



STOCK CODE:5484

EverFocus Electronics Corp.
2025 ANNUAL GENERAL
SHAREHOLDERS' MEETING

MEETING AGENDA

Date : June 20, 2025

**Location : 9F, No. 135, Lane 235, Pao Chiao Rd.,
Hsin-Tien Dist, New Taipei City**

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

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EVERFOCUS ELECTRONICS CORP.

2025 Annual General Shareholders' Meeting

Meeting Procedure

1. Call Meeting to Order
2. Chairman takes the chair
3. Chairman's Address
4. Matters for Report
5. Matters for Approval
6. Matters for Discussion
7. Extraordinary Motions
8. Adjournment



EVERFOCUS ELECTRONICS CORP.

2025 Annual General Shareholders' Meeting Agenda

Type of Meeting: Physical Meeting

Time: 9:00 a.m., June 20, 2025 (Friday).

Place: 9F., No. 135, Ln. 235, Baoqiao Rd., Xindian Dist., New Taipei City

1. Chairman called the meeting to order: Counting the number of shares in attendance (including shares by proxy)

2. Chairman takes the chair

3. Chairman's Address

4. Matters for Report:

4.1 2024 Business Report and 2025 Business Plan.

4.2 Audit Committee's Report on the Review of the 2024 Financial Statements.

4.3 Report on Directors' Remuneration for Fiscal Year 2024.

5. Matters for Approval:

5.1 Approval of the 2024 Financial Statements.

5.2 Approval of the 2024 Proposal for Loss Appropriation.

6. Matters for Discussion

Amendments to Certain Provisions of the Company's Articles of Incorporation.

7. Extraordinary Motions

8. Adjournment

Matters for Report

1. 2024 Business Report and 2025 Business Plan.

Explanation: The Business Report is available on pages 6-13 of this handbook (Attachment 1).

2. Audit Committee's Report on the Review of the 2024 Financial Statements.

Explanation: The Audit Committee Review Report can be found on page 14 of this handbook (Attachment 2).

3. Report of Directors' Compensation for 2024.

Explanation: The Company's 2024 Directors' Remuneration Report is available on pages 15-16 of this handbook (Attachment 3).

Matters for Approval

Proposal 1 (Proposed by the Board of Directors)

Subject: Approval of the Company's 2024 Financial Statements.

Explanation: 1. The Company's 2024 Financial Statements (including consolidated financial statements) have been approved by the Board of Directors and audited by CPA Chang Shu-Chiung and CPA Weng Shih-Jung of PricewaterhouseCoopers Taiwan.

2. Please refer to pages 6-10 and 14-37 (Attachments 1 and 4) of this Handbook for the 2024 Business Report and the above-mentioned financial schedules.
3. Please approve.

Resolution:

Proposal 2 (Proposed by the Board of Directors)

Subject: Approval of the 2024 Deficit Compensation Statement.

Explanation: 1. This proposal is in accordance with Article 19-1 of the Company's Articles of Incorporation.

2. The 2024 Deficit Compensation Statement is as follows:

Unit: NT\$

EVERFOCUS ELECTRONICS CORP.	
Loss Make-up Statement	
2024	
Item	Amount
Beginning Deficit Balance	(158,022,928)
Add: Actuarial Gains Recognized in Retained Earnings	2,222,089
Less: Net Loss After Tax for 2024	(59,791,657)
Ending Deficit Balance	(215,592,496)

Chairman:



President:



Accounting Officer:



3. Please approve.

Resolution:

Matters for Discussion

Proposal 1 (Proposed by the Board of Directors)

Subject: Amendment to the Company's Articles of Incorporation, submitted for resolution.

1. In response to the amendment of Article 14 of the Securities and Exchange Act announced on August 7, 2024, which requires listed companies to specify in their Articles of Incorporation that a certain percentage of annual profits be allocated for salary adjustments or compensation distribution for grassroots employees, it is proposed to amend Article 19 of the Company's Articles of Incorporation.
2. Definition of grassroots employees:
 - (1) Refers to employees who are not managers and whose salary is below a specified amount. The specified amount must not be lower than the salary of grassroots employees as defined and announced by the central competent authority.
 - (2) The specified amount mentioned above is determined based on the announcement by the Ministry of Economic Affairs. For example, as of December 31, 2024, the Ministry of Economic Affairs has announced that the specified salary for grassroots employees for the years 2024 and 2025 is NT\$63,000.
3. In accordance with the above, the Company proposes to allocate a certain percentage of annual earnings as employee remuneration. Please refer to Attachment 5 for a comparison table showing the original and revised versions of Article 19 of the Company's Articles of Incorporation.
4. Please discuss.

Resolution:

Extraordinary Motions

Adjournment

(Attachment 1)

Business Report

Dear Esteemed Shareholders,

Thank you for taking the time to attend EverFocus Electronics' 2025 Annual General Meeting of Shareholders. Your presence and long-term support are the greatest driving forces behind the company's continued progress. On behalf of the Board of Directors and the management team, I would like to extend our sincere greetings and appreciation.

In the face of industry changes and market challenges, EverFocus Electronics has continued to strengthen its investment in research and development, expanding the breadth and depth of technological applications while actively pursuing business transformation and innovative breakthroughs. Despite ongoing uncertainties in the overall operating environment, we have begun to achieve tangible results in certain application areas, especially in our vehicle systems business, where significant achievements have emerged, laying a solid foundation for future growth.

We fully understand that only by continuously advancing technology and optimizing product value can we maintain our position in a highly competitive industry. Moving forward, we will focus on key application fields, accelerate the integration of AIoT and image recognition technologies, and enhance the market competitiveness of our comprehensive solutions. Simultaneously, we will strengthen internal governance and actively promote sustainable development, consistently creating forward-looking and stable operational results for all shareholders.

Below, we present a report on the 2024 operating results, the 2025 business plan, and our future development strategies for your review.

1. 2024 Operating Report

1.1 Comparison of Operating Results

Separate Financial Statements:

Unit: NT\$ Thousands

Item	2024	2023	Amount of Increase (Decrease)	Percentage of Increase (Decrease)
Net Operating Revenue	432,945	338,161	94,784	28.03
Net Gross Profit	107,985	66,863	41,122	61.50
Net Loss for the Period	(59,792)	(48,977)	(10,815)	22.08

Consolidated Financial Statements:

Unit: NT\$ Thousands

Item	2024	2023	Amount of Increase (Decrease)	Percentage of Increase (Decrease)
Net Operating Revenue	460,280	369,555	90,725	24.55
Gross Profit	131,889	79,854	52,035	65.16
Net Loss for the Period	(59,792)	(48,977)	(10,815)	22.08

2.1 Financial income and expenditures and profitability analysis (parent company only)

Item		2024	2023	Variance
Financial Structure	Debt-to-Asset Ratio (%)	41.37	38.1	3.27
	Ratio of Long-term Capital to Property, Plant, and Equipment (%)	3,908.11	7,540.02	(3631.91)
Solvency	Current Ratio (%)	202.15	248.31	(46.16)
	Quick Ratio (%)	157.24	189.66	(32.42)

Profitability	Return on Assets (ROA) (%)	6.11	(5.26)	0.85
	Return on Equity (ROE) (%)	(10.65)	(7.97)	(2.68)
	Net Profit Margin (%)	(13.81)	(14.48)	0.67
	Earnings Per Share (EPS) (NT\$)	(0.9)	(0.73)	(0.17)

Analysis of Financial Income, Expenditures, and Profitability (Consolidated)

Item		2024	2023	Discrepant value
Financial Structure	Debt-to-Asset Ratio (%)	38.42	34.92	3.5
	Ratio of Long-term Capital to Property, Plant, and Equipment (%)	3,147.15	6,066.63	(2,919.48)
Solvency	Current Ratio (%)	144.73	175.35	(30.62)
	Quick Ratio (%)	108	127.9	(19.9)
Profitability	Return on Assets (ROA) (%)	(6.28)	(4.97)	1.31
	Return on Equity (ROE) (%)	(10.65)	(7.97)	(2.68)
	Net Profit Margin (%)	(12.99)	(13.25)	0.26
	Earnings Per Share (EPS) (NT\$)	(0.9)	(0.73)	(0.17)

3.1 Budget Execution: None.

The Company set internal budget targets for 2024 but did not disclose any financial forecasts to the public.

4.1 Implementation Results of Product Strategy:

(1)Development Direction and Technical Layout of Industrial PC (IPC) Business:

As the world rapidly advances into the era of Industry 4.0, demand for applications such as smart cities, intelligent transportation, and manufacturing automation has surged. Industrial PCs (IPCs) have evolved from traditional control systems into highly integrated, high-performance edge computing platforms, serving as a critical foundation for driving intelligent applications.

Faced with the opportunities brought about by industrial transformation and technological upgrading, the Company adheres to a strategy of Technological Innovation and Market Orientation. We continue to expand our IPC product line, enhance the integration capabilities of heterogeneous computing platforms, and actively explore the smart application market.

Looking ahead, the Company will focus on the following three strategic directions as the core drivers of business growth and long-term competitiveness:

(2.1)Diverse Hardware Development Platforms

The Company continues to focus on the development of heterogeneous computing platforms and flexible system designs. In addition to consistently launching edge computing devices equipped with high-performance processors from Intel and NVIDIA for AI image analysis and real-time data processing applications, the Company has also introduced low-power processors from NXP, TI, MediaTek, and Qualcomm based on Cortex-A/M architecture. These processors offer embedded solutions tailored to multi-serial I/O control and industrial communication protocols (such as CAN, Modbus, PROFINET).

With a modular and flexible design philosophy, the Company can effectively meet customer system requirements across various application scenarios, including industrial automation, equipment control, and remote monitoring.

This approach enhances product line completeness, market adaptability,

and overall hardware platform competitiveness and scalability.

(2.2)IoT Architecture and Management Platform

In response to the rapid proliferation of IoT applications and increasing complexity of application scenarios, the Company continues to deepen the core construction of its IoT management platform. The focus is on communication protocol integration, data collection and analysis, unified device management, and real-time system visualization.

The platform supports a wide range of sensing technologies and communication interfaces and can achieve cross-device collaboration, data integration, and flexible application deployment through a centralized management system. This significantly improves the overall performance, security, and scalability of IoT systems.

Based on this platform, the Company has successfully implemented various smart application scenarios, including smart city surveillance, intelligent ward management in healthcare, and smart fleet scheduling. By integrating AI inference and big data analytics, the Company helps customers optimize operational processes and enhance decision-making intelligence, achieving substantial benefits from IoT applications.

(2.3)Smart In-Vehicle Platform and Embedded System Integration

With the growing demand for smart transportation, autonomous driving, and intelligent fleet management, the Company is actively developing a stable and highly integrated in-vehicle IPC platform. This platform integrates AI vision technology and edge computing capabilities, launching multiple high-performance in-vehicle industrial computers featuring NVIDIA Jetson series AI modules, supporting multi-channel video input and real-time AI inference processing.

The product design complies with international automotive standards (such as E-Mark, EN50155), featuring wide temperature resistance, automotive-grade power management, and diverse communication interfaces (such as OBD-II, CAN Bus). The platform can flexibly integrate GMSL high-speed video modules, LiDAR, IMU sensors, and GNSS/RTK high-precision positioning modules, supporting real-time environment sensing, judgment, and control computing. It is widely applied in public transportation monitoring, driving recording, vehicle networking systems, and autonomous logistics fleets.

Additionally, the platform offers AI module expansion capabilities, supporting multiple intelligent application functions, including driver behavior recognition (such as fatigue and distraction detection), Forward Collision Warning (FCW), pedestrian and vehicle recognition, traffic sign recognition, Blind Spot Detection (BSD), and passenger behavior analysis. This comprehensive functionality significantly enhances driving safety and operational management efficiency.

(2)In-Vehicle Industrial Computers:

The Company, with its core expertise in professional automotive monitoring products (MDVR/NVR), has achieved remarkable results in the smart in-vehicle sector in recent years. With steady revenue growth and a continuously expanding global market share, our team has consistently enhanced its technical capabilities, actively developing solutions to meet diverse in-vehicle application needs. In response to the rapid development of smart transportation, logistics automation, and the electric vehicle industry, our products have been widely applied in public transportation, smart logistics, and industrial fleet management, demonstrating

strong market adaptability.

Focusing on key technologies such as automotive-grade wide temperature and wide voltage architectures, as well as power-on delay modules. This year, the Company obtained IATF 16949 certification for automotive quality management systems, significantly enhancing product performance in terms of safety, stability, and reliability for in-vehicle applications.

Software solutions cover passenger safety monitoring, vehicle driving records, and driver behavior analysis, integrating data collection, processing, and intelligent control mechanisms to fully support automation, connectivity, and intelligence in vehicle applications.

In terms of smart applications, the Company has successfully launched AI-powered in-vehicle systems, integrating edge computing and diverse communication technologies, significantly improving vehicle management efficiency and data analysis accuracy. These advancements help users enhance operational efficiency and risk management. With continuous investment in research and development, the team has mastered multiple core technologies and key patents, further strengthening its technological leadership and competitive advantage in the global market.

To achieve sustainable development goals, the Company actively implements ESG strategies, introducing environmentally friendly materials, improving energy efficiency, and collaborating with supply chain partners to promote green manufacturing, demonstrating its commitment to environmental and social responsibility.

Looking ahead, the Company will continue to focus on the deepening of smart vehicle networking and AIoT technologies, expanding its global market presence, and providing high-efficiency, secure, and intelligent in-vehicle industrial computer solutions, creating long-term value for customers.

(3)Image-Based Integrated Hardware and Software Solutions:

The Company has long focused on image technology as its core, combining self-developed hardware and software systems with competitive peripheral accessories to create comprehensive integrated solutions. These solutions encompass the entire process, from image capture, processing, storage, and transmission to IoT platform applications, providing one-stop services that help customers achieve efficient, convenient, and secure operational experiences in various fields. This solution has been widely applied in in-vehicle systems, traffic management, smart buildings, retail stores, public and private institutions, religious and medical units, and campus environments, effectively accelerating the realization of smart city blueprints planned by governments.

In terms of technological development, the Company actively invests in developing image surveillance products that comply with national standards and maintain traceable production records, covering cameras, video recorders, and management platforms. By mastering key technology designs, introducing technology transfer, and adopting software integration strategies, the Company enhances production efficiency while reducing costs. The products have also obtained relevant cybersecurity and regulatory certifications, establishing a complete traceable manufacturing record, which meets the high demand for supply chain de-risking in the international market.

To meet the diverse AI image analysis needs of different vertical application fields, the Company continues to advance the development of its AI camera product line. This includes adopting modular lenses and computing architectures, building a diversified product portfolio ranging from low-end to high-end computing chips,

and providing value-added software development tools. This approach creates a flexible firmware environment conducive to AI application development, further enhancing product differentiation and application versatility.

Furthermore, the Company has deep expertise in image processing and AV over IP/IoT technology, continuously optimizing the network protocol integration of image streaming and the intelligence of devices. Comprehensive software support is provided for various hardware solutions within the Group, enhancing the overall added value of the system and solidifying the Company's competitive position in the smart image solution market.

(4)AI Image Recognition Software and Application Environment:

The Company actively invests in the development and application of AI image recognition technology, leveraging artificial intelligence techniques such as machine learning and deep learning. These technologies enable systems to automatically recognize objects, behaviors, and scenarios within images, achieving intelligent surveillance and environmental awareness capabilities. The complete system encompasses front-end cameras and industrial computers with edge computing modules, as well as back-end servers for image recognition and analysis platforms, providing end-to-end intelligent application support.

This AI software offers high flexibility and scalability, with a wide range of applications, particularly demonstrating strong practicality and market potential in areas such as security surveillance, smart manufacturing, driving safety, intelligent transportation, and technology-based law enforcement. The development focus lies in deeply understanding the hardware and software integration solutions required for various AI application scenarios, while establishing strategic alliances with software developers and industrial computer manufacturers to jointly advance the depth and implementation of application technologies.

Furthermore, the Company actively collaborates with system integrators across various vertical industries, conducting on-site demand interviews to enhance its capabilities in AI application deployment and planning. By accumulating extensive experience and technical knowledge in applications, the Company not only strengthens its professional image in edge computing hardware but also gains the capability to provide integrated AI solutions. This approach helps customers adopt high-efficiency intelligent systems, enabling the Company to deeply cultivate vertical markets and strengthen its competitive advantage in the AI application field.

(5)Integrated Advanced Driver Assistance System (ADAS) and Dashcam Solution for Large Vehicles:

The Company has developed an integrated Advanced Driver Assistance System (ADAS) and Dashcam Solution for large vehicles, combining a high-end ADAS in-vehicle computer with digital driving recording equipment. Specifically designed for large commercial vehicle applications, this system addresses the increasingly stringent safety requirements of smart transportation and fleet management, demonstrating strong market momentum with continued stable growth in performance.

This system utilizes a self-developed EMV dashcam integrated with an advanced driver assistance system (ADAS), leveraging high-precision image recognition and sensing technology to provide multiple functions, including Lane Departure Warning (LDW), Forward Collision Warning (FCW), Blind Spot Detection (BSD), 360-degree Around View Monitoring (AVM), Tire Pressure Monitoring System (TPMS), Driver Fatigue Detection, and Alcohol Lock. These features collectively enhance driving safety. The system can also record driver behavior and abnormal events in real-time during vehicle operation, serving as a

basis for post-incident analysis, responsibility determination, and operational optimization.

In terms of AI technology application, the system incorporates deep learning and image analysis algorithms, significantly improving the accuracy of driver behavior recognition and early warning, effectively reducing accident rates and promoting optimized driving habits. This solution has been successfully applied across multiple fields, including logistics fleets, public transportation, and construction vehicles, helping operators strengthen fleet management and risk control capabilities.

The Company is also actively expanding into overseas markets, establishing strategic alliances with several international large-scale fleets and commercial vehicle manufacturers. Additionally, the system has obtained multiple domestic and international safety and quality certifications, further solidifying its competitive position in the global market.

Looking ahead, the Company will continue to deepen its expertise in smart in-vehicle technology, optimizing overall ADAS performance, and striving to develop next-generation, high-performance, safe, and reliable driver assistance solutions for commercial vehicles.

2. Summary of the 2025 Business Plan

1.1 Operating Strategy:

(1) Strengthen the Foundation of Core ODM Customers

Continue to consolidate existing major ODM partnerships, including U.S.-based in-vehicle system providers, Japanese commercial vehicle brands, and European system integrators, ensuring stable revenue sources and long-term collaboration.

(2) Transform into an IPC Company with Image Technology Advantages

Expand the proportion of Industrial PC (IPC) products, enhance security and in-vehicle system integration capabilities, and aim for IPC business to account for 50% of total revenue, driving business diversification and profit stabilization.

(3) Integrate Group Resources, Segment Product Lines, and Deepen Vertical Markets

Leverage the R&D and technical resources of group-affiliated companies, promote multi-brand management, and clearly define product structures into three main categories: Visual IoT, Smart In-Vehicle, and Industrial PCs. Deepen market penetration across various application fields.

(4) Strengthen International Marketing and Expand Customer Networks

Continue investing in international market marketing resources to enhance brand global visibility and market influence. Actively expand global ODM key accounts, value-added distributors (VADs), and system integrator (SI) partnership networks.

(5) Deepen Automotive Supply Chain Layout and Expand Market Share in Automotive Products

Build on the role as a Tier 1 supplier for Japanese automakers, further enhance quality control mechanisms, continuously develop automotive products that meet emerging regulatory requirements, replicate successful experiences, and expand the global customer base of automakers.

(6) Transition from Hardware Manufacturer to Solution Provider

Upgrade the business model by focusing on image technology, edge computing, and IoT control applications. Develop integrated Vision AIoT solutions featuring visualization, intelligence, connectivity, security, and energy efficiency to enhance value-added offerings.

2.1 Product Development Strategy:

(1) Strengthen the Foundation of Surveillance Products and Introduce Image Analysis Technology

Maintain the existing surveillance product business foundation while introducing image analysis solutions, further expanding applications to various vertical fields to enhance product value and application depth.

(2) Focus on Computer Vision and Edge AI Integrated Applications

In response to the vast application potential brought by image analysis technology, the Company will fully invest in the integration of Computer Vision and Edge AI solutions, actively developing products for smart manufacturing, smart security, and smart in-vehicle application scenarios.

(3) Promote Government Project Applications and Implement Vehicle Safety Assistance Solutions

Participate in and execute government technology projects to integrate eight vehicle safety assistance functions. Integrate MDVR, ADAS, and 16-in-1 systems into large commercial vehicles, driving the intelligent upgrade of traffic safety management.

(4) Launch High-Performance Embedded Computer Products and Enhance Customization Services

Actively develop high-performance embedded industrial computers with image capture interfaces that meet automotive specifications, equipped with edge computing platforms. Provide flexible hardware and software customization services to meet the system needs of customers in various industries.

(5) Enhance Core Technical Strength and Provide Comprehensive Solutions

Continue to strengthen core capabilities in image processing and edge computing, accelerating product development cycles and improving solution integration efficiency. Provide an end-to-end integrated development platform and application environment covering hardware, software, edge, and cloud.

(6) Establish Taiwan Brand Value, Emphasizing High Quality and High Cybersecurity Standards

Strengthen local R&D and manufacturing advantages, introduce product design and verification processes that meet international cybersecurity standards, enhance brand recognition for high quality and high reliability, and consolidate the competitive position of Taiwan's brand.

3. Long-Term Development Strategy

Amid the rapid evolution of artificial intelligence technology and the continuous expansion of application scenarios worldwide, the Company is actively transforming into a Vision AIoT Solution Provider, leveraging its strengths in industrial computers and image technology to offer differentiated smart application integration services.

The Company's future development will center around image technology as the core foundation, extending to the integration of artificial intelligence and IoT architectures. This approach will drive the development of innovative applications across multiple verticals, including smart security, intelligent transportation, smart manufacturing, smart healthcare, and smart education. These solutions will help clients establish highly efficient and secure intelligent management systems.

Looking ahead to 2025, the Company expects more new applications and market directions to emerge. It will continue to enhance its R&D capabilities, increase technological investment, and allocate resources to accelerate the comprehensive integration of AI technology across its product lines. This will further enhance product value, service depth, and market competitiveness, ensuring steady progress toward long-term growth goals.

Wishing all shareholders good health and all the best !

EVERFOCUS ELECTRONICS CORP.



Chairman : Yung-Shun Chuang



President : Chih -Hung Kao



Accounting Officer: Chien-Liang Chen



(Attachment 2)



EVERFOCUS ELECTRONICS CORP.

Audit Committee's Review Report

To approve

The Board of Directors has prepared the Company's 2024 Financial Statements (including the Consolidated Financial statements). The CPAs Mavis Chang and Shih-Jung Weng of PricewaterhouseCoopers Taiwan were retained to audit the Company's Financial Statements and have issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and Loss for Make-up Statement have been reviewed and determined to be correct and accurate by the Audit Committee members of the Company. According to Article 14-4 of the Securities and Exchange Act and the Article 219 of the Company Act, we hereby submit this report.

To

EVERFOCUS ELECTRONICS CORP.

2025 Annual General Shareholders' Meeting

EVERFOCUS ELECTRONICS CORP.



Convener of the Audit Committee, Hsu-Nan Huang



(Attachment 3)

March 11, 2025

Report of Directors' Compensation for 2024

Explanation:

1. According to Article 16 of our company's bylaws: When executing the company's duties, regardless of the company's operating profit or loss, the remuneration of the company's directors shall be authorized by the Board of Directors based on their degree of participation and contribution to the company's operations, and shall be determined based on the standard not exceeding the highest salary level set by the company's salary scale. The expenses required by the directors for business needs shall be reimbursed based on actual costs. Directors may receive a transportation allowance of NTD 5,000 when attending meetings.
2. In addition, according to Article 19 of our company's bylaws: If the company earns profits in a fiscal year, after paying taxes and donations in accordance with the law and making up for losses, the Board of Directors shall decide to allocate no more than 2.5% for director compensation.
3. As the net loss after tax of our company for 2024 is NTD 59,791,657, it is proposed that no director compensation will be distributed.

4. Individual director remuneration

Title	Name	Directors' remuneration								Sum of A, B, C and D as percentage of Net Income (%) (Note 2)		Relevant Remuneration Received by Directors Who are Also Employees								Sum of A, B, C, D, E, F and G as percentage of Net Income % (Note 2)		Compensation from invested businesses other than subsidiaries
		Compensation (A)		Severance pay and pensions (B)		Remuneration for directors (C) (Note 1)		Allowances (D)				Base compensation, bonuses, and allowances (E)		Severance pay and pensions (F)		Employee profit sharing from earnings distribution (G) (Note 1)						
		The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities			The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company				
										Cash Amount	Share Amount							Cash Amount	Share Amount			
Chairman	Yung-Shun Chuang	0	0	0	0	0	0	30	30	30 (0.05)	30 (0.05)	0	0	0	0	0	0	0	0	30 (0.05)	30 (0.05)	None
Director	Hui-Ming Tsao	0	0	0	0	0	0	25	25	25 (0.04)	25 (0.04)	0	0	0	0	0	0	0	0	25 (0.04)	25 (0.04)	None
Director	Fu-Chieh Chuang	0	0	0	0	0	0	20	20	20 (0.03)	20 (0.03)	0	0	0	0	0	0	0	0	20 (0.03)	20 (0.03)	
Director	LCL CAPITAL INC. Representative: Ching-Kun Chen	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
		0	0	0	0	0	0	30	30	30 (0.05)	30 (0.05)	0	0	0	0	0	0	0	0	30 (0.05)	30 (0.05)	None
Director	LCL CAPITAL INC. Representative: Chieh-Hsi Li	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None
		0	0	0	0	0	0	30	30	30 (0.05)	30 (0.05)	0	0	0	0	0	0	0	0	30 (0.05)	30 (0.05)	None
Independent director	Hsueh-Yu Lo	0	0	0	0	0	0	85	85	85 (0.14)	85 (0.14)	0	0	0	0	0	0	0	0	85 (0.14)	85 (0.14)	None
Independent director	Chen-An Li	0	0	0	0	0	0	180	180	180 (0.3)	180 (0.3)	0	0	0	0	0	0	0	0	180 (0.3)	180 (0.3)	None
Independent director	Hsu-Nan Huang	0	0	0	0	0	0	180	180	180 (0.3)	180 (0.3)	0	0	0	0	0	0	0	0	180 (0.3)	180 (0.3)	None
Independent director	Kun-Chang Kuo	0	0	0	0	0	0	95	95	95 (0.16)	95 (0.16)	0	0	0	0	0	0	0	0	95 (0.16)	95 (0.16)	None

Independent Auditors' Report

(2025) Financial Audit Report No. 24004636

The Board of Directors and Shareholders of Everfocus Electronics Corp.

Opinion

We have audited the accompanying separate company only financial statements of Everfocus Electronics Corp. (the "Company"), which comprise the parent company only balance sheets as of December 31, 2024 and 2023 and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements (including a summary of significant accounting policies).

In our opinion, based on our audits and the reports of other auditors (please refer to "Other Matter"), the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and cash flows for the years ended December 31, 2024 and 2023, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards accepted in the Republic of China. Our responsibilities under those standards are further described in the responsibilities of auditors for the audit of the parent company only financial statements section. We are independent of the Company accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's parent company only financial statements for the year ended December 31, 2024 are stated as follows:

Authenticity for incorporating the revenues

Description

Please refer to Note 4(28) to the parent company only financial statements for the accounting policy on revenue recognition and Note 6(18) to the parent company only financial statements for the description of operating income items.

The Company's main business activities include the manufacturing, sales, and customization of various image processors, electronic surveillance products such as electronic cameras, and industrial computers. Its primary sales regions include Europe, the Americas, and Asia. Additionally, some customers belong to regional enterprises. Therefore, during the audit process, it is crucial to focus more on the existence and occurrence risks of sales revenue. Since sales revenue has a significant impact on the financial statements, the auditor considers the authenticity of the aforementioned sales revenue as one of the most critical audit matters.

Audit procedures for the key audit matter

The audit matters cover the Company and part of its subsidiaries (investments accounted for

using the equity method). The audit procedures for the specified aspects of the aforementioned response audit matters are listed as follows:

1. For the assessment and testing of the financial statements, the internal control procedures of sales transactions are based on the Company's internal control system.
2. Obtaining and sampling relevant documents, such as sales invoices, to confirm that customers have taken control of the goods and assumed the risks of the goods before recognizing revenue.

Accounting estimate of inventory valuation

Description

Regarding the accounting policy for inventory valuation, please refer to Note 4(13) of the parent company only financial statements. For the accounting estimates and uncertainties related to inventory valuation, please refer to Note 5 of the parent company only financial statements. For the description of inventory accounting items, please refer to Note 6(5) of the parent company only financial statements.

The Company's primary business activities involve the manufacturing and sales of various electronic surveillance products such as image processors, electronic cameras, and industrial computers. Due to longer product cycles, certain products or spare parts may have extended inventory periods due to long-term supply and maintenance demands from customers. Adjustments to orders by customers or unexpected market sales conditions could result in price fluctuations of products or slower-than-expected turnover, leading to higher risks of inventory write-downs or obsolescence. The Company measures normal inventory for sale at the lower of cost and net realizable value. For inventory aged beyond a certain period or identified as obsolete, provision for inventory write-downs is made based on the provision for impairment policy and individual assessment.

Corresponding to the sales market and development strategies, the Company readily adjusts its stocking demands, with significant inventory balances. In addition, given high uncertainty from the management's subjective estimates on the net realizable value used in evaluating obsolete inventories, the allowance for inventory devaluation is listed as one of the key audit matters.

Audit procedures for the key audit matter

The audit matters cover the Company and part of its subsidiaries (investments accounted for using the equity method). The audit procedures for the specified aspects of the aforementioned response audit matters are listed as follows:

1. Assessing the policy of provision for loss on inventory devaluation with the understanding of the Company's operations.
2. Checking the management's details of outdated inventories as well as relevant documentary evidence.
3. Testing the price basis of net realizable value for each inventory item, and randomly checking the correctness of net realizable value.

Other Matters – Reference to the Audits of Other Independent Auditors

The portion of the financial statements of investee companies accounted for using the equity method in the parent company only financial statements of the Company is audited by other auditors rather than our auditor. Therefore, the amounts included in the financial statements of these companies in our auditor's opinion are based on the audit reports of other auditors. As of December 31, 2023, the investment amount accounted for using the equity method in these companies was \$17,884 thousand, representing 1.87% of total assets. The share of comprehensive income recognized for these associated companies and joint ventures using the equity method from January 1 to December 31, 2023, was \$558 thousands, representing (1.26%) of comprehensive income.

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

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

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

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

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

As part of an audit in accordance with auditing standards accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the separate company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting by the management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a significant uncertainty exists, we are required to draw attention in auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inappropriate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the separate company only financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers Taiwan

Shu-Chiung Chang

CPA

Shih-Jung Weng

Former Financial Supervisory Commission, Executive Yan
Approval reference: Jin-Guan-Zheng-Shen-Zi

No.0990042602

Former Securities and Futures Commission, Ministry of
Finance

Approval reference: (1999) Tai-Tsai-Cheng (VI) No. 95577

March 11, 2025



Everfocus Electronics Corp.
Parent Company Only Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousands

Assets	Note	December 31, 2024		December 31, 2023		
		Amount	%	Amount	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 79,330	9	\$ 100,364	11
1110	Financial assets at fair value through profit or loss - current	6(2)	72,763	8	91,526	10
1136	Financial assets at amortized cost - current	6(3) and 8	74,978	9	68,840	7
1150	Notes receivable, net	6(4)	282	-	992	-
1170	Accounts receivable, net	6(4)	56,670	6	41,320	4
1180	Accounts receivable - related parties, net	6(4) and 7	19,196	2	26,137	3
1200	Other receivables		921	-	1,945	-
1210	Other receivables - related parties	7	79,704	9	100,209	10
130X	Inventories	6(5)	100,008	11	117,573	12
1470	Other current assets		11,638	1	18,780	2
11XX	Total current assets		<u>495,490</u>	<u>55</u>	<u>567,686</u>	<u>59</u>
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	31,572	3	-	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(6)	2,230	-	4,000	1
1550	Investments accounted for using the equity method	6(7)	23,903	3	26,340	3
1600	Property, plant and equipment	6(8)	16,860	2	9,668	1
1755	Right-of-use assets	6(9)	15,993	2	21,944	2
1760	Investment property, net	6(10) and 8	209,062	23	211,592	22
1840	Deferred income tax assets	6(24)	67,212	7	74,266	8
1930	Long-term notes and accounts receivable	6(4)	8,034	1	12,114	1
1990	Other non-current assets - Other	6(11)(14) and 7	33,666	4	29,982	3
15XX	Total non-current assets		<u>408,532</u>	<u>45</u>	<u>389,906</u>	<u>41</u>
1XXX	Total assets		<u>\$ 904,022</u>	<u>100</u>	<u>\$ 957,592</u>	<u>100</u>

(Continued)

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

Chairman:



Manager:



Accounting Officer:





Everfocus Electronics Corp.
Parent Company Only Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousands

Liabilities and equity		Note	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current liabilities						
2100	Short-term borrowings	6(12)	\$ 143,800	16	\$ 86,000	9
2130	Contract liabilities - current	6(18)	2,314	-	4,961	1
2150	Notes payable		-	-	100	-
2170	Accounts payable		44,407	5	52,656	6
2180	Accounts payable - related parties	7	7,332	1	10,487	1
2200	Other payables	6(13)	26,221	3	22,690	2
2220	Other payables - related parties	7	8,207	1	39,916	4
2250	Provisions for liabilities - current		859	-	1,014	-
2280	Lease liabilities - current		9,429	1	8,091	1
2300	Other current liabilities		2,546	-	2,708	-
21XX	Total current liabilities		<u>245,115</u>	<u>27</u>	<u>228,623</u>	<u>24</u>
Non-current liabilities						
2550	Provisions for liabilities - non-current		823	-	558	-
2570	Deferred income tax liabilities	6(24)	5,115	-	3,371	-
2580	Lease liabilities - non-current		6,782	1	13,937	2
2645	Guarantee deposits received		1,199	-	988	-
2650	Outstanding loan balance of investments accounted for using the equity method	6(7)	114,954	13	117,372	12
25XX	Total non-current liabilities		<u>128,873</u>	<u>14</u>	<u>136,226</u>	<u>14</u>
2XXX	Total liabilities		<u>373,988</u>	<u>41</u>	<u>364,849</u>	<u>38</u>
Equity						
Share capital						
3110	Ordinary share	6(15)	668,010	74	668,010	70
Capital surplus						
3200	Capital surplus	6(16)	55,312	6	55,312	6
Deficit to be offset						
3350	Deficit to be offset	6(17)	(215,593)	(24)	(158,023)	(17)
Other equity items						
3400	Other equity items		22,305	3	27,444	3
3XXX	Total equity		<u>530,034</u>	<u>59</u>	<u>592,743</u>	<u>62</u>
Significant contingent liabilities and unrecognized commitments						
3X2X	Total liabilities and equity		<u>\$ 904,022</u>	<u>100</u>	<u>\$ 957,592</u>	<u>100</u>

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

Chairman:



Officer:



Accounting Officer:





Everfocus Electronics Corp.
Parent Company Only Statements of Comprehensive Income
For the Years Ended December 31, 2024 and 2023

Unit: NT\$ thousands

(Except for losses per share expressed in New Taiwan Dollar)

Item	Note	2024		2023	
		Amount	%	Amount	%
4000 Operating income	6(18) and 7	\$ 432,945	100	\$ 338,161	100
5000 Operating costs	6(5)(22)(23) and 7	(324,960)	(75)	(274,098)	(81)
5900 Operating gross profit		107,985	25	64,063	19
5910 Unrealized loss on sales		-	-	2,800	1
5950 Operating gross profit, net		107,985	25	66,863	20
Operating expenses	6(22)(23) and 7				
6100 Selling expenses		(52,500)	(12)	(42,438)	(13)
6200 Administrative expenses		(43,925)	(10)	(31,096)	(9)
6300 Research and development expenses		(121,298)	(28)	(47,573)	(14)
6450 Expected credit impairment gains (losses)	7 and 12(2)	325	-	(607)	-
6000 Total operating expenses		(217,398)	(50)	(121,714)	(36)
6900 Operating loss		(109,413)	(25)	(54,851)	(16)
Non-operating income and expenses					
7100 Interest income	6(3) and 7	6,771	1	4,619	1
7010 Other income	6(19)	29,154	7	13,765	4
7020 Other gains and losses	6(20)	20,123	5	22,371	7
7050 Finance costs	6(9)(12)(21)	(3,679)	(1)	(1,083)	-
7055 Expected credit impairment gains	7	399	-	2,048	-
7070 The share of profit or loss of the from subsidiaries, associates and joint ventures accounted for using the equity method	6(7)	5,095	1	(18,093)	(5)
7000 Total non-operating income and expenses		57,863	13	23,627	7
7900 Loss before income tax, net		(51,550)	(12)	(31,224)	(9)
7950 Income tax expenses	6(24)	(8,242)	(2)	(17,753)	(5)
8200 Net loss for the period		<u>(\$ 59,792)</u>	<u>(14)</u>	<u>(\$ 48,977)</u>	<u>(14)</u>
Other comprehensive income (loss)					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311 Gains on remeasurements of defined benefit plans	6(14)	\$ 2,778	1	\$ 2,848	1
8316 Unrealized gains and losses on equity investments measured at fair value through other comprehensive income	6(6)	(1,770)	(1)	(674)	(1)
8349 Income tax related to components that will not be reclassified to profit or loss	6(24)	(556)	-	(569)	-

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

Chairman:



Officer:



Accounting Officer:





Everfocus Electronics Corp.
Parent Company Only Statements of Comprehensive Income
For the Years Ended December 31, 2024 and 2023

Unit: NT\$ thousands

(Except for losses per share expressed in New Taiwan Dollar)

8310	Total components of other comprehensive income that will not be reclassified to profit or loss		452	-	1,605	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences arising from translation of foreign operations		(3,369)	-	3,183	1
8360	Total components of other comprehensive income that will be reclassified to profit or loss		(3,369)	-	3,183	1
8300	Other comprehensive income, net		(\$ 2,917)	-	\$ 4,788	1
8500	Total comprehensive income (loss) for the period		(\$ 62,709)	(14)	(\$ 44,189)	(13)
Basic losses per share						
9750	Basic losses per share	6(25)	(\$ 0.90)		(\$ 0.73)	
9850	Diluted losses per share	6(25)	(\$ 0.90)		(\$ 0.73)	

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

Chairman:



Officer:



Accounting Officer:





Everfocus Electronics Corp.
Parent Company Only Statements of Changes in Equity
For the Years Ended December 31, 2024 and 2023

Unit: NT\$ thousands

	Note	Capital surplus			Other equity items			Total equity
		Ordinary share	Capital surplus - share premium	Capital surplus - Other	Deficit to be offset	Exchange differences arising from translation of foreign operations	Unrealized valuation gains or losses on financial assets at fair value through other comprehensive income	
<u>2023</u>								
Balance at January 1, 2023		\$ 668,010	\$ 55,051	\$ 261	(\$ 110,651)	\$ 24,261	\$ -	\$ 636,932
Net loss for the period		-	-	-	(48,977)	-	-	(48,977)
Other comprehensive income for the period		-	-	-	2,279	3,183	(674)	4,788
Total comprehensive income (loss) for the period		-	-	-	(46,698)	3,183	(674)	(44,189)
Reclassification of equity instruments measured at fair value through other comprehensive income	6(6)	-	-	-	(674)	-	674	-
Balance at December 31, 2023		\$ 668,010	\$ 55,051	\$ 261	(\$ 158,023)	\$ 27,444	\$ -	\$ 592,743
<u>2024</u>								
Balance at January 1, 2024		\$ 668,010	\$ 55,051	\$ 261	(\$ 158,023)	\$ 27,444	\$ -	\$ 592,743
Net loss for the period		-	-	-	(59,792)	-	-	(59,792)
Other comprehensive income for the period		-	-	-	2,222	(3,369)	(1,770)	(2,917)
Total comprehensive income (loss) for the period		-	-	-	(57,570)	(3,369)	(1,770)	(62,709)
Balance at December 31, 2024		\$ 668,010	\$ 55,051	\$ 261	(\$ 215,593)	\$ 24,075	(\$ 1,770)	\$ 530,034

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

Chairman:



Manager:



Accounting Officer:





Everfocus Electronics Corp.
Parent Company Only Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

Unit: NT\$ thousands

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
<u>Cash flows from operating activities</u>			
Net loss before income tax		(\$ 51,550)	(\$ 31,224)
Adjustments for:			
Adjustments to reconcile profit (loss)			
Depreciation expenses	6(8)(9)(10)(22)	15,364	7,388
Amortization expenses	6(22)	2,129	1,783
Gains of reversal from expected credit impairment	7 and 12(2)	(724)	(1,441)
Financial assets at fair value through profit or loss, net	6(2)(20)	(8,961)	(22,297)
Finance costs	6(9)(12)(21)	3,679	1,083
Interest income		(6,771)	(4,619)
Dividend income	6(19)	(1,904)	(1,610)
Impairment loss on non-financial assets	6(7)(20)	1,745	-
Share of profit (loss) of subsidiaries and associates accounted for using the equity method	6(7)	(5,095)	18,093
Unrealized loss on sales		-	(2,800)
Unrealized exchange (gains) losses on financial assets at amortized cost		(4,201)	32
Gains on lease modifications		(2)	-
Changes in operating assets and liabilities			
Net changes in operating assets			
Financial assets at fair value through profit or loss		26,152	30,318
Notes receivable		710	3,069
Accounts receivable		(10,945)	12,653
Accounts receivable - related parties		6,941	21,315
Other receivables		1,092	(648)
Other receivables - related parties		16,168	(42,038)
Inventories		17,565	17,772
Other current assets		7,142	(7,998)
Other non-current assets		271	338
Net changes in operating liabilities			
Contract liabilities		(2,647)	(524)
Notes payable		(100)	100
Accounts payable		(8,249)	2,784
Accounts payable - related parties		(3,155)	7,996
Other payables		3,531	490
Other payables - related parties		(31,709)	39,916
Provisions for liabilities		110	(5,117)
Other current liabilities		(162)	(2,836)
Cash generated from (used in) operations		(33,576)	41,978
Interest received		6,771	4,619
Dividends received		1,836	1,756
Interest paid		(3,679)	(1,083)
Cash generated from (used in) operating activities, net		(28,648)	47,270

(Continued)

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

Chairman:



Officer:



Accounting Officer:





Everfocus Electronics Corp.
Parent Company Only Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

Unit: NT\$ thousands

	Note	January 1 to December 31, 2024	January 1 to December 31, 2023
<u>Cash flows from investing activities</u>			
Acquisition of investments accounted for using the equity method		\$ -	(\$ 9,200)
Acquisition of financial assets at amortized cost		(1,937)	(3,145)
Disposal of financial assets at amortized cost		-	2,800
Acquisition of financial assets at fair value through profit or loss		(30,000)	-
Acquisition of property, plant and equipment	6(8)(26)	(9,453)	(8,655)
Disposal of investments accounted for using the equity method	6(7) and 7	399	22,470
Decrease (Increase) in other receivables - related parties	7	4,337	(57,553)
Acquisition of intangible assets		(4,370)	(1,211)
Increase in guarantee deposits paid		(486)	(1,030)
Cash used in investing activities, net		(41,510)	(55,524)
<u>Cash flows from financing activities</u>			
Increase in short-term borrowings	6(27)	57,800	56,000
Repayment of lease principal	6(27)	(8,887)	(2,455)
Increase in guarantee deposits received		211	16
Cash generated by financing activities, net		49,124	53,561
Increase (decrease) in cash and cash equivalents		(21,034)	45,307
Cash and cash equivalents at beginning of period		100,364	55,057
Cash and cash equivalents at end of period		\$ 79,330	\$ 100,364

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

Chairman:



Officer:



Accounting Officer:



Independent Auditors' Report

(2025) Chia-Shen-Bao-Zi No. 24004781

To Everfocus Electronics Corp.:

Audit Opinion

We have audited the accompanying consolidated balance sheets of Everfocus Electronics Corp. and its subsidiaries (the "Group") as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years ended December 31, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of the other independent auditors, as described in the Other matter section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024, and 2023, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for Opinion

We have conducted our audit in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. The personnel of the firm to which we belong who are subject to independence requirements have maintained independence from the Group in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and have fulfilled their other ethical responsibilities in accordance with these requirements. Based on our audit results and the audit reports of other auditors, we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of 2024. These matters were addressed in the context of our audit of the consolidated financial statements taken as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters individually.

Key audit matters for the Group's 2024 consolidated financial statements are stated as follows:

Authenticity of Sales Revenue

Description

Please refer to Note 4(30) to the consolidated financial statements for the accounting policy on revenue recognition and Note 6(18) to the consolidated financial statements for the description of operating income items.

The Group's main business activities include the manufacturing, sales, and customization of various image processors, electronic surveillance products such as electronic cameras, and industrial computers. Its primary sales regions include Europe, the Americas, and Asia. Additionally, some customers belong to regional enterprises. Therefore, during the audit process, it is crucial to focus more on the existence and occurrence risks of sales revenue. Since sales revenue has a significant impact on the financial statements, the auditor considers the authenticity of the aforementioned sales revenue as one of the most critical audit matters.

Audit procedures for the key audit matter

The audit matters cover the Company and part of its subsidiaries (investments accounted for using the equity method). The audit procedures for the specified aspects of the aforementioned key audit matters are listed as follows:

1. For the assessment and testing of the financial statements, the internal control procedures of sales transactions are based on Group's internal control system.
2. Obtaining and sampling relevant documents, such as sales invoices, to confirm that customers have taken control of the goods and assumed the risks of the goods before recognizing revenue.

Accounting estimate of inventory valuation

Description

Refer to Notes 4 (14), 5 and 6(5) to the consolidated financial statements for the information on the Group's inventory accounting policy, estimates and assumptions and allowance for inventory valuation losses.

The Group's primary business activities involve the manufacturing and sales of various electronic surveillance products such as image processors, electronic cameras, and industrial computers. Due to longer product cycles, certain products or spare parts may have extended inventory periods due to long-term supply and maintenance demands from customers. Adjustments to orders by customers or unexpected market sales conditions could result in price fluctuations of products or slower-than-expected turnover, leading to higher risks of inventory write-downs or obsolescence. The Group measures normal inventory for sale at the lower of cost and net realizable value. For inventory aged beyond a certain period or identified as obsolete, provision for inventory write-downs is made based on the provision for impairment policy and individual assessment.

Corresponding to the sales market and development strategies, the Group readily adjusts its stocking demands, with significant inventory balances. In addition, given high uncertainty from the management's subjective estimates on the net realizable value used in evaluating obsolete inventories, the allowance for inventory evaluation is listed as one of the key audit matters.

Audit procedures for the key audit matter

The audit matters cover the Company and part of its subsidiaries (investments accounted for using the equity method). The audit procedures for the specified aspects of the aforementioned key audit matters are listed as follows:

1. Assessing the policy of allowance for inventory impairment with the understanding of the Group's operations.
2. Checking the management's details of outdated inventories as well as relevant documentary evidence.
3. Testing the price basis of net realizable value for each inventory item, and randomly checking the correctness of net realizable value.

Other matters - reference to the audits of other independent auditors

Some of the investee companies accounted for under the equity method that are included in the consolidated financial statements of the Group have financial statements that were not audited by us, but were audited by other accountants. Therefore, in our opinion expressed on the above individual financial statements, the amounts listed in the financial statements of these companies are based on the audit reports of other accountants. As of December 31, 2023, the investment amount accounted for using the equity method in these companies was NT\$17,884 thousands, representing 1.96% of total assets. The share of comprehensive income recognized for these associated companies and joint ventures using the equity method from January 1 to December 31, 2023, was NT\$558 thousands, representing (1.26%) of comprehensive income.

Other Matters - Separate Financial reports

The Group has prepared separate financial statements for the years 2024 and 2023, and our auditor has

issued an unqualified opinion with an explanatory paragraph on other matters in the audit report, which is available for reference.

Responsibilities of Management and Those Charged with Governance for Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

The purpose of our audit of the consolidated financial statements is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. Reasonable assurance is a high level of assurance, but audits conducted in accordance with the auditing standards of the Republic of China cannot guarantee that material misstatements existing in the consolidated financial statements will always be detected. Misstatements may result from fraud or error. If individual amounts or aggregated totals of misstatements could reasonably be expected to influence the economic decisions of users of the consolidated financial statements, they are considered material.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also perform following work:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Based on our audit evidence obtained, we conclude on the appropriateness of management's use of the going concern basis of accounting, and whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our audit opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers Taiwan

Mavis Chang

CPA

Shih-Jung Weng

Former Financial Supervisory Commission, Executive Yan
Approval reference: Jin-Guan-Zheng-Shen-Zi
No.0990042602
Securities and Futures Commission, Ministry of Finance
Approval reference: (1999) Tai-Tsai-Cheng (VI) No. 95577

March 11, 2025


EverFocus Electronics Corp. and Subsidiaries
Consolidated Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousand

Assets	Notes	December 31, 2024		December 31, 2023		
		Amount	%	Amount	%	
Current assets						
1100	Cash and cash equivalents	VI (I)	\$ 95,786	11	\$ 111,254	12
1110	Current financial assets measured at fair value through profit or loss - current	VI (II)	72,763	8	91,526	10
1136	Current financial assets at amortized cost - current	VI (III) and VIII	74,978	9	68,840	8
1150	Notes receivable, net	VI (IV)	282	-	4,932	1
1170	Accounts receivable, net	VI (IV)	62,021	7	45,080	5
1180	Accounts receivables - related parties, net	VI (IV) and VII	6,606	1	13,930	1
1200	Other receivables		2,403	-	2,006	-
1210	Other receivables - related parties	VII	26,208	3	42,539	5
130X	Inventories	VI (V)	103,217	12	120,905	13
1479	Other current assets - other		14,259	2	23,176	3
11XX	Total current assets		<u>458,523</u>	<u>53</u>	<u>524,188</u>	<u>58</u>
Non-current assets						
1510	Current financial assets measured at fair value through profit or loss - non-current	VI (II)	31,572	4	-	-
1517	Non-current financial assets at fair value through Other comprehensive income or loss	VI (VI)	2,230	-	4,000	1
1550	Investments accounted for using the equity method	VI (VII)	13,688	2	17,884	2
1600	Property, plant and equipment	VI (VIII)	17,284	2	10,085	1
1755	Right-of-use assets	VI (IX) and VII	16,204	2	23,206	3
1760	Investment property, net	VI (X) and VIII	209,062	24	211,592	23
1840	Deferred income tax assets	VI (XXIV)	69,708	8	76,902	8
1930	Long-term notes and accounts receivable	VI (IV)	8,034	1	12,114	1
1990	Other non-current assets - other	VI (XI) (XIV) and VII	34,457	4	30,786	3
15XX	Total non-current assets		<u>402,239</u>	<u>47</u>	<u>386,569</u>	<u>42</u>
1XXX	Total assets		<u>\$ 860,762</u>	<u>100</u>	<u>\$ 910,757</u>	<u>100</u>

(Continued from previous page)

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

Chairman:




Officer:



Accounting Officer:




EverFocus Electronics Corp. and Subsidiaries
Consolidated Balance Sheet
December 31, 2024 and 2023

Unit: NT\$ thousand
December 31, 2023

Liabilities and Equity		Notes	December 31, 2024		December 31, 2023	
			Amount	%	Amount	%
Current Liabilities						
2100	Short-term borrowings	VI (XII)	\$ 201,476	24	\$ 133,636	15
2130	Contract liabilities - current	VI (XVIII)	3,080	-	5,776	1
2150	Notes payable		-	-	100	-
2170	Accounts payable		47,170	6	56,839	6
2180	Accounts payable - related parties	VII	1,570	-	6,227	1
2200	Other payables	VI (XIII)	45,635	5	42,225	5
2220	Other payables - related parties	VII	3,468	1	39,916	4
2250	Provisions - current		1,833	-	1,928	-
2280	Lease liabilities - current		9,652	1	9,171	1
2399	Other current liabilities - other		2,925	-	3,119	-
21XX	Total current liabilities		<u>316,809</u>	<u>37</u>	<u>298,937</u>	<u>33</u>
Non-current liabilities						
2550	Provisions - noncurrent		823	-	558	-
2570	Deferred income tax liabilities	VI (XXIV)	5,115	-	3,371	-
2580	Lease liabilities - non-current		6,782	1	14,160	2
2670	Other non-current liabilities - other		1,199	-	988	-
25XX	Total non-current liabilities		<u>13,919</u>	<u>1</u>	<u>19,077</u>	<u>2</u>
2XXX	Total liabilities		<u>330,728</u>	<u>38</u>	<u>318,014</u>	<u>35</u>
Equity						
Equity attributable to owners of the parent company						
Share capital						
3110	Common stock	VI (XV)	668,010	78	668,010	73
Capital surplus						
3200	Capital surplus	VI (XVI)	55,312	6	55,312	6
Deficit to be offset						
3350	Deficit to be offset	VI (XVII)	(215,593)	(25)	(158,023)	(17)
Other equity						
3400	Other equity		22,305	3	27,444	3
31XX	Total equity attributable to owners of the Company		<u>530,034</u>	<u>62</u>	<u>592,743</u>	<u>65</u>
3XXX	Total equity		<u>530,034</u>	<u>62</u>	<u>592,743</u>	<u>65</u>
Significant Contingent Liabilities and Unrecognized Contractual Commitments						
3X2X	Total Liabilities and Equity		<u>\$ 860,762</u>	<u>100</u>	<u>\$ 910,757</u>	<u>100</u>

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

Chairman:




Officer:



Accounting Officer:




EverFocus Electronics Corp. and Subsidiaries
Consolidated Statement of Comprehensive Income
For the Years Ended December 31, 2024 and 2023

Unit: NT\$ thousand
(Except for loss per share in NT\$)

Item	Notes	2024		2023	
		Amount	%	Amount	%
4000 Operating income	VI (XVIII) and VII	\$ 460,280	100	\$ 369,555	100
5000 Operating cost	VI (V) (XXII) (XXIII) and VII	(328,391)	(71)	(289,701)	(78)
5900 Operating gross profit		<u>131,889</u>	<u>29</u>	<u>79,854</u>	<u>22</u>
Operating expense	VI (XXII) (XXIII) and VII				
6100 Selling expense		(49,440)	(11)	(46,823)	(13)
6200 General and administrative expenses		(63,817)	(14)	(56,297)	(15)
6300 Research and development expense		(121,638)	(26)	(47,898)	(13)
6450 Expected credit impairment gains (losses)		(160)	-	15	-
6000 Total operating expenses		<u>(235,055)</u>	<u>(51)</u>	<u>(151,003)</u>	<u>(41)</u>
6900 Operating loss		<u>(103,166)</u>	<u>(22)</u>	<u>(71,149)</u>	<u>(19)</u>
Non-operating income and expenses					
7100 Interest income	VI (III)	5,476	1	4,420	1
7010 Other income	VI (XIX)	32,435	7	16,761	5
7020 Other gains and losses	VI (XX)	20,762	4	21,633	6
7050 Finance costs	VI (XX) (XII) (XXI) and VII	(5,164)	(1)	(5,495)	(2)
7055 Expected credit impairment gains	VII	399	-	2,048	1
7060 The share of profits and losses from associates and joint ventures accounted for using the equity method	VI (VII)	(1,817)	-	558	-
7000 Total non-operating income and expenses		<u>52,091</u>	<u>11</u>	<u>39,925</u>	<u>11</u>
7900 Loss before income tax		<u>(51,075)</u>	<u>(11)</u>	<u>(31,224)</u>	<u>(8)</u>
7950 Income tax expense	VI (XXIV)	(8,717)	(2)	(17,753)	(5)
8200 Net loss for the period		<u><u>(\$ 59,792)</u></u>	<u><u>(13)</u></u>	<u><u>(\$ 48,977)</u></u>	<u><u>(13)</u></u>
Other comprehensive income (loss)					
8311 Gains on remeasurements of defined benefit plans	VI (XIV)	\$ 2,778	-	\$ 2,848	-
8316 Unrealized gains and losses on equity investments measured at fair value through other comprehensive income	VI (VI)	(1,770)	-	(674)	-
8349 Income tax related to components that will not be reclassified to profit or loss	VI (XXIV)	(556)	-	(569)	-

(Continued from previous page)

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

Chairman:




Officer:



Accounting Officer:




 EverFocus Electronics Corp. and Subsidiaries
 Consolidated Statement of Comprehensive Income
 For the Years Ended December 31, 2024 and 2023

		Unit: NT\$ thousand (Except for loss per share in NT\$)			
Item	Notes	2024		2023	
		Amount	%	Amount	%
8310	Total components of other comprehensive income that will not be reclassified to profit or loss	452	-	1,605	-
8361	Exchange differences arising on translation of foreign operations' financial statements	(3,369)	(1)	3,183	1
8360	Total components of other comprehensive income that will be reclassified to profit or loss	(3,369)	(1)	3,183	1
8300	Net other comprehensive income	(\$ 2,917)	(1)	\$ 4,788	1
8500	Total comprehensive income (loss) for the period	(\$ 62,709)	(14)	(\$ 44,189)	(12)
	Net profit (loss) attributable to:				
8610	Owners of the Company	(\$ 59,792)	(13)	(\$ 48,977)	(13)
	Total comprehensive income attributed to:				
8710	Owners of the Company	(\$ 62,709)	(14)	(\$ 44,189)	(12)
	Basic losses per share				
9750	Basic losses per share		0.90		0.73
	Diluted losses per share				
9850	Diluted losses per share		0.90		0.73

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

Chairman:



Officer:



Accounting Officer:





EverFocus Electronics Corp. and Subsidiaries
Consolidated Statements of Changes in Equity
For the Years Ended December 31, 2024 and 2023

Unit: NT\$ thousand

		Equity attributable to owners of the parent company					
		Capital surplus			Other equity		
Notes	Common stock	Capital surplus - premium on share issuance	Capital surplus - others	Deficit to be offset	Exchange differences arising on translation of foreign operations' financial statements	Unrealized valuation profit or loss on financial assets measured at fair value through other comprehensive income	Total
<u>2023</u>							
	\$ 668,010	\$ 55,051	\$ 261	(\$ 110,651)	\$ 24,261	\$ -	\$ 636,932
	-	-	-	(48,977)	-	-	(48,977)
	-	-	-	2,279	3,183	(674)	4,788
	-	-	-	(46,698)	3,183	(674)	(44,189)
VI (VI)				(674)	-	674	-
	\$ 668,010	\$ 55,051	\$ 261	(\$ 158,023)	\$ 27,444	\$ -	\$ 592,743
<u>2024</u>							
	\$ 668,010	\$ 55,051	\$ 261	(\$ 158,023)	\$ 27,444	\$ -	\$ 592,743
	-	-	-	(59,792)	-	-	(59,792)
	-	-	-	2,222	(3,369)	(1,770)	(2,917)
	-	-	-	(57,570)	(3,369)	(1,770)	(62,709)
	\$ 668,010	\$ 55,051	\$ 261	(\$ 215,593)	\$ 24,075	(\$ 1,770)	\$ 530,034

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

Chairman:



Officer:



Accounting Officer:





EverFocus Electronics Corp. and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

Unit: NT\$ thousand

	Note	For January 1 to December 31, 2024	For January 1 to December 31, 2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Net loss before income tax		(\$ 51,075)	(\$ 31,224)
Adjustments for:			
Adjustments to reconcile profit (loss)			
Depreciation expense	VI (VIII) (IX) (X) (XXII)	16,436	8,501
Amortization expense	VI (XXII)	2,129	1,783
Expected credit impairment losses (gains)	VII	239	(2,063)
Net income from financial assets and liabilities measured at fair value through profit or loss	VI (II) (XX)		
Finance costs	VI (IX) (XII) (XXI)	(8,961)	(22,297)
Interest income		(5,476)	(4,420)
Dividend income	VI (XIX)	(1,904)	(1,610)
Loss on impairment of non-financial assets	VI (VII) (XX)	1,745	-
The share of losses (profits) from associates and joint ventures accounted for using the equity method	VI (VII)	1,817	(558)
Unrealized loss (profit) on financial assets measured at amortized cost		(4,201)	32
Lease modification benefit	VI (IX) (XX)	(2)	-
Changes in operating assets and liabilities			
Net changes in operating assets			
Financial assets at fair value through profit or loss		26,152	30,318
Notes receivable		4,650	(871)
Accounts receivable		(12,643)	39,282
Accounts receivable - related parties		7,324	(13,737)
Other receivables		(329)	(618)
Other receivables - related parties		16,331	(42,539)
Inventories		17,976	27,961
Other current assets		9,059	(8,589)
Other non-current assets		(498)	426
Changes in operating liabilities			
Contract liabilities		(2,792)	(1,074)
Notes payable		(100)	89
Accounts payable		(9,971)	4,069
Accounts payable - related parties		(4,657)	6,194
Other payables		1,022	(1,979)
Other payables - related parties		(36,448)	39,916
Provisions		109	(5,117)
Other current liabilities		(194)	(2,970)
Cash (outflows) inflows from operations		(29,098)	24,400
Income tax paid		(164)	-
Interest received		5,476	4,420
Dividends received		1,836	1,756
Interest paid		(5,164)	(5,495)
Net cash inflows (outflows) from operating activities		(27,114)	25,081
<u>CASH FLOWS FROM OPERATING</u>			


EverFocus Electronics Corp. and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

Unit: NT\$ thousand

	Notes	For the Year Ended December 31, 2024	For the Year Ended December 31, 2023
<u>ACTIVITIES</u>			
Net loss before income tax		(\$ 51,075)	(\$ 31,224)
Adjustments for:			
Adjustments to reconcile profit (loss)			
Depreciation expense	VI (VIII) (IX) (X) (XXII)	16,436	8,501
Amortization expense	VI (XXII)	2,129	1,783
Expected credit impairment losses (gains)	VII	239	(2,063)
Net income from financial assets and liabilities measured at fair value through profit or loss	VI (II) (XX)	(8,961)	(22,297)
Finance costs	VI (IX) (XII) (XXI)	5,164	5,495
Interest income		(5,476)	(4,420)
Dividend income	VI (XIX)	(1,904)	(1,610)
Loss on impairment of non-financial assets	VI (VII) (XX)	1,745	-
The share of losses (profits) from associates and joint ventures accounted for using the equity method	VI (VII)	1,817	(558)
Unrealized loss (profit) on financial assets measured at amortized cost		(4,201)	32

(Continued from previous page)

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

Chairman:




Officer:



Accounting Officer:




EverFocus Electronics Corp. and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

Unit: NT\$ thousand

	<u>Notes</u>	<u>For the Year Ended December 31, 2024</u>	<u>For the Year Ended December 31, 2023</u>
<u>Cash flows from investing activities</u>			
Acquisition of investments accounted for using the equity method	VI (VII)	\$ -	(\$ 9,200)
Acquisition of financial assets measured at amortized cost		(1,937)	(3,145)
Disposal of financial assets measured at amortized cost		-	2,800
Acquisition of financial assets measured at fair value through profit or loss		(30,000)	-
Acquisition of property, plant and equipment	VI (VIII) (XXVI)	(9,473)	(8,674)
Disposal of subsidiary consideration	IV (III) and VII	399	22,470
Acquisition of intangible assets		(4,370)	(1,211)
Increase in refundable deposits		(502)	(1,100)
Net cash inflows (outflows) from investing activities		<u>(45,883)</u>	<u>1,940</u>
<u>Cash flows from financing activities</u>			
Increase in short-term borrowings	VI (XXVII)	69,025	11,741
Guarantee deposits received		211	16
Payment of lease liabilities	VI (XXVII)	(9,967)	(3,510)
Net cash generated by financing activities		<u>59,269</u>	<u>8,247</u>
Effect of exchange rate changes		(1,740)	428
Increase (decrease) in cash and cash equivalents for the period		(15,468)	35,696
Cash and cash equivalents at beginning of period		<u>111,254</u>	<u>75,558</u>
Cash and cash equivalents at end of period		<u>\$ 95,786</u>	<u>\$ 111,254</u>

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

Chairman:



Officer:



Accounting Officer:





EVERFOCUS ELECTRONICS CORP.

Comparison Table of Amendments to the Articles of Incorporation (Before and After)

Revised Provisions Content	Original Provisions Content	Explanation
<p>Article 19:</p> <p>If the Company has earnings in the fiscal year, it shall allocate 3% to 10.5% of the earnings as employee compensation. Among the aforementioned employee compensation, no less than 20% shall be reserved for grassroots employees. The distribution shall be determined by the Board of Directors and may be distributed in the form of stock or cash. The recipients may include employees of subsidiaries who meet certain conditions. The Company may also allocate up to 2.5% of the earnings, as determined by the Board of Directors, for directors' remuneration.</p> <p>However, if the Company has accumulated losses, the amount necessary to cover such losses shall be retained in advance, and only then will the employee and directors' compensation be allocated in accordance with the aforementioned percentages.</p>	<p>Article 19:</p> <p>If the Company has earnings in the fiscal year, it shall allocate 3% to 10.5% of the earnings as employee compensation. The distribution method, whether in stock or cash, shall be determined by the Board of Directors, and the recipients may include employees of subsidiaries who meet certain conditions. The Company may also allocate up to 2.5% of the earnings, as determined by the Board of Directors, for directors' remuneration.</p> <p>However, if the Company has accumulated losses, the amount necessary to cover such losses shall be retained first, and only then will the employee and directors' compensation be allocated according to the aforementioned percentages.</p>	<p>In response to the amendment of Article 14 of the Securities and Exchange Act announced on August 7, 2024, which requires listed companies to specify in their Articles of Incorporation that a certain percentage of annual profits shall be allocated for salary adjustments or compensation distribution to grassroots employees.</p>
<p>Article 23:</p> <p>This Articles of Incorporation was established on June 28, 1995.</p> <p>First Amendment: October 16, 1996.</p> <p>Second Amendment: June 26, 1997.</p> <p>Third Amendment: May 2, 1998.</p> <p>Fourth Amendment: June 5, 1998.</p> <p>Fifth Amendment: June 1, 1999.</p> <p>Sixth Amendment: June 30, 2000.</p>	<p>Article 23:</p> <p>This Articles of Incorporation was established on June 28, 1995.</p> <p>First Amendment: October 16, 1996.</p> <p>Second Amendment: June 26, 1997.</p> <p>Third Amendment: May 2, 1998.</p> <p>Fourth Amendment: June 5, 1998.</p> <p>Fifth Amendment: June 1, 1999.</p> <p>Sixth Amendment: June 30, 2000.</p>	<p>Add Amendment Date(s)</p>

<p>Seventh Amendment: April 30, 2001. Eighth Amendment: June 14, 2002. Ninth Amendment: June 11, 2004. Tenth Amendment: June 17, 2005. Eleventh Amendment: June 17, 2005. Twelfth Amendment: June 15, 2006. Thirteenth Amendment: June 15, 2007. Fourteenth Amendment: June 13, 2008. Fifteenth Amendment: June 10, 2009. Sixteenth Amendment: June 15, 2010. Seventeenth Amendment: June 10, 2011. Eighteenth Amendment: June 13, 2012. Nineteenth Amendment: June 17, 2015. Twentieth Amendment: June 8, 2016. Twenty-First Amendment: June 14, 2017. Twenty-Second Amendment: June 14, 2018. Twenty-Third Amendment: June 5, 2019. Twenty-Fourth Amendment: June 20, 2025.</p>	<p>Seventh Amendment: April 30, 2001. Eighth Amendment: June 14, 2002. Ninth Amendment: June 11, 2004. Tenth Amendment: June 17, 2005. Eleventh Amendment: June 17, 2005. Twelfth Amendment: June 15, 2006. Thirteenth Amendment: June 15, 2007. Fourteenth Amendment: June 13, 2008. Fifteenth Amendment: June 10, 2009. Sixteenth Amendment: June 15, 2010. Seventeenth Amendment: June 10, 2011. Eighteenth Amendment: June 13, 2012. Nineteenth Amendment: June 17, 2015. Twentieth Amendment: June 8, 2016. Twenty-First Amendment: June 14, 2017. Twenty-Second Amendment: June 14, 2018. Twenty-Third Amendment: June 5, 2019.</p>	
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(Attachment 6)



EVERFOCUS ELECTRONICS CORP.

Articles of Incorporation

Chapter I - General Provisions

Article 1: The Company is incorporated pursuant to the provisions of the Company Act under the name of EVERFOCUS ELECTRONICS CORP.

Article 2: The scope of business of the Company shall be as follows:

- (1) CB01010 Mechanical Equipment Manufacturing
- (2) CC01080 Electronic Components Manufacturing
- (3) E604010 Machinery Installation
- (4) E603050 Automatic Control Equipment Engineering
- (5) F113010 Wholesale of Machinery
- (6) F213080 Retail Sale of Other Machinery and Equipment
- (7) F119010 Wholesale of Electronic Materials
- (8) F219010 Retail Sale of Electronic Materials
- (9) I501010P product Designing
- (10) E605010 Computer Equipment Installation
- (11) EZ05010 Instrument and Meters Installation Engineering
- (12) I301010 Software Design Services
- (13) E601010 Electric Appliance Construction
- (14) E603010 Cable Installation Engineering
- (15) F401010 International Trade
- (16) CC01101 Restrained Telecom Radio Frequency Equipment and Materials Manufacturing
- (17) F401021 Restrained Telecom Radio Frequency Equipment and Materials Import
- (18) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1: The Company may make guarantees and reinvest for other companies as required for its business. The Company's reinvestment may exceed 40% of the Company's paid-in capital

Article 3: The Company has its head office in New Taipei City. If necessary, the Company may set up domestic or foreign branches by the resolution of the Board of Directors.

Article 4: (Deleted)

Chapter II Capital Stock

Article 5: The total capital stock of the Company shall be in the amount of 2,070,000,000 New Taiwan Dollars, divided into 207,000,000,000 shares, at ten New Taiwan Dollars each. The unissued shares are authorized to be issued by the Board of Directors in installments.

The Company reserves NT\$ 300 million of the capital in the preceding paragraph for issuing 30 million shares with a par value of NT\$10 issuance of stock options, including employee stock options, bonds with warrants, and preferred stock with

- warrants. The Board of Directors may resolve to issue the shares in different times.
- Article 5-1: The Company may transfer treasury shares to employees at less than the average actual share repurchase price or issue employee stock warrants at a subscription price lower than the closing price on the issue date. The Company must have obtained the consent of at least two-thirds of the voting rights present at the most recent shareholders meeting attended by shareholders representing a majority of total issued shares.
- Article 6: (Deleted)
- Article 7: The certificate should be signed or stamped by more than three directors, and duly certified by the competent authority or an issuance and registration institution approved by the competent authority. The Company may be exempted from printing any share certificate for the shares issued and shall register the issued shares with a centralized securities depository enterprise. When the Company needs to repurchase its own shares, the Board of Directors is authorized to do so in accordance with the laws and regulations.
- Article 8: The change of name and transfer of shares are suspended within 60 days before the general meeting, 30 days before an extraordinary shareholders meeting, or 5 days before the record date of distribution of dividends and bonus, or other benefits.
- Article 8-1: The Company's stock affairs shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" issued by the competent authority.

Chapter III Shareholders' Meeting

- Article 9: Shareholders' meetings of the Company are of two types, namely: regular meetings and special meetings. Regular meetings shall be convened, by the Board of Directors, within six months after the close of each fiscal year. Special meetings shall be convened in accordance with the relevant laws, rules and regulations of the Republic of China.
- Article 10: If a shareholder is unable to attend a shareholders' meeting for any reason, the shareholder may in accordance with Article 177 of the Company Act, appoint a proxy to attend the meeting with the shareholder's signature or seal on a proxy form issued by the Company stating the scope of power authorized to the proxy. The "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" shall be followed. The shareholders' meeting shall be presided over by the Chairman of the Board of the Company. In case the Chairman of the Board is on leave, a director shall be designated to act in his/her behalf; and if no representative is so designated, the representative shall be elected by the directors from among themselves.
- Article 11: A shareholder shall be entitled to one vote for each share held, except for those matters specified in Article 179 of the Company Act.
- Article 12: Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.
- Article 12-1: Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the shareholders' meeting and shall be distributed to all shareholders of the Company within twenty days after the close of the meeting.
The preparation and distribution of the minutes of shareholders' meeting as required in the preceding Paragraph may be affected by means of electronic transmission.
The Company may distribute the meeting minutes described in the first Paragraph by means of a public announcement.

Chapter IV Directors and Audit Committees

- Article 13: The Company shall have five to nine directors who shall be elected by the shareholders' meeting from among the persons with disposing capacity. The term of office for Directors shall be three years, and all Directors shall be eligible for re-election.
- Article 13-1: (deleted)
- Article 13-2: In accordance with Article 14-4 of the Securities and Exchange Act, the Company shall establish an Audit Committee to replace the Supervisors' powers. The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be convener. The Audit Committee's powers and related matters shall be executed in accordance with the provisions of the relevant laws and regulations, as determined by the Board of Directors.
- Article 13-3: The number of independent directors shall not be fewer than three persons among the aforesaid number of directors of the Company. The Company shall adopt a candidate nomination system for the election of directors (including independent directors), and the shareholders' meeting shall elect the candidates from the candidates' list of independent directors. The professional qualifications, shareholdings, restrictions on concurrent positions, nomination and election of independent directors and other matters to be followed shall be in accordance with the relevant regulations set forth by the competent authority
- Article 14: The Board of Directors is organized by the Directors. The Directors shall elect from among themselves a Chairman and a Vice Chairman of the Board, by a majority in a meeting attended by over two-thirds of the Directors. The Chairman of the Board represents the Company externally.
- Article 14-1: Unless otherwise provided in the Company Act, a resolution of the Board of Directors shall be made only with the presence of a majority of the directors. The resolution shall be adopted by a majority of the present directors.
- Article 15: When Chairman is on leave of absence, or cannot exercise its job for any cause, agency of his/her job shall be handled in accordance with the Article 208 of the Company Act.
Directors shall attend the board meeting in person. When a Director is unable to attend a board meeting, he/she may authorize another Director to attend on his/her behalf by issuing a power of attorney in the latter's favor specifying the business to be conducted thereat and the scope of the authority to be granted. A director may accept the appointment to act as the proxy referred to in the preceding Paragraph of one other director only.
- Article 15-1: The reasons for calling a board of directors meeting shall be notified to each director at least seven days in advance. In emergency circumstances, however, a meeting may be called on shorter notice. The notice set forth in the preceding paragraph may be given in writing, by facsimile or electronic means.
- Article 16: Directors of the Company shall be entitled to remuneration for their duties regardless of profit or loss. The Board of Directors is authorized to determine the remuneration within the standards for maximum salaries established in the Company's Remuneration Policy based on the level of their participation in the Company's operations and the value of their contribution. The Directors shall be reimbursed for all expenses incurred as necessary to carry out their duties. Directors are entitled to receive NT\$5,000 transportation fee for attending the meeting.
- Article 16-1: The Company may purchase liability insurance for directors to reduce the risk of being sued by shareholders or other related parties in connection with the performance of directors' duties as required by law.

Chapter V Managers

Article 17: The Company may have one president. Its appointment, discharge and remuneration shall be handled in accordance with the provision of Article 29 of the Company Act.

Chapter VI Accounting

Article 18: After the end of each fiscal year, the Company's Board of Directors shall prepare and submit the following reports to the Annual General Meeting of Shareholders for approval 30 days prior to the date of the Annual General Meeting of Shareholders: 1. Business report; 2. Financial statements and 3. Proposals for allocation of surplus profits or making up loss.

Article 19: If the Company generates profit for the year, an amount ranging from 3% to 10.5% shall be allocated as employee remuneration. No less than 20% of the aforementioned employee remuneration shall be reserved for grassroots employees. The distribution shall be determined by a resolution of the Board of Directors and may be made in the form of shares or cash. Eligible recipients may include employees of subsidiaries who meet certain criteria. The Company may also allocate, subject to a resolution of the Board of Directors, up to 2.5% of the aforementioned profit as directors' remuneration. However, if the Company still has accumulated losses, the amount required to cover such losses shall first be reserved before allocating employee and directors' remuneration in accordance with the percentages mentioned above.

Article 19-1: If the Company records earnings upon the completion of the annual final accounts, after paying all applicable taxes and making up for accumulated losses, 10% of the remaining earnings shall be allocated as legal reserve. However, if the legal reserve has reached the Company's paid-in capital, no further allocation is required. The remainder shall be allocated or reversed as special reserve in accordance with relevant laws and regulations. Any remaining balance, together with the undistributed retained earnings from previous years, may be distributed as dividends to shareholders. The distributable surplus, ranging from 0% to 100%, shall be proposed by the Board of Directors and submitted to the shareholders' meeting for approval. If all or part of the dividends are to be distributed in cash, the distribution shall be authorized by a resolution of the Board of Directors attended by at least two-thirds of the directors and approved by a majority of the attending directors, and subsequently reported to the shareholders' meeting. The primary principles of dividend distribution shall be to maintain a sound financial structure and support the Company's future business growth. The Board of Directors shall evaluate the Company's profitability and operational needs annually and, in compliance with the Company Act, propose a distribution plan that ensures investors' interests. Upon approval by the annual shareholders' meeting, the plan shall be executed. Dividend distribution may be carried out by way of capitalization of earnings, capitalization of capital surplus, and cash dividends. If there are appropriate investment plans that are expected to enhance the Company's profitability, the Company may consider capitalizing earnings or capital surplus. If capital expansion impacts the level of dividends, cash dividends may be adopted instead. Stock dividends may account for 0% to 90% and cash dividends may account for 10% to 100%, with the actual distribution amount subject to approval by the shareholders' meeting.

Chapter VII Miscellaneous

- Article 20: The Corporate Charter and related regulations shall be separately established by the Board of Directors.
- Article 21: Any matter not specified in these Articles should be handled in accordance with the Company Act and applicable laws.
- Article 22: The Company may provide guarantees for its subsidiaries with the approval of the Board of Directors.
- Article 23: These Articles of Incorporation were established on June 28, 1995.
The first Amendment was made on October 16, 1996.
The second Amendment was made on June 26, 1997.
The third Amendment was made on May 2, 1998.
The fourth Amendment was made on June 5, 1998.
The fifth Amendment was made on June 1, 1999.
The sixth Amendment was made on June 30, 2000.
The seventh Amendment was made on April 30, 2001.
The eighth Amendment was made on June 14, 2002.
The ninth Amendment was made on June 11, 2004.
The tenth Amendment was made on June 17, 2005.
The eleventh Amendment was made on June 17, 2005.
The twelfth Amendment was made on June 15, 2006.
The thirteenth Amendment was made on June 15, 2007.
The fourteenth Amendment was made on June 13, 2008.
The fifteenth Amendment was made on June 10, 2009.
The sixteenth Amendment was made on June 15, 2010.
The seventeenth Amendment was made on June 10, 2011.
The eighteenth Amendment was made on June 13, 2012.
The nineteenth Amendment was made on June 17, 2015.
The twentieth Amendment was made on June 8, 2016.
The twenty-first Amendment was made on June 14, 2017.
The twenty-second Amendment was made on June 14, 2018.
The twenty-third Amendment was made on June 5, 2019.
The twenty-fourth Amendment was made on June 20, 2025.

EVERFOCUS ELECTRONICS CORP.

Chairman: Yung-Shun Chuang





EVERFOCUS ELECTRONICS CORP.

Rules and Procedures of Shareholders' Meeting

1. These Rules of Procedure are established in accordance with the Rules Governing the Conduct of Shareholders Meetings by Public Companies.
2. A shareholder may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney stating therein the scope of power authorized to the proxy. Such proxy matters shall be handled in accordance with the provisions of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies and Article 177 of the Company Act.
The Company shall specify in its shareholders meeting notices the time and the place to register for attendance, and other matters for attention.
The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.
The Company shall furnish the attending shareholders (or proxy) with an attendance book to sign, or attending shareholders (or proxy) may hand in a sign-in card in lieu of signing in. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in.
3. Attendance and voting at shareholders meetings shall be calculated based on numbers of shares.
4. The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. The venue and time for the meeting shall take independent directors' opinions into account.
5. If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
When a managing director or a director serves as chair, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic person director that serves as chair.
If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting.
When there are two or more such convening parties, they shall mutually select a chair from among themselves.
6. The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.
Staff handling administrative affairs of a shareholders meeting shall wear identification cards

- or arm bands.
7. The shareholders meeting shall be documented by audio or video and shall be retained for at least one year.
 8. The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.
 9. If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting. After close of the said meeting, shareholders shall not elect another chairman to hold another meeting at the same place or at any other place.
 10. A shareholder wishing to speak in a shareholders meeting shall first fill out a slip, specifying therein the major points of his speech, his serial number as a shareholder (or number of attendance) and his name, and the chairman shall determine his order of giving a speech. A shareholder who submits his slip for a speech but does not actually speak shall be considered as not having given a speech. If the contents of his speech shall be different from those specified on the slip, the contents of his speech shall prevail. When a shareholder is giving a speech, the other shareholders shall not interrupt unless they have obtained the prior consent from the chairman and the said shareholder, and the chairman may prevent others from interrupting.
 11. A shareholder shall not speak more than two times for one motion, unless he has obtained the prior consent from the chairman, and each speech shall not exceed 5 minutes. If a shareholder violates the above provisions or his speech exceeds the scope of the motion, the chairman may prevent him from doing so.
 12. A corporate shareholder being entrusted to attend in a shareholders meeting may designate only one representative to represent it in the meeting. If a corporate shareholder which designates two or more representatives to represent it at the shareholders meeting, only one of the representatives so designated may speak on any one motion.
 13. After a shareholder has given a speech, the chairman may personally or designate relevant person to respond.
 14. When the chairman considers that the discussion for a motion has reached the extent for making a resolution, he may announce discontinuance of the discussion and submit the motion for resolution. A shareholder who has a personal interest in the matter under discussion at a meeting, which may impair the interest of the company, shall not vote nor

- exercise the voting right on behalf of another shareholder.
15. The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the chairman, provided, however, that the person supervising the casting of votes shall be a shareholder.
The results of resolution(s) shall be announced in the meeting, and recorded in the meeting minutes.
Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the company within twenty (20) days after the close of the meeting.
The preparation and distribution of the minutes of shareholders' meeting as required in the preceding Paragraph may be affected by means of electronic transmission.
The distribution of the minutes of shareholders' meeting as required in the preceding paragraph may be made by means of posting on the Market Observation Post System.
The minutes of shareholders' meeting shall record the date and place of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be kept persistently throughout the life of the company.
 16. When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.
A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.
 17. Except for special resolutions as provided in the Company Act, when a proposal comes to a vote, it shall be approved by a majority of the shareholders present; if the chair puts the matter before all directors present at the meeting and none voices an objection, the matter is deemed approved. The vote shall have the same validity as a poll, and each shareholder shall have one vote, except in the case provided in Article 179 of the Company Act, in which case he/she shall not have the right to vote.
Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.
 - 17-1. The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.
The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
 18. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
 19. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

20. These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be affected in the same manner.

These Regulations were approved at the Annual General Meeting of Shareholders on June 30, 2000.

The first Amendment was made on June 14, 2002.

The second Amendment was made on June 15, 2006.

The third Amendment was made on June 13, 2012.

The fourth Amendment was made on June 18, 2013.

The fifth Amendment was made on June 14, 2018.

Status of Shareholding by Directors of the Company:



EVERFOCUS ELECTRONICS CORP.

Director Shareholding

1. The Minimum Number of Shares All Directors Are Required to Hold and the Number of Shares Actually Held by Individual and All Directors Recorded in the Shareholders' Register

Title	Shares Held	Shareholding Percentage	Shares recorded in the Shareholders' Register
Director	5,344,080	8.0%	16,131,248

2. Shareholdings of All Directors

Title	Name	Shares recorded in the Shareholders' Register
Chairman	Yung-Shun Chuang	10,655,686
Director	Hui-Ming Tsao	1,707,541
Director	LCL CAPITAL INC. Representative: Ching-Kun Chen	3,768,021
Director	LCL CAPITAL INC. Representative: Chieh-Hsi Li	3,768,021
Director	Jui Hai Investment Co., Ltd. Representative: Fu-Chieh Chuang	338,295
Independent director	Hsu-Nan Huang	0
Independent director	Hsueh-Yu Lo	0
Independent director	Chen-An Li	18,629

(Note) Book closure date: April 22, 2025.

The background features a dark blue gradient with a grid of thin, light blue lines that converge towards the top left. A bright, glowing light source is visible in the upper left corner, creating a lens flare effect. Scattered throughout the background are numerous small, white, star-like points of light.

Everfocus
Your Safety, Our Focus