: The amounts in the table are based on the consolidated financial statements of the Company and its subsidiaries.

(4) Research and Development:

The year 2024 is referred to as the "Year of AI Smartphones," with various brands launching smartphones equipped with AI functionalities. AI technology has introduced a diverse range of applications in areas such as photography, voice assistance, and personalized experiences. The heightened interest in AI has simultaneously stimulated sales of high-end smartphones and contributed to the recovery of the global economy, thereby enhancing consumer confidence. Consequently, global smartphone sales have increased by approximately 4% compared to 2023, marking the end of a two-year trend of decline.

The ranking of the top five global sales brands is as follows: Samsung (19%), Apple (18%), Xiaomi (14%), OPPO (8%), and vivo (8%). The market has not changed significantly, although Xiaomi has experienced the most growth. The future application and support of AI in high-end smartphones across various brands will be a key battleground influencing market competition.

- Trends in the Development of Smartphones:

From the perspective of hardware specifications and software applications, the following key items will be discussed:

(1) Processor: Looking back at 2024, 5G technology has gradually penetrated from the high-end smartphone market to the mid-to-low price range, becoming a mainstream choice. According to the latest report from the market research firm Counterpoint Research, in the first half of 2024, for every three smartphones sold, two supported 5G, resulting in a penetration rate of 66.7%. The processors featured in the flagship models for 2024 are primarily the Qualcomm Snapdragon 8 Gen 3 and the MediaTek Dimensity 9300. Looking ahead, growth will be driven by AI smartphones. With Qualcomm and MediaTek respectively launching the Snapdragon 8 Elite and Dimensity 9400 smartphone CPUs in late 2024, both based on TSMC's 3nm advanced process, more generative computing applications will be developed for future AI smartphones.

(2) Screen: The mobile phone market in 2024 exhibits several notable trends concerning screen size. Firstly, full-screen design has become mainstream, with the screen-to-body ratio increasing and the bezels becoming narrower, providing a better visual experience. Secondly, large screens remain popular, with sizes of 6.5 inches and above becoming the standard to meet consumers' demands for larger and more immersive visual experiences. Consequently, major manufacturers in the Android ecosystem, including Samsung, OPPO, Google, and Xiaomi, have successively launched foldable screen smartphones. One of the key factors in the expansion of foldable phones is price. All brands are working to improve display performance, reduce creases, and lower overall costs in order to popularize foldable smartphones, creating a new market niche. Meanwhile, curved screens are gradually declining due to high repair costs and the difficulty of applying screen protectors. These trends reflect consumers' demand for higher-quality visual experiences and demonstrate the ongoing efforts of various brands to innovate display technology.

(3) Display: In recent years, high refresh rate displays have become a standard feature, with many flagship smartphones equipped with refresh rates of 120Hz or even

higher. This advancement provides a smoother user experience in gaming and video playback. In 2024, the popularity of OLED technology became even more prominent. The primary reason for this is that OLED displays offer superior color and contrast compared to LCD displays, significantly enhancing the overall visual experience. As a result, OLED displays have rapidly gained popularity in high-end and mid-range smartphones, gradually becoming the mainstream choice for smart devices. Furthermore, the peak brightness and contrast of Android smartphone displays have sparked competition among brands. For example, the peak brightness of the Samsung Galaxy S24 Ultra's display reaches 2,600 nits, while the peak brightness of the Xiaomi 14 reaches 3,000 nits, greatly improving visibility under bright light. Overall, smartphone display designs in 2024 have focused more on practicality and visual effects, offering users a better experience.

(4) Batteries: In response to the rapid development of AI technology and the increasing prevalence of 5G, battery life has become one of the primary considerations for consumers when selecting smartphones. In 2024, mainstream flagship models generally featured a battery capacity of 5500mAh. To meet the modern demand for exceptional battery life, ASUS launched the ROG Phone 9 Pro at the end of 2024, equipped with a 5800mAh battery and a CPU manufactured using TSMC's advanced 3nm process technology, thereby enhancing battery efficiency. Its battery life exceeds 20 hours, making it the smartphone with the longest battery life currently available. Beyond this, with the increasing number of 3C wearable devices that modern users own, the diversity of charging cables has become an issue. According to research by Counterpoint Research, the market demand for smartphones that support wireless charging continues to grow, with a year-on-year shipment increase of 14.2% in 2024, resulting in a market share that surpasses 31%. It is estimated that by the year 2029, the market share of wireless charging smartphones will approach 50%. In conclusion, large capacity batteries and wireless charging have become mainstream trends in modern smartphones. Consumers are not only seeking longer battery life but also the convenience brought by wireless charging.

(5) Cameras: With the continuous innovation of smartphone camera technology, upgrades to camera specifications remain a major incentive for consumers to switch devices. Currently, major smartphone brands not only enhance the pixel

count of their flagship models but also collaborate with renowned camera brands such as Leica, Zeiss, and Hasselblad to create more powerful camera performance. As AI technology continues to evolve, the integration of AI with camera technology has emerged as a significant development trend. In 2024, Samsung launched its first S24 series equipped with AI camera functionality. Utilizing the new ProVisual Engine algorithm, the device optimizes objects in images during zooming, further enhancing photo clarity. Additionally, generative photo editing features have made retouching more convenient. This year, Google also introduced its first AI phone, the Pixel 9 Pro series, which incorporates the Gemini AI feature along with the "Add Me" AI function, sparking widespread market discussion. However, the application of periscope telephoto lenses has been a topic of discussion for several years. By the end of this year, the vivo X200 series and the OPPO Find X8 series, both equipped with AI chips, will be launched, featuring powerful telephoto lenses combined with AI technology, establishing them as the flagship models essential for concert photography in 2024. In addition, with respect to the design of the exterior, this year's iPhone 16 series and OPPO Find X8 Pro have both integrated a flash capture button, marking a significant departure from previous models and enabling quicker capture of fleeting moments. Looking ahead, the evolution of mobile phone cameras will no longer focus solely on increasing pixel count; rather, image quality will emerge as the primary factor. This encompasses more realistic color representation, enhanced optical zoom capabilities, and improved light intake, all combined with generative AI to deliver a more intelligent photography experience.

(6) Memory and Capacity: Today's consumers have an increasing demand for multitasking, high-definition images, and large applications. Consequently, the need for more storage space and memory in smartphones continues to rise. A storage capacity of 512GB has become a standard feature in mid-range to high-end smartphones, with some flagship models also offering a 1TB storage option, which better meets consumers' needs for storing large quantities of photos, videos, applications, and more. With the widespread adoption of on-device AI, Apple has launched the iPhone 16 and iPhone 16 Plus this year, featuring an increase in RAM compared to the previous generation. This change is not only intended to support new AI functionalities but also reflects the overall rising trend in memory demand.

According to the latest statements from the Vice President of Google's Product and Services Software Division, 8GB of RAM may soon be considered the minimum standard, as smartphones will require larger memory capacities to operate AI algorithms. Therefore, 16GB of RAM has become the standard configuration for high-end smartphones. In other words, larger memory and storage capacity to meet more complex usage demands have become the future trend for smartphones.

(7) AI Applications: According to the 2025 forecast by the Market Intelligence & Consulting Institute (MIC), the penetration rate of AI smartphones is projected to rise from 18% in 2024 to 31% in 2025. Currently, AI smartphones launched by major manufacturers are primarily high-end models, utilizing generative AI to assist with everyday tasks such as real-time translation, writing, summarization, and photo editing. This year, even more AI-powered features are expected to be introduced. The first on-device AI smartphone in 2024 was Samsung's Galaxy S24 series, which highlights features like real-time voice translation, intelligent summarization, and response functions. It also supports third-party software, making it an effective tool for image search. The latest Pixel 9 series launched by Google features its proprietary Gemini AI, which facilitates integration with the Google operating system, and offers enhanced convenience through automatic photo editing and the "Add Me" function. Meanwhile, the new Apple iPhone 16 series is equipped with Apple Intelligence, which processes commands using the device and private servers to meet security and privacy requirements. Additionally, it integrates ChatGPT, with Chinese language support expected to launch in the spring of 2025. Additionally, Apple plans to bring AI features to mid-range models such as the iPhone SE4 (or iPhone 16E) in 2025. This move is likely to encourage other brands to follow suit, thereby accelerating the integration of AI features in mid-range smartphones and contributing to an increase in the penetration rate of AI-enabled smartphones.

➢ Trends in the Development of Wearable Accessories:

In 2024, the integration of AI technology with smart wearable accessories has led to a wave of technological innovations, introducing a diverse range of products to the market. This expanded selection provides consumers with more choices, catering to various needs and preferences. Below is a breakdown of developments based on product categories:

(1) True Wireless Bluetooth Earphones: The market for true wireless Bluetooth earphones continues to thrive, driven by technological upgrades and product innovations that stimulate consumer demand. Apple and Samsung maintain a high market share, and Apple’s AirPods 4 and AirPods 4 with Active Noise Cancellation officially launched at the end of 2024, attracting significant market attention. The latest generation of AirPods features active noise cancellation ambient sound mode, along with personalized audio tuning and a more efficient battery management system. Innovative research and development allow semi-open earphones to deliver the sound quality experience enhanced by active noise cancellation. Meanwhile, open-ear earbuds are emerging as a new trend in the market. Designed to leave the ear canal partially open, they offer a more natural sound experience, making them ideal for long-term wear while maintaining environmental awareness. These features have made them popular among fitness enthusiasts and users who prioritize comfort. Major brands like Sony have already launched open-ear models, such as the LinkBuds Open, further accelerating the market's growth.

(2) Smartwatches and Fitness Bands: In 2024, the smartwatch and fitness band market continued to evolve with innovative new products, and the latest releases from two tech giants became the industry’s highlights. Samsung’s Galaxy Watch Ultra was designed for durability as its core feature, specifically tailored for extreme sports and outdoor adventures. It features high-precision dual-frequency GPS, multi-day battery life, and water depth sensing capabilities, making it highly appealing to athletes and explorers. Meanwhile, Apple Watch S10 introduced a brand-new micro-LED display, offering higher brightness and improved energy efficiency. It also includes health monitoring functions, thereby reinforcing Apple's leadership in the health management market. Additionally, the application of AI technology has made smart wearable devices more intelligent. Utilizing machine learning and biometric data analysis, various brands have progressively introduced personalized recommendations for exercise programs, suggestions for improving sleep, and even early warnings regarding health risks. Furthermore, fall detection and emergency call functions are increasingly becoming prevalent for the elderly. For children, there is an enhancement in location tracking and parental control features, along with the inclusion of educational and entertainment applications, addressing

parents' dual needs for safety and learning. Going forward, smartwatches and wristbands will increasingly address specific needs and leverage technological advancements.

(3) AR, VR, and Smart Glasses Products: In 2024, AR/VR and smart glasses technologies continued to advance, with applications becoming increasingly diverse. The AR glasses emphasize a lightweight design and all-weather usability. They are equipped with high-efficiency chips and micro-display technology, which enable immersive navigation, real-time translation, and enhanced industrial applications. VR devices are focusing on higher resolution, lower latency, and wireless freedom, significantly enhancing experiences in gaming, education, and virtual meetings. AI-powered smart glasses have begun to emerge, offering personalized notifications and health data tracking, catering to both everyday and professional needs. Additionally, enterprise demand for AR/VR is increasing, leading to widespread adoption in corporate training, design, and remote collaboration. Looking ahead, as hardware performance improves and content ecosystems evolve, AR, VR, and smart glasses will be fully integrated into digital life.

(4) Charging Products: With the rapid development of technology, charging products in 2024, including power banks, travel chargers, and transmission cables, are evolving towards high efficiency and multifunctionality. Fast charging technology, Type-C charging ports, and wireless charging have become mainstream. This year, multifunctional designs have become increasingly popular among consumers, resulting in a significant rise in demand for products that offer multiple output ports and compatibility with various protocols, such as power delivery (PD) and quick charge (QC). Additionally, power banks with built-in wireless charging and modular charging components are providing users with greater convenience. With the introduction of new devices such as the iPhone 16 and Samsung Galaxy S25, which feature the next-generation Qi2 wireless charging standard, the demand for power banks that support Qi2 is expected to continue rising. Moving forward, this technology will be integrated into a wider range of products, further driving market expansion.

➢ Information Appliance Development Trends

The extensive integration of AI into end-user devices has positioned AI-powered home appliances as a focal point of 2025. Home appliance brands such as SAMSUNG and LG have introduced a variety of new products, all emphasizing more practical AI solutions. At the 2025 CES, Samsung announced the launch of a new refrigerator that incorporates AI Hybrid Cooling technology. These refrigerators will be able to predict temperature changes based on usage patterns and automatically adjust their cooling effects. Additionally, AI will improve the audio quality of LG's televisions by transforming the two-channel sound into a virtual 9.1.2 channel. At CES, LG also revealed a new AI Magic Remote, featuring an AI button that provides content recommendations and viewing options. Voice-driven AI search, TV image and audio customization, and even generative AI galleries will be accessible through the AI remote.

The Industrial Technology Research Institute (ITRI) has indicated that the extensive integration of AI into end-user devices has made display screens the most intuitive interface for human communication, conveying text, images, and videos. Whether it's refrigerators, robotic vacuums, or washing machines, these devices will feature larger and higher-spec displays compared to previous models. For example, the Bespoke AI™ Smart Washing Machine launched by SAMSUNG is equipped with a 7-inch LCD screen and an intuitive graphical user interface, allowing for easy operation of various washing functions. It utilizes AI to learn the user's washing habits, providing customized programs or washing suggestions. Additionally, it can display the washing progress in real-time and will provide a washing analysis report upon completion of the cycle.

Furthermore, with the support of AI, consumers' immersive display experiences will be further enhanced, especially in televisions, where the effect is more noticeable. For instance, LG's AI-powered televisions come with high-performance processors that offer various AI functions, including content recommendations, AI image processing, and AI sound enhancement. It utilizes AI to detect the layout and environment of the space to provide optimal brightness and sound quality. It also processes the content in real-time to present the best effects, aiming to stay true to the creator's original intent.

ITRI has observed that the era of Super Integration has officially arrived, characterized by the collaboration between established enterprises and startups. For example, wireless charging technology has expanded from the 3C sector to various fields and home appliances, such as coffee machines and toasters. Similarly, a television, when paired with a mobile phone and software downloaded, can be transformed into a home karaoke system. In 2025, AI's integration into home appliances will become deeper and more practical, continuing to create a healthier and better quality of life.

- Health Supplement Development Trends:

With the post-pandemic era and an aging population, the public's awareness of maintaing good health has increasingly gained importance, leading to a rise in the purchase of nutritional supplements to protect the health of families. Since 2019, Senao International has served as the agent for the Japanese health brand "Sakuyo," and has developed three types of probiotics targeting different groups: Bifidobacterium + Lactulose probiotics for adult health, Slim B3 probiotics for women's body slimming, and immune-supporting probiotics for children. By utilizing different strains of functional bacteria, these products provide consumers with diverse options. Additionally, in response to the post-pandemic and information age, several major market trends are emerging:

(1) Eye Care Health: In the digital age, 3C products have become an indispensable part of many people's lives. However, prolonged use increases the risk of eye damage. Individuals of all ages, including children, students, office workers, and the elderly, may experience issues such as myopia, eye fatigue, macular degeneration, and dry eye syndrome. Consequently, vision deterioration has emerged as one of the ailments of modern civilization. It is essential to protect our eyes and replenish vital nutrients, including vitamins A, C, E, and lutein, making this a significant and pressing issue for the entire population.

(2) Sleep Health: Good sleep quality has a profound impact on overall health and daily life. On average, a person spends approximately one-third of their day sleeping. According to a survey conducted by the Taiwan Society of Sleep Medicine, one in five individuals in Taiwan experiences sleep disorders, with the issue becoming more prevalent among younger individuals. Insomnia can negatively affect memory, concentration, obesity, and chronic conditions. As a result, sleep aid devices and sleep-related health supplements have been introduced to address these issues.

(3) Women's Health: In recent years, there has been a growing awareness of health and fitness among the public, with women placing greater emphasis on their own

health. This has prompted women to actively seek suitable health supplements to maintain both physical and mental well-being. According to statistics, women dominate 70% of the market, possessing purchasing power that is approximately twice that of men. Consequently, it is expected that sales in this sector will continue to rise, with a steady stream of oral beauty, skincare, and weight management products being introduced to the market.

(4) Elderly Healthcare: Aging is one of the most significant challenges confronting Taiwanese society. In 2020, Taiwan's population first exhibited a phenomenon known as an "aging population." According to estimates from the National Development Council, by 2025, Taiwan will enter the ranks of super-aged societies, with one in every five individuals being 65 years or older. A decade from now, there will be one elderly person to support for every 2.7 young and middle-aged individuals, significantly increasing the burden on this demographic. Due to this, areas such as bone health, cardiovascular health, and cognitive function are receiving significant attention in the health supplement sector.

At the same time, we will continue to introduce high-quality health and wellness products from various manufacturers, promoting them to the public through online, offline, and O2O (Online to Offline) business models. This aims to change consumers' existing perception that Senao International only sells 3C products. Ultimately, we hope to focus on preventive health care and connect the flow of information, utilizing big data analysis to provide services that promote health and enable precise preventive health care.

2. 2025 Operational Plan

(1) Business Strategy:

(A) Enhance analysis and effectively utilize the member database to deliver tailored promotional messages based on members' purchasing history, aligning with their consumption preferences. This approach aims to increase engagement frequency and strengthen customer relations, thereby enhancing member repurchase and retention, ultimately improving member satisfaction.

(B) Optimize the services of physical retail stores and diversify the range of products offered. Sales personnel will provide more professional product knowledge and application operations. Additionally, localized packaging bundles will be offered for seasonal and timely products. Beyond this, we will utilize a community-based communication model to strengthen connections with local residents, ensuring that services are less affected by location.

(C) Establish a dedicated digital platform for distributors to enhance services for a broader client base, offering a wider array of convenient purchasing options and exclusive promotional content.

(D) To become the preferred choice for buying and selling second-hand mobile phones, we offer customers a transparent process for selling their devices and a secure service for purchasing devices, thereby fostering customer confidence.

(2) Business Objectives:

(A) Strengthen customer retention for the parent company, Chunghwa Telecom, by optimizing service offerings and expanding sales content. Additionally, strengthen the connection between the community and retail stores through the power of social media marketing. By leveraging the rapid dissemination nature of social media marketing, further engage with more non-Chunghwa customers, thereby increasing the customer base.

(B) By integrating the Senaonline platform, we effectively leverage the comprehensive O2O (Online to Offline) shopping guidance process and the operation of social media, enabling consumers to enjoy a fast and convenient purchasing experience anytime and anywhere.

(C) Strengthen relationships with distributors and enhance cooperation by leveraging a broader range of items, product categories, and digital marketing strategies to expand distribution capabilities.

(D) Optimize and improve the internal processes and management systems of the Company to avoid unnecessary waste and to maintain environmental resources, in order to achieve compliance with ESG standards.

(E) Expand the second-hand mobile phone service by improving trade-in efficiency and increasing sales channels, positioning the company as the top choice in the second-hand device market.

(3) Production and Sales Policy:

(A) Communication Products: We strive to secure competitive first-tier brand products in the distribution market while continuously seeking high-potential, cost-effective, and buzzworthy second-tier or emerging brands. The primary policy objective is to bundle these distributed products with Chunghwa Telecom’s tariff plans, ensuring availability across all Chunghwa-affiliated stores for unified sales.

(B) Home Appliances and IT Products: We aim to introduce seasonal and best-selling products from leading brands in the market, with customer demand serving guiding our main policy. Additionally, the product lineup will be expanded to include a diverse range of AIoT and smart health-connected appliances.

(C) Peripheral Accessories: Our focus is on developing and managing Senao’s own brand, "Mega King," through collaborative research and development to create trendy yet practical accessory products that align with market demands. In addition, efforts will be made to secure distribution rights for competitive products from leading brands and introduce smart wearable devices across various specialized fields to expand the customer base.

(D) Health Supplement Products: We focus on managing the Japanese imported health brand "Sakuyo," represented by Senao, developing health products that better cater to the needs of the whole family. As a plus, efforts will be made to expand sales and partnerships across both traditional distribution channels and major online platforms.

(E) Starting from a consumer-centric approach and focusing on the needs of the entire family, we have not only expanded our existing core brand offerings in telecommunications, information technology, home appliances, accessories, and health products, but also introduced a diverse range of additional categories, including household goods and beauty products. Through the Senaonline platform, we provide consumers with greater variety and convenience in their shopping experience.

3. Future Company Development Strategy

In response to the rapid development of AI, products incorporating AI technology are expected to dominate market trends. Senao International will leverage its product selection and agency services to showcase real-world AI applications in physical retail stores through product displays and sales. Furthermore, by integrating the agency and sales of networking equipment, the Company aims to establish foundational networking infrastructure services for both households and enterprises.

Senao International will continue to deepen its localized retail operations, leveraging the power of social media and collaborating with the Senao Technology & Culture Foundation on various charitable activities and the "Love for Learning" lecture series. The Company will actively engage with the public, interact with people, share product application scenarios, and provide education on new technologies and health knowledge, strengthening the connection between people. Additionally, it will expand the Senaonline platform, offering a quick, diverse range of products for customers to purchase. By enhancing its membership management and care services, the company aims to provide customers with more reliable and trusted services. Senao International aspires to be the first brand that consumers turn to whenever they need solutions or products, establishing itself as a trusted and indispensable brand in their lives.

4. Impact of External Competitive Environment, Regulatory Environment, and Overall Business Environment

In 2024, Taiwan's economy maintained its expansion, supported by stable domestic demand and the driving force of information and communications technology products, with an estimated growth rate exceeding 4% for the year. Looking ahead to 2025, while the global economy demonstrates resilience, the United States and Europe are expected to enter a cycle of interest rate reductions that will stimulate consumption and investment. Furthermore, the ongoing expansion of global trade is anticipated to positively impact Taiwan's export performance and private sector investments. However, due to the influence of a higher base period, the economic growth rate for the year 2025 is expected to be lower than that of 2024. The Taiwan Institute of Economic Research forecasts a GDP growth rate of 3.15% for the year 2025.

In 2025, the global economy continues to face multiple challenges, including the policies of the President of the United States, the monetary policies of various countries, the outlook of the real estate market in China, and geopolitical conflicts. These factors may all impact Taiwan's economic performance and warrant attention.

Chairman: Cheng-hsien Yu

Manager: Pao-yung Lin

Accounting Supervisor: Chin-ting Liu

Appendix 2

Senao International Co., Ltd.

Audit Committee Review Report

The Board of Directors has submitted the Company's 2024 financial statements (including consolidated financial statements), which have been audited by PwC, with CPAs Frank Lin and Penny Pan completing the audit. Together with the business report and the proposal for profit distribution, the Audit Committee has thoroughly reviewed and found no discrepancies. Therefore, in accordance with Article 14-4 of the Securities Exchange Act and Article 219 of the Company Act, the report has been prepared for inspection.

Sincerely,

2025 Annual Shareholders' Meeting of the Company

Senao International Co., Ltd.

Audit Committee Convener: Kung-liang Yeh

February 14, 2025

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Senao International Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Senao International Co., Ltd. ("the Company"), as of December 31, 2024, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the year then ended, and the notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and its financial performance and its parent company only cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. The matter was addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on the matter.

Key audit matter for the parent company only financial statements for the year ended December 31, 2024 is as follows:

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Key Audit Matter-Valuation of Inventories

The Company's inventory mainly consists of mobile phones and related communication products. Due to rapid technological changes and constant updates of new models and types, there is a higher risk of inventory devaluation or obsolescence. Considering the significant inventory amount, which is measured at the lower of cost and net realizable value, management evaluates the net realizable value by deducting estimated sales expense rates from the final unit sales price. The evaluation of inventory obsolescence loss is based on the purchase period and turnover days of the goods. Since management uses market conditions at the end of the reporting period and historical sales experience to judge and estimate the net realizable value, changes in market conditions may significantly impact these results. Therefore, the accountant considers inventory valuation as a key audit matter.
Please refer to Note 4(5) for accounting policies on inventories, Note 5 for accounting estimates and assumptions for the valuation of inventories and Note 9 for the details of inventories.

How our audit addressed the matter

We performed the following procedures for the above key audit matter:

1. Obtain the company's inventory valuation policy and assess the reasonableness of the assumptions used.
2. Verify the accuracy of the system logic for the net realizable value of inventory and the aging report.
3. Obtain the company's inventory valuation reports and calculate to evaluate their accuracy based on the company's policy.

Other Matter – Reference to the audit of other auditors

The financial statements of Senao International Co., Ltd. as of and for the year ended December 31, 2023 were audited by other auditors, expressed an unmodified opinion on those statements dated February 16, 2024.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of the parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lin, Yung-Chih

Pan, Hui-Lin

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 14, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the review of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

SENAO INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 22)	$ 1,642,737	16	$ 1,898,556	20
Financial assets at fair value through profit or loss (Notes 7 and 26)	263	-	-	-
Notes receivable, net (Note 8)	55,369	1	70,134	1
Trade receivables, net (Note 8)	489,067	5	453,466	5
Trade receivables from related parties (Note 22)	1,032,118	10	942,372	10
Other receivables (Notes 8 and 19)	272,509	3	204,970	2
Other receivables from related parties (Note 22)	165,394	2	124,806	1
Inventories (Note 9)	2,488,521	24	2,312,601	23
Prepayments (Note 22)	76,219	1	63,011	1
Other current assets	22,996	-	22,528	-
Total current assets	6,245,193	62	6,092,444	63
NONCURRENT ASSETS				
Financial assets at fair value through other comprehensive income (Note 26)	11,091	-	9,969	-
Investments accounted for using equity method (Note 10)	2,440,167	24	1,998,413	21
Property, plant and equipment (Notes 11, 18 and 22)	748,506	7	757,085	7
Right-of-use assets (Notes 12, 18 and 22)	631,467	6	635,141	7
Intangible assets (Note 18)	19,456	-	14,580	-
Deferred tax assets (Note 19)	17,154	-	81,007	1
Refundable deposits (Note 22)	50,621	1	51,048	1
Net defined benefit assets - noncurrent (Notes 15 and 18)	23,030	-	-	-
Other noncurrent assets	5,867	-	2,999	-
Total noncurrent assets	3,947,359	38	3,550,242	37
TOTAL ASSETS	$ 10,192,552	100	$ 9,642,686	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities (Note 17)	$ 95,328	1	$ 89,689	1
Notes payable (Note 13)	3,379	-	2,943	-
Notes payable to related parties (Note 22)	-	-	18	-
Trade payables (Note 13)	1,770,056	17	1,401,553	15
Trade payables to related parties (Note 22)	272,678	3	154,776	2
Other payables (Note 14)	668,441	7	642,521	7
Other payables to related parties (Note 22)	201,271	2	226,444	2
Current tax liabilities (Note 19)	31,405	-	-	-
Lease liabilities - current (Notes 12 and 22)	274,345	3	232,032	2
Other current liabilities (Note 22)	43,489	-	40,157	-
Total current liabilities	3,360,392	33	2,790,133	29
NONCURRENT LIABILITIES				
Deferred tax liabilities (Note 19)	1,255	-	-	-
Lease liabilities - noncurrent (Notes 12 and 22)	369,920	4	414,464	4
Net defined benefit liabilities - noncurrent (Notes 15 and 18)	-	-	1,054	-
Guarantee deposits	22,547	-	22,403	-
Total noncurrent liabilities	393,722	4	437,921	4
Total liabilities	3,754,114	37	3,228,054	33
EQUITY				
Share capital - ordinary shares (Note 16)	2,582,527	25	2,582,527	27
Capital surplus (Note 16)	738,199	7	717,664	7
Retained earnings (Note 16)				
Legal reserve	1,739,517	17	1,667,579	18
Special reserve	32,003	-	-	-
Unappropriated earnings	1,355,510	14	1,478,865	15
Total retained earnings	3,127,030	31	3,146,444	33
Other equity	(9,318)	-	(32,003)	-
Total equity	6,438,438	63	6,414,632	67
TOTAL LIABILITIES AND EQUITY	$ 10,192,552	100	$ 9,642,686	100

The accompanying notes are an integral part of these parent company only financial statements.

SENAO INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 17 and 22)				
Sales	$ 29,997,632	98	$ 28,966,631	98
Less: Sales returns	314,491	1	310,965	1
Sales discounts and allowances	867,980	3	835,796	3
Net sales	28,815,161	94	27,819,870	94
Service and repairs revenue	1,936,177	6	1,777,936	6
Total operating revenue	30,751,338	100	29,597,806	100
OPERATING COSTS (Notes 9, 15, 18 and 22)				
Cost of goods sold	27,161,930	88	26,039,827	88
Service and repairs costs	450,985	2	483,703	2
Total operating costs	27,612,915	90	26,523,530	90
GROSS PROFIT	3,138,423	10	3,074,276	10
OPERATING EXPENSES (Notes 15, 18 and 22)				
Selling and marketing expenses	2,464,046	8	2,351,993	8
General and administrative expenses	308,490	1	326,799	1
Total operating expenses	2,772,536	9	2,678,792	9
NET OTHER INCOME AND EXPENSES (Notes 18 and 22)	286	-	(93)	-
INCOME FROM OPERATIONS	366,173	1	395,391	1
NON-OPERATING INCOME AND EXPENSES				
Other income (Notes 18 and 22)	92,868	-	90,165	-
Share of profit or loss of subsidiaries and associates accounted for using equity method	112,111	1	303,817	1
Interest income	13,400	-	10,309	-
Gain on disposal of investments (Note 10)	-	-	17,706	-
Net gain on foreign currency exchange	1,211	-	129	-
Net gain on financial assets and liabilities at fair value through profit or loss (Note 7)	263		-	-
Interest expense (Notes 18 and 22)	(12,461)	-	(11,435)	-
Miscellaneous disbursements	(1,646)	-	(337)	-
Total non-operating income and expenses	205,746	1	410,354	1

(Continued)

SENAO INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
INCOME BEFORE INCOME TAX	$ 571,919	2	$ 805,745	2
INCOME TAX EXPENSE (Note 19)	93,609	-	100,068	-
NET INCOME	478,310	2	705,677	2
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit plans (Note 15)	20,701	-	17,569	-
Unrealized gain or loss on investments in equity instruments at fair value through other comprehensive income	1,122	-	(459)	-
Share of remeasurement of defined benefit plans of associates	2,220	-	(351)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 19)	(4,140)	-	(3,514)	-
	19,903	-	13,245	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	-	-	(16,564)	-
Share of exchange differences arising from the translation of the foreign operations of associates	21,563	-	(28,231)	-
	21,563	-	(44,795)	-
Total other comprehensive income (loss), net of income tax	41,466	-	(31,550)	-
TOTAL COMPREHENSIVE INCOME	$ 519,776	2	$ 674,127	2
EARNINGS PER SHARE (Note 20)				
Basic	$ 1.85		$ 2.73	
Diluted	$ 1.85		$ 2.72	

The accompanying notes are an integral part of these parent company only financial statements. (Concluded)

SENAO INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Share Capital - Ordinary Shares (Note 16)	Capital Surplus (Note 16)	Retained Earnings (Note 16)			Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings			
BALANCE, JANUARY 1, 2023	$ 2,582,527	$ 717,521	$ 1,601,588	$ 21,631	$ 1,372,000	$ 14,822	($ 1,571)	$ 6,308,518
Appropriations of 2022 earnings								
Legal reserve	-	-	65,991	-	(65,991)	-	-	-
Special reserve	-	-	-	(21,631)	21,631	-	-	-
Cash dividends - NT$2.20 per share	-	-	-	-	(568,156)	-	-	(568,156)
	-	-	65,991	(21,631)	(612,516)	-	-	(568,156)
Disposal of subsidiaries	-	143	-	-	-	-	-	143
Net income for the year ended December 31, 2023	-	-	-	-	705,677	-	-	705,677
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	13,704	(44,795)	(459)	(31,550)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	719,381	(44,795)	(459)	674,127
BALANCE, DECEMBER 31, 2023	2,582,527	717,664	1,667,579	-	1,478,865	(29,973)	(2,030)	6,414,632
Appropriations of 2023 earnings								
Legal reserve	-	-	71,938	-	(71,938)	-	-	-
Special reserve	-	-	-	32,003	(32,003)	-	-	-
Cash dividends - NT$2.00 per share	-	-	-	-	(516,505)	-	-	(516,505)
	-	-	71,938	32,003	(620,446)	-	-	(516,505)
Changes in capital surplus joint ventures accounted for under equity method	-	20,535	-	-	-	-	-	20,535
Net income for the year ended December 31, 2024	-	-	-	-	478,310	-	-	478,310
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	18,781	21,563	1,122	41,466
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	497,091	21,563	1,122	519,776
BALANCE, DECEMBER 31, 2024	$ 2,582,527	$ 738,199	$ 1,739,517	$ 32,003	$ 1,355,510	($ 8,410)	($ 908)	$ 6,438,438

The accompanying notes are an integral part of these parent company only financial statements.

SENAO INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 571,919	$ 805,745
Adjustments to reconcile income before income tax to net cash generated from operating activities:		
Depreciation expenses	338,879	340,126
Amortization expenses	22,529	13,562
Expected credit loss (gain)	2,868	(1,644)
Net gain on financial assets and liabilities at fair value through profit or loss	(263)	-
Interest expense	12,461	11,435
Interest income	(13,400)	(10,309)
Dividend income	(372)	(516)
Share of profit of subsidiaries and associates accounted for using equity method	(112,111)	(303,817)
Net loss on disposal of property, plant and equipment	106	851
Net gain on lease modification	(392)	(758)
(Reversal of allowance) provision for inventory obsolescence	(14,605)	5,429
Net (loss) gain on foreign currency exchange	(23)	1
Gain on disposal of subsidiaries	-	(17,706)
Changes in operating assets and liabilities:		
Notes receivable	14,765	18,900
Trade receivables	(38,469)	270,489
Trade receivables from related parties	(89,746)	96,512
Other receivables	(65,941)	92,259
Other receivables from related parties	(40,588)	20,439
Inventories	(161,315)	382,355
Prepayments	(13,208)	(705)
Other current assets	(468)	43,132
Contract liabilities	5,639	(41,166)
Notes payable	436	(3,630)
Notes payable to related parties	(18)	-
Trade payables	368,503	(386,719)
Trade payables to related parties	117,902	(238,126)
Other payables	25,920	(35,556)
Other payables to related parties	(25,173)	44,785
Other current liabilities	3,332	13,929
Net defined benefit liabilities - noncurrent	(3,383)	(2,703)
Cash from operations	905,784	1,116,594
Interest paid	(12,461)	(11,435)
Income tax paid	(2,837)	(694)
Net cash generated from operating activities	890,486	1,104,465

(Continued)

SENAO INTERNATIONAL CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in investments using the equity method	($ 375,428)	$ -
Proceeds from capital reduction of investments accounted for using equity method	-	38,639
Acquisition of property, plant and equipment	(32,288)	(37,564)
Decrease in refundable deposits	427	520
Acquisition of intangible assets	(27,405)	(20,961)
Increase in other noncurrent assets	(2,868)	-
Decrease in other noncurrent assets	-	2,207
Interest received	13,403	10,246
Dividends received	90,475	83,411
Net cash flows (used in) provided by in investing activities	(333,684)	76,498
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term loans	270,000	950,000
Repayment of short-term loans	(270,000)	(950,000)
Increase (decrease) in guarantee deposits	114	(339)
Repayment of the principal portion of lease liabilities	(296,283)	(298,063)
Cash dividends paid	(516,505)	(568,156)
Net cash used in financing activities	(812,644)	(866,558)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS	23	(1)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(255,819)	314,404
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	1,898,556	1,584,152
CASH AND CASH EQUIVALENTS, END OF THE YEAR	$ 1,642,737	$ 1,898,556

The accompanying notes are an integral part of these parent company only financial statements. (Concluded)

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Senao International Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Senao International Co., Ltd. and subsidiaries (the "Group") as at December 31, 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the Group's 2024 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on the matter.

Key audit matter for the Group's 2024 consolidated financial statements is stated as follows:

資誠聯合會計師事務所 PricewaterhouseCoopers, Taiwan
110208 臺北市信義區基隆路一段 333 號 27 樓
27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei 110208, Taiwan
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Key audit matter – Valuation of Inventories

Descriptions

The Group's inventory primarily consists of mobile phones and related communication products. Due to rapid technological changes and constant updates of new models and types, there is a higher risk of inventory devaluation or obsolescence. Considering the significant inventory amount, which is measured at the lower of cost and net realizable value, management evaluates the net realizable value by deducting estimated sales expense rates from the final unit sales price. The evaluation of inventory obsolescence loss is based on the purchase period and turnover days of the goods. Since management uses market conditions at the end of the reporting period and historical sales experience to judge and estimate the net realizable value, changes in market conditions may significantly impact these results. Therefore, the accountant considers inventory valuation as a key audit matter.

Refer to Note 4(f) for the accounting policies on the inventories, Note 5 for accounting estimates and assumptions used in valuation of inventories, and Note 9 for the details of inventories.

How our audit addressed the matter

We performed the following procedures for the above key audit matter:

1. Obtain the company's inventory valuation policy and assess the reasonableness of the assumptions used.
2. Verify the accuracy of the system logic for the net realizable value of inventory and the aging report.
3. Obtain the company's inventory valuation reports and calculate to evaluate their accuracy based on the company's policy.

Other Matter – Reference to the audit of other auditors

The consolidated financial statements of Senao International Co., Ltd. and its subsidiaries for the year ended December 31, 2023 were audited by other auditors, expressed an unmodified opinion on those statements dated February 16,2024.

Other Matter - Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of Senao International Co., Ltd. as at and for the year ended December 31, 2024.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lin, Yung Chih

Lin, Yung-Chih

Pan, Hui-Lin

Pan, Hui-Lin

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 14, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the review of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 25)	$ 1,897,404	18	$ 2,168,285	22
Financial assets at fair value through profit or loss - current (Notes 7 and 29)	263	-	-	-
Notes receivable, net (Note 8)	55,369	1	70,134	1
Trade receivables, net (Note 8)	633,304	6	606,191	6
Trade receivables from related parties (Note 25)	1,002,895	10	894,645	9
Other receivables (Notes 8 and 22)	278,682	3	207,450	2
Other receivables from related parties (Note 25)	165,150	2	124,595	1
Inventories (Note 9)	2,598,586	25	2,379,632	24
Prepayments (Note 25)	82,907	1	66,300	1
Other current assets (Note 15)	22,996	-	22,528	-
Total current assets	6,737,556	66	6,539,760	66
NONCURRENT ASSETS				
Financial assets at fair value through other comprehensive income (Note 29)	11,091	-	9,969	-
Investments accounted for using equity method (Note 11)	1,998,346	19	1,564,311	16
Property, plant and equipment (Notes 12 and 21)	777,533	7	786,284	8
Right-of-use assets (Notes 13, 21 and 25)	643,621	6	642,474	7
Intangible assets (Notes 14 and 21)	96,139	1	103,104	1
Deferred tax assets (Note 22)	20,499	-	84,567	1
Refundable deposits (Note 25)	54,838	1	55,265	1
Net defined benefit assets - noncurrent (Notes 15, 18 and 21)	23,030	-	-	-
Other noncurrent assets (Note 15)	50,426	-	47,559	-
Total noncurrent assets	3,675,523	34	3,293,533	34
TOTAL ASSETS	$ 10,413,079	100	$ 9,833,293	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities (Note 20)	$ 95,713	1	$ 90,454	1
Notes payable (Note 16)	3,496	-	3,075	-
Notes payable to related parties (Note 25)	-	-	18	-
Trade payables (Note 16)	1,887,263	18	1,489,909	15
Trade payables to related parties (Note 25)	244,098	2	148,106	2
Other payables (Note 17)	699,231	7	673,181	7
Other payables to related parties (Note 25)	251,629	2	264,940	3
Current tax liabilities (Note 22)	38,379	-	891	-
Lease liabilities - current (Notes 13, 21 and 25)	279,988	3	236,694	3
Other current liabilities (Note 25)	49,452	-	42,280	-
Total current liabilities	3,549,249	33	2,949,548	31
NONCURRENT LIABILITIES				
Deferred tax liabilities (Note 22)	16,558	-	17,663	-
Lease liabilities - noncurrent (Notes 13, 21 and 25)	376,666	4	417,423	4
Net defined benefit liabilities - noncurrent (Notes 18 and 21)	-	-	1,054	-
Guarantee deposits	22,547	-	22,403	-
Total noncurrent liabilities	415,771	4	458,543	4
Total liabilities	3,965,020	37	3,408,091	35
EQUITY ATTRIBUTABLE TO STOCKHOLDERS OF THE PARENT				
Share capital - ordinary shares (Note 19)	2,582,527	25	2,582,527	26
Capital surplus (Note 19)	738,199	7	717,664	7
Retained earnings (Note 19)				
Legal reserve	1,739,517	17	1,667,579	17
Special reserve	32,003	-	-	-
Unappropriated earnings	1,355,510	14	1,478,865	15
Total retained earnings	3,127,030	31	3,146,444	32
Other equity	(9,318)	-	(32,003)	-
Total equity attributable to shareholders of the parent	6,438,438	63	6,414,632	65
NONCONTROLLING INTERESTS (Note 19)	9,621	-	10,570	-
Total equity	6,448,059	63	6,425,202	65
TOTAL LIABILITIES AND EQUITY	$ 10,413,079	100	$ 9,833,293	100

The accompanying notes are an integral part of these consolidated financial statements.

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 20 and 25)				
Sales	$ 31,261,132	97	$ 30,377,928	97
Less: Sales returns	323,974	1	316,918	1
Sales discounts and allowances	888,759	3	869,953	3
Net sales	30,048,399	93	29,191,057	93
Service and repairs revenue	2,258,693	7	2,078,075	7
Total operating revenue	32,307,092	100	31,269,132	100
OPERATING COSTS (Notes 9, 18, 21 and 25)				
Cost of goods sold	28,360,191	88	27,372,589	88
Service and repairs costs	450,985	1	486,892	2
Total operating costs	28,811,176	89	27,859,481	90
GROSS PROFIT	3,495,916	11	3,409,651	10
OPERATING EXPENSES (Notes 18, 21 and 25)				
Selling and marketing expenses	2,753,086	9	2,629,762	8
General and administrative expenses	341,973	1	354,308	1
Total operating expenses	3,095,059	10	2,984,070	9
NET OTHER INCOME AND EXPENSES (Note 21)	286	-	(93)	-
INCOME FROM OPERATIONS	401,143	1	425,488	1
NON-OPERATING INCOME AND EXPENSES				
Other income (Notes 21 and 25)	91,426	1	89,216	-
Share of profit of associates accounted for using equity method	80,605	-	279,930	1
Interest income	15,933	-	12,952	-
Gain on disposal of investments	-	-	17,706	-
Net gain on foreign currency exchange	1,211	-	129	-
Net gain on financial assets and liabilities at fair value through profit or loss (Note 7)	263	-	-	-
Interest expense (Notes 21 and 25)	(12,682)	-	(11,635)	-
Miscellaneous disbursements	(1,645)	-	(469)	-
Total non-operating income and expenses	175,111	1	387,829	1

(Continued)

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	**%**	**Amount**	**%**
INCOME BEFORE INCOME TAX	$ 576,254	2	$ 813,317	2
INCOME TAX EXPENSE (Note 22)	98,893	-	108,719	-
NET INCOME	477,361	2	704,598	2
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit plans (Note 18)	20,701	-	17,569	-
Unrealized gain or loss on investments in equity instruments at fair value through other comprehensive income	1,122	-	(459)	-
Share of remeasurement of defined benefit plans of associates	2,220	-	(351)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 22)	(4,140)	-	(3,514)	-
	19,903	-	13,245	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	-	-	(16,564)	-
Share of exchange differences arising from the translation of the foreign operations of associates	21,563	-	(28,231)	-
	21,563	-	(44,795)	-
Total other comprehensive income(loss), net of income tax	41,466	-	(31,550)	-
TOTAL COMPREHENSIVE INCOME	$ 518,827	2	$ 673,048	2
NET INCOME ATTRIBUTABLE TO:				
Shareholders of the parent	$ 478,310	1	$ 705,677	2
Noncontrolling interests	(949)	-	(1,079)	-
	$ 477,361	1	$ 704,598	2
COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Shareholders of the parent	$ 519,776	2	$ 674,127	2
Noncontrolling interests	(949)	-	(1,079)	-
	$ 518,827	2	$ 673,048	2

(Continued)

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2024		2023	
	Amount	**%**	**Amount**	**%**
EARNINGS PER SHARE (Note 23)				
Basic	$ 1.85		$ 2.73	
Diluted	$ 1.85		$ 2.72	

The accompanying notes are an integral part of these consolidated financial statements. (Concluded)

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Equity Attributable to Stockholders of the Parent									
			Retained Earnings (Note 19)			Other Equity				
	Share Capital - Ordinary Shares (Note 19)	Capital Surplus (Note 19)	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Noncontrolling Interests (Note 19)	Total Equity
BALANCE, JANUARY 1, 2023	$ 2,582,527	$ 717,521	$ 1,601,588	$ 21,631	$ 1,372,000	$ 14,822	($ 1,571)	$ 6,308,518	$ 11,649	$ 6,320,167
Appropriations of 2022 earnings										
Legal reserve	-	-	65,991	-	(65,991)	-	-	-	-	-
Special reserve	-	-	-	(21,631)	21,631	-	-	-	-	-
Cash dividends- NT$2.20 per share	-	-	-	-	(568,156)	-	-	(568,156)	-	(568,156)
	-	-	65,991	(21,631)	(612,516)	-	-	(568,156)	-	(568,156)
Disposal of subsidiaries	-	143	-	-	-	-	-	143	-	143
Net income for the year ended December 31, 2023	-	-	-	-	705,677	-	-	705,677	(1,079)	704,598
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	13,704	(44,795)	(459)	(31,550)	-	(31,550)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	-	719,381	(44,795)	(459)	674,127	(1,079)	673,048
BALANCE, DECEMBER 31, 20223	2,582,527	717,664	1,667,579	-	1,478,865	(29,973)	(2,030)	6,414,632	10,570	6,425,202
Appropriation of 2023 earnings										
Legal reserve	-	-	71,938	-	(71,938)	-	-	-	-	-
Special reserve	-	-	-	32,003	(32,003)	-	-	-	-	-
Cash dividends - NT$2.00 per share	-	-	-	-	(516,505)	-	-	(516,505)	-	(516,505)
	-	-	71,938	32,003	(620,446)	-	-	(516,505)	-	(516,505)
Changes in capital surplus joint ventures accounted for under equity method	-	20,535	-	-	-	-	-	20,535	-	20,535
Net income for the year ended December 31, 2024	-	-	-	-	478,310	-	-	478,310	(949)	477,361
Other comprehensive income for the year ended December 31, 2024	-	-	-	-	18,781	21,563	1,122	41,466	-	41,466
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	497,091	21,563	1,122	519,776	(949)	518,827
BALANCE, DECEMBER 31, 2024	$ 2,582,527	$ 738,199	$ 1,739,517	$ 32,003	$ 1,355,510	($ 8,410)	($ 908)	$ 6,438,438	$ 9,621	$ 6,448,059

The accompanying notes are an integral part of these consolidated financial statements.

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 576,254	$ 813,317
Adjustments for:		
Depreciation expenses	345,686	347,639
Amortization expenses	34,517	25,623
Expected credit loss (reversal gain)	2,868	(1,644)
Net gain on financial assets and liabilities at fair value through profit or loss	(263)	-
Interest expense	12,682	11,635
Interest income	(15,933)	(12,952)
Dividend income	(372)	(516)
Share of profit of associates accounted for using equity method	(80,605)	(279,930)
Net loss on disposal of property, plant and equipment	106	851
Net gain on lease modification	(392)	(758)
(Reversal of allowance) provision for inventory and obsolescence	(14,406)	5,704
Net (gain) loss on foreign currency exchange	(23)	1,286
Gain on disposal of subsidiaries	-	(17,706)
Changes in operating assets and liabilities		
Notes receivable	14,765	18,927
Trade receivables	(29,981)	344,571
Trade receivables from related parties	(108,250)	80,483
Other receivables	(69,634)	92,417
Other receivables from related parties	(40,555)	20,372
Inventories	(204,548)	412,488
Prepayments	(16,607)	3,050
Other current assets	(468)	43,132
Contract liabilities	5,259	(42,268)
Notes payable	421	(3,630)
Notes payable to related parties	(18)	-
Trade payables	397,354	(463,258)
Trade payables to related parties	95,992	(231,478)
Other payables	26,050	(40,168)
Other payables to related parties	(13,311)	39,995
Other current liabilities	7,172	3,495
Net defined benefit liabilities - noncurrent	(3,383)	(2,703)
Cash generated from operations	920,377	1,167,974
Interest paid	(12,682)	(11,635)
Income tax paid	(4,183)	(10,827)
Net cash generated from operating activities	903,512	1,145,512

(Continued)

SENAO INTERNATIONAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments accounted for using the equity method	($ 375,428)	$ -
Acquisition of property, plant and equipment	(33,076)	(42,339)
Proceeds from disposal of property, plant and equipment	-	11
Decrease in refundable deposits	427	220
Acquisition of intangible assets	(27,552)	(21,087)
Increase in other noncurrent assets	(2,867)	-
Decrease in other noncurrent assets	-	3,905
Interest received	15,936	12,884
Dividends received	66,688	83,411
Net cash flows (used in) generated from investing activities	(355,872)	37,005
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term loans	270,000	961,000
Repayment of short-term loans	(270,000)	(961,000)
Increase (decrease) in guarantee deposits	144	(339)
Repayment of the principal portion of lease liabilities	(302,183)	(304,759)
Cash dividends paid	(516,505)	(568,156)
Net cash flows used in financing activities	(818,544)	(873,254)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS	23	(1)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(270,881)	309,262
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	2,168,285	1,859,023
CASH AND CASH EQUIVALENTS, END OF THE YEAR	$ 1,897,404	$ 2,168,285

The accompanying notes are an integral part of these consolidated financial statements. (Concluded)

Appendix 4

Senao International Co., Ltd.
Earnings Distribution Plan
2024

(Unit: NT$)

Item	Total	
Beginning Unappropriated Earnings		858,418,272
Net Profit After Tax for 2024	478,310,124	
Add: Re-measurement of Defined Benefit Plans Recognized in Retained Earnings	18,781,809	
Net Profit After Tax for the Year Plus Other Items Included in the Unappropriated Earnings for the Year		497,091,933
Less: Allocation to 10% Legal Reserve		(49,709,193)
Add: Reversal of Special Surplus Reserve		22,684,545
Total Distributable Net Profit		1,328,485,557
Distributable items:		
Cash Dividends to Shareholders (NT$1.65 per share)		426,116,884
Ending Unappropriated Earnings		902,368,673

Chairman: Manager: Accounting Supervisor:

The current number of outstanding shares is 258,252,657, with a cash dividend of $1.65 per share.

Note: The company's principle for earnings distribution prioritizes the distributable earnings for 2024.

Appendix 5

Senao International Co., Ltd.
Comparison Table of the Articles of Incorporation Before and After Amendments

Amended Provisions	Original Provisions	Explanation
Article 2: The business operations of the Company are as follows: 1. CC01060 Wired Communication Mechanical Equipment Manufacturing. 2. CC01070 Wireless Communication Mechanical Equipment Manufacturing. 3. CC01110 Computer and Peripheral Equipment Manufacturing. 4. E605010 Computer Equipment Installation. 5. F118010 Wholesale of Computer Software. 6. F218010 Retail Sale of Computer Software. 7. I301010 Information Software Services. 8. I301020 Data Processing Services. 9. I301030 Electronic Information Supply Services. 10. CB01020 Affairs Machine Manufacturing.	Article 2: The business operations of the Company are as follows: 1. CC01060 Wired Communication Mechanical Equipment Manufacturing. 2. CC01070 Wireless Communication Mechanical Equipment Manufacturing. 3. CC01110 Computer and Peripheral Equipment Manufacturing. 4. E605010 Computer Equipment Installation. 5. F118010 Wholesale of Computer Software. 6. F218010 Retail Sale of Computer Software. 7. I301010 Information Software Services. 8. I301020 Data Processing Services. 9. I301030 Electronic Information Supply Services. 10. CB01020 Affairs Machine Manufacturing.	Removal of items that are not actively in use.

Amended Provisions	Original Provisions	Explanation
11. F113050 Wholesale of Computers and Clerical Machinery Equipment. 12. F213030 Retail Sale of Computers and Clerical Machinery Equipment. 13. CC01090 Manufacture of Batteries and Accumulators. 14. F113110 Wholesale of Batteries. 15. F213110 Retail Sale of Batteries. 16. CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing. 17. F113070 Wholesale of Telecommunication Apparatus. 18. F213060 Retail Sale of Telecommunication Apparatus. 19. IE01010 Telecommunications Service Number Agencies. 20. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing 21. F113020 Wholesale of Electrical Appliances. 22. F213010 Retail Sale of Electrical Appliances. 23. J303010 Magazine (Periodical)	11. F113050 Wholesale of Computers and Clerical Machinery Equipment. 12. F213030 Retail Sale of Computers and Clerical Machinery Equipment. 13. CC01090 Manufacture of Batteries and Accumulators. 14. F113110 Wholesale of Batteries. 15. F213110 Retail Sale of Batteries. 16. CC01100 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing. 17. F113070 Wholesale of Telecommunication Apparatus. 18. F213060 Retail Sale of Telecommunication Apparatus. 19. IE01010 Telecommunications Service Number Agencies. 20. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing 21. F113020 Wholesale of Electrical Appliances. 22. F213010 Retail Sale of Electrical Appliances. 23. J303010 Magazine (Periodical)	

Amended Provisions	Original Provisions	Explanation
Publishing. 24. F401010 International Trade. 25. I103060 Management Consulting. 26. JE01010 Rental and Leasing. 27. IZ99990 Other Industrial and Commercial Services. 28. F108031 Wholesale of Medical Devices. 29. F208031 Retail Sale of Medical Apparatus. 30. F102020 Wholesale of Edible Fat and Oil. 31. F102030 Wholesale of Tobacco and Alcohol. 32. F102040 Wholesale of Nonalcoholic Beverages. 33. F102170 Wholesale of Foods and Groceries. 34. F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories. 35. F105050 Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures. 36. F106010 Wholesale of Hardware. 37. F106020 Wholesale of Daily	Publishing. 24. F401010 International Trade. 25. I103060 Management Consulting. 26. JE01010 Rental and Leasing. 27. IZ99990 Other Industrial and Commercial Services. 28. F108031 Wholesale of Medical Devices. 29. F208031 Retail Sale of Medical Apparatus. 30. F102020 Wholesale of Edible Fat and Oil. 31. F102030 Wholesale of Tobacco and Alcohol. 32. F102040 Wholesale of Nonalcoholic Beverages. 33. F102170 Wholesale of Foods and Groceries. 34. F104110 Wholesale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories. 35. F105050 Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures. 36. F106010 Wholesale of Hardware. 37. F106020 Wholesale of Daily	

Amended Provisions	Original Provisions	Explanation
Commodities. 38. F108040 Wholesale of Cosmetics. 39. F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies. 40. F110010 Wholesale of Clocks and Watches. 41. F110020 Wholesale of Glasses. 42. F111090 Wholesale of Building Materials. 43. F112040 Wholesale of Petroleum Products. 44. F113010 Wholesale of Machinery. 45. F113030 Wholesale of Precision Instruments. 46. F113060 Wholesale of Measuring Instruments. 47. F114010 Wholesale of Motor Vehicles. 48. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories. 49. F114040 Wholesale of Bicycle and Component Parts Thereof. 50. F114050 Wholesale of Tires. 51. F115010 Wholesale of Jewelry	Commodities. 38. F108040 Wholesale of Cosmetics. 39. F109070 Wholesale of Culture, Education, Musical Instruments and Educational Entertainment Supplies. 40. F110010 Wholesale of Clocks and Watches. 41. F110020 Wholesale of Glasses. 42. F111090 Wholesale of Building Materials. 43. F112040 Wholesale of Petroleum Products. 44. F113010 Wholesale of Machinery. 45. F113030 Wholesale of Precision Instruments. 46. F113060 Wholesale of Measuring Instruments. 47. F114010 Wholesale of Motor Vehicles. 48. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories. 49. F114040 Wholesale of Bicycle and Component Parts Thereof. 50. F114050 Wholesale of Tires. 51. F115010 Wholesale of Jewelry	

Amended Provisions	Original Provisions	Explanation
and Precious Metals. 52. F116010 Wholesale of Camera Equipment. 53. F119010 Wholesale of Electronic Materials. 54. F201010 Retail Sale of Agricultural Products. 55. F201020 Retail Sale of Livestock Products. 56. F201050 Retail sale of Fishing Tackles. 57. F201070 Retail sale of Flowers. 58. F201090 Retail Sale of Ornamental Fishes. 59. F201990 Retail Sale of Other Agricultural, Livestock and Aquaculture Products. 60. F202010 Retail Sale of Feeds. 61. F203010 Retail Sale of Food, Grocery and Beverage. 62. F203020 Retail Sale of Tobacco and Alcohol. 63. F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories. 64. F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures.	and Precious Metals. 52. F116010 Wholesale of Camera Equipment. 53. F119010 Wholesale of Electronic Materials. 54. F201010 Retail Sale of Agricultural Products. 55. F201020 Retail Sale of Livestock Products. 56. F201050 Retail sale of Fishing Tackles. 57. F201070 Retail sale of Flowers. 58. F201090 Retail Sale of Ornamental Fishes. 59. F201990 Retail Sale of Other Agricultural, Livestock and Aquaculture Products. 60. F202010 Retail Sale of Feeds. 61. F203010 Retail Sale of Food, Grocery and Beverage. 62. F203020 Retail Sale of Tobacco and Alcohol. 63. F204110 Retail Sale of Cloths, Garments, Shoes, Hats, Umbrellas and Clothing Accessories. 64. F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures.	

Amended Provisions	Original Provisions	Explanation
65. F206010 Retail Sale of Hardware. 66. F206020 Retail Sale of daily commodities. 67. F206050 Retail Sale of Pet Food and Supplies. 68. F207030 Retail Sale of Cleaning Supplies. 69. F207050 Retail Sale of Fertilizer. 70. F208040 Retail Sale of Cosmetics. 71. F208050 Retail Over-the-counter drugs class B. 72. F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies. 73. F210010 Retail Sale of Watches and Clocks. 74. F210020 Retail Sale of Glasses. 75. F211010 Retail Sale of Building Materials. 76. F212050 Retail Sale of Petroleum Products. 77. F213040 Retail Sale of Precision Instruments. 78. F213050 Retail Sale of Measuring Instruments.	65. F206010 Retail Sale of Hardware. 66. F206020 Retail Sale of daily commodities. 67. F206050 Retail Sale of Pet Food and Supplies. 68. F207030 Retail Sale of Cleaning Supplies. 69. F207050 Retail Sale of Fertilizer. 70. F208040 Retail Sale of Cosmetics. 71. F208050 Retail Over-the-counter drugs class B. 72. F209060 Retail Sale of Culture, Education, Musical Instruments and Educational Entertainment Supplies. 73. F210010 Retail Sale of Watches and Clocks. 74. F210020 Retail Sale of Glasses. 75. F211010 Retail Sale of Building Materials. 76. F212050 Retail Sale of Petroleum Products. 77. F213040 Retail Sale of Precision Instruments. 78. F213050 Retail Sale of Measuring Instruments.	

Amended Provisions	Original Provisions	Explanation
79. F213080 Retail Sale of Machinery and Tools. 80. F214010 Retail Sale of Motor Vehicles. 81. F214020 Retail Sale of Motorcycles. 82. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories. 83. F214040 Retail Sale of Bicycle and Component Parts Thereof. 84. F214050 Retail Sale of Tires. 85. F215010 Retail Sale of Jewelry and Precious Metals. 86. F216010 Retail Sale of Camera Equipment. 87. F219010 Retail Sale of Electronic Materials. 88. F299990 Retail Sale of Other Products. 89. F301010 Department Stores. 90. F301020 Supermarkets. 91. F399010 Convenience Stores. 92. F399040 Retail Sale No Storefront. 93. F399990 Retail sale of Other Integrated. 94. G801010 Warehousing. 95. F401161 Tobacco Products	79. F213080 Retail Sale of Machinery and Tools. 80. F214010 Retail Sale of Motor Vehicles. 81. F214020 Retail Sale of Motorcycles. 82. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories. 83. F214040 Retail Sale of Bicycle and Component Parts Thereof. 84. F214050 Retail Sale of Tires. 85. F215010 Retail Sale of Jewelry and Precious Metals. 86. F216010 Retail Sale of Camera Equipment. 87. F219010 Retail Sale of Electronic Materials. 88. F299990 Retail Sale of Other Products. 89. F301010 Department Stores. 90. F301020 Supermarkets. 91. F399010 Convenience Stores. 92. F399040 Retail Sale No Storefront. 93. F399990 Retail sale of Other Integrated. 94. G801010 Warehousing. 95. F401161 Tobacco Products	

Amended Provisions	Original Provisions	Explanation
Import. 96. F401171 Alcohol Products Importation. 97. F106060 Wholesale of Pet Food and Supplies. 98. F107030 Wholesale of Cleaning Supplies. 99. F107070 Wholesale of Veterinary Drugs. 100. F207070 Retail Sale of Veterinary Drugs. 101. F207080 Retail Sale of Environmental Agents. 102. F207990 Retail Sale of Other Chemical Products. 103. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.	Import. 96. F401171 Alcohol Products Importation. 97. F106060 Wholesale of Pet Food and Supplies. 98. F107030 Wholesale of Cleaning Supplies. 99. F107070 Wholesale of Veterinary Drugs. 100. F108021 Wholesale Pharmaceutical Industry. 101. F207070 Retail Sale of Veterinary Drugs. 102. F207080 Retail Sale of Environmental Agents. 103. F207990 Retail Sale of Other Chemical Products. 104. F208021 Retail Sale of Environmental Agents. 105. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.	
Article 27: If the Company generates profits in a given year, it shall allocate employee compensation of no less than 3%, while the compensation for directors	Article 27: If the Company generates profits in a given year, it shall allocate employee compensation of no less than 3%, while the compensation for directors	Amended in accordance with Article 14, Paragraph 6 of the

Amended Provisions	Original Provisions	Explanation
shall not exceed 3%. However, when the Company continues to incur accumulated losses, it should proactively reserve an amount in advance for compensation. No less than 5% of the aforementioned employee compensation should be allocated to frontline employees. The Company's employee stock options, employee stock purchase warrants, employee compensation, employee subscriptions for new shares, and restricted employee shares may extend to employees of subsidiary companies who meet specific conditions, as determined by the Board of Directors. If the Company reports a surplus in its annual financial statements, it shall, in accordance with the law, pay taxes, cover losses, and allocate 10% to statutory surplus reserves. After making allocations or reversals to special surplus reserves as mandated by laws or regulations from competent authorities, the remaining balance shall be retained as proposed by the Board of Directors for resolution by the shareholders' meeting. If a surplus remains, along	shall not exceed 3%. However, when the Company continues to incur accumulated losses, it should proactively reserve an amount in advance for compensation. The Company's employee stock options, employee stock purchase warrants, employee compensation, employee subscriptions for new shares, and restricted employee shares may extend to employees of subsidiary companies who meet specific conditions, as determined by the Board of Directors. If the Company reports a surplus in its annual financial statements, it shall, in accordance with the law, pay taxes, cover losses, and allocate 10% to statutory surplus reserves. After making allocations or reversals to special surplus reserves as mandated by laws or regulations from competent authorities, the remaining balance shall be retained as proposed by the Board of Directors for resolution by the shareholders' meeting. If a surplus remains, along with any undistributed surplus from previous years, the shareholders' meeting shall resolve whether to retain or distribute it.	Securities and Exchange Act.

Amended Provisions	Original Provisions	Explanation
with any undistributed surplus from previous years, the shareholders' meeting shall resolve whether to retain or distribute it. The Company's Board of Directors shall, with the attendance of at least two-thirds of all directors and the approval of a majority of the attending directors, resolve to distribute all or part of the cash dividends, bonuses, capital reserves, or statutory earnings reserves in cash. Such distribution shall be reported to the Shareholders' Meeting and shall not be subject to the requirement of approval by the Shareholders' Meeting as stated in the preceding paragraph. In order to align with the Securities and Futures Bureau's "Balanced Dividend Policy" and to meet the current operational environment of the company while pursuing sustainable management and long-term development, the proposed profit distribution plan will focus on the stability and growth of dividends. The total amount of dividends distributed to shareholders each year shall not be less than 30% of the distributable earnings for that year,	The Company's Board of Directors shall, with the attendance of at least two-thirds of all directors and the approval of a majority of the attending directors, resolve to distribute all or part of the cash dividends, bonuses, capital reserves, or statutory earnings reserves in cash. Such distribution shall be reported to the Shareholders' Meeting and shall not be subject to the requirement of approval by the Shareholders' Meeting as stated in the preceding paragraph. In order to align with the Securities and Futures Bureau's "Balanced Dividend Policy" and to meet the current operational environment of the company while pursuing sustainable management and long-term development, the proposed profit distribution plan will focus on the stability and growth of dividends. The total amount of dividends distributed to shareholders each year shall not be less than 30% of the distributable earnings for that year, with the proportion of cash dividends being no less than 10% of the total dividends.	

Amended Provisions	Original Provisions	Explanation
with the proportion of cash dividends being no less than 10% of the total dividends.		
Article 31 This Articles of Incorporation was established on May 7, 1979. (Omitted for brevity) The 32nd amendment was made on June 15, 2022. The 33rd amendment was made on May 20, 2024. The 34th amendment was made on May 28, 2025.	Article 31 This Articles of Incorporation was established on May 7, 1979. (Omitted for brevity) The 32nd amendment was made on June 15, 2022. The 33rd amendment was made on May 20, 2024.	The number of revision and the corresponding date was added.