

Stock Code: 9951

Macauto Industrial Co., Ltd.

2024 Annual Report

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

Published on May 29, 2025

Annual Report Website:

Market Observation Post System: <http://mops.twse.com.tw>

Company Website: <https://www.macauto-group.com>

I. Names, Job Titles, Contact Phone Numbers and E-Mail Addresses of Spokesperson and Acting Spokesperson:

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Title: Manager, Finance Department

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Title: Vice President of Group General Management Office

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Headquarters:

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Tel.: (06) 233-1088

Branch Offices: None

Factory:

Address: No. 6, Yongke 5th Rd, Yongkang Dist., Tainan City 710, R.O.C.

Tel.: (06) 233-1088

III. Name, Address, Website, and Telephone Number of Stock Transfer Institution:

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Address: B2, No. 97, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City 10601, R.O.C.

Website: <https://agency.capital.com.tw>

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IV. Name, Address, Website, and Telephone Number of Certified Public Accountants and of Accounting Firm for the Financial Statements of the Latest Year:

Name: CPA Yeh Fang-Ting and CPA Hsu Huei-Yu

Firm: PricewaterhouseCoopers Taiwan

Address: 12F, No. 395, Sec. 1, Linsen Rd., East Dist., Tainan 70151, R.O.C.

Website: <http://www.pwc.tw>

Tel.: (06) 234-3111

V. Name of Overseas Securities Exchange and Method for Accessing Information on Overseas Negotiable Securities: None.

VI. Company Website: <https://www.macauto-group.com>

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I. Letter to Shareholders

A. Financial Results for the Year 2024

(1) Implementation of Business Plan

Due to increasing demand in Northeast Asian and European markets, the Company's consolidated operating revenue for the fiscal year 2024 was NT\$ 5.520 billion, a 5.99% increase from NT\$ 5.208 billion in the previous year. The consolidated operating margin was NT\$ 1.326 billion, an decrease of 1.70% compared to NT\$ 1.349 billion in the previous year, due to the product sales mix. The consolidated operating income was NT\$ 315 million, an decrease of 32.11% compared to NT\$ 464 million in the previous year, due to the decrease in operating margin and the increase in international logistics costs has led to higher operating expenses. In addition, the consolidated net profit for 2024 was NT\$ 314 million, a 27.31% decrease from NT\$ 432 million in the previous year, due to the decrease in operating income.

(2) Budget Execution

The Company implements monthly budget management for costs and expenses to ensure reasonable profit control and enhance operational efficiency.

(3) Financial Income and Profitability

Unit: NT\$ Thousand

Consolidated Financial Statements					
Year		2024	%	2023	%
Financial Income and Expenses	Operating revenue	5,519,594	100	5,208,082	100
	Operating costs	(4,193,896)	(76)	(3,858,703)	(74)
	Operating margin	1,325,698	24	1,349,379	26
	Operating expenses	(1,010,697)	(18)	(885,230)	(17)
	Operating income	315,001	6	464,149	9
	Net profit for the period	314,431	6	432,248	8
Profitability	ROE (Return on Equity)	8.64%		12.39%	
	EPS (Earnings Per Share) after tax (Unit : NT Dollars)	4.20		5.77	

(4) Research and Development Status:

Macauto Industrial Co., Ltd. has a competitive advantage in the international market in terms of the technology, quality, and cost of products such as Rollo Assy, Door Shade, Rear Shade - Power, Luggage Compartment Cover, Wind Deflectors, Barrier Net, Map Pocket, Front Trunk Net, and Sunvisor Rollo. The Company continues to invest resources and manpower in innovative technologies with international competitiveness, such as power adjustment rear door shade, luggage compartment cover - power, track-type (wire-pulling) rear door shade- power with triangle shade, rear door shade with magnet hook, armrest, console, and new fabric, such as recycle fabric and lightweight fabric, and actively expands automotive interior parts. In addition, the Company will continue to grasp industry trends and pay attention to important customer strategy development to enhance product uniqueness and meet customer needs.

B. Summary of 2025 Business Plan:

(1) Business Guideline

1. Sustain business expansion and enhance market share.
2. Stay informed about industry trends and the strategic development of key customers, and develop new products and technologies to meet customer needs.
3. Continuously invest in research and development resources to enhance the company's R&D capabilities.
4. Integrate group operations to enhance competitiveness.
5. Optimize product quality and increase customer satisfaction.
6. Committed to implementing systematic measures across all aspects to reduce costs.

(2) Expected Sales Quantity for 2025 and its Basis :

Unit : Thousand of pieces

Product	Macauto Industrial Co., Ltd. Projected sales quantity (Finished goods)	Macauto Group Projected sales quantity (Finished goods)
Automobile Sun Shade	2,901	11,233

Note: The projected sales quantity is aggregated based on the indicated volume from customers.

(3) Important Sales and Marketing Policies

1. In response to changes in the automotive industry, rapidly grasp customer order demands, visualize inventory management, and reduce inventory levels.
2. Optimize the manufacturing cost of molds and enhance the competitiveness of mold quotations.
3. Increase high-quality suppliers, centralize procurement, and enhance local procurement to reduce costs related to raw material packaging and transportation.

4. Encourage cross-learning and standardization among different manufacturing sites to optimize their manufacturing capabilities.

C. Future Company Development Strategy

1. Paying attention to ESG carbon emission issues, we will calculate carbon emissions and footprints at necessary intervals in accordance with international trends and perform product verification with environmentally friendly recycled materials .
2. Strengthening the centralization of functional organizations, we will enhance the integration of group research and development, procurement, and operational management systems. Enhancing the localization of subsidiary companies, we will adjust our organizational structure to respond to potential market growth in China and business development in Japan. We will allocate more resources to research and development and business operations.
3. Globalization to stay close to markets and clients, and cultivating talents to enhance job competencies and improve client satisfaction.
4. Continuously enhance management capabilities, improve communication and coordination, and effectively utilize and integrate resources.
5. Developing new customers and new products to expand the product line of the group.

D. Impact from External Competitive Environment, Regulatory Environment, and Overall Business Environment

(1) Impact from External Competitive Environment

To cope with market competition, the company will improve the speed of product design and development, reduce product development cycles and costs through shared components or VA/VE approaches, and meet customer needs.

(2) Impact from Regulatory Environment

The company has introduced advanced software and testing equipment to adapt to increasingly stringent environmental regulations and enhance product design capabilities. The company also aims to increase its mastery of materials to minimize the impact in this aspect. Additionally, it is crucial to continuously monitor changes in regulatory environments and strategically plan patents during the research and development phase to mitigate potential risks.

(3) Impact from Overall Business Environment

The impact of global economic fluctuations in the year 2025 is expected to vary in different regions. The company will continue to focus on increasing market share, expanding product range, reducing costs and expenses, and enhancing product quality to counter possible effects of changes in the overall business environment.

II. Corporate Governance Report

A. (1) Information of Directors, General Manager, Vice Presidents, Assistant General Managers, and Directors of Departments and Branches

Date: April 20, 2025

Title	Nationality or Place of Registration	Name	Gender Age	Date of Appointment	Tenure	Date of first Appointment	Shareholding at the time of appointment		Shareholding at current		Spouse and minor children currently holding shares		Holding shares under the name of others		Education and working experience	Current concurrent positions in this company and other companies	Other executives, directors, or supervisors with a spouse or within second-degree kinship relationship			Note (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman	R.O.C	Lycom Investment Co., Ltd.	—	2024.06.18	3 years	2012.06.06	1,063,400	1.42	1,064,400	1.42	0	0	0	0	None	None	None	None	None	NA
	R.O.C	Representative: Lin Chou, Yu-Shan	Female 70~80 years old	2024.06.18	3 years	1983.06.18	3,071,920 (Note 3)	4.10	3,071,920 (Note 3)	4.10	5,635,350 (Note 3)	7.52	2,346,000	3.13	Department of Oriental Languages and Literatures, Tamkang University TA YIH INDUSTRIAL CO., LTD.	Chairman and CEO of the company Chairman of Kunshan Macauto Automobile Parts Industry Co., Ltd. Chairman of Lycom Investment Co., Ltd. Director of Tconn Investment Co., Ltd. Chairman of MACAUTO USA, INC. Chairman of MACAUTO GROUP GmbH Chairman of MACAUTO MEXICO S.A. DE C.V. Chairman of Macauto Korea Yoohanheosa Chairman of MACAUTO Slovakia s.r.o.	Group President and Chief R&D Officer, Vice President	Lin, Yung-Ching Lin, MengYu	Spouse Son/Daughter	(Note2)

Title	Nationality or Place of Registration	Name	Gender	Age	Tenure	Date of first Appointment	Shareholding at the time of appointment		Shareholding at current		Spouse and minor children currently holding shares		Holding shares under the name of others		Education and working experience	Current concurrent positions in this company and other companies	Other executives, directors, or supervisors with a spouse or within second-degree kinship relationship			Note (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Director	R.O.C	Lycom Investment Co., Ltd.	—	2024.06.18	3 years	2012.06.06	1,063,400	1.42	1,064,400	1.42	0	0	0	0	None	None	None	None	None	NA
	R.O.C	Representative: Lin, Yung-Ching	Male 60~70 years old	2024.06.18	3 years	1983.06.18	5,635,350 (Note 3)	7.52	5,635,350 (Note 3)	7.52	3,071,920 (Note 3)	4.10	2,346,000	3.13	Department of Mechanical Engineering, South Asia Institute of Technology and Medicine TA YIH INDUSTRIAL CO., LTD.	Group President and Chief R&D Officer Chairman of Tconn Investment Co., Ltd. Director of Macauto International Development Co., Ltd. Director of Kunshan Macauto Automobile Parts Industry Co., Ltd.	Chairman and CEO; Vice President	Lin Chou, Yu-Shan Lin, Meng-Yu	Spouse Son/Daughter	NA
Director	R.O.C	Liu, Tien-Chang	Male 70~80 years old	2021.08.26 (Note 4)	3 years	1983.06.18	799,379	1.07	574,379	0.77	0	0	0	0	Shin Rong Business and Industrial School Machinery Department	Group Vice President and Chief Administrative Officer Chairman of Ziru Investment Co., Ltd. Director of Zizai Investment Co., Ltd.	None	None	None	NA

Title	Nationality or Place of Registration	Name	Gender Age	Date of Appointment	Tenure	Date of first Appointment	Shareholding at the time of appointment		Shareholding at current		Spouse and minor children currently holding shares		Holding shares under the name of others		Education and working experience	Current concurrent positions in this company and other companies	Other executives, directors, or supervisors with a spouse or within second-degree kinship relationship			Note (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Director	R.O.C	Lin, Meng-Yu	Female 40~50 years old	2024.06.18	3 years	2018.06.08	792,802	1.06	792,802	1.06	107,000	0.14	2,346,000	3.13	Master of Marketing at Queensland University of Technology Special Assistant to the General Manager of Macauto Industrial Co., Ltd.	Vice President of group management office Supervisor of Tcom Investment Co., Ltd. Director of Sunder Investment Co., Ltd. Supervisor of Kaihia Investment Co., Ltd.	Chairman and CEO Group President and Chief R&D Officer	Lin Chou, Yu-Shan Lin, Yung-Ching	Mother-daughter / Father-daughter	NA
Director	R.O.C	Tayih Kenmos Auto Parts Co., Ltd.	—	2024.06.18	3 years	2009.06.19	9,450,000	12.62	9,450,000	12.62	0	0	0	0	None	Director of Guangyu Electronics Co., Ltd.	None	None	None	NA
	R.O.C	Representative: Ta Wei Investment Co., Ltd	—	—	3 years	—	0	0	0	0	0	0	0	0	None	Director of Tayih Kenmos Auto Parts Co., Ltd. Director of Tayih International Hotel Co., Ltd.	None	None	None	NA

Title	Nationality or Place of Registration	Name	Gender Age	Date of Appointment	Tenure	Date of first Appointment	Shareholding at the time of appointment		Shareholding at current		Spouse and minor children currently holding shares		Holding shares under the name of others		Education and working experience	Current concurrent positions in this company and other companies	Other executives, directors, or supervisors with a spouse or within second-degree kinship relationship			Note (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Director	R.O.C.	Li, Yin-Te	Male 60~70 years old	2024.06.18	3 years	2021.08.26	0	0	0	0	30,000	0.04	0	0	National Taipei University of Business, Department of Business Administration; Director and Vice president of Toyota Tsusho (Taiwan) Co., Ltd.; Chairman of Feng Sheng Logistics Co., Ltd	Supervisor of Toyota Tsusho (Taiwan) Co., Ltd. Consultant of Solas Science & Engineering Co., Ltd. Consultant of Jian Sin Technology Co., Ltd.	None	None	None	NA
Independent Director	R.O.C.	Wu, Ya-Chuan	Female 60~70 years old	2024.06.18	3 years	2006.06.09	0	0	0	0	0	0	0	0	Business Administration, National Taiwan University; National Cheng Kung University, Master's degree in Business Administration; Certified Public Accountant (CPA); Branches, Brokerage Dept of Master Link Securities Corp.; CFO of Merry Life Biomedical Company, Ltd.; CFO ChongDah Health Co. Ltd.; Professional expert lecturer of Tainan University of Technology	Chief of the Accounting Firm at Wu Ya-Chuan Accounting Firm Supervisor of Advanced Flexible Circuits Co., Ltd. Independent Director of TTET Union Corporation	None	None	None	NA

T i t l e	Natio nality or Place of Regis tratio n	Name	Gender Age	Date of Appoint ment	Tenur e	Date of first Appointment	Shareholding at the time of appointment		Shareholding at current		Spouse and minor children currently holding shares		Holding shares under the name of others		Education and working experience	Current concurrent positions in this company and other companies	Other executives, directors, or supervisors with a spouse or within second-degree kinship relationship			N o t e (N o t e 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Ti tl e	N a m e	R e l a t i o n s h i p	
Independent Director	R.O. C.	Chiu, Fang- Tsai	Male 50~60 years old	2024.06. 18	3 years	2021.08.26	0	0	0	0	0	0	0	0	Master's degree in Finance and Financial Management from National Cheng Kung University Certified Public Accountant (CPA) Chief of the Audit Department at AMIT Wireless Inc	Chief of the Accounting Firm of Qingxin CPA Firm Independent Director of Ying Han Technology Co., Ltd. Independent Director of GeneFerm Biotechnology Co., Ltd. Supervisor of Yung Fu Co., Ltd. Independent Director of SPEC Products Corp.	None	None	None	NA
Independent Director	R.O. C.	Lai, Wei- Hsiang	Male 60~70 years old	2024.06. 18	3 years	2021.08.26	0	0	0	0	58	0	0	0	Ph.D. in Aerospace Engineering from National Cheng Kung University Director and Chairman of the Aerospace Engineering Department/Civil Aviation Research Institute/Energy International Degree Program at National Cheng Kung University.	Chairperson of the National Association for New Energy Technologies Chairman of Taiwan Fire Protection Laboratory Member of Building Performance Evaluation Center, National Cheng Kung University Research and Development Foundation	None	None	None	NA

Title	Nationality or Place of Registration	Name	Gender Age	Date of Appointment	Tenure	Date of first Appointment	Shareholding at the time of appointment		Shareholding at current		Spouse and minor children currently holding shares		Holding shares under the name of others		Education and working experience	Current concurrent positions in this company and other companies	Other executives, directors, or supervisors with a spouse or within second-degree kinship relationship			Note (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Independent Director	R.O.C.	Chen, Fa-Chiang	Male 60~70 years old	2021.08.26 (Note 4)	3 years	2021.08.26	0	0	0	0	0	0	0	0	Industrial Management Department at R.O.C. Institute of Industrial Technology Manager at KGI Securities Co., Ltd.	Director of LI-XIANG ELECTRONICS CO., LTD.	None	None	None	NA
Independent Director	R.O.C.	Yang, Chih-Yuan	Male 50~60 years old	2024.06.18	3 years	2024.06.18	0	0	0	0	0	0	0	0	Master of Finance, National Taiwan University Special Assistant to the Chairman of Tayih Technology Co., Ltd. General Manager of Tayih Kenmos Auto Parts Co., Ltd.	General Manager of Ge Technology Inc. Chairman of Yun Ying Investment Co., Ltd. Director of Ge Technology Inc.	None	None	None	NA

Note 1: When the Chairman of the Board also holds the position of General Manager or an equivalent role (the highest executive position) or when they are spouses or first-degree relatives, the reasons, rationale, necessity, and corresponding measures should be explained.

Note 2: The current situation of the Chairman also serving as the General Manager is necessary for the company's operations. The company has increased the number of independent directors, and more than half of the directors do not hold executive positions, in order to strengthen the independence and transparency of corporate governance.

Note 3: Including the shareholding of the trust account with the reserved decision-making authority.

Note 4: Stepped down on June 18, 2024.

1. The Major Shareholders Among The Corporate Shareholders

Shareholders	The major shareholders among the corporate shareholders	
	Name	Shareholding percentage
LYCOM INVESTMENT CO., LTD.	LIN CHOU, YU-SHAN	75.00
	LIN, SHIN-YU	25.00
TAYIH KENMOS AUTO PARTS CO., LTD.	TA WEI INVESTMENT CO., LTD	22.48
	DING WAN INVESTMENT CO., LTD.	9.85
	Lu, Chin Fa	3.07
	YUN HSIEN ENTERPRISE CO., LTD.	3.00
	CHEN WANG INDUSTRIAL CO., LTD.	2.94
	KUO CHI MIN INVESTMENT CO.,LTD	2.92
	TAYIH INTERNATIONAL HOTEL CO., LTD.	2.35
	YIH JIAN INVESTMENT CO., LTD.	2.09
	YUAN HUNG INVESTMENT CO., LTD	1.47
	Citi custody Berkeley Capital SBL/PB investment special investment account	1.12
	WU MAI, HUI-O	1.01
	Other Shareholders	47.70

2. The Major Shareholders Of Corporate Shareholders

Shareholders	The major shareholders among the corporate shareholders	
	Name	Shareholding percentage
TA WEI INVESTMENT CO., LTD.	WU, CHEN-YI (Note)	75.79
	DING WAN INVESTMENT CO.,LTD.	21.89
	CHEN WANG INDUSTRIAL CO., LTD.	2.32
DING WAN INVESTMENT CO.,LTD	WU, CHEN-YI (Note)	62.84
	CHEN WANG INDUSTRIAL CO., LTD.	37.16
(Note) Entrusted Trust Property Account		

Shareholders	The major shareholders among the corporate shareholders	
	Name	Shareholding percentage
YUN HSIEN ENTERPRISE CO., LTD.	WU, YU-HSIEN	99.94
	CHANG, FEI-CHUN	0.06
CHEN WANG INDUSTRIAL CO., LTD.	WU, CHEN-YI	100.00
KUO CHI MIN INVESTMENT CO.,LTD.	WU, CHUN-CHI	42.70
	WANG, LI-HSIA	40.70
	WU, KUO-CHEN	8.80
	WU, YIN-CHEN	3.08
	WU, CHI-CHEN	2.36
	WU, MIN-CHEN	2.36
TAYIH INTERNATIONAL HOTEL CO., LTD.	TA WEI INVESTMENT CO., LTD.	96.40
	WU, CHUN-I	3.20
	WU, CHEN-YI	0.40
YIH JIAN INVESTMENT CO., LTD.	WU, YU-HSIEN	59.50
	WU, CHUN-I	30.00
	WU MAI, HUI-O	10.00
	WU, CHEN-YI	0.50
YUAN HUNG INVESTMENT CO., LTD	WU, CHENG-YUAN	40.00
	WU, CHENG-HUNG	40.00
	WU, TIEN-LING	20.00

3. Director's Professional Qualifications and Disclosure of Independent Director's Independence

Condition Name	Professional Qualifications and Experience (Note 1)	Independence Status	The number of independent directors concurrently serving in other publicly listed companies.
Representative of Lycom Investment Co., Ltd.: LIN CHOU, YU-SHAN	Please refer to the annual report "Section B, (1) Director Information" on pages 4-9 for the directors' professional qualifications and experiences.	Not applicable for non-independent directors.	0
Representative of Lycom Investment Co., Ltd.: LIN, YUNG-CHING			0
LIN, MENG-YU			0
LIU, TIEN-CHANG(Note 3)			0
Representative of Tayih Kenmos Auto Parts Co., Ltd.: Ta Wei Investment Co., Ltd			0
LI, YIN-TE			0
WU, YA-CHUAN		All independent directors comply with the provisions of Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" Please refer to Note 2 for details.	2
CHIU, FANG-TSAI			3
LAI, WEI-HSIANG			0
CHEN, FA-CHIANG(Note 3)			0
YANG, CHIH-YUAN			0

Note 1: No director exhibits any of the circumstances specified under Article 30 of the Company Act.

Note 2: Provisions of Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

- (1) Self, spouse, and relatives within the second degree of kinship do not serve as directors, supervisors, or employees of the Company or affiliated companies.
- (2) Not holding an aggregate amount of one percent or more of the total number of outstanding shares of the Company or ranking in the top ten in holdings as a natural person shareholder under one's own name or that of one's spouse, minor children, or shares held in the name of others.
- (3) Not having a spousal relationship, a second-degree kinship or closer, or an immediate lineal relative within three degrees of kinship of natural person shareholders holding more than 1% of the total issued shares of the Company or in the top 10 shareholders.
- (4) Not serving as a director, supervisor, or employee of a company that has a specified relationship with the Company.
- (5) In the past two years, the director himself/herself or a company of which he or she is a director has not provided exclusive or professional services to the Company.

Note3: Director Liu, Tien-Chang and Independent Director Chen, Fa-Chiang stepped down upon the expiration of their terms on June 18, 2024.

4. Diversity and Independence of the Board of Directors:

(1) Board of Directors diversity:

Please refer to page 29: “B. Corporate Governance Status,” “(3). Status of corporate governance, and difference from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons,” “III. Composition and Duties of the Board of Directors”

(2) Independence of the Board of Directors:

In accordance with the provisions of the Securities and Exchange Act, the number of independent directors shall not be less than two and not less than one-fifth of the number of directors, and the Audit Committee is to be composed of all independent directors. There are nine members of the Company’s Board of Directors, four of whom are independent directors and accounting for 44.4% of all directors, thus complying with the requirements for the number of independent directors and the proportion of all directors.

The Board of Directors of the Company directs the Company’s operating strategy, supervises and evaluates the performance of the management team, and is accountable to the Company and its shareholders. In all operations of the corporate governance system, the Board of Directors exercises its functions and powers in accordance with laws and regulations, the Company’s Articles of Incorporation, or resolutions of the shareholders’ meeting. The Board of Directors of the Company emphasizes the function of independent operation and transparency, and the directors and independent directors are independent individuals who exercise their functions and powers independently. For the statement of directors’ independence, please refer to page 14 and the Disclosure of Information on the Professional Qualifications of Directors and the Independence of Independent Directors.

(2) Information of General Manager, Vice Presidents, Assistant General Managers, and Directors of Departments and Branches

Date: April 20, 2025

Title	Nationality or Place of Registration	Name	Gender Age	Date of Appointment	Tenure		Date of first Appointment		Shareholding at the time of appointment		Shareholding at current	Spouse and minor children currently holding shares	Other managers with a spouse or within second-degree kinship relationship			Note (Note 1)
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman and CEO	R.O.C.	LIN CHOU, YU-SHAN	Female	2015.06.10	3,071,920 (Note 3)	4.10	5,635,350 (Note 3)	7.52	2,346,000	3.13	Department of Oriental Languages and Literatures, Tamkang University Ta Yih Industrial Co., Ltd.	Chairman and CEO of the company Chairman of Kunshan Macauto Automobile Parts Industry Co., Ltd. Chairman of Lycom Investment Co., Ltd. Director of Tconn Investment Co., Ltd. Chairman of MACAUTO USA, INC. Chairman of MACAUTO GROUP GmbH Chairman of MACAUTO MEXICO S.A. DE C.V. Chairman of Macauto Korea Yoohanheosa Chairman of MACAUTO Slovakia s.r.o.	Group President and Chief R&D Officer, Vice President	LIN, YUNG-CHING LIN, MENG-YU	Spouse, Mother and Daughter	(Note2)
Group President And Chief R&D Officer	R.O.C.	LIN, YUNG-CHING	Male	2011.10.01	5,635,350 (Note 3)	7.52	3,071,920 (Note 3)	4.10	2,346,000	3.13	Department of Mechanical Engineering, South Asia Institute of Technology and Medicine TA YIH INDUSTRIAL CO., LTD.	Group President and Chief R&D Officer Chairman of Tconn Investment Co., Ltd. Director of Macauto International Development Co., Ltd. Director of Kunshan Macauto Automobile Parts Industry Co., Ltd.	Chairman and CEO; Vice President	LIN CHOU, YU-SHAN LIN, MENG-YU	Spouse, Father and Daughter	NA

Title	Nationality or Place of Registration	Name	Gender Age	Date of Appointment	Tenure		Date of first Appointment		Shareholding at the time of appointment		Shareholding at current	Spouse and minor children currently holding shares	Other managers with a spouse or within second-degree kinship relationship			Note (Note 1)
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Group Vice President and Chief Administrative Officer	R.O.C.	LIU, TIEN-CHANG	Male	2011.10.01	574,379	0.77	0	0	0	0	Shin Rong Business and Industrial School Machinery Department	Vice President and Chief Administrative Officer Chairman of Ziru Investment Co., Ltd. Director of Zizai Investment Co., Ltd.	None	None	None	NA
Senior Vice President	R.O.C.	YANG, KENG-MIN	Male	2015.05.01	0	0	0	0	0	0	National Hsinying Industrial Vocational School, Mechanical Engineering Department General Manager of Kunshan Macauto Automobile Parts Industry Co., Ltd.	None	None	None	None	NA
Vice President	R.O.C.	YANG, KUO-CHENG	Male	2017.01.01	4,062	0.01	0	0	0	0	Department of Mechany of Kun Shan University, Research and Development Department Manager of Macauto Industrial Co., Ltd.	Director and General Manager of Kunshan Macauto Automobile Parts Industry Co., Ltd.	None	None	None	NA

Title	Nationality or Place of Registration	Name	Gender Age	Date of Appointment	Tenure		Date of first Appointment		Shareholding at the time of appointment		Shareholding at current	Spouse and minor children currently holding shares	Other managers with a spouse or within second-degree kinship relationship			Note (Note 1)
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Vice President	R.O.C.	LIN, MENG-YU	Female	2017.01.01	792,802	1.06	107,000	0.14	2,346,000	3.13	Master of Marketing at Queensland University of Technology Special Assistant to the General Manager of Macauto Industrial Co., Ltd.	Vice President of group management office Supervisor of Tconn Investment Co., Ltd. Director of Sunder Investment Co., Ltd. Supervisor of Kaihia Investment Co., Ltd.	Chairman and CEO Group President and Chief R&D Officer	LIN CHOU, YU-SHAN LIN, YUNG-CHING	Mother-daughter - Father-daughter	NA
Assistant General Manager of Research and Development Center	R.O.C.	YEN, HUNG-MING	Male	2008.02.01	25,722	0.03	0	0	0	0	Department of Mechanical Engineering, Kun Shan University Manager of Research Department of Macauto Industrial Co., Ltd.	None	None	None	None	NA
Assistant General Manager of Global Project Management Center	Japan	KENICHI RO KAKINUMA	Male	2016.09.01	22,802	0.03	840,876	1.12	2,346,000	3.13	Graduated from the Master's program in Engineering Management at Royal Melbourne Institute of Technology (RMIT) Sales Department Manager at Macauto Industrial Co., Ltd.	Director of Sunder Investment Co., Ltd.	None	None	None	NA

Title	Nationality or Place of Registration	Name	Gender Age	Date of Appointment	Tenure		Date of first Appointment		Shareholding at the time of appointment		Shareholding at current	Spouse and minor children currently holding shares	Other managers with a spouse or within second-degree kinship relationship			Note (Note 1)
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Assistant General Manager of Sales Department	R.O.C.	CHEN, CHIA-PIN	Male	2019.03.01	1,857	0	5,250	0.01	0	0	Master's degree in Information and Knowledge Management from the University of Loughborough, UK. Product Manager at SAPIDO TECHNOLOGY INC.	None	None	None	None	NA
Assistant General Manager	R.O.C.	WEI, NAN-HUA	Male	2024.03.26	0	0	0	0	0	0	Bachelor's degree in Automatic Control Engineering from Feng Chia University. Factory Chief of MACAUTO MEXICO S.A. DE C.V. Assistant General Manager of LUCIDITY ENTERPRISE CO., LTD.	None	None	None	None	NA
Finance and Accounting Manager	R.O.C.	HSU, CHU-JU	Female	2020.05.30	0	0	0	0	0	0	Bachelor's degree in Accounting from Donghua University. Assistant Manager at KPMG.	None	None	None	None	NA

Note 1: If the Chairman of the company also holds the position of General Manager or an equivalent executive role, is married to, or is a close relative of the highest-ranking executive, the reasons, rationale, necessity, and corresponding measures should be explained.

Note 2: The Chairman of the company also serves as the General Manager to meet the operational needs of the company. The company has increased the number of independent directors and more than half of the directors do not hold executive positions to strengthen the independence and information transparency of corporate governance.

Note 3: Including the shareholding of the trust account with the reserved decision-making authority.

(3) Recent Annual Remuneration for Directors, Supervisors, General Manager, and Deputy General Manager.

1. "Remuneration for Directors and Independent Directors (individual disclosure of names and remuneration methods)."

Unit: NT\$ Thousand

Title	Name	Remuneration for Directors								The total amounts and the ratios to net profit after tax for items A, B, C, and D		Remuneration received for holding multiple positions as an employee								The total amount and the ratio to net profit after tax for A, B, C, D, E, F, and G		Compensation received from subsidiaries other than equity investees or the parent company
		Remuneration (A)		Retirement pension (B)		Director remuneration (C)		Business execution expenses (D)				The total amount and ratio of salaries, bonuses, and special allowances (E)		Retirement pension (F)		Employee remuneration (G)						
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements			
														Cash amount	Stock amounts	Cash amount	Stock amounts					
Chairman	LIN CHOU, YU-SHAN	5,170	5,170	-	-	-	-	180	180	1.70%	1.70%	11,155	11,155	565	565	1,905	-	1,905	-	6.03%	6.03%	-
Director	LIN, YUNG-CHING	-	-	-	-	-	-	180	180	0.06%	0.06%	4,946	4,946	288	288	547	-	547	-	1.90%	1.90%	-
Director	LIU, TIEN-CHANG (Note 2)	-	-	-	-	665	665	90	90	0.24%	0.24%	1,881	1,881	74	74	219	-	219	-	0.93%	0.93%	-
Director	TAYIH KENMOS AUTO PARTS CO., LTD. Representative: TA WEI INVESTMENT CO., LTD	-	-	-	-	200	200	180	180	0.12%	0.12%	-	-	-	-	-	-	-	-	0.12%	0.12%	-
Director	LI, YIN-TE	-	-	-	-	200	200	180	180	0.12%	0.12%	-	-	-	-	-	-	-	-	0.12%	0.12%	-
Director	Lycom Investment Co., Ltd. Representative: Lin Chou, Yu-Shan	-	-	-	-	2,696	2,696	-	-	0.86%	0.86%	-	-	-	-	-	-	-	-	0.86%	0.86%	-
Director	Lycom Investment Co., Ltd. Representative: Lin, Yung-Ching	-	-	-	-	2,022	2,022	-	-	0.64%	0.64%	-	-	-	-	-	-	-	-	0.64%	0.64%	-
Director	LIN, MENG-YU (Note 1)	-	-	-	-	100	100	90	90	0.06%	0.06%	1,866	1,866	54	54	146	-	146	-	0.72%	0.72%	-
Independent Director	WU, YA-CHUAN	-	-	-	-	200	200	225	225	0.14%	0.14%	-	-	-	-	-	-	-	-	0.14%	0.14%	-
Independent Director	LAI, WEI-HSIANG	-	-	-	-	200	200	195	195	0.13%	0.13%	-	-	-	-	-	-	-	-	0.13%	0.13%	-

Title	Name	Remuneration for Directors								The total amounts and the ratios to net profit after tax for items A, B, C, and D		Remuneration received for holding multiple positions as an employee								The total amount and the ratio to net profit after tax for A, B, C, D, E, F, and G		Compensation received from subsidiaries other than equity method investees or the parent company
		Remuneration (A)		Retirement pension (B)		Director remuneration (C)		Business execution expenses (D)				The total amount and ratio of salaries, bonuses, and special allowances (E)		Retirement pension (F)		Employee remuneration (G)						
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements			
Independent Director	CHIU, FANG-TSAI	-	-	-	-	200	200	225	225	0.14%	0.14%	-	-	-	-	-	-	-	-	0.14%	0.14%	-
Independent Director	CHEN, FA-CHIANG (Note 2)	-	-	-	-	100	100	110	110	0.07%	0.07%	-	-	-	-	-	-	-	-	0.07%	0.07%	-
Independent Director	YANG, CHIH-YUAN (Note 1)	-	-	-	-	100	100	115	115	0.07%	0.07%	-	-	-	-	-	-	-	-	0.07%	0.07%	-
<div>1. The remuneration policy, system, standards, and structure for independent directors are as follows: The remuneration for independent directors in our company is determined by the board of directors as a fixed amount and is not tied to the company's profitability or distribution of profits. The remuneration is based on factors such as the responsibilities undertaken, risks involved, and time commitment invested by the independent directors.</div> <div>2. In addition to the disclosed information in the financial report, there were no remunerations received by the company's directors in the latest fiscal year for providing services to other companies listed in the financial report (e.g., serving as consultants or in similar non-employee roles).</div>																						

Note 1: Appointed on June 18, 2024

Note 2: Stepped down on June 18, 2024

2. Remuneration of Management Team

Unit: NT\$ Thousand

Title	Name	Salary(A)		Retirement pensions (B)		Bonuses and special allowances (C)		Employee remuneration (D)				The total amounts and the proportion to the post-tax net income of A, B, C, and D (%)		Receipt of remuneration from subsidiary companies or non-subsidiary investments outside the group
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash amount	Stock amounts	Cash amount	Stock amounts			
Chairman and CEO	LIN CHOU, YU-SHAN	18,011	18,011	1,445	1,445	13,460	13,460	3,770	-	3,770	-	11.67%	11.67%	-
Group President and Chief R&D Officer	LIN, YUNG-CHING													
Group Vice President and Chief Administrative Officer	LIU, TIEN-CHANG													
Senior Vice President	YANG, KENG-MIN													
Vice President	YANG, KUO-CHENG													
Vice President	LIN, MENG-YU													

Remuneration scale table

Range of remuneration paid to management team	Names of Management Team	
	The Company	All companies in the financial statements E
Less than NT\$ 1,000,000		
NT\$ 1,000,000(included) to NT\$ 2,000,000 (excluded)		
NT\$ 2,000,000(included) to NT\$ 3,500,000 (excluded)		
NT\$ 3,500,000(included) to NT\$ 5,000,000 (excluded)	YANG, KENG-MIN, LIN, MENG-YU, YANG, KUO-CHENG, LIU, TIEN-CHANG	YANG, KENG-MIN, LIN, MENG-YU, YANG, KUO-CHENG, LIU, TIEN-CHANG
NT\$ 5,000,000(included) to NT\$ 10,000,000 (excluded)	LIN, YUNG-CHING	LIN, YUNG-CHING
NT\$ 10,000,000(included) to NT\$ 15,000,000 (excluded)	LIN CHOU, YU-SHAN	LIN CHOU, YU-SHAN
NT\$ 15,000,000(included) to NT\$ 30,000,000 (excluded)		
NT\$ 30,000,000(included) to NT\$ 50,000,000 (excluded)		
NT\$ 50,000,000(included) to NT\$ 100,000,000 (excluded)		
Over NT\$ 100,000,000		
Total	6 individuals	6 individuals

* The disclosed contents of the remuneration in this table may differ from the concept of income under tax laws. Therefore, the purpose of this table is for information disclosure and not for taxation purposes.

3. Five Highest Remunerated Management Personnel

Unit: NT\$ Thousand

Title	Name	Salary(A)		Retirement pensions (B)		Bonuses and special allowances (C)		Employee remuneration (D)				The total amounts and the proportion to the post-tax net income of A, B, C, and D (%)		Receipt of remuneration from subsidiary companies or non-subsidiary investments outside the group
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash amount	Stock amounts	Cash amount	Stock amounts			
Chairman and CEO	LIN CHOU, YU-SHAN	5,170	5,170	565	565	5,986	5,986	1,905	0	1,905	0	4.33%	4.33%	
Group President and Chief R&D Officer	LIN, YUNG-CHING	3,135	3,135	288	288	1,811	1,811	547	0	547	0	1.84%	1.84%	
Group Vice President and Chief Administrative Officer	LIU, TIEN-CHANG	2,595	2,595	149	149	1,179	1,179	363	0	363	0	1.36%	1.36%	
Senior Vice President	YANG, KENG-MIN	2,599	2,599	134	134	1,590	1,590	437	0	437	0	1.51%	1.51%	
Vice President	LIN, MENG-YU	2,705	2,705	108	108	1,112	1,112	299	0	299	0	1.34%	1.34%	

4. Employee Profit Sharing Granted to the Management Team

Unit: NT\$ Thousand

	Title	Name	Stock Dividends	Cash Dividends	Total	The proportion of the total amount to the after-tax net profit (%)
Management Team	Chairman and CEO	LIN CHOU, YU-SHAN	0	4,604	4,604	1.46%
	Group President and Chief R&D Officer	LIN, YUNG-CHING				
	Group Vice President and Chief Administrative Officer	LIU, TIEN-CHANG				
	Senior Vice President	YANG, KENG-MIN				
	Vice President	YANG, KUO-CHENG				
	Vice President	LIN, MENG-YU				
	Assistant General Manager of Global Project Management	KENICHIRO KAKINUMA				
	Assistant General Manager of Research and Development	YEN, HUNG-MING				
	Assistant General Manager of Sales Department	CHEN, CHIA-PIN				
	Assistant General Manager	WEI, NAN-HUA (Appointed on March 26, 2024)				
	Finance and Accounting Manager	HSU, CHU-JU				

4. The analysis of the proportion of the total remuneration paid to the directors, supervisors, general manager, and deputy general manager of the Company and its consolidated subsidiaries in the past two fiscal years to the after-tax net profit, along with an explanation of the remuneration policy, standards, composition, procedures for setting remuneration, and the correlation with business performance and future risks.

Unit: NT\$ Thousand

Year/Item		2023	2024
The Company	Total remuneration amount	55,564	50,307
	Ratio of remuneration to post-tax net income	12.85%	16.00%
All companies within the consolidated financial statements	Total remuneration amount	55,564	50,307
	Ratio of remuneration to post-tax net income	12.85%	16.00%

- (a). The remuneration paid to directors and supervisors of the company is determined in accordance with the company's articles of incorporation, and it should not exceed 3.5% of the annual profit for the distribution of director and supervisor remuneration.

- (b). The policy for remunerating executives of the company is based on their authority, contributions, and the company's business performance, taking into consideration industry standards to achieve motivational effects. The remuneration is reviewed by the Compensation Committee and approved by the Board of Directors.
- (c). The ratio of remuneration to post-tax net income for the payment of directors, supervisors, general manager, and deputy general managers has increased by 3.15% in the past two years due to a decline in after-tax profit. Nevertheless, as the Company's profit margin for fiscal year 2024 remained at a reasonable level, the total remuneration was maintained at a competitive market level, taking into account the overall contribution and management performance.

B. Corporate Governance Status

(1) Operation of the Board of Directors

In the most recent year 2024, the Board of Directors held a total of 7 meetings (A), and the attendance of the directors is as follows:

Title	Name	Actual Attendance Count (B)	Delegate Attendance Count	Actual Attendance Rate (%) (B/A)	Remarks
Chairman	Lycom Investment Co., Ltd. Representative: LIN CHOU, YU-SHAN	7	0	100.00	Serving another term
Director	Lycom Investment Co., Ltd. Representative: LIN, YUNG-CHING	7	0	100.00	Serving another term
Director	LIN, MENG-YU	4	0	100.00	Appointed on June 18, 2024
Director	LIU, TIEN-CHANG	2	0	66.67	Term ended on June 18, 2024
Director	TAYIH KENMOS AUTO PARTS CO., LTD.	4	2	57.14	Serving another term
Director	LI, YIN-TE	7	0	100.00	Serving another term
Independent Director	WU, YA-CHUAN	7	0	100.00	Serving another term
Independent Director	LAI, WEI-HSIANG	6	0	85.71	Serving another term
Independent Director	CHIU, FANG-TSAI	7	0	100.00	Serving another term
Independent Director	YANG, CHIH-YUAN	4	0	100.00	Appointed on June 18, 2024
Independent Director	CHEN, FA-CHIANG	3	0	100.00	Term ended on June 18, 2024

Other matters to be disclosed:

- If the Board of Directors operates under any of the following circumstances, the disclosure should include the dates, sessions, agenda items, opinions of independent directors, and the company's response to the opinions of independent directors:

- (1) Matters listed in Article 14-3 of the Securities and Exchange Act: In the 2024 fiscal year and up to the date of printing the annual report, a total of 11 board meetings were held. Details of the resolutions can be found on pages 54 to 58 of the annual report. All independent directors had no objections to the matters listed in Article 14-3 of the Securities and Exchange Act, and the resolutions were passed accordingly.
- (2) In addition to the above matters, any board resolutions where independent directors expressed opposition or reservations and have records or written statements: None.
2. The implementation of directors' recusal from interested party transactions should be disclosed, including the names of directors, the agenda items, reasons for recusal, and their participation in voting:
 - (1) On February 2, 2024, the board meeting discussed the year-end bonuses for managerial personnel. Chairman LIN CHOU, YU-SHAN, Director Lin, Yung-Ching, Senior Vice President YANG, KENG-MIN, Vice President LIN, MENG-YU, and Finance and Accounting Manager HSU, CHU-JU recused themselves from the discussion and voting due to conflicts of interest.
 - (2) On February 2, 2024, the board meeting discussed the Compensation Adjustment of managerial personnel Due to the conflicts of interest involving Chairman LIN CHOU, YU-SHAN, Director Lin, Yung-Ching, Senior Vice President YANG, KENG-MIN, Vice President LIN, MENG-YU, and Finance and Accounting Manager HSU, CHU-JU, they recused themselves from the discussion and voting in accordance with the law.
 - (3) On August 9, 2024, the Board of Directors discussed the proposal for the distribution of directors' remuneration. The proposal was resolved through individual voting on each director's (including independent directors') remuneration. Each director abstained from participating in the discussion and voting when the resolution involved his or her own remuneration, in accordance with the principle of conflict of interest avoidance.
 - (4) On August 9, 2024, the Board of Directors discussed the proposal regarding the distribution of compensation to managerial officers. As Chairperson and General Manager LIN CHOU, YU-SHAN, Director and Head of R&D Lin, Yung-Ching, Director and Group Deputy General Manager LIN, MENG-YU, and Financial and Accounting Officer HSU, CHU-JU were interested parties in this proposal, they recused themselves from the discussion and voting in accordance with relevant regulations on conflict of interest.
 - (5) On January 17, 2025, the Board of Directors discussed the proposal for the distribution of year-end bonuses to managerial officers. As Chairperson LIN CHOU, YU-SHAN, Director Lin, Yung-Ching, Director LIN, MENG-YU, and attending Financial and Accounting Officer HSU, CHU-JU were interested parties in this proposal, they recused themselves from the discussion and voting in accordance with applicable regulations on conflict of interest.
3. Listed and OTC companies are required to disclose information about the evaluation cycle, period, scope, method, and content of the self-assessment or peer assessment of the board of directors. They should also provide details regarding the implementation status of the evaluation by the board of directors.

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Annually	From January 1, 2024, to December 31, 2024	Board of directors individual members	Internal evaluation of the board of directors Self-evaluation by board members	Evaluation of Board Performance: (1) Involvement in the company's operations (2) Enhancement of decision-making quality by the Board (3) Composition and structure of the Board of Directors (4) Selection and ongoing education of directors (5) Internal control Evaluation of Individual Board Members: (1) Understanding of company goals and mission (2) Awareness of director responsibilities (3) Involvement in the company's operations (4) Management of internal relationships and communication (5) Professionalism and continuous education of directors (6) Internal control

4. Evaluation of goals and execution for strengthening the functions of the board of directors in the current and recent years:

The Board of Directors of our company has conducted meetings in accordance with the provisions of the "Board Meeting Rules" of the company. It has executed the functions assigned by the company's articles of incorporation, the Company Act, the Securities and Exchange Act, and other relevant laws. Important decisions have been disclosed on the Market Observation Post System (MOPS) to safeguard the rights and interests of shareholders.

(2) Audit Committee Operation:

In the current year 2024, the Audit Committee held 5 meetings (A), and the attendance of independent directors is as follows:

Title	Name	Actual Attendance Count (B)	Delegate Attendance Count	Actual Attendance Rate (%) (B/A)	Remarks
Independent Director	WU, YA-CHUAN	5	0	100.00	None
Independent Director	LAI, WEI-HSIANG	3	0	60.00	None
Independent Director	CHIU, FANG-TSAI	5	0	100.00	None
Independent Director	YANG, CHIH-YUAN	3	0	100.00	Appointed on June 18, 2024
Independent Director	CHEN, FA-CHIANG	2	0	100.00	Term ended on June 18, 2024

Other matters to be disclosed:

1. If any of the following circumstances occur in the operation of the Audit Committee, the date, session, agenda, opposing opinions of independent directors, reserved opinions, significant recommendations, decisions of the Audit Committee, and the company's handling of the opinions of the Audit Committee should be disclosed:

(a) Matters listed in Article 14-5 of the Securities and Exchange Act:

Audit Committee	Date	Significant Resolutions	Resolution Outcome
2024 3rd Audit Committee Meeting	June 18, 2024	1. Proposal for the Election of the Convener of the Second Audit Committee, submitted for Discussion.	Approved as proposed
2024 4th Audit Committee Meeting	August 9, 2024	1. Proposal for deliberation: Consolidated financial report for the second quarter of the year 2024.	Approved as proposed
2024 5th Audit Committee Meeting	November 12, 2024	1. Proposal for deliberation: Consolidated financial report for the third quarter of year 2023. 2. Proposal for discussion: Drafting the internal control system - other management control system " Sustainability Information Management Procedure ". 3. Motion for the Company's overdue accounts receivable reclassified to loaning of funds, submitted for discussion.	Approved as proposed Approved as proposed Approved as proposed
2025 1th Audit Committee Meeting	March 7, 2025	1. Motion for the Company's 2024 business report, parent company only financial statements, and consolidated financial statements, submitted for review . 2. Motion for the Company's 2024 earnings distribution, submitted for discussion. 3. Motion for review of the effectiveness of the internal control system for 2024 and statement of internal controls system, submitted for discussion. 4. Motion for the Company to regularly evaluate the independence and suitability of the certified public accountants. 5. Motion for the Company's overdue accounts receivable reclassified to loaning of funds, submitted for discussion.	Approved as proposed Approved as proposed Approved as proposed Approved as proposed Approved as proposed
2025 2th Audit Committee Meeting	May 9, 2025	1. Proposal to review the consolidated financial statements for the first quarter of the Company in 2025 for deliberation. 2. Proposal to Discuss Whether Significant Accounts Receivable from the Company's Subsidiaries, Which Have Exceeded the Normal Credit Term by More Than Three Months, Should Be Classified as Loans of Funds.	Approved as proposed Approved as proposed

(b) Apart from the aforementioned matters, there were no other decisions made by the Board of Directors with the consent of more than two-thirds of the directors, without being passed by the Audit Committee.

2. Execution of recusal by independent directors in matters involving conflicts of interest: None.
3. Communication between independent directors and the internal audit manager and the engagement CPAs (including significant matters, methods, and results of communication regarding the company's finances and business conditions):
 - (a) The internal audit manager of the company regularly communicates the audit report results with the members of the Audit Committee and provides an internal audit report during each quarterly Audit Committee meeting. In case of any special circumstances, immediate reporting is made to the members of the Audit Committee. There were no such special circumstances during 2024. The communication between the Audit Committee and the internal audit manager of the company is in good condition.
 - (b) The engagement CPAs of the company reports the results of the audit or review of the financial statements for each quarter during the Audit Committee meetings and discusses other communication matters required by relevant laws and regulations. In case of any special circumstances, immediate reporting is also made to the members of the Audit Committee. There were no such special circumstances during 2024. The communication between the Audit Committee and the engagement CPAs is in good condition.

(3) Status of corporate governance, and difference from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons

Evaluation item	Status (Note)			Difference from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary description	
I. Has the Company set and disclosed governance code of practice in accordance with the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies?		V	The Company has not established Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, but each department is responsible for covering the relevant requirements of the Principles.	No differences
II. The equity structure and shareholders' right of the Company				No differences
(I) Does the Company have internal operating procedures in place to deal with shareholder recommendations, doubts, disputes and litigation matters according to the procedures?	V		(I) A spokesperson has been established who handles shareholder proposals and who transmits shareholder recommendations to management.	
(II) Does the Company have a list of the major shareholders who actually control the Company, and the ultimate controllers of the major shareholders?	V		(II) The Company files and tracks the top ten shareholders and their ultimate controllers and Capital Securities Corporation assists in handling related stock affairs.	
(III) Has the Company established and implemented the risk management mechanism and firewalls involving related enterprises?	V		(III) The finance, business, and manufacturing of the Company and its related enterprises operate independently. All transactions are handled in accordance with the internal control system.	
(IV) Has the Company established internal regulations that prohibit insiders from using undisclosed information on the market to trade securities?	V		(IV) The Company established Management for Prevention of Insider Trading that prohibits insiders from using undisclosed information on the market to buy and sell securities.	
III. Composition and Duties of the Board of Directors				No differences
(I) Has the Board of Directors formulated a diversity policy and specific management objectives, and implemented them?	V		(I) In adherence with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, the Company has approved the Rules of Procedure for Shareholders' Meetings and the Director and Supervisor Election Process to comply with corporate governance requirements.	

Evaluation item	Status (Note)			Difference from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary description	
(II) Has the Company voluntarily set up other functional committees other than the Remuneration Committee and the Audit Committee according to law?		V	(II) The Company's Remuneration Committee has three members who are all independent directors. The Company's Audit Committee has four members who are all independent directors. In the future, improvement of all functional committees is also planned.	
(III) Does the Company formulate the Board's performance assessment and evaluation method, conduct performance evaluation annually and regularly, report the results of the performance evaluation to the board of directors, and apply it to individual directors' remuneration and nomination renewal?		V	(III) The Company established the Board Performance Assessment and Evaluation Measures on August 7, 2020. In accordance with its provisions, the Company conducts an annual internal evaluation of the Board's performance and completes it before the end of the first quarter of the following year. Their evaluation methods are detailed under "C. Corporate Governance Status" / "(1)3. Implementation Status of the evaluation by the Board of Directors." The Company performed an internal evaluation in 2024 and reported the evaluation results at the second Board meeting of 2025.	
(IV) Has the Company assessed the independence status of CPAs regularly?	V		(IV) Our company's finance department conducts regular inspections (at least once a year) according to our company's 'Accountant Evaluation and Performance Assessment Measures,' and references Audit Quality Indicators (AQIs). It was confirmed that the CPAs do not have any shareholdings in the Company and do not concurrently hold any positions in the Company. After the evaluation, it was confirmed that the independence and suitability of the CPAs were in compliance with the provisions of Article 29 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the final evaluation results in 2024 were approved by the second Board meeting of 2025.	

Evaluation item	Status (Note)			Difference from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary description	
IV. Is the Company equipped with qualified and appropriate number of corporate governance personnel, and appoint a corporate governance director responsible for corporate governance related matters (including but not limited to providing information needed by directors and supervisors to carry out business, assisting directors and supervisors to comply with laws and regulations, handling matters related to meetings of the Board of Directors and shareholders' meeting in accordance with the law, and recording minutes of board meetings and shareholders' meetings)?	V		The Company's corporate governance related business is completed by a division of labor among each department. The Finance Department provides the information required by the directors to perform their business and handles matters related to the meetings of the Board of Directors, committees, and shareholders' meetings, and prepares minutes of the meetings. The Company puts the Finance Department in charge of corporate registration and change registration, and all relevant registration documents must be reviewed and approved by the highest management authority.	No differences

Evaluation item	Status (Note)			Difference from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary description	
V. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers), set up a special section for stakeholders on the Company's website, and respond appropriately to important corporate social responsibility issues of concern to stakeholders?	V		The communication channels between the Company and its stakeholders are divided as follows according to respective authority: Communication with suppliers is handled by the Purchasing Department. Communication with customers by the Sales Department. Communication with the competent authorities, banks, and taxation authorities is handled by the Financial Department. Communication with environmental protection agency is handled by the General Affairs Section of the Human Resources Department. Communication with communities, social and political agencies, and public security agencies is handled by the General Affairs Section of the Human Resources Department. Communication with shareholders is handled by the spokesperson. Communication with external companies and institutions is handled by each department.	No differences
VI. Has the Company appointed a professional stock affairs agency for shareholders affairs ?	V		Registrar Agency Department of Capital Securities Corporation is engaged to handle the affairs of the shareholders' meeting.	No differences
VII. Disclosure of Information (I) Has the Company set up a website for the disclosure of information on financial position and operation, as well as corporate governance?	V		(I) Company website: https://www.macauto-group.com/ The Company discloses the latest financial and business information and corporate governance information on the website for investors to review.	No differences
(II) Has the Company adopted other means for disclosure (such as English website, appointment of designated persons for the collection and disclosure of information on the Company, the implementation of a spokesman system, and the	V		(II) The Company has implemented a spokesperson mechanism to facilitate the establishment of optimal communication channels between investors and the Company.	

Evaluation item	Status (Note)			Difference from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary description	
<p>legal entities announcements uploaded to website, etc.)?</p> <p>(III) Does the Company announce and declare its annual financial statements within two months after the end of the fiscal year, and announce and declare the first, second, and third quarter financial reports and the monthly operating situation as early as possible within the prescribed time limit?</p>		V	(III) The Company does not report and announce its annual financial statements within two months after the end of the fiscal year. However, financial reports and monthly sales are reported and announced in accordance with the regulations.	
VIII. Is there any other material information that would facilitate an understanding the pursuit of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, the continuing education of directors and supervisors, the pursuit of a risk management policy and standard of risk assessment, the pursuit of a customer policy, and professional liability insurance coverage for the directors and supervisors)?	V		<p>(I) Employee rights and interests: Labor-management meetings are held regularly to protect the rights and interests of employees. For relevant employee benefits, please refer to pages 81-83 of the Annual Report, under "Labor Relations."</p> <p>(II) Employee care: Take care of employees and their dependents and providing various employee benefits.</p> <p>(III) Investor Relations: Establish a spokesperson and deputy spokesperson system to communicate with shareholders and answer shareholders' questions.</p> <p>(IV) Supplier relations: Establish a long-term cooperative relationship with suppliers to grow together.</p> <p>(V) Stakeholder rights: Responsible departments communicate with stakeholders and resolve stakeholder issues to maintain favorable relationships.</p> <p>(VI) Training of directors and supervisors: the Company's directors and supervisors all have professional backgrounds and complete advanced courses in accordance with relevant laws and regulations. Their learning situation has been disclosed in the Market Observation Post System's corporate governance area</p>	No differences

Evaluation item	Status (Note)			Difference from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary description	
			https://mops.twse.com.tw/mops/web/t93sc03_1 . (VII) Risk management policies and risk measurement standards: see “Risk Management” in this Annual Report, p.88-89. (VIII) Implementation of customer policies: the Company establishes long-term cooperative relationships with customers, with special specifications and policies for customers are transferred from business summaries to each unit for implementation. (IX) The Company’s purchase of liability insurance for directors: The Company has purchased liability insurance for directors and with an amount of US\$3 million.	
IX. Please specify the measures adopted by the Company to improve the items listed in the corporate governance review result from Taiwan Stock Exchange's Corporate Governance Center and the improvement plans for items yet to be improved.	V		(I) Regarding the corporate governance evaluation published in the most recent year, items that have been improved include: <ol style="list-style-type: none"> 1. The Company uploads the shareholders’ meeting agenda and supplementary materials of the meeting 30 days before the general meeting of shareholders. 2. The Company uploads the annual report 16 days before the general meeting of shareholders. 3. The Company fully re-elected directors at the 2021 annual General Meeting of Shareholders and increased the number of independent directors from two to four. 4. The quarterly financial reports of our company have been adjusted from being presented as a report by the Board of Directors to being discussed as an agenda item. 	No differences

Evaluation item	Status (Note)			Difference from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary description	
			(II) Items to be improved and strengthened in the Company are as follows: The Company has established a Corporate Governance Officer who is responsible for corporate governance-related matters. The authority and continuing education of the Corporate Governance Officer will be described on our company's website and annual report.	

Note: Regardless of whether “Yes” or “No” is checked, the operation status should be described in the summary description field.

- (4) If the Company has set up a Remuneration Committee, it shall disclose the composition, responsibilities and operation thereof.

1. Information of Remuneration Committee Members

ID classification	Conditions	Professional qualifications and experience	Status of independence (Note)	Number concurrently serving as members of the remuneration committees of other publicly issued companies
	Name			
Independent Director (Convener)	Wu, Ya-Chuan	The Company's Remuneration Committee consists of three independent directors. Please refer to "A(1) Information of Directors" in this Annual Report for the professional qualifications and experience of the committee members (pages 4-9)	All Remuneration Committee members meet the following conditions: 1. In line with relevant provisions of Article 14-6 of the Securities and Exchange Act and of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter, as promulgated by the Financial Supervisory Commission (Note). 2. Company shares not held by self (or in the names of others) or by spouse or minor children. 3. No remuneration for providing business, legal, financial, accounting, and other services to the Company or its affiliates in the last two years.	1
Independent Director	Chiu, Fang-Tsai			3
Independent Director	Yang, Chih-Yuan (Appointed on June 18, 2024)			0
Independent Director	Chen, Fa-Chiang (Term ended on June 18, 2024)			0

Note: None of the following circumstances were present in the two years before the election and during the terms of office:

- (1) An employee of the Company or its affiliates.
- (2) A director or supervisor of the Company or its affiliates.
- (3) Holding an aggregate amount of one percent or more of the total number of outstanding shares of the Company or ranking in the top ten in holdings as a natural person shareholder under one's own name or that of one's spouse, minor children, or shares held in the name of others.
- (4) A manager of those listed in (1), or someone having a relationship with those listed in (2) or (3) including a spousal relationship, a second-degree kinship or closer, or an immediate lineal relative within three degrees of kinship.
- (5) Directors and supervisors who are indirect shareholders who hold more than 5% of the company's total issued shares, the top five shareholders, or juristic person shareholders who appoint representatives to act as company directors or supervisors in accordance

- with Article 27 of the Company Act, or an employee thereof.
- (6) A director, supervisor, or employee of another company controlled by the same person with more than half of the shares with voting rights on the Company's board of directors.
 - (7) A director, supervisor or employee of another company or institution whose chairman, president, or equivalent position is the same person as that of the Company, or the spouse thereof.
 - (8) A director, supervisor, manager, or shareholder holding more than 5% of shares of the specific company or institution that has financial or business dealings with the Company.
 - (9) A partner, director, supervisor, manager, or spouse thereof of a company or institution that provides commercial, legal, financial, accounting services or consultation to the company or any affiliate of the Company for amounts exceeding NT\$500,000 in the past two years. However, this restriction shall not apply to those serving as members of the Company's Remuneration Committee.
2. Information on the operation of the Remuneration Committee
- (a). There are three members of the Remuneration Committee of the Company.
 - (b). Term of office of current committee members: June 18, 2024 to June 17, 2027; the Remuneration Committee met four times (A) in 2024 and member qualifications and attendance were as follows:

Job Title	Name	Actual number of attendances (B)	By proxy	Actual attendance rate (%) (B/A)	Note
Convener	Wu, Ya-Chuan	4	0	100.00	Serving another term
Member	Chiu, Fang-Tsai	4	0	100.00	Serving another term
Member	Yang, Chih-Yuan	2	0	100.00	Appointed on June 18, 2024
Member	Chen, Fa-Chiang	2	0	100.00	Term ended on June 18, 2024

Other matters to be recorded:

1. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, the date and period of the Board of Directors, the content of the proposal, the resolution of the Board of Directors, and the Company's handling of the opinions of the Remuneration Committee should be stated. (If the remuneration approved by the Board of Directors exceeds the recommendation of the Remuneration Committee, the differences and reasons should be stated): No such situation.
2. On resolutions of the Remuneration Committee, if members have objections or reservations and have records or written declarations, the date, period, proposal content, opinions of all members and the handling of the opinions of the members shall be stated: No such situation.

(5) Implementation of sustainable development promotions and the difference from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons

Promotion item	Implementation (Note 1)			Difference from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary description	
I. Does the Company establish a governance structure to promote sustainable development, and set up a designated full-time (or part-time) unit to promote Sustainable Development, and the Board of Directors authorizes senior management to handle this and the Board of Directors supervises the situation?		V	(I) The Company has personnel responsible for sustainable development. (II) The Company regularly promotes a code of conduct for employees and establishes an effective reward and disciplinary system.	Still no major differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
II. Does the Company follow the principle of materiality, conduct risk assessments on environmental, social and corporate governance issues related to company operations, and formulate relevant risk management policies or strategies? (Note 2)	V		(I) The Company has not yet formulated a sustainable development policy. However, each department is responsible for covering sustainable development functions. To implement corporate governance, the Company will follow the laws and regulations and consider the safeguarding of shareholders' rights and interests, ensure the timely setup of a dedicated unit to promote sustainable development, and formulate policies or systems related to sustainable development.	Still no major differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
III. Environmental Issues (I) Has the Company established an appropriate environmental management system based on its industry characteristics?		V	(I) The Company has not yet formulated a social responsibility development policy. However, each department is responsible for covering sustainable development functions and organizes social responsibility education training and advocacy.	Still no major differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
(II) Has the Company committed itself to improving energy efficiency and to using recycled materials with low impact on the environment?	V		(II) The Company has approved the ISO 14001 environmental management system and establish a dedicated unit and lecturer mechanism for environmental management in each stage of the	

Promotion item	Implementation (Note 1)			Difference from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary description	
<p>(III) Does the Company assess the potential risks and opportunities of climate change for the Company now and in the future, and take measures to deal with climate-related issues?</p> <p>(IV) Does the company count greenhouse gas emissions, water consumption and the volume of total waste in the past two years, and formulate policies for energy saving and carbon reduction, greenhouse gas reduction, water management or other waste management?</p>	V		<p>product development life cycle and in the organizational system. It continues to educate and train employees to improve the efficiency of recycling and utilization of various production resources and products to meet the requirements of energy saving and carbon reduction. For the Company's environmental protection measures, please see the Environmental Protection Expenditure Information on p.77-81 of this Annual Report.</p> <p>(III) The Company has established Emergency Response Management Procedures to respond to force majeure factors such as natural disasters to minimize the damage to the Company.</p> <p>(IV) The Company has designated energy conservation and carbon reduction as key management priorities. To this end, we have installed a solar power generation system and implemented water-saving devices. In addition, waste gauze is repurposed into fuel rods. In 2024, the installation of the solar power system resulted in a reduction of CO₂ emissions by 616.27 metric tons. A total of 360.73 metric tons of waste gauze was transferred to a recycling company for reuse. Water consumption in 2024 decreased by 2,839 kiloliters compared to the previous year.</p>	

Promotion item	Implementation (Note 1)			Difference from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary description	
IV. Social Issues				
(I) Has the Company established related policies and procedures in accordance with applicable legal rules and the International Convention on Human Rights?	V		(I) The Company upholds the principles of mutual respect between labor and management and internationally recognized basic labor human rights, communicating and abiding by relevant labor laws and regulations to protect the rights and interests of employees.	Still no major differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
(II) Has the Company formulated and implemented reasonable employee welfare measures (including salary, vacation and other benefits), and appropriately reflected business performance or results in employee compensation?	V		(II) The Company has formulated relevant measures such as salaries, vacations, and other benefits, and established Performance Management Measures for regular performance evaluation while properly reflecting the business performance or results in employee compensation.	
(III) Has the Company provided a safe and healthy work environment for the employees, and related education on occupational safety and health for the employees at regular intervals?	V		(III) The Company regularly provides employee health check measures and provides a safe working environment to protect the health and safety of employees. Regarding the working environment and environmental protection measures, please see the Environmental Protection Expenditure Information on p.77-81 of this Annual Report.	
(IV) Has the Company provided effective training in career planning for employees?	V		(IV) The Company holds labor-management meetings regularly to establish an effective communication platform between the two sides; and advocacy meetings are held from time to time for major employee welfare projects.	
(V) Regarding issues such as customer health and safety, customer privacy, and marketing and	V		(V) Please see Continuing education and training for employees p.81-82 of this Annual Report.	

Promotion item	Implementation (Note 1)			Difference from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary description	
<p>labeling of products and services, does the Company comply with relevant regulations and international standards, and formulate relevant consumer and customer protection policies and complaint procedures?</p> <p>(VI) Has the Company formulated supplier management policies, where suppliers are required to follow relevant regulations on issues such as environmental protection, occupational safety and health or labor and their implementation?</p>	V		<p>(VI) The Company has set up a customer service department for customer market feedback to provide customers with product quality services at any time.</p> <p>(VII) The Company complies with all relevant regulations and international standards for marketing and labeling of products and services.</p> <p>(VIII) The Purchasing Department of the Company has a Development and Purchasing Section to assess whether suppliers have a record of impacting the environment and society in the past.</p> <p>(IX) The Company's Purchasing Center has a Development Procurement Section working with suppliers to enhance sustainable development.</p>	
<p>V. Does the company compile corporate social responsibility reports or reports that disclose the company's non-financial information based on international CSR compiling standard or guidelines? Is the report accredited from accreditation agency or thirdparty verification organization?</p>		V	<p>The Company discloses information on corporate governance and sustainable development on the Company website and the Market Observation Post System; no sustainable development report has been prepared yet.</p>	<p>Still no major differences with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies</p>
<p>VI. If the Company has its own sustainable development principles in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe the differences between its operation and the Principles: The Company has not yet formulated Sustainable Development Best-Practice Principles. However, each department is responsible for covering sustainable development functions, and there are also related measures in the internal control measures as follows:</p> <p>(1) Rules of Procedure for Shareholders' Meetings</p> <p>(2) Rules and Procedures of Board of Directors Meetings</p>				

Promotion item	Implementation (Note 1)			Difference from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Summary description	
(3) Procedures for Election of Directors (4) Procedures for Acquiring or Disposing of Assets (5) Measures for Endorsements/Guarantees (6) Measures for Loans of Funds to Others (7) Measures for Supervision of Subsidiaries (8) Measures for Transactions with Related Parties, Specified Companies, and Group Enterprises. (9) Code of Ethical Conduct (10) Preventative Measures for Insider Trading (11) Ethical Corporate Management Best-Practice Principles Other inquiry methods are as follows: 1. Preventative Measures for Insider Trading have been formulated to manage important internal information of the Company, and all directors, supervisors, and managers as well as all employees have been informed of it. Furthermore, we have placed this procedural system and precautions in the announcement area of the Company’s internal network for all colleagues to follow, so as to avoid violations or insider transactions. 2. The latest version of the Relevant Laws and Matters Requiring Attention for Insider Equity Shareholding of TPEX and Emerging Market Listed Companies prepared by the Taipei Exchange are distributed to the Company’s newly appointed directors, supervisors, managers and other insiders upon taking office for them to follow. 3. Market Observation Post System: https://mops.twse.com.tw/mops/web/index 4. The Company’s website: https://www.macauto-group.com/ Investor Area				
VII. Other important information helpful to understand the implementation of the promotion of sustainable development: The Company’s disclosure website: https://www.macauto-group.com/				

Note 1: Regardless of whether "Yes" or "No" is checked, the operation status should be described in the summary description field.

Note 2: The materiality principle refers to issues related to the environment, society, and corporate governance that have a significant impact on the company's investors and other stakeholders.

(6) Climate-Related Information of TWSE/TPEX Listed Company

Execution status of climate-related information

Item	Execution			
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	1.The Company has established the Sustainable Development Committee under the board of directors, and the Board of Directors appoints senior managers as the chairman. The Committee is divided into environmental sustainability, corporate social responsibility, and corporate governance teams based on their functions. The chairman assigns three committee members as leaders of the work implementation teams, and the chairman assigns department heads of the company to act as the members of the work implementation teams. The Committee shall convene a meeting at least once a year to assist the Board of Directors in evaluation and response measures of continuous promotion of environmental sustainability, corporate social responsibility, corporate governance and other aspects, in order to realize the purpose of sustainable operation.			
2. Describe how the identified climate risks and opportunities affect the company's business, strategy and finance (short-term, medium-term, long-term)	2.(1) Climate risk			
	Type of risk	Contents of risks	Mitigation/adaptation response measures	Financial impact
	Carbon tax	The products exported to Europe and the United States have been levied a carbon tax, resulting in an increase in operating costs.	Plants are set up near customers' locations to reduce transportation costs and carbon tax.	Operating costs
	Net zero emissions	(1) Failure to respond to international trends and customer needs in a timely manner resulted in loss of orders and impacted revenue. (2) Increased cost of installation and operation of carbon reduction equipment, and increased cost for purchase of renewable energy.	Conduct introduction and evaluation of corresponding response plans in accordance with international trends and the latest technological developments, such as installing solar photovoltaic systems or purchasing green power certificates.	Operating revenue and capital expenditure
	Customer commitment	(1) The customers set the relevant target value but we failed to meet the target in a timely manner, resulting in the loss of orders affecting revenue. (2) Increased investment in hardware to fulfill customer commitments.	Adjustment of energy-saving and carbon-reduction plans and rectification in batches according to customer needs.	Operating revenue and capital expenditure

Item	Execution			
	Uncertainty of green energy solutions	The purchasable volume and feasibility of self-construction/certificate purchase and other energy (nuclear power/nuclear integration) of green power (solar and wind power) are uncertain. This affects the choice of energy and input cost, and indirectly affects the status of relevant commitments.	(1) Continue to improve energy-saving and carbon-reducing software and hardware, and regularly track the implementation results. (2) Appropriately invest in improvement of expenditure according to customer requirements.	Operating cost and capital expenditure
	Impact of corporate reputation	Related investment results failed to meet the expectations of stakeholders (customers, government), causing damage to the corporate reputation or penalties, and affecting revenue performance.	Advocate green manufacturing and energy-saving innovation under the premise of customers' requirements and legal compliance.	Operating revenue
	Flood/drought (own operations, supply chain)	Production is affected, resulting in financial losses and decreased revenue.	(1) Assess extreme climate risks, and develop and implement risk mitigation measures. (2) Suppliers are required to assess the operational risks of extreme weather simultaneously, and implement relevant risk reduction actions. (3) Establish an extreme climate monitoring mechanism and an emergency response procedure to respond.	Operating revenue
	Temperature rise	The increase in water and electricity consumption and carbon emissions have resulted in a significant increase in operating costs and carbon emissions.	All employees are led by senior executives to implement greenhouse gas reduction activities.	Operating costs

Item	Execution		
3. Describe the financial impact of extreme climate events and transition actions.	2.(2) Climate opportunities		
	Contents of opportunity	Mitigation/adaptation response measures	Financial impact
	Participation in green power certificate trading platform	Use the official renewable energy trading platform to achieve the energy-saving target value required by customers and the government.	Operating costs
	Receive the grant from the public sector	The utility equipment in the factory was upgraded to standards recommended by the government, and energy-saving subsidies were obtained, which saved the purchase cost.	Capital expenditure
	Development of low-carbon products	Continue to invest R&D resources to develop energy-saving products to meet customer needs and international trends.	Operating revenue
	Improve energy efficiency of the plant	Continue to implement energy saving and carbon reduction improvements and reduce operating expenses on water and electricity.	Operating costs
	Enhance corporate reputation	Take action to achieve energy saving and carbon reduction. Acquire international certification or establish positive image on the news. Enhance corporate reputation.	Operating revenue
	Improve resilience against natural disasters	Strengthen the Company's climate resilience and reduce the probability of business interruption and possible losses.	Operating costs
	Promoting low-carbon green production	Save electricity and costs, and recycle and reuse resources.	Operating costs
	3.The occurrence of extreme climate events, such as flood/drought, may affect the Company's own operations, supply chain, and reduce operating revenues. Please refer to the above table (item 2) for transformation actions and countermeasures.		

Item	Execution
4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.	4.The Company has established "Emergency Response Management Procedures" to minimize damage to the Company in response to force majeure factors such as natural disasters. In addition, the Company will discuss feasible and effective climate change risk management policy for significant risk items in the regular meeting of the Sustainable Development Committee.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and main financial impacts used should be explained.	5.The Company has launched strategies and actions to adapt to climate change, such as greenhouse gas inventory. After the inventory is completed, the relevant carbon reduction measures will be planned in the future. The Company also plans to enhance assessment on financial impact to grasp the risk brought by climate change effectively
6. If there is a transformation plan to manage climate-related risks, describe the content of the plan, and the indicators and goals used to identify and manage physical risks and transformation risks.	6.Please refer to the table 2.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	7.The company currently has no plans for internal carbon pricing.

Item	Execution
<p>8. If climate-related goals are set, information such as the activities covered, greenhouse gas emission scope, planning schedule, annual achievement progress, etc. should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, information such as Explain the source and quantity of carbon reduction credits or the quantity of renewable energy certificates (RECs) being redeemed.</p> <p>9. Greenhouse gas inventory and assurance, reduction targets, strategies and specific action plans.</p>	<p>8.The Company is currently in the stage of greenhouse gas inventory. After completing the inventory and external verification in the future, a feasible reduction plan will be formulated based on the results to achieve the goal of low-carbon production.</p> <p>9. Not applicable. The Company is a company with a capital of less than NTD 5 billion. According to the regulations, the greenhouse gas inventory will be completed in 2026.</p>

(7) Our company actively and continuously engages in donations to schools and social welfare organizations to fulfill our corporate social responsibility. The donation details for the year 2024 are as follows:

Unit: NT\$	
Name	Total
Childhood Cancer Foundation of R.O.C..	6,000
Cardiac Children's FoundationTaiwan	6,000
De La Salle Special Education Center	6,000
Taiwan Children and Family Assistance Foundation, Tainan City North District Branch	15,000
Sylin-Lu Social Welfare Foundation	12,000
Heng Chun Christian Hospital	12,000
Genesis Social Welfare Foundation	24,000
Champions Education Association	6,000
Taiwan Fund for Children and Families, Penghu Branch	12,000
Tainan City Sisters of Charity, Renci Nursing Home	24,000
Bai Yong En Foundation, San Francisco Elderly Long-Term Care Center	30,000
Andrew Charity Association	60,000
Zhi-Shan Foundation Taiwan	19,200
United Way of Taiwan	15,600
Chidhood Burn Foundation of The Republic of China	6,000
Taiwan Lourdes Association	6,000
Tainan Dandelion Association for Humanistic Care	29,640
Calls Over Ridges Taiwan	36,000
Total Amount	325,440

(VIII) Status of Implementation of Integrity Operation and differences to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reason:

Evaluation item	Status (Note)			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary description	
I. Formulation of ethical management policy and plans				
(I) Has the Company formulated the ethical management policy approved by the board of directors, and in the regulations and external documents expressed the policies and practices of operating in good faith, and the commitment of the board of directors and senior management to actively implement business policies?	V		(I) The Company has established Ethical Corporate Management Best-Practice Principles as approved by the Board of Directors, and has an employee code of conduct that it actively implements.	Still no major differences with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies
(II) Has the Company established an assessment mechanism for the risk of dishonesty, regularly analyzing and evaluating business activities with a high risk of dishonesty in the business scope, and formulated a plan to prevent dishonesty, and cover at a minimum the preventive measures for various acts under Article 7, Paragraph 2 of “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?”	V		(II) The Company has Ethical Corporate Management Best-Practice Principles that establish a risk assessment mechanism for dishonest behavior. Furthermore, it is supplemented by the internal audit unit’s checking mechanism to regularly analyze and evaluate business activities with higher risks of dishonesty within the scope of business, strengthening measures to prevent giving or receiving bribes and illegal political donations or improper benefits.	
(III) Does the Company specify the operating procedures, behavior guidelines, disciplinary penalties and grievance system in the plan to prevent dishonesty, and implement it, and regularly review and revise the pre-disclosure plan?	V		(III) The Company has Ethical Corporate Management Best-Practice Principles in order to standardize the operating procedures, behavioral guidelines, education and training and assessment of enterprises and to regularly review the applicability of amendments.	

Evaluation item	Status (Note)			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary description	
II. Implementation of Ethical Corporate Management				
(I) Does the Company assess a trading counterpart's ethical management record and expressly state the ethical management clause in the contract to be signed with the trading counterpart?	V		(I) The Company has an employee code of conduct that clearly stipulates that the use of authority shall not be used to collect improper benefits from downstream suppliers, and to hold an annual supplier declaration.	Still no major differences with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies
(II) Has the Company set up a special unit under the board of directors to promote corporate ethical management, and regularly reports (at least once a year) to the board of directors on its ethical management policies and plans to prevent dishonesty and supervision and implementation?	V		(II) The Company has not set up a full-time unit for corporate ethical management; each department shall fulfill its responsibility for honest operations according to its duties.	
(III) Has the Company developed a policy to prevent conflicts of interest, provided a proper presentation channel, and put such policy in place?	V		(III) In addition to formulating the employee code of conduct, the Company has also set up a reporting mailbox whose content is reported directly to the President via the Human Resources Department.	
(IV) Has the Company established an effective accounting system and internal control system for the ethical corporate management, assigned internal auditing unit to review such systems, or entrusted CPAs with such review?	V		(IV) In order to ensure the implementation of ethical behavior, the Company has established an effective internal control system and accounting system and internal auditors regularly check their compliance.	
(V) Does the Company hold education training in ethical corporate management inside and outside the Company on a regular basis?	V		(V) The Company regularly promotes a code of conduct for employees and establishes an effective reward and disciplinary system.	
III. Operation of the Company's reporting system				
(I) Has the Company put in place the specific whistleblowing and reward system, established a	V		(I) In addition to formulating Working Rules, the Company also has an employee opinion mailbox; alternatively, verbal complaints are	Still no major differences with the Ethical Corporate Management Best Practice

Evaluation item	Status (Note)			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary description	
<p>convenient reporting channel, and assigned appropriate personnel to deal with whistleblowing?</p> <p>(II) Has the Company established standard operating procedures for accepting complaints, follow-up measures to be taken after the investigation is completed, and relevant confidentiality mechanisms?</p> <p>(III) Has the Company taken measures to protect whistleblowers from retaliation due to reporting?</p>	V		<p>reported to the supervisors of each department and the Human Resources Department will reply to the complainant with the result or handling situation.</p> <p>(II) The Company's Working Rules establish investigation standards, operating procedures and related confidentiality mechanisms for reporting events.</p> <p>(III) The Company shall not apply dismissal, transfer, or other adverse sanctions due to complaints filed by employees.</p>	Principles for TWSE/TPEX GTSM Listed Companies
<p>IV. Strengthening information disclosure</p> <p>Has the company, on its website and on the Market Observation Post System, disclosed the content and promotion effectiveness of its Ethical Corporate Management Best-Practice Principles?</p>	V		<p>Company website: https://www.macauto-group.com/</p> <p>The Company discloses the latest financial and business information and corporate governance conditions on the website for investors to review.</p> <p>The Company has implemented a spokesperson mechanism to facilitate the establishment of optimal communication channels between investors and the Company.</p>	Still no major differences with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX GTSM Listed Companies
<p>V. If the Company has enacted the Ethical Corporate Management Best-Practice Principles in accordance with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe the difference between its operation and the Principles:</p> <p>Still no major differences with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies</p>				
<p>VI. Other information that enables a better understanding of the Company's ethical corporate management (for example, the Company's review and revision the Ethical Corporate Management Best-Practice Principles):</p> <p>1. The Company abides by the Company Act, the Securities and Exchange Act, the Business Entity Accounting Act, TWSE/GTSM listing rules, or laws relevant to its own business conduct as the basis for implementing ethical management.</p>				

Evaluation item	Status (Note)			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Summary description	
<div>2. The Company’s Rules of Procedure for Board of Directors Meetings has a system for recusal of directors. Regarding the proposals listed by the Board of Directors, if a director or another juristic person has a stake therein that may cause harm to the interests of the Company, he or she may state opinions and answer questions, but shall not participate in discussions and votes. Furthermore, recusal shall be made from discussion or voting, and another director may not exercise voting rights as proxy on their behalf.</div> <div>3. The Company has Preventative Measures for Insider Trading that clearly stipulate that directors, supervisors, managers, and employees must not disclose material internal information that they know to others. They shall not inquire about or collect undisclosed material inside information that is not related to their personal duties from those who know the material inside information. It is not allowed to disclose to others the undisclosed material inside information of the Company not connected to business execution.</div> <div>4. The Company has established an employee code of conduct to regulate the behavior of all subordinates in the Group; for related content, please refer to the Company’s website.</div>				

Note: Regardless of whether "Yes" or "No" is checked, the operation status should be described in the summary description field.

(IX) Other important information that is sufficient to improve the understanding of corporate governance operations: None.

(X) Implementation status of internal control system

1. Internal Control System Statement

Macauto Industrial Co., Ltd.
Internal Control System Statement

Date: March 07, 2025

According to the examination on internal control system done by the Company itself in 2024, we hereby state as follows:

- (1) The Company's Board of Directors and management team understand their responsibilities of developing, implementing and maintaining the Company's internal control system, and such a system has been established. The purpose of establishing the internal control system is to reasonably assure the following objectives: (a) The effectiveness and efficiency of business operation (including earnings, operation performance and the safeguard of company assets); (b) Achieve the reliability, timeliness, transparency, and compliance objectives according to the relevant laws and regulations in order to provide reasonable assurances.
- (2) Due to the innate limitation in designing a faultless internal control system, this system can only assure the reasonableness of the above three objectives have been fairly achieved. In addition, the effectiveness of internal control system could alter over time due to the change of business environment or situation. Since the Company's internal control system has included self-examination capability, the Company will make immediate corrections when errors are detected.
- (3) The evaluation of effectiveness of the internal control system design and implementation is made in accordance with the "Guidelines for the Establishment of Internal Control Systems by Public Companies" (the Guidelines). The Guidelines are made to examine the following five factors during the management and control process:
 - (1) control environment, (2) risk assessment and response, (3) control activities, (4) information and communication, and (5) supervision. Each factor also includes several items. Details of each factor can be found in the Guidelines.
- (4) The Company has examined the effectiveness of each respected area in the internal control system based on the Guidelines.
- (5) The examination result indicated that the Company's internal control system (including subsidiary governance) dated December 31, 2024 has effectively assured that the following objectives have been reasonably achieved during the assessing period: (a) The degree that effectiveness and efficiency of business operation; (b) The reliability of the financial and related reports; (c) The compliance of the relevant laws/regulations and company policies
- (6) This Statement is a significant part of the Company's annual report and prospectus available to the general public. If it contains false information or omits any material content, the Company is in violation of Article 20, Article 32, Article 171 and Article 174 set forth in the R.O.C.'s Security and Exchange Act.
- (7) The Company hereby declares that this statement had been approved by the Board of Directors on March 7, 2025. Among the 8 attending Directors, to the contents of this statement.

Macauto Industrial Co., Ltd.

Chairman: Lin Chou, Yu-Shan

General Manager: Lin Chou, Yu-Shan

2. CPAs commissioned to review the internal audit system: No such situation.

(XI) In the most recent year and as of the printing date of the annual report, important resolutions of the shareholders' meeting and Board of Directors

1、Significant resolutions of the shareholders' meeting

Shareholders' Meeting	Date	Significant Resolutions	Status
2024 Shareholders' Meeting	June 18, 2024	<ol style="list-style-type: none"> 1. Approval of the 2023 annual operating report and financial statements. 2. Approval of the distribution of profits for the year 2023. 3. Election of the 17th Board of Directors. 4. Proposal to release the newly elected directors and their representatives from the non-competition restrictions. 	<p>Relevant operations have been carried out in accordance with the shareholders' meeting resolution.</p> <p>The ex-dividend date has been set for August 27, 2024, and cash dividends will be distributed on September 20, 2024.</p>

2、Important resolutions of the Board of Directors

Board of Directors	Date	Significant Resolutions	Status
2024 1st Board of Directors Meeting	February 2, 2024	<ol style="list-style-type: none"> 1. The detailed amount of year-end bonuses for the company's executives in the year 2023 is submitted for discussion. 2. Proposal to discuss the adjustment of managerial compensation in the company. 3. Motion for the Company's intention to invest in and establish a subsidiary in Slovakia to engage in production and distribution, submitted for review. 4. Motion for establishment of the Sustainability Committee and the "Sustainability Committee Charter", submitted for review. 5. The company's application for a financing limit is submitted for consideration. 	<p>Execution has been completed.</p> <p>Execution has been completed.</p> <p>Execution has been completed.</p> <p>Implementation has been announced.</p> <p>Execution has been completed</p>
2024 2nd Board of Directors Meeting	March 8, 2024	<ol style="list-style-type: none"> 1. Proposal to discuss the total amount of employee remuneration payments by the company. 2. Proposal to discuss the total amount of director remuneration payments by the company. 3. Proposal to discuss the adjustment of managerial compensation in the company. 4. Proposal for the review of the company's operational report, individual financial statements, 	<p>Implementation has been announced.</p> <p>Implementation has been announced.</p> <p>Execution has been completed.</p> <p>Implementation has been announced.</p>

Board of Directors	Date	Significant Resolutions	Status
		<p>and consolidated financial statements for the year 2023.</p> <p>5. Proposal to discuss the distribution of profits for the year 2023 by the company.</p> <p>6. Proposal to discuss the assessment of the effectiveness of the company's internal control system for the year 2023 and the internal control system statement.</p> <p>7. Proposal to discuss the amendment of certain provisions in the "Board of Directors Meeting Rules" and the "Management of Board of Directors Meeting" section of the internal control system - other management control system.</p> <p>8. Motion for amendment to some provisions of the Company's internal control system - "Sales and Payment Collection Cycles", submitted for discussion.</p> <p>9. Proposal to periodically evaluate the independence and suitability of the company's auditing accountants.</p> <p>10. Motion for the Company to change the CPA for financial statements.</p> <p>11. Motion for election of all directors of the Company, submitted for discussion.</p> <p>12. Motion for list of nominated candidates for directors and independent directors in 2024, submitted for discussion.</p> <p>13. Motion for lifting the restriction on the competition of new directors and their representatives, submitted for discussion.</p> <p>14. Proposal to establish matters related to the company's shareholder meeting for the year 2024.</p> <p>15. Motion for matters related to proposals from shareholders holding more than 1% of the shares, submitted for discussion.</p> <p>16. Motion for nominations of directors and independent directors by shareholders holding at least 1% of shares.</p> <p>17. Proposal for the company to apply for financing limit.</p>	<p>Implementation has been announced.</p> <p>Implementation has been announced.</p> <p>Execution has been completed.</p> <p>Execution has been completed.</p> <p>Execution has been completed.</p> <p>Execution has been completed.</p> <p>Implementation has been announced.</p> <p>Implementation has been announced.</p> <p>Execution has been completed.</p> <p>Implementation has been announced.</p> <p>Implementation has been announced.</p> <p>Implementation has been announced.</p> <p>Execution has been completed.</p>
2024 3rd Board of Directors Meeting	May 3, 2024	<p>1. Proposal to review the consolidated financial report for the first quarter of the year 2024.</p> <p>2. Proposal for the company to apply for a financing limit.</p>	<p>Implementation has been announced.</p> <p>Execution has been completed.</p>

Board of Directors	Date	Significant Resolutions	Status
2024 4th Board of Directors Meeting	June 18, 2024	<ol style="list-style-type: none"> 1. Proposal for the Election of the Chairman of the Board. 2. Proposal for the Appointment of Members to the 6th Compensation Committee, for Discussion. 	<p>Implementation has been announced.</p> <p>Implementation has been announced.</p>
2024 5th Board of Directors Meeting	August 9, 2024	<ol style="list-style-type: none"> 1. Proposal for Discussion: Details of Directors' and Supervisors' Remuneration for Fiscal Year 2023. 2. Proposal for Discussion: Details of Executive Employees' Compensation for Fiscal Year 2023. 3. Proposal for Review: Consolidated Financial Statements for the Second Quarter of Fiscal Year 2024. 4. Proposal for the Company's Financing Facility Application. 	<p>Execution has been completed.</p> <p>Execution has been completed.</p> <p>Implementation has been announced.</p> <p>Execution has been completed.</p>
2024 6th Board of Directors Meeting	November 12, 2024	<ol style="list-style-type: none"> 1. Proposal for Review: Consolidated Financial Statements for the Third Quarter of Fiscal Year 2024. 2. Proposal for Discussion: Addition of "Sustainable Information Management Procedures" to the Company's Internal Control System – Other Management Control Policies. 3. Proposal for Discussion: Reclassification of Overdue Accounts Receivable as Loans to Others. 4. Proposal for the Company's Financing Facility Application. 	<p>Implementation has been announced.</p> <p>Execution has been completed.</p> <p>Execution has been completed.</p> <p>Execution has been completed.</p>
2024 7th Board of Directors Meeting	December 20, 2024	<ol style="list-style-type: none"> 1. Proposal for Review: The Company's Business Plan for Fiscal Year 2025 Has Been Formulated. 2. Proposal for Discussion: The Company's Audit Plan for Fiscal Year 2025 Has Been Formulated. 3. Proposal for the Company's Financing Facility Application. 	<p>Execution has been completed.</p> <p>Execution has been completed.</p> <p>Execution has been completed.</p>
2025 1st Board of Directors Meeting	January 17, 2025	<ol style="list-style-type: none"> 1. Proposal for Discussion: Details of Year-End Bonus Payments to Executive Officers for Fiscal Year 2024. 2. Proposal for the Company's Financing Facility Application. 	<p>Execution has been completed.</p> <p>Execution has been completed.</p>

Board of Directors	Date	Significant Resolutions	Status
2025 2nd Board of Directors Meeting	March 7, 2025	<ol style="list-style-type: none"> 1. Proposal for Discussion: Total Amount of Employee Compensation Payments. 2. Proposal for Discussion: Total Amount of Directors' Remuneration Payments. 3. Proposal for Review: The Company's 2024 Business Report, Standalone Financial Statements, and Consolidated Financial Statements. 4. Proposal for Discussion: Earnings Distribution for Fiscal Year 2024. 5. Proposal for Discussion: Assessment of the Effectiveness of the Internal Control System and the Internal Control Declaration for Fiscal Year 2024. 6. Proposal: Periodic Assessment of the Independence and Competency of the Certifying CPA. 7. Proposal for Discussion: Reclassification of Overdue Accounts Receivable as Loans to Others. 8. Proposal for Discussion: Arrangements for the 2025 Annual General Shareholders' Meeting. 9. Proposal for Discussion: Matters Regarding Proposals Submitted by Shareholders Holding 1% or More of Shares. 10. Proposal for the Company's Financing Facility Application. 	<p>Implementation has been announced.</p> <p>Implementation has been announced.</p> <p>Implementation has been announced.</p> <p>Implementation has been announced.</p> <p>Implementation has been announced.</p> <p>Execution has been completed.</p> <p>Execution has been completed.</p> <p>Implementation has been announced.</p> <p>Implementation has been announced.</p> <p>Execution has been completed.</p>
2025 1st extraordinary Board of Directors Meeting	April 21, 2025	<ol style="list-style-type: none"> 1. Proposal for Discussion: Proposed Implementation of the Company's Treasury Stock Buyback Program. 	Implementation has been announced.
2025 3rd Board of Directors Meeting	May 9, 2025	<ol style="list-style-type: none"> 1. Proposal for Discussion: Adjustment of Executive Compensation for the Company. 2. Proposal for Review: Consolidated Financial Statements for the First Quarter of Fiscal Year 2025. 	<p>Execution has been completed.</p> <p>Implementation has been announced.</p>

Board of Directors	Date	Significant Resolutions	Status
		3. Proposal for Discussion: Whether Major Accounts Receivable from the Company's Subsidiaries, Exceeding Normal Credit Terms by 3 Months, Should Be Classified as Loans to Others. 4. Proposal for Discussion: Amendment of the Company's Articles of Incorporation. 5. Proposal for the Company's Financing Facility Application.	Execution has been completed. Presented for Discussion at the Annual General Shareholders' Meeting. Execution has been completed.

(XII) In the most recent year and up to the date of publication of the annual report, the major contents of the opposition to or qualified opinions expressed by directors or supervisors about the significant resolutions passed by the Board of Directors that have been recorded or declared in writing: None.

C. Information about CPA professional fees

Currency unit: NTD thousand

CPA firm name	CPA name	Inspection period	Audit fee	Non-audit fee	Total	Note
PricewaterhouseCoopers, R.O.C.	Yeh Fang-Ting	January 2024 – December 2024	2,610	670	3,280	Non-audit fee include tax report and transfer pricing report.
	Hsu Huei-Yu					

- (1) If the CPA firm is changed and the audit fees paid in year when the CPA firm is replaced are less than the audit fees of the prior year, the amount and reasons for the audit fee before and after the replacement shall be disclosed: None.
- (2) If the audit fees are reduced by more than 10% compared with the previous year, the amount, proportion and reasons for the reduction in the audit fees shall be disclosed: None.

D. Change of CPA information: None.

E. The Company's Chairman, General Manager, or any Managerial Officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its CPA or at an affiliated enterprise: None.

F. Transfer & Pledge of Stock Equity by Directors, Supervisors, Managerial Officers and Holders Of 10% or More of Company Shares in the Most Recent Year and Through the Printing Date of the Annual Report:

(1) Changes in share transfers and share pledges of directors, supervisors, managers, and shareholders holding a shareholding percentage exceeding 10%.

Title	Name	2024		Until April 20th, 2025	
		Changes in Shareholding	Changes in Pledged Shares	Changes in Shareholding	Changes in Pledged Shares
Chairman and CEO	LIN CHOU, YU-SHAN	0	0	0	0
Director and Group President and Chief R&D Officer	LIN, YUNG-CHING	0	0	0	0
Director and Group Vice President and Chief Administrative Officer	LIU, TIEN-CHANG (Note 2)	-52,000	0	0	0
Director	TAYIH KENMOS AUTO PARTS CO., LTD.	0	0	0	0
Director	Lycom Investment Co., Ltd.	1,000	0	0	0
Director	LI, YIN-TE	0	0	0	0
Independent Director	WU, YA-CHUAN	0	0	0	0
Independent Director	CHIU, FANG-TSAI	0	0	0	0
Independent Director	LAI, WEI-HSIANG	0	0	0	0
Independent Director	CHEN, FA-CHIANG (Note 2)	0	0	0	0
Independent Director	YANG, CHIH-YUAN (Note 1)	0	0	0	0
Senior Vice President	YANG, KENG-MIN	0	0	0	0
Vice President	YANG, KUO-CHENG	0	0	0	0
Director and Vice President	LIN, MENG-YU (Note 1)	0	0	0	0
Assistant General Manager	YEN, HUNG-MING	0	0	0	0
Assistant General Manager	KENICHIRO KAKINUMA	0	0	0	0
Assistant General Manager	CHEN, CHIA-PIN	0	0	0	0
Assistant General Manager	WEI, NAN HUA (Note 3)	0	0	0	0
Finance and Accounting Manager	HSU, CHU-JU	0	0	0	0

Note 1: Newly appointed on June 18, 2024.

Note 2: Relieved from duty on June 18, 2024.

Note 3: Newly appointed on March 26, 2024.

(2) Information on related parties who are directors, supervisors, managers, or shareholders holding more than 10% of the company's shares involved in the transfer of equity: No such cases.

(3) Information on related parties who are directors, supervisors, managers, or shareholders holding more than 10% of the company's shares involved in the pledge of equity: No such cases.

G. Information About the Relationship of Top 10 Shareholders

Data Cut-off date: April 20, 2025

Name	Individual held shareholding		Spouse and minor children's shareholding		Shareholding held under others' names		The names or identities and relationships of related parties or relatives within the second degree of kinship among the top ten shareholders who have mutual relationships.		Note
	Shares	Shareholding percentage (%)	Shares	Shareholding percentage (%)	Shares	Shareholding percentage (%)	Name	Relationship	
TAYIH KENMOS AUTO PARTS CO., LTD. Representative: TA WEI INVESTMENT CO., LTD	9,450,000	12.62	0	0	0	0	-	-	None
	0	0	0	0	0	0	-	-	None
LIN, YUNG-CHING	5,635,350 (Note 1)	7.52	3,071,920 (Note 1)	4.10	2,346,000	3.13	LIN CHOU, YU-SHAN LIN, SHIN-YU LIN, MENG-YU	Spouse Son/Daughter Son/Daughter	None
LIN CHOU, YU-SHAN	3,071,920 (Note 1)	4.10	5,635,350 (Note 1)	7.52	2,346,000	3.13	LIN, YUNG-CHING LIN, SHIN-YU LIN, MENG-YU	Spouse Son/Daughter Son/Daughter	None

Name	Individual held shareholding		Spouse and minor children's shareholding		Shareholding held under others' names		The names or identities and relationships of related parties or relatives within the second degree of kinship among the top ten shareholders who have mutual relationships.		Note
	Shares	Shareholding percentage (%)	Shares	Shareholding percentage (%)	Shares	Shareholding percentage (%)	Name	Relationship	
TransGlobe Life Insurance Inc. Representative : Peng Teng-Te	2,726,000	3.64	0	0	0	0	-	-	None
	0	0	0	0	0	0	-	-	None
Kaihia INVESTMENT CO., LTD. representative:LIN, SHIN-YU	2,346,000	3.13	0	0	0	0	-	-	None
	748,876	1.00	114,802	0.15	2,346,000	3.13	LIN, YUNG-CHING LIN CHOU, YU-SHAN LIN, MENG-YU	Father Mother Sister	None
Sunder Investment Co., Ltd. Representative:LIN, SHIN-YU	1,905,694	2.54	0	0	0	0	-	-	None
	748,876	1.00	114,802	0.15	2,346,000	3.13	LIN, YUNG-CHING LIN CHOU, YU-SHAN LIN, MENG-YU	Father Mother Sister	None
JHUANG, KUN-LONG	1,209,000	1.61	0	0	0	0	-	-	None
Lycom Investment Co., Ltd. Representative: LIN CHOU, YU-SHAN	1,064,400	1.42	0	0	0	0	-	-	None
	3,071,920 (Note 1)	4.10	5,635,350 (Note 1)	7.52	2,346,000	3.13	LIN, YUNG-CHING LIN, SHIN-YU LIN, MENG-YU	Spouse Son/Daughter Son/Daughter	None

Name	Individual held shareholding		Spouse and minor children's shareholding		Shareholding held under others' names		The names or identities and relationships of related parties or relatives within the second degree of kinship among the top ten shareholders who have mutual relationships.		Note
	Shares	Shareholding percentage (%)	Shares	Shareholding percentage (%)	Shares	Shareholding percentage (%)	Name	Relationship	
HUANG, DENG-CHENG	800,913	1.07	0	0	0	0	-	-	None
LIN, MENG-YU	792,802	1.06	107,000	0.14	2,346,000	3.13	LIN, YUNG-CHING LIN CHOU, YU-SHAN LIN, SHIN-YU	Father Mother Sister	None

Note 1: Including the shareholding of the trust account with the reserved decision-making authority.

H. The Total Number of Shares Held in Same Enterprise by the Company, Its Directors and Supervisors, Managerial Officers, and Any Companies Controlled Either Directly or Indirectly by The Company Shall Be Combined To Calculate Combined Shareholding Percentage

December 31, 2024

Unit: Thousand share%

Investment in Invested Enterprises	Investment by the Company		Investment by directors, supervisors, managers, and businesses directly or indirectly controlled by the Company		Comprehensive Investment	
	Shares	Shareholding percentage (%)	Shares	Shareholding percentage (%)	Shares	Shareholding percentage (%)
CRACK MYTHOLOGY INTERNATIONAL LTD.	3,200	100%	0	0	3,200	100%
MACAUTO USA, INC.	4,000	100%	0	0	4,000	100%
MACAUTO HOLDINGS LLC	230	100%	0	0	230	100%
MACAUTO GROUP GmbH	0	100%	0	0	0	100%
Kunshan Macauto Automobile Parts Industry Co., Ltd.	0	100%	0	0	0	100%
MACAUTO MEXICO, S.A.DE C.V.	0	100%	0	0	0	100%
Kunshan Macauto Automobile Parts Sales Co.,Ltd	0	100%	0	0	0	100%
Macauto Korea Yoohanheosa	100,000	100%	0	0	100,000	100%
Macauto Slovakia s.r.o.	0	100%	0	0	0	100%

III. Capital and Shares

A. Capital and Shares

April 20, 2025

(1) Sources of equity

Unit: Shares/New Taiwan Dollars

Year Month	Issuing price	Authorized Share Capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Property other than cash offset by the number of shares	Others
72.07	10,000	400	4,000,000	400	4,000,000	Cash establishment	-	-
91.07	10	30,000,000	300,000,000	26,070,000	260,700,000	Capitalization of retained earnings	-	Note 1
92.05	10	36,000,000	360,000,000	30,000,000	300,000,000	Capitalization of retained earnings	-	Note 2
93.06	10	60,000,000	600,000,000	36,000,000	360,000,000	Capitalization of retained earnings	-	Note 3
94.08	10	60,000,000	600,000,000	41,400,000	414,000,000	Capitalization of retained earnings	-	Note 4
94.10	10	60,000,000	600,000,000	41,908,000	419,080,000	Employee stock options	-	Note 5
95.06	10	60,000,000	600,000,000	46,098,800	460,988,000	Capitalization of retained earnings	-	Note 6
95.10	10	60,000,000	600,000,000	46,587,800	465,878,000	Employee stock options	-	Note 7
96.10	10	60,000,000	600,000,000	47,101,800	471,018,000	Employee stock options	-	Note 8
97.05	10	60,000,000	600,000,000	54,900,000	549,000,000	Capitalization of retained earnings Capitalization of employee bonuses	-	Note 9
98.05	10	100,000,000	1,000,000,000	74,900,000	749,000,000	Capital increased by cash	-	Note 10

Note 1: This capital increase saw capitalization of retained earnings of NT\$23,700,000 as approved by the Securities and Futures Bureau of the Ministry of Finance on June 28, 2002 under letter Taicaizheng (1) No. 0910135458.

Note 2: This capital increase saw capitalization of retained earnings of NT\$39,300,000 as approved by the Securities and Futures Bureau of the Ministry of Finance on May 15, 2003 under letter Taicaizheng (1) No. 0920121195.

Note 3: This capital increase saw capitalization of retained earnings of NT\$60,000,000 as approved by the Securities and Futures Bureau of the Ministry of Finance on May 15, 2004 under letter Taicaizheng (1) No. 0920121195.

Note 4: This capital increase saw capitalization of retained earnings of NT\$54,000,000 as approved by the Financial Supervisory Commission on June 20, 2005 under letter Jinguanzheng Yizi No. 0940124522.

Note 5: This capital increase saw execution of employee stock option certificates of NT\$5,080,000 as approved by the Ministry of Economic Affairs on October 18, 2005 under letter Jingshouzhongzi No. 09433020510.

Note 6: This capital increase saw capitalization of retained earnings of NT\$41,908,000 as approved by the Financial Supervisory Commission on June 28, 2006 under letter Jinguanzheng Yizi No. 0950126955.

Note 7: This capital increase saw execution of employee stock option certificates of NT\$4,890,000 as approved by

the Ministry of Economic Affairs on October 26, 2006 under letter Jingshouzhongzi No. 09533026550.

Note 8: This capital increase saw execution of employee stock option certificates of NT\$5,140,000 as approved by the Ministry of Economic Affairs on October 30, 2007 under letter Jingshouzhongzi No. 09632953150.

Note 9: This capital increase saw capitalization of retained earnings of NT\$69,982,000 and capitalization of employee bonuses of NT\$8,000,000 for a total of NT\$77,982,000 as approved by the Financial Supervisory Commission on May 27, 2008 under letter Jinguangzheng Yizi No. 0970026534.

Note 10: This capital increase saw Cash capital increase via private placement of securities as approved by the Department of Commerce of the Ministry of Economic Affairs on May 22, 2009 under letter Jingshoushangzi No. 09801100050.

April 20, 2025; Units: Shares

Class of shares	Authorized Share Capital					Remarks
	Outstanding shares			Unissued shares	Total	
	TWSE (TPEx) listed	Not TWSE (TPEx) listed	Total			
Common share	74,900,000	0	74,900,000	25,100,000	100,000,000	None

(2) Major Shareholders List

Names of Shareholders with Ownership Percentage of 5% or more, or Top Ten Shareholders by Ownership Percentage, including Number of Shares Held and Percentage

April 20, 2025

Major Shareholders	Shares	Number of Shares Held	Percentage of Ownership
TAYIH KENMOS AUTO PARTS CO., LTD.		9,450,000	12.62%
LIN, YUNG-CHING (Note 1)		5,635,350	7.52%
LIN CHOU, YU-SHAN (Note 1)		3,071,920	4.10%
TransGlobe Life Insurance Inc.		2,726,000	3.64%
Kaihia INVESTMENT CO., LTD.		2,346,000	3.13%
Sunder Investment Co., Ltd.		1,905,694	2.54%
JHUANG, KUN-LONG		1,209,000	1.61%
Lycom Investment Co., Ltd		1,064,400	1.42%
HUANG, DENG-CHENG		800,913	1.07%
LIN, MENG-YU		792,802	1.06%

Note 1: Including the shareholding of the trust account with the reserved decision-making authority.

(3) Company dividend policy and implementation status

1. Dividend policy

The Company's dividends are based on the principle of dividend stability in line with the current year's earnings. The Company is in a period of business growth and there is a need for funds to promote global operations in the next few years. Therefore, in addition to the distribution of surplus in accordance with the provisions of Article 27 of the Company's Articles of Incorporation, the amount of dividend distribution shall in principle not be less than 30% of the distributable surplus of the current year. If necessary, dividends may be paid in conjunction with capital reserve. Cash dividends shall not be less than 30% of the total dividends.

2. Implementation status

The Company authorizes the Board of Directors to pay cash dividends by special resolution in accordance with Article 27 of the Articles of Incorporation. The Company passed a special resolution of the Board of Directors on March 7, 2025 to issue cash dividends of NT\$2.3 per share for 2024. Subsequent issuance will be carried out in accordance with relevant regulations.

(4) The influence of stock dividends planned to be paid in the Shareholders' Meeting of this year on the operation performance and earnings per share of the Company: Not applicable.

(5) Information on Remuneration for Employees, Directors and Supervisors

1. The percentage or scope of remuneration and directors' and supervisors' remuneration as set out in the Articles of Incorporation:

In accordance with the Company's Articles of Incorporation, if the Company makes a profit for the current year, 3% to 8% should be allocated for employee remuneration and no more than 3.5% should be allocated for director and supervisor remuneration. However, when the Company still has accumulated losses, it should reserve the compensation amount in advance. Employee remuneration is made in stock or cash; in addition, the recipients of stock or cash distributions may include employees of affiliated companies who meet certain conditions.

2. Estimated employee remuneration for this period and the basis for the estimation of the remuneration of directors and supervisors:

The Company's 2024 estimated employee remuneration and the estimated basis for the remuneration of directors and supervisors are estimated and recognized as annual expenses for 2024 within the scope stated in the Articles of Incorporation. The estimated amounts of remuneration for employees, directors, and supervisors in 2024 was consistent with the amounts resolved by the Board of Directors.

3. The proposed distribution of employee remuneration as approved by the Board of Directors:
 - (1) Distributions of employee remuneration and the remuneration amounts for directors and supervisors:

As approved by the Board of Directors on March 7, 2025, distributions of NT\$16,704,790 for employees and NT\$6,681,916 for directors and supervisors was consistent with the financial statement estimates and all payments were to be made in cash.
 - (2) The amount of employee bonuses distributed by stocks and its proportion to the total after-tax net profit and total employee bonuses in the parent company only financial report for the current period: Not applicable.
4. The actual distributions of remuneration for employees, directors, and supervisors in the prior year:
 - (1) The actual distributions of employee remuneration and directors' and supervisors' remuneration in the prior year: In 2023, employee remuneration was NT\$23,269,211 and the remuneration of directors and supervisors was NT\$9,307,685 with all payments to be made in cash.
 - (2) The original proposed distribution approved by the original Board of Directors: the proposal approved by the Board of Directors was to allocate NT\$23,269,211 for employees and NT\$9,307,685 for directors and supervisors with all payments to be made in cash.
 - (3) The differences between the proposed distributions and the actual distributions: None.

(6) Repurchase of shares by the Company:

May 29, 2025

Share Buyback Phase	Second Repurchase Round
Purpose of the Share Buyback	Maintain the Company's Credit and Shareholder Rights
Type of Shares to Be Repurchased	Common Stock
Maximum Total Amount for Share Buyback	NT\$2,752,143,171
Planned Buyback Period	From April 22, 2025, to June 21, 2025
Planned Number of Shares to Be Repurchased	It is planned to repurchase 1,500,000 shares, accounting for 2.00% of the company's issued shares.
Price Range for the Share Buyback	NT\$45 to NT\$70 per share. However, if the company's stock price falls below the lower limit of the buyback price range during the repurchase period, the buyback will continue to be executed.
Types and Quantities of Shares Repurchased	397,000 shares of common stock
Amount Spent on Repurchased Shares	NT\$20,548,034
Percentage of Shares Repurchased Relative to Planned Buyback Quantity	26.47%

- B. Corporate Bonds: None.
- C. Preferred shares: None.
- D. Global depositary receipts: None.
- E. Employee stock options: Not applicable.
- F. Subscription of New Shares for Employee Restricted Stocks: None.
- G. Issuance of New Shares due to Acquisition of Shares of Another Company: None.
- H. Implementation status of fund usage plan: Not applicable.

IV. Overview of Operations

A. Business Content

(1) Main business content and operating proportions.

Unit: NT\$ thousand

Business Content:	Revenue in 2024	Revenue Ratio(%)
Automobile Sun Shade	5,504,952	99.73
Others	14,642	0.27
Total	5,519,594	100.00

(2) Current Product and Service Offerings of the Company

Product	Product specification
Automobile Sun Shade	Rear Shade-Manual, Rear Shade-Power, Door Shade-Manual, Door Shade-Power, Door Shade-Triangle, Rolly Assy, Luggage Compartment Cover, Wind Deflector, Barrier Net.
Others	Battery-Power Lawnmower, Battery-Powered Trimmer, Electric Wheelbarrow, Door Arm Rest, Map Pocket.

(3) Planned Development of New Products and Services.

1. Innovative Research on Manual Side Window Shade with Magnet Attachment.
2. Innovative Research on Manual Sunroof Shade with Multi-position Control.
3. Wire type rear power shade advanced research.
4. Innovative Research on fixed glass sunroof system module.
5. Innovative Research on Fully covered electric rear door sunshade
6. Stepless rear door manual shade advanced research.

B. Production and Sales Overview

1. Current Status and Development of the Industry

(1)Current Status of the Industry

Current Status of the Industry The category of Automobile Sun Shade can be roughly divided into rear shades (manual and power), door shades (manual and power), door shades-triangle, roly assys (manual and power), wind deflectors, luggage compartment covers, and Barrier nets. In recent years, the inclusion rate of Automobile Sun Shade as a choice of interior equipment in automobiles has been increasing, indicating a higher penetration rate of Automobile Sun Shade. Among them, the main products are roly assys, rear shades, door shades, luggage compartment covers, and wind deflectors.

In recent years, the design of automotive sunroofs has been trending towards panoramic

sunroofs. The traditional hard panel approach is no longer suitable for the shading needs of current and future panoramic sunroofs. The fabric-based sunshades designed by our company perfectly meet the shading needs of panoramic sunroofs, leading to an increasing demand for rolly assys. The popularity of EVs and SUVs has also contributed to the growing demand for rolly assys, luggage compartment covers, storage nets, and Barrier nets.

In the North American market, our company serves major international car manufacturers, expanding beyond the three major US automakers Ford, GM, and Stellantis to include VW Group, Rivian, BMW, Toyota and Honda in the supply chain. Therefore, the North American region is one of our key markets.

In the Chinese mainland market, the production of automobiles has gradually included automobile sunshades as optional accessories. Coupled with the increasing application of panoramic sunroofs and the adoption of door shades-power has also been gradually increasing, it is currently the company's largest market, with promising future growth potential recognized by various parties. The demand for automobile sunshades in the Chinese mainland region is expected to grow in the future. Developing competitive automobile sunshades to meet the demand of local car manufacturers in the Chinese mainland will be one of the company's important tasks.

(2) Development of the Industry

The development of Automobile Sun Shade has progressed from simple suction cup types (commercially available) to exposed roll-up types (commercially available), semi-concealed manual pull types (OEM), concealed manual pull types (OEM, ODM), cable-controlled electric types (OEM, ODM), and wireless remote control types (OEM, ODM).

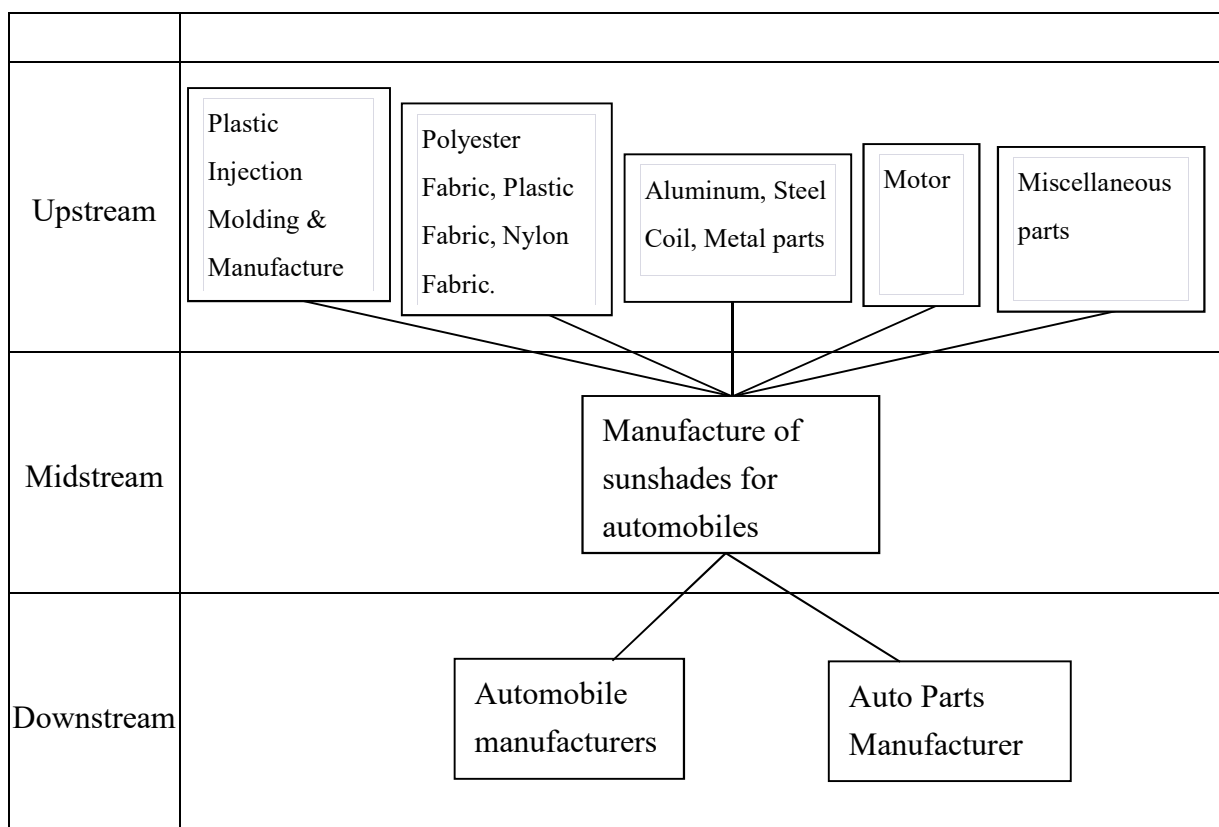
Door Shade→ Door Shade-Power.

Rear Shade → Rear Shade-Power → Fully enclosed electric Rear Shade.

Rollo Assy → Panoramic Rollo Assy.

Luggage Compartment Cover → Luggage Compartment Cover with Barrier Net →Luggage Compartment Cover-Power.

2. Interrelation of Upstream, Midstream, and Downstream in the Industry.



3. Various Development Trends and Competitive Situation of Products

(1) Development Trends of Products

The development trend of Automobile Sun Shade is moving towards higher shading performance, electric-powered operation, and panoramic sunroofs. For Rear Shade, Door Shade, Door Shade - Triangle, Rollo Assy, and Luggage Compartment Cover, collaboration with car manufacturers is necessary for the design and development of new vehicle models. Starting from the process of new vehicle development, it requires manpower and joint design and development with car manufacturers or Tier-1 customers. Therefore, the development trend of car window blinds is towards the ODM (Original Design Manufacturer) direction. Under this circumstance, the company's capabilities in design and development, mass production, quality assurance, engineering, after-sales technical support, and cost control have become essential for car window blind manufacturers. As a result, in the future, car window blind manufacturers will experience a situation where the bigger players become even larger.

(2) Competitive Situation of Products

In the domestic market, the company is the largest supplier of ODM/OEM car window blinds. In the European, American, and Chinese markets, the main competitor is Germany's BOS.

C. Overview of Technology and Research & Development

1. Research and development expenses incurred in the most recent fiscal year and up to the printing date of the annual report.

Unit: NT\$ Thousand

Item/Year	2024	Year ended March 31, 2025
Research and development (R&D) expenses	201,665	50,606
Percentage of revenue (%)	3.65%	3.53%

2. Developed Successful Technology or product: Door handle armrest, Manually step-less operated sunroof, new fabric development (recycled yarn and spring shade).

(IV) Long-term and Short-term Business Development Plans:

1.Long-term Business Development Plans:

- (1) Expand product line and develop new customers to strengthen business expansion.
- (2) Promote and apply new designs and materials to provide customers with superior product designs and usage.
- (3) Proactive deployment in overseas markets.

2.Short-term Business Development Plans:

- (1) Promote Automobile Sun Shade and interior components, actively pursue collaboration opportunities with car manufacturers worldwide.
- (2) Provide products and services that meet customer needs based on market demands.

B. Market and production and sales overview

(I) Market Analysis

1. Main product sales areas

Units: NT\$ thousand; %

Region \ Year		2023		2024	
		Amount	%	Amount	%
Domestic sales		627,355	12.05	584,981	10.60
Exports	China	1,711,418	32.86	1,826,966	33.10
	United States	1,262,387	24.24	1,320,360	23.92
	Mexico	463,069	8.89	434,031	7.86
	Germany	317,032	6.09	473,359	8.58
	Others	826,821	15.87	879,897	15.94
Export subtotal		4,580,727	87.95	4,934,613	89.40
Total		5,208,082	100.00	5,519,594	100.00

2. Market share

Up to now, there is no professional organization domestically or abroad to conduct statistics on the production and sales of automotive roller shades. Therefore, the market share of the Company is unknown. In regard to the Company's competitive situation in the international market, BOS of Germany is currently the world's largest ODM/OEM automotive roller shade supplier. In addition, similar products are supplied by Asimori of Japan as well as manufacturers in mainland China and South Korea.

3. Market supply and demand in the future

(1) Future supply conditions

Rear shades and door shades are currently supplied domestically by the Company and by Denso. Internationally, suppliers include the Company, BOS of Germany, Asimori of Japan, and several manufacturers in mainland China and South Korea. Rollo assy are currently supplied domestically by the Company. Internationally, suppliers encompass several manufacturers including the Company as well as BOS of Germany.

(2) Future demand conditions

At present, the proportion of rollo assy, door shades, rear shades and luggage compartment covers installed on luxury cars and recreational vehicles is increasing. In the future, moreover, there will be a trend of popularization among low- and medium-priced cars in order to achieve advanced interior decoration and driving comfort. This will greatly increase the demand for automotive sunshades (rear, door and rollo assy), as well as for luggage compartment covers, barrier nets, and so on. Coupled with the popularity of panoramic sunroofs, this will greatly increase the demand for rollo assy.

4. Future market growth

- (1) Today's trends in automotive manufacturing are to increase window areas or increase sunroofs; that is, the amount of glass used in each car has increased significantly. Under these circumstances, the occupants or accessories in the car are exposed to a wider range of sunlight. Therefore, installing sunshades in the glassed areas of the whole car will be the best way to protect from the sun and ride comfortably. This will benefit manufacturers that have the ability to manufacture various types of roller blinds for complete vehicles. The Company is one such manufacturer capable of designing and manufacturing comprehensive vehicle sunshades and meeting the needs of future automotive design and manufacturing trends.
- (2) In the past, automotive roller shades were optional vehicle accessories and up to now many car manufacturers or models have not installed automotive roller shades. In recent years, major international automakers have gradually listed automotive roller shades as optional equipment. This includes rear shades (power and manual), door shades, door shades - triangle, rollo assy, and sunshades with other properties. Moreover, major automakers have recently invested and set up factories in mainland China, and they have also listed automotive roller shades as optional equipment. It can thus be confirmed that automotive roller shades will grow year by year in the future.

5. Competitive niche

- (1) We have accumulated 30 years of independent development and design capabilities for automotive roller shade as well as mass production experience.
- (2) We have abundant experience in product design and development with international car manufacturers, enabling us to meet the design and development needs of various customers.
- (3) Our product has a cost competitive advantage.

- (4) We have quick response speed to the problems faced by ODM and OEM customers and we have good engineering ability.
- (5) Our core technologies enjoy patent protection.
- 6. Favorable and unfavorable factors in future development, and response measures
 - (1) Favorable factors for development prospects
 - A. The penetration rate and application of automotive roller shades in automotive interiors is increasing and the demand for automotive roller shades has greatly increased.
 - B. From past installations as rear shades, automotive roller shades have currently move into applications for door shades, door shades - triangle, rollo assy, wind deflectors, luggage compartment covers, and barrier nets. Vehicles equipped with automotive roller shades thus have greatly increased.
 - (2) Unfavorable factors for development prospects, and countermeasures
 - A. Labor costs are increasing annually in every region
Countermeasures:
The Company will work towards automated manufacturing in order to reduce the impact of annually rising labor costs in every region.
 - B. Competitive threats from mainland Chinese or South Korean manufacturers
Manufacturers from mainland China or South Korea compete in regional markets with low-priced, low-quality products, thereby increasing product price pressures.
Countermeasures:
Develop products that are affordable and meet customer and market needs, and manufacture them in mainland China to reduce product costs and improve product price competitiveness.

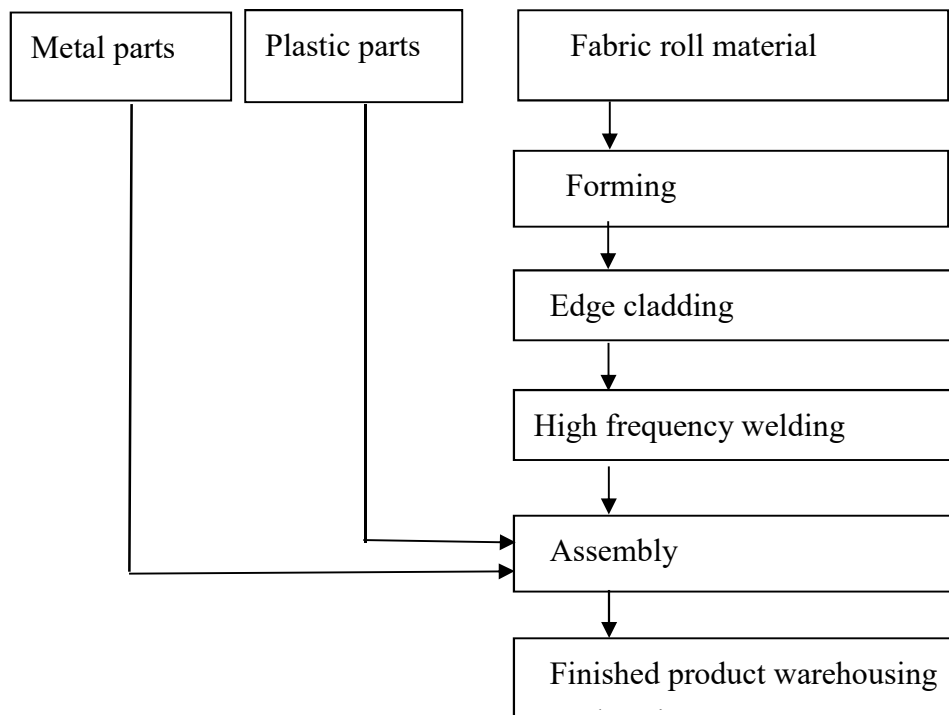
(3) Important uses and production processes of main products

1. Important uses of main products

Product (commodity) or service item	Important purpose or function
Automobile Sun Shade	Car interior sunshade and heat protection

2. Production process of main products

Production process of Automobile Sun Shade



(3) Supply status of main raw materials

Main Raw Materials	Supply Sources	Supply Situation
Fabric	Taiwan, Germany, China	Good
Plastic injection parts	Taiwan, China	Good
Motor	Taiwan, China	Good
Metal machining parts(aluminum & steel)	Taiwan	Good

(4) Information on major suppliers/clients who have accounted for at least 10% of sales/procurement in either of the past two years:

1. List of suppliers that have accounted for at least 10% of procurement over the past two years:NA.
2. List of clients that have accounted for at least 10% of sales over the past two years:NA.

C、The number of employees, the average length of service, average age and educational background analysis ratio in the last two years and as of the publication date of the annual report

Unit: Person

Item \ Year		2023	2024	2025 Q1
Number of employees	Manufacturing staff	713	804	823
	Salesperson	40	38	38
	Administration staff	323	394	395
	Researchers	82	87	88
	Total	1,158	1,323	1,344
Average age		38.59	39.40	39.64
Average years of service		5.78	6.23	6.61
Educational Distribution Ratio	Doctor	0.09	0.08	0.07
	Master	5.09	4.61	4.69
	College	34.72	32.65	31.70
	Senior (vocational) high school	47.84	37.87	42.63
	Under senior (vocational) high school	12.26	24.79	20.91

Note: The table shows the number of regular employees, excluding the number of temporary workers.

D. Environmental protection expenditure information

- (1) In the most recent year and as of the and as of the date of publication of the annual report, the Company's losses due to environmental pollution (specifying compensation and environmental protection audit results that violate environmental protection regulations, sanction date, sanction code, regulatory provisions that were violated, details of the regulatory violation, and sanction

details) and disclosure of current and future estimated amounts and possible measures. When estimation cannot be provided, explanation for such cases should be offered: None.

(2) Relevant information in response to the EU Directive on the Restriction of Hazardous Substances (RoHS):

The EU Directive on Restriction of Hazardous Substances (RoHS) came into effect on July 1, 2006. In March 2006, the Company convened suppliers to explain the content of the restricted use directive and the changes in materials to meet the requirements of the European Union. ODM/OEM products and sales in Europe have been using materials free of harmful substances since May 2006.

(3) Work environment, employee personal safety, and environmental protection measures

The main work objectives of the Company's Work Safety Office in 2025 were as follows:

1. Formulate the Occupational Safety and Health Management Plan, assisting each unit in the improvement of safety and health hazards, developing an emergency response mechanism and notification system in order to implement safety and health management, and protecting the safety and health of employees.
2. The Company is certified by the ISO 14001 Environmental Management System and is continuously certified by DNV verification company every year. Actively promote cleaner production, pollution prevention, energy and resource conservation, waste reduction and reuse through continuous improvement of the management system to reduce the impact on the environment.
3. Macauto Industrial Co., Ltd. places great importance on the safety and health of every employee and is committed to creating a safe and healthy work environment with the goal of achieving "zero accidents." The company prioritizes the protection of the lives and well-being of its employees and contractors, ensuring that operational conflicts do not arise due to workplace hazards.
4. The Company is implementing the ISO 45001 Occupational Health and Safety Management System, with plans to pass the audit in the first half of 2025 and obtain full certification in the second half. This demonstrates The Company's continuous pursuit of stricter safety measures to prevent workplace incidents. Through the promotion of ISO 45001, we aim to enhance the awareness of workplace safety among our employees, contractors, and suppliers, and to underscore our commitment to safeguarding the lives and safety of all.
5. Annual statutory inspection of dangerous machinery and equipment, include: lifts (four in total) and stationary cranes (four in total). All inspections were passed to ensure that the dangerous machinery and equipment in the factory comply with laws and regulations and operate safely.
6. Carry out operating environment monitoring every six months and monitor physical hazards

and chemical hazards in the working environment. The monitoring results are used as the basis for future improvement of the operating environment in the hope of achieving the purpose of protecting the safety and health of colleagues.

7. We have established Measures for Automated Inspection with relevant machinery, equipment, and operating environments implemented through automatic inspection. Furthermore, we have established a system of inspection management to ensure labor safety and maintain the normal operation of machinery and equipment.
8. We have established a Hazard Communication Plan for the control and labeling of the hazardous chemicals used, and pre-examination work before the introduction of new chemicals to reduce the hazards of employees operating and using chemicals.
9. We undertake comprehensive reviews of machinery, equipment safety design, and environments to avoid new hazards caused by changes in the environment and conditions of machinery and equipment to provide a safe workplace environment for colleagues in the factory.
10. We have established a Contractor Construction Management Program to define the safety, health and environmental protection regulations for contractors entering the Company to carry out construction operations, thereby ensuring the safety of construction between company personnel and contractors as a basis for contract management.
11. We conduct self-defense fire drills every six months so that colleagues in the factory can take effective self-defense firefighting actions according to the fire situation, thus effectively exerting the initial response capabilities of early warning and timely firefighting.
12. Plan for employee health checkup and subsidies, so employees may be informed of physical changes through more comprehensive checkup items in order to achieve the purpose of self-health management.
13. Acquire the Automated External Defibrillator (AED) Safe Workplace certification, creating a healthy and safe working environment for employees.
14. Health promotion activities such as weight loss, smoking prevention, and exercising gift vouchers are organized to enhance employees' awareness of their own health from the aspect of behavioral motivation.
15. We continue to strengthen the advocacy of car safety and translate it into action, actively inspecting the vehicle safety-related facilities in the factory (such as brakes, mirrors, tire pressure, tread patterns, turn signals) in order to prevent problems before they happen.

In terms of environmental protection, the current year's implementation of the energy saving plan is as follows:

Objective	Proposal	Status description	Implementation
Waste recycling	Selling or recycling waste window screen material from the manufacturing process	(1) For those expired leftovers of the manufacturing process and of research and development and those having a poor appearance and so on, whole pieces of waste window screen material that meets demand are sold to reuse manufacturers for commercial or other legitimate purposes. (2) The waste window screen material that was originally considered waste is sorted out by the production line, and then transported to the reuse manufacturer to make fuel rods to reduce the Company's waste window screen material removal volume and cleaning costs.	The sales volume of waste window screen material in 2024 was 13.2 metric tons and the recovered quantity was 360.73 metric tons.
Reducing CO2 emissions	Solar power system setup	We adopt the rooftop leasing method to provide spaces for professional and legitimate manufacturers to install solar power generation modules and carry out commercial operations	In 2024, the total power generation of solar photovoltaic systems were 1,244,992 kWh, thereby reducing CO2 emissions by about 616.27 tons.
Energy conservation and CO2 emission reduction	In-house solar power generation system	In response to concerns over air pollution and carbon emission reduction, the company has invested in establishing its own solar power generation system to reduce carbon emissions and	The installation is expected to be completed by mid-2026, with a power generation capacity of 309 kW and an estimated annual output of 400,000 kWh.

Objective	Proposal	Status description	Implementation
		align with clean energy environmental policies.	This will result in a reduction of approximately 197 metric tons of CO ₂ e emissions and enable the acquisition of 400 Renewable Energy Certificates (RECs).

E. Labor Relations

- (1) Various employee welfare measures, advanced education, training, retirement systems and their implementation status, as well as the agreements between labor and management

1. Employee benefits measures:

- (1) Employee benefits measures provided by the Company:

- a. Employee bonuses
 - b. Wedding stipends
 - c. Childbirth allowances
 - d. Gift stipend for new home completion
 - e. Bereavement grants
 - f. Employee group insurance.

- (2) Employee benefit measures handled by the Company's Employee Welfare Committee:

- a. Wedding stipends
 - b. Bereavement grants
 - c. Childbirth allowances
 - d. Gift stipend for new home completion
 - e. Labor Day gift certificates
 - f. Dragon Boat Festival gift certificates
 - g. Mid-Autumn Festival gift certificates
 - h. Birthday gift money
 - i. Lunar New Year bonus
 - j. Club activity allowance

2. Continuing education and training for employees

Training and education for the Company's employees is divided into internal training and external training. Internal training is conducted by the Company's directors or hired external lecturers to provide education and training for Company employees. For external training employees sign up to participate in educational training organized by external

organizations. The Company encourages employees to participate in education and training and includes employee education and training as one of the annual performance evaluation items.

Courses expected to be implemented by the Company in 2025 are as follows:

Item	Total echelons	Total hours	Total number of individuals	Total budget
Company training (General education for newcomers, project classes, engineering classes, management classes)	34	388	703	1,257,280
Environmental Safety and Health Training	45	284	835	161,240
Departmental Professional Training	60	238	251	287,900
Total	139	910	1,789	1,706,420

3. Retirement system and its implementation

(1) Old pension system

- ① 2%~15% of total salaries is withdrawn and deposited into a special bank account in R.O.C. every month.
- ② Compulsory retirement
 - A. For those reaching the age of 65, all shall retire except for top executives. Workers to perform a job that is dangerous or physically demanding and may report to the central competent authority for adjustment, he/she must not be younger than 55 years old.
 - B. Workers with physical or mental disabilities that make them unfit to work.
 - C. The age specified in A may be deferred through mutual agreement between the employer and the employee. For individuals engaged in work of a hazardous nature or requiring exceptional physical strength, the business entity may apply to the central competent authority for an adjustment; however, the age may not be set below 55 years.
- ③ Voluntary retirement
 - A. Having served in the Company for more than 15 years, and having reached the age of 55.
 - B. Having served in the Company for more than 25 years.
 - C. Having served for more than 10 years and over 60 years old.

④ Pension calculation standard

- A. A base of two months is given for each full year of the first 15 years of service; for more than 15 years, a base of one month is given for each full year, with a maximum amount of 45 months.
- B. If the seniority calculation is less than half a year, the seniority shall be calculated as half a year. Half a year but less than one year shall be counted as one year.
- C. The base figure is the average monthly salary at the time of retirement, and the average salary is calculated in accordance with the relevant provisions of the Labor Standards Act.

(2) New pension system

To be handled in accordance with government regulations.

(3) Provision (distribution) of expense-based retirement pension in 2024

- ① Applicable to the Labor Pension Act (new pension system), the pension system and overseas subsidiaries are based on a certain percentage of local employee salaries to allocate pension reserves and endowment insurance funds. Total allocated amount for 2024: NT\$38,374 thousand.
- ② Applicable to the Labor Standards Act (old pension system) and the Administrative Measures for the Retirement of Directors and Appointed Managers, the pension system distribution amount: NT\$4,008 thousand.

4. Labor-management agreements

The Company handles holidays, leave, and special leave for employees in accordance with the regulations. Both labor and management have gotten along well since the establishment of the Company. Management pays attention to employees' opinions and take care of employees' lives, providing a good and comfortable working environment. In the future, management will continue to take care of employees and establish a rationalized management system, and labor relations will become more harmonious.

- (II) In the most recent year and up to the date of publication of the annual report, any losses or its Company due to labor disputes (including labor inspection results that violate the Labor Standards Act, sanction date, sanction code, regulatory provisions that were violated, details of the regulatory violation, and sanction details) and disclose current and future estimated amounts and possible measures. If it cannot be estimated, the fact that it cannot be estimated shall be stated: None.

F. Information Security Management:

- (1) Describe the information security risk management framework, the information security policy, the specific management plan, resources invested in the security management of information, etc. In order to ensure the information security of the Company, and to protect the Company from any interference, destruction, intrusion, or operational risks caused by any unfavorable actions and attempts, we have formulated Information Security Policy Measures and related management points as the implementation regulations.

These include the establishment of an information security promotion organization and coordination, planning, auditing, and promotion of matters such as unified information security management, allocation of appropriate personnel powers and responsibilities to continuously strengthen the Company's information security protection, and the arrangement of information security education and training to improve the information security management and control capabilities of dedicated personnel and general colleagues' information security awareness. We define computer system security, network security, system access control, system development and maintenance security management, information asset security management, physical and environmental security management, business continuity operation plans and information security threat prevention, and so on. Furthermore, we continue to review the effectiveness of information security risk control and make timely corrections and improvements.

We use various information security protection tools, firewalls, anti-virus software, and regular internal and external agency information security checks in monitoring abnormalities to protect important information on business operations, individuals, companies and customers and to avoid leakage of confidentiality. This is to ensure the uninterrupted operation of the Company and the effectiveness of the sustainable operation of the business.

- (2) Apply for the TISAX information security certification mark to ensure that the Company's information security complies with the automotive industry information security standards; build the confidence of automotive supply chain partners in the Company's network security and data protection.
- (3) Losses suffered due to major information security incidents in the most recent year and as of the publication date of the annual report, possible impact, and response measures. If this cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be stated: None.

G. Significant Contracts: None.

V、Review and analysis of financial status and financial performance and risk issues

A. Financial status

(1) Comparative analysis of financial status

Unit: NT\$ thousand

Item \ Year	2024	2023	Difference	
			Amount	%
Current Assets	4,202,461	3,932,167	270,294	6.87
Property, Plant And Equipment	1,302,790	1,322,472	-19,682	-1.49
Intangible Assets	12,013	12,271	-258	-2.10
Other Assets	370,328	577,876	-207,548	-35.92
Total Assets	5,887,592	5,844,786	42,806	0.73
Current Liabilities	2,057,987	2,051,424	6,563	0.32
Long-term Liabilities	9,016	26,822	-17,806	-66.39
Other Liabilities	144,464	160,745	-16,281	-10.13
Total Liabilities	2,211,467	2,238,991	-27,524	-1.23
Share Capital	749,000	749,000	-	-
Capital Surplus	3,082	3,082	-	-
Retained Earnings	2,951,863	2,884,246	67,617	2.34
Other Equity	-27,820	-30,533	2,713	-8.89
Total Equity	3,676,125	3,605,795	70,330	1.95
<p>I. The main reasons for major changes in assets, liabilities and shareholders' equity in the last two years and the main reasons for the impact of changes of more than 20%:</p> <p>1. Decrease in Other assets: mainly due to the maturity of bank time deposits with a term of more than one year.</p> <p>2. Decrease in long-term liabilities: mainly due to the repayment of long-term loans.</p> <p>II. Impact: No significant impact.</p> <p>III. Future response plan: Not applicable.</p>				

B. Financial performance

(1) Financial performance comparative analysis table

Unit: NT\$ thousand

Item \ Year	2024	2023	Difference	
			Amount	%
Operating Revenues	5,519,594	5,208,082	311,512	5.98
Operating Margin	1,325,698	1,349,379	-23,681	-1.75
Operating Income	315,001	464,149	-149,148	-32.13
Non-operating Income And Expenses	72,333	69,369	2,964	4.27
Profit Before Income Tax	387,334	533,518	-146,184	-27.40
Net Profit For The Year	314,431	432,248	-117,817	-27.26
Other Comprehensive Income and Loss For The Year (Net Of Tax)	10,559	46,382	-35,823	-77.23
Total Comprehensive Income For The Year	324,990	478,630	-153,640	-32.10
Explanation of difference analysis:				
1. Decrease in operating income, profit before income tax, and net profit for the year: mainly due to an increase in operating costs and operating expenses.				
2. Decrease in other comprehensive income and loss for the year: mainly due to exchange rate changes, resulting in exchange differences in the translation of financial statements of foreign operating institutions in 2024.				
3. Decrease in total comprehensive income for the year: mainly due to the decrease in both net profit and other comprehensive income for the year.				

(2) The Group's expected sales volume and basis for this year

The company's expected sales volume this year is based on the customer's predicted volume. The estimated sales volume as follows.

Unit: thousand pieces

Product category	Expected sales quantity (finished goods) of Macauto Group
Automobile Sun Shade	11,233

(3) Impact on the company's future financial business: no significant impact.

(4) Future coping plan: Not applicable.

C. Cash flow

(1) Analysis of cash flow changes in the most recent year

Unit: NT\$ thousand

Item \ Year	2024
Opening cash balance	1,464,385
Net cash outflows from operating activities	-16,676
Net cash outflows from investing activities	-116,647
Net cash outflows from financing activities	-272,373
Exchange rate impact	39,305
Closing cash balance	1,097,994

Analysis of the cash flow situation in the most recent year:

1. Outflows from operating activities: mainly due to the increase in accounts receivable and inventory.
2. Outflows from investing activities: mainly due to the increase in capital expenditures.
3. Outflows from financing activities: mainly due to the distribution of cash dividends and the repayment of long-term loans.

(2) Remedial measures and liquidity analysis of estimated cash insufficiency: no cash insufficiency.

(3) Cash liquidity analysis for the coming year:

The cash balance of the company and its subsidiaries at the end of the first quarter of 2025 was NT\$1,347,107 thousand. It is expected that the company's business activities will continue to have net cash inflows in the future and the reasonable use of bank long-term and short-term loan financing lines will be sufficient to cover NT\$172,270 thousand in dividend payments and cash expenditures for other investment activities in the future.

D. The impact of major capital expenditures on financial business in the most recent year: None.

E. Reinvestment policy for the most recent year, main reasons for its profit or loss, improvement plan, and investment plan for the next year:

(1) Reinvestment policy for the most recent year

The company's reinvestment policy is to focus on auto parts products related to the industry.

(2) Analysis of profit from reinvestment

The company's share of profit of subsidiaries, associates and joint ventures accounted for under equity method in 2024 was NT\$84,503 thousand (already incorporated into the consolidated financial statements), which mainly came from the profit of Kunshan Macauto.

(3) Investment plan for the next year

The company's reinvestment plan mainly considers the group's business development strategy, and focuses on business development related to the industry, focus on global layout and long-term strategic investment.

The reinvestment plan is carefully evaluated by the management team, taking into account both growth and profit goals.

F. Risk matters should be analyzed and evaluated regarding the following matters in the most recent year and up to the publication date of the annual report:

(1) The impact of interest rates, exchange rate changes, and inflation on the Company's profit and loss and future countermeasures

1. The risk of interest rate changes

- a. Funds borrowed by the Group are in the form of financial instruments with floating interest rates. Therefore, changes in market interest rates will cause the effective interest rates of debt financial products to change accordingly, resulting in volatility of future cash flows. However, this risk is partially offset by holding cash and cash equivalents at floating rates.
- b. In conducting a sensitivity analysis on interest rate risk, if the borrowing rate increases or decreases by 1% and with all other factors held constant, the Group's net profit after tax in 2024 would decrease or increase by NT\$2,550 thousand mainly due to the increase or decrease in interest expenses due to floating rate borrowings.

2. The risk of changes in exchange rates

- a. The Group operates internationally and is therefore subject to the exchange rate risk arising from transactions that are different from the functional currency of the Company and its subsidiaries; these are mainly USD and CNY. The associated exchange rate risk arises from future commercial transactions and recognized assets and liabilities.
- b. The Group's management has established a policy that requires each company within the Group to manage exchange rate risk relative to its functional currency. Each company should hedge its overall exchange rate risk through the Group's Finance Department. Currency risk is measured through highly probable USD and CNY revenue forecast transactions, using forward foreign exchange contracts to reduce the impact of exchange rate fluctuations on the expected collection of receivables, and raising foreign currency liabilities to use assets and liabilities to offset each other as

much as possible to reduce the net position exposed to the risk of exchange rate fluctuations.

3. Inflation risk

Changes in inflation in the most recent year were primarily reflected in increasing costs of raw materials, which in turn reduced profits. We take raw material price increases into consideration when making quotations to customers in order to maintain appropriate profits.

(2) Policies, main reasons for profit or loss, and future countermeasures for engaging in high risk and high leverage investments, loans of funds to others, endorsements/guarantees, and derivatives transactions:

1. Involvement in high-risk, high-leverage investments: the Company is mainly engaged in the research and development, manufacturing and sales of auto parts, so does not engage in high-risk and high-leverage investments.
2. The Group engages in loans of funds to others, endorsements/guarantees, and derivative transactions. These are handled in accordance with the Group's operating procedures for lending funds to others, the procedures for handling endorsements/guarantees, the procedures for handling derivative transactions, and the relevant regulations of the competent authorities. Furthermore, we regularly undertake audits and announcements in accordance with the regulations. Implementation units also conduct internal audits and monitoring in accordance with relevant management measures, and there is no risk to operations.

(3) Future R&D plans and estimated R&D expenses:

The Group is committed to the research and development of Automobile Sun Shade in order to provide high-performance products to meet customer needs. In 2024, it invested NT\$201,665 thousand accounting for 3.65% of revenue. To enhance the competitiveness of product research and development, the company's main research and development plans in the future are as follows:

Research and Development Project Name	Project Content	Current Progress	Expected Production Time	Key Factors Influencing the Successful Future Development	Research and Development Budget
Innovative Research on Manual Side Window Shade with Magnet Attachment	Developing an innovative magnetic attachment system for car door frames to replace traditional exposed hook designs.	1.Tooling development completed and sample assembly carried out. 2.Mechanism operation confirmed; component and finished product testing and verification conducted.	December 2025	Accumulated years of relevant technical experience.	Projected investment of NT\$100,000 thousand.
Innovative Research on Manual Sunroof Shade with Multi-position Control	Development of a lightweight module for a multi-position manual sunroof shade, which can be deployed by passengers as needed.	1.Final product design completed, and functionality of edge trim/slider confirmed (via rapid prototyping of sample parts). 2.Development of prototype tooling initiated.	December 2025	Accumulated years of relevant technical experience.	
Wire Type Rear Power Shade Advanced Research	To develop a full-coverage Rear Power Shade - the curtains extend to the blackened glass areas on both sides to increase the maximum shelter rate of the glass. A cable-pulling drive mechanism is used to reduce the noise value during operation , and the cover is lifted to increase the added value.	1.Completion of the main assembly design, rail-slider assembly design, and motor gearbox design for the Wire Type Rear Power Shade. 2.Completion of the electrical control system architecture planning, including hardware selection aligned with mass production feasibility. 3.Manual prototype validation, including functional verification of all components.	December 2026	Accumulated years of relevant technical experience.	

Research and Development Project Name	Project Content	Current Progress	Expected Production Time	Key Factors Influencing the Successful Future Development	Research and Development Budget
Innovative Research on fixed glass sunroof system module	This research introduces a modular manual sunroof roller shade with a stop-at-any-position function, designed for easy installation and improved cabin temperature control under panoramic glass roofs. Passengers can adjust the shading area as needed.	1. Collect current specifications and related patents of the fixed glass sunroof system module. 2. Complete the sunroof module conceptual structural design drawing, spatial layout, and pull-and-stop mechanism (inner tube spring assembly, edge strip assembly, and pull wire).	December 2027	Accumulated years of relevant technical experience.	
Innovative Research on Fully covered electric rear door sunshade	The pull wire drives the B-pillar/small C-pillar slider and edge strip to open and close the sunshade, replacing exposed support rods to improve visibility and comfort. The side window motor operates the triangular window sunshade for better rear seat coverage.	1. Complete market research, patent search, and analysis. 2. Complete the design of the motor, transmission mechanism, driving mechanism, and sunshade assembly.	December 2027	Accumulated years of relevant technical experience.	
Stepless Rear Door Manual Shade Advanced Research	To develop semi-automatic Door Manual Shade - the user only needs to press to unfold the sunshade and operate it to stop at any position; operate the pull handle down for storage.	1. Complete the design of the pull-and-stop assembly, slider and support rod driving mechanism, and pull wire mechanism. 2. Complete prototype fabrication and perform functional verification of the mechanism. 3. Proceed with prototype tooling development.	December 2026	Accumulated years of relevant technical experience.	

- (4) The impact of important domestic and foreign policies and legal changes on the Company's financial business and corresponding measures:
Important policy and legal changes have not had a major impact on the Company's financial business in the most recent year.
- (5) The impact of technological changes (including information security risks) and industrial changes on the Company's financial business and corresponding measures:
Technological changes and industry changes have not yet had a major impact on the Company's financial business in the most recent year.
- (6) The impact of corporate image change on corporate crisis management and countermeasures:
No such situation.
- (7) Expected benefits and possible risks of mergers and acquisitions and future countermeasures:
No such situation.
- (8) Expected benefits and possible risks of plant expansion and future countermeasures: The Company has no plans to expand its plants in the most recent year.
- (9) Risks and future countermeasures faced by purchase or sales concentration: No such situation.
- (10) The influence and risk of the massive transfer of shares or the replacement of the directors, supervisors, or major shareholders holding more than 10% of the shares issued by the Company, and the future response: No such situation.
- (11) The impact, risks and future countermeasures of a change of management rights on the Company: No such situation.
- (12) Litigation or non-litigation events: No such situation.
- (13) Other important risks and countermeasures: None.

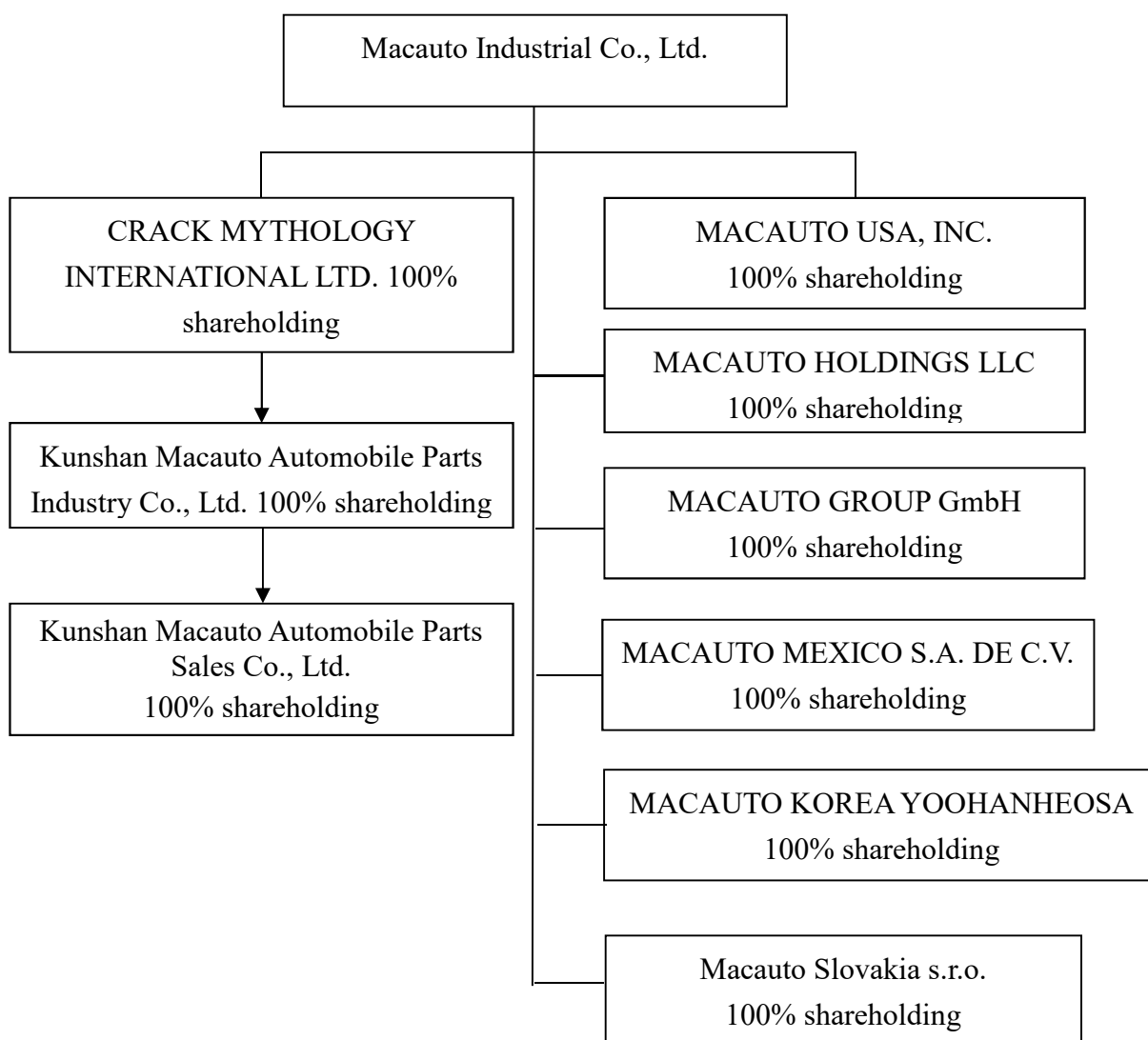
G. Other important matters: None.

VI. Special Disclosures

A. Related information of affiliated companies (as of December 31, 2024)

(1) Affiliated business merger report

1. Organization chart of affiliated companies



2. Basic information of each affiliated company

As of December 31, 2024

Unit: NT\$ thousand

Enterprise Name	Date of establishment	Address	Paid-in capital amount	Main business or production items
CRACK MYTHOLOGY INTERNATIONAL LTD.	2000.10.19	4 th Floor,LiWan Po House,12 Remy Ollier Street, Port Louis,Mauritius	USD 3,200	General investment
MACAUTO USA, INC.	2001.02.02	80, Excel Drive, Rochester, New York 14621, USA	USD 1,200	Automobile Sun Shade
MACAUTO HOLDINGS LLC	2003.04.25	5301 Limestone Road Suit 214 Wilmington Delaware USA	USD 230	General investment
Kunshan Macauto Automobile Parts Industry Co., Ltd.	2000.11.13	No. 9, Jinyang Middle Rd., Lujia, Kunshan, Jiangsu, China	USD 3,900	Automobile Sun Shade
Kunshan Macauto Automobile Parts Sales Co., Ltd.	2015.02.06	No. 9, Jinyang Middle Rd., Lujia, Kunshan, Jiangsu, China	RMB 10,000	Automobile Sun Shade and associated parts sales, etc.
MACAUTO GROUP GmbH	2007.02.27	Hauptstrasse 47, 42579 Heiligenhaus, Germany	EUR 2,350	Automobile Sun Shade
MACAUTO MEXICO S.A. DE C.V.	2015.03.02	Av. Industria en Telecomunicaciones # 103 B, Parque Industrial Stiva San José de Cementos, 37555 León, Gto., México	USD 20,050	Automobile Sun Shade
MACAUTO KOREA YOOHANHEOSA	2023.10.31	2803, U-Tower, 120, Heungdeokjungang-ro, Gigeung-gu, Yongin-si, Gyeonggi-do, 16950, Korea	KRW 100,000	Automobile Sun Shade
Macauto Slovakia s.r.o.	2024.03.14	Suché mýto 7045/1 Bratislava - mestská časť Staré Mesto 811 03	EUR 105,000	Automobile Sun Shade

3.Information of the same shareholders who are presumed to have holdings and affiliation: None.

4. The industries covered by the business of the overall related company

Businesses operated by the Company and the Company's affiliates include: auto parts manufacturing, sales, trade and investment holding, etc. Job divisions between affiliated companies are mainly in the manufacture and sale of Automobile Sun Shade. Through the production and sales of production bases in various regions, we can serve these markets and nearby customers to reduce costs and create an optimal performance for the Company.

5. Names and shareholding information of directors, supervisors, and presidents of affiliated companies

As of December 31, 2024

Enterprise Name	Job Title	Name or representative	Shares held	
			Investment amount (NT\$ thousand)	Shareholding ratio/investment ratio
CRACK MYTHOLOGY INTERNATIONAL LTD.	Chairman	Macauto Industrial Co., Ltd. Representative: Lin, Yung-Ching	USD 3,200	100%
MACAUTO USA, INC.	Chairman	Macauto Industrial Co., Ltd. Representative: Lin Chou, Yu-Shan	USD 1,200	100%
MACAUTO HOLDINGS LLC	Chairman	Macauto Industrial Co., Ltd. Representative: Lin, Yung-Ching	USD 230	100%
Kunshan Macauto Automobile Parts Industry Co., Ltd.	Chairman	CRACK MYTHOLOGY INTERNATIONAL LTD. Representative: Lin Chou, Yu-Shan	USD 3,900	100%
Kunshan Macauto Automobile Parts Sales Co., Ltd.	Chairman	Kunshan Macauto Automobile Parts Industry Co., Ltd. Representative: Lin Chou, Yu-Shan	RMB 10,000	100%
MACAUTO GROUP GmbH	Chairman	Macauto Industrial Co., Ltd. Representative: Lin Chou, Yu-Shan	EUR 2,350	100%
MACAUTO MEXICO S.A. DE C.V.	Chairman	Macauto Industrial Co., Ltd. Representative: Lin Chou, Yu-Shan	USD 20,050	100%
MACAUTO KOREA YOOHANHEOSA	Chairman	Macauto Industrial Co., Ltd. Representative: Lin Chou, Yu-Shan	KRW 100,000	100%
Macauto Slovakia s.r.o.	Chairman	Macauto Industrial Co., Ltd. Representative: Lin Chou, Yu-Shan	EUR 105,000	100%

6. Summarized Operation Results Of Affiliated Enterprises

As of December 31, 2024

Unit: NT\$ Thousand

Company Name	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Operating Revenue	Operating Income	Net Income (After Tax)	Earnings Per Share (EPS) (After Tax)
CRACK MYTHOLOGY INTERNATIONAL LTD	104,912	1,518,592	-	1,518,592	-	-	137,667	43.02
MACAUTO MEXICO S.A. DE C.V.	657,339	1,232,323	806,271	426,052	1,257,347	-1,345	-61,166	NA
MACAUTO USA, INC.	39,342	256,206	110,409	145,797	428,856	5,605	4,650	1.16
MACAUTO GROUP GmbH	80,229	90,786	5,784	85,002	-	-45,766	2,633	NA
MACAUTO KOREA YOOHANHEOSA	2,250	8,434	5,007	3,427	-	-20,623	1,112	11.12
Macauto Slovakia s. r. o.	3,585	3,198	-	3,198	-	-394	-393	NA
MACAUTO HOLDING LLC	7,556	-	-	-	-	-	-	-
Kunshan Macauto Automobile Parts Industry Co., Ltd.	127,862	2,191,687	673,118	1,518,569	1,983,799	105,047	137,666	NA
Kunshan Macauto Automobile Parts Sales Co.,Ltd	44,780	165,309	75,679	89,630	235,091	4,918	8,267	NA

Note: For amounts in foreign currencies, they have been converted into New Taiwan Dollars based on the exchange rates on the financial reporting date.

(2) Consolidated financial statements of related companies:

Macauto Industrial Co., Ltd.

REPRESENTATION LETTER

The entities that are required to be included in the consolidated financial statements of Macauto Industrial Co., Ltd. as of and for the year ended December 31, 2024, under the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, "Consolidated Financial Statements." In addition, the information required to be disclosed in the consolidated financial statements is included in the consolidated financial statements. Consequently, Macauto Industrial Co., Ltd. and Subsidiaries do not prepare a separate set of consolidated financial statements.

Very truly yours,

Company name: Macauto Industrial Co., Ltd.

Responsible person: Lin Chou, Yu-Shan

March 7, 2025

(3) Affiliated Report: None.

B. Handling of privately placed securities in the most recent year and up to the date of publication of the annual report: No such situation.

C. Other necessary supplementary explanations: None.

VII. In the most recent year and up to the printing date of the annual report, if there is any occurrence of matters that have a significant impact on shareholders' equity or securities prices as specified in Article 36 Paragraph 3, Item 2 of the Securities and Exchange Act: No such situation.

Macauto Industrial Co., Ltd.

Chairman : Lin Chou, Yu-Shan