

Stock Code: 2428



THINKING ELECTRONIC INDUSTRIAL CO., LTD.

**2026 Annual Shareholders' Meeting
Meeting Agenda**

May 26, 2026

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Thinking Electronic Industrial Co., Ltd.
Meeting Procedure

- I. Report the number of shares in attendance
- II. Call Meeting to Order
- III. Chairman's Address
- IV. Report Items
- V. Proposal Items
- VI. Election Items
- VII. Other Items
- VIII. Extemporary Motions
- IX. Meeting Adjourned

Thinking Electronic Industrial Co., Ltd.
Meeting Agenda

- I. Time: May 26, 2026, 9:00 a.m.
- II. Method for convening the meeting: Physical shareholders' meeting
- III. Place: Conference Room II, Nan-Zih Export Processing Zone, No. 600-7, Chia-Chang Rd., Nan-Zih Dist., Kaohsiung City
- IV. Report the number of shares in attendance
- V. Call meeting to order
- VI. Chairman's Address
- VII. Report Items
 - (1) 2025 Business Report
 - (2) 2025 Audit Committee's Review Report
 - (3) Report on 2025 Employees' and Directors' remuneration
- VIII. Proposal Items
 - (1) 2025 Business Report and Financial Statements
 - (2) 2025 Earnings Distribution
- IX. Election Items
 - (1) Election of Directors
- X. Other Items
 - (1) Discussion of Release of Directors from Non-competition Restrictions
- XI. Extemporaneous Motions
- XII. Meeting Adjourned

Report Items

No. 1: 2025 Business Report

Explanation: The Company's 2025 Business Report (please refer to Attachment 1)

No. 2: 2025 Audit Committee's Review Report

Explanation: Audit Committee's Review Report (please refer to Attachment 2)

No. 3: Report on 2025 Employees' and Directors' remuneration

Explanation:

1. According to the Article 19 of the Articles of Incorporation, if the Company retains earnings at the end of the fiscal year, it is required to allocate 2% thereof as the remuneration to employees (of which the distribution of remuneration to entry-level employees shall not be less than 35% of the total employee remuneration amount) and no more than 2% as remuneration to directors.
2. The proposed remuneration to employees for this period is NT\$75,259,000, representing an allocation ratio of 3.73%. Of the aforementioned amount, NT\$27,500,000, representing an allocation ratio of 36.54%, is proposed as remuneration to entry-level employees.
3. The proposed remuneration to directors for this period is NT\$25,588,000, representing an allocation ratio of 1.27%.
4. Said remuneration was paid in cash in whole and have been allocated in accordance with the Company's Articles of Incorporation.

Proposal Items

No. 1: 2025 Business Report and Financial Statements

(Proposed by the Board of Directors)

Explanation:

1. The Company's 2025 Financial Statements were audited by CPA, Chen Chen-Li and CPA, Liu Yu-Hsiang of Deloitte & Touche.
2. The Business Report, Parent Company Only Financial Statements and Consolidated Financial Statements have been approved by the Board of Directors, and audited by the Audit Committee (please refer to Attachment 1 and Attachment 3 for details).
3. Please resolve the motion accordingly.

Resolution:

No. 2: 2025 Earnings Distribution

(Proposed by the Board of Directors)

Explanation:

1. The 2025 Earnings Distribution Table was prepared in accordance with the Company act and the Company's Articles of Incorporation. The earnings 2025 shall be distributed as the first priority, and the earnings accumulated before 1997 (inclusive) will be distributed to make up the deficit, if any.
2. Please resolve the motion accordingly.

Thinking Electronic Industrial Co., Ltd.
2025 Earnings Distribution Table

Unit: NTD\$

Previous year's unappropriated earnings	6,302,314,403
Net profit for 2025	1,506,032,859
Plus: Remeasurement of defined benefit plans recognized into retained earnings	3,973,602
Retained earnings from adjustment of investment under equity method	63,430
Current net profit plus adjustment	1,510,069,891
Less: Provision of legal reserve	(151,006,989)
Provision of special reserve	(13,137,933)
Cumulative earnings available for distribution	7,648,239,372
Dividends to shareholders - cash dividends	(755,865,084)
End of term unappropriated earnings	6,892,374,288

Notes:

1. The earnings 2025 shall be distributed as the first priority.
2. The cash dividends proposed to be distributed total NT\$755,865,084 to be distributed at NT\$5.9 per share subject to the outstanding stocks totaling 128,112,726 shares on March 4, 2026. In the event of any changes in the outstanding shares, the Board of Directors will be authorized by a shareholders' meeting to deal with them with full power. Once resolved at a shareholders' meeting, the Board of Directors is authorized to set the ex-dividend record date and date of distribution separately.
3. The cash dividends will be calculated and truncated to the nearest NTD. Fractions less than NT\$1 shall be summed up and adjusted based on the decimal points arranged from the large to the small in the order of the account number from the front to the back, until the total cash dividends to be distributed is met.
4. If it is necessary to change any requirements defined for the distribution of earnings upon authorization of the competent authority, or due to treasury shares or conversion of bonds, the Board of Directors is authorized to deal with it.

Chairman: Sui Tai-Chung

President: Sui Tai-Chung

Accounting Manager: Chen Chia-Hua

Resolution:

Election Items

No. 1: Election of Directors

(Proposed by the Board of Directors)

Explanation:

1. The term of the Company's current directors expires on June 12, 2026. Re-election is required by law.
2. The Company adopts a candidate nomination system for the election of directors. Eight directors (including four independent directors) are to be elected for this round, serving a three-year term from May 26, 2026 to May 25, 2029. Newly elected directors shall assume office following the Annual Shareholders' Meeting, and incumbent directors shall be automatically relieved of their duties.
3. For list of Candidates for Director (including Independent Director), please refer to Attachment 4.

Resolution:

Other Items

No. 1: Discussion of Release of Directors from Non-competition Restrictions

(Proposed by the Board of Directors)

Explanation:

1. In accordance with Article 209 (1) of the Company Act, "a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the Shareholders' Meeting the essential contents of such an act and secure its approval".
2. If any of the new directors and legal entities and their representatives of the Company invest in or operate other companies related to or similar to the scope of business of the Company, they intend to submit to the Shareholders' Meeting in accordance with the law, provided that the Company's interests are not prejudiced. The Company agrees to release the new directors and legal entities and their representatives from the prohibition of competition.
3. Please resolve the motion accordingly.

Resolution:

Extemporary Motions

Meeting Adjourned

Thinking Electronic Industrial Co., Ltd. Business Report

The Company always uses the best effort to manage its products and keep serving as a goalkeeper for current protection, voltage protection and temperature protection, by upholding the enterprise spirit "Prosperity, Satisfaction, Diligence and Sustainability". Fearless of fluctuation in the global economy, the Company responds to them by improving the Group's management, diversifying the market strategies, stabilizing financial structure and adopting reasonable cause and effect, in order to seize any new opportunities. Within the electronics industry, the Company is also steadily working towards its goal of becoming the leading brand for protective components.

I. Business report:

(1) Results:

The consolidated revenue for the year was NT\$8,034,659 thousand, 6.85% increase from the previous year; the consolidated net profit after tax was NT\$1,491,487 thousand, 2.71% decrease from the previous year, and the earnings per share (EPS) was NT\$11.76.

(2) Execution of budget: N/A.

(3) Analysis on financial receipts and expenditures, and profitability:

Unit: NT\$ Thousand

Year		2025	2024
Item			
Financial receipts and expenditures	Operating revenue, net	8,034,659	7,519,697
	Gross profit	3,226,257	2,979,747
	Current net profit	1,491,487	1,532,973
Profitability	ROA	9.32%	10.54%
	ROE	13.56%	15.20%
	Operating income to paid-in capital ratio	157.07%	138.45%
	EBT to paid-in capital ratio	168.08%	161.20%
	Net profit margin	18.56%	20.38%
	EPS after tax (NT\$)	11.76	12.10

(4) Research and development :

The Company has long been dedicated to the manufacture of protection components for overcurrent, overvoltage, and temperature control. These products are widely used in 3C products, communications components, and home appliances. In recent years, the Company has been actively expanding into the automotive industry, energy storage systems, new energy, industrial equipment, biotech and medical, and AI application sectors, which now carry significant weight in revenue composition. The Company's long-standing cultivation of core technologies in component and material design and automation equipment R&D has been applied to miniaturized components and designs with high temperature and high voltage tolerance to meet the industry's demand for protection components. Furthermore, the Company has developed corresponding technical strategies to address sustainability goals such as environmental protection and energy conservation and carbon reduction. In recent years, continued advances in slurry engineering processes and breakthroughs in dispersion technology have enabled the widespread application of nanomaterials across the Company's various component product lines. In the area of negative temperature coefficient (NTC) thermistors, the development of crystal rod process products to enhance the high-temperature stability of sensors has been completed, with product temperature tolerance increasing from 150°C to 350°C as application fields expand. To address silver metal migration in harsh automotive-grade environments, the Company plans to launch copper electrode products. Development of low-B (2240) high-resistance, high-temperature-tolerant products is also underway to meet the increasing temperature tolerance requirements of the automotive market. In response to environmental degradation and the push for energy-saving, low-carbon manufacturing processes, chip-type components are transitioning from alcohol solvent-based processes to water-based processes. Additionally, amid surging silver prices, the Company is launching a copper electrode product series to respond to market demand. In the area of zinc oxide varistors, the high surge current series of multilayer varistors has fully transitioned to pure silver electrodes, eliminating the use of palladium-containing electrodes. Furthermore, in the anti-ESD (electrostatic discharge) protection series, enhancing voltage tolerance and reducing the use of palladium-containing electrodes will be a key R&D focus this year. Beyond performance improvements, ongoing R&D directions for varistors include miniaturization and the replacement of silver electrodes with copper electrodes. Regarding environmental compliance, the EU has imposed restrictions on antimony-containing products; the Company is currently supplying small quantities to customers and proceeding with the development of a full product series. In lightning protection product development, the focus on material design and slurry engineering aims to enhance 10-350 surge current tolerance and expand the lineup of low-clamping-voltage products to increase market share. In the area of positive temperature coefficient (PTC) thermistors, the 1,400V high-voltage CPTC product is designed for automotive-grade applications, while the high-voltage series is applied in AI thermal management modules. In chip-type PTC products, a 0805 soft-cut SMD 4.7-ohm ultra-low-resistance product has been developed. In other protection components, the development of an automotive-grade PPTC 125°C product series and low-resistance series products are also key R&D priorities. Additionally, diversified new product design is a major focus for the Company, with pressure sensors being the flagship new product for the current year.

II. Summary of business plan:

(1) Business policy

1. Continue applying the philosophy of "New Concept, New Management, New Technology and New Market," and remaining committed to cultivating new markets such as electric vehicles, new energy, AI, industrial control, communications, and healthcare.
2. Leverage the economies of scale and competitive advantages of each manufacturing site, establish an internal support network within the Group, utilize the most suitable technological capabilities, and supply the most competitive products to achieve optimal business profits.
3. Enhance employee capabilities to handle more international large-scale clients, increase organizational connectivity to ensure operational continuity across departments; refine backup personnel mechanisms to strengthen operational stability and achieve the goal of sustainable business operations.

(2) Expected sales volume and basis thereof

The rapid advancement of AI has become the primary growth driver for the electronics industry and represents a key new market in which the Company is investing heavily. While the macro trend of automotive powertrain electrification and electronic control systems has seen slowing growth, the Company's long-term commitment to this market means the accumulated results remain one of the primary engines of revenue growth. Global climate change and energy concerns continue to drive rising market demand for renewable energy and energy storage. Combined with automation and smart industrial applications, these are all sources of growth momentum for the Company. However, reciprocal tariffs, international conflicts, and soaring raw material prices have intensified market competition and created headwinds for stable global economic growth. Taking all factors into consideration, after integrating major customers' operational forecasts for the new year and combining these with foreseeable budgets for new customers and products, the Company's sales revenue in 2026 will see visible growth, maintaining a trajectory of steady upward development.

(3) Key production and sales policies

1. Production policy:

A. Supply management:

- (A) In response to the restructuring of global supply chains and heightened geopolitical risks, the Company continues to deepen its market positioning for products across diversified application markets including automotive, communications, industrial, and medical. It is also building a multi-site, diversified supply chain system. Through the full utilization of multi-source production configurations across five locations on both sides of the Taiwan Strait, and by actively promoting the diversification of manufacturing sites, including new facilities in Kaohsiung and Guangdong that have been completed and are in commercial operation, as well as a new factory in Vietnam currently under construction, the Company aims to mitigate the risk of supply disruptions arising from geopolitical factors for its customers and to be closer to key delivery markets. The overall strategy is centered on enhancing delivery flexibility and customer service efficiency.

(B) In terms of inventory management, the Company prudently adjusts inventory levels at each plant based on changes in market demand and order status, continuously rationalizing inventory structure to improve inventory turnover rate, reduce capital tied up in inventory, and ensure efficient use of working capital.

B. Production management:

(A) People: The Company continues to strengthen talent training and professional specialization, promoting professional development of personnel and ensuring the stability of key process personnel to reinforce the foundation of production technology and quality.

(B) Machine: The Company continues to promote automation and smart upgrades of production equipment, progressively phasing out high-energy-consumption and low-efficiency equipment to improve overall production efficiency and reduce per-unit manufacturing costs.

(C) Materials: The Company implements a multi-source material qualification mechanism to reduce the risks and supply stability impacts associated with single-source dependency. Strategic procurement is conducted for key raw materials to effectively manage cost fluctuations, in accordance with the quality management principle of "strict incoming materials, strict outgoing products."

(D) Methods:

D-1 Systematizing management, standardizing systems through forms, and digitizing forms, hence comprehensively promoting the digitization and systematization of operational management.

D-2 Continuing to promote lean production, reducing or eliminating low-value-added activities, and focusing resources on high-output and high-impact key actions.

D-3 Strengthening departmental operational efficiency management, with all plants and units across the Group simultaneously setting and implementing key performance indicator (KPI) initiatives to ensure strategy execution.

(E) Environment:

E-1. Advancing energy conservation projects by conducting comprehensive energy consumption audits and diagnostics of equipment, and launching energy-saving improvement plans based on the findings.

E-2. Promoting water resource reuse by installing process wastewater recovery systems to improve water use efficiency and achieve the goal of multiple-use water cycles.

E-3. Designing and planning new facilities based on green building principles, pursuing environmentally friendly and sustainable operations, and fulfilling ESG corporate responsibilities.

C. Overview of Production and Marketing:

Facing rapidly changing market demand, the Company maintains a high degree of flexibility and resilience in its production-sales system through the continuous operation and optimization of production-sales coordination mechanisms, balancing production-sales variances and dynamically adjusting production scale to optimal economic efficiency levels to address the challenges and pressures of market volatility.

2. Sales Policy:

- A. Expand existing customers' order proportion and revenue contribution through more flexible pricing strategies paired with high-quality product portfolios.
- B. Expand customer base to include more high-profile clients, hence adding to the revenue streams and enhancing global reputation.
- C. Develop new AI-related markets while deepening penetration in markets such as electric vehicle ecosystems, energy storage and renewable energy, industrial, and communication markets.
- D. Increase sales of niche thermal, pressure-sensitive, and new-type sensor products to enhance product portfolio benefits.

III. Future development strategies:

- (1) Uphold the spirit of innovation and keep developing new products to satisfy the market demand.
- (2) Upgrade the process technology and product automation, and control various costs effectively via data and information analysis and management.
- (3) Develop the sale markets and rapid after-sale services, and provide complete protective component series to satisfy the customers' demand for "one-stop shopping".

IV. Effects posed by external competitive environment, legal environment and macroeconomic environment:

As far as the external competitive environment is concerned, the industry in which the Company is engaged is expected to keep growing in response to the expanding market demand. For the competition with peer companies, the Company is expected to maintain its oligopolistic position but still struggle with the environment.

As far as the legal environment is concerned, the Company adjusts its internal rules and management regulations in a timely manner in response to the enactment of and amendments to various laws & regulations, and research and draft alternate policies. Under effective internal control and corporate governance, the impact of legal environment changes on the Company is insignificant. In recent years, ESG has become a crucial indicator of corporate sustainable development, its implementation a focal point in the Company's operations. While pursuing revenue growth, the Company is also committed to giving back to society and contributing to environmental sustainability, which is accomplished by mitigating risks associated with regulatory changes, competitive landscape, and climate impacts. This approach not only ensures long-term business development but also enables the Company to make a positive impact on society and the environment.

Over the past year, the Company has been cultivating the automotive and energy storage sectors, and with the AI trend sweeping the globe, new opportunities have emerged in the server industry, laying the foundation for future operational growth. The Company's production and sales layout continues to expand, with a more stable product portfolio to meet market demands for protective components, and its growth momentum will restart along with the overall economic recovery.

Looking forward to the future, the Company will follow the management philosophy, “New Concept, New Management, New Technology and New Market”, keep focusing on the management of core business, and accelerate development of new technology, new products and new customers, in order to improve the Company's competitiveness, increase operating revenue and profit, and feed back to the permanent support from all of you. Thanks to the management team and whole employees for their dedication and efforts to pursue fruitful business growth to feed back to all of you in the past year. We also hope that each shareholder can keep his/her original intent and continue to support and encourage Thinking Electronic.

Chairman: Sui Tai-Chung

President: Sui Tai-Chung

Accounting Manager: Chen Chia-Hua

Thinking Electronic Industrial Co., Ltd. 【Attachment 2】
Audit Committee's Review Report

The Board of Directors was approved to prepare the Company's 2025 business report, financial statements (including parent company only and consolidated financial statements) and earnings distribution plan, in which the financial statements have been audited by CPA, Chen Chen-Li and CPA, Liu Yu-Hsiang of Deloitte & Touche, who also issued the audit report accordingly. After reviewing said business report, financial statements, and earnings distribution plan, we consider that they comply with relevant statutes or regulations in all respects. Therefore, we issue this report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please review it accordingly.

To

General Annual Meeting 2026

Thinking Electronic Industrial Co., Ltd.

Convener of Audit Committee: Chou Pao-Heng

March 5, 2026

INDEPENDENT AUDITORS' REPORT (Parent Company Only Financial Statements)

【 Attachment 3 】

The Board of Directors and Stockholders
Thinking Electronic Industrial Co., Ltd.

Opinion

We have audited the accompanying parent company only financial statements of Thinking Electronic Industrial Co., Ltd. (the "Company"), which comprise the parent company only balance sheets as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit 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, 2025. 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, and we do not provide a separate opinion on these matters.

The key audit matter of the Company's financial statements for the year ended December 31, 2025 is described as follows:

Authenticity of sales revenue

The Company's operating revenue for the year ended December 31, 2025 was \$3,848,147 thousand. Based on the Standards on Auditing of the Republic of China, revenue recognition is presumed to have a significant risk. Therefore, we considered the authenticity of revenue from specific customers as a key audit matter. For the accounting policy on revenue recognition, refer to Note 4 (l) to the financial statements.

In addition to obtaining an understanding of the internal controls relevant to the recognition of operating revenue, we performed the following audit procedures:

1. We obtained an understanding of and tested the operating effectiveness of the internal controls relevant to the revenue recognition of the Company.
2. We obtained details on the sales revenues of specific customers, randomly selected an adequate number of samples and examined shipping documents and receipt vouchers. We also verified the amounts collected and confirmed that payers and sales customers were in agreement with one another regarding the authenticity of revenue.

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

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

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2025 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.

The engagement partners on the audits resulting in this independent auditors' report are Chen-Li Chen and Yu-Hsiang Liu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 5, 2026

Notice to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

THINKING ELECTRONIC INDUSTRIAL CO., LTD.

BALANCE SHEETS

DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 1,073,304	7	\$ 1,063,377	7
Financial assets at fair value through profit or loss - current (Notes 4, 7 and 26)	584,936	4	-	-
Notes receivable (Note 9)	2,672	-	2,315	-
Accounts receivable, net (Notes 4 and 9)	843,980	5	782,011	6
Accounts receivables from related parties (Notes 9 and 27)	254,319	2	222,057	2
Other receivables	2,843	-	2,415	-
Current tax assets (Notes 4 and 23)	-	-	3,075	-
Inventories (Notes 4 and 10)	336,805	2	337,081	2
Other financial assets - current (Notes 11 and 28)	4,860	-	38,526	-
Other current assets	<u>31,262</u>	-	<u>34,408</u>	-
Total current assets	<u>3,134,981</u>	<u>20</u>	<u>2,485,265</u>	<u>17</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	36,184	-	27,903	-
Investments accounted for using the equity method (Notes 4 and 12)	10,590,474	68	10,160,183	70
Property, plant and equipment (Notes 4, 13, 27 and 29)	1,637,007	11	1,698,690	12
Right-of-use assets (Notes 4 and 14)	39,871	-	42,377	-
Investment property, net (Notes 4, 13 and 14)	1,539	-	-	-
Computer software, net (Note 4)	19,422	-	24,090	-
Deferred tax assets (Notes 4 and 23)	35,501	-	31,036	-
Prepayments for equipment (Note 27)	50,595	1	75,931	1
Net defined benefit assets - non-current (Notes 4 and 19)	48,988	-	42,479	-
Other financial assets - non-current (Notes 11 and 28)	3,324	-	3,321	-
Other non-current assets	<u>17,968</u>	-	<u>17,968</u>	-
Total non-current assets	<u>12,480,873</u>	<u>80</u>	<u>12,123,978</u>	<u>83</u>
TOTAL	<u>\$ 15,615,854</u>	<u>100</u>	<u>\$ 14,609,243</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 4 and 15)	\$ 820,000	5	\$ 400,000	3
Financial liabilities at fair value through profit or loss- current (Notes 4,7 and 26)	2,080	-	4,212	-
Accounts payable (Note 16)	24,256	-	32,195	-
Accounts payable to related parties (Notes 16 and 27)	458,816	3	390,047	3
Other payables (Note 17)	364,250	2	365,947	3
Other payables to related parties (Note 27)	1,838	-	2,238	-
Current tax liabilities (Notes 4 and 23)	219,780	2	125,061	1
Lease liabilities - current (Notes 4 and 14)	1,380	-	1,851	-
Current portion of long-term borrowings (Notes 4 and 15)	163,899	1	178,612	1
Refund liabilities - current (Notes 4 and 18)	54,174	1	60,560	-
Other current liabilities (Note 4)	<u>31,665</u>	-	<u>33,808</u>	-
Total current liabilities	<u>2,142,138</u>	<u>14</u>	<u>1,594,531</u>	<u>11</u>
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 4 and 15)	448,281	3	680,030	5
Deferred tax liabilities (Notes 4 and 23)	1,777,389	12	1,682,962	11
Lease liabilities - non-current (Notes 4 and 14)	42,760	-	44,140	-
Long-term deferred revenue (Note 4)	14,315	-	17,368	-
Guarantee deposits received	<u>16,912</u>	-	<u>262</u>	-
Total non-current liabilities	<u>2,299,657</u>	<u>15</u>	<u>2,424,762</u>	<u>16</u>
Total liabilities	<u>4,441,795</u>	<u>29</u>	<u>4,019,293</u>	<u>27</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 20)				
Ordinary shares	<u>1,281,127</u>	<u>8</u>	<u>1,281,127</u>	<u>9</u>
Capital surplus	<u>352,907</u>	<u>2</u>	<u>352,907</u>	<u>2</u>
Retained earnings				
Legal reserve	1,740,778	11	1,584,900	11
Special reserve	-	-	256,236	2
Unappropriated earnings	<u>7,812,384</u>	<u>50</u>	<u>6,983,444</u>	<u>48</u>
Total retained earnings	<u>9,553,162</u>	<u>61</u>	<u>8,824,580</u>	<u>61</u>
Other equity	<u>(13,137)</u>	-	<u>131,336</u>	<u>1</u>
Total equity	<u>11,174,059</u>	<u>71</u>	<u>10,589,950</u>	<u>73</u>
TOTAL	<u>\$ 15,615,854</u>	<u>100</u>	<u>\$ 14,609,243</u>	<u>100</u>

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

THINKING ELECTRONIC INDUSTRIAL CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 21 and 27)	\$ 3,848,147	100	\$ 3,562,236	100
OPERATING COSTS (Notes 10, 22 and 27)	<u>2,528,814</u>	<u>66</u>	<u>2,309,633</u>	<u>65</u>
GROSS PROFIT	<u>1,319,333</u>	<u>34</u>	<u>1,252,603</u>	<u>35</u>
UNREALIZED GAINS FROM SALES (Notes 4 and 27)	(15,646)	-	(5,165)	-
REALIZED GAINS FROM SALES (Note 4)	<u>5,165</u>	<u>-</u>	<u>1,180</u>	<u>-</u>
REALIZED GROSS PROFIT	<u>1,308,852</u>	<u>34</u>	<u>1,248,618</u>	<u>35</u>
OPERATING EXPENSES (Notes 4, 9, 22 and 27)				
Selling and marketing expenses	163,870	4	158,836	4
General and administrative expenses	219,210	6	198,074	6
Research and development expenses	181,538	5	188,210	5
Expected credit loss (gain)	<u>2,034</u>	<u>-</u>	<u>(1,520)</u>	<u>-</u>
Total operating expenses	<u>566,652</u>	<u>15</u>	<u>543,600</u>	<u>15</u>
PROFIT FROM OPERATIONS	<u>742,200</u>	<u>19</u>	<u>705,018</u>	<u>20</u>
NON-OPERATING INCOME AND EXPENSES (Notes 12, 22 and 27)				
Interest income	24,779	1	37,276	1
Other income	14,678	-	5,764	-
Other gains and losses	(95,884)	(2)	28,280	1
Finance costs	(20,823)	(1)	(20,285)	(1)
Share of profit of subsidiaries	<u>1,253,090</u>	<u>33</u>	<u>1,172,376</u>	<u>33</u>
Total non-operating income and expenses	<u>1,175,840</u>	<u>31</u>	<u>1,223,411</u>	<u>34</u>
PROFIT BEFORE INCOME TAX	1,918,040	50	1,928,429	54
INCOME TAX EXPENSE (Notes 4 and 23)	<u>412,007</u>	<u>11</u>	<u>377,889</u>	<u>10</u>
NET PROFIT FOR THE YEAR	<u>1,506,033</u>	<u>39</u>	<u>1,550,540</u>	<u>44</u>

(Continued)

THINKING ELECTRONIC INDUSTRIAL CO., LTD.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 20 and 23)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ 4,967	-	\$ 8,181	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	8,281	-	221	-
Share of the other comprehensive income of subsidiaries accounted for using the equity method	63	-	1,703	-
Income tax related to items that will not be reclassified subsequently to profit or loss	(993)	-	(1,636)	-
	<u>12,318</u>	<u>-</u>	<u>8,469</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	(372,604)	(10)	576,918	16
Share of the other comprehensive income of subsidiaries accounted for using the equity method	181,661	5	(92,729)	(2)
Income tax related to items that may be reclassified subsequently to profit or loss	38,189	1	(96,838)	(3)
	<u>(152,754)</u>	<u>(4)</u>	<u>387,351</u>	<u>11</u>
Other comprehensive income (loss) for the year, net	<u>(140,436)</u>	<u>(4)</u>	<u>395,820</u>	<u>11</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,365,597</u>	<u>35</u>	<u>\$ 1,946,360</u>	<u>55</u>
EARNINGS PER SHARE (Note 24)				
Basic	<u>\$ 11.76</u>		<u>\$ 12.10</u>	
Diluted	<u>\$ 11.71</u>		<u>\$ 12.05</u>	

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

(Concluded)

THINKING ELECTRONIC INDUSTRIAL CO., LTD.

**STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

	Share Capital	Capital Surplus	Retained Earnings				Total Retained Earnings	Other Equity			Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations		Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total Other Equity		
BALANCE, JANUARY 1, 2024	\$ 1,281,127	\$ 352,907	\$ 1,454,089	\$ 140,627	\$ 6,337,262	\$ 7,931,978	\$ (249,976)	\$ (6,260)	\$ (256,236)	\$ 9,309,776	
Appropriation of 2023 earnings (Note 20)											
Appropriation of legal reserve	-	-	130,811	-	(130,811)	-	-	-	-	-	
Appropriation of special reserve	-	-	-	115,609	(115,609)	-	-	-	-	-	
Cash dividends distributed by the Company	-	-	-	-	(666,186)	(666,186)	-	-	-	(666,186)	
	-	-	130,811	115,609	(912,606)	(666,186)	-	-	-	(666,186)	
Net profit for the year ended December 31, 2024	-	-	-	-	1,550,540	1,550,540	-	-	-	1,550,540	
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	8,248	8,248	387,351	221	387,572	395,820	
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	1,558,788	1,558,788	387,351	221	387,572	1,946,360	
BALANCE AT DECEMBER 31, 2024	1,281,127	352,907	1,584,900	256,236	6,983,444	8,824,580	137,375	(6,039)	131,336	10,589,950	
Appropriation of 2024 earnings (Note 20)											
Appropriation of legal reserve	-	-	155,878	-	(155,878)	-	-	-	-	-	
Reversal of special reserve	-	-	-	(256,236)	256,236	-	-	-	-	-	
Cash dividends distributed by the Company	-	-	-	-	(781,488)	(781,488)	-	-	-	(781,488)	
	-	-	155,878	(256,236)	(681,130)	(781,488)	-	-	-	(781,488)	
Net profit for the year ended December 31, 2025	-	-	-	-	1,506,033	1,506,033	-	-	-	1,506,033	
Other comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	4,037	4,037	(152,754)	8,281	(144,473)	(140,436)	
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	1,510,070	1,510,070	(152,754)	8,281	(144,473)	1,365,597	
BALANCE AT DECEMBER 31, 2025	\$ 1,281,127	\$ 352,907	\$ 1,740,778	\$ -	\$ 7,812,384	\$ 9,553,162	\$ (15,379)	\$ 2,242	\$ (13,137)	\$ 11,174,059	

The accompanying notes are an integral company only financial statements.

THINKING ELECTRONIC INDUSTRIAL CO., LTD.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,918,040	\$ 1,928,429
Adjustments for:		
Depreciation expense	152,064	117,868
Amortization expense	10,882	11,410
Expected credit loss (gain) recognized	2,034	(1,520)
Net loss on financial assets or liabilities at fair value through profit or loss	45,102	51,322
Finance costs	20,823	20,285
Interest income	(24,779)	(37,276)
Dividend income	(3,039)	-
Share of profit of subsidiaries	(1,253,090)	(1,172,376)
Loss (gain) on disposal of property, plant and equipment	289	(12)
Expenses transfer from property, plant, and equipmen	5,245	-
Write-down (reversal) of inventories	14,932	(27,236)
Unrealized gain on transactions with subsidiaries	15,646	5,165
Realized gain on transactions with subsidiaries	(5,165)	(1,180)
Other non-cash items	(467)	(2,084)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(88,475)	(47,739)
Notes receivable	(357)	(27)
Accounts receivable	(64,003)	(109,271)
Accounts receivables from related parties	(32,262)	(51,034)
Other receivables	(438)	332
Other receivables from related parties	-	54
Inventories	(14,656)	(30,272)
Other current assets	3,146	2,031
Net defined benefit assets	(1,542)	(1,332)
Accounts payable	(7,939)	(2,302)
Accounts payable to related parties	68,769	25,675
Other payables	(6,077)	41,706
Other payables to related parties	(257)	257
Other current liabilities	(2,143)	19,401
Other operating liabilities	(8,972)	(10,922)
Cash generated from operations	743,311	729,352
Interest received	24,789	37,548
Interest paid	(17,454)	(15,742)
Income taxes paid	(187,055)	(105,050)
Net cash generated from operating activities	<u>563,591</u>	<u>646,108</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through profit or loss	(1,079,694)	-
Proceeds from disposal of financial assets at fair value through profit or loss	535,999	-

(Continued)

THINKING ELECTRONIC INDUSTRIAL CO., LTD.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Acquisition of investment accounted for using equity method	\$ (6,200)	\$ -
Acquisition of property, plant and equipment	(66,846)	(157,867)
Proceeds from disposal of property, plant and equipment	1,057	12
Acquisition of intangible assets	(6,214)	(8,162)
Increase in other financial assets	-	(10,240)
Decrease in other financial assets	33,663	-
Dividends received	<u>630,982</u>	<u>424,261</u>
Net cash generate from investing activities	<u>42,747</u>	<u>248,004</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	1,800,000	2,085,140
Decrease in short-term borrowings	(1,380,000)	(1,785,140)
Proceeds from long-term borrowings	-	43,700
Repayments of long-term borrowings	(249,722)	(219,119)
Increase in guarantee deposits received	16,650	142
Repayments of the principal portion of lease	(1,851)	(1,662)
Cash dividends paid	<u>(781,488)</u>	<u>(666,186)</u>
Net cash used in financing activities	<u>(596,411)</u>	<u>(543,125)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,927	350,987
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	<u>1,063,377</u>	<u>712,390</u>
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	<u>\$ 1,073,304</u>	<u>\$ 1,063,377</u>

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

(Concluded)

INDEPENDENT AUDITORS' REPORT

(Consolidated Financial Statements)

The Board of Directors and Shareholders
Thinking Electronic Industrial Co., Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Thinking Electronic Industrial Co., Ltd. (the “Company”) and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2025 is described as follows:

Authenticity of sales revenue

The Group's operating revenue for the year ended December 31, 2025 was \$8,034,659 thousand. Based on the Standards on Auditing of the Republic of China, revenue recognition is presumed to have a significant risk. Therefore, we considered the authenticity of revenue from specific customers as a key audit matter. For the information regarding revenue recognition, refer to Note 4 (12) to the financial statements.

In addition to obtaining an understanding of the internal controls relevant to the recognition of operating revenue, we performed the following audit procedures:

1. We obtained an understanding of and tested the operating effectiveness of the internal controls relevant to the revenue recognition of the Group.
2. We obtained details on the sales revenues of specific customers, randomly selected an adequate number of samples and examined shipping documents and receipt vouchers. We also verified the amounts collected and confirmed that payers and sales customers were in agreement with one another regarding the authenticity of revenue.

Other Matter

We have also audited the parent company only financial statements of Thinking Electronic Industrial Co., Ltd. as of and for the years ended December 31, 2025 and 2024, respectively, on which we have issued an unmodified opinion.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
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 and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 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.

The engagement partners on the audits resulting in this independent auditors' report are Chen-Li Chen and Yu-Hsiang Liu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 5, 2026

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, consolidated financial performance and consolidated cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

THINKING ELECTRONIC INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 3,330,510	20	\$ 3,069,921	20
Financial assets at fair value through profit or loss - current (Notes 4 , 7 and 28)	1,501,049	9	1,142,471	7
Financial assets at amortized cost - current (Notes 4 and 8)	905,079	5	480,242	3
Notes receivable (Notes 10 and 30)	508,839	3	658,417	4
Accounts receivable, net (Notes 4 and 10)	2,433,945	15	2,349,081	15
Accounts receivables from related parties (Notes 10 and 29)	175	-	271	-
Other receivables	100,629	1	63,152	-
Current tax assets (Notes 4 and 25)	2,201	-	5,247	-
Inventories (Notes 4 and 11)	1,508,672	9	1,455,448	9
Other financial assets - current (Notes 12 and 30)	141,169	1	200,389	1
Other current assets	182,146	1	231,209	2
Total current assets	10,614,414	64	9,655,848	61
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 9)	36,184	-	27,903	-
Financial assets at amortized cost - non-current (Notes 4 and 8)	1,181,574	7	1,356,518	9
Property, plant and equipment (Notes 4, 14, 30 and 31)	3,945,358	24	3,862,150	25
Right-of-use assets (Notes 4 and 15)	472,132	3	516,616	3
Investment property, net (Notes 4 and 16)	24,476	-	28,692	-
Computer software, net (Note 4)	31,184	-	34,987	-
Deferred tax assets (Notes 4 and 25)	83,710	1	93,473	1
Prepayments for equipment	79,201	1	113,616	1
Net defined benefit assets - non-current (Notes 4 and 21)	52,288	-	44,292	-
Other financial assets - non-current (Notes 12 and 30)	14,575	-	14,759	-
Other non-current assets	41,817	-	43,675	-
Total non-current assets	5,962,499	36	6,136,681	39
TOTAL	\$ 16,576,913	100	\$ 15,792,529	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 4 and 17)	\$ 820,000	5	\$ 415,000	3
Financial liabilities at fair value through profit or loss - current (Notes 4, 7 and 28)	2,080	-	4,212	-
Notes payable (Note 18)	339,795	2	394,126	2
Accounts payable (Note 18)	470,888	3	446,649	3
Accounts payable to related parties (Note 29)	1,807	-	1,515	-
Other payables (Note 19)	695,840	4	702,275	5
Other payables to related parties (Note 29)	133	-	883	-
Current tax liabilities (Notes 4 and 25)	261,826	2	147,836	1
Lease liabilities - current (Notes 4 and 15)	13,059	-	30,592	-
Current portion of long-term borrowings (Notes 4 and 17)	163,899	1	178,612	1
Refund liabilities - current (Notes 4 and 20)	57,741	-	156,608	1
Other current liabilities (Notes 4 and 17)	42,933	-	46,408	-
Total current liabilities	2,870,001	17	2,524,716	16
NON-CURRENT LIABILITIES				
Long-term borrowings (Notes 4 and 17)	448,281	3	680,030	4
Deferred tax liabilities (Notes 4 and 25)	1,839,093	11	1,744,198	11
Lease liabilities - non-current (Notes 4 and 15)	83,562	1	90,056	1
Long-term deferred revenue (Notes 4 and 17)	26,825	-	30,482	-
Guarantee deposits received	22,988	-	6,483	-
Other non-current liabilities	5,175	-	5,175	-
Total non-current liabilities	2,425,924	15	2,556,424	16
Total liabilities	5,295,925	32	5,081,140	32
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 13 and 22)				
Ordinary shares	1,281,127	8	1,281,127	8
Capital surplus	352,907	2	352,907	2
Retained earnings				
Legal reserve	1,740,778	10	1,584,900	10
Special reserve	-	-	256,236	2
Unappropriated earnings	7,812,384	47	6,983,444	44
Total retained earnings	9,553,162	57	8,824,580	56
Other equity	(13,137)	-	131,336	1
Total equity attributable owners of the Company	11,174,059	67	10,589,950	67
NON-CONTROLLING INTERESTS (Notes 4, 13 and 22)	106,929	1	121,439	1
Total equity	11,280,988	68	10,711,389	68
TOTAL	\$ 16,576,913	100	\$ 15,792,529	100

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

THINKING ELECTRONIC INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 29)	\$ 8,034,659	100	\$ 7,519,697	100
OPERATING COSTS (Notes 11, 24 and 29)	<u>4,808,402</u>	<u>60</u>	<u>4,539,950</u>	<u>61</u>
GROSS PROFIT	<u>3,226,257</u>	<u>40</u>	<u>2,979,747</u>	<u>39</u>
OPERATING EXPENSES (Notes 4, 10, 24 and 29)				
Selling and marketing expenses	374,457	5	363,037	5
General and administrative expenses	438,097	5	434,539	6
Research and development expenses	402,729	5	409,964	5
Expected credit gain	<u>(1,346)</u>	<u>-</u>	<u>(1,590)</u>	<u>-</u>
Total operating expenses	<u>1,213,937</u>	<u>15</u>	<u>1,205,950</u>	<u>16</u>
PROFIT FROM OPERATIONS	<u>2,012,320</u>	<u>25</u>	<u>1,773,797</u>	<u>23</u>
NON-OPERATING INCOME AND EXPENSES (Notes 24 and 29)				
Interest income	118,388	1	139,203	2
Other income	131,657	2	104,246	1
Other gains and losses	(86,426)	(1)	71,890	1
Finance costs	<u>(22,571)</u>	<u>-</u>	<u>(23,876)</u>	<u>-</u>
Total non-operating income and expenses	<u>141,048</u>	<u>2</u>	<u>291,463</u>	<u>4</u>
CONSOLIDATED PROFIT BEFORE INCOME TAX	2,153,368	27	2,065,260	27
INCOME TAX EXPENSE (Notes 4 and 25)	<u>661,881</u>	<u>8</u>	<u>532,287</u>	<u>7</u>
NET PROFIT FOR THE YEAR	<u>1,491,487</u>	<u>19</u>	<u>1,532,973</u>	<u>20</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 22 and 25)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	5,091	-	11,521	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	8,281	-	221	-
Income tax related to items that will not be reclassified subsequently to profit or loss	<u>(1,018)</u>	<u>-</u>	<u>(2,304)</u>	<u>-</u>
	<u>12,354</u>	<u>-</u>	<u>9,438</u>	<u>-</u>

(Continued)

THINKING ELECTRONIC INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	\$ (190,943)	(2)	\$ 484,189	6
Income tax related to items that may be reclassified subsequently to profit or loss	<u>38,189</u>	<u>-</u>	<u>(96,838)</u>	<u>(1)</u>
	<u>(152,754)</u>	<u>(2)</u>	<u>387,351</u>	<u>5</u>
Other comprehensive income (loss) for the year, net	<u>(140,400)</u>	<u>(2)</u>	<u>396,789</u>	<u>5</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,351,087</u>	<u>17</u>	<u>\$ 1,929,762</u>	<u>25</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,506,033	19	\$ 1,550,540	20
Non-controlling interests	<u>(14,546)</u>	<u>-</u>	<u>(17,567)</u>	<u>-</u>
	<u>\$ 1,491,487</u>	<u>19</u>	<u>\$ 1,532,973</u>	<u>20</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,365,597	17	\$ 1,946,360	25
Non-controlling interests	<u>(14,510)</u>	<u>-</u>	<u>(16,598)</u>	<u>-</u>
	<u>\$ 1,351,087</u>	<u>17</u>	<u>\$ 1,929,762</u>	<u>25</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 11.76</u>		<u>\$ 12.10</u>	
Diluted	<u>\$ 11.71</u>		<u>\$ 12.05</u>	

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

(Concluded)

THINKING ELECTRONIC INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company										Non-Controlling Interests	Total Equity
	Ordinary Shares	Capital Surplus	Retained Earnings				Exchange Differences on Translation of Foreign Operations	Other Equity		Total		
			Legal Reserve	Special Reserve	Unappropriated Earnings	Total Retained Earnings		Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total Other Equity			
BALANCE, JANUARY 1, 2024	\$ 1,281,127	\$ 352,907	\$ 1,454,089	\$ 140,627	\$ 6,337,262	\$ 7,931,978	\$ (249,976)	\$ (6,260)	\$ (256,236)	\$ 9,309,776	\$ 138,037	\$ 9,447,813
Appropriation of 2023 earnings (Note 22)												
Appropriation of legal reserve	-	-	130,811	-	(130,811)	-	-	-	-	-	-	-
Appropriation of special reserve	-	-	-	115,609	(115,609)	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(666,186)	(666,186)	-	-	-	(666,186)	-	(666,186)
	-	-	130,811	115,609	(912,606)	(666,186)	-	-	-	(666,186)	-	(666,186)
Net profit for the year ended December 31, 2024	-	-	-	-	1,550,540	1,550,540	-	-	-	1,550,540	(17,567)	1,532,973
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	8,248	8,248	387,351	221	387,572	395,820	969	396,789
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	-	1,558,788	1,558,788	387,351	221	387,572	1,946,360	(16,598)	1,929,762
BALANCE AT DECEMBER 31, 2024	1,281,127	352,907	1,584,900	256,236	6,983,444	8,824,580	137,375	(6,039)	131,336	10,589,950	121,439	10,711,389
Appropriation of 2024 earnings (Note 22)												
Appropriation of legal reserve	-	-	155,878	-	(155,878)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(256,236)	256,236	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(781,488)	(781,488)	-	-	-	(781,488)	-	(781,488)
	-	-	155,878	(256,236)	(681,130)	(781,488)	-	-	-	(781,488)	-	(781,488)
Net profit (loss) for the year ended December 31, 2025	-	-	-	-	1,506,033	1,506,033	-	-	-	1,506,033	(14,546)	1,491,487
Other comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	4,037	4,037	(152,754)	8,281	(144,473)	(140,436)	36	(140,400)
Total comprehensive income (loss) for the year ended December 31, 2025	-	-	-	-	1,510,070	1,510,070	(152,754)	8,281	(144,473)	1,365,597	(14,510)	1,351,087
BALANCE AT DECEMBER 31, 2025	\$ 1,281,127	\$ 352,907	\$ 1,740,778	\$ -	\$ 7,812,384	\$ 9,553,162	\$ (15,379)	\$ 2,242	\$ (13,137)	\$ 11,174,059	\$ 106,929	\$ 11,280,988

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

THINKING ELECTRONIC INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated income before income tax	\$ 2,153,368	\$ 2,065,260
Adjustments for:		
Depreciation expense	432,873	408,666
Amortization expense	14,712	14,579
Expected credit gain recognized	(1,346)	(1,590)
Net loss on financial assets or liabilities at fair value through profit or loss	15,689	16,702
Finance costs	22,571	23,876
Interest income	(118,388)	(139,203)
Dividend income	(3,588)	-
Loss on disposal of property, plant and equipment	7,534	6,458
Expenses transfer from property, plant, and equipmen	5,245	-
Write-down (reversal) of inventories	58,628	(86,771)
Recognition (reversal) of provisions	(79,599)	94,743
Amortization of grants income	(3,381)	(2,421)
Other non-cash items	(24)	(2,360)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(88,475)	(47,739)
Notes receivable	149,578	(226,367)
Accounts receivable	(83,121)	(417,589)
Accounts receivables from related parties	96	349
Other receivables	(1,367)	4,286
Inventories	(108,650)	(143,479)
Other current assets	49,063	(60,316)
Net defined benefit asset	(2,905)	(1,735)
Notes payable	(54,331)	328,736
Accounts payable	24,239	39,621
Accounts payable to related parties	292	695
Other payables	(6,305)	18,616
Other payables to related parties	(750)	(474)
Other current liabilities	(3,468)	17,521
Other operating liabilities	(11,675)	(10,922)
Cash generated from operations	2,366,515	1,899,142
Interest received	88,340	130,420
Interest paid	(17,889)	(19,331)
Income taxes paid	(403,703)	(221,324)
Net cash generated from operating activities	<u>2,033,263</u>	<u>1,788,907</u>

(Continued)

THINKING ELECTRONIC INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at amortized cost	\$ (891,818)	\$ (1,008,072)
Proceeds from disposal of financial assets at amortized cost	603,135	537,241
Acquisition of financial assets at fair value through profit or loss	(3,872,976)	(3,329,360)
Proceeds from disposal of financial assets at fair value through profit or loss	3,561,718	3,414,305
Acquisition of property, plant and equipment	(501,694)	(470,840)
Proceeds from disposal of property, plant and equipment	3,956	26,829
Acquisition of intangible assets	(11,141)	(9,039)
Increase in other financial assets	-	(96,444)
Decrease in other financial assets	59,404	-
Increase in other non-current assets	-	(3,567)
Decrease in other non-current assets	1,858	-
Dividends received	<u>3,588</u>	<u>-</u>
Net cash used in investing activities	<u>(1,043,970)</u>	<u>(938,947)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	1,876,000	2,240,140
Decrease in short-term borrowings	(1,471,000)	(1,960,140)
Proceeds from long-term borrowings	-	43,700
Repayment of long-term borrowings	(249,722)	(219,119)
Increase in guarantee deposits received	16,505	4,399
Repayments of the principal portion of lease liabilities	(23,518)	(73,458)
Cash dividends paid	<u>(781,488)</u>	<u>(666,186)</u>
Net cash used in financing activities	<u>(633,223)</u>	<u>(630,664)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	<u>(95,481)</u>	<u>251,309</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
	260,589	470,605
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR		
	<u>3,069,921</u>	<u>2,599,316</u>
CASH AND CASH EQUIVALENTS AT THE END OF YEAR		
	<u>\$ 3,330,510</u>	<u>\$ 3,069,921</u>

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

(Concluded)

【Attachment 4】

**Thinking Electronic Industrial Co., Ltd.
List of Candidates for Director (including Independent Director)**

Title	Name	Education and Experience	Shareholdings
Director	Representative of Boh Chin Investment Co., Ltd.: Sui Tai-Chung	Education: ● National Kaohsiung Marine University Experience: ● Chairman of Thinking Electronic Industrial Co., Ltd. ● Independent Director of Wellell Inc.	27,178,247
Director	Representative of Boh Chin Investment Co., Ltd.: Chen Su-Ai	Education: ● Provincial Sinying Vocational High School of Economics Experience: ● Associate Vice President at the Finance Department of Thinking Electronic Industrial Co., Ltd.	27,178,247
Director	Chen Yen-Hui	Education: ● Department of Transportation and Communication Management Science, Feng Chia University Experience: ● Person in charge of Yongxin Bookkeeper and Land Administrator Firm ● Supervisor of Yenyo Technology Co., Ltd. ● Director of Thinking Electronic Industrial Co., Ltd.	37,443
Director	Chang Shan-Hui	Education: ● Department of Business Administration, National Chengchi University Experience: ● Person in charge of EnWise CPAs & Co. ● Supervisor of Wupaochun Foods Limited Company ● Independent Director of T.S. Lines Ltd. ● Director of Thinking Electronic Industrial Co., Ltd.	20,051
Independent Director	Chou Pao-Heng	Education: ● Master of Department of Accounting, National Chengchi University Experience: ● Associate Vice President of Deloitte Taiwan ● CPA of Honesty & Superb CPA Firm ● Person in charge of Honesty & Superb Consulting Ltd. ● Independent Director and member of the Audit Committee and member of the Compensation and Remuneration Committee of Life Travel & Tourist Service Co., Ltd. ● Independent Director and member of the Audit Committee and member of the Compensation and Remuneration Committee of Golden Insurance Brokers Co., Ltd.	0

Title	Name	Education and Experience	Shareholdings
Independent Director	Su Ping-Chang	Education: ● Master of Department of Accounting, National Chengchi University Experience: ● Chairman of Crowe (TW) CPAs ● Supervisor of Kaifa Industry Co., Ltd. ● Supervisor, CPA Associations R.O.C. (Taiwan)(6 th)	0
Independent Director	Chiang Jia-Ling	Education: ● Master of Department of Accounting, University of Missouri–Kansas City Experience: ● CPA of Deloitte Taiwan	0
Independent Director	Yeh Hsiao-Tzu	Education: ● Department of Financial and Economic Law, National Chung Cheng University Experience: ● Lawyer of Hung & Yeh Attorneys-at-Law ● President of Kaohsiung Bar Association (2 nd of 16 th)	0

Thinking Electronic Industrial Co., Ltd.

Articles of Incorporation

Chapter One. General Provisions

Article 1: The Company has been duly incorporated in accordance with the Company Act and named “興勤電子工業股份有限公司”, and “THINKING ELECTRONIC INDUSTRIAL CO., LTD” in English.

Article 2: The Company’s business lines are stated as follows:

- (1) C901010 Ceramic and Ceramic Products Manufacturing
- (2) CB01010 Machinery and Equipment Manufacturing.
- (3) CC01020 Electric Wires and Cables Manufacturing
- (4) CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing
- (5) CC01080 Electronic Parts and Components Manufacturing.
- (6) CC01110 Computer and Peripheral Equipment Manufacturing
- (7) CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing
- (8) CD01030 Motor Vehicles and Parts Manufacturing
- (9) CE01010 General Instrument Manufacturing
- (10) F401010 International Trade
- (11) ZZ99999 All business items that are not prohibited or restricted by law, except those subject to special approval.

Article 2-1: It necessary, the Company may make endorsements/guarantees for others. The operating procedure thereof shall follow the Company's regulations governing making of endorsements/guarantees for others.

Article 2-2: If necessary, the Company may invest in other enterprises upon resolution by the Board of Directors. The total amount of investment made by the Company may be more than 40% of the Company’s paid-in capital, free from the restriction on investment referred to in Article 13 of the Company Act.

Article 3: The Company’s head office is situated in Kaohsiung City. The Company may establish factories or branches domestically or overseas under the resolution of the Board of Directors, where necessary.

Article 4: The Company’s announcements shall be made in accordance with Article 28 of the Company Act.

Chapter Two. Shares

Article 5: The Company’s authorized capital amounts to NT\$2 billion, divided into 200 million shares at NT\$10 per share. The Board of Directors is authorized to have unissued shares issued at different time.

Article 6: The Company's shareholders service shall be processed according to related laws and the competent authority's requirements.

Article 7: The Company may issue shares exempted from the requirements about printing of share certificates, but shall register the shares with the centralized securities depository institutions. The Company printing of share certificates, if any, shall be governed by the Company Act and other related laws of the R.O.C..

Article 8: The transfer of shares shall be suspended within 60 days before an annual meeting of shareholders, within 30 days before a special shareholders' meeting, or within 5 days before the date of the Company's decision made to distribute dividends and bonuses or other profits.

Chapter Three. Shareholders' Meetings

Article 9: The shareholders' meetings consist of annual meetings of shareholders, which shall be convened once per year within 6 months at the end of each fiscal year and notified by the Board of Directors to each shareholder within 30 days before the meeting, and the special shareholders' meetings, which shall be convened pursuant to laws whenever necessary and notified to each shareholder in writing within 15 days before the meeting.

Article 9-1: If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of Board. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Chairman shall appoint one of the directors to act as chairperson. Where the Chairman does not make such a designation, the directors shall select from among themselves one person to serve as chairperson.

Article 10: Any shareholder who is unable to attend a shareholders' meeting in person may appoint a proxy by presenting a power of attorney printed by the Company indicating the scope of authorization, in accordance with the Company Act, and the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authority, and related laws & regulations.

Article 11: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2 of Article 179 of the Company Act.

Article 11-1: When the Company convenes a shareholders' meeting, shareholders may exercise their voting rights in writing or by electronic means. A shareholder exercising voting rights in writing or by electronic means will be deemed to have attended the meeting in person. However, they are considered to have waived their rights to participate in any extemporaneous motions or amendments to the original motion that may arise during the shareholders' meeting. The matters related to such exercise shall be governed by the existing laws.

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, at the meeting.

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 chairperson and distributed to all shareholders of the Company within twenty (20) days after the meeting. Distribution of the meeting minutes may be done by public notice. The minutes of a shareholders' meeting shall record the date and place of the meeting, the name of the chairperson, 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. The attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies shall be kept by the Company for a minimum period of at least one year.

Chapter Four. Directors

Article 13: The Company shall appoint 7~9 directors for a term of office for 3 years via the candidate nomination system. They shall be elected by the shareholders' meeting from the list of candidates for directors and may be reelected for a second term of office. The Board of Directors is authorized to decide said number of directors (7~9 directors).

Starting from 2024, there shall be at least one director of each gender (applicable when the director's term expires).

Of all directors referred to in the preceding paragraph, there shall be at least three independent directors, accounting for no less than one-fifth of the total number of directors. Starting from 2027, the number of independent directors shall be no less than one-third of the total number of directors (applicable when the director's term expires).

Starting from 2024, no more than half of the independent directors may serve more than three consecutive terms (applicable when the director's term expires). Starting from 2027, all independent directors may not serve more than three consecutive terms (applicable when the director's term expires).

The total nominal shares to be held by the whole directors shall be subject to the percentage referred to in the "Rules and Review Procedures for Director Share Ownership Ratio at Public Companies".

Article 13-1: If the Board loses more than one-thirds of its directors, the Board of Directors shall convene a special shareholders' meeting within 60 days to elect new directors for the shortfall to serve the remaining term of office.

Article 13-2: The Company shall establish the Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall be composed of the entire number of independent directors. The Audit Committee or its members are responsible for exercising the powers granted to supervisors according to the Company Act, Securities and Exchange Act and other laws.

Article 14: The Board of Directors shall consist of all directors. A Chairman of Board shall be elected among and from the directors upon resolution adopted by a majority of the directors present at a meeting attended by more than two-thirds of the whole directors, in order to act on behalf of the Company externally.

Article 14-1: The Board of Directors shall perform the following functions:

1. Review and approval of the corporate policy and the development plan in the mid to long term.
2. Review and supervision of the execution of annual business plan.
3. Review and approval of budget and account settlement.
4. Review and approval of the capital increase/decrease plan.
5. Review and approval of the proposal for earnings distribution or covering of loss carried forward.
6. Authorization of essential contracts with external parties.
7. Review and approval of the the Company's Memorandum and Articles of Association and important rules and regulations.
8. Review and approval of the establishment, reorganization, and revocation of branches.
9. Review and approval of major investment and capital spending plans.
10. Other matters required by the Company Act and related laws.

Article 15: In the absence of the Chairman or the Chairman is unable to perform its duties with causes, the proxy shall act in accordance with Article 208 of the Company Act. Any director who is unable to attend a meeting in person may appoint another director to attend the meeting on behalf of him/her by personally presenting a power of attorney. Each director may appoint only one other director to act as his/her proxy at the meeting. If a Board meeting is convened by way video conference, those who participate in the meeting using video conferencing are considered to have attended the meeting in person.

Article 16: Remuneration to the Company's directors for performance of job duties must be paid, irrelevant with profit or loss retained by the Company. The Board of Directors is authorized to determine the level of remuneration to directors based on their engagement in and contribution to the Company's operations, and in reference to peer companies' pay.

Article 16-1: The Company shall take out for directors the liability insurance with respect to liabilities resulting from exercising their duties pursuant to laws during their term of office.

Article 16-2: In calling a Board meeting, a notice specifying the cause of meeting shall be given to each director 7 days prior to the meeting. In the case of emergency, the meeting may be convened at any time.
The notice set forth in the preceding paragraph may be effected by means of electronic transmission, after obtaining a prior consent from the recipient(s) thereof.

Chapter Five. Managers

Article 17: The Company shall employ several managers. The appointment and dismissal thereof and remuneration to them shall be governed by Article 29 of the Company Act.

Chapter Six. Accounting

Article 18: The Board of Directors is responsible for preparing the following statements and reports at the end of each fiscal year. These statements and reports shall be submitted to the Audit Committee at least 30 days before an annual meeting of shareholders for approval and the Board of Directors for resolution, and presented during the annual meeting of shareholders for the final acknowledgment.

1. Business report
2. Financial statements
3. Motions for earnings distribution or covering of losses

Article 19: If the Company retains earnings at the end of the fiscal year, it is required to allocate 2% thereof as the remuneration to employees. (of which the distribution of remuneration to entry-level employees shall not be less than 35% of the total employee remuneration amount) The Board of Directors shall resolve to pay the remuneration in the form of stock or in cash. The recipients entitled to receive the remuneration include the employees of subsidiaries of the Company meeting certain specific requirements. The Company may allocate no more than 2% of said earnings as the remuneration to directors per resolution by the Board of Directors. The motion for distribution of remuneration to employees and directors shall be reported to a shareholders' meeting.

However, when the Company still has accumulated losses, an amount equivalent to said losses shall be reserved to make up for the loss in advance. The remainder, if any, shall be allocated as the remuneration to employees and directors on a pro rata basis as referred to in the preceding paragraph.

Article 19-1: Shall there be earnings after the annual settlement, the earnings shall offset the accumulated losses from the previous years, and pay all the taxes pursuant to laws, and 10% of the balance, if any, shall be provided as the legal reserve, unless the legal reserve reaches the total capital of the Company. When the special reserve is provided or reversed based on laws, the remaining amount, if any, may be combined with the balance of the undistributed earnings, for the purpose of the Board of Directors' proposal for the earnings distributions. It shall be submitted to a shareholders' meeting for resolution about distribution of dividends and bonus. The Company's dividend policy is defined in response to the current and future development plans and by taking into account the investment

environment, capital needs, competition in domestic/overseas markets, as well as shareholders' equity.

The bonus to shareholders shall be allocated from the accumulated distributable earnings, which shall be no less than 30% of the distributable earnings for then year. The dividends to shareholders may be distributed in cash or in the form of stock. The cash dividend shall be no less than 20% of the total dividends.

Chapter Seven. Supplementary Clauses

Article 20: Any matters not covered herein shall be governed by the Company Act and other laws.

Article 21: The Articles were enacted on June 22, 1979. 1st amendments hereto were made on October 29, 1980. 2nd amendments hereto were made on December 6, 1985. 3rd amendments hereto were made on July 31, 1987. 4th amendments hereto were made on January 28, 1988. 5th amendments hereto were made on July 6, 1988. 6th amendments hereto were made on May 12, 1989. 7th amendments hereto were made on December 14, 1989. 8th amendments hereto were made on January 5, 1994. 9th amendments hereto were made on February 19, 1994. 10th amendments hereto were made on September 30, 1994. 11th amendments hereto were made on November 1, 1994. 12th amendments hereto were made on April 15, 1996. 13th amendments hereto were made on December 17, 1996. 14th amendments hereto were made on April 10, 1997. 15th amendments hereto were made on November 22, 1997. 16th amendments hereto were made on March 14, 1998. 17th amendments hereto were made on January 23, 1999. 18th amendments hereto were made on April 12, 1999. 19th amendments hereto were made on June 19, 2000. 20th amendments hereto were made on June 12, 2001. 21st amendments hereto were made on June 12, 2002. 22nd amendments hereto were made on June 12, 2002. 23rd amendments hereto were made on June 16, 2005. 24th amendments hereto were made on June 14, 2006. 25th amendments hereto were made on June 25, 2008. 26th amendments hereto were made on June 10, 2009. 27th amendments hereto were made on June 17, 2010. 28th amendments hereto were made on June 19, 2012. 29th amendments hereto were made on June 17, 2013. 30th amendments hereto were made on June 17, 2016. 31st amendments hereto were made on June 20, 2017. 32nd amendments hereto were made on June 22, 2018. 33rd amendments hereto were made on June 15, 2020. 34th amendments hereto were made on July 29, 2021. 35th amendments hereto were made on June 18, 2024. 36th amendments hereto were made on June 17, 2025.

Thinking Electronic Industrial Co., Ltd.
Chairman: Sui Tai-Chung

**Thinking Electronic Industrial Co., Ltd.
Rules and Procedures of Shareholders' Meeting**

- Article 1: The shareholders' meetings of the Company shall be governed by these Rules.
- Article 2: The shareholders referred to herein shall mean the shareholders per se, institutional shareholders' representatives, and proxies appointed by the shareholders to attend the meetings on behalf of them pursuant to laws.
- Article 3: The present shareholders (or their proxies) shall wear the attendance certificate and 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 said sign-in cards plus the number of shares whose voting rights are exercised by electronic means. Voting at a shareholders meeting shall be calculated based on the number of shares.
- Article 4: When a shareholder attends a shareholders' meeting in person or by proxy, the Company, whenever it deems necessary, may check the identity certificates that can afford to prove the personal identity.
- Article 5: The shareholders' meetings of the Company shall be held at the Company's location or any other locations that are suitable and convenient for shareholders to attend. Meetings must not commence anytime earlier than 9 a.m. or later than 3 p.m.
- Article 6: If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of Board. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Chairman shall appoint one of the directors to act as chairperson. Where the Chairman does not make such a designation, the directors shall select from among themselves one person to serve as chairperson.
- Where any person other than the Board of Directors convenes a shareholders' meeting, such person shall preside over the meeting.
- Article 7: The Company may appoint its attorney-at-law, CPA, or related persons retained by it to attend a shareholders' meeting.
- Article 8: The minutes of a shareholders' meeting shall be kept on record by voice recording or videotaping. Such minutes on record shall be retained for at least 1 year.
- Article 9: The chairperson 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 chairperson 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. In the event that postponement has been made twice and the shareholders present in the meeting cannot represent one-half but represent more than one-third of the total outstanding shares, Paragraph 1 of Article 175 of the Company Act shall be applicable whereby provisional resolution could be made.
- When, prior to conclusion of the meeting, the attending shareholders represent

a majority of the total number of issued shares, the chairperson may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 10: 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 a 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.

Before the parliamentary procedure is accomplished in accordance with the agenda (including extempore motions) as stated in the preceding two paragraphs, the chairperson cannot announce for the adjournment of the meeting unless with the resolution rendered by a shareholders' meeting.

After the meeting is adjourned, shareholders cannot nominate another chairperson or seek another venue for the continuation of the meeting.

If the chairperson is found to have adjourned the meeting in violation of the parliamentary rules, the meeting may continue with a separate chairperson elected upon approval of a majority of the voting rights represented by the shareholders present at the meeting.

Article 11: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number) and account name. The order in which shareholders speak will be set by the chairperson.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken.

In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of actual speech shall prevail.

When a shareholder is having the floor, all other shareholders shall not interfere unless at the consent of the chairperson or the shareholder who is taking the floor. Any unrestrained action shall be discouraged by the chairperson.

Article 12: Shareholders cannot speak for more than twice, for 5 minutes each, on the same motion without prior consent of the chairperson.

The chairperson shall prevent further speech of a particular shareholder who violates the aforementioned requirements or where the contents of the speech are irrelevant to the motion in point.

Article 13: Where a juristic person may be appointed as a proxy to attend a shareholders' meeting, it may appoint only one representative to attend the meeting.

For institutional shareholders appointing two (2) or more representatives to a shareholder's meeting, only one representative may express opinions on the same motion.

- Article 14: After a present shareholder has spoken, the chairperson may respond in person or direct relevant personnel to respond.
- Article 15: Only proposals will be discussed or voted on. When the chairperson is of the opinion that a motion has been discussed sufficiently to put it to a vote, the chairperson may announce the discussion closed and call for a vote. Where the chairperson announces that the closed discussion of any motion should be decided by ballot, ballots may be cast on several motions at the same time, but the motions shall be put to a vote separately.
- Article 16: Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act and Articles of Incorporation, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares, at the meeting.
When there is an amendment or an alternative to a motion, the chairperson shall present the amended or alternative motion together with the original one and decide the order in which they will be put to a vote. If one of them is passed, the others shall be deemed vetoed and no further voting is necessary.
- Article 17: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2 of Article 179 of the Company Act.
- Article 18: The chairperson will appoint ballot examiners and ballot counters, provided that the ballot examiners credited shareholders. The results of the voting shall be announced and recorded on site at the meeting.
- Article 19: The chairperson may call for a recess at appropriate times.
- Article 20: The chairperson shall direct picketers (or security guards) to maintain the order of the shareholders' meeting place. The picketers (or security guards) at the meeting place assisting with maintenance of order shall wear armbands marked "Marshal".
Shareholders shall follow the command by the chairperson, picketers or security guards on maintenance of the order. When a shareholder obstructs the parliamentary procedure and defies the chairperson's correction, the chairperson, picketers or security guards may remove such shareholder from the meeting place.
- Article 21: Any matters not covered herein shall be governed by the Company Act, Articles of Incorporation and other related laws & regulations.
- Article 22: The Rules shall be enforced upon approval from a shareholders' meeting. The same shall apply where the Rules are amended.

Thinking Electronic Industrial Co., Ltd.

Rules for Election of Directors

- Article 1: The election of directors of the Company shall be conducted in accordance with these procedures, except where otherwise provided by the Company Act and the Articles of Incorporation.
- Article 2: The election of directors in the Company is conducted using the cumulative voting method, where each share has the same number of votes as the number of directors to be elected. Shareholders can either concentrate their votes on one candidate or distribute their votes among multiple candidates. Candidates' names may be replaced with attendance numbers on the election ballots.
- Article 2-1: The election of independent directors in the Company shall be conducted in accordance with the provisions of Article 192-1 of the Company Act, using a candidate nomination system, with the directors selected from a list of candidates nominated by shareholders. The qualifications and appointment of independent directors should comply with the provisions of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".
- Article 3: Prior to the election, the Chairperson shall designate several poll-watchers and tellers to carry out related tasks, with the requirement that poll-watchers must be shareholders.
- Article 4: Directors of the Company shall be elected in accordance with the Company's Articles of Incorporation, with the number of seats determined by the Board of Directors. Candidates shall be elected in sequence with the number of votes, going from most to least. The election for independent directors and non-independent directors shall be conducted separately, and the number of seats elected is calculated separately as well. If there are two or more individuals who receive an equal number of votes and exceed the number of seats to be elected, a draw shall be conducted to determine the outcome. In the absence of those unable to attend, the Chairperson shall draw on their behalf.
- Article 5: Election ballots shall be prepared by the Board of Directors, numbered according to the attendance certificate numbers, and stamped with the number of voting rights.
- Article 6: Voters must fill in the "Candidate" field on the ballot with the name of the candidate and include their shareholder account number. If the voter is not a shareholder, they should provide the name of the candidate and their national identification number, and then place the ballot into the ballot box. However, if the candidate is a government agency or a legal entity, the "Candidate" field on the ballot should list the name of the government agency or legal entity, and may include the name of the representative of the government agency or legal entity. If there are multiple representatives, their names should be filled in separately.

Article 7: An election ballot shall be considered invalid if it meets any of the following conditions.

1. The ballot does not meet the specifications of Article 5.
2. There are more than two candidates selected.
3. Except for the name and voting rights of the candidate, as well as their shareholder account number or national identification number, no other text shall be included.
4. The ballot cast into the ballot box is blank.

Article 8: If one of the following conditions apply to any of the candidates listed on the ballot, votes for that candidate shall not be counted:

1. Illegible handwriting.
2. If the candidate is a shareholder, but their identity or shareholder account number does not match the shareholder registry; if the candidate is not a shareholder, but their name or ID number does not match upon verification.
3. The name of the selected candidate is the same as the names of other shareholders, but the shareholder account number or national identification number has not been provided for verification.

Article 9: Votes shall be counted immediately after the voting, and results shall be announced by the Chairman.

Article 10: Elected directors shall be issued a certificate of election by the Board of Directors.

Article 11: Unspecified matters in these regulations shall be handled in accordance with the Company Act and relevant laws and regulations.

Article 12: This regulation shall be implemented upon approval by the Shareholders' Meeting, and any amendments shall also be implemented in the same manner.

Thinking Electronic Industrial Co., Ltd.

Shareholdings of All Directors

【Appendix 4】

1. According to Paragraph 2 of Article 26 of the Securities and Exchange Act, the minimum required shares to be held by the whole directors of the Company should be 10,000,000 shares.
2. The number of shares held by directors recorded in the roster of shareholders until the date of suspension of share transfer for the shareholders' meeting (until March 28, 2026) is stated as following:

Title	Name	Current shareholdings	
		Shareholdings	Ratio of shareholding
Chairman	Representative of Boh Chin Investment Co., Ltd.: Sui Tai-Chung	27,178,247	21.21%
Director	Representative of Boh Chin Investment Co., Ltd.: Chen Su-Ai		
Director	Chen Yen-Hui	37,443	0.03%
Director	Chang Shan-Hui	20,051	0.02%
Independent Director	Huang Cheng-Nan	0	0.00%
Independent Director	Chou Chi-Wen	0	0.00%
Independent Director	Chou Pao-Heng	0	0.00%
Independent Director	Su Ping-Chang	0	0.00%

【Appendix 5】

The Impact of Stock Dividend Issuance on Business Performance, EPS, and Shareholder Return Rate

N/A, as no stock dividends were issued by the Company this year.