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GORDON AUTO BODY PARTS CO., LTD.

2024 Annual Report

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Website: http://mops.twse.com.tw

Company's website: http：//www.gordon.com.tw

(I)、Spokesperson and Deputy Spokesperson:

Spokesperson Name: Ting-Shang LI

Title: Manager

Tel: +886-3-324-4011

Email: as3@gordon.com.tw

Deputy Spokesperson Name: Jian-Rong Chen

Title: Manager

Tel: +886-3-324-4011

Email: allen@gordon.com.tw

(II)、Address and Telephone Numbers of Company's Headquarter and Factories:

Headquarter and Main Factory I

Address: No 48, Nieh His Road, Lu Chu Dist. Taoyuan City, Taiwan 33852

Tel: +886-3-324-4011

Main Factory I I

Address: No. 32, Dakeng St., Luzhu Dist. Taoyuan City, Taiwan (R.O.C.)

Tel: +886-3-324-8369

(III.)、Stock Transfer Agent Name: Registrar Agency Dept., Capital Securities Corp.

Address: B2F., No.97, Sec. 2, Dunhua S. Rd., Da ’an Dist., Taipei City 106420, Taiwan (R.O.C.)

Tel: +886-2-2703-5000

Website: http://www.capital.com.tw

(IV)、Contact Information of the CPAs for the Latest Financial Statements:

Accounting firm: Baker Tilly Clock & Co.

Names of CPAs: Chia-Yu Lai and Li-Chen Peng

Address: 14F., No. 111, Sec. 2, Nanjing E. Rd., Taipei City, Taiwan (R.O.C.)

Website: http://www.clockcpa.com.tw

Tel: +886-2-25165255

(V)、Overseas Securities Exchange Where Securities are Listed and Method of Inquiry: None

(VI)、Company’s website: http://www.gordon.com.tw

Contents

(Translation - In case of any difference between the Chinese and English versions, the Chinese version shall prevail.)

I.、**A report to the shareholders** 1

II.、**Corporate Governance Report**

(I)、Information on the company's directors, supervisors, general manager, assistant general managers, deputy assistant general managers, and the supervisors of all the company's divisions and branch units 5

(II)、Remuneration paid during the most recent fiscal year to directors, supervisors, the general manager, and assistant general managers 14

(III)、The state of the company's implementation of corporate governance: 19

(IV)、Information on the professional fees of the attesting CPAs (external auditors) 46

(V)、Information on replacement of certified public accountant 47

(VI)、Where the company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm 47

(VII)、Any transfer of equity interests and/or pledge of or change in equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report 47

(VIII)、Relationship information, if among the company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another 48

(IX)、The total number of shares and total equity stake held in any single enterprise by the company, its directors and supervisors, managerial officers, and any companies controlled either directly or indirectly by the company 48

III、Capital Overview

(I)、Source of capital stock 49

(II))、Issuance of corporate bond 53

(III)、Issuance of preferred shares 53

(IV)、Issuance of global depository receipts 53

(V)、Issuance of employee share subscription warrants shall specify the following matters 53

(VI)、Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies 53

(VII)、Implementation of the company's capital allocation plans 53

IV、The overview of business operations

(I)、A description of the business 54
(II)、An analysis of the market as well as the production and marketing situation 60
(III)、The number of employees employed for the 2 most recent fiscal years, and during the current fiscal year up to the date of publication of the annual report, their average years of service, average age, and education levels 67
(IV)、Disbursements for environmental protection 67
(V)、Laborr relations 67
(VI)、Cyber security management 68
(VII)、Important contracts 70

V、The company shall review and analyze its financial position and financial performance, and shall assess its risks.

(I)、Financial position 71
(II)、Financial performance 72
(III)、Cash flow 72
(IV)、The annual report shall describe the effect upon financial operations of any major capital expenditures during the most recent fiscal year 73
(V)、The annual report shall describe the company's reinvestment policy for the most recent fiscal year 74
(VI)、The section on risks 74
(VII)、Other important matters 75

VI、Special items

(I)、Information related to the company's affiliates 76
(II)、Where the company has carried out a private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report 76
(III)、Other matters that require additional description 76
(IV)、If any of the situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, ... 76

Ⅰ、A report to the shareholders

(I)、2024 Business Report

A、Results of the implementation of the business plan

(A).Income

Net operating income in 2024 was NT$3,015,605 thousand, an increase of NT$318,052 thousand from NT$2,697,553 thousand in 2023, and non-operating income included interest income of NT$19,111 thousand, other income of NT$14,630 thousand, and other interests and losses of NT$ 97,162 thousand.

(B).Expenditure

It mainly including operating costs of NT$2,052,697 thousand, operating expenses of NT$323,077 thousand and financial costs of non-operating expenses of NT$26,873 thousand.

(C).Profit and loss

The net profit before tax in 2024 was NT$743,861 thousand. After deducting the current income tax expense of NT$146,597 thousand, the net profit after tax was NT$597,264 thousand.

B、Analysis of financial revenue and expenditure and profitability

(A).Consolidated financial results

Unit: NT$ thousands

Item	2024	2023	Percent Change (%)
Net sales	3,015,605	2,697,553	11.79%
Gross profit	962,908	728,962	32.09%
Pre-tax income	743,861	435,734	70.71%

(B).Profitability analysis

Item	2024	2023
Debt to asset ratio (%)	11.72	6.98
Return on Shareholders' Equity (%)	20.61	13.46
Ratio of net profit before tax to paid-in capital (%)	45.00	26.36
Net Profit Rate (%)	19.81	13.03
Basic after-tax EPS (NT$)	3.61	2.13

C、Research and development status

The company has developed nearly 23 sets of molds in 2024 and completed initial mass production, and the machining capacity is fully utilized. In the future, the research and development of molds will move towards the goal of stabilizing mold quality and shortening mold development time.

(II)、Outline of this year's business plan

A、 Business policy

(A).Develop high-margin product line segments to improve sales mix profits.

(B).Give full play to the technology and production capacity of automated production lines to enhance the core competitiveness of process research and development.

(C).In addition to cultivating the largest North American market, actively expand and develop markets in Europe, South America, the Middle East and China. Based on our business philosophy: "Quality, Technology, Innovation and Customer Service", Gordon is committed to providing customers with the best services and products

B、Expected sales volume and its basis

(A).Expected sales volume:

In the past year, the global economy has heated up, the supply of container transportation momentum has increased, and customer orders have gradually recovered. Although we still face uncertainties such as regional conflicts, it is expected that the worst time has passed, and the company's sales volume in 2024 is expected to be higher than 2024 annual sales volume.

(B).Prediction basis

Since the company developed nearly 23 sets of molds in 2024 and completed the initial mass production, according to past experience, it is estimated that its contribution to 2025 after mass production is about as stated.

C、Important production and marketing policies

(A).Increase the number of new products to continue to improve to meet customer reliance.

(B).Improve quality control and enhance the certification advantages of CAPA and TUV.

(C).Improve production capacity and fully meet customer needs.

(D).Accelerate the mass production of new products and increase the average unit price of products.

(E).Add new product lines to increase the added value of gross profit of the sales mix.

D、Quality goals

(A).The delivery accuracy rate is over 97%.

(B).The customer satisfaction score is over 90 points.

E、 Environmental targets

(A). The wastewater discharge rate of the whole plant is less than 0.1 cubic meter/piece.

(B). The ratio of organic solvent used in spray painting is less than 0.01 gallon per piece.

(C). The waste carrying capacity ratio is less than 25 kg/person.

F、 Occupational safety and health objectives

(A). Health promotion implementation rate is 100%.

(B). Health activities are held once every six months.

(C). The annual average frequency of disabling injuries in public institutions is below 1.73.

(D). The annual average disability injury severity rate in public institutions is below 105.

(III)、Future development strategy of the company

A、Facing the uncertainties of the regional conflicts, the company will continue to uphold the consistent philosophy of "quality, technology, innovation, and customer service" to continue to provide customers with the best services with the product.

B、"Innovation and change, striving to be global" - Gordon promises to be the world's top and outstanding auto parts manufacturer, and continues to invest in research and development and high-quality customer service to maintain a leading position in the market.

C、Increase the efficiency of R&D efficiency, improve the capacity of the R&D center, further reduce costs, and achieve the ultimate goal of "comprehensively meeting customer needs".

D、Accelerate the improvement of reverse engineering development technology to shorten the development time and improve the development quality.

E、Emerging markets generally have lower penetration rates and more imported vehicles, and will continue to set higher targets for operating growth.

(IX)、Influenced by the external competitive environment, regulatory environment and overall business environment

A、Factors affecting the external competitive environment:

At present, there are many domestic manufacturers engaged in the export of automobile sheet metal industry, and they compete with each other, creating pressure on the market price. Facing the external competitive environment, the company continues to develop new product molds, shorten the development time, seize market opportunities, and increase the profit of the product portfolio; strengthen the quality system, and increase the proportion of products that have passed CAPA and TUV certification to increase product market share. .

B、Factors affecting the regulatory environment:

In order to implement the environmental policy, Gordon obtained the ISO14001 certificate in 2006 and the latest version of ISO14001:2015 certification in 2017. We deeply believe that a sustainable enterprise should not only be responsible for themselves, customers, employees and shareholders, but also Accountability for the entire environment is required. We are committed to the improvement of the following environment with the spirit of goodness that an enterprise should have:

(A).Reduce the impact on the environment caused by any link of the process.

(B).Committed to pollution prevention and continuous improvement.

(C).Comply with environmental laws and regulations.

C、Factors affecting the overall economic environment:

(A)、In 2024, the economic environment was affected by the economic warming after the unblocking of the global epidemic, which showed favorable factors for the recovery and growth of the auto industry. However, the momentum of recovery was still affected by unfavorable factors such as interest rate hikes by major global economies and continued regional conflicts.

(B)、Looking forward to 2024, it is expected to be a cautiously optimistic year compared to 2024. However, the global economy will still face market uncertainties such as geopolitical conflicts and the new US government taking office, which will reshape the US and global political and economic environment, however, it is expected that major economies will enter a cycle of interest rate cuts, and terminal demand growth and economic recovery will continue.t And the number of cars in the past few years has remained at a relatively high level. The average age of cars in the car after-sales maintenance market will further increase, coupled with the expansion of the use of AM collision parts by major U.S. auto insurance companies, which will drive the car after-sales maintenance (The demand for AM) parts is rising, and the utilization rate of automotive after-sales maintenance (AM) parts will increase in the future. The company will continue to uphold the consistent concept of "quality, technology, innovation and customer service" to continue to provide customers with the best services and products. It is believed that under the wise leadership of the management team, it can continue the performance of past innovations and continue to drive new developments. growth and expand market share in the after-sales service market.

II、The corporate governance report

(I)、Information on the company's directors, supervisors, general manager, assistant general managers, deputy assistant general managers, and the supervisors of all the company's divisions and branch units:

A.(A)1. Directors and supervisors:

Title	Nationality/ Place of Incorporation	Name	Gender /age	Date Elected	Term	Shareholding while elected	No. of shares held at time of election		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	Mao Yuan Li	M 71~80 ages	Jun.14, 2022	3 years	Oct.20, 1987	12,235,873	7.40	12,235,873	7.40	6,869,398	4.16	—	—	Graduated from high school General Manager Gordon for 39 years	general manager	Director	XIUHUI LI WANG	couple	Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto must be disclosed.: In order to increase operating efficiency, implement decisions more smoothly, and achieve stable growth in company performance, the chairman and general manager are the same person, and the independence of the board of directors is implemented. More than half of the directors are not concurrently employees or managers. The company will increase the number of independent directors in the director reelection in 2022
Director	R.O.C.	JIAN CHUN FANG	M 61~70 ages	Jun.14, 2022	3 years	Jan.20, 1986	12,672,643	7.67	12,475,643	7.55	5,463,262	3.31	—	—	elementary school graduation Gordon production department for 39 years	none	—	—	—	
Director	R.O.C.	Y.C.C. PARTS MFG. CO., LTD.	—	Jun.14, 2022	3 years	Jun.14, 2022	3,840,000	2.16	6,247,000	3.78	—	—	—	—	—	none	—	—	—	
	R.O.C	Rep：YIHUNG LIN	M 61~70 ages	Jun.14, 2022	3years	Jun.14, 2022	396,023	0.24	396,023	0.24	2,575,337	1.56	—	—	Executive Management and Practice Study, National Taiwan University	none	HEHAN INVESTMENT CO., LTD.ReP.	JUITSE LIN	Father-Son	

Title	Nationality/ Place of Incorporation	Name	Gender /age	Date Elected	Term	Shareholding while elected	No. of shares held at time of election		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	R.O.C.	XIUHUI LI WANG	F 61~70ages	Jun.14, 2022	3 years	Apr.27,1990	6,869,398	4.16	6,869,398	4.16	12,235,873	7.40	—	—	Gordon Director	none	Chairman	Mao Yuan Li	couple	
Director	R.O.C.	HEHAN INVESTMENT CO., LTD.	—	Jun.14, 2022	3 years	Jun.14, 2022	6,051,760	3.66	6,051,760	3.66	—	—	—	—	—	none	—	—	—	
	R.O.C	Rep：JUITSE LIN	M 31~40 ages	Jun.14, 2022	3years	Jun.14, 2022	237,360	0.14	237,360	0.14	—	—	—	—	Department of Psychology, Fu Jen Catholic University Sales Specialist, Y.C.C. PARTS MFG. CO., LTD. Head of Production Department, Y.C.C. PARTS MFG. CO., LTD. Special Assistant, Y.C.C. PARTS MFG. CO., LTD.	none	Y.C.C. PARTS MFG. CO., LTD. Rep.	Yi-Hung Lin	Father-Son	
Independent Director	R.O.C.	DAWEI WANG	M 61~70 Ages	Jun.14, 2022	3 years	Jun. 29.2016	—	—	—	—	—	—	—	—	Independent director of Gordon, etc.	none	—	—	—	

Title	Nationality/ Place of Incorporation	Name	Gender /age	Date Elected	Term	Shareholding while elected	No. of shares held at time of election		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	R.O.C.	DECAI ZHENG	M 61~70 Ages	Jun.14, 2023	3 years	Jun. 29.2016	—	—	—	—	—	—	—	—	Independent director of Gordon, etc.	none	—	—	—	
Independent Director	R.O.C.	QING EN PENG	M 51~60 ages	Jun.14, 2023	3 years	Jun.14, 2022	—	—	—	—	100,400	0.06	—	—	Chief Operating Officer, North Second District, Mega Bank, etc.	none	—	—	—	
Independent Director	R.O.C.	HOU DE CHEN	M 71~80 ages	Jun.14, 2023	3 years	Jun.14, 2022	9,200	0.01	—	—	—	—	—	—	First Commercial Bank Beitao Branch Manager, etc.	none	—	—	—	

Major Shareholders of Corporate Shareholders

April 2, 2024

Name of corporate shareholder (Note 1)	Major shareholders of the corporate shareholder (Note 2)
Y.C.C. PARTS MFG. CO., LTD.	Haoqun Investment and Development Ltd. ,Songqun Investment and Development Ltd. Hehan Investment Co., Ltd. 10.234%, Ruhan Investment Co., Ltd. 8.046%, Huangkai Investment Co., Ltd. 7.813% ,Peirong Chen (2.158%),JUITSE LIN 1.852% ,Tiancai Ke (1.784%),YIHUNG LIN 1.763% ,Great Ambition Investment Co., Ltd. 1.702%
HEHAN INVESTMENT CO., LTD.	Shih-Yun Lin(98.08%)、JUITSE LIN(1.92%)

Note 1: If any major shareholder in Form 1 above is a corporate/juristic person, fill in the name of that corporate/juristic person.
Note 2: Fill in the names of the corporate/juristic person's major shareholders (those with a shareholding ratio ranking among the top 10) and their shareholding ratios.
Note 3: If a corporate/juristic person shareholder is not organized as a company, the shareholder names and shareholding ratios required to be disclosed as mentioned above shall be the names of the capital contributors or donors (for further information, please refer to the announcements of the Judicial Yuan) and their capital contribution or donation rates, respectively. If a donor has died, please further note "deceased.

If any Major Shareholder Listed in Form 1 is a Corporate/Juristic Person, List its Major Shareholders in this Form

April 2, 2024

Name of corporate/juristic person (Note 1)	Major shareholders of the corporate/juristic person (Note 2)
Haoqun Investment and Development Ltd.	YIHUNG LIN(75.26%)、Hao-Chen Lin(24.74%)
Songqun Investment and Development Ltd	Shih-Yun Lin(59.87%)、JUITSE LIN(40.13%)
Hehan Investment Co., Ltd.	Shih-Yun Lin(98.08%)、JUITSE LIN(1.92%)
Ruhan Investment Co., Ltd	Samoa Shangju Technology Co., Ltd. (100%)
Huangkai Investment Co., Ltd.	Samoa Merchant Elite Limited (100%)
Great Ambition Investment Co., Ltd.	Samoa Pacific Concord Limited (100%)

Note 1: If any major shareholder in Form 1 above is a corporate/juristic person, fill in the name of that corporate/juristic person.
Note 2: Fill in the names of the corporate/juristic person's major shareholders (those with a shareholding ratio ranking among the top 10) and their shareholding ratios.
Note 3: If a corporate/juristic person shareholder is not organized as a company, the shareholder names and shareholding ratios required to be disclosed as mentioned above shall be the names of the capital contributors or donors (for further information, please refer to the announcements of the Judicial Yuan) and their capital contribution or donation rates, respectively. If a donor has died, please further note "deceased.

(B).Professional qualifications and independence analysis of directors and supervisors

Directors B

(I) 、 Disclosure of professional qualifications of directors and supervisors and independence of independent directors:

Condition / Na,e	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Mao Yuan Li	Have 5yearsof Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company	-	none
JIAN CHUN FANG	Have 5yearsof Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company	-	none
XIUHUI LI WANG	Have 5yearsof Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company	-	none
Y.C.C. PARTS MFG. CO., LTD. ： YIHUNG LIN	Have 5yearsof Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company and also serves as the general manager of Y.C.C. PARTS MFG. CO., LTD.	-	none
HEHAN INVESTMENT CO., LTD. Rep：JUITSE LIN	Have 5yearsof Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company and also serves as the general manager of Y.C.C. PARTS MFG. CO., LTD.	-	none
DECAI ZHENG	Have 5yearsof Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company	(Note 2)	none
DAWEI WANG	Have 5yearsof Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company	(Note 2)	none
QING EN PENG	Have 5yearsof Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company	(Note 2)	none
HOU DE CHEN	Have 5yearsof Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company	(Note 2)	none

Note: Please tick the corresponding boxes that apply to the directors or supervisors during the two years prior to being elected or during the term of office.

1. Not an employee of the company or any of its affiliates.
2. Not a director or supervisor of the company or any of its affiliates. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.
3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.
4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.
5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.
6. If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: **not** a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.
7. If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: **not** a director (or governor), supervisor, or employee of that other company or institution. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.
8. Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, if the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the public company.
9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.

(II) 、Diversity and independence of the board of directors:

(A)、Status of Board Diversity Policy and Independence.

a、When setting the composition of the board of directors, the company will consider from the perspective of diversity policy, and the principle of strengthening the function of the board of directors and the company's directors have different professional backgrounds, which can strengthen the policy of diversity of the board of directors.

b、The company's 15th board member list, there is one female director. Maoyuan Li, Jianchun Fang, Yi-Hung Lin, JUITSE LIN etc. who are good at leadership, operation management, market decision-making, and have industrial experience and internationalization; Wang Xiuhui Li is the one who is passionate about business; as for Dawei Wang, who is good at construction engineering, Decai Zheng, Qingen Peng and Huode Chen, are respectively good at financial affairs, implementing the diversification of the company's board of directors.

c、The proportion of directors with employee status is 22%, the proportion of independent directors is 44%, and the proportion of female directors is 11%. The tenure of two independent directors is 6-9 years, the tenure of the other two independent directors is 1-3 years. 1 director(incl.Rep.) is 31-40 years old, 6 directors(incl.Rep.) are 61-70 years old, and 2 directors are 71-80 years old.

d、The Company attaches great importance to gender equality in the composition of the Board of Directors. The composition of the Board of Directors mainly considers the professional background, experience, participation and contribution of the candidates to the future development of the Company, etc. There is no specific limit on the gender ratio, but the Company will continue to promote gender equality in the Board of Directors in the future. Achieving one-third of the directors of different genders will be set as a long-term goal.

e、The reasons why the number of directors of the same gender on the board of directors of the Company does not reach one-third and the measures to be taken to improve the gender diversity of directors are as follows:

1. Reason: The company currently has 9 directors, who were elected by the shareholders meeting on June 14, 2012. There is 1 female director. Due to the characteristics of the industry, it is not easy to find talents in a short period of time.

2. Measures to be taken: The Company will expand its candidate pool, conduct training and implement development plans for other gender professionals, and seek multiple channels to recruit professional candidates to achieve gender diversity and inclusion and implement the board diversity policy.

The specific implementation of the diversity policy of the board of directors

condition / Name (Note 1)		basic component					Industry background				professional ability			
		Nationality	gender	With employee status	age	Independent directors' term	industry	Fiance	project	Management	Operational Judgment	Management ability	Industry knowledge	International Market View
Director	Mao Yuan Li	R.O.C.	M	✓	71~80	-	✓	-	-	✓	✓	✓	✓	✓
Director	JIAN CHUN FANG		M	✓	61~70	-	✓	-	-	✓	✓	✓	✓	✓
Director	XIUHUI LI WANG		F	-	61~70	-	✓	-	-	✓	✓	✓	✓	✓
Director	Y.C.C. PARTS MFG. CO., LTD. Rep. YIHUNG LIN		M	-	61~70	-	✓	-	-	✓	✓	✓	✓	✓
Director	HEHAN INVESTMENT CO., LTD. Rep. JUITSE LIN		M	-	31~40	-	✓	-	-	✓	✓	✓	✓	✓
Independent Director	DECAI ZHENG		M	-	61~70	6-9	✓	✓	-	✓	✓	✓	✓	✓
Independent Director	DAWEI WANG		M	-	61~70	6-9	✓	-	✓	✓	✓	✓	✓	✓
Independent Director	QING EN PENG		M	-	71~80	1-3	✓	✓	-	✓	✓	✓	✓	✓
Independent Director	HOU DE CHEN		M	-	61~70	1-3	✓	✓	-	✓	✓	✓	✓	✓

(B)、 Independence of the Board of Directors:

a、The Company has 9 directors, including 4 independent directors, accounting for 44% (more than 1/3 of the board seats); The Company has 9 directors, whom is a company manager less than 1/3 of the board seats; More than half of the independent directors shall not serve for more than 3 consecutive terms; More than half of the 9 directors are not spouses or relatives within the second degree of kinship, and do not fall under the provisions of Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

b、**The independence of independent directors is as follows::**

Independent Director	Including but not limited to whether the individual, spouse, or relatives within the second degree of kinship serve as directors, supervisors, or employees of the company or its affiliated companies	The number and proportion of company shares held by the individual, spouse, and relatives within the second degree of kinship (or using the names of others)	Whether you are a director, supervisor or employee of a company with a specific relationship with the company	Amount of remuneration received for providing business, legal, financial, accounting, etc. services to the company or its affiliated companies in the past two years
DECAI ZHENG	no	No such situation	no	No such situation
DAWEI WANG	no	No such situation	no	No such situation
QING EN PENG	no	Spouse 100,400shares (0.06%)	no	No such situation
HOU DE CHEN	no	No such situation	no	No such situation

In summary, the Board of Directors of the Company is independent.

B、Management Team

April 14, 2024

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
General manager	R.O.C.	Mao Yuan Li	M	Mar.1986	12,235,873	7.40	6,869,398	4.16	—	—	Graduated from high school General Manager Gordon for 39 years	None	—	None	—
Vice Presidentry	R.O.C.	Qingyi Lin	M	Apr.2013	—	—	—	—	—	—	Graduated from Liming Technical College Gordon production department for 39 years	None	—	None	—
Vice Presidentry	R.O.C.	RuiWang	M	Apr.2023	—	—	—	—	—	—	Graduated from Stirling University, UK Gordon Business Department for 21 years	None	—	None	—
Materials Department Associate	R.O.C.	Ruicai Huang	M	Jun. 2007	—	—	—	—	—	—	Tamsui Commercial College Gordon Materials Department for 34 years	None	—	None	—
Finance Department manager	R.O.C.	Jianrong Chen	M	May 2017	—	—	—	—	—	—	Cheng Kung University Accounting Department About 24 years of accounting experience	None	—	None	—
Corporate Governance manager	R.O.C.	Tingshang Li	M	Mar. 2021	—	—	—	—	—	—	University of New South Wales, Australia Gordon General Manager Office for 14 years	None	—	None	—

(II)、**Remuneration paid during the most recent fiscal year to directors, supervisors, the general manager, and assistant general managers**

A、(A).Remuneration of Directors and Independent Directors

March 31, 2024, Unit: NT$ thousands

2Title	Name	Remuneration								A Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		elevant Remuneration Received by Directors Who are Also Employees								A Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company (Note 1)
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
		The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company		All companies in the consolidated financial statements		The company	All companies in the consolidated financial statements	
																Cash	Stock					
Director	Mao Yuan Li I	360	360	0	0	5,220	5,220	20	20	5,600 0.9%	5,600 0.9%	5,776	5,776	0	0	1,098	0	1,098	0	12,474 2.1%	12,474 2.1%	None
	JIAN CHUN FANG	360	360	0	0	2,610	2,610	20	20	2,9900 .5%	2,990 0.5%	3,807	3,807	0	0	586	0	586	0	7,383 1.2%	7,383 1.2%	None
	XIUHUI LI WANG	360	360	0	0	2,610	2,610	0	0	2,9700 .5%	2,970 0.5%	0	0	0	0	0	0	0	0	2,970 0.5%	2,970 0.5%	None
	Y.C.C. PARTS MFG. CO., LTD. and Rep YIHUNG LIN	360	360	0	0	2,610	2,610	15	15	2,985 0.5%	2,985 0.5%	0	0	0	0	0	0	0	0	2,985 0.5%	2,985 0.5%	None
	HEHAN INVESTMENT CO., LTD. And Rep.JUITSE LIN	360	360	0	0	2,610	2,610	10	10	2,9800 .5%	2,980 0.5%	0	0	0	0	0	0	0	0	2,980 0.5%	2,980 0.5%	None
Independent Director	DECAI ZHENG	360	360	0	0	0	0	60	60	420 0.1%	420 0.1%	0	0	0	0	0	0	0	0	420 0.1%	420 0.1%	None
	DAWEI WANG	360	360	0	0	0	0	60	60	420 0.1%	420 0.1%	0	0	0	0	0	0	0	0	420 0.1%	420 0.1%	None
	QING EN PENG	360	360	0	0	0	0	60	60	420 0.1%	420 0.1%	0	0	0	0	0	0	0	0	420 0.1%	420 0.1%	None
	HOU DE CHEN	360	360	0	0	0	0	60	60	420 0.1%	420 0.1%	0	0	0	0	0	0	0	0	420 0.1%	420 0.1%	None

Note 1: Please describe the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid.: According to the company's "Independent Director Salary and Remuneration Measures", when independent directors perform their duties in the company, regardless of the company's operating profit or loss, the company can pay fixed remuneration, which is paid on a monthly basis. , The evaluation results are submitted to the board of directors for discussion and adjustments are made as appropriate.

Note 2: In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / invested enterprises):None.

Note 1: Provide two cars, the purchase cost is NT$ 10,966 thousand, and the driver's compensation is NT$ 822 thousand.

Range of Remuneration

Range of Remuneration	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements
Less thanNT$ 1,000,000	Yi-Hung Lin, JUITSE LIN, DECAI ZHENG, DAWEI WANG, QING EN PENG, HOU DE CHEN	Yi-Hung Lin,JUITSE LIN, ,, DECAI ZHENG, DAWEI WANG, QING EN PENG, HOU DE CHEN	Yi-Hung Lin, JUITSE LIN, ,, DECAI ZHENG, DAWEI WANG, QING EN PENG, HOU DE CHEN	Yi-Hung Lin, JUITSE LIN, ,, DECAI ZHENG, DAWEI WANG, QING EN PENG, HOU DE CHEN
NT$1,000,000 ~ NT$1,999,999	—	—	—	—
NT$2,000,000 ~ NT$3,499,999	JIAN CHUN FANG,Y.C.C. PARTS MFG. CO., LTD., XIUHUI LI WANG, HEHAN INVESTMENT CO., LTD.,	JIAN CHUN FANG,Y.C.C. PARTS MFG. CO., LTD., XIUHUI LI WANG, HEHAN INVESTMENT CO., LTD.,	Y.C.C. PARTS MFG. CO., LTD., XIUHUI LI WANG, HEHAN INVESTMENT CO., LTD.,	Y.C.C. PARTS MFG. CO., LTD., XIUHUI LI WANG, HEHAN INVESTMENT CO., LTD.,
NT$3,500,000 ~ NT$4,999,999				
NT$5,000,000 ~ NT$9,999,999	MAO YUAN LI,	MAO YUAN LI,	JIAN CHUN FANG,	JIAN CHUN FANG,
NT$10,000,000 ~ NT$14,999,999	—	—	MAO YUAN LI	MAO YUAN LI
NT$15,000,000 ~ NT$29,999,999	—	—	—	—
NT$30,000,000 ~ NT$49,999,999	—	—	—	—
NT$50,000,000 ~ NT$99,999,999	—	—	—	—
Greater than or equal to NT$100,000,000	—	—	—	—
Total	MAO YUAN LI, JIAN CHUN FANG,Y.C.C. PARTS MFG. CO., LTD., XIUHUI LI WANG, HEHAN INVESTMENT CO., LTD., DECAI ZHENG, DAWEI WANG, QING EN PENG, HOU DE CHEN, Yi-Hung Lin, JUITSE LIN.	MAO YUAN LI, JIAN CHUN FANG,Y.C.C. PARTS MFG. CO., LTD., XIUHUI LI WANG, HEHAN INVESTMENT CO., LTD., ,, DECAI ZHENG, DAWEI WANG, QING EN PENG, HOU DE CHEN YIHUNG LIN , JUITSE LIN.	MAO YUAN LI, JIAN CHUN FANG,Y.C.C. PARTS MFG. CO., LTD., XIUHUI LI WANG, HEHAN INVESTMENT CO., LTD., ,, DECAI ZHENG, DAWEI WANG, QING EN PENG, HOU DE CHEN YIHUNG LIN , JUITSE LIN.	MAO YUAN LI, JIAN CHUN FANG,Y.C.C. PARTS MFG. CO., LTD., XIUHUI LI WANG, HEHAN INVESTMENT CO., LTD., ,, DECAI ZHENG, DAWEI WANG, QING EN PENG, HOU DE CHEN Yi-Hung Lin, JUITSE LIN.

(B)、Remuneration of Supervisors: In accordance with relevant laws and regulations, the company established audit committee on June 14, 2022 to replace the supervisors.

(C)、Remuneration of the President and Vice Presidents

March 31, 2024 unit：NT Thousand

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Remuneration from ventures other than subsidiaries or from the parent company (Note)
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
General Manager	Mao Yuan Li	4,333	4,333	0	0	1,442	1,442	1,097	0	1,097	0	6,874 1.2%	6,874 1.2%	None
Vice President	Qingyi Lin	2,204	2,204	108	108	677	677	518	0	518	0	3,508 0.6%	3,508 0.6%	None
Vice President	Rui Wang	1,818	1,818	143	143	519	519	398	0	398	0	2,878 0.5%	2,878 0.5%	None

Note1：Provide three cars, the purchase cost is NT$8,289,000 and the driver's compensation is NT$812,000 .

Note2 : Retirement pension is actually paid or transferred to a special account..

Range of Remuneration

Range of Remuneration	Name of President and Vice Presidents	
	The company	Companies in the consolidated financial statements (E)
Less than NT$ 1,000,000	—	—
NT$1,000,000 ~ NT$1,999,999	—	—
NT$2,000,000 ~ NT$3,499,999	Rui Wang	Rui Wang
NT$3,500,000 ~ NT$4,999,999	Qingyi Lin	Qingyi Lin
NT$5,000,000 ~ NT$9,999,999	Mao Yuan Li	Mao Yuan Li
NT$10,000,000 ~ NT$14,999,999	—	—
NT$15,000,000 ~ NT$29,999,999	—	—
NT$30,000,000 ~ NT$49,999,999	—	—
NT$50,000,000 ~ NT$99,999,999	—	—
Greater than or equal to NT$100,000,000	—	—
Total	Mao Yuan Li, Qingyi Lin	Mao Yuan Li, Qingyi Lin

B、Remuneration to the Five Highest Remunerated Management Personnel

March 31, 2024 unit：NT Thousand

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Remuneration from ventures other than subsidiaries or from the parent company (Note)
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
								Cash	Stock					
General manager	Mao Yuan Li	4,333	4,333	0	0	1,442	1,442	1,098	0	1,098	0	6,874 1.2%	6,874 1.2%	None
Vice President	Qingyi Lin	2,204	2,204	108	108	677	677	518	0	518	0	3,508 0.6%	3,508 0.6%	None
Vice President	Rui Wang	1,818	1,818	143	143	519	519	398	0	398	0	2,878 0.5%	2,878 0.5%	None
Materials Department Associate	Ruicai Huang	1,447	1,447	88	88	389	389	300	0	300	0	2,224 0.4%	2,224 0.4%	None
Finance Department manager	Jianrong Chen	1,168	1,168	71	71	303	303	234	0	234	0	1,775 0.3%	1,775 0.3%	None

Note1：Retirement pension is actually paid or transferred to a special account.

C、The name of the manager who distributes employee remuneration and the distribution situation

March 31,2024 ,UNIT :NT$ '000, %

	Title	Name	Employee Compensation - in Stock (Fair Market Value)	Employee Compensation - in Cash	Total	Ratio of Total Amount to Net Income (%)
Executive Officers	General manager	Mao Yuan Li	0	2,781	2,781	0.47
	Vice President	Qingyi Lin				
	Vice President	Rui Wang				
	Materials Department Associate	Ruicai Huang				
	Finance Department manag	Jianrong Chen				
	Corporate Governance manager	Tingshang Lee				

D、**(A)**.The ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements for the two most recent fiscal years to directors, president and vice presidents of the Company, to the net income.

	Our company(individual statement)		Consolidate all companies	
	Proportion of total amount to net profit after tax(%)		Proportion of total amount to net profit after tax(%)	
	2023	2024	2023	2024
Dictor	6.98	5.44	not applicable	not applicable
General Manager and Deputy General Manager				

(B).The policies, standards, and portfolios for the payment of remuneration,.the procedures for determining remuneration, and the correlation with risks and business performance.

a、The appointment of managers should be approved by the board of directors. The company has established a remuneration committee on December 28, 2023 to formulate and regularly review and evaluate relevant policies and performance, and make suggestions to the board of directors.

b、Article 32 of the company's articles of association stipulates that if the company makes annual profits, no less than 1% should be allocated as employee remuneration, and no more than 3% should be allocated as director and supervisor remuneration. In addition, according to Article 24 of the company's articles of association, when directors and supervisors perform their duties in the company, the company may pay remuneration regardless of the company's profit or loss. The level is authorized by the Board of Directors. The independent directors of the company receive fixed remuneration. The same as the manager's remuneration, it also includes salaries and bonuses.

c、The company considers the link between the performance and remuneration of directors, supervisors and managers, including financial indicators (such as annual profit, etc.) and non-financial indicators (such as major achievements and deficiencies, etc.), and according to the recommendations of the salary compensation committee, Submit to the board of directors for approval.

(III)、The state of the company's implementation of corporate governance:

A、Operations of the Board of Directors

A total of 4 (A) meetings of the Board of Directors were held in the 2024. The attendance of director and supervisor were as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%)【B/A】	Remarks
Chairman	Mao Yuan Li	4	0	100%	-
Director	JIAN CHUN FANG	4	0	100%	-
Director	Y.C.C. PARTS MFG. CO., LTD. Rep Yi-Hung Lin	3	1	75%	-
Director	XIUHUI LI WANG	0	4	0%	-
Director	HEHAN INVESTMENT CO., LTD. Rep.JUITSE LIN	2	2	50%	-
Independent director	DECAI ZHENG	4	0	100%	-
Independent director	DAWEI WANG	4	0	100%	-
Independent director	QING EN PENG	4	0	100%	-
Independent director	HOU DE CHEN	4	0	100%	

Other mentionable items:

(I).If any of the following circumstances occur,, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified: **None**.

A.Matters referred to in Article 14-3 of the Securities and Exchange Act.

B.Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors.

(II).If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: **None**

(III). TWSE/TPEx-listed companies are required to disclose the evaluation cycle and period, scope of evaluation, evaluation method, and evaluation items of the self (or peer) evaluations conducted by the Board of Directors, and to fill out "Implementation Status of Board Evaluations."

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation items
Once a year	Evaluation of performance from Jan. 01, 2024 to Dec. 31,.2024	Board of Directors	Internal self-assessment of the board of directors	1. The degree of participation in the company's operations. 2. Improve the quality of decision-making of the board of directors. 3. Composition and structure of the board of directors. 4. Selection and continuing education of directors. 5. Internal control.

Once a year	Evaluation of performance from Jan. 01, 2024 to Dec. 31,.2024	The Salary and Compensation Committee as well as the Audit Committee	Internal self-assessment of the Salary and Compensation Committees well as the Audit Committee	1. The degree of participation in the company's operations. 2. Cognition of the responsibilities of functional committees. 3. Improve the decision-making quality of functional committees. 4. The composition and selection of members of the functional committee. 5. Internal control.

(A).Implementation status of board evaluation: 2024 board self (or peer) evaluation was submitted to the board of directors on March 8, 2025.

(B).After careful evaluation based on the actual operation of the board of directors and functional committees (remuneration committee and audit committee) and the self-assessment results of directors (including independent directors), the overall evaluation results of the company's 2024 board of directors and functional committees were all "excellent".

(IV).Measures taken to strengthen the functionality of the board: The Board of Directors has established an Audit Committee and a Remuneration Committee to assist the board in carrying out its various duties.

(A).The goal of strengthening the functions of the board of directors

a Strengthening corporate governance: The operation of the board of directors is in accordance with the "Rules of Procedures of the Board of Directors" and implements this standard to convene the company's board of directors. All of the independent directors aggressively attended the recent annual board of directors and provided good advice to the board of directors with their professional knowledge.

b Refresher training for directors and supervisors: The company will encourage directors and supervisors to participate in advanced training courses, and notify and arrange for directors and supervisors to obtain relevant information to enhance their professional advantages.

(B). Evaluation of implementation status: The company discloses the important resolutions of the board of directors in the annual report to protect shareholders' rights and improve information transparency

B、Audit Committee

Information on the operation of the Audit Committee

(I)、The audit committee of the company was established on June 14, 2022, with 4 members.

(II)、The term of office of the current committee members: from June 14, 2022 to June 13, 2025. As of May 15, 2024.

(III)、The Audit Committee have been held 4 meetings in 2024 (A), and the actual attendance rate of the committee members has reached 100%. The qualifications and attendance of the members are as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%)【B/A】	Remarks
convener (Independent director)	DECAI ZHENG	4	0	100	-
Independent director	DAWEI WANG	4	0	100	-
Independent director	QING EN PENG	4	0	100	-
Independent director	HOU DE CHEN	4	0	100	-

1. If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified: None.
   (1) Matters referred to in Article 14-5 of the Securities and Exchange Act.
   (2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors.
2. If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None

(III)、Meeting date, period, proposal content, resolution results and the company's handling of the audit committee's opinions in the most recent year。

The Audit Committee	Proposal content and follow-up processing	Resolution result	The company's handling of the audit committee's opinion
The first term, 7th. March 07,2024.	Proposal 1: Our company adjusted the visa accountant case.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.
	Proposal 2: Independence assessment of our company's certified public accountants.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.
	Proposal 3: Approved the company's 2023 annual financial statements.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.
	Proposal 4: Discuss the profit distribution plan for fiscal year 2023.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.
	Proposal 5: The results of the company's internal control system effectiveness assessment for fiscal year 2024 and the "Internal Control System Statement".	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.

	The first term, 8th. May 09,2024.	Proposal 1: The company's individual financial statements for the first quarter of 2024.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.	
	The first term, 9th. Aug. 08, 2024	Proposal 1: The company's individual financial statements for the second quarter of 2024.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.	
	The first term, 10th. Nov. 07, 2024	Proposal 1: The company's individual financial statements for the third quarter of 2024.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.	
		Proposal 2: Independence assessment of our company's certified public accountants.	All members of the committee agree to pass	Submit to the board of directors and handle according to regulations.	
		Proposal 3: Establish the Company's "Sustainable Development Code of Practice".	All members of the committee agree to pass	Submit to the board of directors and handle according to regulations.	
	The first term, 11th. March 08,2024.	Proposal 1: Recognition of the company's 2024 annual financial statements.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.	
		Proposal 2: Discussion on 2024 Annual Surplus Distribution Proposal.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.	
		Proposal 3: The Company's 2024 year internal control system effectiveness assessment results and the "Internal Control System Statement" case.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.	
		Proposal 4: Amend some articles of the Company's Articles of Association.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.	
	The first term, 12th. May 08,2024.	Proposal 1: The company's individual statements for the first quarter of 2024.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.	

(B).Attendance of Supervisors at Board Meetings: In accordance with relevant laws and regulations, the company established audit committee on June 14, 2022 to replace the supervisors.

C、The state of the company's implementation of corporate governance, any variance from the Corporate Governance The state of the company's implementation of corporate governance, any variance from the Corporate Governance

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"?	✓		The company has formulated the "Corporate Governance Code" and follows the "Listed OTC Corporate Governance Code" "Code of Practice" to promote corporate governance operations and disclose it on the company website of the Public Information Observatory.	There is no material difference from the Code of Practice for Corporate Governance of Listed OTC Companies.
2. Shareholding structure & shareholders' rights				There is no material difference from the Code of Practice for Corporate Governance of Listed OTC Companies.
(1) Does the company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	✓		(1) The company has established standards and operating procedures for reviewing shareholders' proposals at the regular meeting of shareholders, and has a spokesperson and an acting spokesperson to handle related matters in order to ensure the rights and interests of shareholders.	
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		(2) At the beginning of each month, major shareholders inform the company of the increase, decrease or pledge of equity in the previous month, and the company summarizes the equity status of all major shareholders and reports it to the public information observation station.	
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	✓		(3) Clarify the rights and responsibilities of personnel, assets and financial management with related companies, and conduct risk assessment and establish appropriate firewalls; the company has assigned auditors to regularly supervise the operations of subsidiaries.	
(4) Does the company establish internal rules against insiders trading with undisclosed information?	✓		(4) The company has established internal major information processing procedures and relevant annual decree announcements, prohibiting company insiders from using unpublished information on the market to buy and sell securities.	

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
3. Composition and Responsibilities of the Board of Directors (1) Does the Board develop and implement a diversified policy for the composition of its members?	✓		(1.1). When setting the composition of the board of directors, the company will consider from the perspective of diversity policy, and take the principle of strengthening the functions of the board of directors. The company's directors have different professional backgrounds, which can strengthen the diversity policy of the board of directors. (1.2). The company's 15th board member list, there is one female member among the natural person directors, Maoyuan Li, Jianchun Fang, Yi-Hung Lin, and JUITSE LIN who are good at leadership, operation management, market decision-making, and have industrial experience and internationalization; Wang Xiuhui Li is the one who is passionate about business; as for Dawei Wang, who is good at construction engineering, and Decai Zheng, Qingen Peng and Huode Chen, are respectively good at financial affairs, implementing the diversification of the company's board of directors. (1.3). The proportion of directors with employee status is 22%, the proportion of independent directors is 44%, and the proportion of female directors is 11%. The tenure of two independent directors is 6-9 years, the tenure of the other two independent directors is 1-3 years. 1 director(incl.Rep.) is 31-40 years old, 6 directors(incl.Rep.) are 61-70 years old, and 2 directors are 71-80 years old. (1.4). We will continue to promote gender equality on the board of directors in the future, and will set a long-term goal of having one-third of directors be of different genders. (1.5). The board of directors formulates a diversified policy on the composition of members and discloses it on the company's website and public information observatory.	There is no material difference from the Code of Practice for Corporate Governance of Listed OTC Companies.
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?		✓	(2) The company set up a salary and remuneration committee in 2016, an audit committee in 2022 according to laws and regulations, and other various functional committees according to aws and regulations.	

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(3) Does the company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?	✓		(3.1). The company passed the resolution of the board of directors on August 8, 2019 to formulate the "Performance Evaluation Method of the Board of Directors". The evaluation methods include self-evaluation by the board of directors, self-evaluation by directors, peer evaluation, and appointment of external professional institutions. Performance evaluation and completed in Q1 2024. (3.2). The company considers the link between the performance and remuneration of directors, supervisors and managers, including financial indicators (such as annual profit, etc.) Approved by the board of directors.	
(4) Does the company regularly evaluate the independence of CPAs?	✓		(4) The certified accountants of the company inspect the financial status of the company in accordance with relevant laws and regulations from an independent standpoint. The company expects to evaluate the independence and professionalism of certified accountants at least once a year from 2021, and the certified accountants have also issued a statement of independence for the entrusted audit work, which will be evaluated by the board of directors. The evaluation of 2024 resolution of the board of directors was passed on Mar. 07 2024. (Detailed Note 1 of the Visa Accountant Independence Assessment Form)	
4. Does the company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders' meetings, and producing minutes of board meetings and shareholders' meetings)?	✓		1. The company's general manager's office is equipped with qualified and appropriate number of corporate governance personnel, and the board of directors has passed a resolution on 2021/03/09 that Tingshang Li, the manager of the general manager's office, is the corporate governance supervisor. His main duties are to be responsible for corporate governance-related affairs (Including, but not limited to, providing directors and supervisors with the necessary information to carry out their business, handling matters related to the meetings of the board of directors and shareholders according to law, making minutes of the board of directors and shareholders meetings, etc.) and the accounting department handles matters such as company registration and change registration.	There is no material difference from the Code of Practice for Corporate Governance of Listed OTC Companies.

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			2.2024 Annual business execution is as follows: 1. Handle matters related to the meetings of the board of directors and shareholders meeting according to law. 2. Prepare the minutes of the board of directors and shareholder meetings. 3. Assist directors and supervisors in their appointment and continuing education. 4. Provide directors and supervisors with the information needed to execute their business. 5. Assist directors and supervisors to comply with laws and regulations. 6. Other matters stipulated in the company's articles of association or contract.	
5. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		The company's website has set up a special area for stakeholders, and properly responds to important corporate social responsibility issues that stakeholders are concerned about. Stakeholders can contact the company at any time if they need it.	There is no material difference from the Code of Practice for Corporate Governance of Listed OTC Companies.
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The company appoints a professional stock affairs agency to handle the affairs of the shareholders meeting.	There is no material difference from the Code of Practice for Corporate Governance of Listed OTC Companies.
7. Information Disclosure				There is no material difference from the Code of Practice for Corporate Governance of Listed OTC Companies.
(1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	✓		(1) The company's website (http://www.gordon.com.tw) has been set up to be maintained by a dedicated person, and the information is updated at any time for the reference of shareholders and interested parties.	
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	✓		(2)The company has set up an English company website. Designate a special person to be responsible for regularly and irregularly reporting various financial and business information at the public information observation station, and establish a spokesperson system in accordance with regulations.	
(3) Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?	✓		(3) The company has announced and submitted the annual financial report, the first, second, and third quarter financial reports and the operating conditions of each month in accordance with relevant laws and regulations.	

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	✓		(1) Employee rights and employee care: The company has always attached great importance to the rights and interests of employees. In addition to establishing an employee welfare committee in accordance with the law and striving to achieve good welfare measures, it has also strengthened the establishment of interactive communication and provided employees with more complaint channels through mailboxes. The company also attaches great importance to the quality of the factory area and office working environment, and regularly cleans and disinfect. (2) Investor Relations: Disclosing information through the company's website and public information observatory allows investors to fully understand the company's operating conditions, and communicate with investors through spokespersons and shareholder meetings. (3) Supplier relationship: The company establishes long-term partnerships with suppliers based on the principle of equality and mutual benefit, and conducts irregular inspections to confirm the quality of supply. (4) Rights of interested parties: A. Responsibility to customers: The company attaches great importance to product quality and customer feedback, and immediately takes measures to deal with customer complaints to be responsible to customers. B. Responsibilities for shareholders: The goal of the company is to attach importance to the protection of shareholders' rights and interests. (5) Training for directors and supervisors: The company actively encourages directors and supervisors to participate in training. (6) Implementation of risk management policies and risk measurement standards: The company formulates regulations according to law and implements internal audit operations. (7) Implementation of client policies: The company attaches great importance to the rights and interests of customers and maintains a long-term and stable	There is no material difference from the Code of Practice for Corporate Governance of Listed OTC Companies.

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			relationship with customers, with the goal of creating a win-win situation. (8) Situations where the company purchases liability insurance for directors and supervisors: Currently purchasing directors' and supervisors' liability insurance (Shin Kong Product Insurance Company: Aug, 2024-Aug.08, 2025).	
9. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures.	✓		In order to respond to the rapid development of corporate governance and strengthen the blueprint of corporate governance, the company has listed corporate governance evaluation as a key improvement work item in the near future, and the parts that have not been scored can be improved immediately, and relevant units are required to review and correct immediately, pending legal basis Improvements shall be made in a timely manner according to laws and regulations.	

Note 1 Accountant Independence Assessment Form

evaluation items	**evaluation result**	**Whether it meets independence**
A、Whether the accountant has a direct or significant indirect financial interest relationship with the company.	**No**	**Yes**
B、Whether the accountant has any financing or guarantee activities for the company or the directors of the company.	**No**	**Yes**
C、Whether the accountant has a close business relationship or potential employment relationship with the company.	**No**	**Yes**
D、Whether the accountants and their audit team members currently or in the past two years have served as directors, managers or positions that have a significant impact on the audit work in the company.	**No**	**Yes**
E、Whether the accountant has provided the company with non-audit service items that may directly affect the audit work.	**No**	**Yes**
F、Whether the accountant has brokered the stocks or other securities issued by the company.	**No**	**Yes**
G、Whether the accountant acts as the company's defender or coordinates conflicts with other third parties on behalf of the company.	**No**	**Yes**
H、Whether the accountant has a family relationship with the company's directors, managers, or personnel with positions that have a significant impact on the audit case.	**No**	**Yes**
I、Whether the certified accountant has complied with the regulations on independence in the Bulletin No. 10 of the Code of Professional Ethics for Accountants, and has obtained the "Statement of Independence" issued by the certified accountant.	**Yes**	**Yes**

D、**Professional Qualifications and Independence Analysis of Remuneration Committee Members**：

a.Information on Remuneration Committee Members

Title	Name	Criteria	Professional qualifications and experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member
Independent director (convener)	DECAI ZHENG		1. Has at Least Five Years'work experience in the areas of commerce, law, finance, or accounting, or otherwise necessary for the business of the Company。 2 Please refer to the relevant contents of Information on Directors (II).	Note: Please tick the corresponding boxes that apply to a member during the two years prior to being elected or during the term(s) of office. 1. Not an employee of the company or any of its affiliates. 2. Not a director or supervisor of the company or any of its affiliates. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings. 4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs. 5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. 6. If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.	0
Independent director	DAWEI WANG				0
Independent director	QING EN PENG				0
Independent director	HOU DE CHEN				0
					1

			7. If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent. 8. Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, if the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the public company. 9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.	

(2) Operation of the Remuneration Committee

There are four members in the Remuneration Committee. A total of two (A) Remuneration Committee meetings were held in 2024. The attendance record of the Remuneration Committee members was as follows:

Title	Name	Attendance in Person(B) By Proxy	By Proxy	Attendance Rate (%)【B/A】	Remarks
Convener	DECAI ZHENG	2	0	100%	-
Committee Member	DAWEI WANG	2	0	100%	-
Committee Member	QING EN PENG	2	0	100%	-
Committee Member	HOU DE CHEN	2	0	100%	-

Other mentionable items:

1. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (eg., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.
2. Resolutions of the remuneration committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.
3. The meeting date, period, proposal content, resolution results and the company's handling of the salary and remuneration committee's opinions in the most recent year and as of the publication date of the annual report.

Compensation Committee	Proposal content and follow-up processing	Resolution result	The company's handling of the opinions of the remuneration committee
The 5th term 4nd times Mar. 07, 2024	Proposal 1: Discuss the company's 2023 employee remuneration and director and ~~supervisor~~ remuneration proposals.	All members of the committee agree to pass.	Proposal 1 was discussed by the board of directors, approved by all directors present, and reported at the 2024 regular meeting of shareholders.
	Proposal 2: The salary adjustment range of the company's managers in 2024 is proposed to be compared with the proposal of all employees, and submitted for discussion.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.
The 5th term 5th times Nov. 07, 2024	Proposal 1: Review the policies, systems, standards and structure of directors and managers' performance evaluation and salary compensation.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.
The 5th term 6th times Mar. 07, 2025	Proposal 1: Discuss the company's 2024-year employee remuneration and director remuneration proposals.	All members of the committee agree to pass.	Proposal 1 was discussed by the board of directors, approved by all directors present, and reported at the 2024 regular meeting of shareholders.
	Proposal 2: Th Define the scope of the company's grassroots employees.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.
	Proposal 3: The salary adjustment range of the company's managers in 2025 is proposed to be compared with the proposal of all employees, and submitted for discussion.	All members of the committee agree to pass.	Submit to the board of directors and handle according to regulations.

E、 The state of the company's promotion of sustainable development, any deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reason for any such deviation

The state of the company's promotion of sustainable development

1. Sustainable Development Committee

   Our company established a Sustainable Development Committee in January 2025. The company uses the Sustainable Development Committee as a management organization to promote sustainable development. The Chairman (General Manager) serves as the Chairman and convenes and appoints heads of various departments as members. Through cross-departmental resource integration and unity and cooperation among departments, regular meetings are held to promote the implementation of corporate sustainable development.

2. Responsibilities of the Sustainable Development Committee

   (1) Formulate, promote and strengthen the company's sustainable development policies and related management guidelines.

   (2) Review, track and revise the implementation status and effectiveness of sustainable development.

   (3) Supervise the disclosure of sustainable information and review sustainable reports.

   (4) Supervise the implementation of the Company's sustainable development code of conduct or other sustainable development related work approved by the Board of Directors.

3. Sustainability Committee Members: Please refer to: https://mopsov.twse.com.tw/mops/web/t100sb03_1

4. Operation of the Sustainable Development Committee

Date	Contents of the proposal	Resolution results
January 2025	1. Elect the convener and meeting chairperson of the Sustainable Development Committee. 2. The major ESG sustainability issue in 2024 is "Identifying important stakeholders". 3. 2024 ESG major sustainable issues, sustainable issues impact analysis questionnaire and sustainable issues attention questionnaire.	1. 1. All the attending members agreed to elect Chairman Li Maoyuan as the convener and chairman of the meeting. 2. All members present agreed to pass the bill. 3.All members present agreed to pass the bill.
May 2025	1. The Company's 2024 ESG "Identification of Significant Sustainability Issues".	1. All members present agreed to pass the bill.

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation [2]	
1.Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board? (The TWSE/TPEx listed company shall report the implementation status. This is not a complyor-explain provision.	✓		1. Our company established the Sustainable Development Committee in January 2015. The company uses the Sustainable Development Committee as the management organization to promote sustainable development. The Chairman (General Manager) serves as the Chairman and convenes and appoints heads of various departments as members. Through cross-departmental resource integration and unity and cooperation among various departments, regular meetings are held to promote the implementation of corporate sustainable development. For details, please see the implementation of promoting sustainable development. 2 (1) The Company is committed to quality, technology, innovation and customer service. It also attaches importance to risk assessment of environmental, social and corporate governance issues related to the Company's operations and incorporates them into relevant risk management policies and guidelines. (2) The Company regularly organizes employee education and training to enhance the concepts of employee, corporate and social ethics and sustainable development, thereby motivating employees, the company and society to grow together. 3. Regularly submit reports to the board of directors on implementation results and assist the company in making sustainable development decisions through the different experiences of board members.	None
2.Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2) (The TWSE/TPEx listed company shall report the implementation status. This is not a complyor-explain provision.)	✓		(2.1) The general manager's office of the company is responsible for related affairs. The company is committed to quality, technology, innovation and customer service, and attaches great importance to the risk assessment of environmental, social and corporate governance issues related to the company's operations, and incorporates them into relevant risk management policies and management guidelines. (2.2) The company regularly organizes employee education and training to enhance the concept of employee, enterprise and social ethics, and submits rewards or punishments based on the assessment results to encourage employees, enterprises and society to grow together.	None

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation [2]	
3. Environmental issues				None
(1) Does the company establish proper environmental management systems based on the characteristics of their industries?	✓		(1) and (2) In order to implement environmental policies, Gordon obtained the ISO14001 certificate in 2006 and the latest version of ISO14001:2015 in 2017. We deeply agree that a sustainable enterprise must not only treat itself, customers, Employees and shareholders are responsible, and they also need to be responsible for the entire environment.	
(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓			
(3) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	✓		(3) Based on our obligation to environmental protection, the following environmental protection programs have been promoted: 1. Establish pollution-free, automated electro-painting equipment (EDP). 2. Develop a waste recycling system to deal with waste materials generated in the production process. 3. Develop wastewater quality monitoring and treatment systems.	
(4) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?	✓		(4) 1. The company promotes various energy-saving and carbon-reduction measures, and establishes an environmental safety committee to do a good job in environmental protection in various environments of the company. 2. Carry out environmental impact source assessment every year, set up corresponding improvement or control measures and formulate environmental safety management plans for the identified major environmental safety impact sources, so as to reduce their environmental safety impact, and in order to strengthen energy conservation and use, make energy use The consumption of energy such as water, electricity, natural gas and oil is included in the control scope of monitoring indicators. 3. The company's annual wastewater discharge ratio (first plant) and (second plant) are 0.037 and 0.010 respectively, and the average garbage output (whole plant) is 19.3 kg/person, which is in line with the company's management goals. 4. The company's 2024 carbon emission ratios (factory one) and (factory two) are 2.30 and 3.02 respectively, which are in line with the company's management goals.	

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation [2]	
4. Social issues				None
(1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		(1) The company formulates employee work rules in accordance with the law, which have been approved by the Labor Bureau; and formulate a code of conduct for employees to follow.	
(2) Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?	✓		(2) The company attaches great importance to the agreement between labor and capital and the protection of various employee rights and interests. All are based on relevant labor standards laws. The communication channel between employees and the company is smooth to create a win-win situation. The company has an employee mailbox to actively understand and reasonably satisfy Colleague needs.	
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		(3) 1. The company conducts regular employee health checks, and free consultation with doctors after the checks to maintain the health of employees. 2. Fire drills to maintain the safety of employees at work. 3. Pay attention to the food safety issues of employees, and regularly review the dining environment of the employee restaurant and the employee menu. 4. Support the government's smoke-free workplace policy. 5. Arrange industrial safety lectures in the newcomer education and training 6. Hold quality, environmental safety and factory affairs meetings every month 7. Caring and caring for employees, with a nursing room. 8. In November 2019, it passed the ISO45001 Occupational Safety and Health Management System and CNS45001 Taiwan Occupational Safety and Health Management System certifications by the ETC Taiwan Electronic Inspection Center. 9. In the current year, there were 5 occupational accidents and 5 employees, accounting for 1.1% of the total number of employees. The company has strengthened relevant improvement measures such as industrial safety education. 10. There were 0 fires and 0 casualties in the current year, accounting for 0% of the total number of employees. The company has strengthened fire drills and other improvement measures.	
(4) Does the company provide its employees with career development and training sessions?	✓		(4) The company has established an effective career development training plan for employees, and the company has a mechanism for regular communication with employees, and informs in a reasonable manner of operational changes that may have a significant impact on employees, and actively understands and reasonably meets the needs of colleagues .	

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation [2]	
(5)Do the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	✓		(5) The marketing and labeling of the company's products and services comply with relevant laws and regulations and international standards. The company has a company website. When consumers have comments on products or services, they can complain through the customer service mailbox or the company's service hotline.	
(6) Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.	✓		(6) 1. The company adopts an open, reasonable and transparent procurement policy, and will give priority to suppliers with excellent environmental and social records. 2. If the company's suppliers violate its corporate social responsibility policy and have a significant impact on the environment and society, the company will terminate or cancel the terms of the contract at any time.	
5. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third party verification unit?	✓		5. In the future, the company will prepare corporate social responsibility reports and other reports that disclose the company's non-financial information in accordance with laws and regulations and the company's development needs. The company discloses important information on the Public Information Observatory in accordance with relevant laws and regulations, and the company's website has a "Corporate Social Responsibility Zone" to disclose relevant information. URL (http://www.gordon.com.tw)	None
6. Describe the difference, if any, between actual practice and the corporate social responsibility principles, if the company has implemented such principles based on the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies:None.				
7. Other useful information for explaining the status of corporate social responsibility practices:None.				

Climate-Related Information of the company

1 . Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	1. The company is a company with a paid-in capital of less than 5 billion yuan. It should apply greenhouse gas inventory and verification in the third stage (i.e., complete the inventory in 2026 and complete the verification in 2028). Subsequently, it will follow the reference guidelines of the competent authority and relevant Requires the implementation of greenhouse gas inventory and confirmation operations, and reports to the board of directors on a quarterly basis the detailed promotion schedule of each project for greenhouse gas inventory, formulation of complete inventory procedures, and control of phased goals and other plan implementation progress.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of thebusiness (short, medium, and long term).	2. In the short, medium and long term, the impact of the company's industry on climate issues is bound to increase year by year, and green manufacturing is required by the future, and the company must adapt to future development. With regard to the impact of climate issues and the demand for production and energy conservation in existing factories, it is expected that the budget will need to be increased year by year and internal transformation and adjustments will be carried out. The resulting increase in costs is both a risk and an opportunity for the company.
3. Describe the financial impact of extreme weather events and transformative actions.	3. Potential financial impacts of climate risks Response actions: (A). Total greenhouse gas control, carbon tax, and carbon fee may increase operating costs. (B). Typhoons, water shortages, and heavy rains may have a financial impact: production will be affected, production costs will increase, and revenue will decrease. (C). As the temperature rises and electricity consumption increases, operating costs increase, and as electricity consumption increases, costs and carbon emissions rise. Countermeasures: The company should introduce energy-saving and carbon-reducing equipment.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall riskmanagement system.	4. Greenhouse gas emission management (A) The company conducts greenhouse gas inventories every year to continuously understand emissions and promote the company's energy conservation policy.

	(B). The company should introduce energy-saving and carbon-reducing equipment.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions,analysis factors and major financial impacts used should be described.	5. This company is a company with a paid-in capital of less than 5 billion yuan. It should apply greenhouse gas inventory and verification in the third stage. Subsequent implementation will follow the reference guidelines and relevant regulations of the competent authority.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicatorsand targets used to identify and manage physical risks and transition risks.	6. This company is a company with a paid-in capital of less than 5 billion yuan. It should apply greenhouse gas inventory and verification in the third stage. Subsequent implementation will follow the reference guidelines and relevant regulations of the competent authority.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	7. This company is a company with a paid-in capital of less than 5 billion yuan. It should apply greenhouse gas inventory and verification in the third stage. Subsequent implementation will follow the reference guidelines and relevant regulations of the competent authority.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	8. This company is a company with a paid-in capital of less than 5 billion yuan. It should apply greenhouse gas inventory and verification in the third stage. Subsequent implementation will follow the reference guidelines and relevant regulations of the competent authority.
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	9. This company is a company with a paid-in capital of less than 5 billion yuan. It should apply greenhouse gas inventory and verification in the third stage. Subsequent implementation will follow the reference guidelines and relevant regulations of the competent authority.

1-1. Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information

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

Item		2023	2024	intensity (metric tons CO2e/NT$ million),
emission volume(metric tons CO2e)	scope 1	-	3053.3045	1.01
	scope 2	-	5378.5728	1.78
	scope 3	-	54087.0123	17.94
data coverage: The company Note: The company has been conducting formal greenhouse gas inventory since 2024.				

Note 1: Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e.,indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (scope 3, i.e., emissions from companyactivities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued underArticle 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.

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

Note 4: The intensity of greenhouse gas emissions may be calculated in terms of revenue (NT$ 1 million) shall be disclosed.

1-1-2 Greenhouse Gas Assurance Information

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

None.

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report, it shall note that “Complete assurance information will be disclosed in the sustainability report.” If the Company does not prepare a sustainability report, it shall note that “Complete assurance information will be disclosed on the Market Observation Post System (MOPS),” and shall disclose the complete assurance information in the annual report of the following fiscal year.

Note 2: The assurance institutions shall meet the directions regarding assurance of sustainability reports prescribed by the TWSE and the TPEx. Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan P. 43 of 82 Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.
This will be achieved step by step in accordance with the standardized plan of the "Sustainable Development Roadmap for Listed Companies".

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations.
Note 2: The base year shall be the fiscal year in which the greenhouse gas inventory is completed based on the consolidated financial reporting boundary. For example, under the order issued under Article 10, paragraph 2 of the Regulations, a company with capital of NT$10 billion shall complete the inventory for its fiscal 2024 annual consolidated financial report in 2025, so the base year will be 2024. If a company has disclosed its inventory in its consolidated financial report in an earlier year, it may take the earlier fiscal year as its base year. Also, the data for the base year may be calculated based on a single fiscal year or the average of multiple fiscal years.
Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

F、performance of integrity management and the differences and reasons for the difference from the code of integrity management of listed OTC companies: the company complies with the provisions of various laws and regulations, and implements integrity management through the audit of the internal control system; the management attaches great importance to the character and integrity of employees and prohibits In the event of dishonest behavior, implement it in the three aspects of laws and regulations, internal control and management, and establish the company's honest operation.

Fulfillment of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"

Evaluation Item	Implementation Status [1]			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
1. Establishment of ethical corporate management policies and programs				There have been no differences.
(1) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?	✓		(1)The company formulates the "Code of Integrity Management", and clearly states the policies and practices of integrity management in the regulations, as well as the commitment of the board of directors and senior management to actively implement the operation policy, and the general manager's office is responsible for the integrity management policy and prevention plan formulation and supervision of implementation.	
(2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?	✓		(2) 1.The company has an "employee code of conduct" that requires employees not to accept entertainment, gifts, kickbacks, etc., and the management will strengthen employee advocacy and behavior guidelines in monthly meetings. 2. The company held a monthly mobilization meeting in 2024 (including topics such as commendation of the best employees, advocacy of integrity management standards, and advocacy of compliance with laws and regulations) with a total of 457 person-times and a total of 114 person-hours.	
(3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?	✓		(3)In order to ensure the implementation of honest management, the company has established an effective accounting system and internal control system, and internal auditors regularly check the compliance with the preceding system	

Evaluation Item	Implementation Status [1]			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
2. Fulfill operations integrity policy (1).Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		(1)The company has established an evaluation mechanism for its customers and outsourcers. When signing a contract with it, the rights and obligations of both parties are detailed in it, and a confidentiality clause is signed.	There have been no differences.
(2).Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	✓		(2) The general manager's office is responsible for the publicity and implementation of the company's promotion of corporate integrity management. Relevant members have the obligation to report to the members of the board of directors at any time, as well as the supervision and implementation of the board of directors. It is expected to report to the board of directors in the fourth quarter of 2024. shape.	
(3).Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	✓		(3)For matters related to conflicts of interest, internal employees of the company can report directly to the relevant members of the general manager's office in addition to reporting to the head of the department directly under them.	
(4).Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	✓		(4) In order to ensure the implementation of honest management, the company has established an effective accounting system and internal control system, and internal auditors regularly check the compliance with the preceding system.	
(5).Does the company regularly hold internal and external educational trainings on operational integrity?	✓		(5)The company regularly organizes staff education and training to enhance the concept of staff, enterprise and social ethics.	
3. Operation of the integrity channel (1) .Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?		✓	(1) (2) The company has employee mailboxes and a dedicated unit to handle related affairs. Currently, the company's reporting system is operating well.	There have been no differences.
(2) Does the company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures?		✓		

Evaluation Item	Implementation Status [1]			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(3) .Does the company provide proper whistleblower protection?	✓		(3)The company will take measures to protect whistleblowers from being improperly dealt with due to whistleblowing.	
4. Strengthening information disclosure (1) Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?	✓		(1)The company has a website that discloses relevant information such as corporate culture, operating principles, and a corporate social responsibility zone. (2)The company has a dedicated department responsible for the collection and release of various company information, and has set up a spokesperson and related contact information in accordance with regulations.	There have been no differences.
5. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies, please describe any discrepancy between the policies and their implementation.: None.				There have been no differences.
6. Other important information to facilitate a better understanding of the company's ethical corporate management policies (e.g., review and amend its policies). 1.The company abides by the Company Law, Securities Exchange Law, Commercial Accounting Law, relevant regulations on listing and OTC listing, or other business conduct-related laws and regulations as the basis for implementing honest management. 2. The company's "Board of Directors' Rules of Procedure" has established a director's interest avoidance system. Those who have an interest in the proposals listed on the board of directors, have an interest in themselves or the legal person they represent, and cause harm to the company's interests, may state their opinions and answer questions. Participate in discussions and votes, and shall avoid discussions and votes, and shall not exercise their voting rights on behalf of other directors. 3. The company has established "internal material information processing operations" to clearly stipulate that directors, supervisors, managers and employees must not disclose to others the important internal information they know. Material information should not be disclosed to others.				

G、If the company has adopted corporate governance best-practice principles or related bylaws, disclose how these are to be searched：-
0(http://mops.twse.com.tw)、(http://www.gordon.com.tw)。

H、Statement on Internal Control System of a Public Company

(A).Internal Control Statement

Gordon Auto Body Parts Co., Ltd.

Statement on Internal Control System

Date: March 07, 2025

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

1. The Company is fully aware that establishing, operating, and maintaining an internal control system are the responsibility of its Board of Directors and management. The Company has established such a system aiming at providing reasonable assurance of the achievement of objectives in the effectiveness and efficiency of operations (including profits, performance, and safeguard of asset security), the reliability, timeliness, and transparency of reporting, and compliance with applicable norms and applicable laws, regulations, and bylaws.

2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three objectives mentioned above. Furthermore, the effectiveness of an internal control system may be subject to change along with changes in environment or circumstances. The internal control system of the Company contains self-monitoring mechanisms, however, and the Company takes remedial actions as soon as a deficiency is identified.

3. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (hereinbelow, the "Regulations"). The criteria adopted by the Regulations identify five key components based on the process of management control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communications, and (5) monitoring activities. Each component also includes several items. Please refer to the Regulations for details.

4. The Company has assessed the design and operating effectiveness of its internal control system according to the aforesaid criteria.

5. Based on the findings of the assessment mentioned in the preceding paragraph, the Company believes that as of Dec. 31, 2024 its internal control system (including its supervision and management of subsidiaries), encompassing internal controls for understanding the degree of achievement of operational effectiveness and efficiency objectives, the reliability, timeliness, and transparency of reporting, and compliance with applicable norms and applicable laws, regulations, and bylaws, is effectively designed and operating, and reasonably assures the achievement of the above-stated objectives.

6. This Statement will become a major part of the content of the Company's Annual Report and Prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

7. This Statement has been passed by the Board of Directors Meeting of the Company held on March 07, 2025, where 0 of the 9 attending directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

Gordon Auto Body Parts Co., Ltd.

Chairman: M.Y.Lee (signature)

President: M.Y.Lee (signature)

(B)Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report:None.

I、Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.

Date	Category	Contents of important resolutions
June 12, 2024	General meeting of shareholders	1. Report the company's 2023 annual business report. 2. The supervisor reviews the 2023 final accounts report. 3. The company's 2023 employee remuneration and directors' and remuneration report. 4. The company's 2023 earnings distribution cash dividend report 5. Acknowledgment of the company's 2023 financial statements. 6. Acknowledge the company's 2023's profit distribution plan. Implementation situation: set April 18, 2024 as the ex-dividend base date, and May 10, 2024 as the distribution date. (Cash dividend of 1 per share.)
Mar. 8,2024	Board of Directors	1. Approve the approval of our company to adjust the CPA case. 2. Pass the independence assessment of our company's certified accountants. 3. Approved the company's 2023 financial statements. 4. Approved the proposal for profit distribution for fiscal year 2023. 5. Approved the company's 2024 annual operating plan. 6. Approved the company's 2023 employee remuneration and director remuneration proposal. 7. Approved the results of the company's 2023 internal control system effectiveness assessment and the "Internal Control System Statement". 8. Approved to set the date, time, location and other related matters for the 2024 Annual General Meeting of Shareholders. 9. Approve matters related to the acceptance of proposals from shareholders with a majority of 1%. 10. Approved the 2024 salary increase for the company's managers, which will be commensurate with the salary increase for all employees. 11. In order to allocate funds and reduce funding costs, the Company intends to obtain funding quotas from financial institutions.
May 10, 2024	Board of Directors	1. Report the company's individual financial statements for the second quarter of 2024
Aug.9, 2024	Board of Directors	1. Report the company's individual financial statements for the third quarter of 2024
Nov. 8, 2024	Board of Directors	1. Approved the company's individual financial statements for the third quarter of 2024. 2. Pass the independence assessment of our certified accountants 3. Establish the company's "Sustainable Development Code of Practice" 4. Establishment of the company's internal control system "Sustainable Information Management Operation Guidelines" 5. Passed the company's 2025 annual audit plan 6. Revise some of the provisions of the Company's "Corporate Governance Practice Guidelines" 7. Amendments to some of the Company's "Rules of Procedure for Board Meetings" 8. Revised some of the provisions of the Company's "Audit Committee Organization Charter" 9. Establish the company's "Sustainable Development Committee Organization Charter" 10. In order to allocate funds and reduce the cost of funds, the Company intends to obtain a funding quota from financial institutions.

Date	Category	Contents of important resolutions
Mar. 8, 2025	Board of Directors	1. Approval of the company's 2024 financial statements 2. Approval of the 2024 profit distribution plan 3. Approval of the company's 2025 annual operating plan 4. Approved the company's 2024 employee compensation and director compensation proposal 5. Approved the results of the company's 2014 internal control system effectiveness assessment and the "Internal Control System Statement" 6. Approved the definition of the scope of the company's grassroots employees 7. Approved the amendment of some articles of the company's "Articles of Association" 8. Approval of re-election of the company's directors 9. Approved the list of candidates for nomination of directors (including independent directors) for election in 2025. 10. Approval of lifting the non-competition restriction on the new directors of the Company. 11. Approved to set the date, time, location and other related matters of the 2025 General Meeting of Shareholders. 12. Approval of matters related to proposals from shareholders holding more than 1% 13. Acceptance of nominations of candidates for directors (including independent directors) from shareholders holding more than 1% of the total shareholder value 14. Approved the salary increase for the company's managers in 2025, and plans to follow the same plan for all employees. 15. In order to allocate funds and reduce the cost of funds, the company intends to raise funds from financial institutions.
May 9, 2025	Board of Directors	1. Approved the company's individual financial statements for the first quarter of 2025. 2. In order to allocate funds and reduce the cost of funds, the company intends to raise funds from financial institutions.

J、 Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof.：None。

(IV) 、 Information on the professional fees of the attesting CPAs (external auditors)：

A. The company shall disclose the amounts of the audit fees and non-audit fees paid to the attesting certified public accountants and to the accounting firm to which they belong and to any affiliated enterprises as well as the details of non-audit services (see Table 2-4), and given any of the following conditions, shall disclose information as follows:

Information on the professional fees of the attesting CPAs：

unit:NT$1000

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total	Remarks
Baker Tilly Clock & Co	Chiayu Lai	Jan.01, 2024-Dec.31, 2024	1,410	0	1,410	-
	Lichen Peng	Jan.01, 2024-Dec.31, 2024				

Note:

1.If the company changed its CPAs or accounting firm during the fiscal year, list the audit periods before and after the change separately, and specify the reason for the change in the "Remarks" column and disclose sequentially the audit and non-audit fees paid. For non-audit fees,additionally specify the content of the services.None.

2.When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed: No available.

(V)、Information on replacement of certified public accountant: The original appointment of the company's certified accountants was by two accountants, Guofu Zeng and Chia Yu Lai of Baker Tilly Clock & Co. On December 4, 2024, due to the internal organizational adjustment and work redeployment of the firm, the appointment was changed to accountants Chia Yu Lai and Li Chen Peng of the firm. Two accountants continued to do so.

(VI)、Where the company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed. The term "affiliated enterprise of a certified public accountant's accounting firm" means one in which the certified public accountants at the accounting firm of the attesting certified public accountant hold more than 50 percent of the shares, or of which such accountants hold more than half of the directorships, or a company or institution listed as an affiliated enterprise in the external publications or printed materials of the accounting firm of the certified public accountant.：**None**。

(VII)、Any transfer of equity interests and/or pledge of or change in equity interests (during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report) by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report. Where the counterparty in any such transfer or pledge of equity interests is a related party, disclose the counterparty's name, its relationship between that party and the company as well as the company's directors, supervisors, managerial officers, and ten-percent shareholders, and the number of shares transferred or pledged

A、**Changes in Shareholding of Directors, Supervisors, Managers and Major Shareholders**

Title	Name	2024		As of Apr. 18, 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman/General Manager/Major Shareholder	MAO YUAN LI	-	-	-	-
Director/Major Shareholder	JIAN CHUN FANG	-	-	(60,000)	-
Director	Y.C.C. PARTS MFG. CO., LTD.	-	-	990,000	-
	Rep. Yi-Hung Lin	-	-	-	-
Director	XIUHUI LI WANG	-	-	-	-
Director	HEHAN INVESTMENT CO., LTD.	-	-	-	-
	Rep.JUITSE LIN	-	-	-	-
Independent director	DECAI ZHENG	-	-	-	-
Independent director	DAWEI WANG	-	-	-	-
Independent director	QING EN PENG	-	-	-	-
Independent director	HOU DE CHEN	-	-	-	-
manager	Qingyi Lin	-	-	-	-
manager	RuiWang	-	-	-	-
manager	Ruicai Huang	-	-	-	-
manager	Jianrong Chen	-	-	-	-
manager	Tingshang Lee	-	-	-	-

B、**Shares Trading with Related Parties：None**。

C、**Shares Pledge with Related Parties:None**。

(VIII)、Relationship information, if among the company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another

: As of April 14, 2024

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
JIAN CHUN FANG	12,475,643	7.55%	5,463,262	3.31%	—	—	QYUN XIE	Spouse	—
MAO YUAN LI	12,235,873	7.40%	6,869,398	4.16%	—	—	XIUHUI LI WANG Yaxun Li	Spouse	—
XIUHUI LI WANG	6,869,398	4.16%	12,235,873	7.40%	—	—	MAO LI Yaxun Li	Spouse	—
Y.C.C. PARTS MFG. CO., LTD.	6,247,000	3.78%	—	—	—	—	—	—	—
Y.C.C. PARTS MFG. CO., LTD. Rep: Hehan Investment Co., Ltd	6,051,760	3.66%	—	—	—	—	Shih-Yun Lin	HEHAN INVESTMENT CO., LTD. Rep:	—
HEHAN INVESTMENT CO., LTD.	6,051,760	3.66%	—	—	—	—	Y.C.C. PARTS MFG. CO.,	Rep.	—
HEHAN INVESTMENT CO., LTD. Rep: Shih-Yun Lin	2,575,337	1.56%	396,023	0.24%	6,051,760	3.66%	—	—	—
QYUN XIE	5,463,262	3.31%	12,535,643	7.58%	—	—	JIAN CHUN FANG	Spouse	—
Citigroup Manages UBS Europe SE Investment Account	4,368,450	2.64%	—	—	—	—	—	—	—
Ruhan Investment Co., Ltd.	3,156,520	1.91%	—	—	—	—	—	—	—
Ruhan Investment Co., Ltd.Rep: Yanji Huang	—	—	—	—	—	—	—	—	—
Shih-Yun Lin	2,575,337	1.56%	396,023	0.24%	6,051,760	3.66%	HEHAN INVESTMENT CO., LTD.	Rep.	—
Ah-hoon Lee	2,220,858	1.34%	—	—	—	—	MAO YUAN LI / XIUHUI LI WANG	Second degree/ Second degree	—

(IX)、Ownership of Shares in Affiliated Enterprises:None

Unit：share；%

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
—	—	—	—	—	—	—

III、Capital Overview

(I)、Source of capital stock

A .Source of Capital

Month/ Year	Par Value (NT$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NT$ thousands)	Shares	Amount (NT$ thousands)	source of equity	Using property other than cash to offset the share capital	Other
03.1986	10,000	1,200	12,000,000	1,200	12,000,000	Cash	—	—
12.1986	10,000	3,600	36,000,000	3,600	36,000,000	Cash	—	—
02.1988	10,000	9,000	90,000,000	9,000	90,000,000	cash	—	—
02.1990	10	9,000,000	90,000,000	9,000,000	90,000,000		—	—
03.1990	10	13,000,000	130,000,000	13,000,000	130,000,000	cash capital increase22,000,000 Surplus capital increase18,000,000	—	—
05.1991	10	16,900,000	169,000,000	16,900,000	169,000,000	Surplus capital increase39,000,000	—	—
04.1992	10	20,280,000	202,800,000	20,280,000	202,800,000	Surplus capital increase33,800,000	—	—
04.1993	10	23,400,000	234,000,000	23,400,000	234,000,000	Earnings and Employees Convert bonus to capital increase 31,200,000	—	—
04.1994	10	30,069,000	300,690,000	30,069,000	300,690,000	Surplus and Capital capital increase 66,690,000	—	—
09.1996	10	31,572,450	315,724,500	31,572,450	315,724,500	Turn surplus into capital increase 15,034,500	—	—
07.1997	10	60,000,000	600,000,000	46,500,000	465,000,000	cash capital increase 100,000,000 Earnings and Employees Convert bonus to capital increase 49,275,500	—	—
06.1998	10	60,000,000	600,000,000	57,296,719	572,967,190	Earnings and Employees Convert bonus to capital increase 61,467,190 Capital reserve transferred to capital increase 46,500,000	—	—
07.1999	10	97,000,000	970,000,000	86,873,938	868,739,380	Earnings and Employees Convert bonus to capital increase 66,245,800 Capital reserve transferred to capital increase 79,526,390 cash capital increase 150,000,000	—	—
08.2000	10	108,000,000	1,080,000,000	100,424,385	1,004,243,850	Earnings and Employees Convert bonus to capital increase 108,442,280 Capital reserve transferred to capital increase 26,062,190	—	—

08.2001	10	119,790,000	1,197,900,000	108,267,004	1,052,670,040	Capital reserve transferred to capital increase 48,426,190	—	—
08.2002	10	125,606,000	1,256,060,000	108,351,754	1,103,517,540	Turn surplus into capital increase 24,406,800 Capital reserve transferred to capital increase 26,440,700	—	—
08.2003	10	132,422,100	1,324,221,000	115,869,342	1,158,693,420	Turn surplus into capital increase 55,175,880	—	—
06.2004	10	132,422,100	1,324,221,000	117,553,949	1,175,539,490	Conversion of application for listing common stock 16,846,070	—	—
08.2004	10	156,745,200	1,567,452,000	118,892,394	1,188,923,940	Conversion of application for listing common stock 13,384,450	—	—
07.2004	10	156,745,200	1,567,452,000	125,265,208	1,252,652,080	Turn surplus into capital increase 63,728,140	—	—
11.2004	10	156,745,200	1,567,452,000	129,928,882	1,299,288,820	Conversion of application for listing common stock 46,636,740	—	—
03.2005(Note 1)	10	156,745,200	1,567,452,000	130,083,352	1,300,833,520	Conversion of application for listing common stock 1,544,700	—	—
05.2005(Note 2)	10	156,745,200	1,567,452,000	130,855,707	1,308,557,070	Conversion of application for listing common stock 772,355	—	—
09.2005(Note 3)	10	187,335,959	1,873,359,590	139,975,770	1,399,757,700	Turn surplus into capital increase 9,120,063	—	—
11.2005(Note 4)	10	187,335,959	1,873,359,590	140,654,022	1,406,540,220	Conversion of application for listing common stock 678,252	—	—
02.2006(Note 5)	10	187,335,959	1,873,359,590	147,871,406	1,478,714,060	Conversion of application for listing common stock 7,217,384	—	—
09.2006(Note 6)	10	187,335,959	1,873,359,590	152,307,549	1,523,075,490	Conversion of application for listing common stock 4,436,143	—	—
10.2007(Note 7)	10	187,335,959	1,873,359,590	156,876,776	1,568,767,760	Conversion of application for listing common stock 4,569,227	—	—
10.2008(Note 8)	10	187,335,959	1,873,359,590	159,229,928	1,592,299,280	Conversion of application for listing common stock 2,353,152	—	—
10.2009(Note 9)	10	187,335,959	1,873,359,590	162,414,527	1,624,145,270	Conversion of application for listing common stock 3,184,599	—	—
10.2013(Note 10)	10	187,335,959	1,873,359,590	163,321,191	1,633,211,910	Conversion of application for listing common stock 906,664	—	—
12.2013 (Note 11)	10	187,335,959	1,873,359,590	158,071,938	1,580,719,380	Simple Consolidation and Cancellation of Common Stock 5,249,253 shares	—	—

01.2014 (Note 12)	10	187,335,959	1,873,359,590	178,618,546	1,786,185,460	Conversion of application for listing common stock 20,546,608 shares	—	—
04.2014 (Note 13)	10	187,335,959	1,873,359,590	179,458,542	1,794,585,420	Conversion of application for listing common stock 839,996 shares	—	—
07.2014 (Note 14)	10	187,335,959	1,873,359,590	179,685,207	1,796,852,070	Conversion of application for listing common stock 226,665 shares	—	—
06.2020 (Note 15)	10	250,000,000	2,500,000,000	165,310,397	1,653,103,970	Cash capital reduction, capital reduction write-off of common stock 14,374,810shares	—	—

Note 1: Approved on March 7, 2005 Taiwan Securities Shangzi No. 0940005794
Note 2: Approved on May 6, 2005 Taiwan Securities Shangzi No. 0940011859
Note 3: Approved on September 22, 2005 Taiwan Securities Shangzi No. 0940027588
Note 4: Approved on November 10, 2005 Taiwan Securities Shangzi No. 0940031976
Note 5: Approved on February 08, 2006 Taiwan Securities Shangzi No. 0950002593
Note 6: Approved on September 29, 2006 Taiwan Securities Shangzi No. 09500258901
Note 7: Approved on October 4, 2007 Taiwan Securities Shangzi No. 09600294651
Note 8: Approved on October 16, 2008 Taiwan Securities Shangzi No. 0970030545
Note 9: Approved on October 15, 2009 Taiwan Securities Shangzi No. 0980026040
Note 10: Approved on October 17, 2013 Taiwan Securities Shangyizi No. 1020021490
Note 11: Approved on December 19, 2013 Taiwan Securities Shangyizi No. 1020026427
Note 12: Approved on January 16, 2014 Taiwan Securities Shangyizi No. 1030001123
Note 13: Approved on April 15, 2014 Taiwan Securities Shangyizi No. 1030007108
Note 14: Approved on July 21, 2014 Taiwan Securities Shangyizi No. 1030014719
Note 15: Approved on September 22, 2020 with letter No. 1100017387 of Taiwan Securities Regulatory Commission

Type of Stock：

April 18, 2025 unit：share

Share Type	Authorized Capital					Note
	Issued Shares			Un-issued Shares	Total Shares	
	listed	unlisted	Total			
common stock	165,310,397	0	165,310,397	84,689,603	250,000,000	The approved share capital is calculated based on the rated share capital stated in the company's articles of association

B、List of Major Shareholders

April 18, 2025

股份 / Shareholder's Name	Shares	Percentage
JIAN CHUN FANG	12,475,643	7.55%
MAO YUAN LI	12,235,873	7.40%
XIUHUI LI WANG	6,869,398	4.16%
Y.C.C. PARTS MFG. CO., LTD.	6,247,000	3.78%
HEHAN INVESTMENT CO., LTD.	6,051,760	3.66%
QYUN XIE	5,463,262	3.31%
Citigroup Manages UBS Europe SE Investment Account	4,368,450	2.64%
Ruhan Investment Co., Ltd.	3,156,520	1.91%
Shih-Yun Lin	2,575,337	1.56%
Ah-hoon Lee	2,220,858	1.34%

C、 Company's dividend policy and implementation thereof:

(A). Disclose the dividend policy adopted in the company's articles of incorporation

If there is a surplus in the company's annual final accounts, it should first pay taxes, make up for accumulated losses, and then withdraw 10% of the statutory surplus reserve, and then allocate or reverse the special surplus reserve in accordance with the Securities and Exchange Law and the regulations of the competent authority. If there is any balance, the balance shall be added to the accumulated undistributed earnings of previous years before distributing shareholder dividends. The distribution of shareholder dividends shall be allocated from the accumulated undistributed earnings, and the allocated amount shall not be less than 10% of the distributable earnings of the current year.

The company is in the period of business growth. In order to cope with the continuous expansion of business scale, cash dividends among the types of dividends shall not be less than 10% of the total shareholder dividends.

(B). the dividend distributions proposed at the most recent shareholders' meeting

a. In accordance with the provisions of Article 32-1 of the company's "Articles of Association", "...the company distributes all or part of the dividends and bonuses. If it is done in the form of cash, the board of directors is authorized to vote for more than two-thirds of the directors. Attendance, and after the consent of more than half of the directors present, it shall be reported to the shareholders' meeting. …"

b. Appropriate cash dividends of NT$380,213,913 from the distributable surplus in 2025, NT$2.3 per share, calculated up to , rounded up below , and the total amount of the abnormal balance is included in the company's other income .

c. After the surplus distribution proposal was passed by the board of directors on March 7, 2025, the chairman has been authorized to set April 23, 2025 as the ex-dividend base date, and to distribute cash dividends on May 16, 2025.。

d. If a material change in dividend policy is expected, provide an explanation.：Not applicable。

D、Effect upon business performance and earnings per share of any stock dividend distribution: Not applicable。

E、Compensation of Employees, Directors and Supervisors

(A)、Information Relating to Compensation of Employees and Directors in the Articles of Incorporation:

If the company makes annual profits, no less than 1% should be appropriated as employee remuneration, and no more than 3% should be allocated as remuneration for directors. However, if the company still has accumulated losses, it shall reserve the compensation amount in advance。

(B)、The basis for estimating the amount of employee and director compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

a、The basis for the estimated remuneration of employees and directors in this period is based on Article 32 of the Company's Articles of Association.

b、On March 7, 2025, the company's board of directors approved the distribution of

employee remuneration in cash, and there was no distribution by stock.

c、If the actual distribution amount differs from the estimated amount, it will be regarded as an estimated change and listed as current profit or loss.

(C)、Distribution of Compensation of Employees and Directors for approved in the Board of Directors Meeting：

a、The amount of employee remuneration distributed in cash or stock and the remuneration of directors. If there is a discrepancy from the estimated amount of the recognized expense in the year, the discrepancy, reason and treatment shall be disclosed:

(a)、 The company's board of directors passed a resolution on March 7, 2025. According to the company's 2024's profit status, it allocated 3% of employee remuneration to NT$23,490,360 and 2% of directors' compensation to NT$15,660,240. , totaling NT$39,150,600, all distributed in cash.

(b) 、There is no difference between the aforementioned distribution amount and the expenses recognized in 2024.

b、The amount of employee remuneration distributed by stock and its proportion to the total after-tax net profit and total employee remuneration in the individual or individual financial report of the current period:

The company has no employee remuneration amount for stock distribution in 2024..

D、Information of 2023 Distribution of Compensation of Employees, Directors and Supervisors (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed) and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor compensation, additionally the discrepancy, cause, and how it is treated.

In 2023, the actual distribution of employee remuneration NT$13,760,034 and director compensation NT$9,173,356 (both paid in cash) was no different from the expenses recognized in 2023.

F、Status of a company repurchasing its own shares：None。

(II)、Issuance of corporate bond: None。

(III)、Issuance of preferred shares：None。

(IV)、Issuance of global depository receipts：None。

(V)、Issuance of employee share subscription warrants shall specify the following matters：None。

(VI)、Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies：None。

(VII)、Implementation of the company's capital allocation plans：

A. **Finance Plans**

a description of the plans: For the period as of the quarter preceding the date of publication of the annual report, with respect to each uncompleted public issue or private placement of securities, and to such issues and placements that were completed in the most recent 3 years but have not yet fully yielded the planned benefits: ：Not applicable。

B. **Implementation**

status of implementation: With respect to funds usage under the plans referred to in the preceding subparagraph: Not applicable。

IV、The overview of business operations

(I)、A description of the business

A、Business Scope

(A)、Main areas of business operations

①Manufacture and sales of auto body parts in the after-sales service market.

② Auto parts and mold processing and others。

(B)、Revenue distribution

Major Divisions	2023	2024
Auto Parts Revenue	98.41%	99.14%
processing income	1.59%	0.86%
Total	100%	100%

(C)、Main products：

① Fenders: Protect the side body of the car and prevent the mud and sand rolled up by the tires from flying away.

② Hood: protect the car engine and other parts, and properly absorb the impact energy.

③ Car door: protect various parts in the car body.

④Car lights: Used for car lighting to improve the safety of drivers when driving at night。

⑤ Others (such as moulds, water tank frames, bumpers, etc.)

(D)、New products development

The company's products are mainly metal collision parts of automobiles. As the car manufacturers continue to launch best-selling models every year, coupled with the continuous updating of new technologies and materials, new product demands are formed. These trendy and lightweight products are all planned by the company. For new products, the company has developed a total of nearly 25 sets of molds and completed the initial mass production in 2024. It plans to provide metal collision parts with high added value as the goal to meet the needs of customers. In addition, the company is also starting to develop products other than sheet metal After-sales parts and mold-related technologies to be applied to products of emerging technologies。

B、Industry Overview

(A)、 Current Status and Future Development

Taiwan's auto parts industry has the advantages of a small amount of variety and flexible manufacturing. After the industry has continuously invested in research and development and improved production technology, some projects have achieved considerable international competitiveness. In 2024, with the gradual popularization of vaccines and the lifting of the ban on cities, coupled with the revitalization measures of various countries, global output has slightly recovered compared to the level before the epidemic, and the supply of export supply chains has increased, and the momentum of container shipping is gradually recovering.

Domestically, according to the data from the Taiwan Vehicle Industry Association, the annual sales volume of automobiles in 2024 was 275 thousand, with an annual growth rate of-3.6%。

Statistical Table of Export Amount of Auto Parts in Taiwan

unit:NT100 M

Yesr	2020	2021	2022	2023	2024
Amount	1,927	2,208	2,530	2,254	2,285
%	-10.3%	14.58%	8.53%	-10.91%	1.36%

Source: Customs import and export statistics; Taiwan Vehicle Industry Association

In 2024, the sales volume of the auto parts industry in 2024 was affected by the high base period of the previous year. Sales volume in 2024 reached 228.5 billion, up 1.36% from 2023.

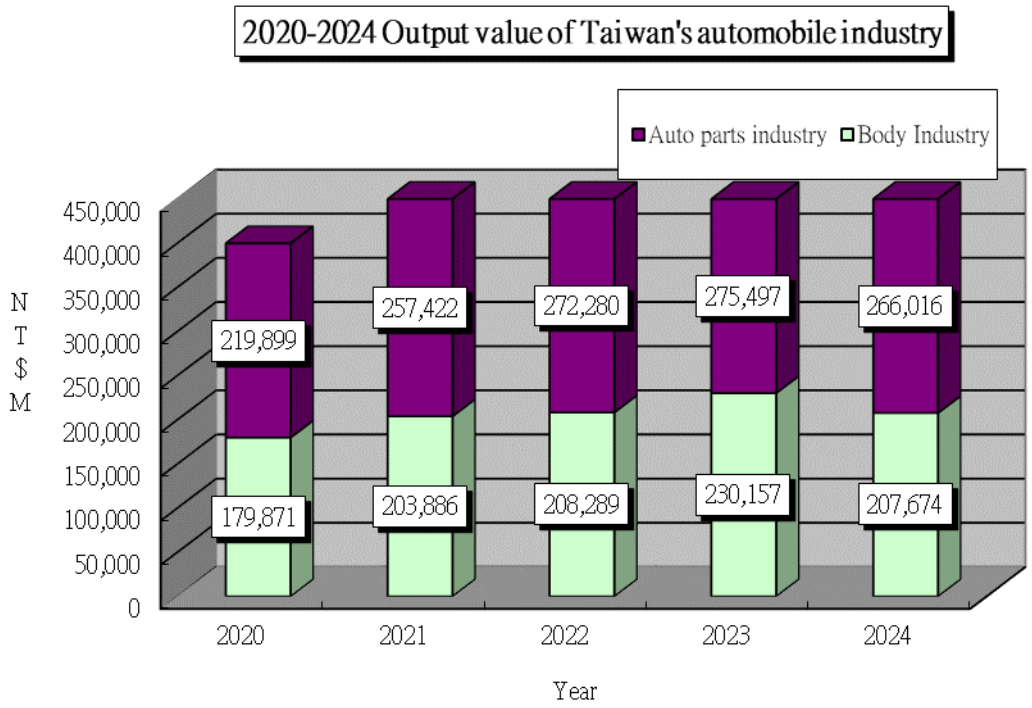
The total output value of Taiwan's automobile industry in 2024 was approximately NT$480.5 billion, of which the output value of the automobile industry was approximately NT$207.6 billion, an decrease of 9.77% over the same period in 2023; The output value of the auto parts industry is about 266.0 billion, an decrease of 3.44% over the same period in 2023.

Table of production value of Taiwan's automobile-related industries

unit：NT$ million；%

Industry \ Year		2020	2021	2022	2023	2024
automobile industry	Automotive industry	179,871	203,886	208,289	230,157	207,674
	Body Industry	5,933	5,676	6,941	7,395	6,827
	Auto parts industry	219,899	257,422	272,280	276,930	266,016
	Total	405,703	466,984	487,510	514,482	480,517
manufacturing		14,863,778	18,862,854	19,844,140	17,607,185	19,305,244
The proportion of the automobile industry in the manufacturing industry %		2.7%	2.5%	2.5%	2.9%	2.5%

Source: Monthly Industrial Production Statistical Report of the Statistics Office of the Ministry of Economic Affairs



Source: Statistical Annual Report of Industrial Production by the Statistical Office of the Ministry of Economic Affairs

Quarterly output value of my country's auto parts industry in 2024 years

Component Items	Q1	Q2	Q3	Q4	YoY%
Automotive industry	54,682	54,286	48,091	50,616	-9.77%
Body Industry	1,181	1482	1,981	2,183	-7.08%
Auto parts industry	66,364	66,384	65,127	68,142	-3.44%

Source: Statistics Department, Ministry of Economic Affairs

My country's auto parts industry is divided into two parts: (1) Original Equipment Manufacturing (hereinafter referred to as OEM) Zhongwei supply system formed by OEMs and supply chains; (2) Aftermarket automotive maintenance services; Hereinafter referred to as AM) is the parts system of the main market, and the source of parts in the after-sales maintenance market is further divided into genuine parts (OEM products) and auxiliary parts (AM products). The former is the manufacturer authorized by the original factory The latter is produced by manufacturers not authorized by the original factory, and the main items of AM parts are plastic parts, sheet metal parts and lamps, etc. At present, my country has become the world's largest exporter of AM collision parts, and the United States is the country with the largest demand.

According to the import and export statistics of the Automobile Association and the Customs, the top three exporters of Taiwan's auto parts in 2024 were still the United States, Japan, and mainland China. The three major markets of the United States, Japan, and China accounted for more than half of the total annual export value. high. Among them, the United States has always been the largest export market for Taiwan's auto parts, with an export value of about NT$115,675,102,000 in 2024, accounting for 50.63% of the total export value in 2024.

In Europe, the auto parts after-sales maintenance market in Europe has gradually entered a mature stage, and the scale of after-sales maintenance markets in 10 countries including Germany, Italy, France, the United Kingdom, Spain, the Netherlands, Belgium, Austria, Switzerland and Portugal has gradually expanded , It is estimated that the AM business opportunities derived each year in the future will be second only to the North American market.

In addition, the British certification system Thatcham has officially recognized the certification system with the German TUV, that is, products certified by Thatcham can pass through all countries where TUV has influence under the TUV Trademark. Gordon has TUV sheet metal parts certification. As of April 1, 2024, the number of products that have passed Thatcham and TUV sheet metal parts certification has reached 258 items, which is most beneficial to the development of the future market and proves that we insist on replacing price competition with quality Gordon, the future growth rate in the European market will increase.

(B)、Relationship with Up-, Middle- and Downstream Companies

The company is currently mainly engaged in the production and sales of automobile body parts and components. The product items include automobile hoods, automobile fenders, and automobile doors. Develop towards specialization to obtain advantages in line with integrity and variability.。

The relationship between the upstream, midstream and downstream of the industry is listed as follows by industry and product:

	upstream	midstream	downstream
Industry	Plastic (Rubber) Industry steel industry, petrochemical industry Glass industry, electrical industry Electronic industry, fiber industry	auto parts	car assembly plant auto repair shop
Product	ABS, PP and other steel plates Refining oil products, glass raw materials Motor parts, electronic parts artificial fiber	Bumpers, front fences, windshields, side covers, hoods, fenders, brake oil, lubricating oil, windows, lights, batteries, generators, dashboards, seats, seat belts, etc.	car assembly Automobile after-sales maintenance

(C) 、 The output value of the auto parts industry has maintained a relatively high level under the trend of increasing export ratio, which shows that the supply chain of Taiwan's auto parts industry has been connected with the international market. In recent years, Taiwan's auto parts factory has accumulated a certain strength and scale, and it is a relatively high-growth type of parts and components in exports; in order to enhance research and development capabilities, the company has participated in Taiwan's leading iron and steel industry, China Steel Corporation, with the support of the Ministry of Economic Affairs. Jointly formed the R&D Alliance of the "Key Technology Development Plan for High-strength Sheet Metal Parts in the Automotive AM Industry", which has achieved fruitful research results and improved the competitive position of R&D technology and the company.

C、**Research and Development**

(A)、The technical level of the business

The technical level of the company's business is mainly to establish a customer-oriented R&D system in the auto parts aftermarket. At present, no effort is spared in the expansion of software or hardware. There are five aspects in the R&D and production equipment of sheet metal and automotive lamp parts. Machining center, CNC engraving machine, high-speed engraving machine, three-dimensional measuring machine, CAD/CAE/CAM/CAV system, IMAGEWARE, CATIA, NX UGS, AutotForm, PowerSolution(Power MILL.Power SHAPE.Copy CAD), GOM Inspect Professional, The introduction of high-tech automation equipment such as ATOS Core optical scanning measurement system, bump extrusion riveting machine, bumper grinding machine, laser cutting machine and welding machine have continuously improved the company's technical level. .

In order to allow R & D personnel to improve their technical level through technical cooperation, the company has participated in the technology research and development project of the Technology Department of the Ministry of Economic Affairs, led by Sinosteel Corporation and jointly formed the "Key Technology Development Plan for High-strength Sheet Metal Parts in the Automotive AM Industry" R&D Alliance. The project has been completed, and after two years of hard work with China Steel Corporation, National Taiwan University, and the Metal Industry Research and Development Center, fruitful research results have been obtained, including CAE analysis of high-strength steel plate and aluminum plate stamping forming and mold design technology development , establish the CAE analysis mode of high-strength steel and aluminum plates, improve the CAE simulation

analysis technology of high-strength appearance parts; and triangular mesh segmentation and surface reconstruction technology, fast reconstruction on the surface, greatly improving the efficiency of reverse development of the factory. Participating in the program also achieves the purpose of personnel training, and improves R&D technology and quality, so as to enhance the company's competitive position.

(B)、Research and development: research and development of the manufacturing process of thick plate series products.

(C)、In the most recent year and up to the publication date of the annual report, the research and development expenses invested and the technologies or products successfully developed.

□① Research and development expenditure1

unit：NT$thousand；%

Item \ Year	2020	2021	2022	2023	2024	1Q 2025
Research and development costs	3,857	4,159	4,539	4,833	5,653	1,354
Operating income	1,908,786	1,963,425	2,439,452	2,697,553	3,015,605	752,356
R&D expense ratio	0.2	0.21	0.19	0.18	0.19	0.18

②Technology for successful development

In order to pursue the trend of "light weight" and "energy saving and carbon reduction" in the automobile industry, the research and development of the aluminum material product process has been completed, and the research and development of the advanced high-strength steel plate material process has been completed to open up the market.

③ Estimated research and development costs

This year, it plans to invest about 0.15%~0.25% of the total turnover in research and development expenses, and actively expand the AM (automotive after-sales service parts) market.

D、Long-term and short-term business development plans

a. Long-term Development

①Increase the number of certified sheet metal parts and sales in North America

At present, in the US CAPA certification system, as of April 1, 2025, there are about 3,538 sheet metal product certification items, and the company has passed certification 1,241 items. On the whole, Gordon has enough sheet metal product certification , coupled with the accumulated number of molds and the fast enough development of new molds, the proportion of large US insurance companies purchasing sub-factory parts will continue to increase. After the epidemic is stabilized and under control, it will benefit from the stable demand in the AM market in North America Gordon will be the beneficiary of the opportunity of market growth.

②Increase the capital budget for the development of molds for European models

Due to the entry into force of BER (Block Exemption Regulation), the EU's new auto industry competition barrier exclusion clause, it is mainly to relax the source of auto parts used by car manufacturers, so that after the warranty period, non-genuine parts (AM parts) can be used to avoid risks, and it also makes auto parts manufacturers In recent years, it has actively developed the European market. In the past, the European insurance sales and service market was relatively closed, and sales and maintenance products could only be used on cars 4-5 years after the new

car was launched. Therefore, the European AM parts market has a relatively low market share compared with the OEM market. However, after the BER system came into effect, The entire European after-sales service parts market has been activated, and the AM market still has a lot of room for growth in Europe in the future. In recent years, Gordon has greatly increased the mold capital budget in Europe, and continued to strengthen the non-North American market. In particular, new molds for European models have been mass-produced, which will help Gordon expand the European AM market in the future.

Since Europe's Thatcham certification system has officially recognized the certification system with Germany's TUV, that is, products that have passed Thatcham certification can be used in all countries where TUV has influence with TUV's trademark. As of April 1, 2025, the company's products have passed the British certification system Thatcham and the German Rheinland certification system TUV sheet metal parts certification reached 258 items, which fully shows that the company has made great achievements in actively increasing the number of product certifications. After the epidemic is stabilized and controlled, it will help to increase the market share of the AM market in Europe in the

③ Further expand emerging markets

Dubai International Auto Parts Exhibition is the largest and most effective professional auto parts exhibition in the Middle East. It has become the best way for world-renowned auto parts companies to enter the Middle East market. In addition, the output value of the Dubai auto parts market in the Gulf region alone has relatively attracted many manufacturers to invest. Coupled with the rapid growth of the auto parts market in recent years, it has become the center of the global auto aftermarket repair parts market. Gordon has been to Dubai to participate in auto parts exhibitions for many years, and has made brilliant achievements in expanding the territory of the Middle East

Gordon continues to expand and develop AM emerging markets in mainland China, the Middle East and South America. Among them, the AM market in mainland China has a force that cannot be ignored. The annual sales volume of mainland automobiles has approached 30 million. With the increase of vehicle age, the AM brand certification The future growth potential of demand is quite explosive. Gordon is the first company to obtain NSF certification for automotive aftermarket sheet metal parts supported by Ping An Property Insurance of China. In the future, it will further expand the AM market in mainland China under a good competitive niche and stabilize the control of the epidemic. In the future, we will be able to grasp the strength of demand. As of April 1, 2025, there are 470 sheet metal certification items in the NSF Continental Certification (NKFA). The company has passed 289 sheet metal certification items. It has passed sheet metal parts certification projects. In terms of the number of sheet metal parts certified by NSF (NKFA) and CAPA in mainland China, the company is at the forefront of the industry, laying a solid foundation for the company's long-term growth potential in mainland China.

b、Short-term plan Short-term Development

① Develop high-margin product lines and increase sales mix profits

In recent years, the company has continuously expanded the development of high-margin new product lines, and strengthened customer service to improve the punctuality and accuracy of delivery, thereby enhancing the company's competitive advantage.

② Assist the third party to pass the certification

Gordon integrates the resources of third-party manufacturers and assists third-party factories to pass certification to strengthen the certification ratio of product lines other than sheet metal products, so as to expand more types of products and provide one-time purchase service.

(II)、An analysis of the market as well as the production and marketing situation

A、Market analysis

(A)、.analysis of the geographic areas

a.、where the main products (services) of the company are provided (supplied)

unit：NT$000；%

Area \ Year		2023 amount	2023 %	2024 amount	2024 %
Taiwan		1,011,865	37.51%	1,017,879	33.75%
Export	U S A	948,593	35.16%	1,224,729	40.61%
	E u r o p e	338,302	12.54%	436,802	14.48%
	O t h e r	398,793	14.78%	336,195	11.15%
	Sum	1,685,688	62.49%	1,997,726	66.25%
Total		2,697,553	100.00%	3,015,605	100.00%

b、the company's market share

The company is a professional manufacturer of sheet metal parts mainly exported to the AM market in China. In 2024 product portfolio is 99.14% of auto parts revenue and 0.86% of processing revenue. The company is one of the major suppliers of sheet metal parts in the global AM market. The company continues to develop molds and complete mass production, and the machining capacity is fully utilized. It is expected that the market share will continue to increase.

(B)、The future supply and demand situation and growth of the market

a、The economic environment in 2024 is favorable to the recovery and growth of the automobile industry due to the global economic warming. 2025 is expected to be more cautious optimistic than 2024. However, the global economy will still face market uncertainties such as geopolitical conflicts and the new US government taking office, which will reshape the US and global political and economic environment. However, major economies still have room for interest rate cuts, and the growth of terminal demand and economic recovery are expected to continue. In addition, the number of cars in the past few years has remained at a high level, and the average age of cars in the automotive aftermarket repair market will further increase. These will drive up the demand for automotive aftermarket repair (AM) parts, and the utilization rate of automotive aftermarket repair (AM) parts will further increase in the future.

Looking forward to 2024, the global economy will face the uncertainty of regional conflicts. However, it is expected that major economies will enter a cycle of interest rate cuts, and terminal demand growth and economic recovery will continue. And for a long time, there is still a certain demand for parts in the automotive after-sales service (AM) market. In addition, with the further increase of the average vehicle age, the utilization rate of AM parts will increase in the future.

b、Consolidate the market share of the AM market in North AmericaIn June 2023, StateFarm used a full line of aftermarket crash parts in California and Arizona, including products such as sheet metal fenders, hoods, and trunk lids. In October, StateFarm announced that they would launch these parts nationwide. Collision repair shops, the increment left by this expansion will reflect increased aftermarket demand. And The average age of cars in North America has exceeded 10 years. It is expected that the sales of second-hand cars will be relatively active. This also means that the use of AM parts by North American car owners will increase in the future, and it is expected that after car collisions in the future, The probability of using AM parts will be higher and higher. Gordon has enough CAPA-certified products in North America, coupled with the accumulated number of molds and the rapid development of new molds. After the epidemic situation stabilizes in the

future, it will benefit AM in North America. The market demand is growing steadily.

c、Actively layout the European certification market and increase the European market share

According to industry estimates, the size of the European collision repair market exceeds US$10 billion, while the market share of the AM component market is relatively low compared to the OEM market. In addition, the relatively large-scale AM suppliers in Europe include Spain and Italy, but their mold development speed is far behind that of Taiwan. In addition to the North American market, Taiwanese manufacturers have given priority to the second overseas market for development in the long run. On April 1, 2025, Gordon passed the British certification system Thatcham and the German Rheinland certification system TUV sheet metal parts certification with 258 items, which is also the main reason for Gordon's successful expansion of the European market. Since the opening of the insurance market in Europe, the demand for high-quality products has been high. Looking forward to the future, Gordon will continue to develop enough molds for the European market every year as the goal. In the future, when the epidemic situation stabilizes and regional conflicts cool down, the European region will benefit The demand in the AM market is growing steadily.

d. Grasp the growth potential of the AM market in mainland China

The annual sales volume of Continental Motors has surpassed 30 million vehicles. As the age of vehicles increases, the demand for AM brand certified parts has explosive growth potential in the future. As of April 1, 2025 the number of NSF Continental sheet metal parts certified (NKFA) of the company has passed 303 sheet metal parts certification items, the number of CAPA mainland sheet metal parts certification The company has passed 289 sheet metal parts certification items, the company is in the forefront of the industry in the number of NSF (NKFA) and CAPA sheet metal parts certifications in mainland China, for The company has laid a solid foundation for the long-term growth potential in the mainland. After the epidemic stabilizes in the future, the terminal demand in the AM market will continue to grow.

e、Estimated sales volume and basis

Unit: thousand pieces

product category	Estimated sales volume in 2024
Total auto part	3,200

Remarks: Mainly include fenders, hoods, doors and others.

The company's main products are automotive parts and components, which are mainly used in the automotive after-sales maintenance market, and the products are mainly exported. Judging by market experience, as far as the automotive after-sales maintenance service market (AM) sheet metal parts are concerned, the global The main source of supply is Taiwan. Gordon is a professional manufacturer of sheet metal parts mainly exported to the AM market in China. The main target markets are America, Europe and emerging Asian markets. According to the 2024 product portfolio, the revenue of auto parts is 99.14%, and the processing revenue is 0.86%. , its export ratio is 40.61% in the United States, 14.48% in Europe and 11.15% in other countries (although Taiwan accounts for 37.51%, most of them are re-exported), and Gordon is the most important after-sales service for automobiles in North America (AM) is one of the sheet metal parts suppliers. Consumers will increase the trend of purchasing certified AM products under the consideration of price and quality, so that OEM orders will flow to the AM market and benefit, and the market share will continue to increase. China is AM It is one of the largest suppliers of products. In the long run, the development of AM parts has great potential, so the future growth is worth observing.

(C)、the company's competitive niche

a.、Ability to open molds by yourself

The continuous growth of the after-sales maintenance market comes from the ever-increasing capital investment. Due to the large number of new car models every year, only by increasing the development of new molds can it be possible to replace the market share of more car models that were originally monopolized by OEM parts. Under this condition, if there is sufficient capital reinvestment every year, the revenue growth will be expected to grow steadily. In addition, Gordon actively develops the market in non-North American regions, which reduces the dependence on the North American region and has a positive impact on the future development of the overall market. help.

b、Good product quality

The company is committed to developing parts for the after-sales maintenance market and continuously improving product quality. In the CAPA certification system for major certified products, as of April 1, 2025, there were a total of 3,538 sheet metal parts certification items, and the company has passed 1,231 sheet metal parts. Parts certification project, the proportion is as high as %, which shows that the products provided by the company are of high quality, which is helpful to compete with foreign OEM manufacturers; in addition, until April 1, 2025, the company passed the British The certification system Thatcham and the German Rheinland certification system TUV sheet metal parts have certified 258 items, and the number of NSF mainland certification (NKFA) the company has passed 289 sheet metal parts certification items, and the same CAPA mainland certification number the company has passed 303 sheet metal parts for certification items. Our company is at the forefront of the industry in terms of the number of NSF and CAPA certifications for sheet metal parts in mainland China.

c、Perfect quality control system

The company is committed to continuously improving product quality, and has passed ISO9001, IATF 16949 quality system certification and CAPA product certification, which not only improves the company's product image, but also helps to obtain customers' recognition of product quality and increase market share .

d. The price of AM collision parts is lower than that of OEM products

The price of AM parts is lower than that of general OEM products, and in recent years, the quality of AM products has not been much different from that of OEM products. In addition, State Farm has finally won the lawsuit. In order to reduce the cost of claims and consider quality, major insurance companies in the United States have gradually tended to mass production. Use certified AM parts. The company has a long-term cooperative relationship with upstream suppliers, which helps the company fully grasp the competitive advantages of low cost and high quality.

(D) 、positive and negative factors for future development, and the company's response to such factors.

Item	positive	negative	response
A.Operating characteristicsv	(1) The car ownership is high and the terminal demand is stable. StateFarm North America uses a full line of aftermarket crash parts nationwide	Terminal demand will still face uncertain factors of the capacity of container shipping.	After the epidemic stabilizes and regional conflicts cool down, it will benefit from the steady growth of demand in the AM market.The shipping capacity of container shipping has resumed, and there is a situation of replenishing inventory.
	(2) Actively explore the development of new molds Due to the large number of new car models every year, only by increasing the development of new molds can it be possible to replace more car models that were originally monopolized by OEM parts. Gordon has developed nearly 23 sets of molds in 2024 years. It is expected that mold development tools will be developed in the next few years The growth trend, in addition to the European and American markets, will be developed in response to the growth needs of emerging markets and customer needs	The cost of mold development is high and the construction period is long.	The company implements quality, technology, and innovation capabilities, and is committed to providing customers with the best services and products.
	(3) Exploring emerging markets and continuing to expand and develop emerging markets in South America, the Middle East and .mainland China have laid a solid foundation for the company's growth potential	Terminal demand will still face uncertain factors of capacity of container shipping.	It will benefit from the steady growth of demand in the AM market. The shipping capacity of container shipping has resumed, and there is a situation of replenishing inventory.

Item	positive	negative	response
B.competitive	(1) The continuous growth trend of the AM market .Consumers will increase the trend of subscribing for certified AM products under the consideration of price and quality, so that OEM orders will flow to the AM market and benefit, and the market share will continue to increase.	(1) There are many competing manufacturers At present, there are many domestic manufacturers engaged in exporting automobile sheet metal industry, and they compete with each other, creating pressure on market prices.	(1) Continue to develop new product molds, shorten development time, seize market opportunities, and increase product portfolio profits. (2) Increase the proportion of products passing CAPA and TUV to increase the market share of products.
	(2) Increase in average vehicle age In the past few years, the number of new car sales has risen, which has led to an increase in car ownership. This will increase the demand for parts in the after-sales service market. With the further increase in the average car age, the utilization rate of AM parts will increase in the future.	None	None
C. Supply status of main raw materials	(1) The supply relationship is stable. As the company maintains a long-term good purchasing relationship with steel plate suppliers, the source of raw materials is abundant, and there is no fear of shortage.	Rising global raw material prices	Reflect cost changes to downstream customers.
	(2) A high degree of cooperation with the cooperative factory. The cooperation between the third-party manufacturers and our company is good, and the supply of materials is stable.	None	None

Item	positive	negative	response
D. Sales status of main products	(1) Revenue growth in non-North American regions. In order to reduce the dependence on the North American market, the company has greatly increased the capital budget of molds in non-North American regions, and continued to strengthen the market development in non-North American regions. The results have been fruitful in recent years.	Market uncertainties such as geopolitical conflicts and the new US government reshaping the US and global political and economic environment.	It will benefit from the steady growth of demand in the AM market. The shipping capacity of container shipping has resumed, and there is a situation of replenishing inventory.

B、Important uses and production processes of main products

(A)、Automobile body parts (fenders, hoods, doors, water tank racks, etc.)

a、Application: for automobile assembly and maintenance.

Product name	Important purpose or function
Car fenders	Prevent the sand rolled up by the tires from scattering around and maintain driving safety
The hood of the car	protects the items in the engine room of the car and properly absorbs the impact energy
Car door Protect	various parts in the car body from damage
Other	Other sheet metal parts

b、Production process:

☐The steps of "stamping" are roughly as follows:
Cutting ☐ Drawing ☐ Trimming, punching ☐ Hemming ☐ Shaping
Feeding → Stamping → Assembly and sheet meta → Painting → Warehousing

The steps of "stamping" are roughly as follows:
Cutting → Drawing → Trimming, punching → Hemming → Shaping

(B)、Mold

a、Purpose: Production (stamping) of auto parts.

b、Production process:

OEM sample → Resin mold → Styrofoam mold → Casting → Surface machining
↓
Completion ← Die trial ← Fitter、assembly (Shishang)← Carving

(C)、Lamps

a、Application: for automotive lighting.

b、Production process:

Plastic feeding→ Injection machine system setting→ Production according to work order→ Assembly→ Laser lettering→ Delivery→ Packaging

C、Supply status of main raw materials

The company's main raw material is steel sheet. Since the second quarter of 1990, it has signed a contract with China Iron and Steel Corporation to obtain a direct supply quota. At present, the quota of China Steel Corporation accounts for most of the company's demand, while the rest The parts are mainly supplied by other domestic manufacturers and companies. The cooperation relationship between the supplier and the company is good, and it can still meet the needs of the company. So far, there has been no shutdown or other disputes.

D、Information on Major Suppliers and customers for the Most Recent 2 Years

(A). Information on Major Suppliers for the Most Recent 2 Years

Unit:NT$000

	2023				2024				2025 (As of March 31)			
Item	Company Name	Amount	Percent%	Relation with Issuer	Company Name	Amount	Percent%	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	A	325,215	24.26	None	A	491,277	30.97	None	A	128,847	32.41	None
2	-	-	-	-	B	195,634	12.33	None	B	41,771	10.51	None
	Other	1,015,586	75.74	-	Other	899,196	56.70	-	Other	226,985	57.08	-
	Net Purchase	1,340,801	100	-	Net Purchase	1,586,107	100	-	Net Purchase	397,603	100%	-

Note

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

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

3.The reason for the change in purchase ratio: Due to the difference in sales product mix, the purchase materials are different from those of the manufacturer.

(B). Information on Major Customers for the Most Recent 2 Fiscal Years

Unit: NT$ thousands

	2023				2024				2025 (As of March 31)			
Item	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	A	665,237	24.66	None	A	619,068	20.48	None	A	192,661	25.58	None
2	-	-	-	None	B	486,243	16.09	None	B	124,534	16.53	None
3	-	-	-	-	-	-	-	-	-	-	-	-
	Other	2,032,316	75.34	-	Other	1,910,294	63.43	-	Other	435,161	57.89	-
	Net sales	2,697,553	100	-	Net sales	3,015,605	100	-	Net sales	752,356	100%	-

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

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

3:The reason for the change in sales ratio: in response to customer demand.

(III)、The number of employees employed for the 2 most recent fiscal years

Year		2023	2024	Data as of ending data in the March 31,2025
Number of Employees	direct personnel	218	235	228
	indirect personnel	232	242	241
	Total	450	477	469
Average Age		39.07	38.65	39.35
Average Years of Service		6.98	6.52	6.7
Education	Ph.D.	-	-	-
	Masters	1.6	1.5	1.3
	Bachelor's Degree	31.1	30.6	31.6
	Senior High School	38.9	39.2	40.5
	Below Senior High School	28.4	28.7	26.7

(IV)、Disbursements for environmental protection

Disbursements for environmental protection: any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

a、**Total Losses**: None.

b、**Countermeasures**

①Proposed improvement measures: Not applicable.

② Part of countermeasures not taken: Not applicable

c、In order to implement environmental policies, Gordon obtained the ISO14001 certificate in 2006 and the latest version of ISO14001:2015 in 2017. We deeply agree that a sustainable enterprise should not only treat itself, customers, employees and shareholders Responsible, also need to be responsible for the entire environment. We uphold the benevolent spirit of an enterprise and are committed to the improvement of the environment:

1.Reduce waste water discharge.
2.Reduce the use of organic solvents to minimize the impact on the environment.
3.Promote waste classification and resource recovery.

(V)、Labor Relations

A、List any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interestsT

a、Employee welfare measures and implementation: There is an employee welfare committee, and 0.05% of self-operating income and 20% of waste income are allocated as employee welfare funds.

b、Further study, training and implementation:

In order to improve the professional knowledge and skills of employees, work efficiency, each department draws up annual education and training plans according to the work needs, and dispatches personnel to participate in training courses organized by external organizations as needed to strengthen the professional capabilities of employees of various functions.

The implementation situation in 2024 is as follows:

(a)、Education and training for new recruits There is education and training for new recruits.

(b)、Internal education and training courses for each job level and function are held irregularly every year.

(c)、**E**ducation and training are estimated to be 3,919 hours, and 11,233 hours were actually completed, with a completion rate of 286.6% in 2024.

c、Retirement system and implementation situation: The company formulated the employee retirement method in 1986, established a labor reserve supervision committee according to law, and allocated labor retirement reserves to the Bank of Taiwan on a monthly basis. The Labor Pension Act came into effect on July 1, 2005, and adopted a definite appropriation system. After the implementation, employees can choose to apply the pension provisions related to the "Labor Standards Act" (old system), or apply the pension system of the Act (new system) and retain the working experience before the application of the regulations (retain the old system seniority). For employees who are eligible for the new retirement system, the company's monthly employee pension allocation rate shall not be lower than 6% of the employee's monthly salary.

d、Labor-management agreements and various employee rights protection measures: The company attaches great importance to labor-management agreements and the protection of various employee rights and interests. All are based on relevant labor standards laws, and the communication channels between employees and the company are smooth to create a win-win situation. .

B. List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided

(VI)、Cyber security management:

A、A description of the IT security risk management framework, IT security policies, specific management plans, and resources invested in IT security management, etc.

(A) Information Architecture View

(a) Review of network architecture configuration, suitability of information equipment security management methods, etc.

(b) When inspecting a single point of failure, assess whether there is an impact risk, and implement an improvement plan.

(c) Regarding the adequacy of business continuity, take relevant measures in case of problems.

(B)、Network activity view

(a) For network equipment, server access records and account permissions, check abnormal records.

(b) For the monitoring records of information security equipment (such as: firewall, spam filter, web page protection, etc.), check the records of abnormal conditions.
(c) When there is a problem with the network packet, abnormal connection or abnormal domain name resolution server query, whether it is a known malicious IP, relay station, or has the characteristics of malicious network behavior.

(C)、Detection of network equipment, servers, terminal equipment and other equipment
(a) Correction of problems in network equipment, servers, terminal equipment and other equipment.
(b) For the complexity of system account login passwords, the storage protection mechanism and access control of external connection passwords (such as file transfer connections, database connections, etc.), check when abnormalities occur.
(c) Check abnormalities when malicious programs occur on terminals and servers, including suspicious programs with malicious behavior and suspicious backdoor programs with unknown connections.

(D)、Network security and equipment testing
(a) When a problem occurs on the website, the methods are data collection, information analysis, etc. to check.
(b) For the server's directory and web page access rights, check when there is a problem.
(c) For the opening of external links, and for the discovered weaknesses of the network, make corrections and enhancements.

(E)、Security settings view
(a) Regarding whether the firewall opens communication ports with security risks or unnecessary communication ports, whether the connection settings have any weaknesses in security, and make reinforcements when problems occur.
(b) For system access restrictions (such as access control lists) and privileged account management, check when abnormalities occur.
(c) For servers (such as domain services), the settings of "Password Setting Principles" and "Account Locking Principles".

(F)、E-mail social engineering drill
For those who use computer systems, send publicity and strengthen information security and fraud education, through information security education, in order to prevent malicious programs from invading through social methods, and improve colleagues' awareness of the danger of preventing Dujiao engineering attacks, so as to protect customer information and important operational information and services.

(G)、Implementation of information security publicity in 2023: This year, an echelon of information security education and training for newcomers will be held and implement an information security emergency response drill.

(H)、Information security operation
(a) The computer room of the company is responsible for reviewing the development and direction of information security to ensure the continuous and stable operation of the information security management system.
(b) Regularly report information security operations to the board of directors every year. The most recent annual report to the board of directors was submitted on November 8, 2024.

B、List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:None.

VII、Important Contracts: The contracting parties, major content, restrictive clauses, and the commencement dates and expiration dates of supply/distribution contracts, technical cooperation contracts, engineering/construction contracts, long-term loan contracts, and other contracts that would affect shareholders' equity, where said contracts were either still effective as of the date of publication of the annual report, or expired in the most recent fiscal year

Agreement	Counterparty	Period	Major Contents	Restrictions
sales contract	China Steel Corporation	Change about once a season	The company purchases cold-rolled steel sheets and galvanized steel sheets from Sinosteel Corporation on a quarterly basis.	None
Long term loan	Taiwan Business Bank	5years March 24, 2020 until March 24, 2025	The land and buildings are guaranteed, the loan amount is NT$600,000 thousand, the interest is paid monthly, and the principal is repaid in installments.(The repayment was due on 2025/3/24)	None
	Taiwan Business Bank	20 years.April 10,.2018until April 10,2038	Land and building guarantee, the loan amount is NT$200,000 thousand, the grace period is 2 years, and the principal is amortized on an average monthly basis since the grace period expires.	None
	Hua Nan Bank	7years Dec.03, 2021until Dec.03, 2028	The land and buildings are guaranteed, the loan amount is NT$ 1,000,000 thousand , the interest is paid monthly, and the principal is repaid in installments.	None
	Hua Nan Bank	7 years Nov.05, 2024until Nov. 05,.2031	The land and buildings are guaranteed, the loan amount is NT$400,000 thousand , the interest is paid monthly, and the principal is repaid in installments.	None

V、The company shall review and analyze its financial position and financial performance, and shall assess its risks

(I)、Financial position

Financial Situation Comparative Analysis Form

Unit: NT$Thousand

Item \ Year	2024	2023	Difference	
			Amount	%
Current Assets	1,768,193	1,951,550	-183,357	-9.40%
Fixed Assets	3,461,973	3,380,552	81,421	2.41%
Total Assets	5,230,166	5,332,102	-101,936	-1.91%
Current Liabilities	799,328	1,083,039	-283,711	-26.20%
Long-term Liabilities	1,332,003	1,551,099	-219,096	-14.13%
Total Liabilities	2,131,331	2,634,138	-502,807	-19.09%
Capital stock	1,653,104	1,653,104	-	-
Capital surplus	1007	935	72	7.70%
Retained Earnings	1,387,551	1,004,805	382,746	38.09%
Other Adjustments	57,173	39,120	18,053	46.15%
Treasury Stock	0	0	-	-
Total Stockholders' Equity	3,098,835	2,697,964	400,871	14.86%

Note: Analysis of changes in financial ratios: beyond 20% :

1. Current Liabilities: This was mainly due to a decrease of NT$ 210,000,000 in short-term borrowings compared to last year.
2. Retained Earnings : This was mainly due to the increase in retained earnings of NT$ 347,660,000 compared with last year.
3. Other Adjustments: This was mainly due to the increase of NT$18,053,000 in unrealized gains on equity instruments measured at fair value through other comprehensive income compared with last year.

(II)、Financial performance

Unit: NT$Thousand

Item	2024	2024	Difference	%
Net Sales	3,015,605	2,697,553	318,052	11.79%
Cost of Sales	2,052,697	1,968,591	84,106	4.27%
Gross Profit	962,908	728,962	233,946	32.09%
Operating Expenses	323,077	293,252	29,825	10.17%
Operating Income	639,831	435,710	204,121	46.85%
Non-operating Income and Gains and Losses	104,030	24	104,006	433358.33%
Income Before Tax	743,861	435,734	308,127	70.71%
Tax Benefit (Expense)	-146,597	-84,174	-62,423	74.16%
Net Income	597,264	351,560	245,704	69.89%

Note：Analysis of changes in financial ratios beyond 20% :

1. Gross Profit: This was mainly due to the increase in operating income of NT$ 318,052,000 compared with last year.
2. Operating Income: This was mainly due to the increase in operating income of NT$ 318,052,000 compared with last year.
3. Non-operating Income and Gains and Losses : This was mainly due to the increase in foreign exchange gains of $80,756,000 compared to last year.
4. Income Before Tax : This was mainly due to the increase in operating income of NT$ 318,052,000 compared with last year.
5. Tax Benefit (Expense) : This was mainly due to the increase in net profit before tax by NT$ 308,127,000 compared to last year.
6. Net Income: This was mainly due to the increase in operating income of NT$ 318,052,000 compared with last year.

(III)、Cash Flow

A、Liquidity analysis for the last two years

Year	Dec. 31, 2024	Dec. 31, 2023	%
cash flow ratio	81.14%	83.93%	-3.3%
Cash Flow Allowance Ratio	110.15%	104.73%	5.2%
cash reinvestment ratio	3.85%	6.58%	-41.5%

Note： Analysis of changes in financial ratios beyond 20% :

1. cash reinvestment ratio: This was mainly due to the decrease of gross fixed assets by NT$ 198,836,000 compared with last year.

B、Cash Flow Analysis for the Current Year

Cash and Cash Equivalents, Beginning of Year (1)	Net Cash Flow from Operating Activities (2)	Cash Outflow (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Surplus (Deficit)	
				Investment Plans	Financing Plans
383,111	910,368	400,668	892,811	-	-

(A). Analysis of cash flow changes in this year: no significant difference.

(B). Remedial measures and liquidity analysis of estimated cash shortage: no shortage.

(IV)、The annual report shall describe the effect upon financial operations of any major capital expenditures during the most recent fiscal year

Unit: NT$Thousand

Project	Actual or Planned Source of Capital	Actual or Planned Date of Completion	Total Capital	Actual or Expected Capital Expenditure	
				2024	2025
Mold Equipment	Operating Income	Purchases Every Year	264,000	264,000	-
Machinery and equipment	Operating Income	before the end of 2024	91,334	91,334	-
Mold Equipment	Operating Income	Purchases Every Year	400,000	-	400,000
Machinery and equipment	Operating Income	before the end of 2025	50,000	-	50,000

1. Expected increase in production and sales, value and gross profit

Unit: NT$Thousand

Year	Item	Quantity of Production	Quantity of Sales	Amount of Sales	Gross Profit
2025	Auto sheet metal parts	190	190	380,000	114,000
2026	Auto sheet metal parts	190	190	380,000	114,000
2027	Auto sheet metal parts	190	190	380,000	114,000
2028	Auto sheet metal parts	190	190	380,000	114,000
2029	Auto sheet metal parts	190	190	380,000	114,000

2. Other benefits (such as product quality, pollution prevention, cost reduction, etc.): None.

(V)、The annual report shall describe the company's reinvestment policy for the most recent fiscal year: None.

(VI)、The section on risks

A. The effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future

(A)、Interest rate: Interest rate risk refers to the risk of future cash flow fluctuations due to changes in market interest rates. The interest rate risk of the consolidated company mainly comes from floating rate bank deposits, fixed rate bond investments and floating rate bank loans.

(B)、Foreign exchange rates: The operating activities of the merged company are mainly conducted in foreign currencies, so foreign currency exchange rate risks arise. In order to avoid the decrease in the value of foreign currency assets and the fluctuation of future cash flow due to exchange rate changes, the merged company uses foreign currency time deposits, purchases of repo bonds and short-term loans to avoid exchange rate risks. Although it can help the merged company to reduce, but still can not completely eliminate the impact of foreign currency exchange rate changes.

(C)、Inflation: The company continues to carry out management improvement actions, and regularly analyzes the impact of inflation on the company, and responds appropriately in the quotation in a timely manner.

B、The company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future：The company have not engaged in high-risk investments, and all investments have been carefully evaluated and executed. There is no loan of funds to others or endorsement guarantees. The operation of derivatives is mainly for hedging, and all operations have been carefully executed considering the risk situation.

C、 Research and development work to be carried out in the future, and further expenditures expected for research and development work。

The company has the most advanced production equipment, and has a strong R & D team that can quickly develop products according to market demand. It has established a good quality image in the industry and is favored by European and American customers. About 0.15%~0.25% of the total turnover of research and development expenses, and actively expand the AM (automotive after-sales service) parts market.

D、Effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response：The company pays attention to important policy and legal changes at home and abroad. From the most recent year to the publication date of the annual report, the important domestic and foreign policy and legal changes have no significant impact on the company's financial business.

E、Effect on the company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response：The company continues to invest in capital equipment to ensure long-term growth potential and competitive advantages, pays more attention to information security management, and expects to grasp industry changes to ensure market competitive advantages and financial business development continuity.

F、The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company’s Response Measures：None。

G、Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans：None。

H、Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans：

(A)、Expected benefits: Expand production scale and product line, increase operating scale, improve customer service and expand market share. For details, see the impact of major capital expenditures on financial business in the most recent year.

(B)、Possible risks: changes in the global economy.

(C)、Response measures: Closely observe customer terminal needs.

I、Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration：None。

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

K、Effects of, Risks Relating to and Response to the Changes in Management Rights：None。

L. Litigation or Non-litigation Matters: List major litigious, non-litigious or administrative disputes that: (1) involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report：None

M. Other important risks, and mitigation measures being or to be taken.：Faced with market uncertainties such as geopolitical conflicts and the new US government taking office, which are reshaping the US and global political and economic environment, the company will continue to provide customers with the best services and products under its consistent philosophy of "quality, technology, innovation and customer service."

(VII)、Other important matters.：**None**。

VI、Special items

(I)、information related to the company's affiliates: None。

(II)、Where the company has carried out a private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual repor：None。

(III)、Other matters that require additional description：None。

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

GORDON AUTO BODY PARTS CO., LTD.

Chairman: Mao Yuan Li