Stock Code：5272

AMICCOM Electronics Corporation

2024 Annual Report

Notice to readers

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.

Annual Report is available at:
Observation Post System http:/mops.twse.com.tw
The Company's Web http://www.amiccom.com.tw
Published on Apr 25, 2025

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Name: Yuanfu Securities Co., Ltd. Stock Agency Department
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4. Independent Auditor Accounting Firm

Auditors: Yong-Ming, Chiu, Mei-Chen, Tsai
Name: Deloitte & Touche Accounting Firm
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5. Overseas Securities Exchange：None

6. Corporate Website

http://www.amiccom.com.tw

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I. Letter to Shareholders

Dear shareholders:

I, on behalf of all the employees of AMICCOM Electronics Corporation, would like to express our gratitude to all shareholders for your care and support to the company in the last year. I would like to present you a summary of the 2024 business results and the 2025 business plan.

I. The 2024 Business Report:

(I) Business results:

The company's net operating income in 2024 was NT$332 million, a decrease of 0.52% from the NT$334 million in 2023. The net loss in 2024 was NT$5.1 million, a decrease of 83.6% from the net loss of NT$31.1 million in 2023. The net loss per share was NT$0.09 in 2024.

(II) Financial income and expenditure and profitability analysis:

1. Financial income and expenditure:

Net cash generated from operating activities	NT$3,540 thousand
Net cash used in investing activities	NT$3,158 thousand
Net cash used in financing activities	NT$12,707 thousand
Net decrease in cash and cash equivalents	NT$11,116 thousand
Cash and cash equivalents, end of year	NT$74,635 thousand

2. Profitability analysis: Please refer to the company's financial statements for the 2024 financial overview.

(III) Research and development status: The company's R&D expenses amounted to NT$140 million in 2024, the increase of 5.45% from the NT$132 million in 2023. The important R&D results are as follows:

1. Sub-1GHz RF Chip A9146M4(SoC) Successfully Passes Wi-SUN FAN v1.0 (Router) and (Border Router) Certification.
2. Released Low Current Sub-1GHz Wireless Transceiver SoC A9139M0.
3. Launched Next-Generation Low-Power Sub-1GHz Wireless SoC A9136M4 with Full Wi-SUN Protocol Support.
4. Sub-1GHz RF Chip A9136M4 Wins 2024 EE Awards Asia - Best RF/Wireless IC of the Year -「Most Promising Product」.

II. Summary of business plan for this year (2025):

The company plans to invest NT$154 million in research and development to continue promoting innovative research and development of core product lines:

1. 2.4GHz product line:
   Develop the RF chip A7197 with data rate of 8Mbps.
   Foundry transfer for 500kbps RF chip A7105.
2. Sub-1GHz product line:
   Develop low power RF transmitter chip A7309.
   Develop the RF SoC chip A9629 with low-frequency wake-up function.
   Develop new generation Sub-1GHz high data rate RF chip A7138.
3. 5.8GHz product line: Develop 5.8GHz SoC chip A6133M4.
4. Standard product line:
   Develop dual-core Bluetooth low energy SoC chip A3127M4.
   Develop Bluetooth low energy 5.4 SoC chip A3137M0.

Develop new generation Wi-SUN RF chips A7156.

Develop Wi-SUN SoC chip A9146M4.

5. Audio/Voice product line:

   Develop new generation Sub-1GHz Voice SoC A9103.

III. Future development strategy:

In prospect, the company is committed to the innovation and research and development of the products, focusing on improving the cost-performance ratio of each product, improving personnel efficiency, and maintaining industrial competitiveness. Also, the company provides overall design solutions for promising products to shorten customers' mass production schedule so to contribute to the company's revenue and profits.

IV. The impact of external environment competition, regulatory environment, and macro-operating environment:

(I) External environment competition

The company while facing the competition from European and American chip design companies, will continue to improve sales performance and maintain the company's competitiveness in the industry with the rapid research and development as usual and good customer support. The company has begun to face competition from the chip design companies in China in recent years; therefore, the company strives to counteract such challenge by improving the cost-performance ratio of existing products, providing overall design solutions, and actively expanding overseas markets to reduce the percentage of sales from the Chinese market and generate greater benefits for shareholders.

(II) Regulatory environment

The company's products and quality systems have complied with the requirements of domestic and international laws and regulations, which has a positive effect on the company's business operations. The company has promoted a sustainable development system since the year of 2022, regularly reviews the company's risk management strategies and measures, and has implemented ESG systematically, moved towards stable corporate governance, a friendly environment and sustainable talent development, and made adjustments at any time in response to laws, regulations, and actual practices in order to generate the maximum value of the company.

(III) Impact on the macro business environment

The company, in addition to improving the competitiveness of existing products, also strives to accelerate the variety of product lines and diversification of applications, and develops customer base actively to ease the impact of fierce competition in the macro environment.

The company will adhere to the principles of sound and pragmatic operations to seek the best interests for shareholders through effective operations management. At the last, I would like to thank all shareholders, ladies and gentlemen, for your long-term care and support to AMICCOM Electronics Corporation, and wish you all good health and all the best.

Chairman: San Tan, Tzeng

II. Corporate Governance Report

2.1 Directors, Supervisors and Management Team

2.1.1 Directors

2.1.1.1 Directors' Information

As of April 25,2025

Title	Nationality/Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	San Tan, Tzeng	Male 61~70	6/7/2023	3	9/15/2005	1,460,967	2.59	1,523,967	2.76	113,391	0.21	737,011	1.33	Master's Degree in Electrical Engineering from National Taiwan University. Senior Director of Wireless Products Department at AMIC Electronics Co., Ltd.	Chairman and CEO of the company. Responsible Person of Lanyun Investment Co., Ltd. Representative of director of Top Taiwan IX Venture Capital Co., Ltd.	-	-	-	1
Director	R.O.C.	Top Taiwan XII Venture Capital Co., Ltd.		6/7/2023	3	6/10/2010	1,146,000	2.03	1,350,000	2.44	-	-	-	-	-	Directors of Ampire Co., Ltd/ Yun yun AI Baby camera Co., Ltd/ Han-Win Technology Co., Ltd/ Zhen Yu Hardware Co., Ltd/ Arce Therapeutics, Inc.	-	-	-	-
	R.O.C.	Representative: Andy Chiu	Male 51~60	6/7/2023		6/11/2014	-	-	-	-	-	-	-	-	Master's Degree in Institute of Business Administration from National Chengchi University.	Chairman and General Manager of Top Taiwan Venture Capital Co., Ltd./ Top Taiwan VIII Venture Capital Co., Ltd./ Top Taiwan IX Venture Capital Co., Ltd./ Top Taiwan X Venture Capital Co., Ltd./ Top Taiwan XII Venture Capital Co., Ltd./ Top Taiwan XI Venture Capital Co., Ltd./ Top Taiwan XIII Venture Capital Co., Ltd./ Top Taiwan XIV Venture Capital Co., Ltd./ Top Taiwan Financial Consulting Co., Ltd. Representative of Director of Dibao industry Co., Ltd. Director of Elan Microelectronics Corporation/ Avatack Co., Ltd. Chairman of Top Taiwan XV Co., Ltd. Chairman of Representative of the corporate director of Top Taiwan XV Venture Capital Limited Partnership	-	-	-	-
Director	R.O.C.	Taiheyi Investment Co., Ltd.		6/7/2023	3	6/8/2017	677,341	1.20	677,341	1.23	-	-	-	-	-	-	-	-	-	

Title	Nationality/Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
	R.O.C.	Representative: Ho-Chang, Tsai	Male 61~70	6/7/2023		6/25/2008	-	-	947,202	1.71	138,610	0.25	677,341	1.23	Department of Electrical Engineering from National Taiwan Ocean University. Senior Manager of Wireless Products Department at AMIC Electronics Co., Ltd.	Executive Vice President of the company Person in charge of Taihe Yi Investment Co., Ltd.				
Director	R.O.C.	Lanyun Investment Co., Ltd.		6/7/2023	3	6/8/2017	680,011	1.21	737,011	1.33	-	-	-	-	-	-	-	-	-	
	R.O.C.	Representative: Fang-Lih Lin	Male 51~60	6/7/2023		4/29/2021	-	-	331,968	0.60	150,987	0.27	-	-	PhD in Electrical Engineering from National Taiwan University. Project Manager of Wireless Products Department at AMIC Electronics Co., Ltd.	General Manager of the company				
Independent Director	R.O.C.	Hsu-Tong, Deng	Male 51~60	6/7/2023	3	4/12/2012	-	-	-	-	-	-	-	-	PhD in the Department of Business Administration from the University of Arcadia, Florida, USA.	Assistant Professor of the Department of Food and Beverage Management at Ching Wen University of Science and Technology. The conveners of Audit committee and the Salary and Remuneration Committee.	-	-	-	
Independent Director	R.O.C.	Yih-Lang, Lee	Male 51~60	6/7/2023	3	4/12/2012	-	-	-	-	-	-	-	-	PhD in the Department of Computer Science from National Tsing Hua University. Deputy Manager of Siyuan Technology.	Professor of the Department of Computer Science and Engineering at National Yang Ming Chiao Tung University.	-	-	-	
Independent Director	R.O.C.	Chih-Hao, Kao	Male 51~60	6/7/2023	3	10/17/2012	-	-	-	-	-	-	-	-	PhD in the Department of Radiochemistry from Johns Hopkins University, USA. Director of the Department of Nuclear Medicine and Pharmaceutical at Hualien Tzu Chi Hospital.Associate Professor in the Department of Neurology at the University of Southern California School of Medicine.	Director and CEO of Lieman Biotechnology Co., Ltd. Supervisor of Ernest Bioscientific Company	-	-	-	

Title	Nationality/Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	R.O.C.	Pei-Yu, Cheng	Male 51~60	6/7/2023	3	6/7/2023	-	-	-	-	-	-	-	-	Master in the Department of Engineering and Systems Science from National Tsing Hua University.	General Manager of Investment Dept II at Top Taiwan Venture Capital Co., Ltd. The Representatives of director of Viva Electronics Incorporated/ Major Power Technology Co., Ltd./ Raffar Technology Corp./ Racer Tech Co., Ltd./ Geckos Technology Corp. / Shang Wave Technology Electronics Co., Ltd and Motor Semiconductor Co., Ltd. Independent Director of Cystech Electronics Corp.	-	-	-	

Note: Due to intense market competition and the company's flat organizational structure, in order to enhance operational efficiency and decision-making speed, Mr. San Tan, Tzeng serves as both the Chairman and Executive President of the company. The company has increased the number of independent directors, ensuring that more than half of the board members do not hold positions as company employees or managers to achieve effective corporate governance.

2.1.1.2 Major shareholders of the institutional shareholders

As of March 10,2025

Name of Institutional Shareholders	Major Shareholders	Share %
Taiheyi Investment Co., Ltd.	Ho-Chang, Tsai	75.40%
	Junyong, Tsai	6.15%
	Peihua, Tsai	6.15%
	Chenghua, Tsai	6.15%
	Yangsheng, Tsai	6.15%
Lanyun Investment Co., Ltd.	Santian, Tzeng	31.64%
	Xinyun, Tzeng	68.36%
Top Taiwan XII Venture Capital Co., Ltd.	Elan Microelectronics Corporation	18.52%
	Taiwan Fire & Marine Insurance Co., Ltd.	14.82%
	Sinbon Electronics Co., Ltd.	11.11%
	Farglory Life Insurance Co., Ltd.	11.11%
	Chicony Electronics Co., Ltd.	7.41%
	Chicony Power Technology Co., Ltd.	7.41%
	Cijing, Li	7.41%
	Ampire Co., Ltd.	7.41%
	Argosy Research Inc.	3.70%
	TaiMing Assurance Broker Co., Ltd.	3.70%

2.1.1.3 Major shareholders of the company's major institutional shareholders

As of March 10,2025

Name of Institutional Shareholders	Main shareholders of the legal entity	Share %
Elan Microelectronics Corporation	Elan Investment Co., Ltd.	4.09%
	HSBC (Taiwan) Commercial Bank Trustee Morgan Stanley International Limited	3.41%
	New Labor Retirement Fund	3.00%
	Yulong Investment Co., Ltd.	2.33%
	I-Hau, Yeh	2.06%
	Citibank (Taiwan) manages the Norwegian Central Bank's investment account	1.66%
	Chase Managed APG Emerging Markets Equity Mutual Fund Special Account	1.57%
	HSBC (Taiwan) Bank of China holds an investment account for Goldman Sachs International, a British company	1.45%
	Nanshan Life Insurance Co., Ltd.	1.43%
	JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	1.28%
Taiwan Fire & Marine Insurance Co., Ltd.	Bank of Taiwan Bank Co., Ltd.	17.84%
	Linghang Investment Development Co., Ltd	6.95%
	Yong Shin Development Co., Ltd.	6.67%
	Qiao Nong Investment Co., Ltd.	3.04%
	Taichung Commercial Bank Co., Ltd.	2.94%
	Linghang Construction Co., Ltd.	2.93%
	Land Bank of Taiwan Co., Ltd.	2.83%
	Jia De Investment Co., Ltd.	2.20%

Name of Institutional Shareholders	Main shareholders of the legal entity	Share %
	Taihong, Li	2.07%
	Tongsheng Development Co., Ltd.	1.91%
Sinbon Electronics Co., Ltd.	Fubon Life Insurance Co., Ltd.	4.74%
	Standard Chartered International Commercial Bank Business Department is entrusted with the custody of Small World Fund Company's investment account	4.20%
	Cathay Life Insurance Co.,Ltd.	3.77%
	Shaoxin, Wang	2.71%
	Citibank (Taiwan) is entrusted with the custody of the Norwegian Central Bank's external manager BlackRock Investment Management (Taiwan) investment account	2.10%
	Standard Chartered International Commercial Bank Business Department is entrusted with the custody of PineBridge Global Funds-PineBridge Asia excluding Japan Small Company Equity Fund	1.97%
	Nanshan Life Insurance Co., Ltd.	1.89%
	Taiyi Investment Co., Ltd.	1.75%
	Argosy Research Inc.	1.59%
	Standard Chartered International Commercial Bank's Operations Department is entrusted with the custody of the Swedbank Robert Technology Investment Special Account.	1.50%
Farglory Life Insurance Co., Ltd.	Xinyu Investment Co., Ltd.	19.00%
	Far East Construction Co., Ltd.	12.48%
	Foresight Investment Co., Ltd.	8.91%
	Tengxiong, Chao	8.49%
	Harvard International Investment Co., Ltd.	6.71%
	Rich International Investment Co., Ltd.	6.43%
	Farglory International Investment Co., Ltd.	6.43%
	Dongyuan Construction Engineering Co., Ltd.	5.63%
	Farglory Land Development Co., Ltd	2.55%
	Yuanlong Development Co., Ltd.	2.49%
Chicony Electronics Co., Ltd.	Kuntai, Xu	7.45%
	Yuan Da Taiwan High Dividend Fund Special Account	4.73%
	TaipeiFubon Commercial Bank Co., Ltd. is entrusted to keep the Fuhua Taiwan Technology High Interest ETF Securities Investment Trust Fund Special Account	4.23%
	Qunyi Taiwan Select High-yield ETF Fund Account	3.80%
	You Kang Electronics Co., Ltd.	2.58%
	Hua Nan Commercial Bank is entrusted to keep the special account of Uni-President Taiwan High-Interest Momentum ETF Securities Investment Trust Fund	2.37%
	Honghui Co., Ltd.	2.08%
	New Labor Pension Fund	1.79%
	JPMorgan Chase Bank, Taipei Branch is entrusted to keep the investment account of JP Morgan Securities Co., Ltd.	1.73%
	Efficient Electronics Co., Ltd.	1.68%
Chicony Power Technology Co., Ltd.	Chicony Electronics Co., Ltd.	51.80%
	Cijing, Li	6.11%

Name of Institutional Shareholders	Main shareholders of the legal entity	Share %
	Standard Chartered Bank is entrusted with the custody of PineBridge Global Funds	2.06%
	Yanli, Lin	1.98%
	Yi-Ching, Lin	1.98%
	Standard Chartered custodian of the Swede Bank Robert Global Fund	1.50%
	Taishin International Bank Trust Property Account-Yanli, Lin	1.25%
	Taishin International Bank Trust Property Account-Yi-Ching, Lin	1.25%
	Yuan Da Taiwan High Dividend Low Volatility ETF Fund Account	1.07%
	Dijia Investment Co., Ltd.	1.03%
Ampire Co., Ltd.	Amiccom Electronics Co., Ltd.	5.49%
	Ibase Technology Inc.	3.06%
	Hanjie, Su	2.96%
	STL Technology Co., Ltd.	2.84%
	Beiga Investment Co., Ltd.	2.53%
	Hua Nan Commercial Bank Co., Ltd.	2.45%
	Zhiyong, Chen	2.31%
	Weikuan Investment Development Co., Ltd.	2.28%
	Top Taiwan XII Venture Capital Co., Ltd.	1.69%
	Zhongxian, Li	1.11%
Argosy Research Inc.	Guanzhe Co., Ltd.	16.39%
	Chao-liang, Wang	6.42%
	Sinbon Electronics Co., Ltd.	3.37%
	Shuzhen, Chen	2.83%
	Tongyi Qianghan Fund Special Account	1.70%
	Cathay Dragon Fund Special Account	1.58%
	HSBC Bank (Taiwan) is entrusted to keep Morgan Stanley International Limited's investment account	1.45%
	Maoxiong, Lin	1.44%
	King's Town Bank Co., Ltd.	1.39%
	Taiwan Cooperative Bank of Taiwan is entrusted to keep the special account of the unified Pentium Fund	1.37%
TaiMing Assurance Broker Co., Ltd.	Taiwan Pilot Asset Investment Co., Ltd.	36.07%
	Hanjie, Li	7.40%
	Qingsong Interior Design Co., Ltd.	6.27%
	Taiwan Fire & Marine Insurance Co., Ltd.	5.08%
	Zhengzhi, Li	3.57%
	Zhenrou, Gao	3.02%
	Zhenhan,Gao	2.93%
	Tahara Yoshi	2.72%
	Yanglong, Gao	2.41%
	Xiuzhen, Lin	1.54%

2.1.1.4 Professional qualifications and independence analysis of directors and supervisors

Criteria / Name	Professional Qualification and Experience	Status of Independence	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
San Tan, Tzeng Chairman	Master's degree in Electrical Engineering from National Taiwan University, formerly served as Senior Director of the Wireless Products Department at AMIC Electronics Co., Ltd., and currently holds the position of Chairman and CEO of the company. With over thirty years of practical industry experience, possesses professional background in leadership decision-making and crisis management capabilities.	Not an independent director, therefore not applicable.	-
Top Taiwan XII Venture Capital Co., Ltd. Representative: Andy Chiu Director	Master's degree in Institute of Business Administration from National Chengchi University, serving as directors for many companies and publicly listed companies, with over thirty years of practical industry experience and a professional background in business management and financial analysis.		-
Taiheyi Investment Co., Ltd. Representative: Ho-Chang, Tsai Director	Bachelor in Department of Electrical Engineering from National Taiwan Ocean University, previously served as a senior manager in the Wireless Products Department at AMIC Electronics Co., Ltd., and is currently the executive vice president of the company. With over thirty years of practical industry experience, possesses professional expertise in leadership decision-making and crisis management.		-
Lanyun Investment Co., Ltd. Representative: Fang-Lih, Lin Director	PhD in Electrical Engineering from National Taiwan University, former project manager at AMIC Electronics Co., Ltd. in the Wireless Products Department , and currently holds the position of General Manager of the company, possessing industry expertise and practical experience.		-
Hsu-Tong, Deng Independent Director	PhD in the Department of Business Administration from the University of Arcadia, Florida, USA. Assistant Professor of the Department of Food and Beverage Management at Jinwen University of Science and Technology. He is the conveners and chairpersons of the company's Audit Committee and Compensation Committee, with a professional background in accounting and finance.	All directors meet the following conditions: 1. Whether the independent director, their spouse, or relatives within the second degree of kinship serve as directors, supervisors, or employees of the company or its affiliated enterprises: None. 2. The number and proportion of shares held by the independent director, their spouse, and relatives within the second degree of kinship (or using someone else's name): None. 3. Do independent directors serve as directors, supervisors, or employees of companies that have specific relationships with this company (refer to Article 3, Item 1, Subitems 5-8 of the Regulations on the Establishment and Compliance Matters of Independent Directors for Publicly Listed Companies): No. 4. The amount of compensation received for providing business, legal, financial, accounting, and other services to the company or its affiliated enterprises in the past two years: None.	-
Yih-Lang, Li Independent Director	PhD in the Department of Computer Science from National Tsing Hua University, former deputy manager at Siyuan Technology Co., Ltd., and currently a professor in the Department of Computer Science and Engineering at National Yang Ming Chiao Tung University, with industry expertise and practical experience.		-
Chih-Hao, Kao Independent Director	PhD in the Department of Radiochemistry from Johns Hopkins University, USA, former consultant for the Nuclear Medicine Department at Tzu Chi Hospital and Associate Professor in the Department of Neurology at the University of Southern California. Currently, he is the Director and CEO of Lehman BioTech Co., Ltd., possessing industry expertise and practical experience.		-
Pei-Yu, Cheng Independent Director	Master's Degree in the Department of Engineering and Systems Science from National Tsing Hua University, serving as directors for many companies and publicly listed companies, with industry expertise and practical experience.		1

2.1.1.5 Board Diversity and Independence

(1) Board Diversity: The company's " Corporate Governance Best Practice Principles " has established a diversity policy regarding the composition of the board of directors, which should include but is not limited to the following two major aspects:

1. Basic conditions and values: gender, age, nationality, and culture, etc.
2. Professional Knowledge and Skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience, etc.

Board members should generally possess the knowledge, skills, and competencies necessary to perform their duties. To achieve the ideal goals of corporate governance, the overall capabilities that the board should possess are as follows:

1. Operational judgment ability.
2. Accounting and financial analysis skills.
3. Management and operational capabilities.
4. Crisis management ability.
5. Industry knowledge.
6. International Market Perspective.
7. Leadership ability.
8. Decision-making ability.

The current board members possess relevant experience in the IC design industry, business management, healthcare, and necessary business experience, which allows them to provide appropriate advice on the company's operational strategies and direction. Those with experience in finance and accounting, as well as corporate governance, can offer suitable recommendations regarding the company's operational strategies, direction, and governance. Independent directors fulfill their responsibilities diligently, actively participate in meeting discussions, and express their opinions and provide valuable suggestions on board proposals in a timely manner.

(2) Independence of the Board of Directors: The company has appointed four independent directors, which constitutes more than one-third of the total board members. All board members possess extensive industry experience and professional educational backgrounds, and they maintain independence, in compliance with the regulations regarding independent directors set forth by the Financial Supervisory Commission's Securities and Futures Bureau. Additionally, there are no circumstances that fall under the provisions of Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act, and there are no spousal or close relative relationships among the directors within the second degree of kinship.

2.1.2 Management Team

As of April 25, 2025

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
CEO	R.O.C.	San Tan, Tzeng	Male 61~70	11/01/2005	1,523,967	2.76	113,391	0.21	737,011	1.33	Master's Degree in Electrical Engineering from National Taiwan University. Senior Director of Wireless Products Department at AMIC Electronics Co., Ltd.	Chairman of Lanyun Investment Co., Ltd. The Representative of Director of Top Taiwan XI Venture Capital Co., Ltd.	-	-	-	Note
President	R.O.C	Fang-Lih, Lin	Male 51~60	11/01/2005	331,968	0.60	150,987	0.27	-	-	PhD in Electrical Engineering from National Taiwan University. Project Manager of Wireless Products Department at AMIC Electronics Co., Ltd.	The Representative of Lanyun Investment Co., Ltd.	-	-	-	
Executive Vice President	R.O.C	Ho-Chang, Tsai	Male 61~70	11/01/2005	947,202	1.71	138,610	0.25	677,341	1.23	Bachelor 's Degree in Electrical Engineering from National Taiwan Ocean University. Senior Manager of Wireless Products Department at AMIC Electronics Co., Ltd.	Chairman of Taiheyi Investment Co., Ltd.	-	-	-	
R&D Vice President	R.O.C	De-Zhi, Chang	Male 51~60	11/01/2005	680,077	1.23	145,314	0.26	-	-	Master's Degree in Electrical Engineering from National Taiwan University. Senior Manager of Wireless Products Department at AMIC Electronics Co., Ltd.	-	-	-	-	
R&D Vice President	R.O.C	Zhi-Hong, Zheng	Male 51~60	11/01/2005	508,997	0.92	-	-	-	-	Master's Degree in Electrical Engineering from National Taiwan University. Senior Manager of Wireless Products Department at AMIC Electronics Co., Ltd.	-	-	-	-	
Financial Deparment Senior Manager	R.O.C	Jessica Kan	Female 51~60	11/01/2005	142,087	0.26	293	-	-	-	Bachelor 's Degree of Department of Accounting from Feng Chia University. Senior Manager of Financial Department at AMIC Electronics Co., Ltd.	-	-	-	-	
Audit Project Manager	R.O.C	Ray Yang	Male 51~60	08/02/2010	251	0.00	-	-	-	-	Bachelor 's Degree of Department of Accounting from National Chengchi University. Audit Deputy Manager at CX Technology Corp.	-	-	-	-	

Note: Due to intense market competition and the company's flat organizational structure, in order to enhance operational efficiency and decision-making speed, Mr. San Tan, Tzeng serves as both the Chairman and CEO. The company has increased the number of independent director positions, ensuring that more than half of the directors are not concurrently serving as company employees or managers to achieve effective corporate governance.

2.2 Remuneration of Directors, President, and Vice Presidents of the Preceding Year (2024)

2.2.1 Remuneration of Directors

As of 4/25/2025 Unit: NT$ thousands

Title / Name	Remuneration								Amount and Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Amount and Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration Paid to Directors from Non-consolidated Affiliates or Parent Company
	Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D) (Note)				Salary, Bonuses, and Allowances (E) (Note 5)		Severance Pay (F)		Employee Compensation (G) (Note 6)						
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
															Cash	Stock	Cash	Stock			
Chaireman San Tan, Tzeng	264	-	-	-	-	-	30	-	294/(5.77%)	-	7,375	-	-	-	-	-	-	-	7,669/(150.40%)	-	-
Direct Top Taiwan XII Venture Capital Co., Ltd.	264	-	-	-	-	-	-	-	264/(5.18%)	-	-	-	-	-	-	-	-	-	264/(5.18%)	-	-
Representative: Andy Chiu	-	-	-	-	-	-	30	-	30/(0.59%)	-	-	-	-	-	-	-	-	-	30/(0.59%)	-	-
Direct Taiheyi Investment Co, Ltd.	264	-	-	-	-	-	-	-	264/(5.18%)	-	-	-	-	-	-	-	-	-	264/(5.18%)	-	-
Representative: Ho-Chang, Tsai	-	-	-	-	-	-	30	-	30/(0.59%)	-	4,226	-	-	-	-	-	-	-	4,256/(83.47%)	-	-
Direct Lanyun Investment Co, Ltd.	264	-	-	-	-	-	-	-	264/(5.18%)	-	-	-	-	-	-	-	-	-	264/(5.18%)	-	-
Representative: Fang-Lih, Lin	-	-	-	-	-	-	30	-	30/(0.59%)	-	3,946	-	-	-	-	-	-	-	3,976/(77.98%)	-	-
Independent Director Hsu-Tong, Deng	600	-	-	-	-	-	30	-	630/(12.36%)	-	-	-	-	-	-	-	-	-	630/(12.36%)	-	-
Independent Director Yih-Lang, Li	600	-	-	-	-	-	30	-	630/(12.36%)	-	-	-	-	-	-	-	-	-	630/(12.36%)	-	-
Independent Director Chih-Hao, Kao	600	-	-	-	-	-	30	-	630/(12.36%)	-	-	-	-	-	-	-	-	-	630/(12.36%)	-	-
Independent Director Pei-Yu, Cheng	600	-	-	-	-	-	20	-	630/(12.36%)	-	-	-	-	-	-	-	-	-	630/(12.36%)	-	-

1.Please state the policy, system, standard and structure of remuneration payment for independent directors, and state the correlation between remuneration payment and responsibilities, risks, investment time and other factors:

Independent directors receive a fixed monthly remuneration, which is not distributed. The monthly fixed remuneration is reviewed annually by the Remuneration Committee based on industry standards. If there are any changes recommended, they will be submitted to the Board of Directors for resolution.

2.In addition to the above remuneration, director remuneration shall be disclosed as follows when received from companies included in the consolidated financial statements and reinvestment companiess in the most recent year to compensate directors for their services, such as being independent contractors: None.

Note: Business execution expenses (D): refers to travel expenses.

2.2.2 Remuneration of the President and Vice Presidents

As of 4/25/2025 Unit: NT$ thousands

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Amount and Ratio of Total Compensation (A+B+C+D)to Net Income (%)		Remuneration Paid to Directors from Non-consolidated Affiliates or Parent Company
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
CEO	San Tan, Tzeng	6,394	-	-	-	981	-	-	-	-	-	7,375/(144.64%)	-	-
President	Fang-Lih, Lin	3,206	-	-	-	740	-	-	-	-	-	3,946/(77.39%)	-	-
Executive Vice President	Ho-Chang, Tsai	3,661	-	-	-	565	-	-	-	-	-	4,226/(82.88%)	-	-
Vice R&D President	De Zhi, Chang	3,237	-	-	-	495	-	-	-	-	-	3,732/(73.19%)	-	-
Vice R&D President	Zhi-Hong, Zheng	3,251	-	-	-	504	-	-	-	-	-	3,755/(73.64%)	-	-

2.2.3 Managerial officers with the top five highest remuneration amounts

As of 4/25/2025 Unit: NT$ thousands

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Amount and Ratio of Total Compensation (A+B+C+D)to Net Income (%)		Remuneration Paid to Directors from Non-consolidated Affiliates or Parent Company
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
CEO	San Tan, Tzeng	6,394	-	-	-	981	-	-	-	-	-	7,375/(144.64%)	-	-
President	Fang-Lih, Lin	3,206	-	-	-	740	-	-	-	-	-	3,946/(77.39%)	-	-
Vice Presidents	Ho-Chang, Tsai	3,661	-	-	-	565	-	-	-	-	-	4,226/(82.88%)	-	-
Vice Presidents	De Zhi, Chang	3,237	-	-	-	495	-	-	-	-	-	3,732/(73.19%)	-	-
Vice Presidents	Zhi-Hong, Zheng	3,251	-	-	-	504	-	-	-	-	-	3,755/(73.64%)	-	-

2.2.4 Names of the managers responsible for distributing employee compensation and the distribution situation: The company did not make a profit in the fiscal year 2024, therefore no employee compensation or director compensation will be distributed.

2.2.5 Compare and explain the analysis of the total remuneration paid to the company's directors, CEO, President and Vice President by this company and all companies in the consolidated financial statements over the recent fiscal years, in relation to the proportion of total remuneration to after-tax net profit. Additionally, explain the policies, standards, and composition for remuneration, the procedures for determining remuneration, and the correlation with business performance and future risks.

(1) Analysis Table of Total Compensation as a Percentage of After-Tax Net Profit (Net Loss)

Year / Title	2024	2023
Directors	(72.52%)	(11.04%)
CEO、President and Vice President	(451.74%)	(70.28%)
Total	(524.26%)	(81.32%)

(2) The policy, standards, and composition of remuneration, the procedures for determining remuneration, and their relationship with operational performance and future risks:

The company's policy, standards, and composition for the remuneration of directors, as well as the procedures for determining remuneration and their relationship with operational performance, are executed in accordance with the company's articles of association and the resolutions of the shareholders' meeting. For the general manager and deputy general manager, it is executed based on the company's compensation committee, board meetings, and relevant salary regulations. The company distinguishes the remuneration of directors and managers into regular salaries and bonuses; the amount of salary is determined based on the responsibilities of each position and their educational and professional background, while also considering the salary levels of peers in the industry. As for bonuses, they can only be distributed if the company has made a profit in the current year and after being approved by the board of directors. The company does not blindly pursue high-risk operational performance; financial operations are based on conservative and prudent principles, and the company does not engage in high-risk, high-leverage investments. Therefore, the remuneration is linked to the company's operational performance and future risks.

2.3 Implementation of Corporate Governance

2.3.1 Board of Directors

The company's board of directors held a total of 6 meetings in the year 2024(A), with the attendance of directors as follows.

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%)【B/A】	Remarks
Chairman	San Tan, Tzeng	6	0	100	-
Directors	Top Taiwan XII Venture Capital Co., Ltd., Representative：Andy Chiu	6	0	100	-
Director	Taiheyi Investment Co., Ltd., Representative：Ho-Chang, Tsai	6	0	100	-
Director	Lanyun Investment Co., Ltd., Representative：Fang-Lih, Lin	6	0	100	-
Independent Director	Hsu-Tong, Deng	6	0	100	-
Independent Director	Yih-Lang, Li	6	0	100	-
Independent Director	Chih-Hao, Kao	6	0	100	-
Independent Director	Pei-Yu, Cheng	6	0	100	-

Other matters to be recorded:

1. If any of the following situations occur in the operation of the board of directors, the date of the board meeting, the session, the content of the proposal, the opinions of all independent directors, and the company's handling of the independent directors' opinions should be clearly stated.
   (1) Matters listed in Article 14-3 of the Securities and Exchange Act: The company has established an audit committee, and do not apply the provisions of Article 14-3 of the Securities and Exchange Act. For relevant information, please refer to pages 18~23 of this annual report regarding the operation of the audit committee.
   (2) Aside from the aforementioned matters, there are no board meeting resolutions that were opposed or had reservations from independent directors, with records or written statements: None.
2. The execution of the board members' recusal from matters involving conflicts of interest should specify the names of the directors, the content of the proposal, the reasons for the required recusal, and the circumstances of their participation in the voting:

   The 6th board meeting of the 7th Session on Feb 27, 2024

1. The proposed amendment to the company's "Compensation Guidelines for Directors and Managers": Hsu-Tong, Deng, the audit committee convener acted as the chairman. San-Tan Tzeng, Ho-Chang, Tsai, the representative of Taiheyi Investment Co., Ltd., and Fang-Lih Lin, the representative of Lanyun Investment Co., Ltd., the directors with a conflict of interest had already recused themselves from the discussion and voting, and had left the meeting to avoid any conflict, and acting chairman has consulted with other attending directors to obtain their consent for the proposal to be passed.
2. The proposed to release the prohibition on directors from participation in competitive business: Directors with a conflict of interest had already left the meeting to avoid any conflict and a vote was taken individually. The chairman has consulted with other attending directors to obtain their consent for the proposal to be passed which will be submitted for discussion at 2024 shareholders' meeting.

<u>The 8th board meeting of the 7th Session on July 31, 2024</u>

The proposals for the company's personnel appointment of general manager, for release the prohibition on President and the managers' salary adjustment: Fang-Lih Lin, the representative of Lanyun Investment Co., Ltd., concurrently serves as the President of the company. In accordance with the law, he has recused himself from the discussion and voting and has left the meeting. The chairman consulted with the other attending directors, and all agreed to approve the proposal.

<u>The 11th board meeting of the 7th Session on Dec 25, 2024</u>

The proposal for the Top Taiwan XV Fund：Andy Chiu, the representative of Top Taiwan XII Venture Capital Co., Ltd, and the independent director Pei-Yu Cheng, due to avoidance of interests, they have recused themselves from the discussion and voting and have left the meeting. The chairman consulted with the other attending directors, and all agreed to approve the proposal.

3. Listed companies should disclose information regarding the evaluation cycle and period of the board of directors' self (or peer) assessment, the scope, methods, and content of the assessment, as well as fill in the execution status of the board evaluation.

Evaluation Cycle	Evaluation Period	Scope of evaluation	Evaluation Method	Evaluation Items
Once a year.	Evaluate the performance of the board of directors from January 1, 2024, to December 31, 2024.	Overall board of directors and functional committees, as well as individual board members.	Board self-assessment, functional committee self-assessment, and individual	1. Board Performance Evaluation: (1) The level of participation in the company's operations. (2) Improve the quality of board decision-making. (3) Composition and Structure of the Board of Directors. (4) Appointment of directors and ongoing education.

			director self-assessment.	(5) Internal Control. 2. Performance Evaluation of Board Members: (1) Understanding the company's goals and mission. (2) Understanding of Board Responsibilities. (3) Level of participation in company operations. (4) Internal relationship management and communication. (5) The professionalism and continuing education of directors. (6) Internal Control. 3. Performance Evaluation of Functional Committees: (1) The level of participation in the company's operations. (2) Awareness of the responsibilities of functional committees. (3) Enhance the quality of decision-making in functional committees. (4) Composition of Functional Committees and Selection of Members. (5) Internal Control.

4. Goals for strengthening the functions of the board of directors in the current and recent years (such as establishing an audit committee, enhancing information transparency, etc.) and evaluation of implementation:

(1) Strengthen corporate governance

i. The company has established the " Rules of Procedure for Board of Directors Meetings " in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" and conducts the functions of the board in accordance with relevant regulations.

ii. The company established an audit committee on June 10, 2020, to strengthen the internal control mechanisms.

iii. Independent directors maintain close communication with accountants and auditors.

(2) Enhance Information Transparency

The company's financial information, significant resolutions, and other information have been published in accordance with regulations on MOPS. The company's website has dedicated sections for "Investor Relations" and "Stakeholders Concerns" which disclose informations related to finance, business, and corporate governance, allowing the investing public to access information in a timely manner.

(3) Evaluation of Implementation Status

In reference to the "Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies", the company has established its own "Corporate Governance Best Practice Principles" and approved the " Rules for Performance Evaluation of Board of Directors and Functional Committees ". This aims to implement corporate governance, assist the members of Directors and functional committees in understanding their performance, and enhance their operational efficiency.

Use performance evaluation as a reference for performance, remuneration and nomination for renewal of individual directors and functional committee members.

2.3.2 Audit Committee

1. The company's Audit Committee held a total of 5 meetings in the year 2024(A), with the attendance of directors as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%)【B/A】	Remarks
Independent Director/ Convener	Hsu-Tong, Deng	5	0	100	-
Independent Director	Yih-Lang, Li	5	0	100	-
Independent Director	Chih-Hao, Kao	5	0	100	-
Independent Director	Pei-Yu, Cheng	5	0	100	-

Other mentionable items:

1. If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, Independent Directors' dissenting or qualified opinions, or content of major suggestions, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinionshould be specified:

(1) Matters referred to in Article 14-5 of the Securities and Exchange Act:

Meeting Date sessions	Contents of motion	Resolution Result
The 4th Audit Committee of the Second Session 2.27.2024	1. Approved the company's 2023 business report. 2. Approved the company's 2023 financial report. 3. Approved the company's 2023 deficit compensation statement. 4. Approved the company's report on the results of the self-assessment of the internal control system for the year 2023, requesting the board of directors to evaluate the effectiveness of the internal control system for the year 2023 in order to discuss and issue the "Internal Control System Declaration" document. 5. Approved the company's proposal to release the prohibition on directors from participation in competitive business. 6. Approved the company's 2024 assessment of the independence and performance of the CPA appointed by the Company. 7. Approved the company's 2024 professional fees for CPA.	Resolution Result: Cases 1~4 and 6~7 were approved as proposed after the chairman consulted all attending committee members, and submitted to the board of directors for discussion and approval. Case 5：The independent director with a conflict of interest has recused himself from the discussion and voting and has left the meeting. The chairman consulted with the other attending audit committee members, and all agreed to approve the proposal. These cases were submitted to the board of directors for discussion and approval.
The 6th Audit Committee of the Second Session 7.31.2024	1. Approved the company's 2024 second quarter financial report. 2. Approved the proposed amendments of the company's "Organizational Rules of Audit Committee". 3. Approved the company's proposal for the personnel appointment of general manager. 4. Approved the company's proposal for release the prohibition on general manager Fang-Lih Lin from participation in competitive business. 5. Approved the amendment to the company's "Approval Authority Table".	These cases were approved as proposed after the chairman consulted all attending committee members, and submitted to the board of directors for discussion and approval.
The 7th Audit Committee of the Second Session 11.6.2024	1. Approved the company's 2024 third quarter financial report. 2. Approved the proposed amendments of the company's "Rules of Procedure for Acquisition or Disposal of Assets". 3. Approved the company's application for a financing limit from Changhua Bank for the year 2025.	These cases were approved as proposed after the chairman consulted all attending committee members, and submitted to the board of directors for discussion and approval.

The 8th Audit Committee of the Second Session 12.25.2024	1.Approved the company's budget for the year 2025. 2.Approved the content of the company's audit plan for the year 2025. 3.Approved the amendment to the company's internal control system and internal audit system. 4.Approved to the company's investing in Top Taiwan XV Venture Capital LP (hereinafter referred to as Top Taiwan XV Fund). 5.Approved to the company allocates working capital to the Japanese branch of the company (hereinafter referred to as the Japanese branch).	Cases 1~3 and 5 were approved as proposed after the chairman consulted all attending committee members, and submitted to the board of directors for discussion and approval. Case 4： The independent director with a conflict of interest has recused himself from the discussion and voting and has left the meeting. The chairman consulted with the other attending audit committee members, and all agreed to approve the proposal. These cases were submitted to the board of directors for discussion and approval.

(2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.

2.The execution of independent director recusal from matters involving conflicts of interest should specify the names of the independent directors, the content of the proposal, the reasons for the required recusal, and the circumstances of their participation in the voting:

<u>The 4th Audit Committee of the Second Session 2.27.2024</u>

Approved the company's proposal to release the prohibition on directors from participation in competitive business.：The independent director with a conflict of interest has recused himself from the discussion and voting and has left the meeting. The chairman consulted with the other attending audit committee members, and all agreed to approve the proposal. These cases were submitted to the board of directors for discussion and approval.

<u>The 8th Audit Committee of the Second Session 12.25.2024</u>

Approved to the company's investing in Top Taiwan XV Venture Capital LP (hereinafter referred to as Top Taiwan XV Fund)：The independent director Pei-Yu Cheng, due to avoidance of interests, he has recused himself from the discussion and voting and has left the meeting. The chairman consulted with the other attending audit committee members, and all agreed to approve the proposal.

3. The Communication Situation Between the Independent Directors and Internal Audit Officer and CPA (shall include the communicated material matters, style and result in terms of financial, business status of the company)

Meeting Date	Communication Summary	Matters suggested by independent directors	Company processing execution results
Feb 27, 2024	●The CPA has explained and communicated key audit matters regarding the financial statements for the year 2023, presented the audit results with an unqualified opinion on the financial report, expressed the independent auditor's declaration of independence, and engaged in routine discussions with management. ●The internal audit has submitted a report on the "Self-Assessment Results of the Internal Control System for the year 2023," requested the Audit Committee to evaluate the effectiveness of the internal control system for the year 2023. This has discussed and used to issue the "Internal Control System Declaration." ●The internal audit has reported and engaged in discussions with CPA and independent directors about the execution status of the audit business from December 2023 to January 2024.	No comments at this meeting	Not applicable
Apr 30, 2024	●The CPA has reported the review results with an unqualified conclusion of the financial statements for the 2024 first quarter, expressed the independent auditor's declaration of independence, and engaged in routine discussions with management. ●The CPA explained the relevant tax regulations for disaster losses caused by earthquakes. ●The internal audit has reported and engaged in discussions with CPA and independent directors about the execution status of the audit business from February to March 2024.	No comments at this meeting	Not applicable
July 31, 2024	●The CPA has reported on the review results with an unqualified conclusion of the financial statements for the 2024 second quarter, expressed the independent auditor's declaration of independence, and engaged in routine discussions with management. ●The CPA introduced the “Act for Development of Small and Medium Enterprises (Draft)”. ●The internal audit has reported and engaged in discussions with CPA and independent directors about the execution status of the audit business for the 2024 second quarter.	No comments at this meeting	Not applicable

Nov 6, 2024	●The CPA has reported on the review results with an unqualified conclusion of the financial statements for the 2024 third quarter, expressed the independent auditor's declaration of independence, and engaged in routine discussions with management. ●The CPA has explained the President announced the amendments to Article 14 of the "Securities and Exchange Act", some provisions of the "Act for Development of Small and Medium Enterprises" and some provisions of the "Statute for Industrial Innovation". ●The internal audit has reported and engaged in discussions with CPA and independent directors about the execution status of the audit business for the 2024 third quarter.	No comments at this meeting	Not applicable
Dec 25, 2024	●The CPA has explained and communicated key audit matters regarding the financial statements for the year 2024, expressed the independent auditor's declaration of independence, and engaged in routine discussions with management. ●The internal audit has reported the content of the company's audit plan for the year 2025. ●The internal audit has reported and engaged in discussions with CPA and independent directors about the execution status of the audit business from October to November 2024.	No comments at this meeting	Not applicable

Explanation of the communication policy between independent directors, internal audit supervisors, and CPA:

Independent directors shall hold formal communication meetings with the internal audit supervisor and CPA at least four times a year (including more) to fully discuss the design and implementation of the company's internal control system, the formulation and execution of the internal audit plan, major inspection opinions from external audits, and issues related to the audit of financial statements. The content of these meetings shall be documented in meeting minutes and filed, and if necessary, reported to the board of directors. Additionally, meetings may be convened at any time in the event of significant irregularities.

4. Key Annual Work Focus and Operations of the Audit Committee:

(1) The Audit Committee operates in accordance with the organization's regulations of the company's Audit Committee, with key focus areas including:

1. Establish or amend internal control systems and assess the effectiveness of internal control systems in accordance with the provisions of Article 14-1 of the Securities and Exchange Act.

2. Establish or amend the handling procedures for significant financial business activities related to acquiring or disposing of assets, engaging in derivative transactions, lending funds to others, endorsing for others, or providing guarantees, as stipulated in Article 36-1 of the Securities and Exchange Act.
3. Matters involving the director's own interests.
4. Significant asset or derivative transactions.
5. Significant loans, endorsements, or guarantees.
6. To solicit, issue, or privately place securities with equity characteristics.
7. Appointment, dismissal, or remuneration of the certified public accountant.
8. Appointment and dismissal of the head of finance, accounting, or internal audit.
9. Annual financial report signed or stamped by the chairman, manager, and accounting supervisor.
10. Proposal for the business report and the distribution of profits or the allocation of losses.
11. Other significant matters as stipulated by the company or regulatory authorities.

(2) Audit Committee/Independent Directors and Communication Status with Internal Audit Supervisor and Accountants: The company's Audit Committee has good communication with the certified public accountants and the internal audit supervisor.

2.3.3 Corporate Governance Implementation Status and Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"

Evaluation items	Implementation Status			Difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"?	V		The company has established the "Corporate Governance Best Practice Principles" based on "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and was approved by the board of directors on April 24, 2019. It has been announced on the company's website and the public information observatory, and is being implemented according to the code. Any amendments have also been submitted to the board of directors for approval, and as of now, there are no significant discrepancies. There are no significant deviations.	No significant difference.
2. Shareholding structure & shareholders' rights				No significant difference.
(1) Does the company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		(1) The company has established "Rules of Procedure for Shareholders' Meetings," which includes a spokesperson system. The spokesperson or their designated representative will handle issues related to investor relations, as well as suggestions, doubts, and disputes from shareholders. The website also has a dedicated area for investors and contact information. In the future, if there are any litigation matters, please appoint a law firm to handle the relevant issues as necessary.	
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		(2) The company maintains good relationships and communication with major shareholders, directors, employees, and corporate shareholders, allowing it to understand their shareholding situation.	
(3) Does the company establish and execute the risk management and firewall system within	V		(3) The company has not yet established any subsidiaries, but has set up an internal control system for the supervision and management of	

Evaluation items	Implementation Status			Difference from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
its conglomerate structure? (4) Does the company establish internal rules against insiders trading with undisclosed information?	V		subsidiaries to regulate related matters and ensure compliance. (4) The company has established the "Insider Trading Prevention Management Measures" and has also promoted or prohibited internal personnel from trading securities using undisclosed information in the market.	
3.Composition and Responsibilities of the Board of Directors (1) Does the Board develop and implement a diversified policy for the composition of its members?	V		(1) The company's " Corporate Governance Best Practice Principles " has established a diversity policy regarding the composition of the board of directors, which should include but is not limited to the following two major aspects: 1. Basic conditions and values: gender, age, nationality, and culture, etc. 2. Professional Knowledge and Skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience, etc. Board members should generally possess the knowledge, skills, and competencies necessary to perform their duties. To achieve the ideal goals of corporate governance, the overall capabilities that the board should possess are as follows: a. Operational judgment ability. b. Accounting and financial analysis skills. c. Management and operational capabilities. d. Crisis management ability.	No significant difference.

Evaluation items	Implementation Status			Difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			e. Industry knowledge. f. International Market Perspective. g. Leadership ability. h. Decision-making ability. The current board members possess relevant experience in the IC design industry, business management, the medical field, and necessary business experience, which allows them to provide appropriate advice on the company's operational strategies and direction. Those with experience in finance and accounting, as well as corporate governance, can offer suitable recommendations regarding the company's operational strategies, direction, and governance. Independent directors fulfill their responsibilities diligently, actively participate in meeting discussions, and timely express their opinions and provide valuable suggestions on board proposals.	
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	V		(2) When the company appointed independent directors, it carefully considered their professional qualifications and the objective conditions for exercising their powers independently. Additionally, it established a compensation committee and an audit committee, so the current structure of the board of directors meets the operational needs of corporate governance practices and is capable of performing supervisory and management functions. Other functional committees will be discussed and established as needed.	
(3) Does the company establish a standard to measure the performance of the Board and implement it annually, and are performance	V		(3) The company's "Rules for Performance Evaluation of Board of Directors and Functional Committees" has been approved by the Board of Directors, and it is stipulated that a performance evaluation	

Evaluation items	Implementation Status			Difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?			of the Board of Directors will be conducted annually. The scope of the evaluation includes the overall performance of the Board of Directors and functional committees, as well as individual board members. The evaluation methods include self-assessment by the Board of Directors, self-assessment by functional committees, and self-assessment by individual board members. The performance evaluation criteria for the company's board of directors include the following five major aspects: a. Level of participation in company operations. b. Enhance the quality of board decision-making. c. Composition and Structure of the Board of Directors. d. Appointment of Directors and Continuing Education. e. Internal Control. The measurement items for the performance evaluation of board members include the following six major aspects: a. Understanding the company's goals and mission. b. Understanding of Director Responsibilities. c. The level of participation in the company's operations. d. Internal relationship management and communication. e. The professionalism and continuing education of directors. f. Internal Control. The measurement items for the performance evaluation of functional committees include the following five major aspects: a. Level of participation in company operations. b. Understanding the Responsibilities of Functional Committees.	

Evaluation items	Implementation Status			Difference from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			c. Enhance the quality of decision-making in functional committees. d. Composition of Functional Committees and Selection of Members. e. Internal Control. The performance evaluation indicators for the board of directors and functional committees should be established based on the operations and needs of the company, ensuring that the content is suitable for conducting performance evaluations. The compensation committee should regularly review and make recommendations on these indicators. The statistical method for evaluating the performance of the company's board of directors and functional committees is as follows: a. Performance Evaluation Criteria: In the attached table, if the "Evaluation Result" for the "Evaluation Item" answers "Yes," then that item is considered achieved. The calculation of the achievement rate is: (Number of items answered "Yes" in the "Evaluation Result") / (Total number of items) * 100%. b. Performance Evaluation Results: When the achievement rate is 80% (inclusive) or above, the performance evaluation result is "Exceeds Standards"; when the achievement rate is 70% (inclusive) but less than 80%, it is "Meets Standards"; when the achievement rate is below 70%, it is "Needs Improvement." The performance evaluation results of the company's board of	

Evaluation items	Implementation Status			Difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			directors and functional committees will serve as a reference for the selection or nomination of directors; and the individual performance evaluation results of directors will be used as a reference for determining their individual salary and compensation. The performance evaluation of the board of directors for the year 2024 is carried out by the board meeting unit, with all directors filling out a questionnaire; the directors conduct self-assessments. The audit committee and the compensation committee are evaluated by independent director members. In the year 2024, the performance evaluation of the company's board of directors, board members, audit committee, and compensation committee has been completed through self-assessment by all directors and functional committee members. After the performance evaluation execution unit calculated the achievement rate based on quantitative indicators, the evaluation results were all rated as "exceeding standards." This sufficiently demonstrates the company's efforts to enhance the effectiveness of the board of directors, functional committees, and individual board members. The aforementioned internal performance evaluation results were approved by the board of directors on February 26, 2025.	
(4) Does the company regularly evaluate the independence of CPAs?	V		(4) The company has conducted an annual assessment of the independence of the certified public accountants in accordance with the provisions of Bulletin No. 10 of the Code of Ethics for Certified Public Accountants of the Republic of China. This assessment is carried out through the company's shareholder services unit to ensure	

Evaluation items	Implementation Status			Difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			that the accountants do not hold any shares in the company and do not hold any positions within the company. The company also obtains a declaration of independence from the certified public accountants and their resumes. The date for the assessment of the independence and suitability of the accountants for the year 2024 is February 27, 2024. Please refer to pages 38~40 for the company's assessment form of the accountants' independence and suitability.	
4. Does the company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders' meetings, and producing minutes of board meetings and shareholders' meetings)?	V		The company, through a resolution passed by the board of directors on March 8, 2019, appointed Senior Manager Chikai Kan from the finance department as the head of corporate governance. Senior Manager Chikai Kan has over ten years of experience in managerial positions related to accounting, finance, stock affairs, or meeting management in publicly listed companies. She is responsible for matters related to corporate governance, with primary duties including providing the board with necessary information for business execution and collecting the latest regulatory developments related to the company's operations to assist the board in compliance with relevant laws. The status of business execution and training for the year 2024 is as follows: I. Business execution status 1. Assist directors in performing their duties, provide required information and arrange further education for directors: (1) From time to time, the Board of Directors shall be informed of the latest revisions to laws and regulations related to the company's business areas and corporate governance. (2) Provide the company information required by the directors and maintain smooth communication and exchange between the	No significant difference.

Evaluation items	Implementation Status			Difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			directors and senior executives. (3) Regularly arrange annual director training courses based on directors' academic background and current legal updates. 2. Assist various functional committees, board of directors and shareholders in meeting procedures and legal compliance matters: (1) Prepare the procedures for each meeting, notify the directors of the meeting seven days in advance and provide relevant materials and agenda items, provide advance notice if conflict of interest is required, and provide the minutes of each meeting within twenty days after the meeting. (2) Assist and remind directors of the laws and regulations they should comply with when performing their duties or making formal resolutions of the board of directors. (3) After the meeting, be responsible for the release of important information regarding the important resolutions of the Board of Directors, and ensure the legality and accuracy of the content of the re-conference to protect the equality of information for investors. (4) Register the date of the shareholders' meeting in advance in accordance with the law and prepare meeting notices, meeting manuals, minutes, annual reports and other relevant documents within the statutory period for investors' reference. 3. Maintain investor relations: The company's website has set up a special area to disclose the following corporate governance related information. By updating the company's official website from time to time, investors can understand the company's financial, business and corporate	

<table>
<tr><th rowspan="2">Evaluation items</th><th colspan="3">Implementation Status</th><th rowspan="2">Difference from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Explanation</th></tr>
<tr><td></td><td></td><td></td><td>governance related information to ensure that shareholders' rights are protected:
(1) Board of Directors: Such as resumes of board members and their powers and responsibilities, board diversity policy and implementation status.
(2) Functional committees: Such as the resumes of each functional committee member and their responsibilities.
(3) Corporate governance regulations: Such as the company's articles of association, the board of directors' meeting procedures, the organizational rules of the functional committees and other corporate governance regulations.
(4) Important information related to corporate governance: Such as information on the establishment of a corporate governance supervisor.

II、Continuing Education Status of Corporate Governance Supervisors:
<table>
<tr><th>Education Date</th><th>Course Name</th><th>Education Institution</th><th>Education hours</th></tr>
<tr><td>6/13/2024</td><td>From carbon tax/carbon fee to carbon trading, is it feasible to shift from pricing based on quantity to pricing based on emissions?</td><td>Digital Governance Association</td><td>3</td></tr>
</table></td><td></td></tr>
</table>

Evaluation items	Implementation Status			Difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			6/26/2024 | Board Performance Evaluation Practical Sharing Seminar(2024) | Taiwan Corporate Governance Association(TCGA) | 3 9/18/2024 | 2024 ESG Seminar | Accounting Research and Development Foundation | 6 9/11/2024 | Seminar to insiders of listed/registered companies | TPEX | 3	
5. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	V		The company has designated a spokesperson and a deputy spokesperson to serve as a channel for communication between the company and external parties; the company has also set up a website. The website (http://www.amiccom.com.tw) has set up sections for "Investor Relations" and "Stakeholders" to timely respond to important corporate social responsibility issues that stakeholders are concerned about. There are no significant differences.	No significant difference.
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The company has appointed Yuanfu Securities Co., Ltd. Shareholder Services Department to handle shareholder-related affairs and assist in the management of shareholder meetings. No significant differences.	No significant difference.
7.Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	V		(1) The company's website has sections for "Investor Relations" and "Stakeholders" where you can find information related to financial operations and corporate governance.	No significant difference.

Evaluation items	Implementation Status			Difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	V		(2) The company has established a bilingual website (www.amiccom.com.tw) with a dedicated "Investor Relations" section, disclosing financial, business, and corporate governance information, as well as recordings of institutional investor briefings. A designated person is responsible for collecting and disclosing company information, and a spokesperson system has been established to ensure that there is a single point of contact for external communications.	
(3) Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?	V		(3) The company's annual financial reports for previous years, as well as the financial reports for the first, second, and third quarters, and the operational conditions for each month, are all announced ahead of the stipulated deadlines.	
8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	V		(1) Employee Rights: The company protects the basic rights of employees in accordance with the Labor Standards Act and related regulations, such as establishing a labor welfare committee, encouraging employees to participate in various training courses and technical seminars both domestically and internationally, planning group insurance for employees, and arranging regular health check-ups. We value labor relations and provide equal employment opportunities. The following is an explanation of other employee benefits or rights measures provided by the company: i. The average salary for year 2024 was adjusted by 1.91% compared to year 2023, and the average salary for year 2023 was adjusted by 2.93% compared to year 2022.	No significant difference.

Evaluation items	Implementation Status			Difference from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			ii. Set up a library corridor to encourage employees to borrow books in order to cultivate a reading culture among employees and increase relevant knowledge and skills. When it was first established in 2014, the total number of books was 89, and it has now increased to 415. iii. In line with the "two-day weekend" policy for workers, the Ministry of Labor revised and issued the "Labor Standards Act Implementation Rules", adjusting the holidays (commonly known as national holidays) stipulated in Article 23 of the rules from the original 19 days to 12 days, and it will be implemented from January 1, 2016. In line with the principle of caring for employees and improving employee benefits, the company has reduced working hours from "84 hours every 2 weeks" to "40 hours per week", while still allowing employees to retain the original 19-day national holiday. (2) Employee Care: Subsidies provided by the Employee Welfare Committee and organizing activities for the care of employees' physical and mental health, such as clubs and travel activities. (3) Investor Relations: The company complies with legal regulations to honestly and timely disclose company information to protect the basic rights and interests of investors. Investors can access our public information through the Public Information Observation Station or visit the "Investor Relations" section on The company website to inquire about financial, business, and corporate governance information. The company also has a spokesperson, and investors can contact the spokesperson at any time or make suggestions. We hold	

Evaluation items	Implementation Status			Difference from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			regular corporate briefings to inform investors about the company's overview, operational performance, industry conditions, new product launches, and future outlook. (4) Supplier Relationships: The company has dedicated personnel responsible for interactions with suppliers. There are no outstanding payments or delays in payments, and we maintain open communication channels to foster good relationships, adhering to the principles of integrity and mutual benefit in our dealings. (5) Rights of Stakeholders: The company website has a dedicated section for "Stakeholders," maintaining open communication channels with them and fully respecting and safeguarding their legitimate rights and interests. The company provides sufficient information to all banks we interact with, enabling them to make the best judgments and decisions regarding our operations and financial status. (6) Status of Directors' Continuing Education: All directors of the company have professional backgrounds, and the company also provides relevant continuing education information for reference on an irregular basis. For details on the continuing education status of the directors, please refer to the appendix on page 41. (7) Implementation of Risk Management Policies and Risk Measurement Standards: The company focuses on its core business and, in accordance with various laws and regulations as well as business activities, has established various operational specifications and internal control systems to reduce risks. (8) Implementation of Customer Policy: The company has established "Customer Complaint Handling Procedures" and "Customer	

Evaluation items	Implementation Status			Difference from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			Satisfaction Survey Procedures," with dedicated personnel responding to customer inquiries regarding our products. We adhere to high-quality and efficient service to enhance customer satisfaction and create maximum benefits for our customers. (9) The company is an IC design company, primarily focused on research and development and design. It belongs to a pollution-free industry and has not caused any environmental pollution, fulfilling our corporate social responsibility. (10) The company purchases liability insurance for its directors every year.	

9.Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures.

(1) Improved situation:

1. The company has disclosed its interim financial report in English within two months after the deadline for filing the Chinese version of the interim financial report.
2. The company upload the Chinese and English versions of the shareholders' meeting manual and meeting supplementary materials 30 days before the regular shareholders' meeting.
3. The company has issued the 2023 Greenhouse Gas Inventory Report on February 19, 2025.

(2) Those who have not yet improved should propose priority enhancement items and measures:

1. The company has commissioned a consulting firm to provide guidance on the preparation of the 2024 annual sustainability report, which is expected to be completed by the end of August 2025.
2. The company's English corporate website shall include relevant information including financial, business and corporate governance.

AMICCOM Electronics Corporation (The “Company”) Accountant Independence and Competence Assessment Form for the Year 2024

Evaluation Date: February 7, 2024

I. Explanation:

1. Purpose: According to Article 6 of the "Regulations Governing the Exercise of Powers by the Audit Committee of Publicly Issued Companies," the powers of the Audit Committee include the appointment, dismissal, or remuneration review of the certified public accountant. Therefore, it is necessary to regularly assess the independence, competence, and performance of the accountant. In order to implement corporate governance and enhance the functions of the board of directors, in addition to requiring the certified public accountant to provide a "Statement of Independence" and "Audit Quality Indicators (AQIs)," relevant indicators should be established for evaluation based on the accountant's functions and responsibilities. Furthermore, in accordance with the provisions of the company's "Corporate Governance Best Practice Principles," the independence and competence of the appointed accountant should be assessed regularly (at least once a year).
2. Evaluation Period: The evaluation period is for the most recent year up to the evaluation date; the evaluation should take place before the end of each year or as necessary.
3. Evaluation Results: If any item in this evaluation table is marked as 'No', it indicates that the accountant lacks independence and will not be hired or reappointed.
4. Presentation of the Audit Committee and Board of Directors' Resolution: The evaluation results of this form should be reported to the Audit Committee and the Board of Directors as the basis for deciding whether to hire or rehire the accountant.
5. Evaluation Unit: Finance Department of the company

II. Basic Information: Appointed auditing firm: Deloitte & Touche

Chief CPA	Yong-Ming, Chiu Bachelor's degree from Department of Accounting at National Taiwan University Accountant of the Republic of China
Deputy CPA	Mei-Chen, Tsai Bachelor's degree from Department of Accounting at Fu Jen Catholic University Accountant of the Republic of China

III. Independence Assessment:

In addition, the independence assessment standards are established as follows, referring to Article 8 to Article 11 of Bulletin No. 10 of the Code of Ethics for Accountants and Article 47 of the Accountants Act:

Evaluation Items	Evaluation Results	Whether it meets independence.
1. No direct or significant indirect financial interest with the company.	Yes	Yes
2. There are no significant close business relationships or potential employment relationships with the company or its directors and managers.	Yes	Yes
3. Currently, or within the past two years, has not held the position of director, manager, or any role that has a significant impact on audit cases in this company.	Yes	Yes
4. Non-audit services provided by the company have no direct impact on significant items of the audit case.	Yes	Yes
5. There is no relationship with the company's directors, managers, or personnel who have a significant influence on the audit case, including spouses, direct blood relatives, direct relatives by marriage, and collateral blood relatives within the second degree.	Yes	Yes
6. Do not accept significant gifts, donations, or special favors from the company or its directors, managers, or major shareholders.	Yes	Yes
7. The accountant themselves, or their spouse and minor children, have not engaged in any financial lending or guarantee activities with this company, its directors, or managers.	Yes	Yes
8. Does not hold shares of the company.	Yes	Yes
9. As of the most recent visa processing, there have been no circumstances of not being changed for seven years.	Yes	Yes
10. As of now, there have been no circumstances that have resulted in disciplinary actions or compromised the principle of independence.	Yes	Yes

IV. Competency Assessment:

After reviewing the resume of the principal signer, Accountant Yong-Ming, Chiu, it is noted that Accountant Chiu passed the CPA exam in 2004 and was promoted to a practicing accountant at D&T in 2021. D&T is one of the "Top Four" accounting firms in the country, known for its professional reliability, which provides reasonable assurance of Accountant Chiu's qualifications.

After reviewing the resume of CPA Mei-Chen, Tsai, it is noted that she was promoted to a practicing accountant at D&T Taiwan in 2012. She has successfully assisted multiple listed companies in going public, and D&T Taiwan is one of the Top Four accounting firms in the country, demonstrating professional reliability. It can be reasonably assured that CPA Tsai is competent.

Work performance and results are as follows:

1. Complete the company's financial and tax audits on schedule.
2. Provide financial and tax consulting services for the company on an irregular basis.
3. Regularly update tax and securities regulations and revise IFRS accounting standards.
4. Sufficient communication and exchange have been conducted with the board of directors and internal audit.

V. Evaluation Results:

1. The finance department of our company evaluates the independence and suitability of the affiliated auditors every year. In addition to requiring the auditors to provide a "Statement of Independence" and "Audit Quality Indicators (AQIs)," the evaluation is conducted based on the assessment standards of the relevant legal provisions and AQI indicators.
2. It has been confirmed that the accountant has no other financial interests or business relationships with our company, aside from the fees for auditing and tax-related matters.
3. In summary, the two appointed certified public accountants have issued independence statements and meet the independence assessment criteria, maintaining independence from our company; their qualifications and timely assistance in various certification tasks and communications are deemed appropriate, demonstrating their competence.

The situation of the board members' training for the year 2024:

Title	Director's Name	Education Date	Course Name	Education Institution	Education hours
Chairman	San-Tan, Tzeng	9/4/2024	Big Data Analysis and Corporate Governance	Taiwan Project Management Association (TPMA)	3
Chairman	San-Tan, Tzeng	10/8/2024	Board of Directors vs Management Team	Taiwan Project Management Association (TPMA)	3
Representative of the corporate director	Ho-Chang, Tsai	7/11/2024	Trends in Corporate Governance and Sustainable Development of Companies	Securities and Futures Institute	3
Representative of the corporate director	Ho-Chang, Tsai	7/11/2024	Chatbot ChatGPT Transforms New Industry Trends	Securities and Futures Institute	3
Representative of the corporate director	Andy Chiu	1/26/2024	Analysis of Taiwan's Economic Trends in 2024	Taiwan Corporate Governance Association(TCGA)	3
Representative of the corporate director	Andy Chiu	10/22/2024	Labor Disputes and Corporate Governance	Taiwan Corporate Governance Association(TCGA)	3
Representative of the corporate director	Andy Chiu	10/22/2024	New impetus for corporate sustainable governance: How the capital market examines the long-term value of enterprises	Taiwan Corporate Governance Association(TCGA)	3
Representative of the corporate director	Fang-Lih Lin	10/4/2024	Master the core of corporate governance and legal compliance and internal control from court cases	Accounting Research and Development Foundation	6
Independent Director	Yih-Lang, Li	8/22/2024	Geoeconomic Risks and Green Transition	Greater China Financial and Economic Development Association	3
Independent Director	Yih-Lang, Li	10/23/2024	How the Board of Directors Ensures Sustainable Business Operations - Starting from Talent Discovery and Development	Greater China Financial and Economic Development Association	3
Independent Director	Chih-Hao, Kao	3/13/2024	Digital Transformation New Thinking	Greater China Financial and Economic Development Association	3
Independent Director	Chih-Hao, Kao	3/21/2024	The impact of carbon pricing on business operations	Greater China Financial and Economic Development Association	3
Independent Director	Hsu-Tong, Deng	7/5/2024	"Examining the Latest Context of Corporate Governance through Corporate Governance Evaluation Indicators"	Taiwan Corporate Governance Association(TCGA)	3
Independent Director	Hsu-Tong, Deng	6/28/2024	Corporate Governance - Principles of Fair Treatment in the Financial Services Industry Course	Taipei Financial Research and Development Foundation	3
Independent Director	Pei-Yu,Cheng	6/18/2024	Corporate governance practices of companies and directors and supervisors under the Securities Exchange Act	Taiwan Corporate Governance Association(TCGA)	3
Independent Director	Pei-Yu,Cheng	9/12/2024	Seminar to insiders of listed/registered companies	TPEX	3

2.3.4 Compensation committee

1. Salary Compensation Committee Member Information

Identity (Note 1)	Conditions / Name	Professional qualifications and experience	Independence situation	Number of other publicly listed company compensation committee members concurrently serving
Independent Director/ Convener	Hsu-Tong, Deng	PhD in the Department of Business Administration from the University of Arcadia, Florida, USA. Assistant Professor of the Department of Food and Beverage Management at Jinwen University of Science and Technology. He is the conveners and chairpersons of the company's Audit Committee and Compensation Committee, with a professional background in accounting and finance.	All directors meet the following conditions: 1. Whether I, my spouse, or relatives within the second degree of kinship serve as directors, supervisors, or employees of this company or its affiliated enterprises: None. 2. I, my spouse, and relatives within the second degree of kinship (or using someone else's name) hold no shares in the company, either in number or proportion. 3. Whether serving as a director, supervisor, or employee of a company that has a specific relationship with this company (refer to Article 6, Paragraph 1, Items 5-8 of the Regulations on the Establishment and Exercise of Authority of the Compensation Committee for Listed Companies or Companies Trading at Securities Firms): No. 4. The amount of compensation received for providing business, legal, financial, accounting, and other services to the company or its affiliated enterprises in the past two years: None.	-
Independent Director	Yih-Lang, Li	PhD in the Department of Computer Science from National Tsing Hua University, former deputy manager at Siyuan Technology Co., Ltd., and currently a professor in the Department of Computer Science and Engineering at National Yang Ming Chiao Tung University, with industry expertise and practical experience.		-
Independent Director	Chih-Hao, Kao	PhD in the Department of Radiochemistry from Johns Hopkins University, USA, former consultant for the Nuclear Medicine Department at Tzu Chi Hospital and Associate Professor in the Department of Neurology at the University of Southern California. Currently, he is the Director and CEO of Lehman BioTech Co., Ltd., possessing industry expertise and practical experience.		-
Independent Director	Pei-Yu, Cheng	Master's Degree in the Department of Engineering and Systems Science from National Tsing Hua University, serving as directors for many companies and publicly listed companies, with industry expertise and practical experience.		1

Note 1: Please specify the identity as a director, independent director, or other (if you are the convener, please indicate).

2. Information on the operation of the Salary Compensation Committee

(1) The company's compensation committee consists of 4 members.

(2) Current term: From June 7, 2023, to June 6, 2026, the Salary and Compensation Committee held 3 meetings in 2024 (A). The qualifications and attendance of the members are as follows:

Title	Name	Actual Attendance Count (B)	Proxy Attendance Count	Actual Attendance Rate (%) (B/A) (Note)	Remarks (Note)
Independent Director/ Convener	Hsu-Tong, Deng	3	0	100	-
Independent director	Yih-Lang, Li	3	0	100	-
Independent director	Chih-Hao, Kao	3	0	100	-
Independent director	Pei-Yu, Cheng	3	0	100	-

Other mentionable items:

1. If the board of directors does not adopt or amend the recommendations of the compensation committee, it should specify the date of the board meeting, the period, the content of the proposal, the resolution results of the board, and how the company handles the opinions of the compensation committee (for example, if the compensation approved by the board is better than the recommendations of the compensation committee, the differences and reasons should be specified): None.

2. For the resolutions made by the Compensation Committee, if any member has opposing or reserved opinions that are recorded or stated in writing, the date, session, content of the proposal, all members' opinions, and how those opinions were addressed should be clearly stated: The reasons for the discussions and the resolutions of the Compensation Committee are as follows:

Meeting Date	Proposal Content and Follow-up Actions	Resolution Result	Company's Handling of Opinions from the Compensation Committee
The third meeting of the 5th Session 2.27.2024	1. Proposal for the company's non-distribution of employee compensation and directors' remuneration case for the year 2023.	The entire committee members agree to pass.	The board of directors is approved by the unanimous consent of all attending directors.

	2. Proposal for the company's performance evaluation reports for the Board of Directors, functional committees and individual board members for the year 2023. 3. Proposal for the amendment to the company's "Compensation Guidelines for Directors and Managers".		
The fourth meeting of the 5th Session 7.31.2024	1. Proposal for the company's managers' salary adjustment.	The entire committee members agree to pass.	The board of directors is approved by the unanimous consent of all attending directors.
The fifth meeting of the 5th Session 11.6.2024	1. Proposal for the allocation ratio for employee compensation and director remuneration expenses for the year 2024.	The entire committee members agree to pass.	The board of directors is approved by the unanimous consent of all attending directors.

The company has approved the "Compensation Committee Organization Regulations" by the Board of Directors on April 30, 2012, and has established the Compensation Committee. The current committee members include four independent directors of the company: Mr. Hsu-Tong, Deng, Mr. Yih-Lang, Li, Mr. Chih-Hao, Kao, and Mr. Pei-Yu, Cheng, with Mr. Hsu-Tong, Deng serving as the convener. All members possess professional qualifications that comply with the regulations set forth in the "Regulations for the Establishment and Exercise of Powers of Compensation Committees for Companies Listed on Stock Exchanges or Trading at Securities Firms." The committee has also adopted its organizational regulations as stipulated by relevant laws and is required to meet at least twice a year or convene meetings as needed.

Regular Review of Salary Compensation

The function of the company's Compensation Committee is to evaluate the salary and compensation policies and systems for the company's directors and managers from a professional and objective standpoint. The committee meets at least twice a year and may convene additional meetings as needed, providing recommendations to the board of directors for their decision-making reference.

1. The authority of the company's Compensation Committee.
   (1) Regularly review the company's compensation policies and propose amendments.

(2) Establish and regularly review the policies, systems, standards, and structures for the performance and compensation of the company's directors and managers.

(3) Regularly assess the salary and compensation of the company's directors and managers.

2. The Compensation Committee shall perform its duties in accordance with the following standards:

(1) Ensure that the company's compensation arrangements comply with relevant laws and are sufficient to attract outstanding talent.

(2) The performance evaluation and compensation of directors and managers should refer to the typical standards of the industry, and consider the reasonableness of the relationship between individual performance, company operational performance, and future risks.

(3) Directors and managers should not be guided to engage in behaviors that exceed the company's risk appetite in pursuit of salary compensation.

(4) The proportion of bonuses awarded for the short-term performance of directors and senior executives, as well as the timing of payment for variable compensation, should be determined by considering the characteristics of the industry and the nature of the company's business.

(5) Members of the committee shall not participate in discussions or votes regarding decisions on their personal salary compensation.

2.3.5 The implementation of sustainable development promotion and the deviations and reasons compared to the sustainable development practices code for listed companies; companies that meet certain conditions should disclose climate-related information.

1. The implementation of sustainable development promotion and the deviations and reasons compared to the sustainable development practices code for listed companies:

Promote the project	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
1. Whether the company has established a management structure for promoting sustainable development and set up an exclusively (or concurrently) dedicated unit handled by senior management officer(s) authorized by the Board of Directors, and under the supervision of the Board of Directors?	V		In March 2019, the company's board of directors approved the establishment of a corporate governance director, who will also serve as the head of the finance department. In April 2012, a governance structure was established to promote sustainable development, with the Executive Vice President serving as the chief convener. The implementation unit is composed of the Investor Relations Department (also served by the Finance Department), the Human Resources Department, the Quality Assurance Department, the Production Planning Department, and the Sales Department. The Board of Directors supervises environmental, social and corporate governance issues related to sustainable development. The Chief Convener reports to the Board of Directors on the progress of greenhouse gas inventory and verification schedule on a quarterly basis, with the most recent report date being December 25, 2024. The Board of Directors is also informed of the strategic goals of sustainable development and the results of implementation in 2024, and the sustainable development goals for 2025 are set. Please refer	No significant difference.

<table>
<tr><th rowspan="2">Promote the project</th><th colspan="3">Implementation</th><th rowspan="2">Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Description</th></tr>
<tr><td></td><td></td><td></td><td>to "The company's promotion of sustainable development " (pages 60~64).</td><td></td></tr>
<tr><td>2. Does the company conduct risk assessments related to environmental, social, and corporate governance issues relevant to its operations based on the principle of materiality, and establish relevant risk management policies or strategies?</td><td>V</td><td></td><td>1. The risk assessment boundary is primarily based on the company, with Taiwan as the main operational base.
2. The company has established relevant regulations such as the "Corporate Social Responsibility Practice Code ", and in February 2022, the Board of Directors revised this regulation into the "Sustainable Development Practice Code ". Based on the principle of materiality, the company conducts risk assessments on environmental, social and corporate governance issues related to the company's operations and establishes relevant risk management policies or strategies. The environmental, social and corporate governance risks identified in 2024 are as follows:
<table>
<tr><th>Major Issues</th><th>Risk Assessment Items</th><th>Risk Management Strategies and Measures</th></tr>
<tr><td>Environ ment</td><td>Greenhouse gas emissions</td><td>Since 2023, the company has followed the ISO 14064-1 greenhouse gas standard and completed greenhouse gas inventories every year. The results of the greenhouse gas inventories are reported to the Board of Directors.</td></tr>
</table></td><td>No significant difference.</td></tr>
</table>

Promote the project	Implementation					Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description			
				Climate Change	Since 2024, the company has been following the TCFD climate change financial disclosures and implementing climate risk and opportunity management. The climate transition risks in 2024 are the imposition of carbon fees on greenhouse gas emissions and rising raw material costs; the climate physical risk is the rise in average temperature. The implementation of climate risks and opportunities has been included in the risk management report for the fourth quarter of 2024.	
			Social	Talent Sustainability	Improve the overall salary and benefits system to attract and retain talents; provide diversified learning channels and training systems for managers and colleagues at all levels and in different positions to assist their work and career development.	

Promote the project	Implementation					Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description			
				Occupational Health and Safety	1. Comply with laws and regulations and other relevant requirements. 2. Provide a safe and healthy working environment, prevent diseases and reduce the risks faced by personnel when performing work in the workplace. 3. Continuously communicate, consult and participate with employees, outsourcers and the public, and commit to safety and health policies and implementation.	
			Corporate Governance	Compliance with laws	By establishing a governance organization and implementing an internal control mechanism, the company ensure that all personnel and operations of the company comply with relevant laws and regulations.	
				Information Security	Implement and maintain ICT security management policies; train ICT personnel in the professional security capabilities of information and	

Promote the project	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
			communications; strengthen the ICT security environment and ICT security response capabilities; and achieve ICT security management policy measurement indicators.	
3. Environmental Issues (1) Does the company establish an appropriate environmental management system based on its industry characteristics?	V		(1) In addition to complying with environmental laws and regulations, the company has developed relevant environmental management procedures based on the characteristics of the industry, and requires outsourced production processes to comply with REACH, EU WEEE and RoHS environmental requirements. Through a process-based and systematic management model, the company strengthens green product and green supply chain management, continuously improves and ensures the effective operation of various management systems.	No significant difference.
(2) Is the company committed to improving energy efficiency and using renewable materials that have a low environmental impact?	V		(2) The company adheres to the concept of energy conservation and resource conservation, and continues to promote various energy conservation and waste reduction programs to improve the efficiency of energy and resource use and reduce the impact on the environment. The implementation status is as follows:	

Promote the project	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
			1. Reduce waste: The catering service for employee meals does not provide disposable utensils, encouraging employees to use personal tableware, which is both environmentally friendly and hygienic. Promote waste reduction by setting up recycling bins for resource reclassification, and entrust qualified vendors to conduct waste (including obsolete materials) collection and disposal operations every six months, reducing environmental harm and pollution. 2. Greening the environment: Planting green potted plants in the office to beautify and green the office environment. 3. According to the "Outsourcing Vendor Evaluation Procedure," it is required that outsourced packaging and tape manufacturers prohibit or limit the use of substances harmful to the environment, and demand higher production yields to reduce environmental impact, achieving the goals of reducing raw material usage and waste generation. 4. Turn off the lights for one hour during lunch break; set the air conditioner temperature to 26 degrees.	
(3) Does the company assess the potential risks and opportunities of climate change on its current and future operations, and take measures to address climate-related issues?	V		(3) The company is committed to responding to the current global trend of energy conservation and carbon reduction to fulfill the company's responsibility as global citizens to protect the environment. Such as temperature control during air conditioning	

Promote the project	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
			operation hours, turning off lights when not in use, and fully adopting energy-saving light bulbs etc., and other practical measures. Based on the Recommendations for Climate-related Financial Disclosures (TCFD) framework, the company assesses the risks and opportunities of climate change to the company and takes relevant measures to respond. For detailed information, please refer to "Company Climate-related Information" (pages 65~70).	
(4) Has the company tracked greenhouse gas emissions, water usage, and total waste weight over the past two years, and established policies for energy conservation, carbon reduction, greenhouse gas reduction, water reduction, or other waste management?	V		(4) In order to implement the strategic goals of energy conservation, carbon reduction, and greenhouse gas reduction, the company conducts annual on-site monitoring of carbon dioxide concentration in the office to ensure compliance with standards. LED lighting equipment has been fully adopted, and the central air conditioning is managed by designated personnel to set appropriate temperatures and reduce usage before reaching certain high temperatures, thereby enhancing energy efficiency and reducing energy consumption. The company promotes waste reduction, such as recycling paper through double-sided printing and electronic document management, setting up resource recycling bins for resource reclassification, and entrusting qualified vendors to conduct waste (including obsolete materials) recycling and disposal operations every six months. To effectively manage greenhouse gas	

<table>
<tr><th rowspan="2">Promote the project</th><th colspan="3">Implementation</th><th rowspan="2">Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Description</th></tr>
<tr><td></td><td></td><td></td><td>emissions. In order to effectively control greenhouse gas emissions, the company has completed greenhouse gas inventory-related operations in accordance with ISO 14064-1 every year since 2023, and will continue to achieve the goal of reducing carbon dioxide emissions year by year.

1. Greenhouse gases (unit: metric tons CO2e)
<table>
<tr><th>Item</th><th>2023</th><th>2024</th></tr>
<tr><td>Scope 1</td><td>49.1869</td><td>47.7032</td></tr>
<tr><td>Scope 2</td><td>362.3710</td><td>358.1034</td></tr>
<tr><td>Scope 3</td><td>186.4951</td><td>314.6079</td></tr>
<tr><td>Total emissions</td><td>598.0530</td><td>720.4415</td></tr>
</table>
Note: The scope of the 2023 and 2024 audits are all Taiwan headquarters + Shanghai subsidiary + Shenzhen subsidiary. The increase in emissions in 2024 compared to 2023 is mainly due to the growth in operating performance and the increase in waste treatment and transportation volume.

2. Water consumption: (unit: thousand tons)
<table>
<tr><th>Item</th><th>Unit</th><th>2023</th><th>2024</th></tr>
<tr><td>Water intake</td><td>thousand tons</td><td>1.9105</td><td>1.8518</td></tr>
</table></td><td></td></tr>
</table>

<table>
<tr><th rowspan="2">Promote the project</th><th colspan="3">Implementation</th><th rowspan="2">Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Description</th></tr>
<tr><td></td><td></td><td></td><td>3.Waste: (unit: tons)
<table>
<tr><th>Item</th><th>unit</th><th>2023</th><th>2024</th></tr>
<tr><td>Hazardous waste</td><td>tons</td><td>0.08</td><td>0.11</td></tr>
<tr><td>Total amount of waste</td><td>tons</td><td>0.08</td><td>0.11</td></tr>
</table>
Greenhouse gas reduction goals, strategies and specific action plans:
1. Emission reduction targets:
Compared to the base year 2023, greenhouse gas emissions in Scope 1 and Scope 2 will be reduced by 10% in 2030, and greenhouse gas emissions in Scope 1 and Scope 2 will be reduced by 20% in 2040.
2.Strategy and action plan:
● Implement green procurement and purchase infrastructure equipment with environmental labels
● The refrigeration and air conditioning system is completely replaced with energy efficiency level 1
● Acquisition of renewable energy and purchase of green electricity certificates</td><td></td></tr>
<tr><td>4. Social Issues
(1) Does the company establish relevant management policies and procedures in accordance with applicable laws and international human rights conventions?</td><td>V</td><td></td><td>(1)
1. The company supports and follows the internationally recognized human rights norms and principles such as the Responsible Business Alliance Code of Conduct (RBA), the United Nations Universal</td><td>No significant difference.</td></tr>
</table>

Promote the project	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
			Declaration of Human Rights and the United Nations Global Compact, and is required to fully comply with the laws and regulations of the countries/regions in which it is located. 2. The company attaches great importance to the promotion of labor and business ethics policies, and has established a human rights policy. It protects the legal rights and interests of employees in accordance with labor-related laws and regulations, and ensures that they are treated fairly and respected. There is no gender discrimination or other differential treatment in the employment policy. The company has established "Attendance Management Measures", "Work Rules", "Sexual Harassment Prevention and Complaint Measures", "Prevention Plan for Illegal Violations in the Performance of Duties" and "Labor Health Protection Plan", etc., and pays retirement funds to individual employees' special accounts in accordance with the law; establishes an employee welfare committee to handle various welfare matters; holds labor-management meetings regularly to enhance communication between the two sides, promote labor-management harmony, and create a win-win situation for both sides. There has never been any child labor, forced labor or human rights violations.	
(2) Does the company establish and implement reasonable employee welfare measures	V		(2) The company shall formulate and implement reasonable salary and compensation policies and employee welfare measures, including	

Promote the project	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
(including compensation, leave, and other benefits), and appropriately reflect business performance or results in employee compensation?			salary, vacation and other benefits, and appropriately reflect operating performance in employee remuneration: 1. The company has established a salary and remuneration committee, which is responsible for the policies, systems, standards and structure of salary and remuneration. 2. Establish "Work Rules" and "Employee Performance Management Measures" to clearly state the relevant reward and punishment systems, verify the evaluation, and use the evaluation results as the basis for promotion, bonus issuance and remuneration payment. 3. Bonus distribution: combined with the company's operating performance, annual profit and employee assessment. The company attaches great importance to diversity and equality in the workplace. In 2024, female employees accounted for 31.31% of the company's total employees and female senior executives accounted for 25.00%.	
(3) Does the company provide a safe and healthy work environment for employees and regularly implement safety and health education for them?	V		(3) The company cooperates with health management consulting companies to provide corporate employee health care services that comply with the current Occupational Safety and Health Act and labor health protection regulations; and provides workers with health education, hygiene guidance, physical and mental health protection, health promotion and other measures planning and implementation.	

Promote the project	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
			The number of occupational accidents involving our company's employees in fiscal 2024 was 0, and no incidents endangering the workplace safety of our employees occurred. The number of fires in our company in fiscal 2024 was 0.	
(4) Does the company establish an effective career development training program for employees?	V		(4) Establishing the [Education and Training Implementation Procedure], including training for new employees, daily departmental training, and external professional training, so that colleagues can become familiar with the duties required for their work, absorb new knowledge, continuously grow themselves, and strive for excellence, so as to facilitate the progress of work and the personal development of colleagues.	
(5) Regarding customer health and safety, customer privacy, marketing, and labeling issues related to products and services, does the company comply with relevant regulations and international standards, and has it established policies and complaint procedures to protect consumer or customer rights?	V		(5) The company's marketing and labeling of products and services comply with relevant laws and international standards. In terms of product safety, the manufacturing process must comply with REACH, EU WEEE and ROHS environmental requirements. All reference designs of the products provided have passed CE/FCC safety tests and obtained relevant test reports. At the same time, the company has formulated "Customer Satisfaction Survey Procedures", "Customer Complaint Handling Procedures", "Information Security Management Measures" and "Personal Data Protection Act" and other related customer rights protection	

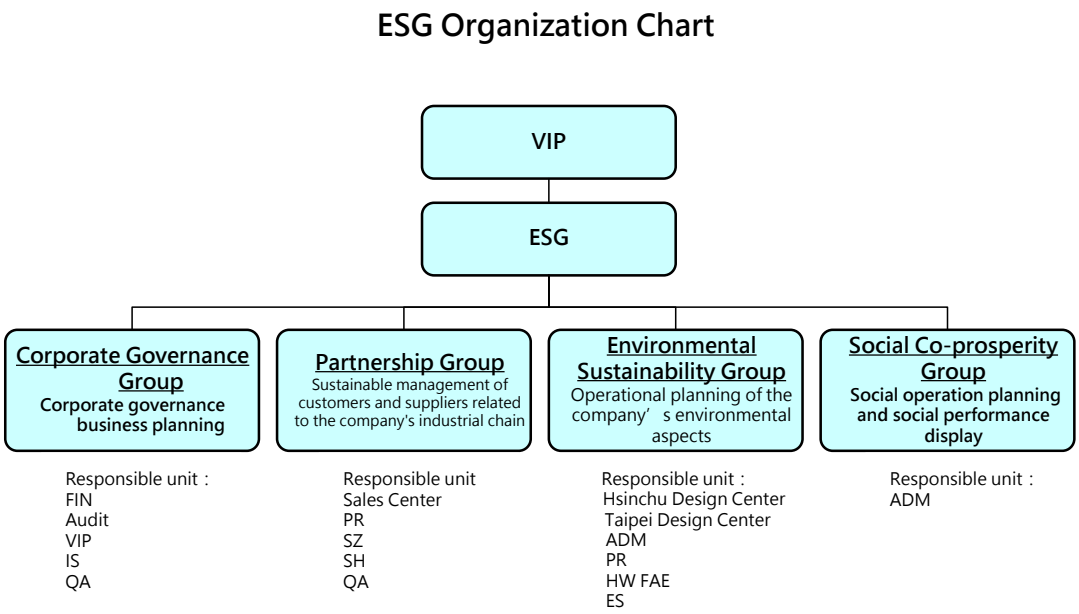
Promote the project	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
			and privacy policies and complaint procedures, in order to ensure that consumers have the rights and interests they deserve in all aspects of research and development, procurement, production, sales operations and service processes.	
(6) Does the company have a supplier management policy that requires suppliers to comply with relevant standards on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of its implementation?	V		(6) The company has established relevant supplier management policies for dealing with suppliers, which are handled in accordance with the "Outsourcing Production Process Management Procedure", "Purchasing Management Procedure", "Outsourcing Company Evaluation Procedure" and "Supplier Evaluation Procedure". Whether the manufacturer complies with environmental protection, occupational safety and health, and labor human rights issues is also one of the evaluation items. Manufacturers must pass the evaluation review and regular assessment before outsourcing or purchasing can be carried out.	
5. Does the company refer to internationally recognized reporting standards or guidelines when preparing sustainability reports and other disclosures of non-financial information? Has the aforementioned report obtained assurance or verification opinions from a third-party verification entity?	V		According to the "Sustainable Development Action Plan for Listed Companies", listed companies with a capital of less than NT$2 billion shall prepare a sustainability report starting from 2025. There is no need to obtain a confirmation or guarantee opinion from a third-party verification unit. The company has commissioned a consulting company to provide guidance on the preparation of the 2024 sustainability report, and it is expected to complete the filing by the end of August 2025.	No significant difference.

Promote the project	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
6. If the company has its own sustainability development code in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies," please describe the differences between its operation and the established code: The company has established a Corporate Social Responsibility Practical Code, which was revised by the board of directors in February 2022 to the "Sustainability Development Practical Code." The company practice social responsibility in accordance with the regulations of this code, and there are no significant differences.				
7. Other important information that helps understand the implementation of sustainable development: (1) The company pays attention to the dynamics of green product regulations (such as EU ROHS, REACH, and newly added substances of high concern each year, etc.), and takes timely measures to ensure that the products in customer orders comply with legal requirements. (2) The company has established an "Internal Control System and Internal Audit System" along with various measures, and is committed to enhancing the environmental protection and social responsibility awareness of all employees; in addition, the company implements product quality management to provide customers with good products and improve customer satisfaction, achieve the goal of sustainable business operations, and give back to society and the investing public.				

2. The company's promotion of sustainable development:

(1) The company has established a governance structure to promote sustainable development in 2022, with the Executive Vice President as the chief convener. The implementation unit is composed of the Investor Relations Department (also served by the Finance Department), the Human Resources Department, the Quality Assurance Department, the Production Planning Department, and the Business Department. The Board of Directors supervises environmental, social and corporate governance issues related to sustainable development. The Chief Convener reports quarterly on the progress of greenhouse gas inventory and verification schedule to the Board of Directors.

(2) Promoting Sustainable Development Framework



(3) Promoting Sustainable Development Governance

Investor Relations Department (also serving as the Finance Department): Aligning with corporate governance trends, promoting the effective functioning of the board of directors, and ensuring compliance with laws and regulations.

Administration Department: Implement labor relations, employee health and safety, greenhouse gas emissions, and waste management.

Production Resource Department: Effectively manage the supply chain, and assess the tangible impacts of raw material procurement and climate change.

Quality Assurance Department: Enhancing product quality and safety, and product lifecycle management.

Sales Department: Maintain customer privacy, customer welfare, and product lifecycle management.

(4) Promoting Sustainable Development Risk Assessment

Major Issues	Risk Assessment Items	Risk Management Strategies and Measures
Environment	Greenhouse gas emissions	Since 2023, the company has followed the ISO 14064-1 greenhouse gas standard and completed greenhouse gas inventories every year. The results of the greenhouse gas inventories are reported to the Board of Directors.
	Climate Change	Since 2024, the company has been following the TCFD climate change financial disclosures and implementing climate risk and opportunity management. The climate transition risks in 2024 are the imposition of carbon fees on greenhouse gas emissions and rising raw material costs; the climate physical risk is the rise in average temperature. The implementation of climate risks and opportunities has been included in the risk management report for the fourth quarter of 2024.
Social	Talent Sustainability	Improve the overall salary and benefits system to attract and retain talents; provide diversified learning channels and training systems for managers and colleagues at all levels and in different positions to assist their work and career development.
	Occupational Health and Safety	1. Comply with laws and regulations and other relevant requirements. 2. Provide a safe and healthy working environment, prevent diseases and reduce the risks faced by personnel when performing work in the workplace. 3. Continuously communicate, consult and participate with employees, outsourcers and the public, and commit to safety and health policies and implementation.
Corporate Governance	Compliance with laws	By establishing a governance organization and implementing an internal control mechanism, the company ensure that all personnel and operations of the company comply with relevant laws and regulations.
	Information Security	Implement and maintain ICT security management policies; train ICT personnel in the professional security capabilities of information and communications; strengthen the ICT security environment and ICT security response capabilities; and achieve ICT security management policy measurement indicators.

(5) Sustainable Development Plan

Strategy Development		2024 Execution Results	2025 Year Goal
Environment	•Regularly conduct greenhouse gas inventory and verify it through a third party. •Energy conservation and carbon reduction, setting carbon reduction goals and actions. •Strengthen core R&D and improve chip energy consumption.	1. Set inventory boundaries, identify emission sources, identify disclosure areas, etc. 2. Conduct greenhouse gas inventory quantification and data collection. 3. Complete internal auditor training. 4. GHG inventory and report confirmation. 5. In order to expand the effectiveness of energy-saving promotion, energy-saving signs have been posted in the office area to remind colleagues to conserve resources at all times, and emails will be sent out again before holidays to remind people to turn off the power since 2024.	1. Carry out the year 2024 greenhouse gas internal verification and complete the inventory report. 2. Regularly inspect office energy equipment and give priority to purchasing high-efficiency products with environmental protection and energy-saving labels. 3. The indoor air conditioner is set to 26-28 degrees to reduce energy waste. 4. Turn off some lighting equipment during lunch break to implement energy conservation and carbon reduction.
Social	•Workplace safety. •Employee recruitment. •Sustainable talent.	1. Arrange new recruits and self-defense fire brigade personnel to participate in firefighting training and refresher training courses. 2. Nurses provide on-site health services every month, provide employee health consultation and hold 2 health lectures. 3. Conduct annual employee health screenings. 4. Set up a dedicated lactation room space. 5. Increase the interview invitation rate and admission registration rate, and complete the education and training courses for new recruits. 6. Implement annual education and training plans, and departments participate in external training courses	1. In accordance with the provisions of the "Occupational Safety and Health Law", formulate four major plans and sexual harassment prevention and control measures, properly plan and take necessary safety measures to ensure the physical and mental health of workers and prevent the occurrence of occupational diseases. 2. Implement risk management, identify potential hazards in the workplace, continuously improve safety and health equipment and working environment, and reduce equipment risks.

		according to work needs; arrange visits to colleges and universities from time to time.	3. Recruit outstanding talents in accordance with the "Recruitment and Appointment Methods" and create salary and benefits that are market competitive and internally fair; improve recruitment quality and shorten recruitment time through the effectiveness of recruitment channels. 4. Implement the talent development mechanism with employees as the main body and skill needs as the core; pay attention to employee needs and work experience, and become an enterprise that talents love and invest in.
Corporate Governance	•Strengthen the structure and operation of the management team. •Protect the rights of shareholders and treat shareholders equally. •Strengthen risk management strategies.	1. Activate the general manager succession plan. 2. The audio and video files of the 2024 Annual Shareholders' Meeting have been uploaded on the day of the Shareholders' Meeting. 3. Establish information security management policies.	1. Continue to focus on corporate governance evaluation items to enhance corporate governance functions. 2. In line with the "Sustainable Development Action Plan for Listed Companies" which requires listed companies with a capital of less than NT$2 billion to prepare a sustainability report starting from 2025, the company will simultaneously implement the preparation of the 2024 sustainability report during the preparation of this annual report, and plans to complete the official website release and public information observation station upload by the end of August 2025.

(6) Supervision of Sustainable Development by the Board of Directors

1. The progress of greenhouse gas inventory is reported to the board of directors every quarter, with the latest date being November 6, 2024.
2. The progress of coaching on the preparation of sustainability reports has been reported to the board of directors, with the latest date being November 6, 2024.
3. Reported the strategic goals of sustainable development and the execution results for the year 2024, and schedule the sustainable development goals for the year 2025 to the board of directors every year, with the latest date being December 25, 2024.
4. Reported the communication status of various stakeholders to the board of directors every year, with the latest date being December 25, 2024.

3. Climate-Related Information of listed companies

(1) Implementation status of climate-related information:

<table>
<tr><th>Item</th><th>Execution Situation</th></tr>
<tr><td>1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.</td><td>1. Climate change is integrated into risk management activities. The Sustainability Committee discusses and evaluates risk items, and relevant resolutions are approved by the Deputy General Manager. The committee has working groups, which are coordinated by the perpetual committee members. The 2024 climate risk governance situation was reported to the board level in November for decision-making reference.</td></tr>
<tr><td>2. Describe how the identified climate risks and opportunities affect the business, strategy and finances of the company (short-term, medium-term and long-term).</td><td>2. The Sustainability Committee uses the TCFD framework to identify climate risks and opportunities annually based on the company's own business characteristics, and outputs TCFD material issues based on this, analyzing the physical risks, impact levels, and financial impacts that may occur in the short, medium, and long term, and further formulates response measures to enhance the company's climate resilience.
<table>
<tr><th>Physical risks</th><th>Average temperature rise</th><th>Typhoon severity and frequency increasing</th><th>Opportunity - Obtain renewable energy and purchase green electricity</th></tr>
<tr><td>Risk Description</td><td>The Average temperature is rising year by year, the power consumption of air conditioners in business locations has increased, and the rising electricity costs have affected the company's operations.</td><td>Damage to equipment or personnel at operating locations, resulting in interruption of supplier supply and customer service.</td><td>Achieving the 2050 net-zero emissions target and early deployment of renewable energy will help meet the phased needs of stakeholders and enhance the company's competitiveness.</td></tr>
<tr><td>Possible time</td><td>Short-term, medium-term, long-term</td><td>Long-term</td><td>Long-term</td></tr>
<tr><td>Impact degree</td><td>High</td><td>Middle</td><td>High</td></tr>
<tr><td>Financial impact</td><td>Increased operating costs</td><td>Increased operating costs</td><td>Increased operating costs</td></tr>
<tr><td>Response measures</td><td>1. Set the air conditioning temperature in office spaces and operating locations to 26-28 degrees.</td><td>1. Promote occupational safety and strengthen natural disaster response.</td><td>1. Implement greenhouse gas inventory, analyze high carbon emission sources, and develop energy-saving plans from the</td></tr>
</table></td></tr>
</table>

		2. Use frequency conversion and LED to save electricity when replacing air conditioners and lighting equipment.	2. Establish emergency response and backup plans and implement drills, including supplier and client communication mechanisms. 3. Suppliers become long-term supply strategy partners.	source. 2. Continue to pay attention to the carbon trading market, prices and green electricity acquisition channels. 3. Set phased targets for obtaining renewable energy and implement them gradually.

3. Describe the financial impacts of extreme climate events and transformational actions.

3.

Transformation risks	**Rising raw material costs**	**Transition Risk - Carbon Tax on Greenhouse Gas Emissions**	**Customer behavior changes**
Risk Description	The raw material regions are affected by climate and international carbon tariffs, which increases the cost of raw materials.	Taiwan will impose a carbon fee on annual greenhouse gas emissions of 25,000 metric tons starting in 2026. The company is not a major emitter, and it is estimated that the company's expenses will increase in the long run.	Customer behavior changes Customers demand low-carbon products or services, and the initial investment costs increase due to the transformation.
Possible time	Medium-term, long-term	Long-term	Medium-term, long-term
Impact degree	Middle	Middle	High
Financial impact	Increased operating costs	Increased operating costs	Increased operating costs
Response measures	1. Supplier long-term supply strategy partner. 2. Implement energy-saving and carbon-reduction activities and implement green procurement in offices and operating locations.	4. Implement greenhouse gas inventory. 5. Establish emission reduction targets and action plans. 6. Implement energy-saving and carbon-reduction projects.	Invest in the development of low-carbon products or services.

4. Explain how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.	4. The company has established risk management policies and procedures, which are operating effectively. The performance of risk execution in 2024 will be reported to the Board of Directors in December 2024. (1) Members of the Sustainability Committee shall complete the collection of climate and environmental background information, and the assessment of climate risks and scope of operations. (2) Establish a list of climate risk and opportunity projects and create an internal operational impact survey questionnaire. (3) The Sustainability Committee conducts climate risk opportunity and operational impact analysis and decides on major risk items at the Sustainability Committee meetings. (4) Establish implementation strategy and goal setting. (5) Review the effectiveness of implementing strategies and goals on an annual basis through the Sustainability Committee meeting.
5. If using scenario analysis to assess resilience against climate change risks, one should explain the scenarios, parameters, assumptions, analytical factors, and major financial impacts used.	5. (1) Set the baseline scenario and 1.5°C scenario to identify and analyze short-, medium- and long-term climate risks and opportunities in the company's operations and throughout the life cycle of its assets. In terms of transition risks, the baseline scenario and 1.5°C scenario respectively cite the RCP8.5 and RCP 2.6 climate scenarios of the United Nations Intergovernmental Panel on Climate Change (IPCC), and conduct risk assessments on immediate physical risks and long-term physical risks. (2) Physical scenario considerations The average temperature continues to rise, resulting in increased energy consumption and operating costs. In response to a 1-degree rise in the average temperature across Taiwan, electricity consumption will increase by 6%. If the unit price of electricity remains stable, a 1.5-degree rise in temperature will result in at least a 30% increase in electricity consumption and resulting electricity costs in the short term of three years. (3) In terms of regulatory scenarios, considering that the government will impose a carbon fee on Taiwan locations for greenhouse gas Scope 1 and Scope 2 emissions totaling 25,000 metric tons starting in 2026, if the current emission fee is NT$300 per metric ton, and if 2024 is used as the benchmark, the total Scope 1 and Scope 2 emissions of the head office are 380 metric tons, the company's costs will increase by approximately NT$114,000 per year in the future, and the short-term expense will increase by NT$342,000 in the three years, which is a low financial impact.

<table>
<tr>
<td>6. If there is a transformation plan to address climate-related risks, please describe the content of the plan, as well as the indicators and targets used to identify and manage entity risks and transition risks.</td>
<td>6.
<table>
<tr><th colspan="3">Transformation Plan</th></tr>
<tr><th>Project Type</th><th>Specific content</th><th>Key indicators and targets</th></tr>
<tr><td>Governance and strategy integration</td><td>- Establishment of a climate governance group
- Climate scenario analysis (IEA net zero scenario)
- Strengthening TCFD compliance</td><td>- CEO directly leads the cross-departmental committee
- Annual Climate Financial Impact Disclosure
- Continue to implement ISO 14064 audits and obtain third-party verification</td></tr>
</table>
Carbon pricing and average temperature rise:
(1) Promote the replacement of lamps with LED high-efficiency lamps.
(2) All refrigeration and air conditioning equipment are replaced with energy efficiency level 1.

Customers demand low-carbon products:
The R&D center is oriented towards energy-saving, high-efficiency and low-carbon raw material design and selection. The products are carbon footprint certified to meet the needs of enterprises for low-carbon products.

Other related indicators and targets:
(1) Continue to implement ISO 14064-1 inventory and pass third-party verification in 2026.
(2) In line with the ESG trend, the R&D center plans to complete the carbon footprint inventory of its products by 2030.</td>
</tr>
<tr>
<td>7. If using internal carbon pricing as a planning tool, the basis for price determination should be explained.</td>
<td>7. There is no use of internal carbon pricing as a planning tool.</td>
</tr>
<tr>
<td>8. If climate-related targets are set, the activities covered, the scope of greenhouse gas emissions, the planning timeline, and the progress made each year should be explained; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these</td>
<td>8. Emission reduction targets

Head office compared to base year 2023.

Reduce Scope 1 and Scope 2 greenhouse gas emissions by 10% by 2030.

Reduce Scope 1 and Scope 2 greenhouse gas emissions by 20% by 2040.

The company plans to purchase renewable energy certificates starting in 2030, with the purchase amount corresponding to the usage of Scope 2 purchased electricity.</td>
</tr>
</table>

targets, the source and quantity of the offset carbon reduction or the number of Renewable Energy Certificates (RECs) should be specified.	
9. Inventory and verification of greenhouse gas emissions, along with reduction targets, strategies, and specific action plans (to be filled in sections 1-1 and 1-2).	Please refer to 1-1 and 1-2, as follows.

(2) 1-1 Recent two-year greenhouse gas inventory and assurance situation of the company:

1-1-1 Greenhouse Gas Inventory Information

Greenhouse gas emissions (unit: metric tons CO2e)

Item	2023	2024
Scope 1	49.1869	47.7032
Scope 2	362.3710	358.1034
Scope 1+2 Total emissions	411.5579	405.8336
Scope 1+2 Emissions intensity (metric tons CO2e/million revenue)	1.2340	1.2231
Scope 3	186.4951	314.6079
Scope 1+2+3 Total emissions	598.0530	720.4415
Emissions intensity (metric tons CO2e/million revenue)	1.7931	2.1713

Note 1: The scope of the inventory in both 2023 and 2024 included the Taiwan head office + Shanghai subsidiary + Shenzhen subsidiary.
The increase in emissions in 2024 compared to 2023 was mainly due to the growth in operating performance and the increase in waste treatment and transportation volume.

Note 2: Consolidated revenue for 2023 was NT$333.525 million, and for 2024 it was NT$331.795 million

1-1-2 Greenhouse gas emission confirmation information: The company's greenhouse gas emissions inventory has not yet been verified by a third party in 2023 and 2024.

(3) 1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans:

Emission reduction target	Strategic action	Planned timeline
Compared to the base year 2023 Reduce Scope 1 and Scope 2 greenhouse gas emissions by 10% by 2030. Reduce greenhouse gas emissions in Scope 1 and Scope 2 by 20% in 2040.	1. Through green procurement, purchase infrastructure equipment with environmental labels, and replace all refrigeration and air-conditioning systems with energy-efficient Class 1 ones. 2. Implement energy-saving projects for facilities and equipment. 3. Acquisition of renewable energy and purchase of green electricity certificates.	1.2025~2030 2.2025~2030 3.2030~2040
Achievement of reduction targets: The increase in emissions in 2024 compared to 2023 was mainly due to growth in operating performance and an increase in waste treatment and transportation volumes.		

2.3.6 The situation of fulfilling honest business practices and the differences and reasons compared to the code of honest business practices for listed companies:

Evaluation Items	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
1. Establishing integrity management policies and plans				No significant difference.
(1) Has the company established a business integrity policy approved by the board of directors, and is this policy and its implementation clearly stated in the regulations and external documents, along with the commitment of the board and senior management to actively implement the business policy?	V		(1) The company has established the "Code of Integrity Management" and the "Code of Ethical Conduct," which regulate that all employees and board members must act with integrity and fairness while conducting related business and comply with government laws and regulations. These guidelines are disclosed in the company's governance-related regulations on the investor relations section of the company website, clearly stating that the board members and management uphold the principle of integrity in managing the company and actively implement policies and commitments to integrity management.	
(2) Has the company established a risk assessment mechanism for dishonest behavior, regularly analyzing and evaluating business activities within its scope that have a higher risk of dishonest behavior, and based on this, formulated measures to prevent dishonest behavior, which at least cover the preventive measures for each item in Article 7, Paragraph 2 of the "Code of Integrity Management for Listed Companies"?	V		(2) The company has established the "Code of Integrity Management," "Code of Ethical Conduct," "Procedures for Reporting Illegal, Unethical, or Dishonest Behavior," and "Internal Major Information Handling and Insider Trading Prevention Management Procedures," which regulate the company and its directors, managers, employees, and substantial controllers to conduct business with integrity and fairness while complying with government laws and regulations. They must not directly or indirectly offer, promise, request, or accept any form of improper benefits, and must prevent bribery and receiving bribes, providing illegal political donations, improper charitable donations or sponsorships, infringing on trade secrets, engaging in unfair competition, etc. Before engaging in business transactions, they	

Evaluation Items	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
			should consider the integrity records of agents, suppliers, customers, and other parties to avoid affecting the rights and interests of consumers and other stakeholders. The company encourages reporting any violations of ethical or integrity management practices while ensuring the legal rights and interests of whistleblowers and the parties involved. The company's website announces the reporting system and channels, and whistleblowers can use email and mail to report.	
(3) Does the company specify operational procedures, conduct guidelines, penalties for violations, and a complaint system within its plan to prevent dishonest behavior, and is it effectively implemented and regularly reviewed and revised?	V		(3) The company engages in business activities based on the principles of fairness, honesty, trustworthiness, and transparency. To implement our integrity management policy and actively prevent dishonest behavior, we have established the "Integrity Management Code," which specifically outlines the matters that our personnel should pay attention to when conducting business. In addition to posting the code on The company bulletin board for employees to be aware of, we also promote the regulations of this code periodically.	
2. Implementing Integrity in Business Operations				No significant difference.
(1) Does the company assess the integrity records of its counterparties and specify integrity behavior clauses in the contracts signed with them?	V		(1) Before establishing a business relationship, first assess the legitimacy of the counterpart, their integrity in business practices, and whether there have been any records of dishonest behavior, to ensure that their business operations are fair, transparent, and do not involve requesting, offering, or accepting bribes.	
(2) Does the company have a dedicated unit under the board of directors to promote corporate integrity management, and does it report regularly (at least once a year) to the	V		(2) The company's dedicated unit for promoting corporate integrity management is the Human Resources Department, which is responsible for auditing whether there are any violations of integrity management within the company. It reports to the board of directors	

Evaluation Items	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
board on its integrity management policies, measures to prevent dishonest behavior, and the status of their implementation?			at least once a year, with the most recent report dated December 25, 2024. Additionally, board members or managers are accountable to the shareholders' meeting or the board of directors for any actions that fall within the scope of corporate integrity management.	
(3) Has the company established a policy to prevent conflicts of interest, provided appropriate channels for disclosure, and implemented enforcement?	V		(3) The company's "Code of Integrity Management" and "Code of Ethical Conduct" require directors to maintain a high level of self-discipline. If a director has a vested interest in a proposal listed by the board that may harm the interests of the company, they may express their opinions and answer inquiries but must not participate in discussions or voting. During discussions and voting, they should recuse themselves and may not act as a proxy for other directors to exercise their voting rights.	
(4) Has the company established an effective accounting system and internal control system to implement honest business practices, and does the internal audit unit develop relevant audit plans based on the assessment results of the risks of dishonest behavior, and check the compliance of the measures to prevent dishonest behavior, or does it entrust an accountant to carry out the audit?	V		(4) To ensure the implementation of the integrity management philosophy, the company has established an effective accounting system, internal control system, and related management measures. Internal audit personnel carry out various audit operations according to the scheduled internal audit plan, and in the event of special circumstances, a separate project audit will be arranged.	
(5) Does the company regularly hold internal and external training on integrity management?	V		(5) The company has established a "Code of Integrity Management" and a "Code of Ethical Conduct," which have been announced on the bulletin board for all employees to be aware of. Starting from the year 2019, the company will annually promote the "Internal Major Information Handling and Insider Trading Prevention Management Procedures" and relevant documents issued by regulatory authorities	

Evaluation Items	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
			to current directors, managers, and employees. For newly appointed directors and managers, educational promotion will be arranged within three months of their appointment. New employees will receive education and promotion from the HR department during pre-employment training, covering topics such as confidentiality of major information, the formation and identification process of insider trading, examples of transactions, and the consequences of violating regulations. Relevant documents will also be placed on the company's intranet for employees' reference.	
3. The operation of the company's reporting system				No significant difference.
(1) Does the company have a specific reporting and reward system in place, establish convenient reporting channels, and assign appropriate dedicated personnel to handle the reported subjects?	V		(1) The company has established the "Code of Integrity Management" and the "Code of Ethical Conduct," which clearly state that the responsible unit of the company should report any dishonest behavior, the handling methods, and subsequent review and improvement measures to the board of directors.	
(2) Has the company established standard operating procedures for handling reported issues, follow-up measures to be taken after the investigation is completed, and related confidentiality mechanisms?	V		(2) The company has established "Procedures for Handling Reports of Illegal, Unethical, or Dishonest Behavior." If the audit and human resources departments receive a complaint, they should first investigate the facts and then promptly communicate with the parties involved, informing them of the results or methods of handling the case and its progress. If the complainant is dissatisfied with the handling results, they may submit another complaint upon receiving the company's relevant response, along with new reasons or new evidence for reconsideration. Both the complainant and the handling personnel must keep the investigation process and related information confidential and may not disclose it externally without authorization.	

Evaluation Items	Implementation			Differences and Reasons Regarding the Practical Code for Sustainable Development of Listed and Over-the-Counter Companies
	Yes	No	Abstract Description	
(3) Does the company take measures to protect whistleblowers from improper treatment as a result of their reporting?	V		The company should also protect the complainant from any retaliation or other adverse treatment. (3) The company provides legitimate reporting channels and will ensure the confidentiality of the identity of the whistleblower and the content of the report.	
4. Strengthen Information Disclosure Does the company disclose the content of its established code of integrity management and its implementation effectiveness on its website and public information observation platform?	V		The company's established "Codes of Integrity Business" and "Code of Ethical Conduct" have been disclosed under the Corporate Governance section of Investor Relations on the company's website. In the future, the company will strengthen and supplement information related to integrity management. Additionally, the company discloses its integrity management policy in its internal regulations, annual reports or other publicity materials, and announces it in external activities such as corporate briefings and product launches when appropriate, so that its suppliers, customers or other business-related institutions and personnel can clearly understand its integrity management philosophy and standards.	No significant difference.
5. If the company has established its own code of integrity management in accordance with the "Code of Integrity Management for Listed and Over-the-Counter Companies," please describe the differences between its operation and the established code: The company has established a "Code of Integrity Management," which specifically regulates the matters that our personnel should pay attention to when conducting business, and there are no significant differences.				
6. Other important information that helps understand the company's integrity in its operations: None.				

2.3.7 Other important information that is sufficient to enhance the understanding of the company's governance operations may be disclosed together: None.

2.3.8 The execution status of the internal control system should disclose the following matters:

1. Internal Control System Statement: Please refer to page 115.
2. The appointed accountant shall review the internal control system and disclose the accountant's review report: None.

2.3.9 Recent annual and important resolutions of the shareholders' meeting and board of directors up to the date of the annual report publication:

1. Important resolutions and implementation status of the shareholders' meeting

The 2024 Regular Shareholders' Meeting on May 27, 2024

Ratification items:

1. The 2023 Business Report and Financial Report.

2. The 2023 Deficit Compensation Statement.

Resolution Results of Discussion items: The company has compensated deficit with the legal reserve and the additional paid-in capital.

Discussion items:

1. Proposal for the amendments to the company's "Rules of Procedure for Shareholders Meetings".

2. Proposal for Release the Prohibition on Directors from Participation in Competitive Business.

Resolution Results of Discussion items: After the revision is completed, it has be announced on MOPS and the company website.

2. Important resolutions and implementation status of Board Meeting

The 6th board meeting of the 7th Session on Feb 27, 2024

1. Approved the company's non-distribution of employee compensation and directors' remuneration case for the year 2023.

2. Approved the company's performance evaluation reports for the Board of Directors, functional committees and individual board members for the year 2023.
3. Approved the amendment to the company's "Compensation Guidelines for Directors and Managers".
4. Approved the company's 2023 business report.
5. Approved the company's 2023 financial report.
6. Approved the company's 2023 deficit compensation statement.
7. Approved the proposed amendments of the company's "Rules of Procedure for Board of Directors Meetings".
8. Approved the proposed amendments of the company's "Rules of Procedure for Shareholders Meetings".
9. Approved the company's proposal to release the prohibition on directors from participation in competitive business.
10. Approved the matters related to proposals from shareholders holding more than 1% of shares through the receiving party.
11. To set the company's date, time, location, and agenda for 2024 annual shareholders' meeting, and to allow the exercise of voting rights through electronic means.
12. Approved the company's report on the results of the self-assessment of the internal control system for the year 2023, requesting the board of directors to evaluate the effectiveness of the internal control system for the year 2023 in order to discuss and issue the "Internal Control System Declaration" document.
13. Approved the company's 2024 assessment of the independence and performance of the CPA appointed by the company.
14. Approved the company's 2024 professional fees for CPA.

<u>The 7th board meeting of the 7th Session on Apr 30, 2024</u>

1. Approved the company's 2024 first quarter financial report.

<u>The 8th board meeting of the 7th Session on July 31, 2024</u>

1. Approved the company's 2024 second quarter financial report.
2. Approved the proposed amendments of the company's "Organizational Rules of Audit Committee".

3. Approved the company's proposal for the personnel appointment of general manager.
4. Approved the company's proposal for release the prohibition on general manager Fang-Lih Lin from participation in competitive business.
5. Approved the amendment to the company's "Approval Authority Table".
6. Approved the proposal for the company's managers' salary adjustment.

The 9th board meeting of the 7th Session on Oct 9, 2024

1. Approved to establish Japan branch.

The 10th board meeting of the 7th Session on Nov 6, 2024

1. Approved the allocation ratio for employee compensation and director remuneration expenses for the year 2024.
2. Approved the company's 2024 third quarter financial report.
3. Approved the proposed amendments of the company's "Rules of Procedure for Acquisition or Disposal of Assets".
4. Approved the company's application for a financing limit from Changhua Bank for the year 2025.

The 11th board meeting of the 7th Session on Dec 25, 2024

1. Approved the company's budget for the year 2025.
2. Approved the content of the company's audit plan for the year 2025.
3. Approved the amendment to the company's internal control system and internal audit system.
4. Approved to the company's investing in Top Taiwan XV Venture Capital LP (hereinafter referred to as Top Taiwan XV Fund).
5. Approved to the company allocates working capital to the Japanese branch of the company (hereinafter referred to as the Japanese branch).

2.3.10 Recently, for the annual report up to the date of publication, if any directors have expressed dissenting opinions on important resolutions passed by the board and there are records or written statements, the main content is: None.

2.4 Information Regarding the Company's Audit Fee

Unit: NT$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total Amount	Remarks
Deloitte & Touche Firm	Yong-Ming, Chiu	1/1/2024~12/31/2024	1,600	400	2,000	Note
	Mei-Chen, Tsai					

Note: Non-audit public service content includes tax certification, non-executive salary declaration review certification, and annual shareholder meeting report review.

(1) If the audit fees paid for the year after changing the accounting firm are lower than the audit fees for the previous year before the change, the amounts of the audit fees before and after the change and the reasons should be disclosed: None.

(2) If the audit public expenses have decreased by more than 10% compared to the previous year, the amount, percentage, and reasons for the decrease in audit public expenses should be disclosed: None.

2.5 Changes in Independent Auditors: None.

2.6 The Company's Chairman, General Manager, and the Managers Responsible for Financial or Accounting Affairs Who Have Served in the Accounting Firm or Its Affiliated Enterprises of the Certified Public Accountant within the Last Year: None.

2.7 In the Most Recent Fiscal Year and up to the Date of the Annual Report Publication, the Transfer of Shares and Changes in Share Pledges of Directors, Managers, and Shareholders Holding More Than Ten Percent of the Shares:

(1) Changes in shareholding and pledging situations of directors, managers, and major shareholders holding more than 10% of shares.

unit：share

Title (Note)	Name	2024		As of 4/25/2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman	San Tan, Tzeng	-	-	-	-

Title (Note)	Name	2024		As of 4/25/2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Director	Top Taiwan XII Venture Capital Co., Ltd.	-	-	-	-
Director	Lanyun Investment Co., Ltd.	-	-	17,000	-
Director	Taiheyi Investment Co., Ltd.	-	-	-	-
Independent Director	Hsu-Tong, Deng	-	-	-	-
Independent Director	Yih-Lang, Lee	-	-	-	-
Independent Director	Chih-Hao, Kao	-	-	-	-
Independent Director	Pei-Yu, Cheng	-	-	-	-
President	Fang-Lih Lin	-	-	-	-
Executive Vice President	Ho-Chang, Tsai	-	-	-	-
Vice R&D President	De Zhi, Chang	-	-	-	-
Vice R&D President	Zhi Hong, Zheng	-	-	-	-
FIN Department Senior Manager	Jessica Kan	-	-	-	-

(2) Information regarding the transfer of shares by directors, managers, and shareholders holding more than 10% of shares to related parties: None.

(3) Information on the pledge of shares by directors, managers, and shareholders holding more than 10% of shares: None.

2.8 Information Regarding the Top Ten Shareholders by Shareholding Ratio, Who Are Related Parties to Each Other or Are Relatives within the Second Degree of Kinship (such as spouses or close relatives):

As of 4/25/2025

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Ampire Co., Ltd.	2,800,000	5.07	-	-	-	-	-	-	
Ampire Co. Ltd. Representative: Han Jie, Su	-	-	-	-	-	-	-	-	
San Tan, Tzeng	1,523,967	2.76	113,391	0.21	737,011	1.33	-	-	
Top Taiwan XII Venture Capital Co., Ltd.	1,350,000	2.44	-	-	-	-			
Top Taiwan XII Venture Capital Co., Ltd. Representative: Andy Chiu	-	-	-	-	-	-	-	-	
Ho-Chang, Tsai	947,202	1.71	138,610	0.25	677,341	1.23	-	-	
Shui Chen, Tu	816,000	1.48	-	-	-	-	-	-	
Lanyun Investment Co., Ltd.	737,011	1.33	-	-	-	-	-	-	
Lanyun Investment Co., Ltd. Representative: San Tan, Tzeng	1,523,967	2.76	113,391	0.21	737,011	1.33	-	-	
De Zhi, Chang	680,077	1.23	145,314	0.26	-	-	-	-	
Taiheyi Investment Co., Ltd.	677,341	1.23	-	-	-	-	-	-	
Taiheyi Investment Co., Ltd. Representative: Ho-Chang, Tsai	947,202	1.71	138,610	0.25	677,341	1.23	-	-	
Heng Fu, Xu	526,000	0.95	-	-	-	-			
Jianglin, Tzeng	522,000	0.94	-	-	-	-	-	-	

2.9 The Number of Shares Held by the Company, its Directors, Managers, and Businesses Directly or Indirectly Controlled by the Company in the Same Invested Enterprise, and the Consolidated Shareholding Ratio Shall be Calculated Together:

None.

III. Capital Overview

3.1. Capital and Shares

3.1.1 Source of Capital

As of April 25, 2025；unit：Share

Month/ Year	Par Value (NT$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital (Amount)	Capital Increased by Assets Other than Cash (Amount)	Note
08/2019	-	80,000,000	800,000,000	56,424,118	564,241,180	Cancellation of Treasury Thousand Shares: 15,320	None	1
03/2022	-	80,000,000	800,000,000	55,973,118	559,731,180	Cancellation of Treasury Thousand Shares: 4,510	None	2
06/2023	-	80,000,000	800,000,000	55,276,118	552,761,180	Cancellation of Treasury Thousand Shares: 6,970	None	3

Note 1: Central Region Office, Ministry of Economic Affairs, approval letter No. 10801104810.
Note 2: Central Region Office, Ministry of Economic Affairs, approval letter No. 11101049120.
Note 3: Central Region Office, Ministry of Economic Affairs, approval letter No. 11230105890.

3.1.2 Status of Shareholders

As of April 25, 2025；unit：Share

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Share（Note）	55,276,118	24,723,882	80,000,000	-

Note：OTC stocks

3.1.3 Information on the Shelf Registration System: None.

3.1.4 List of Major Shareholders

As of April 25, 2025；unit：Share/%

Shareholding / Name	Shares	Percentage (%)
Ampire Co. Ltd.	2,800,000	5.07%
San Tan, Tzeng	1,523,967	2.76%
Top Taiwan XII Venture Capital Co., Ltd.	1,350,000	2.44%
Ho-Chang, Tsai	947,202	1.71%
Shui Chen, Tu	816,000	1.48%
Lanyun Investment Co., Ltd.	737,011	1.33%
De Zhi, Chang	680,077	1.23%
Taiheyi Investment Co., Ltd.	677,341	1.23%
Heng Fu, Xu	526,000	0.95%
Jianglin, Tzeng	522,000	0.94%

3.1.5 Company's Dividend Policy and Implementation Status

1. Dividend Policy

(1) Article 26-1 of the company's articles of association is established as follows: The company's annual financial statement will distribute any surplus in the following order:

i. Full payment of taxes.

ii. Make up for losses.

iii. Set aside ten percent as statutory surplus reserve.

iv. Allocate or reverse special surplus reserves in accordance with laws or regulations set by the competent authority.

v. The remaining amount after the specified amounts in items 1 to 4, plus the accumulated undistributed earnings from previous periods, shall be considered as shareholder dividends, the proportion of which shall be determined by a resolution of the shareholders' meeting for distribution or retention.

(2) Article 26-2 of the company's articles of association stipulates: The company is currently in a growth stage. In response to future operational expansion plans, the board of directors shall consider factors such as the company's long-term financial planning, future investment plans, and capital budgets, and may appropriately distribute dividends in the form of stock dividends or cash dividends, with the ratio of cash dividends not being less than ten percent of the total amount of shareholder dividends.

2. Implementation Status:

The company did not make a profit in the fiscal year 2024, therefore, according

to the company's articles of association, no dividends will be distributed to shareholders.

3.1.6 The impact of the proposed bonus shares on the company's operating performance and earnings per share: Not applicable.

3.1.7 Employee and Director Compensation

1. The percentage or range of employee and director remuneration as specified in the company's articles of association

   If the company makes a profit in a year, it shall set aside 15 to 20 percent as employee compensation, which shall be distributed in the form of stock or cash by resolution of the Board of Directors. The recipients of the distribution shall include employees of the controlling or subordinate companies who meet certain conditions. The company may set aside no more than 3 percent of the above profit amount as director compensation by resolution of the Board of Directors. The distribution of employee remuneration and director remuneration shall be made by the board of directors with a resolution approved by more than two-thirds of the directors present and a majority of the directors present, and a report shall be submitted to the shareholders' meeting.

   However, if the company still has accumulated losses, it should reserve the amount to make up for it in advance and then allocate employee remuneration and director remuneration in accordance with the proportions in the preceding paragraph.

2. The basis for estimating the amount of employee and director remuneration for the current period, the basis for calculating the number of shares for employee remuneration distributed in the form of stock, and the accounting treatment when the actual amount distributed differs from the estimated amount:

   (1) The basis for estimating the amount of employee and director remuneration for the current period and the basis for calculating the number of shares of employee remuneration distributed in the form of stock are the pre-tax profit for the current year, estimated based on the percentage prescribed by the Articles of Incorporation.

   (2) Accounting treatment for differences between actual distribution amount and estimated amount: recorded as current period profit or loss.

3. The board of directors approves the distribution of remuneration:

   (1) Amount of employee and director compensation distributed in cash or stock. If there is a difference with the estimated amount for the recognized expense in

the year, the difference, reason and treatment should be disclosed:

The company did not make a profit in the 2024 annual financial statements, so no employee or director remuneration was distributed, and no employee remuneration or director remuneration was accrued in the accounts, so there was no difference with the estimated amount for the year in which the expense was recognized.

(2) Amount of employee compensation distributed in the form of stock and its proportion to the total net profit after tax and total employee compensation in the current period or individual financial statements: Not applicable.

4. The actual distribution of employee and director remuneration in the previous year (including the number of shares distributed, amount and share price), and any difference from the recognized employee and director remuneration, and the difference amount, reason and treatment should be stated: The company did not make a profit in the 2023 final accounts, so no employee and director remuneration was distributed, and no employee remuneration and director remuneration were allocated in the accounts, so there was no difference with the estimated amount of the recognized expense year.

3.1.8 The situation of the Buy-back of Treasury Stock: None.

3.2 Status of Corporate Bond Processing: None.

3.3 Status of Preferred Stock Handling: None.

3.4 Status of Global Depository Receipts (GDRs): None.

3.5 Status of Employee Stock Options: None.

3.6 Status of New Restricted Employee Shares: None.

3.7 Status of New Share Issuance in Connection with Mergers and Acquisitions: None.

3.8 Financing Plans and Implementation: Not applicable.

IV. Business Overview

4.1 Business Activities

4.1.1 Business Scope

1. Main areas of business operations

CC01070	Wireless Communication Mechanical Equipment Manufacturing
CC01080	Electronics Components Manufacturing
CC01101	Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing
F601010	Intellectual Property Rights
I501010	Product Designing
CC01110	Computer and Peripheral Equipment Manufacturing
ZZ99999	All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Researching, design, developing, manufacturing and selling of Radio Frequency Integrated Circuit and Module.

2. Revenue Breakdown

Unit；NT$ thousands

Product output value / Major Divisions	Total Sales in Year 2024	
	Amount	Percentage%
RF IC	331,795	100.00
Total	331,795	100.00

3. Main Products and Services

The company's products mainly combine radio frequency technology, CMOS processing, digital and analog mixed circuit design, and system-on-chip (SoC) integration technology.

4. New products planned for development

The company's research and development plan for the next three years will continue to integrate existing wireless chips into SoC (System on Chip) designs. In addition to the original A8051 and ARM Cortex-M0 cores, new products are expected to incorporate the ARM Cortex-M4 to meet the demands of high-speed processing control and audio signal processing applications. The new SoC products will not only enhance the speed and

memory capacity of the MCU core but will also integrate more additional features, such as LCD display, temperature/humidity sensor peripherals, weight scale and body fat scale sensor peripherals, NFC functionality, and more, based on the overall needs of customers and market trends to produce a variety of RF SoCs.

In addition to the enhancement of chip hardware functions, the firmware and software required for the SoC will continue to develop proprietary protocols and standard protocols (including RF chips based on IEEE 802.15.4 such as ZigBee/RF4CE, Bluetooth Low Energy RF chips, and sub-1GHz Wi-SUN RF chips) to provide customers with rapid product development applications. For the 2.4GHz wireless data transmission product line, new products with lower power consumption and stronger functionality are expected to be launched for electronic shelf label applications. For 2.4GHz wireless audio transmission applications, low power consumption, low latency, and high-quality RF SoC chips will continue to be introduced. For sub-1GHz products aimed at IoT applications, various low-power long-range transmission RF transceiver chips will continue to be developed, with plans to research new RF system chips in the highly promising Wi-SUN field, developing OFDM modulation technology to support higher transmission rates and provide a complete solution for Wi-SUN FAN 1.1.

For the 5.8GHz short-range wireless communication chip product line, in addition to launching RF transceiver chips suitable for high-speed audio and video transmission, and ETC applications, high-performance 5.8GHz SoC products integrating ARM Cortex-M4 will also be gradually introduced. In the layout of the Bluetooth Low Energy chip product line, chips supporting Bluetooth 5.1 with AoA/AoD functionality will be launched to provide solutions for Bluetooth location services. Subsequently, chips supporting Bluetooth 5.4 with responsive periodic broadcasting (PAwR) technology will be introduced to offer customers Bluetooth electronic shelf label solutions.

4.1.2 Industry overview

1. Current Status and Development of the Industry

In the field of short-range wireless communication applications, the company focuses not on WiFi or mobile phone products, but on the ISM Band wireless products, which have a very wide range of applications (generally defined as distances within 1000 meters, specifically for industrial, scientific, and medical use of RF frequency bands). Internationally, regarding ISM Band regulations, each country allows such low-power radio frequency products to be sold without the need for a license, as long as the product complies with the EMC regulations of that country (such as Taiwan's NCC low-power

radio equipment technical specifications, or the US FCC Part 15 or European ETSI 300-320).

The company started developing private agreement RF ICs at 2.4GHz and sub-1GHz, and in 2013 planned standard protocol products, including Bluetooth Low Energy and IEEE 802.15.4 RF ICs. In 2014, it launched Bluetooth Low Energy RF chips and a series of RF SoC chips. In 2016, it divided its products into three lines, including the addition of 5.8GHz RF ICs, establishing wireless audio transmission as a standalone product line, and separating BLE and Zigbee RF ICs from the 2.4GHz product line to form a dedicated product line. This was part of a comprehensive layout for the diverse Internet of Things, developing highly integrated RF SoCs that incorporate TN LCD drivers for displaying messages, and high-resolution analog-to-digital converters (ADCs) for collecting sensor information. These can connect with mobile phones or gateways via RF (2.4GHz, BLE, sub-1GHz, and 5.8GHz) and upload the collected information to the cloud.

2. The Relationship Between Upstream, Midstream, and Downstream in the Industry

The radio frequency chips designed and marketed by the company belong to the upstream of the semiconductor supply chain. The company adopts an outsourcing production strategy for the completed designs, which means that the finished designs are handed over to the semiconductor midstream and downstream industries for production. The tested radio frequency chips are then returned to the company. Midstream manufacturers include photomask production, wafer foundry, and wafer manufacturing, while downstream manufacturers include packaging and testing, among others. Unlike foreign major companies that have a vertically integrated structure encompassing design, manufacturing, packaging, and testing, our country's semiconductor industry has specialized individual manufacturers involved in each production stage, each with its own expertise and clear vertical division of labor. The company leverages this characteristic to make full use of the complete semiconductor supply chain in our country and Asia, providing customers with high-performance and high-quality radio frequency chips.

3. Various Development Trends and Competitive Situations of the Product

The company is an IC design company in the Asia region, specializing in RF IC and SoC design for SRD (Short Range Wireless Communication) and LNB (Low Noise Block Downconverter). We focus on technology, providing customers with high-performance and high-quality RF chips, developing new products generation after generation. Utilizing our proprietary RF IC technology and ISO 9001 quality processes, along with customer-

oriented technical services, we offer uninterrupted service to our clients and expand our business.

(1) Various development trends of products

From the perspective of end product applications, the company's RF ICs are suitable for three major application areas. The first category is consumer electronics, which includes smart wristbands, smart water bottles, smart toys, smart door locks, smart toilets, health medical devices such as thermometers/blood pressure monitors/blood glucose meters (all related to Bluetooth Low Energy applications), wireless keyboards, wireless mice, wireless game controllers for gaming consoles (such as RF control accessories provided by game software manufacturers for the three major gaming console brands), home security, various RF remote controls (including RF keyboard remote controls for Smart TVs), wireless restaurant management, wireless headphones, wireless microphones, wireless speakers, wireless audio and video transmission, wireless baby monitors, wireless image reversing radars, as well as 2.4GHz model car and model airplane controllers, among others.

The second category is industrial automation control, which includes wireless smart meters in smart grids, smart water meters and heat meters in automatic meter reading, wireless smart sockets, long-distance two-way vehicle anti-theft devices, 2.4GHz wireless radio frequency identification chips, wireless security password locks, encrypted remote-controlled rolling doors, energy-saving systems in smart buildings, and IEEE 802.15.4 wireless sensor networks, among others.

The third category is satellite communication, which involves transmitting television signals to the ground via satellites. This includes satellite low-noise block downconverters (Single LNB, Twin LNB, Quad LNB), RF signal switchers, and satellite signal multiplexers, among others.

(2) Competition Situation

The company's competitors mainly come from large manufacturers in Europe and the United States, including TI, Nordic, Silicon Lab, ADI, Infineon, and Skyworks. The company conducts a SWOT analysis as shown in the table below.

Main competitors	TI、Nordic、ADI、SiLAB、Infineon、Skyworks, etc.

Competitive Advantage(S)	1. Strong R&D capabilities: Combining radio frequency technology, CMOS processes, mixed-signal circuit design, and system-on-chip (SoC) integration technology. 2. The market potential is great: the speed of product launch is fast, and the completeness of the product line is high. 3. Get close to suppliers: Make good use of the complete semiconductor supply chain to gain cost advantages in chips. 4. Close to customers, able to provide rapid service: The design cycle of RF products is more complex than that of general products. Regularly and quickly dispatching engineers to the client site to solve technical issues is a characteristic that can be said to have a high entry barrier, but once mass production is introduced, it is also not easy to be replaced. 5. Exclusively designed RF verification tool: With this low-cost mass production tool, customers can ensure the quality stability on the PCB production line while significantly improving production efficiency. 6. Fast and stable product delivery: Compared to competitors, the product delivery time is reduced by half, and the service is prompt.
Competitive disadvantage (W)	1. Brand Image: The company has been established for a relatively short time, and in terms of business scale and recognition, we are not as competitive as foreign companies. 2. International Sales System: The company adopts a strategy of having agents in various countries, but the revenue contribution mainly comes from the Asia region, where we have business locations in China. However, in Europe, we only have agents without any business locations, so the performance contribution from Europe and the Americas is not as strong as that of major international competitors.
Market Opportunity (O)	1. The existing SRD (Short Range Device) and LNB (Low Noise Block downconverter) markets continue to maintain growth momentum. 2. The rise of the Internet of Things will be a crucial development trend in the next phase, such as applications related to Bluetooth Low Energy, smart grids, and RF smart remote controls. 3. The 5G network is gradually becoming widespread, and various application scenarios for intelligent management and operations, such as transportation, energy management, security monitoring, audio-visual entertainment, and healthcare, all require wireless transmission interfaces. The demand for wireless radio frequency system chips is clearly emerging.
Market Threat (T)	1. Competitors are strategically lowering chip prices to consolidate market share, and this trend is becoming increasingly evident. 2. In addition to offering SoC (System on Chip) integration solutions, competitors are more actively providing customized RF software solutions. 3. Competitors offer ultra-low power (current) performance indicators to attract customers.

4.1.3 Overview of Technology and Research & Development

1. The technical level and research and development of the business operations

The company's products primarily combine radio frequency technology, CMOS processing, and mixed circuit technology of digital and analog. The R&D department and technical support department account for the largest proportion of personnel in the company, with senior R&D staff having over 20 years of experience in the radio frequency industry. Additionally, all radio frequency circuits used by the company are self-developed, with a total of 22 approved domestic and international patents. Therefore, the overall R&D and marketing teams can quickly provide Time-To-Market products.

In terms of research and development, the company is currently actively investing R&D resources into two major projects based on our existing foundation. The first is the development of ultra-low power chips using advanced circuit design; the second is the design of RF chips for SoC with the premise of increasing added value. The goal of both projects is to provide customers with more competitive chip solutions. Additionally, there is currently a supply shortage in upstream 8-inch wafer capacity, and 8-inch wafer foundries are expanding production relatively conservatively, while packaging and testing capacity is also quite tight. In light of the supply constraints, to maximize capacity utilization, the company is actively expanding partnerships and continuously redesigning some products to be manufactured at new wafer foundries to alleviate stock shortages and meet customer demand.

2. Research and development personnel and their academic and professional background.

Unit: People

Item \ Year		2023	2024
Educational Background Distribution	Doctor	0	0
	Master's degree	38	37
	Junior college	24	22
	High school (including) and below	0	0
Total		62	59
Average years of service (years)		9.99	10.8

3. Recent annual and research and development expenses incurred up to the date of the annual report publication.

Unit: NT$ thousands

Item \ Year	2023	2024
A. R&D Expense	132,456	139,671
B. Sales	333,525	331,795
A/B(%)	39.71	42.10

4. Recent annual and successful technologies or products developed up to the date of the annual report publication.

Year	Specific research and development results
2020	Release of the Sub-1GHz DSSS spread spectrum wireless transceiver chip A7119.
	Release of Sub-1GHz wireless unidirectional receiving chips A7209/A7229.
	Release of the A7157 wireless transceiver chip with DSSS spread spectrum functionality at 2.4GHz.
2021	Release of the sub-1GHz wireless transmission SoC chip A9339.
2022	Released the 2.4GHz wireless transceiver SoC chip A8131M0.
	Release of low-receive current sub-1GHz wireless transceiver SoC chips A9129F6/A9139F6/A9159F6.
2023	Release of the A7149 sub-1GHz wireless transceiver chip with an ultra-low receiving current of 1.65mA.
2024	The A7136 Sub-1GHz RF chip has successfully passed the Wi-SUN Association certification and obtained the Wi-SUN FAN 1.0 certification.
	The A9146M4 Sub-1GHz SOC chip has successfully passed the Wi-SUN Association certification and obtained the Wi-SUN FAN 1.0 certification.
2025	Sub-1GHz RF chip A9146M4 (SoC) passed Wi-SUN FAN v1.0 (Router) and (Border Router) certification.
	Launched Sub-1GHz wireless transceiver SoC chip A9139M0.
	Launched the new generation low receiving current Sub-1GHz wireless SoC chip A9136M4, which fully supports the Wi-SUN protocol.
	The Sub-1GHz RF chip A9136M4 won the 2024 EE Awards Asia Gold Award - Best RF/Wireless IC of the Year - "Most Promising Product".

4.1.4 Short-term and Long-term Business Development Plan

1. Short-term business development plan

The applications of the company's RF chips are quite extensive. In the short term, business development will focus on 2.4GHz mice, wireless headphones, wireless audio transmission, wireless video transmission, and satellite low-noise block downconverters for PC peripherals, while actively promoting Bluetooth low-energy chips.

2. Long-term Business Development Plan

The company's RF chips have established a large customer base in consumer electronics. The subsequent marketing strategy will actively expand collaborations with industrial control customers and world-renowned IT and PC brand manufacturers. We will develop wireless chips tailored to different usage specifications, providing wireless solutions with higher performance and lower costs compared to foreign manufacturers. This includes smart grids(AMI), automatic meter reading (AMR), Smart TV remote controls, automotive electronics, electronic toll collection (ETC), and electronic shelf labels (ESL). We are also actively developing products based on standard protocols. To strengthen business promotion, we are working on developing product application solutions to provide customers with a foundation and platform for development, thereby reducing development cycles and lowering development difficulties for our clients.

Looking ahead to 2025, the radio frequency and wireless communication industry will continue to thrive. The company will continue to launch new products that closely meet customer needs in Bluetooth Low Energy (BLE), next-generation specifications for Sub-1GHz/2.4GHz/5.8GHz radio frequency system-on-chip (SoC), and satellite reception down-conversion products. We look forward to further growth in revenue in the future.

4.2 Market, Production and Sales Outlook

4.2.1 Market Analysis

1. Sales regions of the company's main products

Unit: NT$ thousands

Year / Geographic Regions		2023		2024	
		Amount	%	Amount	%
Domestic		113,661	34.08	88,582	26.70
Exports	Asia	183,509	55.02	239,454	72.17
	Europe	35,558	10.66	3,444	1.04
	Others	797	0.24	315	0.09
Total Amount		333,525	100.00	331,795	100.00

2. Market Share

The application range of the company's RF chips is very diverse, making it difficult to accurately assess the global market share of the products. However, based on multiple sources and the company's shipping records, the main markets for the company's RF chip shipments are estimated to be (1) 2.4GHz electronic shelf label (ESL), (2) 2.4GHz baby monitors/home security audio and video transmission, (3) satellite low-noise block downconverters, (4) wireless smart meters, (5) aftermarket two-way vehicle anti-theft devices, (6) concert cheering stick, (7) wireless headphones (including gaming headsets), (8) wearable devices, and (9) ETC traffic cards.

3. Future Supply and Demand Conditions and Growth Potential of the Market

Over the past few decades, connected markets have changed the way we live. Most of us spend hours every day using, or at least interacting with, a variety of connected devices. ABI Research predicts that by the end of 2024, the installed base of connected devices will exceed 55 billion, covering a wide range of end markets including mobile, personal computers (PC), wearables, home entertainment, smart home, automotive, commercial buildings, industrial and other consumer and Internet of Things (IoT) applications. Underlying this growth is the rapid expansion of short-range wireless connectivity technologies such as Wi-Fi, Bluetooth®, and 802.15.4 (most notably Zigbee and Thread). Meanwhile, the relatively emerging ultra-wideband (UWB) technology, equipped with its own unique capabilities, is also expected to grow significantly in the coming years as it supports a variety of new use cases and innovative user experiences.

According to the latest report from the Bluetooth Special Interest Group (SIG) in 2025, Bluetooth device shipments are expected to increase from 5.4 billion units in 2024 to 5.9 billion units in 2024, growing at a compound annual growth rate of 8%. So far, as BLE continues to grow and branch into new vertical industries, the mobile phone market will account for less than 45% of total Bluetooth shipments. BLE will represent 16% of the total number of devices, with strong growth in smart home and beacon applications, as well as a significant presence in the home and wearable sectors.

Technologies based on IEEE 802.15.4, such as ZigBee, Thread, and Wi-SUN, are expected to succeed in smart homes. The ZigBee market size is projected to reach $5.16 billion by 2025 and $6.91 billion by 2030, with a compound annual growth rate (CAGR) of 6.01%. In 2025, the global Wi-SUN technology market size was $361 million, and according to market research firm Business Research Insight, it is estimated to reach $3.59 billion by 2032, with a CAGR of 27.41% during the forecast period. This technology is also expected

to see growth in energy management and smart city applications, such as building automation, smart metering, smart lighting, and industrial applications, with potential growth of over 28%. NFC is targeting new opportunities for mobile payments in smartphones and wearable devices, as well as secure pairing for IoT devices. Therefore, the popularity of multi-band combination ICs will continue to increase, which will help drive the market, especially in the IoT verticals.

ABI Research industry analysts stated: "These solutions can help eliminate the need for multiple connection ICs, reducing complexity and costs, and providing manufacturers with greater flexibility to target multiple applications and use cases with a single SoC. Devices that adopt multi-protocol chipsets will be more future-oriented and will reach the market faster. Ultimately, this will achieve greater scalability and provide engineers with more flexibility and confidence when designing connected devices."

In the retail industry, automation is on the rise to minimize labor costs, which is one of the key factors driving market growth. The so-called "smart retail market" refers to the application of networking technology, product equipment, and related services in the management and operation of the retail sector. In 2025, the global artificial intelligence retail market reached 14 billion USD, and it is expected to reach 62.64 billion USD by 2034, with an estimated compound annual growth rate (CAGR) of 18.14% from 2025 to 2034.

Therefore, the market targeted by the company (5.8GHz + 2.4GHz + Sub-1GHz + IEEE 802.15.4 + BLE) RF chips will continue to grow rapidly. In the IoT field, the company's RF chips will focus on developing composite RF chips as part of our product layout strategy. In the future, our marketing strategy will actively aim to capture over 10% of the global market share.

4. Competitive Niche

The competitive niche of the company's RF chips comes from three aspects:

(1) Radio frequency expertise: All circuits of the chips are developed in-house without external procurement, allowing for quick and unrestricted provision of Time-To-Market products.

(2) Technical Services: Quickly assign FAE to the client site to resolve issues encountered during the customer's design process.

(3) Products with the best cost-performance ratio: The company's chip prices are not the lowest in the market, but they have a price advantage compared to major European and

American manufacturers, allowing customers to profit from using our radio frequency chips and establishing a win-win symbiotic relationship in business.

5. Factors Favorable and Unfavorable to the Development Vision and Response Strategies

(1) Beneficial factors

The favorable factors for the company's development vision are: 1. High technical barriers for RF chip technology: All of our engineers specialize in RF, allowing us to gradually and solidly establish competitive barriers. 2. High barriers to replacing RF chips: It is not easy for customers to complete the development of a wireless product, therefore, the introduction cycle for RF chips is long, and the product life cycle is also lengthy, making it difficult for competitors to enter the market solely based on low prices. 3. Quality control: The testing hardware and software for our chips are all self-developed, and all procedures comply with ISO 9001 quality standards. With this expertise, we can also provide customers with a proprietary tool that allows them to test the performance of RF modules without needing to set up RF instruments on the production line, helping customers to steadily monitor production yield. 4. There is a large global demand for RF chips, and the market share is expected to continue growing. The company, being one of the better-performing manufacturers in Taiwan with stable profits, can quickly establish competitive barriers and brand image.

(2) Adverse Factors

The unfavorable factors for the company's development prospects are: 1. Reliance on RF CMOS processes from foundries. Generally speaking, the manufacturing process for RF chips lags behind that of digital chips by three generations. Therefore, the company's technical threshold also requires cooperation from foundries. The company must be more proactive in coordinating with foundries on the development progress of the latest processes and wafer costs in order to seize business opportunities and provide more energy-efficient and cost-advantageous chips. 2. Competitors (large companies from Europe and the United States) have a strong brand image, and the RF chip market has long been dominated by these large companies. Although more Taiwanese companies are entering this niche market, this trend only began to change gradually in 2001. However, world-renowned IT and PC brand giants are well aware of the products from these European and American companies, making it difficult to promote products to these top domestic and international manufacturers.

(3) Response Measures

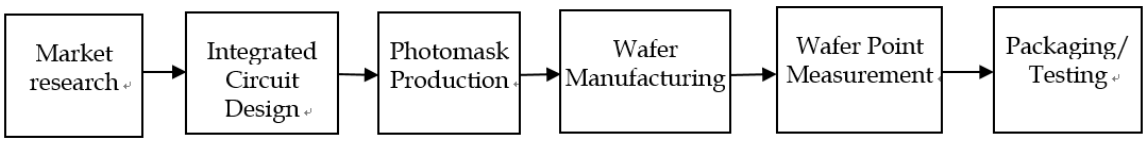
The company's strategies in response to the aforementioned adverse factors are: 1. Invest more in research and development funding and personnel, attempt to utilize the latest RF CMOS design models provided by wafer foundries, and even collaborate with wafer foundry partners to adjust suitable RF CMOS process parameters. 2. Establish a professional and customer-oriented brand image. Generally speaking, the service of major European and American companies in the Greater China market is always inferior to that of Taiwanese companies. All of our professionals can provide fluent and professional Chinese services, actively expanding the RF market in Taiwan and mainland China. For these top domestic and international brands, the company adopt a long-term cultivation approach, leaving no opportunity unexploited, and gradually introduce our RF chips using a strategy of surrounding the city with the countryside.

4.2.2 Main products' important uses and production process

1. Main products' important uses

Main products	Usage
5.8GHz RFIC	Baby monitor audio and video transmission, wireless keyboard, wireless mouse, wireless audio and video transmission, 5.8GHz model airplane controller, ETC (highway toll collection), etc.
2.4GHz RFIC	Electronic shelf label，baby monitor audio and video transmission, concert cheering stick, wireless keyboard, wireless mouse, wireless game controller for gaming consoles, home security, Smart TV keyboard remote control, wireless headphones, wireless speakers, wireless audio and video transmission, wireless image reversing radar, 2.4GHz model car and model airplane controllers, wireless radio frequency identification chip (2.4GHz RFID).
Sub-1GHz RFIC	In the smart grid, there are wireless smart electricity meters, wireless smart water meters, heat meters, wireless smart sockets, long-distance two-way vehicle anti-theft devices, wireless security password locks, encrypted remote-controlled rolling shutters, energy-saving systems in smart buildings, wireless dining management, wireless audio and video transmission, and ETC (electronic toll collection) systems, among others.
BLE + Zigbee	Smart wristbands, smart watches, item finders, wireless selfie sticks, smart scales, RF4CE remote controls, IEEE 802.15.4 wireless sensor networks, etc.
Wireless audio transmission chip	Wireless speakers, wireless microphones, wireless gaming headsets, wireless voice toys, teaching microphones, etc.
LNB	The television signals transmitted from satellites to the ground include satellite low-noise block downconverters (Single LNB, Twin LNB, Quad LNB), RF signal switchers, satellite reception signal multiplex switchers, and more.

2.Production process



4.2.3 The current supply status of raw materials

The current supply status of raw materials for the company is as follows:

Raw materials	Supply source	Supply Status
WAFER	Silterra、Global Foundries、UMC	Stable

4.2.4 Main List of Sales and Purchase Customers

1. The names of suppliers that accounted for more than 10% of the total purchases in any one of the last two years, along with their purchase amounts and percentages.

Unit: NT$ thousands

Year / Item	2023				2024			
	Name	Amount	%	Note	Name	Amount	%	Note
1	Weikeng	45,827	64.47	-	Weikeng	20,652	33.22	-
2	Silterra	13,312	18.73	-	DB Hitek	17,313	27.85	-
3	UMC	8,245	11.60	-	Silterra	13,040	20.97	-
4	DB Hitek	3,671	5.16	-	UMC	8,870	14.27	-
5	Others	26	0.04	-	Others	2,299	3.70	-
	Net Purchases	71,081	100.00		Net Purchases	62,174	100.00	

Note: Relation with Issuer.

Analysis and explanation of changes in main procurement targets:

The main raw material purchased by the company is wafers, and the company has established long-term and good cooperative relationships with our main suppliers. Therefore, there is little change in suppliers. Considering factors such as capacity acquisition, process technology, quality yield, and stable delivery times, all of which are at a very high level, as well as the advantages of bulk purchasing in terms of pricing, the purchasing cooperation situation with our main suppliers has been quite stable since the establishment of the company.

2. Names of customers who accounted for more than 10% of total sales in any of the last two

fiscal years, along with their sales amounts and percentages.

Unit: NT$ thousands

Year / Item	2023				2024			
	Amount	Amount	%	Note	Name	Amount	%	Note
1	Company J	62,857	18.85	-	Company J	99,151	29.88	-
2	Company H	54,092	16.22	-	Company H	46,407	13.99	-
3	Company A	34,894	10.46	-	Company U	35,336	10.65	-
4	Others	181,682	54.47	-	Others	150,901	45.48	-
5	-	-	-	-				-
	Net Sales	333,525	100.00		Net Sales	331,795	100.00	

Analysis and explanation of changes in main sales targets:

The main customers of the company have seen a decrease in sales, which is due to a reduced demand for inventory digestion.

4.3 Employees

The number of employees in the last two years and as of the date of the annual report publication, average years of service, average age, and educational background distribution ratio.

Year		2023	2024	Data as of 3/31, 2025
Number of Employees	Direct Employee	-	-	-
	Indirect employees	39	40	41
	R&D Personnel	62	59	61
	Total	101	99	102
Average age (years)		40.84	42.08	41.72
Average years of service (years)		10.91	11.60	11.33
Education(%)	Ph.D.	0.99	1.01	0.98
	Masters	48.51	48.49	50.00
	Bachelor’s Degree	50.50	50.50	49.02
	Senior High School			
	Below Senior High School			

4.4 Environmental Protection Expenditure Information

(1) The total amount of losses, compensation, and disposals due to environmental pollution for the most recent year and up to the date of the annual report publication: None.

(2) The company is a professional IC design company that focuses on product research and development as well as market sales. All products are manufactured through outsourcing, and the factory only has engineering analysis equipment and computers for auxiliary design. There are no industrial pollution facilities, and we do not deal with harmful pollution sources such as air, wastewater, toxic substances, or noise, nor have we violated any environmental protection regulations.

4.5 Labor-Management Relations

4.5.1 The company's various employee welfare measures, further education, training, retirement system and their implementation status, as well as the agreements between labor and management and the measures for the protection of employee rights and interests:

1. Employee Benefits Measures

(1) Company Benefits:

In addition to complying with the Labor Standards Act and related regulations, special plans for group insurance for employees are also made to supplement the inadequacies of labor insurance, thereby benefiting the families of employees and enhancing their welfare protections.

(2) Employee Benefits:

Coordinating various welfare measures, including annual domestic and international employee travel, special stores, employee birthday celebrations, year-end parties, holiday bonuses, maternity subsidies, emergency assistance, and subsidies for weddings or funerals, to make employees feel the company's care and support.

2. Continuing education and training system

The company establish the implementation procedures for education and training, schedule annual training courses, and provide colleagues with comprehensive training and continuing education pathways. This enables colleagues to become familiar with the competencies required for their work, absorb new knowledge, continuously grow, and strive for excellence, thereby assisting in the progress of work and the personal development of colleagues.

3. Retirement System

The establishment date of the company is September 23, 2005. In accordance with legal regulations, all employees contribute 6% of their monthly wages to the individual retirement accounts established by the Labor Insurance Bureau. For employees in overseas

regions, retirement contributions are made monthly according to the local government's regulations on various social welfare funds.

4. The situation regarding agreements between labor and management and the measures for the protection of various employee rights

   To protect labor and management rights and interests and to coordinate labor-management relations, the company is committed to strengthening labor-management harmony. The company regularly holds administrative meetings related to labor and management as a communication channel between the company and employees. As a result, our labor-management relations have always been harmonious, and no significant labor disputes have occurred to date.

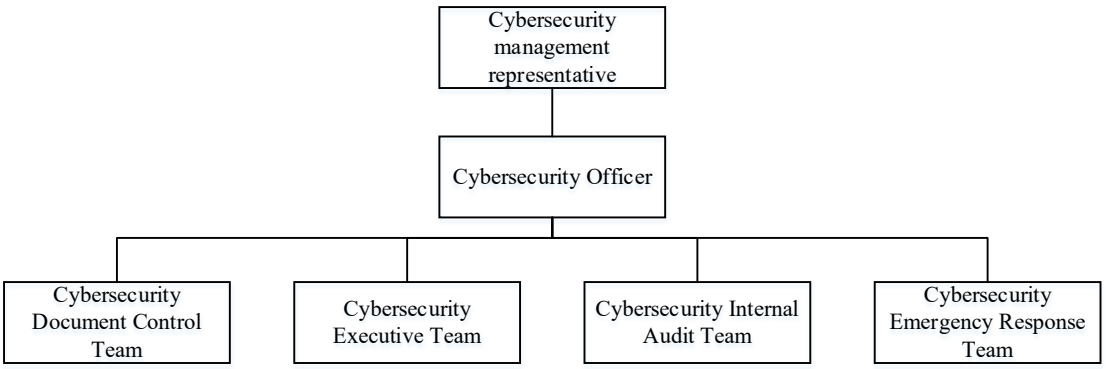
4.5.2 The most recent fiscal year and up to the date of the annual report's publication, the company has suffered losses due to labor disputes, and it discloses the estimated amounts of potential losses that may occur in the present and future, along with the measures taken to address them. If it is not possible to reasonably estimate these amounts, the reasons for the inability to provide a reasonable estimate should be explained: None.

4.6 Information Security Management

(1) Information Security Risk Management Framework

The company established the "Information Security Management Committee" in the year 2023, responsible for implementing information operation security management plans, building and maintaining an information security management system, and coordinating the formulation, execution, risk management, and compliance auditing of information security and protection-related policies. It reported the results of the information security management review meetings to the board of directors annually, with the most recent report date being December 25, 2024.

Organizational Chart of the Information Security Management Committee:



(2) Information Security Policy

The company's information security policy guidelines are 1. Establish information security management standards that comply with regulations; 2. Achieve a consensus that everyone is responsible for information security through awareness among all employees; 3. Protect the confidentiality, integrity, and availability of company information; 4. Provide a secure production environment to ensure the sustainable operation of the company's business, with the main goals of preventing viruses, hacking, and data leaks. This includes establishing firewalls, intrusion detection systems, antivirus systems, and various internal control systems to enhance the company's ability to defend against external attacks and ensure the protection of internal confidential information.

The company has introduced and established a complete Information Security Management System (ISMS) to reduce corporate information security threats from the system, technology, and procedures aspects, establish an information security protection environment that meets customer needs, and continuously conduct a "Plan-Do-Check-Act" (PDCA) cycle for continuous improvement.

The "Planning Phase" focuses on information security risk management. In order to strengthen information security, the ISO27001 information security management system has been introduced since 2023, so that all information systems can operate under standard management specifications, reducing security loopholes and production anomalies caused by human negligence. Through annual review operations, continuous improvement is also achieved.

In the "Execution Phase", the company builds a multi-layered information security protection mechanism, continuously introduce new information security risk control technologies, use intelligent/automated mechanisms to improve the efficiency of the detection and response procedures for various information security incidents, and strengthen the information security and network security protection processes to maintain the protection of the company's important assets.

The "Audit Phase" regularly monitors the effectiveness of information security management indicators, and the above-mentioned management system is audited by a third party every year. In addition, a well-known information security vendor is commissioned to conduct penetration testing to ensure continuous improvement of information security management and defense capabilities.

The "Action Phase" review and continuous improvement: Through annual review operations, continuous improvement is made to enhance information security management and defense capabilities.

(3) Specific Management Plan

To achieve information security policies and objectives, a comprehensive information security protection system will be established. The management matters and specific management plans to be implemented are as follows:

1. Compliance with laws and the introduction of international cybersecurity certification standards: The company implements information security-related ISO 27001 certification standards and regulations as a method and basis for achieving various risk management goals. An internal " Information Security Management Committee " has also been established to promote standardized operations and reduce operational risks.
2. Enhance cybersecurity defense capabilities: Regularly conduct vulnerability assessments and penetration testing of cybersecurity systems, and reinforce and repair them to reduce cybersecurity risks. Establish a network security incident response plan, assess the impact and losses based on the severity of incidents, and take corresponding reporting and recovery actions.
3. Enhance network security: Optimize the overall information system network security area and increase multi-factor authentication protection for privileged account logins on important servers.
4. Education and Training: Conduct comprehensive cybersecurity education and training for all employees, along with periodic social engineering phishing email tests, to enhance cybersecurity awareness. This ensures that cybersecurity operations are implemented with the support of senior management and all departments, reaching every employee.

(4) Invest resources in information and communication security management.

1. Establish information security management standards that comply with laws and regulations, hire consultants to introduce the ISO27001 information security management system and establish an "Information Security Management Committee".
2. Protect the integrity and availability of company information

   i. Establish a software patch system to manage and update software patches.
   ii. Update the disk host (to store all virtual machines, M data, ERP data, electronic signature system data, etc.).

3. Provide a safe production environment

   i. Expand the computer room UPS (uninterruptible power supply system) and increase the power circuit.
   ii. Replace the UPS (uninterruptible power supply system) battery pack in the computer room.
   iii. UPS (uninterruptible power supply system) reinforcement project in the computer room.

4. Anti-virus and anti-hacking

   i. Anti-virus Software License.
   ii. Update the Windows operating system.
   iii. Perform vulnerability scans – penetration tests on all servers.
   iv. Conduct social engineering drills to enhance employees' information security awareness and avoid executing malicious emails.

(5) Losses, possible impacts, and response measures incurred by major information and communications security incidents

The company has not yet experienced any significant information security incidents. In the event of a major information security incident, the company will review website permission settings, examine the web firewall, strengthen defenses against network attack systems, and collaborate with cybersecurity companies to reset access control lists. If a similar security incident occurs, we should be able to detect it immediately and restore the information system.

4.7 Material Contracts

Agreement	Counterparty	Period	Main Contents	Restrictions
Secured loan	Chang Hwa Commercial Bank LTD Hsinchu Science Based Industrial Park Branch	2017.2.17 ~2037.2.17	Using owned land and buildings as collateral to secure a loan.	None
Technology licensing	Digital Core Design sp. z o.o. sp. K.	2011.9.29 ~Permanent	Pay the fees and use the licensed product within the contract period.	None
Technology licensing	Silicon Storage Technology,Inc., Silicon Storage Technology B.V.	2014.2.24 ~ Until one party proposes termination	Pay the fees and use the licensed product within the contract period.	None
Technology licensing	UMC	2014.4.16 ~ Until one party proposes termination	Use the licensed product in accordance with the provisions of the contract.	None
Technology licensing	ARM Limited	2014.4.24~Permanent	Pay the fee to obtain permanent usage rights for a specific product.	None
Technology licensing	ARM Limited	2017.12.27~Permanent	Pay the fee to have permanent use of the licensed product.	None
Technology licensing	Chengdu Analog Circuit Technology Inc.	2023.2.22~2026.2.25	Pay the fees and use the license for the chip design project within the contract period.	None
Reinvestment	Top Taiwan XV Co., Ltd.	2025.4.1~2038.3.31 It can be extended 2 times (years).	Taiwan XV Venture Capital Limited Partnership Agreement and Subscription Agreement.	Note

Note: The company is a limited partner and its responsible for the fund up to the actual amount of its investment. It does not bear any management and operating rights and obligations.

V. Financial Status, Financial Performance, and Status of Risk Management

5.1 Financial Status

Unit: NT$ thousands

Item \ Year	2023	2024	Difference	
			Amount	%
Current Assets	386,513	362,312	(24,201)	(6.26)
Property, plant and equipment	430,470	425,304	(5,166)	(1.20)
Intangible assets	31,646	44,974	13,328	42.12
Other Assets	410,020	309,035	(100,985)	(24.63)
Total Assets	1,258,649	1,141,625	(117,024)	(9.30)
Current Liabilities	51,670	48,766	(2,904)	(5.62)
Non-current liabilities	99,774	90,828	(8,946)	(8.97)
Total Liabilities	151,444	139,594	(11,850)	(7.82)
Capital stock	552,791	552,761	-	-
Capital surplus	326,280	319,876	(6,404)	(1.96)
Retained Earnings	(6,404)	(5,099)	1,305	(20.38)
Other equity	234,568	134,493	(100,075)	(42.66)
Total Stockholders' Equity	1,107,205	1,002,031	(105,174)	(9.50)

(1) Analysis explanation for a change ratio of over 20% and a change amount of NT$10 million:

1. The increase in intangible assets was mainly due to the purchase of MASK in 2024.
2. The decrease in other assets and other equity was mainly due to the fair value measurement of financial assets at fair value through other comprehensive income in 2024.

(2) Effect of changes on the company's financial condition: The company's financial condition has not changed significantly.

(3) Future response actions: Not applicable.

5.2 Financial Performance

(1) Analysis of Operation Results

Unit: NT$ thousands

Item \ Year	2023	2024	Difference	
			Amount	%
Net Sales	333,525	331,795	(1,730)	(0.52)
Cost of Sales	172,350	179,682	7,332	4.25
Gross Profit	161,175	152,113	(9,062)	(5.62)
Operating Expenses	217,783	229,438	11,655	5.35
Operating Income(Loss)	(56,608)	(77,325)	(20,717)	36.60
Non-operating Income and Gains	30,491	74,035	43,544	142.81
Non-operating Expenses and Losses	2,274	2,151	(123)	(5.41)
Loss before Tax	(28,391)	(5,441)	22,950	(80.84)
Tax Expense (Benefit)	2,707	(342)	3,049	(112.63)

Analysis explanation for a change ratio of over 20% and a change amount of NT$10 million:

1. The decrease in net operating profit was mainly due to a decline in revenue in 2024 but an increase in operating expenses.
2. The increase in non-operating income and the decrease in profit and net loss before tax were mainly due to the increase in dividend income in 2024.

(2) Effect of changes on the company's future business:

In addition to continuing to focus on the research and development and promotion of core product lines, the company will also continue to develop and prepare for mass production of the standard product line's Bluetooth 5.4 low-power ARM core SoC chips A3137M0/A3127M4, Wi-SUN chips A7146/A7156/A9146M4, the Audio quality bidirectional 2.4GHz transceiver A8103 and 5.8GHz t transceiver chip A6133M4. The company expects revenue to be contributed by existing and new products, and future performance and profit expectations are expected to grow.

5.3 Cash Flow

5.3.1 Cash Flow Analysis for the Current Year

Item \ Year	2023	2024	Variance (%)
Cash Flow Ratio (%)	25.50	7.26	(71.53)
Cash Flow Adequacy Ratio (%)	6.45	8.13	26.05
Cash Reinvestment Ratio (%)	(2.05)	0.31	115.12

Analysis and explanation for changes in the increase or decrease ratio reaching twenty percent or more:

1. The decrease in cash flow ratio: This is mainly due to the decrease in revenue and gross profit margin in 2024, which led to a decrease in cash flow from operations.
2. The increase in the cash flow adequacy ratio: This is mainly due to the increase in net cash inflow from operating activities in the last five years of 2024.
3. The increase in cash reinvestment ratio: This is mainlysue to cash dividends of NT$38,998,000 were distributed in 2023, but not in 2024, causing the cash reinvestment ratio to turn from negative to positive.

5.3.2 Improvement plan for insufficient liquidity: None.

5.3.3 Cash Flow Analysis for the Coming Year

Unit: NT$thousands

Estimated Cash and Cash Equivalents, Beginning of Year (1)	Estimated Net Cash Flow from Operating Activities (2)	Estimated Cash Outflow (Inflow) (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Surplus (Deficit)	
				Investment Plans	Financing Plans
74,635	12,991	(58,016)	29,610	-	-

Analysis of Cash Flow Changes for the Year 2025:

1. Operating activities: It is expected that the time deposits with a term of more than 3 months will be cancelled, resulting in a net cash inflow.
2. Investing and financing activities: It is expected that capital expenditure and reinvestment will increase, resulting in a net cash outflow.

5.4 Recent Years Major Capital Expenditures and Impact on Financial and Business: None.

5.5 Recent investment policies, main reasons for profit or loss, improvement plans and investment plans for the coming year

(1) Reinvestment policy for the most recent year, major reasons for its profit or loss, and improvement plan: None.

(2) Investment plan for the coming year: In order to optimize the use of funds and consider the company's operating strategy, the company invests NT$25 million in Top Taiwan XV Venture Capital Limited Partnership in 2025.

5.6 Analysis of Risk Management

The risk items in the most recent year and up to the date of publication of the annual report should be analyzed and evaluated.

(1) The impact of interest rate, exchange rate fluctuations, and inflation on the company's profit and loss, as well as future response measures.

Unit: NT$thousands

Item	2023		2024	
	Amounts	Ratio of net (loss) profit before tax	Amounts	Ratio of net (loss) profit before tax
Interest income	1,825	(6.43%)	2,100	(38.60%)
Interest Expenses	2,274	(8.01%)	2,151	(39.53%)
Loss (Gain) on foreign exchange, net	589	(2.07%)	2,836	(52.12%)

Source of information: Financial reports audited and certified by accountants.

1. Interest Rates

The company's interest income for the fiscal years 2023 and 2024 was NT$1,825 thousand and NT$2,100 thousand, accounting for (6.43%) and (38.60%) of pre-tax net profit, respectively. The interest expenses for the same years were NT$2,274 thousand and NT$2,151 thousand, representing (8.01%) and (39.53%) of pre-tax net profit, respectively. The impact of interest rate changes on the company is still limited. The company also continuously monitors interest rate fluctuations and takes necessary measures to mitigate the impact of interest rate changes on its profits and losses.

2. Exchange Rate Aspect

The company primarily sources its goods from foreign suppliers, while its customers are mostly foreign clients, with transactions priced in US dollars, thus naturally hedging against exchange rate risks. The net exchange gains for the fiscal years 2023 and 2024 were NT$589 thousand and NT$2,836 thousand, accounting for (2.07%) and (52.12%) of pre-tax net profit, respectively. Although exchange rate fluctuations have impacted the company's revenue and profitability, the company adheres to a prudent and conservative principle in foreign currency fund management, striving to mitigate any adverse effects that may arise from exchange rate changes. The company's financial personnel maintain close communication with banks and gather information related to exchange rates to fully grasp exchange rate trends. In addition to managing foreign currency receivables and payables, the sales department also takes into account potential price adjustments due to exchange rate fluctuations when quoting prices, ensuring profitability and minimizing the impact of exchange rate volatility on profits and losses.

3. Inflation

The company has not been significantly affected by inflation, and most of the pricing to customers and suppliers is adjusted flexibly based on the market, so the impact on the company's profits and losses is limited.

(2) Policies regarding high-risk, high-leverage investments, lending funds to others, providing endorsements and guarantees, and trading in derivative products, as well as the main reasons for profits or losses and future response measures.

The company is committed to the development of its core business, adhering to a principle of stability and conservatism, and does not engage in high-risk or high-leverage investments. Regarding policies on lending funds to others, providing endorsements and guarantees, and trading in derivative products, future actions will comply with the company's relevant regulations on " Procedures for Lending Funds to Other Parties", " Procedures for Endorsement and Guarantee", and " Rules of Procedure for Acquisition or Disposal of Assets", while also considering the needs of financial operations.

(3) Future Research and Development Plans and Estimated R&D Expenses.

1. The company's research and development plan for the next three years will continue to develop radio frequency chips for short-range wireless communication. The applications of the developed chips will cover three main categories: the first category is consumer electronics, the second category is industrial automation control, and the third category is health care.

2. The company plans to invest NT$154 million in research and development expenses in 2025, primarily focused on the development of innovative technologies and new

products, increasing the number of R&D personnel, purchasing photomasks and R&D hardware and software equipment, and obtaining patents and certifications, which will increase with the growth in business volume.

(4) The impact of important domestic and international policy and legal changes on the company's financial operations and the corresponding measures taken.

The company has not been affected by any significant changes in domestic and international policies and laws in the recent fiscal year that would impact its financials and operations. Since the company's primary sales market is mainly in Asia, which largely consists of developed countries, the political and legal environment is relatively stable. It is also anticipated that the company will not face any significant adverse effects from changes in domestic and international policies and laws in the future.

(5) The impact of technological changes and industry shifts on the company's financial operations and corresponding measures.

The company is always attentive to trends in technological changes. We regularly review chip shipment demands and the status of new customer development during our monthly management meetings. By leveraging our sales channels and advantages in RF-related technologies, we quickly launch high-performance and low-cost products to maintain market competitiveness. Therefore, our planning for technological development should be sufficient to cope with the impacts of technological changes and industry shifts.

(6) The Impact of Changes in Corporate Image on Crisis Management and Response Measures

The company has always adhered to the principles of professionalism and integrity in its operations, placing great importance on corporate image and risk management. Currently, there are no foreseeable crisis issues.

(7) Expected benefits, potential risks, and response measures for mergers and acquisitions.

The company has not had any plans for mergers and acquisitions in the recent fiscal year and up to the date of the annual report's publication. However, if there are any merger and acquisition plans in the future, we will adhere to a prudent evaluation approach, considering whether the merger can bring concrete synergies to the company, in order to effectively safeguard the interests of our shareholders.

(8) Expected Benefits, Possible Risks, and Response Measures for Expanding the Factory

The company is a professional IC design company, and all production is outsourced, so it is not applicable.

(9) Risks and Response Measures Faced by Centralized Procurement or Sales

1. In terms of procurement, we outsource wafer foundry, packaging, and testing processes to domestic and foreign manufacturers. The company strives to establish long-term cooperative relationships with various outsourcing vendors and has not concentrated procurement with a single supplier. In the future, the company will diversify appropriately based on product development and industry growth trends, continuously spreading out procurement sources and sales targets to maintain balanced and stable operational results.

2. In terms of sales, based on the revenue share of the top ten customers of the company for the years 2024 and 2023, there should be no issue of sales being overly concentrated. The company offers a diverse range of products and application services, so currently, there should be no risk of sales being concentrated on specific customers. However, if in the future the company undergoes changes in product or operational structure, there is a possibility that sales could become overly concentrated, which could adversely affect our operations. Therefore, in addition to maintaining good relationships with these customers and developing products that meet their needs, the company will also actively seek to expand new customer sources with the development of new products, in order to avoid the risk of sales concentration.

(10) The impact, risks, and response measures of significant transfers or changes in shareholding by directors or major shareholders holding more than ten percent of the shares on the company.

As of the date of printing the annual report, there have been no significant transfers or changes in shareholding by the directors or major shareholders holding more than ten percent of the shares.

(11) The impact, risks, and response measures of changes in management rights on the company: None.

(12) In the case of litigation or non-litigation events, the company should specify the directors, general manager, substantial responsible persons, major shareholders holding more than ten percent of shares, and subsidiary companies that have been subject to final judgments or are currently involved in significant litigation, non-litigation, or administrative disputes, where the outcomes may have a significant impact on the rights and interests of the company's shareholders or the price of its securities. The company should disclose the relevant facts, the amount in dispute, the date the litigation commenced, the main parties involved, and the status of the case as of the date of the annual report publication: none.

(13) Other important risks and response measures: None.

5.7 Other Material Events

(1) Risks of Cyber Attacks:

The risk of the internet lies in cyber attacks that illegally invade internal network systems. In the event of a cyber attack, the company's operations, financial, and production and sales information systems may lose important data. Cyber attacks may also attempt to steal the company's trade secrets, intellectual property, and confidential information. These attacks can affect the normal operation of the company, leading to additional costs due to delays or interruptions in operations, and damaging the company's reputation.

(2) The impact of information system damage on the company's financial operations and response measures:

The company's information system has established a remote host backup and data backup mechanism to ensure uninterrupted service. Backup media is sent to a remote location for safekeeping, and emergency response drills for the data center are strengthened to ensure the normal operation of the information system and data security. This can reduce the risk of system interruptions caused by unexpected natural disasters and human errors, ensuring compliance with the expected system recovery time objectives.

In order to ensure that the information system can quickly and smoothly resume operations when damage occurs, and to reduce potential losses and risks, disaster drills are conducted annually. The IT department simulates the situations that arise during an accident and implements the procedures outlined in a written recovery manual. This process assesses the feasibility and integrity of the data system recovery, organizes any incomplete steps in the process, and, based on the drill outcomes, plans and designs appropriate hardware and software resources, as well as improvements to operational processes and other response measures.

The company has established a network and computer security protection system to manage or maintain important business operational functions such as company operations and finances. It also conducts annual reviews and assessments of its network security regulations and procedures to ensure the appropriateness and effectiveness of its information security protections.

VI. Special Disclosure

6.1 Summary of Affiliated Companies: None.

6.2 Private Placement Securities in the Most Recent Fiscal Year and up to the Date of the Annual Report's Publication: None.

6.3 Other necessary Supplement Explanations: None.

VII. Any Events Had Significant Impacts on Shareholders' Right or Security Prices as Stated in Item 2 Paragraph 3 of Article 36 of Securities and Exchange Act in the Most Recent Fiscal Year and up to the Date of the Annual Report's Publication: None.

AMICCOM Electronics Corporation **(The "Company")**
Internal Control System Declaration

Date: February 26, 2025

The internal control system of our company for the year 2024 of the Republic of China, based on the results of the company's self-assessment, is hereby declared as follows:

1. The company acknowledges that the establishment, implementation, and maintenance of an internal control system is the responsibility of the company's board of directors and management. The company has established this system. Its purpose is to provide reasonable assurance in achieving objectives related to the effectiveness and efficiency of operations (including profitability, performance, and safeguarding of assets), the reliability, timeliness, and transparency of reporting, and compliance with relevant regulations and laws.
2. Internal control systems have inherent limitations; regardless of how well they are designed, an effective internal control system can only provide reasonable assurance for the achievement of the three objectives mentioned above. Moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may also change. However, the company's internal control system has a self-monitoring mechanism in place, and once deficiencies are identified, the company will take corrective actions.
3. The company evaluates the effectiveness of the internal control system based on the criteria set forth in the "Guidelines for Establishing Internal Control Systems for Publicly Issued Companies" (hereinafter referred to as "the Guidelines"). This evaluation determines whether the design and implementation of the internal control system are effective. The judgment items for the internal control system adopted in the "Guidelines" categorize the internal control system into five components based on the management control process: 1. Control Environment, 2. Risk Assessment, 3. Control Activities, 4. Information and Communication, and 5. Monitoring Activities. Each component includes several items. For the aforementioned items, please refer to the provisions of the "Guidelines."
4. The company has adopted the above-mentioned internal control system to assess the design and effectiveness of the implementation of the internal control system.
5. Based on the evaluation results mentioned above, the company believes that its internal control system as of December 31, 2024 (including supervision and management of subsidiaries), which encompasses understanding the effectiveness and efficiency of operations, the reliability, timeliness, transparency of reporting, and compliance with relevant regulations and laws, is effectively designed and executed, and can reasonably ensure the achievement of the aforementioned objectives.
6. This declaration will become a key part of the company's annual report and public prospectus, and will be made publicly available. If there are any falsehoods, concealments, or other illegal matters in the publicly disclosed content, it will involve legal responsibilities under Articles 20, 32, 171, and 174 of the Securities Trading Act.
7. This declaration has been approved by the board of directors of the company on February 26, 2025. Among the eight attending directors, there were no opposing opinions, and all agreed to the content of this declaration, hereby stating so.

AMICCOM Electronics Corporation

Chairman: San Tan, Tzeng

President:Fang-Lih, Lin

AMICCOM Electronics Corporation

Chairman: San Tan, Tzeng