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<https://www.micb2b.com>



Marketch International Corp.

2024 Annual Report

Printed on March 31, 2025

Notice to readers

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

1. The name, title, telephone number, and e-mail address of the spokesman and acting spokesman

Spokesperson: Scott Lin
Title: President
Tel: +883-2-2655-8899
Email: mic@micb2b.com

Deputy Spokesperson: Scott Lin
Title: President
Tel: +886-2-2655-8899
Email: mic@micb2b.com

2. Company's headquarter, branch offices, and factories contact information

Corporate Headquarter:

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Hsinchu Branch:

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Tainan Science Based Industrial Park Branch (TSPB):

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Tel: +886-6-5055666

Hukou Factory:

No.35, Guangfu S. Rd., Hukou Township, Hsinchu County 303036, Taiwan, R.O.C.
Tel: +886-3-5974779

Toufen Factory:

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Tel: +886-37-612385

Shanhu Dist. Factory:

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Tel: +886-6-5819803

Tainan Science Park (TSPB) Factory I:

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Tel: +886-6-5055666

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Tainan Science Park (TSPB) Factory III:

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Tel: +886-6-5050228

Tainan Science Park (TSPB) Factory V:

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Tel: +886-6-5050768

MIC-TECH Wuxi Factory:

No. 11, Xin Xi Rd., Wuxi National High-Tech DEV Zone, Wuxi City, Jiangsu Province, China 214028
Tel: + 86-510-85200505

Myanmar Factory:

Lot No. B12, Tailawa SEZ Zone A, Thanlyin Township, Yangon , Myanmar

Tel: +95-1-535-927

Vietnam Factory:

No 5A, Cluster 3, Trung Hamlet, Dang Giang Ward, Ngo Quyen District,

Haiphong, Vietnam

3. Stock Transfer Agent

Company: KGI Securities Co., Ltd., Stock Administration Department

Address: 4F., No.2, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei City 100, Taiwan, R.O.C.

Website: <https://www.kgieeworld.com.tw>

Tel: +886-2-23892999

4. Auditors

Auditors: Accountant Wang, Sung-Tse & Accountant Lin, Chun-Yao

CPA Firm: PricewaterhouseCoopers Taiwan

Address: 27F, No.333., Sec. 1, Keelung Rd, Taipei City, Taiwan 11012, R.O.C.

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

Tel: +886-2-2729-6666

5. Overseas Securities Exchange: None.

6. Corporate Website: <https://www.micb2b.com>

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Part 1. Letter to Shareholders

1. Forward

Dear Shareholders,

Over the past year, the global economy has shown stable but moderate growth. According to the International Monetary Fund (IMF), global economic growth is expected to remain at 3.2% in 2024 and rise slightly to 3.3% in 2025. This indicates that the overall economy is moving toward stability. However, the potential impact of Trump 2.0 on international trade and industries remains a challenge that we must closely monitor this year.

According to the Semiconductor Equipment and Materials International (SEMI) report, global semiconductor manufacturing equipment sales in 2024 are projected to reach a record high of \$109 billion, an annual increase of 3.4%. Benefiting from major clients' overseas expansions, our company achieved consolidated revenue of NT\$60.675 billion in 2024, marking a 7.81% annual increase and setting a record for the fourth consecutive year. Operating profit reached NT\$1.757 billion, representing a 28.27% year-over-year decline, with EPS at NT\$8.94. Although our profit margin declined by 16.37%, we remain optimistic. Despite headwinds, we are confident in adjusting our strategies and maintaining a steady pace in our overseas expansion to achieve further success.

Amid the evolving global economic landscape and industrial challenges, we steadfastly uphold our core values of fairness, inclusivity, and sustainable development, striving to create long-term value for our shareholders, employees, customers, and society. We continue to reinforce our commitment to environmental protection by actively reducing carbon emissions, improving green energy efficiency, and implementing green supply chain management and waste reduction programs to fulfill our corporate social responsibility. Our efforts have not only strengthened our leadership position in the industry but also contributed to the United Nations' Sustainable Development Goals (SDGs). In 2024, we were honored to receive the "ESG Excellence Award" from ASML, a leading semiconductor equipment company. This prestigious award recognizes our outstanding performance in ESG, further solidifying our long-term partnerships with key global stakeholders.

Looking ahead, we will continue to enhance technological innovation and R&D investments to strengthen our core competitiveness in products and services. At the same time, we will deepen our digital transformation and intelligent manufacturing efforts to improve operational efficiency and ensure steady growth in the rapidly evolving market. We firmly believe that by adhering to our corporate values and making continuous efforts, we can create even greater returns for our shareholders.

Margaret Kao

Chairman and CEO

2. Business Report

1. 2024 Business Results

1) Operating Results

In 2024, MIC Group's consolidated revenue was NT\$60,675,104 thousand, a 7.81% increase from NT\$56,279,732 thousand in 2023. The consolidated net income was NT\$1,757,290 thousand, a 16.37% decrease from NT\$2,101,229 thousand in 2023. Basic earnings per share was NT\$8.94, a 18.43% decrease from NT\$10.96 in 2023. The Group will continue to pursue stable growth and profitability as its operational objectives, thereby maximizing shareholder equity in the future.

Summary of the 2024 and 2023 consolidated financial statement is listed as follows:

Unit: NT\$ thousands ; %

Items	2023	2024	Variance (\$)	Variance (%)
Operating Revenue	56,279,732	60,675,104	4,395,372	7.81%
Gross Profit	5,247,636	5,276,372	28,736	0.55%
Operating Profit	2,434,374	2,182,395	(251,979)	-10.35%
Net Income	2,101,229	1,757,290	(343,939)	-16.37%
Profit attributable to owners of the parent	2,161,833	1,800,125	(361,708)	-16.73%
Earnings per share (in dollars) (Note2)	10.96	8.94	(2.02)	-18.43%

Note 1: The above information is summarized from consolidated financial statements and independent auditors' reports of 2024 and 2023.

Note 2: The Earnings per share is based on the weighted average number of outstanding shares to calculate the basic earning per share.

2) Budget Achievability

In 2024, benefiting from the increase in semiconductor customer orders, MIC's consolidated operating revenue and profitability for 2024 reached budget. MIC Group will continue to strive for stable growth and profitability as its objectives.

3) Financial Performance Analysis

In 2024, the overall financial receipts and expenditures resulted in a net cash inflow of NT\$4,232,628 thousand, including a net cash inflow of NT\$10,917,397 thousand from operating activities, net cash outflow of NT\$1,349,135 thousand from investing activities, and a net cash outflow of NT\$5,685,340 thousand from financing activities. Ending cash and cash equivalents balance was NT\$11,442,714 thousand. For details regarding the financial structure, solvency and profitability ratios, please refer to the table below and the accompanying financial statements.

Items		2023	2024
Financial structure	Ratio of liabilities to assets (%)	75.94	74.23
	Ratio of long-term funds to property, plant and equipment (%)	682.15	496.51
Solvency	Current ratio (%)	130.56	128.44
	Quick ratio (%)	99.67	97.35
	Times interest earned ratio (times)	9.30	6.65

Items		2023	2024
Profitability	Return on total assets (%)	5.79	4.57
	Return on equity (%)	20.29	15.11
	Ratio of operating profit to capital (%)	120.92	108.41
	Ratio of profit before tax to capital (%)	140.93	131.01
	Net profit margin (%)	3.73	2.90
	Earnings per share (NT dollar) (Note)	10.96	8.94

Note: The Earnings per share is based on the weighted average number of outstanding shares.

4) Research and Development

In 2024, investment in research and development amounted to NT\$277,650 thousand, a 2.5% decrease from NT\$284,759 thousand in 2023. The Group's research and development team has the ability to integrate high-tech processes, automatic control, and precision machinery technology integration, high-tech system equipment development, with demonstrated superior results. Key successful technologies and products developed in 2024 were shown below:

Year	R&D Performanc	Applications
2024	EIM Series Product Automated Verification System	Gas and Fluid Control Modules for Semiconductor Exposure Systems
	Automated Library Purification System	Biotechnology
	Next-Generation Sequencing Smart Automated Laboratory Solution (SMART NGS LAB)	Biotechnology
	ICP Automated Wafer Loader	LED PSS Process Technology
	Ultrasonic Coating Equipment	Semiconductor Wafer Packaging Process Technology
	12-inch Vacuum Imprinting Equipment	Optoelectronic Display Component Manufacturing Technology
	Direct Writing Lithography Equipment for Flexible Printed Circuits	Optical Communication Component Manufacturing Technology
	TGV Laser Modification Equipment	Semiconductor Wafer Process Technology

2. Highlights of 2025 business plan

1) Operating Strategies

- (1) Expand the depth and propensity of the high-tech equipment and material product lines to strengthen foundation for operating revenue growth.
- (2) Enhance technical capabilities in electromechanical engineering and facility equipment to maximize the overall integration efficiency of facility management.
- (3) Actively introduce collaborations with leading international companies to develop technological capabilities for domestic production process equipment.
- (4) Improve equipment installation and maintenance services to enhance expand the depth and propensity of service provided to customers.
- (5) Actively develop the applications and service capabilities in the high-tech industry, smart cities, and smart healthcare for the Internet of Things (IoT), Big Data, Artificial Intelligence (AI), 5G private networks, and AR/VR.
- (6) Strengthen internationalized professional service capabilities.

2) Sales Volume Forecast and Basis

The Directorate-General of Budget, Accounting and Statistics (DGBAS) of the Executive Yuan estimates a year-on-year (YoY) economic growth rate of 4.3% for 2024 and forecasts a 3.29% growth rate for 2025. On January 16, 2025, the World Bank released its biannual Global Economic Prospects (GEP) report, projecting a 2.7% economic growth rate for 2025, the same as in 2024.

According to the latest quarterly World Fab Forecast report published by SEMI (Semiconductor Equipment and Materials International) on January 8, 2025, the semiconductor industry is expected to see the construction of 18 new wafer fabs in 2025.

TSMC's estimated capital expenditure for 2024 is US\$29.76 billion, while its full-year capital expenditure for 2025 is projected to reach US \$38-42 billion, with a median estimate of US\$40 billion, potentially setting a new record.

Looking ahead to 2025, given the expectations for macroeconomic and semiconductor industry developments, MIC aims to maintain stable operational performance or achieve slight growth.

3) Key Production and Sales Policies

- (1) Integrate expertise of MIC Group's business units to build the Group's core technology capabilities.
- (2) Improve efficiency, reduce costs to enhance competitiveness.
- (3) Provide customer full and end-to-end service offerings and enhance the synergy capabilities of business units.
- (4) Strengthen services provided by the Company's overseas subsidiaries to facilitate customer's international expansion plans.

3. Future Development Strategies

Centered on four major business groups – agency, engineering design, system applications, and R&D and manufacturing – MIC aims to further diversify its services to expand its business worldwide. MIS has implemented AEO, ISO9001, ISO13485, ISO14001, ISO14064, ISO45001, ISO50001, SA8000, GMP and ESG to enhance quality and standard. Together, this will increase the Group's competitiveness, employee confidence, customer trust so as to maximize shareholders' benefits.

4. Impact of External Competitive Environment, Regulatory Environment and Macroeconomic Environment

Amid the restructuring of the global order and ongoing tariff and trade wars, the demand for international business development and the adjustment of global supply chains are accelerating. MIC Group is intensifying its efforts in project management and procurement management to enhance industry competitiveness through cost and expense control. In the context of globalization, MIC Group is addressing various country-specific policies, regulations, energy conservation and carbon reduction initiatives, net-zero emissions goals, greenhouse gas reduction measures, consumer protection, corporate governance, and corporate social responsibility requirements. MIC Group is committed to providing more professional services to meet the challenges of a dynamic business environment. In the future, it will uphold the spirit of innovation and offer integrated, environmentally friendly, differentiated, digitalized, and smart solutions to further expand its advantages and market presence.

Wishing good health and all the best to our Shareholders.

Sincerely,

Chairman:	Margaret Kao
President:	Scott Lin
Accounting Director:	Chung Chi-Wen

Part 2. The corporate governance report

1. Information on the Company's directors, supervisors, general manager, assistant general managers, deputy assistant general managers, and the chiefs of all the Company's divisions and branch units

1) Directors and Supervisors

1. Directors and Supervisors (I)

March 30, 2025

Unit: No. of shares; %

Position (Note 1)	Nationality or registered origin	Name	Gender / Age (Note 2)	Appoint. date	Tenure	Initial appoint. date (Note 3)	Shares at time of appointment		Current shares held		Spouse & minor's shares		Shares held in the name of others		Experience / education (Note4)	Position currently served at the Company and other companies	Other executive, director or supervisor as spouse or second degree relative		
							Share No.	Share %	Share No.	Share %	Share No.	Share %	Share No.	Share %			Title	Name	Relation
Director	ROC	Ji-Xuan Investment Corp.		2022/05/27	3	2001/10/22	11,005,795	5.93%	11,005,795	5.44%	0	0.00%	0	0.00%					
		Representative: Margaret Kao	F 71-80				2,010,513	1.08%	2,010,513	0.99%	0	0.00%	0	0.00%	Master of International Business Management, National Taiwan University Institute for Industrial Research electronics research institute section head	Chairman and CEO, Marketech International Corp. Chairman, Ji-Xuan Investment Co., Ltd. Director, WT Microelectronics Director, Probeleader Co., Ltd. Director, eZoom Information, Inc. Director, ADAT Technology Co., Ltd. Director, Vertex System Corporation Director, Forward Science Corp. Director, Brilliant Network & Automation Director, Bolite Co., Ltd Chairman, MarkeTop Smart Solutions Co., Ltd. Chairman, Smart Group Solutions Corp. Director, Taiwan Speciality Chemicals Corp.	None	None	None
Director	ROC	E-Win Investment Co., Ltd.		2022/05/27	3	2001/10/22	6,647,112	3.58%	6,647,112	3.29%	0	0.00%	0	0.00%					
		Representative: Scott Lin	M 61-70				5,986,097	3.22%	5,986,097	2.96%	46,783	0.02%	0	0.00%	Cheng Chi University business administration research institution master ITRI Western US Office superintendent ITRI electronics research institute section head	President and director ,Marketech International Corp. Chairman, E-Win Investment Cos., Ltd. Chairman, eZoom Information ,Inc. Chairman, Probeleader Co., Ltd Chairman, Auro & Pro Corp. Chairman, ADAT Technology Co., Ltd. Chairman, Lucens echnology Inc. Director, Vertex System Corporation	None	None	None

March 30, 2025

Unit: No. of shares; %

Position (Note 1)	Nationality or registered origin	Name	Gender / Age (Note 2)	Appoint. date	Tenure(Year)	Initial appoint. date (Note 3)	Shares at time of appointment		Current shares held		Spouse & minor's shares		Shares held in the name of others		Experience / education (Note4)	Position currently served at the Company and other companies	Other executive, director or supervisor as spouse or second degree relative		
							Share No.	Share %	Share No.	Share %	Share No.	Share %	Share No.	Share %			Title	Name	Relation
Director	ROC	Ennoconn International Investment Co., Ltd.		2022/05/27	3	2019/05/30	83,468,613	44.95 %	83,468,613	41.28%	0	0.00%	0	0.00%					
		Representative: Chu, Fu-Chuan	M 61-70				40,000	0.02%	40,000	0.02%	0	0.00%	0	0.00%	St. John's University of electrical engineering master Senior manager, Hon Hai Precision Industry Co., Ltd.	Director, Marketech International Corp. Chairman and CEO, Ennoconn Corporation Director, Ennoconn International Investment Co., Ltd Chairman, Goldtek Technology Co., Ltd. Chairman, Caswell, INC Director, Ennomech Precision Co., Ltd. Chairman, Dexatek Technology Ltd. Chairman, EnnoRise Corporation Director, Vecow Co., Ltd. Director, Kontron AG Chairman, AIS Cayman Technology Chairman, Ennoconn Investment Holding Co., Ltd. Director, Ennoconn (Suzhou) Technology Co., Ltd. Chairman, Poslab Technology Corporation Director, Ennovision INC. Director, Xinpu Star Venture Investment Co., Ltd. Chairman, Innovative Systems Integration Ltd. Chairman, Nera Telecommunications Ltd Chairman, Ennoconn Solutions Singapore Chairman, EnnoAI Singapore Director, Ennomech Precision Co., Ltd. Director, Ennoconn Thailand Co. Ltd.	None	None	None
Director	ROC	Ennoconn International Investment Co., Ltd.		2022/05/27	3	2018/10/31	83,468,613	44.95 %	83,468,613	41.28%	0	0.00%	0	0.00%					

Position (Note 1)	Nationality or registered origin	Name	Gender / Age (Note 2)	Appoint. date	Tenure(Year)	Initial appoint. date (Note 3)	Shares at time of appointment		Current shares held		Spouse & minor's shares		Shares held in the name of others		Experience / education (Note4)	Position currently served at the Company and other companies	Other executive, director or supervisor as spouse or second degree relative		
							Share No.	Share %	Share No.	Share %	Share No.	Share %	Share No.	Share %			Title	Name	Relation
		Representative: Lou, Chao Tsung	M 51-60				0	0.00%	0	0.00%	0	0.00%	0	0.00%	FengChia University B.A Nan Ya Plastic Corporation, engineering administrator Vice president, Hon Hai Precision Industry Co., Ltd.	Director, Marketch International Corp. Director, Ennoconn International Investment Co., Ltd. Director, Goldtek Technology Co., Ltd. Director, Caswell, INC. Chairman, Ennomech Precision Co., Ltd. Chairman, EnnoMech Precision (Cayman) Co., Ltd. Chairman, Ennoconn (Foshan) Investment Co., Ltd. Chairman, Ennoconn Investment Co., Ltd. Chairman, Ennoconn (Suzhou) Technology Co., Ltd. Chairman, Zhongsheng Huachi New Energy (Suzhou) Co., Ltd. Director, HighAim Technology INC. Director, Ennoconn Malaysia SDN. BHD.	None	None	None
Director	ROC	Ennoconn International Investment Co., Ltd.		2022/05/27	3	2021/02/19	83,468,613	44.95 %	83,468,613	41.28%	0	0.00%	0	0.00%					
		Representative: Tsai, Neng-Chi	M 51-60				0	0.00%	0	0.00%	0	0.00%	0	0.00%	MBA, West Coast University President, Ennoconn Corp.	Director, Marketch International Corp. President, Ennoconn Corp. Director, Ennoconn International Investment Co., Ltd. Director, EnnoRise Corporation Chairman, American Industrial Systems Inc. Chairman, Vecow Co., Ltd. Director, AIS Cayman Technology Group Director, Caswell, INC. Director, Poslab Technology Corp Director, Arbor Technology Corp Director, Ennowell Co. Ltd. Director, cacaFly Int'l Media Co. Director, Ennoconn (Suzhou) Technology Co., Ltd. Chairman, Ennotech Vietnam Company Limited Director, Ennoconn Philippines Corporation Director, Ennoconn India Corporation Director, Ennoconn Australia Pty Ltd Director, Ennoconn New Zealand Ltd	None	None	None
Director	ROC	Ennoconn International Investment Co., Ltd.		2022/05/27	3	2023/02/07	83,468,613	44.95 %	83,468,613	41.28%	0	0.00%	0	0.00%					
		Representative: Chuang, Tsung -Hsien	M 51-60				0	0.00%	0	0.00%	0	0.00%	0	0.00%	MBA Finance, New York University Taiwan CPA AICPA, Maryland State CFO, Ennoconn Corp.	Director, Marketch International Corp. Supervisor, Ennoconn International Investment Co., Ltd. Supervisor, Hua Ying Electric Power Co., Ltd.	None	None	None

March 30, 2025

Unit: No. of shares; %

Position (Note 1)	Nationality or registered origin	Name	Gender / Age (Note 2)	Appoint. date	Tenure (Year)	Initial appoint. date (Note 3)	Shares at time of appointment		Current shares held		Spouse & minor's shares		Shares held in the name of others		Experience / education (Note 4)	Position currently served at the Company and other companies	Other executive, director or supervisor as spouse or second degree relative		
							Share No.	Share %	Share No.	Share %	Share No.	Share %	Share No.	Share %			Title	Name	Relation
Independent Director	ROC	Lin, Hsiao-Ming	M 71-80	2022/05/27	3	2016/05/31	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Taiwan University MBA Chairman and CEO, Taiwan Finance Corp.	Independent Director, Marketech International Independent Director, Godex International Co., Ltd.	None	None	None
Independent Director	ROC	Wu, Chung-Pao	M 61-70	2022/05/27	3	2009/06/19	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master of International Business Management, National Taiwan University Chairman, Protech Systems Co., Ltd. Chairman, Prox Systems Co., Ltd.	Independent Director, Marketech International Corp Chairman, Protech Systems Co., Ltd. Chairman, Prox Systems Co., Ltd. Director, Chenbro Micom Co., Ltd. Services, Co., Ltd. Director, CPC Corporation, Taiwan Director, One Song Inc. Independent Director, EVE Airways Corporation	None	None	None
Independent Director	ROC	Wang, Yi-Chun	M 61-70	2022/05/27	3	2019/05/30	0	0.00%	0	0.00%	0	0.00%	0	0.00%	PHD of Electronic Engineering National Taipei University of Technology President for Administration and Distinguished Professor at St. John's University	Independent Director, Marketech International Corp Independent Director, Goldtek Technology Co., Ltd.	None	None	None
Independent Director	ROC	Chao, Rong-Shiang	M 71-80	2023/05/30	2	2023/05/30	0	0.00%	0	0.00%	0	0.00%	0	0.00%	National Taiwan University School of Management	Independent Director, Marketech International Corp Independent Director, Brillian Network & Automation Integrated System Co., Ltd.			

Note 1: The institutional shareholder is to enlist the name of the institutional shareholder and its representative separately (as an institutional shareholder representation, the name of the institutional shareholder shall be noted), and shall also fill out the below table 1.

Note 2: Please enter the exact age, and can be enter as interval period. Eg. 45 years old-50 years old, or 51 years old-60 years old.

Note 3: To enter the time first serving as company director or auditor, and if there is an interruption, please footnote the explanation.

Note 4: When having worked at the auditing CPAs Office or its affiliated enterprise in relevant exposure prior to serving the current position, the position served and the responsible job description shall be described.

Note 5: When the Company's Chairman and the President or equivalent (the highest ranked managerial officer) are the same person, or relatives such as spouses or the first degree of kinship, the information such as the reason, reasonableness, necessity and response measures (For example, increasing the number of independent directors, and having more than half of the directors who do not serve concurrently as employees or managerial officers, etc.) should be provided.

Note 6: The book closure date for the Company's 2024 general shareholders' meeting. is on March 30, 2025. Shareholding information presented above are based on the March 30, 2025 shareholders' registry.

2. Major Institutional Shareholders

Table I: Major Institutional Shareholders

March 30, 2025

Name of institutional shareholders (Note 1)	Major investors of the institutional shareholders (Note 2)
Ennoconn International Investment Co., Ltd.	Ennoconn Coporation (100.00%)
Ji-Xuan Investment Company	Margaret Kao (16.06%), Sung Ping-Chung (23.41%), Sung Feng-Pei (22.56%), Bai Shuan Investment Company (16.35%), Ji Yung Investment Company (16.26%), Song En-Rui (2.68%), Song Yi-Le (2.68%)
E-Win Investment Company Ltd.	Scott Lin (95%), Chen Wen-Shu (2.5%), Lin Yu-Jeh (0.5%), Lin Yu-Yao (0.5%), Chen Lian-Zhe (0.5%), Zheng Li-Jen (0.5%), Feng Shu-Jen (0.5%)

Note 1: When a director or supervisor is of an institutional share representative, the name of said institutional shareholder shall be entered. If a major investor is a institutional shareholder, please fill in table II below.

Note 2: Enter the name of said institutional entity's major investors (the top ten in shareholdings by percentage) and their shareholding ratio

Note 3: If the legal person shareholder is not a company or organization, name of the shareholder and shareholding ratio that should be disclosed is the name of the capital contributor or sponsor and the contribution or sponsoring ratio.

Note 4: The book closure date for the Company's 2025 general shareholders' meeting is on March 30, 2025.

Table II: Major Shareholders of the Institutional Investors Listed in Table I

March 30, 2025

Institutional investors (Note 1)	Major shareholders of the institutional investors (Note 2)
Ennoconn Corporation	Bao Shin International Investment Co., Ltd. (24.12%), Chunghwa Post Co., Ltd. (3.98%), Taipei Fubon Commercial Bank Co., Ltd., as custodian for the Fuh Hwa Taiwan Technology Dividend ETF Securities Investment Trust Fund account (3.61%), Citibank (Taiwan) Ltd., as custodian for Google International LLC's investment account (3.55%), Hua Nan Commercial Bank, as custodian for Yuanta Taiwan Value High Dividend ETF Securities Investment Trust Fund (3.09%), New Labor Pension Fund (2.33%), Hong Yang Venture Capital Co., Ltd. (1.50%), KGI Life Insurance Co., Ltd. (1.34%), Global Life Insurance Co., Ltd. (1.27%), and Citibank (Taiwan) Ltd., as custodian for Norges Bank's investment account (1.09%).
Ji Yung Investment Company	Ji-Xuan Investment Company (48.44%), Sung Ping-Chung (21.45%), Margaret Kao (0.25%), Sung Feng-Pei (5.94%), Song En-Rui (11.96%), Song Yi-Le (11.96%)
Bai Shuan Investment Company	Ji-Xuan Investment Company (66.67%), Sung Feng-Pei (21.45%), Sung Ping-Chung (0.10%), Margaret Kao (0.02%), Song En-Rui (5.88%), Song Yi-Le (5.88%)

Note 1: When a director or supervisor is of an institutional share representative, the name of said institutional shareholder shall be entered. If a major investor is a institutional shareholder, please fill in table II below.

Note 2: Enter the name of said institutional entity's major investors (the top ten in shareholdings by percentage) and their shareholding ratio

Note 3: If the legal person shareholder is not a company or organization, name of the shareholder and shareholding ratio that should be disclosed is the name of the capital contributor or sponsor and the contribution or sponsoring ratio.

Note 4: The book closure date for the Company's 2025 general shareholders' meeting is on March 30, 2025.

2.Information on the directors and supervisors (II)

(1) Disclosure of directors' and supervisors' professional qualifications and the independence of the independent directors:

① Directors possess professional qualifications and experience

The “Corporate Governance Best Practice Principles” formulated by the Company stipulates that members of the board of directors should generally possess the knowledge, skills and qualities necessary to perform their duties. In order to achieve the ideal goal of corporate governance, the overall capabilities of the board of directors include operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market vision, leadership and decision-making capabilities.

The professional qualifications and experience of individual directors of the Company are explained as follows:

March 30, 2025

Name	Qualifications	Professional qualifications and experience (Note 1)
Director	Ji Xuan Investment Co., Ltd Company Representative: Margaret Kao	<ul style="list-style-type: none"> Graduated from the Graduate School of International Business Management of National Taiwan University, worked as the director of the Electronics Institute of Industrial Technology Research Institute, Chairman Margaret Kao is currently the chairman and CEO of the Company, and concurrently serves as director of WT Microelectronics, Brilliant Network and Automation, Forward Science Corporation. Chairman Margaret Kao has been devoted to semiconductor and other related fields of technology industry for more than 30 years, specializing in technology management, technology marketing, strategic planning, operation management, business management, engineering management, financial management and other related fields. She has rich industry experience and knowledge, sensitive and delicate operational judgment ability, innovative and decisive leadership, and decision-making ability. The chairman keeps learning and fulfilling herself. As the Company leader and the locomotive of the organization, she is calm while facing key challenges and risks, wins the respect and admiration of partners and subordinates, and also consolidates the unity of all. Chairman Margaret Kao's careful management, meticulous planning and advanced international market vision enable the Company to challenge and transform at each stage of advanced deployment, leading Marketch International Corp. to the global professional market to continue to grow to become a pioneer in international service and the achieve sustainable operation goal. In conclusion, Chairman Margaret Kao possesses the necessary knowledge, skills and qualities to perform her duties. Director Margaret Kao did not violate Article 30 of the Company Law.

Name	Qualifications	Professional qualifications and experience (Note 1)
Director	E-win Investment Co., Ltd Company Representative: Scott Lin	<ul style="list-style-type: none"> Graduated from the Graduate School of Business Management, National Chengchi University, director Scott Lin used to be the team leader of the Electronics Institute of Industrial Technology Research Institute. Now he is the general manager of the Company and concurrently serves as chairman of ProbeLeader, eZoom Information, Inc., and ADAT Technology CO., LTD. Director Scott Lin specializes in related fields such as enterprise operation, industrial management, engineering management, business marketing, financial management, leadership and governance, and has experience in related industries in channel, manufacturing, and engineering of semiconductor and optoelectronics. Director Scott Lin started an excellent career with the experience of ITRI. For the special knowledge, director not only has professional knowledge of semiconductors, but also has the ability of communication and negotiation, crisis response and problem solving. Director can also use the relevant knowledge of industrial engineering and enterprise management in many ways. When director was sent to the United States to serve as the director of the West Coast Office of ITRI in the US, he was able to acquire international experience and vision, which laid a solid foundation for the management of the Company in the future. Director Scott Lin and his business partner Chairman Margaret Kao, lead Marketech International Corp. to continue to develop, innovate, and establish a full range of complete services, making Marketech International Corp. the best support partner for the domestic semiconductor and optoelectronics related industries. In conclusion, director Scott Lin has the necessary knowledge, skills and qualities to perform his duties. Director Scott Lin did not violate Article 30 of the Company Law.
Director	Ennoconn International Investment Co., Ltd. Representative: Chu, Fu-Chuan	<ul style="list-style-type: none"> Graduated from the Department of Electronic Engineering of Xipu College of Technology, worked as a senior director of Hon Hai Precision Industry Co., Ltd., director Chu, Fu-Chuan is currently the chairman and CEO of Ennoconn Corporation, chairman of Caswell, INC. Goldtek Technology Co., Ltd. and Poslab Technology Co. He has served as the chairman and director of many companies, and has various experiences in supply chain supervisor, R&D, personnel, quality control, etc., whether in operational judgment, accounting and financial analysis, business management, crisis handling, industry knowledge, leadership ability and decision-making ability, he has laid a solid foundation. Director Chu, Fu-Chuan adheres to the strategic goals of collection, integration and fusion, and continues to focus on various vertical fields such as the Internet of Things, smart industry, semiconductors, and autonomous driving, and is committed to providing service integration solutions with hardware and software. Director Chu, Fu-Chuan also led Ennoconn Corporation to complete a number of mergers and acquisitions with precise vision, excellent integration capabilities, and an unique international market vision. He is the helmsman of the peak operation of Ennoconn Corporation with the layout of globalized and multi-functional products and services, and the formation of a smart industrial IoT fleet. In conclusion, director Chu, Fu-Chuan possesses the necessary knowledge, skills and qualities to perform his duties. Director Chu, Fu-Chuan did not violate Article 30 of the Company Law.
Director	Ennoconn International Investment Co., Ltd Representative: Lou, Chao-Tsung	<ul style="list-style-type: none"> Mr. Chao-Tsung Lou graduated from the Department of Business Administration at Feng Chia University. He previously served as Vice President of Hon Hai Precision Industry Co., Ltd., and is currently a Director of Ennoconn Investment Holding Co., Ltd. He also concurrently serves as a Director of companies including CASWELL, INC. and Goldtek Technology Co., Ltd. Mr. Lou possesses extensive industry experience and has accumulated in-depth industry knowledge. He specializes in operational judgment, business management, engineering management, crisis handling, leadership, and decision-making. He has an international market perspective and is proficient in accounting and financial analysis, financial planning, and capital operations. In summary, Mr. Lou has the knowledge, skills, and qualities necessary for the execution of his duties. *Mr. Lou does not fall under any of the circumstances listed in Article 30 of the Company Act.

Name	Qualifications	Professional qualifications and experience (Note 1)
Director	Ennoconn International Investment Co., Ltd Representative: Tsai, Neng-Chi	<ul style="list-style-type: none"> Graduated from the Graduate School of Business Management of West Coast University in the US, he is currently the general manager of Ennoconn Corporation and a director of Caswell, INC. Director Tsai, Neng-Chi has been deeply involved in the marketing and development of European and American industrial computer markets for more than 20 years. Director has rich industrial knowledge and international market vision, and has business creation ability and leadership ability and decision-making ability. In conclusion, director Tsai, Neng-Chi possesses the necessary knowledge, skills and qualities to perform his duties. Director Tsai, Neng-Chi did not violate Article 30 of the Company Law.
Director	Ennoconn International Investment Co., Ltd Representative: Chuang, Tsung-Hsien	<ul style="list-style-type: none"> Graduated from National Taiwan University, Department of Accountancy, and the Finance graduate school of New York University, director Chuang, Tsung-Hsien is currently the CFO of Ennoconn Corp. and the supervisor of Ennoconn International Investment Co., Ltd. He is a CPA both in Taiwan and in Maryland State, USA. He has accounting and financial analysis abilities, crisis management, leadership, decision-making, rich industrial knowledge and international market vision. In conclusion, director Chuang, Tsung-Hsien possesses the necessary knowledge, skills and qualities to perform his duties. Director Chuang, Tsung-Hsien did not violate Article 30 of the Company Law.
Independent Director	Lin, Hsiao-Ming	<ul style="list-style-type: none"> Mr. Hsiao-Min Lin holds a master's degree from the Graduate Institute of Business at the College of Management, National Taiwan University. He previously served as Chairman of Taiwan Securities Finance Corporation and currently serves as an Independent Director of Godex International Co., LTD. He is the convener of the Audit Committee and a member of the Compensation Committee of the Company. Mr. Lin does not fall under any of the circumstances listed in Article 30 of the Company Act. Mr. Lin previously served as Chairman of Taiwan Securities Finance Corporation and has decades of experience in the securities finance industry. He is highly skilled in financial management, industry analysis, and strategic planning, and possesses strong capabilities in accounting and financial analysis, crisis management, leadership, and decision-making.

Name	Qualifications	Professional qualifications and experience (Note 1)
Independent Director Convener of Remuneration Committee	Wu, Chung-Pao	<ul style="list-style-type: none"> Graduated from the Graduate School of International Business Management of National Taiwan University, currently serves as the chairman of Protech Systems, and concurrently serves as the director of CPC Corporation, Taiwan and the independent director of EVA Airways, the convener of the Company's remuneration committee and a member of the audit committee. Director Wu, Chung-Pao is currently the chairman of the information industry. Director has a forward-looking vision for innovative technology products, leading R&D technology and production management, etc., and can use flexible business strategies and business models. Director has rich experience in the field of electronics and IIoT (Industrial Internet of Things) and AIoT (Artificial Intelligence Internet of Things) applications, specializing in business management, financial finance, industrial analysis, strategic planning and other fields, and has accounting and financial analysis capability, crisis handling ability, technology application vision, leadership ability and decision-making ability, etc. Director Wu, Chung-Pao is an independent director who meets the professional qualifications stipulated in Article 2 of the Regulations on the Establishment and Compliance of Independent Directors of Public Offering Companies, and has more than five years of work experience in business, legal affairs, finance, accounting or corporate business. Director Wu, Chung-Pao has extensive experience in company operation, application of intelligent information and communication applications, quality management, business planning, financial analysis, etc. The Company hopes to draw on his management service experience and vision in the technology industry to provide diversified operation and management in a timely manner, so that the Company can be more diversified in the thinking of operation and management strategies, and further improve the supervision and management quality of the board of directors and the audit committee. Director Wu, Chung-Pao did not violate Article 30 of the Company Law.
Independent Director	Wang, Yi-Chun	<ul style="list-style-type: none"> Graduated with a Ph.D. in Electrical Engineering and Computer Science from Taipei University of Technology, currently serving as an adjunct professor at the School of Electrical and Computer Engineering, Taipei University of Technology, specializing in Artificial Intelligence and Big Data EMBA program serving as an independent director at CASWELL, INC., as well as a member of the MIC Audit Committee. Director Wang Yi-Chun possesses practical experience, expertise in information management, and academic capabilities. Director Wang Yi-Chun meets the qualifications outlined in Article 2 of the Regulations Governing the Appointment of Independent Directors of Public Companies, with over five years of experience in business, legal, financial, accounting, or corporate affairs, and over five years of experience as a lecturer or higher at public or private colleges or universities in relevant fields. Director Wang Yi-Chun is proficient in areas such as artificial intelligence, cloud computing, Internet of Things, and big data analysis, possessing extensive professional knowledge. He is dedicated to nurturing talents and passing on professional experience in related fields, providing timely and professional guidance, advice, and valuable insights for the Company's management and business development. Director Wang Yi-Chun also obtained the "Corporate Sustainability Manager" certification from the Taiwan Institute for Sustainable Energy in 2023, and the Company relies on his expertise in managing the professional technology industry to enhance the quality of corporate governance, the oversight function of the Audit Committee, and the promotion of sustainable business development. Director Wang Yi-Chun did not violate Article 30 of the Company Law.

Name	Qualifications	Professional qualifications and experience (Note 1)
Independent Director	Chao, Rong-Shiang	<ul style="list-style-type: none"> Mr. Rong-Shiang CHAO holds a master's degree from the Graduate Institute of Business, College of Management, National Taiwan University. He previously served as a Director of Everlight Chemical Industrial Corporation and is currently serving as an Independent Director of Brilliant Network & Automation Integrated System Co., Ltd. He also serves as a member of the Audit Committee and the Compensation Committee of the Company. Mr. Chao has a business background and has worked at Formosa Sumco Technology Corporation for several decades. He has held positions such as Vice President, Consultant, and Corporate Governance Officer. He is proficient in financial management, financial planning, capital operations, industry analysis, strategic planning, and corporate governance. Mr. Chao meets the professional qualification requirements for independent directors as stipulated in Article 2 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." He possesses more than five years of work experience in business, legal affairs, finance, accounting, or corporate operations. Mr. Chao is equipped with expertise in corporate governance, business operations, management, marketing, financial management, accounting and financial analysis, and industry insight. He is capable of providing the Board of Directors with timely and professional advice regarding corporate governance, and offering strategic and operational recommendations in business management and financial planning, thereby enhancing the quality of the Company's governance and the oversight function of the Audit Committee. Mr. Chao does not fall under any of the circumstances listed in Article 30 of the Company Act.

Note 1: Professional qualifications and experience: describe the professional qualifications and experience of individual directors and supervisors. If they are members of the audit committee and have accounting or financial expertise, their accounting or financial background and work experience should be stated, and whether they have violated Article 30 of the Company Law.

Note 2: The book closure date for the Company's 2025 general shareholders' meeting is on March 30, 2025

②Director independence information

March 30, 2025

Name	Qualifications	Independence situation (Note)	Number of other public companies concurrently saving as a independent director
Director	Ji Xuan Investment Co., Ltd Company Representative: Margaret Kao	<ol style="list-style-type: none"> 1. For the legal person shareholders of Ji Xuan Investment Co., Ltd. holding more than 5% of the Company's issued shares, Director Margaret Kao is elected as a director as the designated representative of Ji Xuan Investment Co., Ltd. 2. Also serves as the CEO of the Company and is a director with managerial status. 3. She also serves as a director of the Company's affiliated company (subsidiary of the Company). 4. The top ten natural person shareholders of the Company. 5. The chairman of Ji Xuan Investment Co., Ltd., a legal person shareholder who holds more than 5% of the Company's issued shares. 6. There is no relationship of spouses or relatives within the second degree of kinship with other directors. 7. The rest meet the independent qualification requirements listed in the "Regulations on the Establishment of Independent Directors of Publicly Issued Companies and Matters to be Followed". 	0
Director	E-Win Investment Co., Ltd Company Representative: Scott Lin	<ol style="list-style-type: none"> 1. For the legal person shareholders of E-Win Investment Co., Ltd. holding more than 1% of the Company's issued shares, director Scott Lin is elected as directors by the designated representatives of E-Win Investment Co., Ltd. 2. General Manager of the Company and is a director with managerial status. 3. He also serves as a director of the Company's affiliated company (subsidiary of the Company). 4. The top ten natural person shareholders of the Company. 5. There is no relationship of spouses or relatives within the second degree of kinship with other directors. 6. The rest meet the independent qualification requirements listed in the "Regulations on the Establishment of Independent Directors of Publicly Issued Companies and Matters to be Followed". 	0
Director	Ennoconn International Investment Co., Ltd Representative: Chu, Fu-Chuan	<ol style="list-style-type: none"> 1. Ennoconn International Investment Co., Ltd holds more than 5% of the Company's issued shares of the legal person shareholder and is the Company's largest shareholder. Director Chu, Fu-Chuan is elected as the designated representative of Ennoconn International investment Co., Ltd. 2. Also serves as the chairman of the Company's affiliated company (the Company's ultimate parent company – Ennoconn Corporation.). 	0

Name	Qualifications	Independence situation (Note)	Number of other public companies concurrently serving as a independent director
		3. Chairman of Ennoconn International investment Co., Ltd, a legal person shareholder who holds more than 5% of the Company's issued shares. 4. There is no relationship of spouses or relatives within the second degree of kinship with other directors. 5. The rest meet the independent qualification requirements listed in the "Regulations on the Establishment of Independent Directors of Publicly Issued Companies and Matters to be Followed".	
Director	Ennoconn International Investment Co., Ltd Representative: Lou, Chao-Tsung	1. Ennoconn International Investment Co., Ltd holds more than 5% of the Company's issued shares of the legal person shareholder and is the Company's largest shareholder. Director Lou, Chao-Tsung is elected as the designated representative of Ennoconn International investment Co., Ltd. 2. Director of Ennoconn International investment Co., Ltd, a legal person shareholder who holds more than 5% of the Company's issued shares. 3. There is no relationship of spouses or relatives within the second degree of kinship with other directors. 4. The rest meet the independent qualification requirements listed in the "Regulations on the Establishment of Independent Directors of Publicly Issued Companies and Matters to be Followed".	0
Director	Ennoconn International Investment Co., Ltd Representative: Tsai, Neng-Chi	1. Ennoconn International Investment Co., Ltd holds more than 5% of the Company's issued shares of the legal person shareholder and is the Company's largest shareholder. Director Tsai, Neng-Chi is elected as the designated representative of Ennoconn International investment Co., Ltd. 2. Also serves as the general manager of the Company's affiliated company (the Company's ultimate parent company – Ennoconn Corporation.). 3. Director of Ennoconn International investment Co., Ltd, a legal person shareholder who holds more than 5% of the Company's issued shares. 4. There is no relationship of spouses or relatives within the second degree of kinship with other directors. 5. The rest meet the independent qualification requirements listed in the "Regulations on the Establishment of Independent Directors of Publicly Issued Companies and Matters to be Followed".	0
Director	Ennoconn International Investment Co., Ltd Representative:	1. Ennoconn International Investment Co., Ltd holds more than 5% of the Company's issued shares of the legal person shareholder and is the Company's largest shareholder. Director Chuang, Tsung -Hsien is elected as the designated representative of Ennoconn International investment Co., Ltd.	0

Name	Qualifications	Independence situation (Note)	Number of other public companies concurrently saving as a independent director
	Chuang, Tsung - Hsien	2. Also serves as the CFO of the Company's affiliated company (the Company's ultimate parent company – Ennoconn Corporation.). 3. There is no relationship of spouses or relatives within the second degree of kinship with other directors. 4. The rest meet the independent qualification requirements listed in the "Regulations on the Establishment of Independent Directors of Publicly Issued Companies and Matters to be Followed".	
Independent Director	Lin, Hsiao-Ming	1. Has not been elected by the government, legal person or its representative in accordance with Article 27 of the Company Law, has not had a relationship of spouse or relative within the second degree of kinship with other directors, and has not had any of the following conditions during the two years prior to the election and during the term of office: Independent directors who meet the requirements of Article 3 of the "Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed" shall maintain their independence within the scope of business execution, and shall not have direct or indirect interests with the Company: (1) Employees of the Company or its affiliates. (2) Directors and supervisors of the Company or its affiliates. (3) I and my spouse, minor children, or natural person shareholders who hold more than 1% of the total issued shares of the Company in the name of others or hold the top ten shares. (4) Spouses, relatives within the second degree or lineal blood relatives within the third degree of the managers listed in Paragraph (1) or persons listed in (2) and (3). (5) Who directly holds 5% or more of the Company's total issued shares, who holds the top five shares, or director, supervisor or employee of a legal person shareholder who is designated as a representative to serve as the Company's director or supervisor in accordance with Paragraph 1 or 2 of Article 27 of the Company Law. (6) More than half of the directors' seats or voting shares of the Company and another company are controlled by the same person, the director, supervisor or employee of the other company. (7) The chairman, general manager or equivalent positions of the Company and other companies or institutions are the same person or spouse, and the directors, supervisors or employees of other companies or institutions. (8) Directors, supervisors, managers or shareholders holding more than 5% of the shares of a specific company or institution that has financial or business dealings with the Company. (9) Professionals, sole proprietorships, partnerships, business owners and partnerships of companies or institutions directors, supervisors, managers and their spouses who provide auditing or business, legal, financial, accounting	1

Name	Qualifications	Independence situation (Note)	Number of other public companies concurrently saving as a independent director
		and other related services for the Company or affiliated companies with a cumulative amount of remuneration exceeding NT\$500,000 in the last two years. However, the members of the Remuneration Committee, the Public Offer Review Committee or the Special Committee on Mergers and Acquisitions who perform their functions in accordance with this Act or the relevant laws and regulations of the Mergers and Acquisitions Act are not included.	
Independent Director Convener of Remuneration Committee	Wu, Chung-Pao	<p>1. Has not been elected by the government, legal person or its representative in accordance with Article 27 of the Company Law, has not had a relationship of spouse or relative within the second degree of kinship with other directors, and has not had any of the following conditions during the two years prior to the election and during the term of office: Independent directors who meet the requirements of Article 3 of the "Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed" shall maintain their independence within the scope of business execution, and shall not have direct or indirect interests with the Company:</p> <ul style="list-style-type: none"> (1) Employees of the Company or its affiliates. (2) Directors and supervisors of the Company or its affiliates. (3) I and my spouse, minor children, or natural person shareholders who hold more than 1% of the total issued shares of the Company in the name of others or hold the top ten shares. (4) Spouses, relatives within the second degree or lineal blood relatives within the third degree of the managers listed in Paragraph (1) or persons listed in (2) and (3). (5) Who directly holds 5% or more of the Company's total issued shares, who holds the top five shares, or director, supervisor or employee of a legal person shareholder who is designated as a representative to serve as the Company's director or supervisor in accordance with Paragraph 1 or 2 of Article 27 of the Company Law. (6) More than half of the directors' seats or voting shares of the Company and another company are controlled by the same person, the director, supervisor or employee of the other company. (7) The chairman, general manager or equivalent positions of the Company and other companies or institutions are the same person or spouse, and the directors, supervisors or employees of other companies or institutions. (8) Directors, supervisors, managers or shareholders holding more than 5% of the shares of a specific company or institution that has financial or business dealings with the Company. (9) Professionals, sole proprietorships, partnerships, business owners and partnerships of companies or institutions directors, supervisors, managers and their spouses who provide auditing or business, legal, financial, accounting and other related services for the Company or affiliated companies with a cumulative amount of remuneration exceeding NT\$500,000 in the last two years. However, the members of the Remuneration Committee, the Public 	1

Name	Qualifications	Independence situation (Note)	Number of other public companies concurrently saving as a independent director
		Offer Review Committee or the Special Committee on Mergers and Acquisitions who perform their functions in accordance with this Act or the relevant laws and regulations of the Mergers and Acquisitions Act are not included.	
Independent Director	Wang, Yi-Chun	<p>1. Has not been elected by the government, legal person or its representative in accordance with Article 27 of the Company Law, has not had a relationship of spouse or relative within the second degree of kinship with other directors, and has not had any of the following conditions during the two years prior to the election and during the term of office: Independent directors who meet the requirements of Article 3 of the "Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed" shall maintain their independence within the scope of business execution, and shall not have direct or indirect interests with the Company:</p> <ul style="list-style-type: none"> (1) Employees of the Company or its affiliates. (2) Directors and supervisors of the Company or its affiliates. (3) I and my spouse, minor children, or natural person shareholders who hold more than 1% of the total issued shares of the Company in the name of others or hold the top ten shares. (4) Spouses, relatives within the second degree or lineal blood relatives within the third degree of the managers listed in Paragraph (1) or persons listed in (2) and (3). (5) Who directly holds 5% or more of the Company's total issued shares, who holds the top five shares, or director, supervisor or employee of a legal person shareholder who is designated as a representative to serve as the Company's director or supervisor in accordance with Paragraph 1 or 2 of Article 27 of the Company Law. (6) More than half of the directors' seats or voting shares of the Company and another company are controlled by the same person, the director, supervisor or employee of the other company. (7) The chairman, general manager or equivalent positions of the Company and other companies or institutions are the same person or spouse, and the directors, supervisors or employees of other companies or institutions. (8) Directors, supervisors, managers or shareholders holding more than 5% of the shares of a specific company or institution that has financial or business dealings with the Company. (9) Professionals, sole proprietorships, partnerships, business owners and partnerships of companies or institutions directors, supervisors, managers and their spouses who provide auditing or business, legal, financial, accounting and other related services for the Company or affiliated companies with a cumulative amount of remuneration exceeding NT\$500,000 in the last two years. However, the members of the Remuneration Committee, the Public 	1

Name	Qualifications	Independence situation (Note)	Number of other public companies concurrently saving as a independent director
		Offer Review Committee or the Special Committee on Mergers and Acquisitions who perform their functions in accordance with this Act or the relevant laws and regulations of the Mergers and Acquisitions Act are not included.	
Independent Director	Chao, Rong-Shiang	<p>1. Has not been elected by the government, legal person or its representative in accordance with Article 27 of the Company Law, has not had a relationship of spouse or relative within the second degree of kinship with other directors, and has not had any of the following conditions during the two years prior to the election and during the term of office: Independent directors who meet the requirements of Article 3 of the "Regulations on the Establishment of Independent Directors of Public Offering Companies and Matters to be Followed" shall maintain their independence within the scope of business execution, and shall not have direct or indirect interests with the Company:</p> <ol style="list-style-type: none"> (1) Employees of the Company or its affiliates. (2) Directors and supervisors of the Company or its affiliates. (3) I and my spouse, minor children, or natural person shareholders who hold more than 1% of the total issued shares of the Company in the name of others or hold the top ten shares. (4) Spouses, relatives within the second degree or lineal blood relatives within the third degree of the managers listed in Paragraph (1) or persons listed in (2) and (3). (5) Who directly holds 5% or more of the Company's total issued shares, who holds the top five shares, or director, supervisor or employee of a legal person shareholder who is designated as a representative to serve as the Company's director or supervisor in accordance with Paragraph 1 or 2 of Article 27 of the Company Law. (6) More than half of the directors' seats or voting shares of the Company and another company are controlled by the same person, the director, supervisor or employee of the other company. (7) The chairman, general manager or equivalent positions of the Company and other companies or institutions are the same person or spouse, and the directors, supervisors or employees of other companies or institutions. (8) Directors, supervisors, managers or shareholders holding more than 5% of the shares of a specific company or institution that has financial or business dealings with the Company. (9) Professionals, sole proprietorships, partnerships, business owners and partnerships of companies or institutions directors, supervisors, managers and their spouses who provide auditing or business, legal, financial, accounting and other related services for the Company or affiliated companies with a cumulative amount of remuneration exceeding NT\$500,000 in the last two years. However, the members of the Remuneration Committee, the Public 	1

Name	Qualifications	Independence situation (Note)	Number of other public companies concurrently serving as a independent director
		Offer Review Committee or the Special Committee on Mergers and Acquisitions who perform their functions in accordance with this Act or the relevant laws and regulations of the Mergers and Acquisitions Act are not included.	

Note: Independent directors should state their independence, including but not limited to whether they, their spouse, or relatives within the second degree of kinship serve as directors, supervisors or employees of the Company or its affiliated companies. The shares and proportion of the Company's shares held by relatives (or in the name of others); whether they serve directors, supervisors or employees of a company that has a specific relationship with the Company (refer to the provisions of Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations on the Establishment of Independent Directors and Matters to be Complied with in Public Offering Companies). The amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years.

(2) Board of Directors Diversity and Independence:

① Diversity of the Board of Directors and Achievements:

Describe the board's diversity policy, goals and achievements. The diversity policy includes but is not limited to the selection criteria of directors, the professional qualifications and experience that the board of directors should have, the composition or ratio of gender, age, nationality and culture, etc., and the Company's specific goals and its achievement are described in the disclosed policy.

In order to strengthen corporate governance and promote the sound development of the composition and structure of the board of directors, the Company has formulated the "Corporate Governance Best Practice Principles". The composition of the board of directors of the Company should consider diversity, except that directors who also serve as managers of the Company should not exceed one-third of the number of directors, and formulate an appropriate diversity policy based on its own operation, operation type and development needs, which should include but not limited to the two major standards of basic conditions and values, professional knowledge and skills, and should have industry-related experience and the knowledge, skills and qualities necessary to perform their duties.

The selection of the Company's directors follows a nomination system. The election process of all directors complies with relevant legal regulations. The current Board of Directors consists of ten members, all of whom are nationals of the Republic of China and possess the necessary knowledge, skills, and expertise required to perform their duties (please refer to the aforementioned qualifications and professional experience of the directors). The Board members have professional backgrounds spanning law, accounting, industry, finance, marketing, and technology.

Among the directors, seven members (70%) are aged over 61, and three members (30%) are between the ages of 51 and 60. There is one female director, accounting for 10% of the board, which meets legal requirements but does not reach one-third representation. This is primarily due to the Company's broad scope of business and the specialized expertise required of board members, which limits the pool of eligible female candidates. Additionally, identifying suitable talent within a short time frame poses challenges in meeting the target ratio for female directors.

Moving forward, the Company will enhance board diversity by seeking candidates from various industries and backgrounds, thereby improving the quality of corporate decision-making. The diverse professional experience of board members fosters a wide range of perspectives in discussions related to corporate management, further strengthening corporate governance and overall operational effectiveness.

② Board of Director's Independence:

State the number and proportion of independent directors, and state that the board of directors is independent, and explain with reasons whether there are no violations specified in Items 3 and 4 of Article 26-3 of the Securities and Exchange Act, including a description of whether directors, supervisors or directors and supervisors have spouse relationship or kinship within the second degree.

The current board of directors of the Company consists of ten directors, including four independent directors (40%), two directors with employee/manager status (20%, not

exceeding one-third of all directors), among all directors none of them are spouses or relatives within the second degree of kinship, which complies with the provisions of Article 26-3, Items 3 and 4 of the Securities and Exchange Act. Each independent director also meets the eligibility requirements set out in the "Measures for the Establishment of Independent Directors of Publicly Issued Companies and Matters to be followed".

The board of directors of the Company guides the Company's business strategy, supervises the management level, and is responsible to the Company and shareholders. All operations and arrangements are performed in accordance with laws, the Company's articles of association or the resolutions of the shareholders' meeting. In addition to complying with relevant laws and regulations and coordinating with the functions and powers of the audit committee, independent directors pay attention to the management and control of existing or potential risks of the Company, and supervise the effective implementation of the Company's internal control, the independence of certified accountants and the proper preparation of financial statements.

2)Information on the president, vice president, senior manager, department and branch supervisors

March 30, 2025

Unit: share; %

Title (Note 1)	Nationality	Name	Gender	Appoin. date	Shares held		Spouse & minor's shares		Shareholdings held under the name of others		Experience / education (Note 2)	Position currently served at the Company and other companies	Managers as spouse or second degree relative			Notes (Note 3)
					Share No.	Share %	Share No.	Share %	Share No.	Share %			Title	Name	Relation	
Chairman and CEO	ROC	Margaret Kao	F	1989/01/01	2,010,513	0.99%	0	0.00%	0	0.00%	Master of International Business Management, National Taiwan University Institute for Industrial Research electronics laboratory section head	Chairman, Ji-Xuan Investment Co., Ltd. Director, WT Microelectronics Director, Probeleader Co., Ltd. Director, eZoom Information, Inc. Director, ADAT Technology Co., Ltd. Director, Vertex System Corporation Director, Forward Science Corp. Director, Brilliant Network & Automation Director, Bolite Co., Ltd Chairman, MarkeTop Smart Solutions Co., Ltd Chairman, Smart Group Solutions Corp. Director, Taiwan Speciality Chemicals Corp.	None	None	None	None
President	ROC	Scott Lin	M	2004/07/01	5,986,097	2.96%	46,783	0.02%	0	0.00%	Cheng Chi University business administration research institute master Institute for Industrial Research western USA office superintendent ITRI electronics research institute section head	Chairman, E-Win INVESTMENT CO., LTD. Chairman, eZoom Information ,Inc. Chairman, Probeleader Co., Ltd Chairman, Auro & Pro Corp. Chairman, ADAT Technology Co., Ltd. Chairman, LUCENS TECHNOLOGY INC. Director, Vertex System Corporation	None	None	None	None
Group General Manager	ROC	Chen,Jian- Tsuen	M	2010/04/01	216,700	0.11%	0	0.00%	0	0.00%	Tamkang University school of applied physics B.A.	None	None	None	None	None
Division General Manager	ROC	Huang Zhong- Wen	M	2010/02/01	183,983	0.09%	0	0.00%	0	0.00%	Murray State University USA business administration research institute master Asia Word Hotel departmental superintendent	None	None	None	None	None

March 30, 2025

Unit: share; %

Title (Note 1)	Nationality	Name	Gender	Appoin. date	Shares held		Spouse & minor's shares		Shareholdings held under the name of others		Experience / education (Note 2)	Position currently served at the Company and other companies	Managers as spouse or second degree relative			Notes (Note 3)
					Share No.	Share %	Share No.	Share %	Share No.	Share %			Title	Name	Relation	
Division General Manager	ROC	Chang Ruei-Ru	M	2010/02/01	176,048	0.09%	0	0.00%	0	0.00%	Taiwan Technology University EMBA global strategy section master China Precision Diecast co technical section head Jia Rong Company sales superintendent	None	None	None	None	None
Division Vice General Manager	ROC	Li Ruei- Wen	M	2017/02/01	78,700	0.04%	1,700	0.00%	0	0.00%	National Chiao Tung University Department of Communications Engineering B.A. Applied Materials Taiwan Quality Assurance manager.	None	None	None	None	None
Division Vice General Manager	ROC	Lin Chih-Jen	M	2018/04/11	16,000	0.01%	0	0.00%	0	0.00%	Master, Graduate School of Environmental Engineering, National Cheng Kung University	None	None	None	None	None
Division Vice General Manager	ROC	Lu Chien- Kuo	M	2018/04/11	62,029	0.03%	82,700	0.04%	0	0.00%	Master, Graduate School of Biotech Healthcare Management, National Yang-Ming University	None	None	None	None	None
Division Vice General Manager	ROC	Lo Su-Yuan	M	2018/04/11	112,700	0.06%	0	0.00%	0	0.00%	B.A., Department of Mechanical Engineering, Hsiuping University of Science and Technology Deputy Section Head, Rexon Industrial Corporation Limited	None	None	None	None	None
Division Vice General Manager	ROC	Yang Yuan-Zhi	M	2018/11/01	50,000	0.02%	0	0.00%	0	0.00%	Middlesex University, UK FMM Department of Atmospheric Sciences, National Central University	None	None	None	None	None

Title (Note 1)	Nationality	Name	Gender	Appoin. date	Shares held		Spouse & minor's shares		Shareholdings held under the name of others		Experience / education (Note 2)	Position currently served at the Company and other companies	Managers as spouse or second degree relative			Notes (Note 3)
					Share No.	Share %	Share No.	Share %	Share No.	Share %			Title	Name	Relation	
Vice General Manager, Finance & Accounting Division , and Finance officer	ROC	Hsieh Ming- Chu	F	1998/07/01	399,459	0.20%	0	0.00%	0	0.00%	Taipei Business College school of accounting and statistics B.A. Lung Pu Group financial specialist Cathay group administrator	None	None	None	None	None
Director, Finance & Accounting Division, and Accounting officer	ROC	Chung Chi-Wen	F	2006/04/21	70,973	0.04%	0	0.00%	0	0.00%	Soochow University accounting research institute master PWC CPA Office Director Daiwa Securities co assistant manager	None	None	None	None	None
Chief Audit	ROC	Lin Ya- Qing	F	2016/09/01	0	0.00%	0	0.00%	0	0.00%	Soochow University school of business administration B.A. KPMG CPA Office assistant manager TransAsia Airways senior accountant	None	None	None	None	None
Director of Corporate Governance	ROC	Li Yi-Jung	M	2023/06/09	150,442	0.07%	0	0.00%	0	0.00%	Master of Accounting, National Taiwan University SanYang Motor Finance Manager CHAUR CHIN INDUSTRIES CO., LTD General Manager	Director, eZoom Information ,Inc. Supervisor, ADAT Technology Co., Ltd. Supervisor, Vertex System Corporation Supervisor, MarkeTop Smart Solutions Co., Ltd Supervisor, Smart Group Solutions Corp.	None	None	None	None

Note 1: It shall include information on the president, vice presidents, senior managers, various departmental and branch organizational executives, and those with a position comparable to the president, vice president and senior manager, regardless of the job title, shall also be disclosed.

Note 2: When having worked in a certified public accountants office or related enterprise with pertinent exposure related to the current position, it shall describe the individual's job title and responsible job description.

Note 3: When the Company's President or equivalent (the highest ranked managerial officer) and the Chairman are the same person, or relatives such as spouses or the first degree of kinship, the information such as the reason, reasonableness, necessity and response measures (For example, increasing the number of independent directors, and having more than half of the directors who do not serve concurrently as employees or managerial officer, etc.) should be provided.

Note 4: The book closure date of the Company's 2025 regular shareholders' meeting is on March 30, 2025. The shares shown in the table represent the number of shares held in the register of shareholders as of March 30, 2025.

3) If the chairman, president or personnel with equivalent position (chief manager) are the same person, spouses or relatives within one degree of kinship, the reasons, reason ability, necessity and measures to be taken accordingly shall be addressed:

Chairman Margaret Kao also serves as the company's CEO. Since Chairman Margaret Kao has dedicated 30+ years toward the semiconductor and other related fields where she specializes in technology management, technology marketing, strategic planning, operations management, business management, engineering management, financial management, and similar expertises, she has a rich industry experience and industry knowledge, exceptionally detailed operations analysis capability, innovative and decisive leadership skills and decision-making ability, and therefore has a definitive impact toward the Company's business and operations; the Company's operations decisions are made by the CEO and the general manager to strengthen management efficiency, and additionally Chairman Margaret Kao personally leads the Company to plan for future growth. Aside from formulating the strategic direction, she also participates in the daily operations management to implement the aforementioned future growth plan allowing the Company to respond quickly of its business activities, improving efficiency and overall increase operations performance, resulting in significant results in the Company's transformation and growth. In summary, Chairman Margaret Kao's rich industry experience and leadership as well as strategic execution skills have a decisive impact on the Company's operations and business, so it is necessary for Chairman Margaret Kao to concurrently serve as the CEO.

Chairman Margaret Kao has closely communicated with the board of directors on the Company's operations status and strategic directions to collectively take initiatives to enhance the functions of the board of directors and strengthen the supervisory function. Furthermore, in order to respond to the development trend of corporate governance and strengthen the functions and operations of the board of directors, the Company amended the Articles of Incorporation at the shareholders' meeting in 2022 to increase the number of directors, and one additional independent director at the shareholders' meeting in 2023 to strengthen the supervisory function of the Board of Directors and maintain half of the directors as no employees or managers of the Company, so as to refine the implementation of corporate governance.

2. Remuneration paid during the most recent fiscal year to directors, supervisors, the general manager, and assistant general managers

1. If one of the following applies to the Company, the remuneration of its directors or supervisors shall be disclosed individually; otherwise, it has a choice to disclose the aggregation remuneration for all the positions held by each individual or disclose remuneration for each individually (for individual disclosure, include title, name, and amounts separately, and do not fill in the remuneration range):
 - 1) When there is after-tax deficit in the most recent three years' individual entity or individual financial statements, it is a must to reveal every director and supervisor's remuneration, except those that already have after-tax net profit and the said profit is enough to cover the deficit.
 - 2) If the circumstance of shares held by the directors should fall short for three consecutive months or longer in the most recent year, the remunerations of individual directors shall be disclosed; when the circumstance of shares held by the auditors should fall short by three consecutive months or longer in the most recent years, the remunerations of individual auditors shall be disclosed.
 - 3) In the recent fiscal year, if the average pledge ratio exceeds 50% in any given three months for a director or supervisor, the remuneration of the individual director or supervisor with a pledge ratio exceeding fifty percent in each of those months shall be disclosed.

(Note: the entire directors' monthly average mortgaging ratio: the entire directors' mortgaged share count / the entire directors' shareholdings (including the retained voting right trust share count); the entire auditors monthly average mortgaging ratio: the entire auditors mortgaging share count / the entire auditors shareholdings (including the retained voting right trust share count)).

- 4) When the entire directors and auditors collecting the directors and auditors remunerations in all companies stated in the financial statements to the after-tax net earnings should exceed two percent, and that the remunerations the individual directors or auditors collect also exceed NT\$15 million, the individual remunerations of the directors or auditors shall be disclosed.
 - 5) A TWSE-listed or TPEx-listed company which is ranked in the lowest two tiers in the corporate governance evaluation for the most recent fiscal year, or in the most recent fiscal year or as of the printing date of the annual report for that year, has been placed under an altered trading method, been suspended from trading, been delisted from the exchange, or the situations deemed by the Corporate Governance Evaluation Committee that it shall be excluded from evaluation.
 - 6) A TWSE-listed or TPEx-listed company with the average annual salary of full-time non-supervisory employees in the most recent year being less than NT\$500,000.
 - 7) For listed and OTC-listed companies, if the net income after tax increases by more than ten percent in the most recent fiscal year, but the average annual salary of full-time employees who do not hold managerial positions did not increase compared to the previous fiscal year.
 - 8) For listed and OTC-listed companies, if the net income after tax declines by more than ten percent and NT\$5 million or more in the most recent fiscal year, and if the average remuneration per director (excluding part-time employees) increased by more than ten percent and NT\$100,000 or more.
2. For listed and OTC-listed companies with where point (1) or (5) above applies, the remuneration information for the top five highest-paid executives (such as the general manager, deputy general manager, CEO, or CFO) shall be disclosed individually.

Points 1) to 8) from above do not apply to the Company's Directors, President and Vice Presidents therefore remunerations are disclosed in aggregate for each group.

1) The remunerations of the directors (including the independent directors)

Fiscal Year 2024
Unit: NT\$ thousands

Title	Name	Director remunerations								The ratio of the sum of the four items A, B, C and D to the after-tax net earnings (Note 10)		Pertinent remunerations doubling employees collect								Ratio of the sum of the seven items A, B, C, D, E, F and G to after-tax net earnings (Note10)		Whether collecting remunerations from reinvested entities beyond the subsidiaries (Note 11)
		Return (A) (Note 2)		Retirement pension (B)		Directors' Remuneration (C) (Note 3)		Business execution expenditure (D) (Note 4)				Wages, bonuses, special expenditure etc.(E) (Note 5)		Retirement pensions (F)		Employees' Remuneration (G) (Note 6)						
		The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All Companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All Companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company		All companies in the financial statements (Note 7)		The Company	All companies in the financial statements (Note 7)	
Cash bonus amount	Stock bonus amount															Cash bonus amount	Stock bonus amount					
Chairman and CEO and subsidiary president	Ji-Xuan Investment Corp. Representative: Margaret Kao	0	0	0	0	14,747	14,747	520	520	15,267 0.85%	15,267 0.85%	17,202	18,869	0	0	8,000	0	8,000	0	40,469 2.25%	42,136 2.34%	None
Chairman President	E-Win Investment Co., Ltd. Representative: Scott Lin																					
Director	Ennoconn International Investment Co., Ltd. Representative: Chu,Fu-Chuan																					
Director	Ennoconn International Investment Co., Ltd. Representative: Lou, Chao Tsung																					

Title	Name	Director remunerations								The ratio of the sum of the four items A, B, C and D to the after-tax net earnings (Note 10)		Pertinent remunerations doubling employees collect								Ratio of the sum of the seven items A, B, C, D, E, F and G to after-tax net earnings (Note 10)		Whether collecting remunerations from reinvested entities beyond the subsidiaries (Note 11)
		Return (A) (Note 2)		Retirement pension (B)		Directors' Remuneration (C) (Note 3)		Business execution expenditure (D) (Note 4)				Wages, bonuses, special expenditure etc. (E) (Note 5)		Retirement pensions (F)		Employees' Remuneration (G) (Note 6)						
		The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All Companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company		All companies in the financial statements (Note 7)		The Company	All companies in the financial statements (Note 7)	
Cash bonus amount	Stock bonus amount															Cash bonus amount	Stock bonus amount					
Director	Ennoconn International Investment Co., Ltd. Representative: Tsai, Neng-Chi																					
Director	Ennoconn International Investment Co., Ltd. Representative : Chuang, Tsung-Hsien																					
Independent director	Lin, Hsiao-Ming	0	0	0	0	9,831	9,831	708	708	10,539 0.58%	10,539 0.58%	0	0	0	0	0	0	0	0	10,539 0.58%	10,539 0.58%	None
Independent director	Wu, Chung-Pao																					
Independent director	Wang, Yi-Chun																					
Independent director	Chao, Rong-Shiang																					

Title	Name	Director remunerations								The ratio of the sum of the four items A, B, C and D to the after-tax net earnings (Note10)	Pertinent remunerations doubling employees collect								Ratio of the sum of the seven items A, B, C, D, E, F and G to after-tax net earnings (Note 10)		Whether collecting remunerations from reinvested entities beyond the subsidiaries (Note 11)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			
		Return (A) (Note 2)		Retirement pension (B)		Directors' Remuneration (C) (Note 3)		Business execution expenditure (D) (Note 4)			Wages, bonuses, special expenditure etc. (E) (Note 5)		Retirement pensions (F)		Employees' Remuneration (G) (Note 6)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
		The Company	All Companies in the financial statements (Note 7)	The Company	All Companies in the financial statements (Note 7)	The Company	All companies in the financial statements (Note 7)	The Company	All Companies in the financial statements (Note 7)		The Company	All Companies in the financial statements (Note 7)	The Company	All Companies in the financial statements (Note 7)	The Company	All Companies in the financial statements (Note 7)	The Company		All Companies in the financial statements (Note 7)			The Company	All companies in the financial statements (Note 7)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	

* Please list the relevant information of directors (general directors of non-independent directors) and independent directors separately.

Remuneration Scale Table

Fiscal Year 2024

Remunerations dispensed to individual company directors by scale	Name of the directors			
	Total sum of the remunerations of the first four items (A+B+C+D)		Total sum of the first seven items (A+B+C+D+E+F+G)	
	The Company (Note 8)	All companies stated in the financial statements (Note 9) (H)	The Company (Note 8)	All companies stated in the financial statements (Note 9) (I)
Less than \$1,000,000	None	None	None	None
\$1,000,000 (inclusive) ~ \$2,000,000 (preclusive)	None	None	None	None
\$2,000,000 (inclusive) ~ \$3,500,000 (preclusive)	Directors: Ji-Xuan Investment Corp. Representative: Margaret Kao E-Win Investment Co., Ltd. Representative: Scott Lin Ennoconn International Investment Co., Ltd. Representatives: Chu, Fu-Chuan, Lou, Chao Tsung, Tsai, Neng-Chi, Chuang, Tsung-Hsien Independent Directors: Wu, Chung-Pao, Lin, Hsiao-Ming, Wang, Yi-Chun, Chao, Rong-Shiang	Directors: Ji-Xuan Investment Corp. Representative: Margaret Kao E-Win Investment co. Ltd. Representative: Scott Lin Ennoconn International Investment Co., Ltd. Representatives: Chu, Fu-Chuan, Lou, Chao Tsung, Tsai, Neng-Chi, Chuang, Tsung-Hsien Independent Directors: Wu, Chung-Pao, Lin, Hsiao-Ming, Wang, Yi-Chun, Rong-Shiang Chao	Directors: Ennoconn International Investment Co., Ltd. Representatives: Chu, Fu-Chuan, Lou, Chao Tsung, Tsai, Neng-Chi, Chuang, Tsung-Hsien Independent Directors: Wu, Chung-Pao, Lin, Hsiao-Ming, Wang, Yi-Chun, Chao, Rong-Shiang	Directors: Ennoconn International Investment Co., Ltd. Representatives: Chu, Fu-Chuan, Lou, Chao Tsung, Tsai, Neng-Chi, Chuang, Tsung-Hsien Independent Directors: Wu, Chung-Pao, Lin, Hsiao-Ming, Wang, Yi-Chun, Chao, Rong-Shiang
\$3,500,000 (inclusive) ~ \$5,000,000 (preclusive)	None	None	None	None
\$5,000,000 (inclusive) ~ \$10,000,000 (preclusive)	None	None	None	None
\$10,000,000 (inclusive) ~ \$15,000,000 (preclusive)	None	None	None	None
\$15,000,000 (inclusive) ~ \$30,000,000 (preclusive)	None	None	Director: E-Win Investment Co. Ltd. Representative: Scott Lin Director: Ji-Xuan Investment Corp. Representative: Margaret Kao	Director: E-Win Investment Co. Ltd. Representative: Scott Lin Director: Ji-Xuan Investment Corp. Representative: Margaret Kao
\$30,000,000 (inclusive) ~ \$50,000,000 (preclusive)	None	None	None	None
\$50,000,000 (inclusive) ~ \$100,000,000 (preclusive)	None	None	None	None
Over \$100,000,000	None	None	None	None
Total	10 seats	10 seats	10 seats	10 seats

* As the content of the remunerations disclosed in the table varies from the concept of income by the Income Tax Law, thus the purpose of the table has been for the purpose of information disclosure, and is not intended for tax levy purpose.

Note1: The name of the directors shall be enlisted separately (of institutional shareholders, the institutional shareholder name and the representative shall be enlisted separately), with amount of various payouts to be disclosed in a consolidated manner. If the directors also doubling as the president or vice presidents, the table and the below table (3-1), (3-2-1) or (3-2-2) shall be entered.

Note 2: Which refers to the most recent year's directors' remunerations (including the directors remunerations, position stipends, resignation payout, various bonuses, incentive payouts and the like).

Note 3: Refer to directors' remuneration distributed upon the approval of Board of Directors of the year.

Note 4: Which pertains to the most recent year's directors' pertinent business execution expenditures (including the travel expenses, special dispensed expenditures, various subsidies, dormitory, car allocation and related tangible goods allocation and so forth). When allocating with housing, car, other transportation means or exclusive personal expenditures, it shall disclose the nature of the asset allocated, the actual or market value actuated rent, fuel and other payouts. Also when allocating with a driver, please include in the footnote explaining pertinent remuneration the Company pays said driver, but excluding from the remunerations.

Note 5: Which refers to the most recent year in which the directors doubling as employees (including doubling as the president, vice president, other managers and employees) have collected of the wages, position stipends, resignation payouts, various bonuses, incentive payouts, travel expenses, specially dispensed expenditures, various subsidies, dormitory, car allocation and related tangible goods allocation and the like. When allocating with housing, car, other transportation means or exclusive personal expenditures, it shall disclose the nature of the asset allocated, the actual or market value actuated rent, fuel and other payouts. Also when allocating with a driver, please include in the footnote explaining pertinent remuneration the Company pays said driver, but excluding from the remunerations. Company Chairman Margaret Kao is allocated with one leased company vehicle, which carries a monthly lease at NT\$91,238 spanning from Jan. 1, 2024 to Dec. 31 2024; President Scott Lin is allocated with one leased company vehicle, which carries a monthly lease at NT\$75,619 from Jan. 1, 2024 to Dec. 31 2024.

Note 6: Which refers to when directors who serve as employee (including the position of president, vice president, other manager and employee) receive employees' remuneration (including stock and cash), the percentage of employees' remuneration shall be distributed based the board of directors' approval of the year. Those who unable to estimate the amount shall have this year's amount calculated based on last year's amount and to fill up the attached form 1-3.

Note 7: The total sum of various remunerations dispensed to company directors by all companies (including the Company) stated in the consolidated financial statements. Note 8: The total sum of various remunerations the Company dispenses to each director, and disclosing the name of the directors that fall within the scale of pay propensity.

Note 9: It is mandated to disclose the total sum of various remunerations dispensed to each company director by all companies (including the Company) stated in the consolidated financial statements, and disclosing the name of the directors that fall within the scale of pay propensity.

Note 10: The after-tax net return refers to the most recent year's after-tax net return; when adopting the International Financial Statement Reporting Criteria, the after-tax net return refers to the after-tax net return of an individual entity or individual financial statements. The Company's net after-tax return on the 2024 consolidated financial statement is NT\$1,800,125 thousand.

Note 11
a. The column shall precisely enter the pertinent remuneration amount company directors collect from reinvested entities beyond the subsidiaries.

b. If company directors collect pertinent remunerations from reinvested entities beyond the subsidiaries, the remunerations company directors collect from reinvested entities beyond the subsidiaries shall be merged into the remuneration scale table column I, and also change the column name to "all reinvested entities".

c. The remuneration refers to pay, remuneration (including remuneration for employee, director and supervisor) and expenses of executing business received by the Company's directors who employ as director, supervisor or manager in reinvested companies other than the subsidiaries.

2) Remunerations of the supervisors

All the entire independent directors are to form an audit committee, which is to replace the auditors' fiduciary power, thus no remuneration will be dispensed to the auditors.

3) The remunerations of the president and the vice presidents

Fiscal Year 2024
Unit: NT\$ thousands

Title	Name	Wage (A) (Note 2)		Retirement pension (B)		Bonus and special expense etc. (C) (Note 3)		Employee bonus amount in the earnings distribution (D) (Note 4)				Percentage of the total sum of the four items A, B, C and C to the after-tax net return (%) (Note 8)		Whether collecting remuneration from reinvested entities beyond the subsidiaries (Note 9)
		The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company	All companies in the financial statements (Note 5)	The Company		All companies in the financial statements (Note 5)		The Company	All companies in the financial statements (Note 5)	
								Cash bonus amount	Stock bonus amount	Cash bonus amount	Stock bonus amount			
Chairman doubling as CEO, also as subsidiary president	Margaret Kao	41,294	42,961	1,311	1,311	44,524	44,524	48,000	0	48,000	0	135,129 7.51%	136,796 7.60%	None
President	Scott Lin													
Group GM	Chen, Jian-Tsuen													
Division GM	Huang, Zhong- Wen													
Division GM	Chang, Ruei-Ru													
Division VGM	Li, Ruei-Wen													
Division VGM	Lin, Chih-Jen													
Division VGM	Lu, Chien-kuo													
Division VGM	Lo, Su-Yuan													
Division VGM	Tseng, Lieh-Huang (Note 10)													
Division VGM	Yang, Yuan-Zhi													
Vice General Manager, Finance & Accounting Division , and Finance officer	Hsieh, Ming-Chu													

Remuneration Scale Table

Fiscal Year 2024

The remunerations dispensed to each individual company president and vice presidents	Name of the president and vice presidents	
	The Company (Note 6)	All companies stated in the financial statements (Note 7)
Less than \$1,000,000	None	None
\$1,000,000 (inclusive) ~ \$2,000,000 (preclusive)	None	None
\$2,000,000 (inclusive) ~ \$3,500,000 (preclusive)	None	None
\$3,500,000 (inclusive) ~ \$5,000,000 (preclusive)	None	None
\$5,000,000 (inclusive) ~ \$10,000,000 (preclusive)	None	None
\$10,000,000 (inclusive) ~ \$15,000,000 (preclusive)	Kao Hsin Ming, Lin Yue Yeh, Chen JianTsuen, Huang Zhong Wen, Chang Ruei Ru, Li Ruei Wen, Lin Chih Jen, Lu Chien-Kuo, Lo Ssu Yuan, Yang Yuan-Zhi, Hsieh Ming-Chu	Kao Hsin Ming, Lin Yue Yeh, Chen JianTsuen, Huang Zhong Wen, Chang Ruei Ru, Li Ruei Wen, Lin Chih Jen, Lu Chien-Kuo, Lo Ssu Yuan, Yang Yuan-Zhi, Hsieh Ming-Chu
\$15,000,000 (inclusive) ~ \$30,000,000 (preclusive)	None	None
\$30,000,000 (inclusive) ~ \$50,000,000 (preclusive)	None	None
\$50,000,000 (inclusive) ~ \$100,000,000 (preclusive)	None	None
Over \$100,000,000	None	None
Total	11 individuals	11 individuals

* Regardless of the position, all positions comparable to that of the president and vice presidents (i.e. the chairman, CEO, director and so forth) shall all be disclosed.

* As the content of the remunerations disclosed in the table varies from the concept of income by the Income Tax Law, thus the purpose of the table has been for the purpose of information disclosure, and is not intended for tax levy purpose.

Note 1: The name of the president and vice presidents shall be itemized separately, and their respective payout amounts disclosed in a consolidated manner. The directors doubling as the president or vice presidents shall fill out the table and the preceding table (1-1) or (1-2).

Note 2: Which pertains to entering the most recent year's president and vice presidents' wages, position stipends, resignation payouts.

Note 3: This item discloses the total compensation for the most recent fiscal year for the President and Vice Presidents, including bonuses, incentive payments, transportation allowances, special allowances, various subsidies, accommodation, company vehicles, and other in-kind benefits and payments. If the company provides housing, vehicles, or other transportation tools or covers personal expenses, it should disclose the nature and cost of the assets provided, along with the actual or fair market value of the rental, fuel costs, and other payments. If a driver is provided, the company should also disclose the compensation paid to the driver, although this amount is not included in the executive's total compensation. Furthermore, salary expenses recognized under IFRS 2 "Share-based Payment" – including the granting of employee stock options, restricted shares, and subscription rights in cash capital increases – should also be included in the compensation.

Chairman Gao Hsin-Ming was assigned a leased company vehicle, with an average monthly rental fee of NT\$91,238 from January 1, 2024 to December 31, 2024.

President Lin Yu-Yeh was assigned a leased company vehicle, with a monthly rental fee of NT\$75,619 for the same period.

Business Group President Chen Chien-Tun; Business Division Presidents Chang Jui-Ju and Huang Tsung-Wen; and Vice Presidents Lee Jui-Wen, Lo Szu-Yuan, Lin Chih-Jen, Lu Chien-Kuo, and Yang Yuan-Chih were each assigned a leased company vehicle, with an average monthly rental fee of NT\$538,134 during the period from January 1, 2024 to December 31, 2024.

Note 4: Which refers to when president and vice president who serve as employee receive employees' remuneration (including stock and cash), the percentage of employees' remuneration distributed based on the remuneration amount approved by the board of directors this year. Those who unable to estimate the amount shall have this year's amount calculated based on last year's amount and to fill up the attached form 1-3. The after-tax net return refers to the most recent year's after-tax net return; when adopting the International Financial Statement Reporting Criteria, the after-tax net return pertains to the after-tax net return stated in the most recent year's individual entity or individual financial statements.

Note 5: It is mandated to disclose the total sum of various remunerations dispensed to company president and vice presidents by all companies (including the Company) stated in the consolidated financial statements.

Note 6: The total sum of various remunerations the Company dispenses to each president and vice president, and disclosing the name of the president and vice presidents that fall within the scale of pay propensity.

Note 7: It is mandated to disclose the total sum of various remunerations dispensed to each company president and vice president by all companies (including the Company) stated in the financial statements, and disclosing the name of the president and vice presidents that fall within the scale of pay propensity.

Note 8: "Net income after tax" refers to the net profit after tax in the individual or separate financial statements for the most recent fiscal year. For the fiscal year 2024, the Company's net income after tax, as reported in the individual financial statements, was NT\$1,800,125 thousand.

Note 9:

a. The column shall precisely enter the pertinent remuneration amount company president and vice presidents collect from reinvested entities beyond the subsidiaries.

b. If company president and vice presidents collect pertinent remunerations from reinvested entities beyond the subsidiaries, the remunerations company president and vice presidents collect from reinvested entities beyond the subsidiaries shall be merged into the remuneration scale table column E, and also change the column name to "all reinvested entities".

c. The remuneration refers to pay, remuneration (including remuneration for employee, director and supervisor) and expenses of executing business received by the Company's presidents and vice presidents who employ as director, supervisor or manager in reinvested companies other than the subsidiaries.

4) Name of the managers received the employee remuneration and the deployment of remuneration.

December 31, 2024
Unit: NT\$ thousands; shares

	Position (Note 1 & Note 2)	Name (Note1 & Note 2)	Stock Amount	Cash Amount	Total	Percent of the total amount to the after-tax net return (%)
Managers	Chairman and CEO	Margaret Kao	0	53,500	53,500	2.97%
	President	Scott Lin				
	Group GM	Chen Jian-Tsuen				
	Division GM	Huang Zhong-Wen				
	Division GM	Chang Ruei-Ru				
	Division VGM	Li Ruei-Wen				
	Division VGM	Lo Ssu-Yuan				
	Division VGM	Lin Chih-Jen				
	Division VGM	Lu Chien-Kuo				
	Division VGM	Yang Yuan-Zhi				
	Division VGM and finance officer	Hsieh Ming-Chu				
	Director, Finance & Accounting Division, and accounting officer	Chung Chi-Wen				
	Corporate Governance Office	Li Yi-Jung				

Note 1: Individual's name and job title shall be disclosed. However, it is a must disclose the state of distributing profits.

Note 2: Which refers to when managers who serve as employee receive employees' remuneration (including stock and cash), the percentage of employees' remuneration distributed based on the remuneration amount approved by the board of directors this year. Those who unable to estimate the amount shall have this year's amount calculated based on last year's amount. The after-tax net return refers to the most recent year's after-tax net return; when adopting the International Financial Statement Reporting Criteria, the after-tax net return pertains to the after-tax net return stated in the most recent year's individual entity or individual financial statements. The Company's 2024 individual financial statements' after-tax net return is at NT\$1,800,125 thousand.

Note 3: Of the applicable scope of managers, as stipulated under the former Securities and Futures Management Council, Ministry of Economic Affairs March 27, 2003 Taiwan MOF Securities III No. 0920001301 directive, its scope is as follows:

- (1) The president and those on the comparable level.
- (2) The vice presidents and those on the comparable level.
- (3) The senior managers and those on the comparable level.
- (4) The finance department executives.
- (5) Accounting department executives.
- (6) Other individuals empowered with managing company affairs and as authorized signatories.

Note 4: Directors, president and vice president who have received employees' remuneration (including stock and cash) shall fill out attached form 1-2 and this form.

5) Compare and explain the total amount of remuneration paid to directors, supervisors, general managers, and deputy general managers of the Company and all consolidated companies in the past two fiscal years as a percentage of the individual or separate financial statements' after-tax net income. Analyze and elucidate the policy, criteria, and composition of remuneration, the process of setting remuneration, and its correlation with operational performance and future risks.

1. Analysis of the ratio over the past two fiscal years.

The ratio of director, CEO, and deputy CEO remuneration to net profit after tax for the years 2024 and 2023 were 8.94% and 9.10%, respectively, and 9.03% and 9.17%, respectively, for the consolidated group. Year over year changes were primarily due to changes in net income after tax.

2. Remuneration policy, standards, combination, amount determination process, and its relationship with operational results and future risks.

(1) The Company's policies regarding the remuneration of directors (including independent directors), the general manager, and deputy general managers are as follows:

In accordance to Article 16 of the Company's Articles of Association, the Chairman's remuneration shall not exceed twice the amount of the GM's remuneration, and shall be deliberated by the Compensation Committee and submitted to the Board for approval. Directors who also serve as members of functional committees under the Board are compensated based on the number of meetings held by the respective committees, with the amount based on industry standards, deliberated by the Compensation Committee and submitted for Board approval.

Article 20 of the Company's Articles of Association stipulates that in any given year if the Company generates a profit, no more than 3% of the profit shall be allocated to Directors' remuneration, and remuneration to employees shall be within the 1%~15% range. In the event of a loss, it shall reserve the compensation in advance.

Directors and employee's remuneration are determined by factoring current environment, future business expansion, capital expenditure budget, and the Company's Articles of Association requirement. The proposed aggregate amount is reported to the shareholders' meeting after being reviewed and approved by the Compensation Committee and the Board of Directors.

The individual amount of director remuneration is determined based on the director's proportion of service in the current year and performance evaluations, based on criteria such as level of participation in company operations, improvement of decision-making quality by the Board, Board composition and structure, director appointment and continuous education, internal controls, and contribution value to the Company's operations. Remuneration is distributed after review by the Compensation Committee and Board approval.

- (2) Travel allowance for Directors (including independent directors) is determined based on company policies and market standard. Allowance is distributed after review by the Compensation Committee and Board approval.

Directors (including independent directors) are entitled to travel allowances when attending Board or functional committee meetings either in person or video conference.

- (3) The remuneration for the CEO, General Manager, and Deputy General Managers includes salary, annual bonuses, performance incentives, employee benefits, and employee remuneration.

Salary and allowances shall be determined by the Company's Human Resources Department in accordance with salary policies, job grade and salary ranges for the respective job grades. For management positions, market competitiveness and company policy are also taken into account. Annual bonuses are awarded according to the Company's policies and relevant guidelines.

Variable compensations are based on achievement of management, department and company targets, and considering the Company's operational performance and future business risks. Individual payouts are determined based on performance evaluation, policies, and department operational performance indicators. To motivate managers, supervisors, and all employees to focus on long-term performance and achieve sustainable operations, sustainability development strategies and goals have been included in the KPI for variable compensation starting from this fiscal year. The amounts for performance incentives and employee remuneration are subject to review by the Compensation Committee and to implemented upon approval by the Board of Directors.

Employee benefits are designed to comply with legal regulations while meeting the needs of employees, with various benefit measures in place.

- (4) In order to respond to future economic environment changes and not to steer directors and managers from engaging in behaviors that exceed the Company's risk tolerance in pursuit of compensation, the remuneration policies for directors and managers incorporate criteria related to operational performance, achievement of sustainability goals, contribution levels, and assessment of future risks. These criteria are continuously evaluated based on actual operating conditions, sustainability development, and relevant legal requirements.

- (5) Variable compensation and performance assessment indicators and calculation weights.

Assessment	Indicators	Description
Core Value 20%-30%	Behavior Indicator	Company culture recognition and practices, including integrity, ethics, proactive empathy, professional development, performance and innovation, dedication and responsibility, and team leadership.
Objective 70%-80%	Department Operation Indicator	Five major performance evaluation criteria, including revenue, net profit, per capital output value, budget achievability and contribution
	Comprehensive Management Indicator	Include resource integration and innovation, talent development and organizational management, quality and progress control, internal control processes, and risk management.
	Sustainability Indicator (ESG)	Promote sustainability awareness amongst all employees, propose innovative ecological solutions, improve energy efficiency, maintain a friendly workplace, practice corporate social responsibility, and implement net-zero carbon emission goals.

3. The state of the Company's implementation of corporate governance

1. Board of Directors

A total of 7(A) meetings of the board of directors were held in the latest fiscal year (2024). Attendance as follows:						
Title	Name (Note 1)	Attendance in Person(B)	By Proxy	In Person Attendance Rate (%) 【B/A】 Note 2	Remarks	
Chairman	Ji-Xuan Investment Corp. Representative: Margaret Kao	7	0	100%	Re-elected on May 27, 2022	
Director	E-Win Investment Co Ltd. Representative: Scott Lin	6	1	86%	Re-elected on May 27, 2022	
Director	Ennoconn International Investment Co., Ltd. representative: Chu, Fu-Chuan	7	0	100%	Re-elected on May 27, 2022	
Director	Ennoconn International Investment Co., Ltd. representative: Lou, Chao-Tsung	7	0	100%	Re-elected on May 27, 2022	
Director	Ennoconn International Investment Co., Ltd. representative: Tsai, Neng-Chi	7	0	100%	Re-elected on May 27, 2022	
Director	Ennoconn International Investment Co., Ltd. representative: Chuang, Tsung-Hsien	7	0	100%	New appointment February 7, 2023	
Independent Director	Lin, Hsiao-Ming	7	0	100%	Re-elected on May 27, 2022	
Independent Director	Wu, Chung-Pao	7	0	100%	Re-elected on May 27, 2022	
Independent Director	Wang, Yi-Chun	7	0	100%	Re-elected on May 27, 2022	
Independent Director	Chao, Rong-Shiang	7	0	100%	New appointment May 30, 2023	

Other items that shall be disclosed:

1. When one of the following situations occurred to the operations of the Board, state the date and term of the Board meeting, content of proposals, opinions of all Independent Directors and the Company's actions in response to the opinions of the Independent Directors:
 - (1) Matters included in Article 14-3 of the Securities and Exchange Act.
Please refer to pages 54 to 57 for the important resolutions passed by the Company's Board of Directors. The independent directors of the Company have no objection or reservation to the resolution.
 - (2) Board resolutions, other than the aforementioned matters, that were opposed or received qualified opinions from independent directors, with such objections or reservations being recorded or documented in written statements. The Company has carried out actions in accordance with Article 14-3 of the Securities and Exchange Act, and there were no instances of opposition or qualified opinions from independent directors as mentioned above.
2. Implementation of Recusal by Directors on Proposals Involving Conflicts of Interest, the names of the directors, the content of the proposals, the reasons for recusal due to conflicts of interest, and their voting participation are disclosed as follows:
 - (1) On January 30, 2024, the Board of Directors discussed the resolution of the Compensation Committee regarding the 2023 year-end performance bonus. As Directors Ms. Kao Hsin-Ming and Mr. Lin Yu-Yeh are also managers of the Company, this proposal involved personal interests. Therefore, they recused themselves from voting. The proposal was approved without objection by the remaining attending directors.
 - (2) On February 19, 2024, the Board of Directors discussed the proposal regarding transportation allowances for attending meetings of the Sustainable Development Committee and the Risk Management Committee. As Directors Ms. Gao Hsin-Ming, Mr. Lin Yu-Yeh, Mr. Wu Tsung-Pao, Mr. Lin Hsiao-Min, Mr. Wang Yi-Chun, and Mr. Chao Jung-Hsiang are all members of these committees, the proposal involved their personal interests. Accordingly, they recused themselves from voting. The proposal was approved without objection by the remaining attending directors.
 - (3) On August 1, 2024, the Board of Directors discussed the proposal from the Compensation Committee regarding the distribution of directors' remuneration for the 2023 fiscal year. As this proposal involved the personal interests of each director, the voting was conducted in two separate groups to ensure proper recusal. Each vote was approved without objection by the attending directors.
 - (4) On August 1, 2024, the Board of Directors discussed the proposal from the Compensation Committee regarding the distribution of employee remuneration to managers for the 2023 fiscal year. As Directors Ms. Kao Hsin-Ming and Mr. Lin Yu-Yeh are also managers of the Company, they recused themselves from voting due to personal interests. The proposal was approved without objection by the remaining attending directors.
 - (5) On August 1, 2024, the Board of Directors discussed the proposal from the Compensation Committee regarding adjustments to the meal allowances for managers. As Directors Ms. Kao Hsin-Ming and Mr. Lin Yu-Yeh are also managers of the Company, they recused themselves from voting due to personal interests. The proposal was approved without objection by the remaining attending directors.
 - (6) On December 31, 2024, the Board of Directors discussed the resolution of the Compensation Committee regarding the 2024 year-end performance bonus. As Directors Ms. Kao Hsin-Ming and Mr. Lin Yu-Yeh are also managers of the Company, this proposal involved personal interests. Therefore, they recused themselves from voting. The proposal was approved without objection by the

remaining attending directors.

3. The listed company's board of directors shall disclose the evaluation cycle, period, scope, methods and content, and fill in the implementation method of the board evaluation:

Cycle	Period	Scope	Method	Content
Once per year	2024.1.1~ 2024.12.31	The board of directors, board members and the functional committees.	Internal Self-Evaluation of the Board of Directors, Self-Evaluation of Board Members, Internal Self-Evaluation of Functional Committees	Note

Note 1: The measurement items for the performance evaluation of board, which include the following aspects:

- (1) Participation in the Company's operation.
- (2) Improve the decision-making quality of board.
- (3) Composition and Structure of the Board of Directors.
- (4) Directors' selection and continuing education.
- (5) Internal control.

Note2: The measurement items for the performance evaluation of directors, which include the following aspects:

- (1) Mastery of company goals and tasks.
- (2) Awareness of directors' duties.
- (3) Participation in the Company's operation.
- (4) Internal relationship management and communication.
- (5) Directors' profession and continuing education.
- (6) Internal control.

Note 3: The measurement items for the performance evaluation of functional committees, which include the following aspects:

- (1) Participation in the Company's operation.
- (2) Awareness of functional committees' duties.
- (3) Improve the decision-making quality of functional committees.
- (4) Functional committees' composition and member selection.
- (5) Internal control.

4. Measures taken to strengthen the functionality of the Board:

- (1) Strengthen the functionality of the Board:

The Company has implemented the "Board of Directors Meeting Rules" in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies." To reinforce corporate governance, the Company provides continuing education/training programs to directors to strengthen their knowledge and capabilities on corporate governance.

- (2) Improving information transparency

Financial information, resolutions on material issues, board meeting participation, and director/supervisor ongoing education information are published on the Market Observation Post System as required by relevant laws. The Company's business performance and product information are also made accessible to the public on its website.

- (3) Establishing Functional Committees

To enhance the governance system and strengthen the function of the board of directors of the Company, Audit Committee was established to replace supervisors' duties. In

accordance with “Regulations Governing the Exercise of Powers by Audit Committees of Public Companies”, the Company set up an “Audit Committee Charter” and Risk Management Committee Charter. To fulfill corporate social responsibility and promote progress in the economic, environmental, and social dimensions toward the goal of sustainable development, the Company has established a Sustainability Development Committee and formulated a Sustainability Practice Guideline in accordance with the “Corporate Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.”

Note 1: Where directors and supervisors are juridical persons, the name of judicial person shareholder and its representative shall be exposed. To enhance the governance system and strengthen the function of the board of directors of the Company, Audit Committee was established to replace supervisors’ duties.

Note 2:

- (1) Where directors and supervisors resign the job before the end of the year, their date of resignation shall be noted down in remarks. Their actual attendance rate (%), it shall be calculated by the number of Board of Directors meetings during their employment and the number of times of their attendance.
- (2) Where directors and supervisor are re-elected before the end of the year, it is a must to list the new and old directors and / or supervisors and to note down the date of re-election and their status (old / new / reappointment) in remarks. Their actual attendance rate (%), it shall be calculated by the number of Board of Directors meetings during their employment and the number of times of their attendance.

2. Audit Committee or Attendance of Supervisors for Board Meeting Audit Committee

2024 Main items reviewed by the Audit Committee are as follows

1. Financial statements and annual financial forecasts.
2. Effectiveness of internal control systems and audit plans.
3. Loans, endorsements, or guarantees provided.
4. Significant acquisitions or disposals of assets.
5. Fundraising, issuance, or private placement of equity securities.
6. Appointment and remuneration of certified public accountants.
7. Qualifications and independence assessment of certified public accountants.
8. Other matters required to be reviewed by the Audit Committee according to securities laws, regulations governing audit committee organization, and directives from regulatory authorities.

A total of 8 meetings of the audit committee were held in the previous year (2024). The attendance status of the members is as follows:

Title	Name	Actual Attendance (B)	By Proxy	Attendance Rate (%) (B/A)(Note 1 、 Note 2)	Remarks
Independent Director	Lin, Hsiao-Ming	8	0	100%	Re-elected on 27 May 2022
Independent Director	Wu, Chung-Pao	8	0	100%	Re-elected on 27 May 2022
Independent Director	Wang, Yi-Chun	8	0	100%	Re-elected on 27 May 2022
Independent Director	Chao, Rong-Shiang	8	0	100%	New appointment May 30, 2023

Other items that shall be disclosed:

1. When one of the following situations has occurred to the operations of the Audit Committee, state the date, term and content of proposals of the Board meeting, result of resolutions of the Audit Committee and the Company's actions in response to the resolutions:
 - (1) Matters included in Article 14-5 of the Securities and Exchange Act:

In the event of any of the following in the audit committee, the dates of audit committee meetings, sessions, contents of motions, resolutions of the audit committee meetings and the Company's response to audit members' opinion should be specified: None.

- (2) Except the items in the preceding issues, other resolutions which had not been approved with the concurrence of one-half or more of all Audit Committee members but were undertaken upon the consent of two-thirds or more of all directors: None.
2. If there is independent directors' avoidance of motions in conflict of interest, the independent directors' names, contents of motions, causes for avoidance and voting should be specified: None.
3. Communications between independent directors and the Company's chief internal auditor and CPA (e.g. the items, methods and results of the audits of corporate finance or operations, etc.)

(1) Communications between the independent directors and the internal auditors:

Date	The Major Items of the Communication	Discussion Outcome	Follow-up Action
2024/01/30	Report on the implementation status of the December 2023 audit plan.	No comments or recommendations from the Independent Directors.	Reported to the Board of Directors
2024/02/19	(1) 2023 Internal Control System Self-assessment Implementation Status. (2) Report on the implementation status of the January 2024 audit plan.	No comments or recommendations from the Independent Directors.	Reported to the Board of Directors
2024/05/07	Report on the implementation status of the February–March 2024 audit plan.	No comments or recommendations from the Independent Directors.	Reported to the Board of Directors
2024/06/07	Report on the implementation status of the April–May 2024 audit plan.	No comments or recommendations from the Independent Directors.	Reported to the Board of Directors
2024/08/01	Report on the implementation status of the June 2024 audit plan.	No comments or recommendations from the Independent Directors.	Reported to the Board of Directors
2024/11/08	Audit report of overseas subsidiaries.	Independent directors requested explanation from the audited units and provided instructions and suggestions.	Included in improvement and follow-up actions.
2024/11/13	Audit report of overseas subsidiaries.	Independent directors requested explanation from the audited units and provided instructions and suggestions.	Included in improvement and follow-up actions.
2024/11/13	(1) 2024 internal control system self-assessment execution results and audit plan implementation for subsidiaries. (2) Report on the implementation status of the July–September	Independent directors recommended adjusting the audit plan for subsidiaries in the next communication	Included in the next session's discussion.

	2024 audit plan. (3) 2024 Q3 audit tracking report. (4) Review of risk assessment results and preparation for the 2025 audit plan. (5) Revision of internal audit implementation guidelines.	session.	
2024/11/21	Audit report of overseas subsidiaries.	Independent directors requested explanation from the audited units and provided instructions and suggestions.	Included in improvement and follow-up actions.
2024/11/27	Audit report of overseas subsidiaries.	Independent directors requested explanation from the audited units and provided instructions and suggestions.	Reported to the Audit Committee and the Board of Directors.
2024/12/31	(1) Report on the implementation status of the October–November 2024 audit plan. (2) Internal audit report and improvement measures for overseas subsidiaries.	Independent directors requested explanation from the audited units and provided instructions and suggestions.	Reported to the Board of Directors

- (2) Communications between the independent directors and the independent auditors:
The independent directors and the independent auditors would communicate in advance before announcing the significant investment, bank financing or audited financial statements.

Date	The Major Items of the Communication	Result
2024/02/19	(1) The audit results of the Company's 2023 consolidated and individual financial statements, including material audit matters, audit reports, and communications with management (including material matters in audit scope, related-party transactions, suspected illegal acts, and significant deficiencies in internal control systems), as well as subsequent events, going concern assumptions, and explanations from the CPA regarding key audit matters, independence, and other relevant issues. (2) The CPA reported findings to the independent directors, and provided explanations based on questions raised by the independent directors. (3) Discussed and agreed upon by the Audit Committee and the independent directors.	No comments from independent directors.
2024/05/07	(1) The audit results of the Company's Q1 2024 consolidated financial statements and related reports, including review of material matters in audit scope, related-party transactions, discussions with management on key audit issues, suspected legal violations, subsequent events, going concern assumptions, and CPA's explanations regarding key audit matters and independence. (2) The CPA delivered a written report and verbal briefing. (3) Discussed and agreed upon by the Audit Committee and the independent directors.	No comments from independent directors.
2024/08/01	(1) The audit results of the Company's Q2 2024 consolidated financial statements and related reports, including review of material matters in audit scope, related-party transactions, discussions with management on key audit issues, suspected legal violations, subsequent events, going concern assumptions, and CPA's explanations regarding key audit	No comments from independent directors.

	<p>matters and independence.</p> <p>(2) The CPA delivered a written report and verbal briefing.</p> <p>(3) Discussed and agreed upon by the Audit Committee and the independent directors.</p>	
2024/11/13	<p>(1) Review of the Company's consolidated financial statements and related audit reports for Q3 2024, including significant audit matters (e.g., material issues in the audit scope, related-party transactions, communications with management on critical matters, major estimates and accounting policies, suspected illegal acts, subsequent events, and going concern assumptions), and explanations from the CPA regarding key audit issues and independence.</p> <p>(2) Review of the Company's 2024 pre-year-end consolidated and standalone financial statements and audit planning (including communication plans, CPA roles and responsibilities, and planning of material audit areas and initial views), as well as explanations from the CPA and audit firm representatives regarding internal controls and regulatory compliance.</p> <p>(3) The CPA reported the above matters to the independent directors and provided explanations and communication based on their inquiries.</p> <p>(4) Approved by the Audit Committee and the independent directors.</p>	No comments from independent directors.

Note 1: Where Independent Directors resign the job before the end of the year, their date of resignation shall be noted down in remarks. Their actual attendance rate (%) shall be calculated the number of Board of Audit Committee during their employment and the number of times of their attendance.

Note 2: Where Independent Directors are re-elected before the end of the year, it is a must to list the new and old Independent Directors and to note down the date of re-election and their status (old / new / reappointment) in remarks. Their actual attendance rate (%) shall be calculated by the number of Board off Audit Committee during their employment and the number of times of their attendance.

Note 3: Audit Committee was established to replace supervisors' duties.

3. Corporate Governance Implementation and its Deviations from “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies”

Item	Implementation Status (note 1)			Differences between the Corporate Governance Practices of Listed / OTC Companies and Reasons
	Yes	No	Summary	
1. If the Company has established corporate governance policies based on “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies”, please describe any discrepancy between the policies and their implementation.	V		The Company has established "Corporate Governance Practical Rules" based on the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies." These practices are disclosed on the Market Observation Post System and the Company’s website, which can be easily accessed by shareholders and the public.	None
2. Shareholdings Structure and Shareholders’ Equity				
(1) Method of handling shareholder suggestions or complaints	V		(1) The Company has appointed a spokesperson, a PR person and stock affair specialists to handle shareholder suggestions or complaints. In addition, the Company also established columns for shareholders and stakeholders on its website to facilitate the communication.	None
(2) The Company’s possession of a list of major shareholders and a list of ultimate owners of these major shareholders	V		(2) The Company tracks the shareholdings of major shareholders by its designated department and persons and report to the competent authority in accordance with relevant regulations.	

Item	Implementation Status (note 1)			Differences between the Corporate Governance Practices of Listed / OTC Companies and Reasons
	Yes	No	Summary	
(3) Risk management mechanism and “firewall” between the Company and its affiliates	V		(3) The Company and each of its affiliated enterprises operate independently from each other. The subsidiaries are governed by the internal control system, the "Regulations Governing Financial and Business Operations with Related Parties", and the "Subsidiary Management Policy."	None
(4) Internal regulation to prevent insider trading	V		(4) The Company has established “Information Disclosure and Insider Trading Prevention Procedure” and “Ethical Corporate Management Principle” and addressed them to insiders regularly through educational programs.	

Item	Implementation Status (note 1)			Differences between the Corporate Governance Practices of Listed / OTC Companies and Reasons
	Yes	No	Summary	
<p>3. Composition and Responsibilities of the Board of Directors</p> <p>(1) The board members proposed diversify strategies specific management goal and execution</p> <p>(2) The establishment of other functional committees beside of Compensation Committee and Audit Committee</p> <p>(3) Board Performance Evaluation and Director Appraisal and report the results of the performance evaluation to the Board of Directors, and apply them as a reference for individual directors' remuneration and nomination for reappointment.</p>	<p>V</p> <p>V</p> <p>V</p>		<p>(1) The Company has established the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies," which clearly stipulate that the composition of the Board of Directors should encompass a diversity of knowledge and skills. The educational and professional backgrounds of the Company's Board members include business management, industrial engineering, and finance and accounting, with each member possessing expertise in areas such as operations, accounting, and corporate management. This composition aligns with the practical needs of the Company's operations. For detailed information on the academic and professional backgrounds of each Board member as well as the Company's diversity policy, please refer to pages 14 to 16.</p> <p>(2) In addition to the establishment of a Compensation Committee, in accordance to law, and an audit committee to exercise oversight, the Company also established a Risk Management Committee and a Sustainability Committee to strengthen the functions of the board of directors and implement corporate sustainability strategies.</p> <p>(3) The Company has formulated the Regulations Governing Performance Evaluation of the Board of Directors, which specify the measurement items for the performance evaluation, including the level of participation in the Company's operations, improving the quality of the Board's decision-making, composition and structure of the Board of Directors, selection of the Board of Directors, continuous training, and internal control. After the end of the year, the evaluation is</p>	None

Item	Implementation Status (note 1)			Differences between the Corporate Governance Practices of Listed / OTC Companies and Reasons
	Yes	No	Summary	
			carried out based on various evaluation indicators, and reported to the Board of Directors in the following year. If there are any significant differences among the evaluation results of individual directors, they will be listed as a reference for nomination and performance.	

Item	Implementation Status (note 1)			Differences between the Corporate Governance Practices of Listed / OTC Companies and Reasons
	Yes	No	Summary	
(4) Regular evaluation of external auditors' independence and suitability.	V		(4) The assessment of the independence and suitability of the external auditors is approved by the audit committee and reported to the board meetings. If necessary, the external auditors may be invited to attend the board meetings to ensure their independence and suitability. External auditors should avoid conflicts of interest against assignments or themselves, and its rotation should follow relevant rules. The Company has examined and evaluated the independence of external auditors, which was approved by the audit committee and board meetings. The evaluation result showed that accountant Wang, Song-Ze and accountant Lin, Chun-Yao met the Company's independence standards and are qualified to act as the Company's accountants. The aforementioned independence check and evaluation includes (1) whether the accountant is not a shareholder of the Company or its affiliates; (2) whether the accountant is not paid by the Company or its affiliates; (3) whether the accountant's co-practicing accountant of the firm has not been a director, manager, or held a position of significant influence over the audit within one year of leaving the firm; (4) whether the accountant has confirmed that the firm has complied with the relevant independence standards; and (5) the Company should obtain information on 13 Audit Quality Indicators (AQIs) provided by the accounting firm, and evaluate the audit quality of the firm and its audit team based on the "Audit Committee Interpretation of Audit Quality Indicators (AQIs) Guidelines" published by the regulatory authority.	

Item	Implementation Status (note 1)			Differences between the Corporate Governance Practices of Listed / OTC Companies and Reasons
	Yes	No	Summary	
4. Does a listed company establish full (part)-time governance units or personnel in charge of governing relevant matters (including but not limited to providing directors and supervisors with the information to do their business, holding board meetings and shareholders' meetings in accordance with law, dealing with company registration and change of registration, making the minutes of board meetings and shareholders' meetings?	V		The Company has established a corporate governance officer who is responsible for coordinating the planning and execution of corporate governance-related matters, including (1) conducting meetings of the board of directors and shareholders' meetings in accordance with the law; (2) assisting directors in their appointment, continuing education, compliance with laws and regulations, and providing information necessary for the execution of business; and (3) other matters in accordance with the competent authorities, articles of incorporation, or contracts. Each department also assigns personnel to work with the head of corporate governance to carry out related corporate governance matters.	None
5. Communication Channel with Stakeholders			The Company has designated PR Department to handle stakeholders' complaints and suggestions promptly. The Company also set up Stakeholder Center on its website that the issues brought up by stakeholders will be handled and replied on a case by case basis, as needed.	None
6. Share Transfer Agent and Registrar			In addition to its own stock affairs specialists, the Company also has appointed "KGI Securities" as the share transfer agent and registrar.	None

Item	Implementation Status (note 1)			Differences between the Corporate Governance Practices of Listed / OTC Companies and Reasons
	Yes	No	Summary	
7. Information Disclosure				None
(1) Establishment of a corporate website to disclose information regarding the Company's financials, business and corporate governance status	V		(1) The Company's financials, business and corporate governance status are published on the Market Observation Post System regularly. The Company fully discloses business and financial information on its official website, including monthly revenue, financial statements, corporate governance, etc.	
(2) Other information disclosure channels (e.g., maintaining an English-language website, appointing responsible people to handle information collection and disclosure, appointing spokespersons, webcasting investors conference)	V		(2) The Company has designated a responsible person of Finance & Accounting Division to handle information collection and disclosure and has established an English-language website, appointed a spokesperson, and disclosed investors conference.	
(3) Does the Company announce and register the annual financial report within two months after the end of the fiscal year, and announce and register the first, second and third quarter financial reports and the monthly operating situations before the prescribed time limit?	V		(3) The Company announces and registers the annual and quarterly financial reports and monthly operating situations before the prescribed time limit, in response to the laws and regulations and the Group's overall planning.	

Item	Implementation Status (note 1)			Differences between the Corporate Governance Practices of Listed / OTC Companies and Reasons
	Yes	No	Summary	
8. Other ther important information to facilitate better understanding of the Company's corporate governance practices (e.g., employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)	V		<p>(1) Employee rights: The process of recruitment is open and fair. Employees are provided with benefits such as health checkups and insurance. The rights of handicapped and aboriginal employees are under well protection.</p> <p>(2) Employee wellness: The Company provides employees with a fair working environment and an organized training system for career development.</p> <p>(3) Investor relations: The Company has devoted to enhance internal communication and informatization. Meanwhile, a platform to communicate with investors and to improve transparency has been established as a mechanism of dual communication between investors and the management.</p> <p>(4) Supplier relations: To fulfill the social responsibility, the Company has assisted suppliers to build up environmental protection, safety and hygiene management system, industrial safety evaluation rules and high-risk operations skills certification system.</p> <p>(5) The Company has established the " Related-party Transaction Procedure," which requires all related-party transactions, including purchases, sales, asset transactions, endorsements, guarantees, and loans, to be conducted in accordance with regulations. Significant transactions must be reported to the board of directors. There were no significant transactions in purchases, sales, or asset transactions with related parties in the current year. The endorsement and guarantee transactions were reported to the board of directors in accordance with regulations and were disclosed in the shareholders' meeting report.</p>	None

Item	Implementation Status (note 1)			Differences between the Corporate Governance Practices of Listed / OTC Companies and Reasons
	Yes	No	Summary	
			<p>(6) Directors' and supervisors' training records: The Company provides directors and supervisors with information concerning regulatory requirements and developments from time to time. During 2023 Directors and supervisors also attended training programs on corporate governance topics.</p> <p>(7) Implementation of risk management policies and risk evaluation measures: Internal control system, managing regulations and accounting systems are established and implemented under supervision of internal auditors, board of directors and supervisors This year, the Risk Management Committee was</p> <p>(8) Customer relations policies: The Company has obtained ISO 9001 and ISO 14001 certification and continuously provides products and services in a high quality. Strict compliance with contracts and customers' rights are assured.</p> <p>(9) Purchasing insurance for directors and supervisors: From 2014 the Company has taken out liabilities insurance for directors, supervisors and officers pursuant to the shareholder resolution, which can reduce risks resulting from fault and misconduct by directors, supervisors and officers.</p>	
<p>9. Please provide details about the specific evaluation results or areas of improvement mentioned in the Taiwan Stock Exchange Corporate Governance Center's recent annual assessment to allow for a more accurate and informative response regarding the improvements made and the priority areas and measures for further enhancement. (Companies that were not included in the assessment do not need to provide) (Note 2)</p> <p>Per the results of the "10th Corporate Governance Evaluation of Listed and Over-the-Counter Companies" released by the Taiwan Stock Exchange on April 30, 2024, the Company was ranked among the top 21% to 35% of listed companies. In areas where assessment criteria were not met, our company has been progressively implementing improvements, as detailed below:</p> <p>(1) "Regulations Governing Financial and Business Transactions with Related Parties" were established and approved by the Board of Directors on December 31, 2024, and have been published on the official website.</p>				

- (2) Results and implementation status of the externally conducted Board performance evaluation have been disclosed on the official website.
- (3) Material information has been concurrently released in English.
- (4) Annual greenhouse gas emissions, water consumption, and total waste volume for the past two years have been disclosed.
- (5) “Whistleblowing Policy for Reporting Illegal or Unethical Conduct by Internal and External Personnel” has been established and published on the official website.

Note 1: Whether “Yes” or “No” has been selected for the implementation status, a description shall be made in the summary.

Note 2: Here the “corporate governance evaluation” refers to the evaluation conducted by the Company itself according to the Company’s governance self-evaluation items, which shall be reported and described by the Company based on their operating and execution status.

4. If the Company has established a Compensation Committee or a Nomination Committee, it should disclose its composition and operation.

1) Information on Compensation Committee Members

March 30, 2025

Title (Note 1)	Qualification Name	Professional qualifications and experience (Note 2)	Independence situation (Note 3)	Number of members who are concurrently members of the remuneration committees of other public offering companies
Independent Director Convener	Wu, Chung-Pao	Graduated from the Graduate School of International Business Management of National Taiwan University Chairman of Protech Systems Chairman of PROX Systems Co., Ltd. Director of CHENBRO MICOM Co., Ltd. Director of CPC Corporation, Taiwan Independent director of EVA Airways	Meet the independence eligibility requirements stipulated in Article 6 of the "Regulations on the Establishment and Exercise of Powers of the Remuneration Committee of Companies Listed in Stocks or Trading on the Business Offices of Securities Firms", have no direct or indirect interest in the Company, and do not have any of the following: 1. I, spouse, relatives within the second-degree act as directors, supervisors or employees of the Company or its affiliated companies 2. The natural person shareholders who hold more than 1% of the total issued shares of the Company or hold the top ten shares by me, spouses, relatives within the second degree of kinship (or in the name of others) 3. Acting as a director, supervisor or employee of a company that has a specific relationship with the Company 4. Provide the Company or its affiliates with business, legal, financial, accounting and other services in the last 2 years and receive remuneration.	1

Title (Note 1)	Qualification Name	Professional qualifications and experience (Note 2)	Independence situation (Note 3)	Number of members who are concurrently members of the remuneration committees of other public offering companies
Independent Director	Lin, Hsiao-Ming	Graduated from the Graduate School of Business Studies of the School of Management, National Taiwan University Chairman of Taiwan Finance Corporation Independent director of GODEX International Co., Ltd	<p>Meet the independence eligibility requirements stipulated in Article 6 of the "Regulations on the Establishment and Exercise of Powers of the Remuneration Committee of Companies Listed in Stocks or Trading on the Business Offices of Securities Firms", have no direct or indirect interest in the Company, and do not have any of the following:</p> <ol style="list-style-type: none"> 1. I, spouse, relatives within the second-degree act as directors, supervisors or employees of the Company or its affiliated companies 2. The natural person shareholders who hold more than 1% of the total issued shares of the Company or hold the top ten shares by me, spouses, relatives within the second degree of kinship (or in the name of others) 3. Acting as a director, supervisor or employee of a company that has a specific relationship with the Company 4. Provide the Company or its affiliates with business, legal, financial, accounting and other services in the last 2 years and receive remuneration. 	1

Title (Note 1)	Qualification Name	Professional qualifications and experience (Note 2)	Independence situation (Note 3)	Number of members who are concurrently members of the remuneration committees of other public offering companies
Independent Director	Chao, Rong-Shiang	Graduated from the Graduate School of Business Studies of the School of Management, National Taiwan University Independent director of Brilliant Network and Automation Director of Everlight Chemical Industrial Corporation Advisor of FST Corporation Deputy GM, Corporate Governance director and spokesperson of FST Corporation	Meet the independence eligibility requirements stipulated in Article 6 of the "Regulations on the Establishment and Exercise of Powers of the Remuneration Committee of Companies Listed in Stocks or Trading on the Business Offices of Securities Firms", have no direct or indirect interest in the Company, and do not have any of the following: 1. I, spouse, relatives within the second-degree act as directors, supervisors or employees of the Company or its affiliated companies 2. The natural person shareholders who hold more than 1% of the total issued shares of the Company or hold the top ten shares by me, spouses, relatives within the second degree of kinship (or in the name of others) 3. Acting as a director, supervisor or employee of a company that has a specific relationship with the Company 4. Provide the Company or its affiliates with business, legal, financial, accounting and other services in the last 2 years and receive remuneration.	1

Note 1: Please specify in the form the relevant working years, professional qualifications and experience and independence of the members of the Remuneration Committee. If they are independent directors, they can make a note to specify the reference page and Table 1 for directors and supervisors data (1) related content. Please fill in the title section as independent directors or other respectively (if he or she is the convener, please note).

Note 2: Professional qualifications and experience: describe the professional qualifications and experience of individual remuneration committee members.

Note 3: Condition of independence: state that the members of the Remuneration Committee meet the conditions of independence, including but not limited to whether I, spouse, or relatives within the second degree of kinship serve as directors, supervisors or employees of the Company or its affiliated companies; I, spouse, relatives within the second degree of relatives (or in the name of others) hold the number and proportion of the Company's shares; whether he or she is a director, supervisor or employee of a company that has a specific relationship with the Company (refer to Article 6, Paragraph 1, Subparagraphs 5 to 8 of the Regulations on the Establishment and Exercise of Powers of the Remuneration Committee of Companies Listed in Stocks or Trading at the Business Office of Securities Firms); the amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years.

Note 4: The Company's 2025 Annual General Meeting of Shareholders book close date was March 30, 2025.

- 2) The Compensation Committee's duty is to establish and review the evaluation of supervisors and executives, to compensation policies of the Company's directors of the board and, to report its suggestions to the board of directors.

3) Information on Operations of Compensation Committee

The Compensation Committee consists of 3 members.

Period of compensation committee : June 14, 2022 ~ May 26, 2025

In 2024, the Compensation Committee held 4 meetings (A). The Committee members' attendance status is as follows:

Title	Name	Attendance in Person	By Proxy	Attendance Rate in Person (%) (B/A) (Note)	Remarks
Convener	Wu, Chung-Pao	4	0	100%	Re-elected on June 14, 2022
Member	Lin, Hsiao-Ming	4	0	100%	Re-elected on June 14, 2022
Member	Chao, Rong-Shiang	4	0	100%	Re-elected on June 14, 2022
<p>Other matters to be disclosed:</p> <p>1. If the board of directors declines to adopt, or modifies a recommendation of the remuneration committee, the date of the Board of Directors meeting, term, content of motions, board resolution results and Company handling of remuneration committee opinions shall be specified. (if the compensation approved by the Board of Directors exceeds that proposed by the remuneration committee, the circumstances and cause of the difference shall be specified): None.</p> <p>2. If any committee member has an objection or qualified opinion together with a record or written statement regarding a remuneration committee resolution, the remuneration committee date, term, content of motions, all members opinions and how the opinions were handled shall be specified: None.</p>					

Note:


- (1) Where directors and supervisors resign before end of the year, resignation date shall be disclosed in notes. Attendance rate (%) shall be calculated by number of Board of Directors meetings during their term and meetings attended.
- (2) Where directors and supervisor are re-elected before the end of the year, date of election and status (resigned/new/re-elected) for new and former shall be indicated. Attendance rate (%) shall be calculated by number of Board of Directors meetings during their term and meetings attended.

(4) Compensation committee meeting proposal, resolution results and the Company's handling of members' opinions

Date	Session	Motion	Resolution	Execution status
2024/01/18	5th Term, 8th Meeting	Proposal for 2023 Year-End Performance Bonuses for Managers	All members agreed to approve the proposal as submitted.	Submitted to the 9th Term, 16th Board Meeting and approved. The Company has issued the bonuses.
2024/02/19	5th Term, 9th Meeting	1. Proposal for Total Remuneration and Allocation for Directors in 2023 2. Proposal for Total Employee Compensation in 2023 3. Proposal for Transportation and Attendance Allowances for the Board's Sustainable Development Committee and Risk Management Committee	All members agreed to approve the proposals. Director remuneration allocation was approved via interest-avoiding subgroups.	Submitted to the 9th Term, 17th Board Meeting and approved (for total remuneration, employee compensation, and allowances); remuneration allocation approved in the 9th Term, 20th Board Meeting. Execution completed accordingly.
2024/07/12	5th Term, 10th Meeting	1. Proposal for Allocation of 2023 Employee Compensation by Managers 2. Proposal for Meal Allowance Adjustment for Managers	All members agreed to approve the proposals as submitted.	Submitted to the 9th Term, 20th Board Meeting and approved. Execution of compensation and allowance adjustment has been completed.
2024/12/31	5th Term, 11th Meeting	Proposal for 2024 Year-End Performance Bonus Allocation for Managers	All members agreed to approve the proposal as submitted.	Submitted to the 9th Term, 21st Board Meeting and approved. The Company has issued the bonuses.
Handling of Member Opinions: Not Applicable				

5. Sustainable development implementation progress and reasons for deviation from guidelines for listed and OTC companies. Companies meeting certain criteria should disclose climate-related information.

1. Sustainable development implementation progress and reasons for deviation from guidelines for listed and OTC companies

Proposed Item	Execution Status (Note1)			Differences and reasons with the Corporate Governance Best Practice Principles for Sustainable Development of Listed and OTC Companies
	Yes	No	Summary (Note 2)	
1. Has the Company established a governance structure to promote sustainable development, and set up a dedicated (concurrent) unit to promote sustainable development, and has the board of directors authorized senior management to handle it, and how the board of directors supervised the project?	V		<p>The Company established a Sustainability Development Committee in 2023, comprised of three independent directors and two directors. It is tasked with planning and promoting the Company's sustainability development. The Chairman assigned Public Relations team (part of the Executive Strategy Group) to collaborate with various business units in planning and promoting the company's sustainable development. The sustainability governance structure is as follows:</p>  <pre> graph TD SD[Sustainable Development Committee] --> ESG[ESG Promotion and Disclosure Team] ESG --> CG[Corporate Governance Team] ESG --> SE[Social Engagement Team] ESG --> SC[Supply Chain Team] ESG --> LR[Labor Rights Team] ESG --> SE2[Sustainable Environment Team] </pre> <p>To implement the company's sustainability policy, solar panels have been installed at the Southern Taiwan Science Park (STSP) Plant to increase the proportion of green electricity, bringing it to 18.1% upon completion. To systematically enhance energy performance and continuously improve energy efficiency, usage, and consumption, the company has introduced the ISO 50001 Energy Management System across its facilities. Relevant information on the company's sustainable development has been disclosed in the ESG Report, which has also been presented as a special report to the Board of Directors.</p>	None
2. Does the Company conduct risk assessments on			The identification of the company's stakeholders and material sustainability issues is discussed and decided by the promotion team	None

Proposed Item	Execution Status (Note1)			Differences and reasons with the Corporate Governance Best Practice Principles for Sustainable Development of Listed and OTC Companies
	Yes	No	Summary (Note 2)	
environmental, social and corporate governance issues related to Company operations in accordance with the principle of materiality, and formulate relevant risk management policies or strategies? (Note 2)			under the Sustainable Development Committee. Material sustainability issues are researched by department heads to determine their relevance to the company's business nature and assess their impact on internal operations and the external environment. For details on the progress of material sustainability issues, please refer to the ESG Report.	
3. Environmental issues (1) Has the Company established an appropriate environmental management system according to its industrial characteristics?	V		(1) The Company thoroughly implements the industrial safety and environmental protection policy, and has obtained the ISO 14001 environmental management system certification. Arrange training for new recruits and hold regular environmental safety and health meetings to enhance employees' awareness of hazardous substances and their ability to respond to emergencies. The Company thoroughly implements the industrial safety and environmental protection policy, and has obtained the ISO 14001 environmental management system certification. Arrange training for new recruits and hold regular environmental safety and health meetings to enhance employees' awareness of hazardous substances and their ability to respond to emergencies. The content of the policy is as follows: 1. The Company's business activities, product development, manufacturing process, engineering construction, maintenance operation, and customer service must comply with the environmental safety and health requirements of its customers in the relevant government environmental safety and health laws and regulations. 2. Implement education and training to strengthen the awareness and skills of employees and management on environmental protection, safety and health. 3. Committed to the prevention of environmental pollution and the reduction of waste in the production process, the	None

Proposed Item	Execution Status (Note1)			Differences and reasons with the Corporate Governance Best Practice Principles for Sustainable Development of Listed and OTC Companies
	Yes	No	Summary (Note 2)	
			<p>effective use of energy, and the recycling of resources.</p> <p>4. Committed to improving the working environment of employees, improving equipment safety protection, and teaching safe operation methods to prevent the occurrence of industrial safety and environmental accidents.</p> <p>5. Through the regular review of the environmental safety and health management system, the environmental safety and health performance is reviewed, and continuous improvement is promoted.</p> <p>All colleagues of the Company must understand the meaning of the environmental safety and health policy, and promise to follow the environmental safety and health management manual and the document instructions of the environmental safety and health management system, implement the requirements of the environmental safety and health policy, enhance the Company's image, and ensure the sustainable operation of the enterprise.</p>	

Proposed Item	Execution Status (Note1)			Differences and reasons with the Corporate Governance Best Practice Principles for Sustainable Development of Listed and OTC Companies
	Yes	No	Summary (Note 2)	
<p>(2) Is the Company committed to improving energy efficiency and using recycled materials with low impact on the environment?</p> <p>(3) Has the Company assessed the current and future potential risks and opportunities of climate change to the Company, and taken measures to address climate-related issues?</p> <p>(4) Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in recent</p>	<p>V</p> <p>V</p>		<p>(2) The Company is not an energy-intensive industry, but the Company is also making efforts for environmental protection while operating profitably by launching the first solar cell local doping selective emitter laser processing machine in Taiwan to enhance solar energy battery performance. In addition, it promotes e-electronic exchange of official documents, responds to the paperless operation process, and adopts LED lighting and inverter air conditioners to implement energy saving and carbon reduction, and continues to promote the procurement of green energy-saving products to reduce the environmental impact.</p> <p>(3) The company promotes climate change and sustainability management strategies through the Sustainable Development Committee, with relevant response strategies executed by its subordinate promotion team. To address climate change and support energy conservation and carbon reduction efforts, the company has progressively implemented measures in plant and office areas, including equipment load reduction, increasing the temperature setting of chiller units, adjusting chilled water and indoor air conditioning temperatures, replacing lighting with LED fixtures, and advocating the procurement of green energy-efficient products.</p> <p>In 2024, the company conducted a greenhouse gas inventory and obtained third-party ISO 14064 verification. It promotes energy conservation, carbon reduction, and greenhouse gas inventory efforts by continuously monitoring energy-consuming equipment to reduce the impact of its operations on the natural environment.</p> <p>(4) The Company sets an annual energy saving and carbon reduction target of 1%, and collects statistics on the emissions of various emission sources, electricity consumption, water consumption and waste recycling in each plant area. For waste</p>	

Proposed Item	Execution Status (Note1)			Differences and reasons with the Corporate Governance Best Practice Principles for Sustainable Development of Listed and OTC Companies					
	Yes	No	Summary (Note 2)						
two years, and set greenhouse gas emissions reduction, water usage reduction and other waste management policies?	V		<p>management, in addition to the method of reduction at the source, we continue to improve the recycling rate of waste, determine the priority of reduction and confirm the reduction results through the results of greenhouse gas inventory, and carry out the solar power generation plan of Southern Taiwan Science Park (STSP) Plant for pollution prevention, energy management and other sustainable environmental protection.</p> <p>Disclosure of the Company's greenhouse gas emissions, electricity consumption, water usage, total waste weight over the past two years, and related energy-saving policies is as follows:</p> <p>1. Greenhouse gas emissions and related energy-saving policies in the past two years:</p> <table><tr><td>Year</td><td>Total greenhouse gas emissions (Scope 1 and 2) / Total revenue (in millions) = Metric tons of CO2-e / million</td></tr><tr><td>2023</td><td>Total emissions = 10, 924. 3451 metric tons of CO2-e; For every million units of revenue, 0. 19 metric tons of CO2-e are emitted.</td></tr><tr><td>2024</td><td>Total emissions = 11, 320. 0068metric tons of CO2-e; For every million units of revenue, 0. 19 metric tons of CO2-e are emitted.</td></tr></table> <p>Note: The greenhouse gas emissions for 2023 have been updated and verified by a third party.</p> <p>(1) Management Policy: Compliance with legal requirements, continuously promote improvements, and engagementment of all employees.</p> <p>(2) Reduction Targets:In response to the government's 2050 net-zero emissions goal, the company will</p>	Year	Total greenhouse gas emissions (Scope 1 and 2) / Total revenue (in millions) = Metric tons of CO2-e / million	2023	Total emissions = 10, 924. 3451 metric tons of CO2-e; For every million units of revenue, 0. 19 metric tons of CO2-e are emitted.	2024	Total emissions = 11, 320. 0068metric tons of CO2-e; For every million units of revenue, 0. 19 metric tons of CO2-e are emitted.
Year	Total greenhouse gas emissions (Scope 1 and 2) / Total revenue (in millions) = Metric tons of CO2-e / million								
2023	Total emissions = 10, 924. 3451 metric tons of CO2-e; For every million units of revenue, 0. 19 metric tons of CO2-e are emitted.								
2024	Total emissions = 11, 320. 0068metric tons of CO2-e; For every million units of revenue, 0. 19 metric tons of CO2-e are emitted.								

Proposed Item	Execution Status (Note1)			Differences and reasons with the Corporate Governance Best Practice Principles for Sustainable Development of Listed and OTC Companies						
	Yes	No	Summary (Note 2)							
			<p>establish a baseline year for its greenhouse gas inventory by 2025 and complete third-party verification. The reduction target is to achieve net-zero emissions (Scope 1 + Scope 2) at customer product-specific facilities by 2050.</p> <p>(3) Implementation Measures: The specific strategies include increasing renewable energy capacity, implementing energy conservation at the source, and establishing energy-saving initiatives to achieve carbon reduction targets.</p> <p>2. Total electricity consumption in the past two years:</p> <table><tr><th>Year</th><th>Electricity consumption</th></tr><tr><td>2023</td><td>Total electricity consumption: 19,435,648 kWh; Electricity usage per million units of revenue: 345.34 kWh</td></tr><tr><td>2024</td><td>Total electricity consumption: 19, 056, 770 kWh; Electricity usage per million units of revenue: 314. 08 kWh</td></tr></table> <p>(1) Management Policy: Compliance with legal requirements, efficient resource utilization, reduce energy consumption in plants, support for green procurement, continuously promote improvement, encourage employee participation, and achievement of targets.</p> <p>(2) Reduction Targets: In alignment with the government's 2050 net zero emissions goal, all company production plants have completed third-party verification of ISO 50001 energy management systems in 2024. The midterm reduction targets for each plant will be set before 2030, with an annual electricity reduction target of 1% compared to the previous year.</p> <p>(3) Implementation Measures: Replacing energy-</p>	Year	Electricity consumption	2023	Total electricity consumption: 19,435,648 kWh; Electricity usage per million units of revenue: 345.34 kWh	2024	Total electricity consumption: 19, 056, 770 kWh; Electricity usage per million units of revenue: 314. 08 kWh	
Year	Electricity consumption									
2023	Total electricity consumption: 19,435,648 kWh; Electricity usage per million units of revenue: 345.34 kWh									
2024	Total electricity consumption: 19, 056, 770 kWh; Electricity usage per million units of revenue: 314. 08 kWh									

Proposed Item	Execution Status (Note1)			Differences and reasons with the Corporate Governance Best Practice Principles for Sustainable Development of Listed and OTC Companies						
	Yes	No	Summary (Note 2)							
			<p>efficient equipment, improving process and equipment efficiency, reducing equipment load operation, using energy-saving sensor lights, gradually replacing traditional bulbs with LED lighting, and encouraging all employees to participate in turning off lights when not in use</p> <p>3. Total water consumption in the past two years:</p> <table><tr><th>Year</th><th>Total water consumption / Total revenue (in millions) = cubic meters / million</th></tr><tr><td>2023</td><td>Total water consumption = 75,713 cubic meters; Water consumption per million unit of revenue = 1.35 thousand liters</td></tr><tr><td>2024</td><td>water consumption = 78, 638 cubic meters; Water consumption per million unit of revenue = 1.30 thousand liters</td></tr></table> <p>(1) Management Policy: Compliance with legal requirements, efficient use of resources, continuous improvement, and participation of all employees in consultation.</p> <p>(2) Reduction Target: 0.078 cubic meters for each individual water consumption of domestic water consumption, including drinking (RO) water, toilet use, plant watering, cleaning, and air conditioning cooling systems, to maintain basic level water usage for environmental, living, and hygiene quality.</p> <p>(3) Implementation Measures: Reducing usage from the source, water pressure control, water saving postings.</p>	Year	Total water consumption / Total revenue (in millions) = cubic meters / million	2023	Total water consumption = 75,713 cubic meters; Water consumption per million unit of revenue = 1.35 thousand liters	2024	water consumption = 78, 638 cubic meters; Water consumption per million unit of revenue = 1.30 thousand liters	
Year	Total water consumption / Total revenue (in millions) = cubic meters / million									
2023	Total water consumption = 75,713 cubic meters; Water consumption per million unit of revenue = 1.35 thousand liters									
2024	water consumption = 78, 638 cubic meters; Water consumption per million unit of revenue = 1.30 thousand liters									

Proposed Item	Execution Status (Note1)			Differences and reasons with the Corporate Governance Best Practice Principles for Sustainable Development of Listed and OTC Companies						
	Yes	No	Summary (Note 2)							
			<div>4. Total quantity of non-recyclable waste generated in the past two years</div> <table><tr><td>Year</td><td>Total quantity of non-recyclable waste (D, C, E classes)</td></tr><tr><td>2023</td><td>Total quantity generated = 183.68 metric tons; For every million unit of revenue, 0.00326 metric tons are generated.</td></tr><tr><td>2024</td><td>Total quantity generated = 168. 61metric tons; For every million unit of revenue, 0.00278 metric tons are generated.</td></tr></table> <div>(1) Management Policy: Compliance with legal requirements, efficient use of resources, continuous improvement, and participation of all employees in consultations.</div> <div>(2) Reduction Target: Annual waste reduction/recycling target is >5%, with an average waste reduction/recycling of 63.79% for the current year.</div> <div>Implementation Measures: Reducing raw material usage at the source to minimize waste generation, promoting the recycling and reuse of packaging materials, and continuously improving the waste reuse rate. Each facility has a designated waste management contact responsible for coordinating waste management and tracking quantities. Additionally, waste management execution is supervised on a monthly basis.</div>	Year	Total quantity of non-recyclable waste (D, C, E classes)	2023	Total quantity generated = 183.68 metric tons; For every million unit of revenue, 0.00326 metric tons are generated.	2024	Total quantity generated = 168. 61metric tons; For every million unit of revenue, 0.00278 metric tons are generated.	
Year	Total quantity of non-recyclable waste (D, C, E classes)									
2023	Total quantity generated = 183.68 metric tons; For every million unit of revenue, 0.00326 metric tons are generated.									
2024	Total quantity generated = 168. 61metric tons; For every million unit of revenue, 0.00278 metric tons are generated.									
<div>4. Social Welfare Issues</div> <div>(1) Has the company established relevant management policies and procedures in accordance with applicable laws and</div>	V		<div>(1) The Company strictly complies with the legal regulations of all countries and regions where it operates, and respects and supports internationally recognized human rights standards and principles, including the International Bill of Human Rights, the Universal Declaration of Human Rights, the</div>							

Proposed Item	Execution Status (Note1)			Differences and reasons with the Corporate Governance Best Practice Principles for Sustainable Development of Listed and OTC Companies
	Yes	No	Summary (Note 2)	
<p>international human rights conventions?</p> <p>(2) Has the company formulated and implemented reasonable employee welfare measures (including compensation, leave, and other benefits), and appropriately reflected business performance or results in employee compensation?</p>	V		<p>UN Global Compact, and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. We uphold the rights of all personnel, including full-time employees, contract and temporary staff, and interns. The Company has established a "Human Rights Policy" that declares our human rights commitments, management principles, and specific implementation guidelines. Furthermore, we have issued a DEI (Diversity, Equity, and Inclusion) statement to promote various DEI initiatives, ensuring that every employee has the opportunity to develop their potential, achieve personal growth, and thrive alongside the company.</p> <p>(2) The Company has established reasonable compensation and benefit measures through its internal control systems, salary management regulations, performance evaluation guidelines, leave policies, dormitory management rules, parking allocation procedures, and company vehicle usage policies. In addition to annual bonuses based on company performance and individual contributions, we offer a range of benefits such as travel leave, health checkups, group insurance, and maternity subsidies. We ensure equal opportunities, compensation, and access to resources for all employees, regardless of gender, age, disability, religion, race, ethnicity, nationality, political stance, or sexual orientation—fostering both career development and personal achievement. As a constituent stock of the "Top 100 High Salary Companies," our competitive compensation and comprehensive benefits help us attract and retain talent while</p>	

Proposed Item	Execution Status (Note1)			Differences and reasons with the Corporate Governance Best Practice Principles for Sustainable Development of Listed and OTC Companies
	Yes	No	Summary (Note 2)	
(3) Does the company provide a safe and healthy working environment for employees, and regularly conduct safety and health education for its employees?	V		achieving operational goals. (3) In compliance with legal and regulatory requirements, the Company provides a fair, appropriate, and safe working environment for employees, staffed with certified safety personnel. First-aid kits are available at work sites for prompt medical assistance when needed. To maintain workplace quality, annual inspections are conducted, including air quality tests such as CO ₂ levels in office areas. Lactation rooms are provided at major office locations to support female employees returning from maternity leave. Additionally, we organize annual employee health checkups and wellness seminars to enhance health awareness and prevent occupational hazards.	
(4) Has the company established an effective training program for career development and skill enhancement for its employees?	V		(4) The Company develops a learning and development roadmap for career competency based on job categories, managerial levels, career structures, and training needs assessments. We conduct performance review meetings at least twice a year, enabling employees and their direct supervisors to discuss current performance, strengths, and future career planning. Annual training plans are structured around five key dimensions: strategic trends, operational development, managerial competencies, technical foundations, and employee care (including onboarding and general education). These plans include both internal and external training programs to ensure essential knowledge and develop future capabilities.	
(5) Regarding issues such as			(5) The Company has obtained ISO 9001 Quality	

Proposed Item	Execution Status (Note1)			Differences and reasons with the Corporate Governance Best Practice Principles for Sustainable Development of Listed and OTC Companies
	Yes	No	Summary (Note 2)	
<p>customer health and safety, privacy, marketing, and labeling of products and services, does the company comply with relevant laws and international standards, and has it established policies and grievance mechanisms to protect consumer or client rights?</p> <p>(6) Has the company established a supplier management policy requiring suppliers to comply with relevant standards on environmental protection, occupational safety and health, or labor and human rights, and how is such compliance implemented?</p>	<p>V</p> <p>V</p>		<p>Management System certification and established procedures such as “Shipping Control Procedures” and “Shipping Inspection Specifications.” All product labeling complies with these standards. We strictly adhere to relevant governmental and industry regulations to ensure the quality of our products and services and protect consumer rights.</p> <p>(6) The Company has implemented a Supplier Code of Conduct, which outlines expectations for suppliers, including regular verification and tracking of environmental, safety, and health regulations; environmental safety and fire protection measures; and declarations of social responsibility under SA 8000. We also conduct regular audits of suppliers on environmental, safety, and health management, as well as social and environmental responsibility, to ensure compliance. Our facilities have passed SA 8000 certification, and we are regularly audited by major international clients in accordance with the RBA (Responsible Business Alliance), demonstrating our active commitment to human rights standards.</p>	
<p>5. Does the Company take reference to international reporting standards or guidelines to prepare reports such as the corporate social responsibility report, etc., that disclose the Company’s non-financial information?</p>	V		<p>The companies annually issued ESG Report is prepared with reference to the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines and the GRI Standards. The ESG Report has been verified by the British Standards Institution (BSI).</p>	

Proposed Item	Execution Status (Note1)			Differences and reasons with the Corporate Governance Best Practice Principles for Sustainable Development of Listed and OTC Companies
	Yes	No	Summary (Note 2)	
6.	If the Company has established its corporate social responsibility code of practice according to “Listed Companies Corporate Social Responsibility Code of Practice”, please describe the operational status and differences: The Company has followed corporate governance related operations to set and implement “Listed Companies Corporate Social Responsibility Code of Practice”.			
7.	Other important information to facilitate better understanding of the Company’s implementation of corporate social responsibility: Status of sustainable development initiatives is disclosed in the ESG report and uploaded to the Company’s website.			

Note 1: Whether “Yes” or “No” has been selected for the implementation status, a description shall be made in the summary.

Note 2: The principle of materiality refers to those have material impacts on the Company’s investors and other stakeholders in relation to environmental, social and corporate governance issues.

2. Implementation Status of Climate-Related Information

Item	Implementation Status
1.Describe Board and management over sign and governance of climate-related risks and opportunities.	1.The company established the Sustainable Development Committee in 2023, with the Chairman serving as the convener. The committee reports to the Board of Directors twice a year on ESG management and implementation. Under the committee, a promotion team is responsible for identifying and addressing climate-related risks, managing climate change issues, and formulating response strategies and operational goals. The promotion team consists of five subgroups that drive various climate adaptation projects, including greenhouse gas inventory, energy management, and carbon reduction initiatives. The working group holds quarterly meetings to report on project implementation progress.
2.Describe how the identified climate risks and opportunities affect the Company's business, strategy, and finances (in the short, medium, and long-term).	2.Under the impact of climate change, international net-zero emissions have become a global priority. The company has strategically invested in resource transition and the green energy industry. In the short term, the focus is on meeting the expectations of customers and suppliers, while in the medium to long term, these efforts are expected to create more business opportunities and contribute to the company's future growth. The key transition risks in the short to medium term include the implementation of carbon pricing mechanisms, strengthened carbon emissions reporting obligations, imposition of carbon tariffs, and the increase in raw material costs. The company actively complies with the latest regulatory requirements and collaborates with customers and suppliers to promote product carbon footprint calculations and evaluate feasible carbon reduction solutions. Physical risks in the short to medium term include an increased frequency of extreme weather events. To address this, the company has developed emergency response measures, conducts regular employee training to enhance emergency preparedness, and performs routine inspections and maintenance of drainage systems to ensure rapid recovery of operations in the event of unexpected incidents.
3.Describe the financial impact of extreme weather events and transformation actions.	3.In response to climate change, the company is conducting a greenhouse gas inventory at factories and replacing major energy-consuming equipment. While these initiatives will lead to increased costs, they do not have a significant impact on the company's financial performance.

Item	Implementation Status
4. Describe how the identification, assessment, and management process of climate risks are integrated into the overall risk management system.	4. The Sustainable Development Committee considers economic, environmental, and social factors when assessing climate risk factors that significantly impact the company and its stakeholders. Following the company's risk management system and procedures, the committee identifies and evaluates risks, formulates response strategies and management plans, and facilitates cross-departmental communication to mitigate the impact of climate change risks. The company remains attentive to various climate-related risks and has established a comprehensive risk management system to ensure sustainable operations.
5. If using scenario analysis to assess resilience to climate change risks, provide details on the scenario, parameters, assumptions, analysis factors, and major financial impacts.	5. The Company has not yet used scenario analysis to assess its resilience to climate change risks since climate change risks do not significantly impact the Company's finances as we are not an energy-intensive industry.
6. If there is a transformation plan to manage climate-related risks, describe content of the plan, and indicators and targets used to identify and manage physical and transition risks.	6. The company has obtained ISO 14001 Environmental Management System certification and has established policies for energy conservation and carbon reduction, water resource management, and waste management. It continues to monitor climate change-related policies and actions while actively supporting domestic and international carbon reduction strategies to enhance its carbon emissions management. In response to the low-carbon transition trend, the company is also replacing lighting equipment and key machinery to achieve its energy conservation and carbon reduction policy goals.
7. If internal carbon pricing is used as a planning tool, the basis for price setting should be explained	7. The Company's internal carbon pricing mechanism is still under development. Currently, evaluations are primarily based on domestic and international sustainable development trends and related regulations. The Company has set a target of reducing greenhouse gas emissions by 1% annually, and relevant information has been disclosed in the sustainability report.
8. If climate-related goals are set, information should be provided on the activities covered, greenhouse gas emission scopes, planning timeframe, progress achieved each year, etc. If carbon offsets or renewable energy certificates (RECs) are used to achieve the related goals, details should be provided regarding the source and quantity of carbon offsets or the number of RECs used.	8. The Company currently does not utilize carbon offsets or renewable energy certificates (RECs). For information regarding climate-related goals, please refer to the Greenhouse gas reduction target, strategy, and action plan of this year's Annual Report.
9. Greenhouse gas inventory and verification status, reduction targets, strategies, and specific action plans. The status of the greenhouse gas inventory, verification results, reduction targets, strategies, and specific action plans are detailed separately in sections 1-1 and 1-2.	9. The company conducts an annual greenhouse gas inventory and sets reduction targets. In 2024, the company obtained external verification for its greenhouse gas inventory. Future actions will be carried out in accordance with the schedule set by the regulatory authorities.

1-1 The company's greenhouse gas inventory and verification status for the past two years

State the greenhouse gas emissions (metric tons CO₂e), emission intensity (metric tons CO₂e per million NTD), and data coverage scope for the past two years.

1-1-1 Greenhouse Gas Inventory Information

The company's greenhouse gas emissions data are as shown in the table below:

MIC Group (The company and subsidiaries)		
Scope	2023	2024
Scope 1 and Scope 2 Emissions (metric tons CO ₂ e)	10,924.3451	11,320.0068
Scope 3 Emissions (metric tons CO ₂ e)	5,007.6099	6,274.7634
Emission Intensity for Scope 1 and Scope 2 (metric tons CO ₂ e per million NTD of consolidated revenue)	0.19	0.19
The company		
Scope	2023	2023
Scope 1 and Scope 2 Emissions (metric tons CO ₂ e)	10,377.0144	10,502.6713
Scope 3 Emissions (metric tons CO ₂ e)	5,007.6099	6,274.7634
Emission Intensity for Scope 1 and Scope 2 (metric tons CO ₂ e per million NTD of consolidated revenue)	0.37	0.36

1-1-2 Greenhouse gas verification Information

Description of the verification status for the most recent two years as of the annual report publication date, including verification scope, verification provider, verification standards, and verification opinion.

Greenhouse gas emissions verification for the MIC Group (The company and subsidiaries) in 2023 and 2024:

- Verification Scope: MIC Group (The company and subsidiaries)
- Verification Provider: DNV Business Assurance Co., Ltd. (DNV)
- Verification Standard: ISO 14064-3
- Verification Opinion: Categories 1-2 are at a reasonable verification level, while Categories 3-6 are at a limited verification level.

1-2 Greenhouse gas reduction target, strategy, and action plan

Specify the baseline year and corresponding data for greenhouse gas reduction, reduction target, strategy, action plan, and the achievement status of the reduction target.

- Greenhouse gas reduction target: In response to the government's 2050 net-zero emissions goal, achieve net-zero emissions (Scope 1 + Scope 2) at customer product-specific factories by 2050, with an annual greenhouse gas reduction target of 1%.
- Strategy and specific action plan: Replace energy-efficient equipment, improve process and equipment efficiency, reduce equipment load operation, and gradually replace traditional bulbs with LED lighting.
- Achievement status: The emission intensity for Scope 1 and Scope 2 in 2024 decreased by -3.88% compared to 2023.

6、Implementation of Corporate Conduct and Ethics

Item	Implementation Status			Deviation from “Corporate Conduct and Ethics Best Practice Principles for TWSE/GTSM Listed Companies” and reason(s)
	Yes	No	Summary	
1. Establishment of Corporate Conduct and Ethics Policy and Implementation Measures (1) The Company’s guidelines on corporate conduct and ethics are provided in internal policies and disclosed publicly. The Board of Directors and the management team demonstrate their commitments to implement the policies. (2) The Company establishes relevant policies for preventing any unethical conduct. The implementation of the relevant procedures, guidelines, disciplines and appealing mechanism are provided in the policies. (3) The Company establishes appropriate measures for preventing bribery and illegal political contribution for higher potential unethical conduct in the relevant policies.	V		(1) To uphold corporate integrity, the company has established a Code of Ethical Corporate Management and a Code of Ethical Conduct, both of which were approved by the Board of Directors prior to implementation. The Code of Ethical Corporate Management explicitly prohibits dishonest conduct. At the same time, the company embraces the core corporate values of integrity, care, professionalism, innovation, dedication, and teamwork. In all interactions with customers and suppliers, the company adheres strictly to ethical standards and maintains a principle of integrity that prioritizes trust. Regarding conflicts of interest, the company complies with relevant regulations, and directors or managerial officers are prohibited from participating in any decisions involving their personal interests. (2) The Company has established the Code of “Ethics and Business Conduct” and formed the corporate culture based on integrity. The prevention of unethical conduct and its penalty are clearly stated in the Company’s service regulation, employment contract and Reward and Discipline Policy. The Company also provides employee a complaint submission method that accepts complaints through a mail box. (3) The Company is in compliance with “Corporate Conduct and Ethics Best Practice Principles for TWSE/GTSM Listed Companies.” The management regularly audits and reviews the compliance status to prevent unethical conduct. For higher potential unethical conduct, promotion on ethics is addressed to employees and related persons. Any delivery of gifts has to be cautiously evaluated and approved.	None

Item	Implementation Status			Deviation from “Corporate Conduct and Ethics Best Practice Principles for TWSE/GTSM Listed Companies” and reason(s)
	Yes	No	Summary	
4. Information Disclosure Disclosure of corporate conduct and ethics policies and such execution on the Company’s website and the Market Observation Post System	V		The Company has disclosed information of corporate conduct and ethics on the official website and published on the Market Observation Post System.	None
5. If the Company has established the Code of “Ethics and Business Conduct” based on “Corporate Conduct and Ethics Best Practice Principles for TWSE/GTSM Listed Companies”, please describe any discrepancy between the policies and their implementation: The Company has already stipulated Ethics and Business Conduct and implemented it accordingly.				
6. Other important information to facilitate better understanding of the Company’s corporate conduct and ethics compliance practices: <ol style="list-style-type: none"> (1) The Company provides promotion and training programs on service regulations to employees to facilitate employees’ better understanding of the Company’s determination, policies, prevention measures on corporate conduct and ethics as well as the results of violation. (2) Suppliers, vendors and partners are required to follow the Company’s service regulation and to report the violation or unethical conduct of the Company’s employees. (3) Please refer to the section of “Implementation of Corporate Social Responsibility” in this annual report and “Corporate Social Responsibility Report” on the official website for more information. 				

Note 1: Whether “Yes” or “No” has been selected for the implementation status, a description shall be made in the summary.

7. Other important information to facilitate better understanding of the Company’s corporate governance: None

8. Internal control system execution

1) Internal control statement

Marketech International Corp. Internal Control Statement

Date: February 24, 2025

Based on our self-assessment results of the Company's 2024 internal controls, we declare the following:

1. The Company is ascertain of the establishment, implementation and maintenance of the internal control system of the Company in terms of the responsibilities of the board of director and the managers as the Company has already established such system. The objective is to, within a reasonable range, ensure operation results and efficiency (including profitability, performance and the protection of asset safety); the reliability, timeliness and transparency of reports; and compliance of relevant rules and regulations.
2. There are still natural limitations of the internal control system regardless of the comprehensiveness of the design. The effectiveness of the internal control system can only provide reasonable guarantees to the goal-achievement of the three aforementioned objectives; also, due to the environmental and situational changes, the effectiveness of the internal control system may alter. Still, the internal control system of the Company is set with a self-supervision mechanism. Once the defect is detected, the Company will adopt a corrective action for modification.
3. With the reference of the content of determination within the "Guidelines of the Internal Control System of Public Company" (hereinafter referred to as "the Guideline"), the effectiveness of the design and the implementation of internal control system shall be determined. The evaluation items that the Guidelines has adopted for internal control refers to the management and control process, where the internal control system is divided into five constituents: 1. Environment control; 2. Risk assessment; 3. Control operations; 4. Information and communication, and; 5. Supervision. Each constituent would contain several other items. For the aforementioned items, please refer to the regulations of the Guideline.
4. The Company has already adopted aforementioned internal control assessment items to evaluate the design of internal control system and the efficiency of implementation.
5. Based on the results of aforementioned assessment, the Company believes that the internal control system (including the supervision and management of subsidiaries), which has adopted on the 31st of December 2024, ensures an effective design and implementation of relevant internal control measures, where the objectives of understanding the operation results and efficiency, providing reliable, on-time and transparent reports, and ensuring the compliance of relevant rules and regulations can all be reached.
6. This statement will become the main content of the annual report of the Company and an open statement for the public. In the event of any faking or illegal situations of the aforementioned content, it shall be obliged with the legal responsibilities stated in Article 20, 32, 171 and 174 of Securities and Exchange Act.
7. This statement was approved by the board on February 24, 2025 with the presence of 10 directors without any objection. The rest also agreed with the content of the statement.

Marketech International Corp.

Chairman of the Board: Margaret Kao

General Manager: Scott Lin

2) Accountant is entrusted to inspect the internal control system shall disclose the inspection reports of the accountant: None.

9. For the last date of the annual report printing of the closest year, there were important resolutions of the shareholders and board of directors:

1) Important Resolutions at Shareholders' Meeting

Date	Resolutions
2024/05/27	<ol style="list-style-type: none">1. Recognized company 2023 operating report and financial report proposal. State of implementation: voted and approved in the 2024 shareholders' meeting.2. Recognized company 2023 earnings distribution proposal. State of implementation: a resolution voted in the 2024 shareholders' meeting approving for distributed cash dividend of NT\$6.00 per share, with cash dividend having been distributed as of August 2, 2024.3. Approved amending proposal of "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees." State of implementation: a resolution has been approved in the 2024 shareholders' meeting, with relevant matters having been executed by related law and regulations.

2) Important Board of Directors' Resolutions

Date	Resolutions	Securities Exchange Act Article 14-3 Matters	Securities Exchange Act Article 14-5 Matters	Independent Directors' Opinions and Company's Handling of the Opinions
2024/01/30	<ol style="list-style-type: none"> 1. Approved the proposal for the Company to provide a bank financing guarantee for its subsidiary, Marketch International Corporation USA. 2. Noted that the cumulative amount to a single vendor for the construction of the Company's new Plant 6 in the Southern Taiwan Science Park has reached NT\$300 million. 3. Approved the year-end performance bonus for the Company's managers for fiscal year 2023, as proposed by the Compensation Committee. 	V	V	e Company submitted the matters to the Audit Committee and the Board of Directors in accordance with Articles 14-5 and 14-3 of the Securities and Exchange Act, with no objections or qualified opinions expressed by the independent directors.
2024/02/19	<ol style="list-style-type: none"> 1. Approved the Company's consolidated and standalone financial statements for fiscal year 2023. 2. Approved the assessment that the overdue payments in Q4 of fiscal year 2023 are not of a lending nature. 3. Approved the release of endorsements and guarantees for subsidiaries Shanghai Jiwei Electronic System Engineering Co., Ltd. and Huayou Chemical International Trading (Shanghai) Co., Ltd. 4. Approved the adjustment of the guarantee amount for the subsidiary Marketch International Corporation USA. 5. Approved the distribution of directors' and employees' remuneration for fiscal year 2023. 6. Approved the earnings distribution plan for fiscal year 2023. 7. Approved the Internal Control System Statement for fiscal year 2023. 8. Approved the Business Report for fiscal year 2023. 9. Approved the amendment to the Company's Articles of Incorporation. 10. Approved the date, venue, and agenda for the 2024 Annual General Shareholders' Meeting. 11. Approved the independence review of the certified public accountants and their affiliated accounting firm for fiscal year 2024. 12. Approved the issuance of new common shares for conversion under the Company's Fifth Unsecured Domestic Convertible Bonds. 13. Approved the transportation allowance for attendance by members of the Board's Sustainable Development Committee and Risk Management Committee. 	V V V V V	V V V V V V V V V V V V	e Company submitted the matters to the Audit Committee and the Board of Directors in accordance with Articles 14-5 and 14-3 of the Securities and Exchange Act, with no objections or reservations expressed by any independent directors.

Date	Resolutions	Securities Exchange Act Article 14-3 Matters	Securities Exchange Act Article 14-5 Matters	Independent Directors' Opinions and Company's Handling of the Opinions
2024/05/07	<ol style="list-style-type: none"> 1. Approved the Company's consolidated financial statements for the first quarter of fiscal year 2024. 2. Approved the assessment that overdue payments in the first quarter of fiscal year 2024 are not of a lending nature. 3. Approved the Company's bank credit facility proposal 4. Approved the Company's bank account opening and signing authorization proposal 5. Approved that the cumulative amount to a single vendor for the construction of the Company's new Plant 6 in the Southern Taiwan Science Park has reached NT\$500 million. 6. Approved the provision of bank financing guarantees by the Company for its subsidiaries: Shanghai Jiwei Electronic System Engineering Co., Ltd., Huayou Chemical International Trading (Shanghai) Co., Ltd., and Marketch International Corporation USA. 7. Approved the adjustment of the guarantee amount for the subsidiary Marketch International Corporation USA. 8. Approved the extension of the performance guarantee provided to Der-Chang Construction Co., Ltd. 9. Approved the provision of a guarantee to Der-Chang Construction Co., Ltd. 10. Approved the lease of office space to Darsen Intelligence Co., Ltd. 11. Approved the issuance of new common shares for conversion under the Company's Fifth Unsecured Domestic Convertible Bonds. 	V V V V V V V V V V	V V V V V V V V V V	e Company submitted the matters to the Audit Committee and the Board of Directors in accordance with Articles 14-5 and 14-3 of the Securities and Exchange Act, with no objections or reservations raised by any independent directors.
2024/06/20	<ol style="list-style-type: none"> 1. Approved the proposal to set the record date for cash dividend distribution. 2. Approved the revision of the Company's "Sustainable Development Committee Charter." 3. Approved the revision of the Company's "Sustainable Development Best Practice Principles." 4. Approved the extension of the performance guarantee provided to Der-Chang Construction Co., Ltd. 	 V	 V	e Company submitted the matters to the Audit Committee and the Board of Directors in accordance with Articles 14-5 and 14-3 of the Securities and Exchange Act, and no independent directors raised any objections or expressed any reservations.
2024/08/01	<ol style="list-style-type: none"> 1. Approved the Company's consolidated financial statements for the second quarter of fiscal year 2024. 	V	V	e Company submitted the

Date	Resolutions	Securities Exchange Act Article 14-3 Matters	Securities Exchange Act Article 14-5 Matters	Independent Directors' Opinions and Company's Handling of the Opinions
	2. Approved the assessment that overdue payments in the second quarter of fiscal year 2024 are not of a lending nature. 3. Approved the Company's bank credit facility proposal. 4. Approved the provision of bank financing guarantees by the Company for its subsidiaries: Wuxi Qihua Electronic Technology Co., Ltd., Huayou Chemical International Trading (Shanghai) Co., Ltd., I-Chung Information Co., Ltd., Marketech Integrated Pte. Ltd., and Marketech International Corporation USA. 5. Approved the provision of intercompany loans to the subsidiary Marketech International Corporation USA. 6. Approved the provision of intercompany loans to the subsidiary Marketech International Sdn. Bhd. 7. Approved the establishment of procedures for reporting and handling illegal or unethical conduct by internal and external personnel. 8. Approved the allocation of director compensation for fiscal year 2023. 9. Approved the proposal for the distribution of employee compensation for the Company's managerial officers for the year 2023. 10. Approved the proposal to adjust meal allowances for the Company's managerial officers 11. Approved the Company's 2023 ESG Report.	V	V	matters to the Audit Committee and the Board of Directors in accordance with Articles 14-5 and 14-3 of the Securities and Exchange Act, with no objections or reservations raised by any independent directors.
2024/11/13	1. Approved the Company's consolidated financial statements for the third quarter of fiscal year 2024.	V	V	
	2. Approved the assessment that overdue payments in the third quarter of fiscal year 2024 are not of a lending nature.	V	V	
	3. Approved the Company's audit plan for fiscal year 2025.	V	V	
	4. Approved the Company's bank credit facility proposal.	V	V	
	5. Approved the provision of bank financing guarantees for the Company's subsidiaries: MIC-Tech Viet Nam Co., Ltd. and Marketech International Sdn. Bhd.	V	V	
	6. Approved the provision of a joint guarantee for the subsidiary Marketech International Corporation USA.	V	V	

Date	Resolutions	Securities Exchange Act Article 14-3 Matters	Securities Exchange Act Article 14-5 Matters	Independent Directors' Opinions and Company's Handling of the Opinions
	7. Approved the provision of intercompany loans to the subsidiaries: Marketch International Corporation USA, Marketch International Corp. Japan, and Marketch International Sdn. Bhd.			
	8. Approved the proposed capital increase investment in the U.S. subsidiary, Marketch International Corporation USA.	V	V	
	9. Approved the addition of the "CM-115 Management of Sustainability Information" under the Company's internal control system category "Other Management Policies."	V	V	
	10. Approved the revision of the Company's "Internal Audit Implementation Rules."	V	V	
	11. Approved the revision of the Company's "Corporate Governance Best Practice Principles."	V	V	
	12. Approved the establishment of the Group's "Supplier Code of Conduct."			
	13. Approved the establishment of the Company's "Code of Ethics."			
	14. Approved the revision of the Company's "Board Meeting Rules of Procedure."			
	15. Approved the revision of the Company's "Audit Committee Charter."			
2024/12/31	1. Approved the establishment of operational guidelines for financial and business transactions with related parties within the Group.	V	V	e Company submitted the matters to the Audit Committee and the Board of Directors in accordance with Articles 14-5 and 14-3 of the Securities and Exchange Act, with no objections or reservations expressed by any independent directors.
	2. Approved the revision of the Company's "Accounting Policy."	V	V	
	3. Approved the revision of the Company's internal control system, including the "General Provisions of Internal Control" and "Other Management Policies."	V	V	
	4. Approved the extension of the performance guarantee provided to Der-Chang Construction Co., Ltd.	V	V	
	5. Approved the provision of a bank financing guarantee for the subsidiary Marketch Co., Ltd.	V	V	
	6. Approved the Company's consolidated financial budget for fiscal year 2025.			

Date	Resolutions	Securities Exchange Act Article 14-3 Matters	Securities Exchange Act Article 14-5 Matters	Independent Directors' Opinions and Company's Handling of the Opinions
	7. Approved the issuance of new common shares for conversion under the Company's Fifth Unsecured Domestic Convertible Bonds.	V	V	
	8. Approved the year-end performance bonus for managers for fiscal year 2024, as proposed by the Compensation Committee.			
2025/02/24	1. Approved the Company's consolidated and standalone financial statements for fiscal year 2024.	V	V	The Company submitted the matters to the Audit Committee and the Board of Directors in accordance with Articles 14-5 and 14-3 of the Securities and Exchange Act, and no independent directors expressed any objections or reservations.
	2. Approved the assessment that the overdue payments in the fourth quarter of fiscal year 2024 are not of a lending nature.	V	V	
	3. Approved the issuance of a commitment letter to the Bank of Taiwan.	V	V	
	4. Approved the Company's bank credit facility proposal.	V	V	
	5. Approved the provision of a performance guarantee to Tatung Co.	V	V	
	6. Approved the provision of bank financing guarantees for the Company's subsidiaries: Marketch International Corporation USA and Marketch International Corp. Japan.	V	V	
	7. Approved the provision of an intercompany loan to the subsidiary Marketch Integrated Pte. Ltd.	V	V	
	8. Approved the independence review of the certified public accountants and their affiliated firm for fiscal year 2025.	V	V	
	9. Approved the audit fee arrangement for fiscal years 2025 and 2026.	V	V	
	10. Approved the issuance of new common shares for conversion under the Company's Fifth Unsecured Domestic Convertible Bonds.	V	V	
	11. Approved the earnings distribution plan for fiscal year 2024.	V	V	
	12. Approved the Internal Control System Statement for fiscal year 2024.			
	13. Approved the Business Report for fiscal year 2024.			
	14. Approved the definition of grassroots employees and the ratio of employee compensation allocated to grassroots employees.	V	V	
	15. Approved the amendment of the Company's Articles of Incorporation.	V	V	
	16. Approved the revision of the Company's internal control system regarding the "Payroll Cycle."	V	V	
	17. Approved the distribution of director and employee compensation for fiscal year 2024.	V	V	
	18. Approved the date, venue, and agenda for the 2025 Annual General Shareholders' Meeting.			
	19. Approved the re-election of the Company's directors.			
	20. Approved the nomination period for the re-election of directors and independent directors for fiscal year 2025.			
	21. Approved the list of director and independent director candidates for the 2025 re-election.			
	22. Approved the release of non-competition restrictions for the Company's directors.			

Date	Resolutions	Securities Exchange Act Article 14-3 Matters	Securities Exchange Act Article 14-5 Matters	Independent Directors' Opinions and Company's Handling of the Opinons
2025/03/01	1. Approved the amendment to the list of candidates for the re-election of directors for fiscal year 2025.			The Company submitted the matter to the Audit Committee and the Board of Directors in accordance with Articles 14-5 and 14-3 of the Securities and Exchange Act, with no objections or reservations raised by any independent directors.

10. For the latest fiscal year and up to the date of this annual report, contents for disagreements between the directors or supervisors concerning significant resolutions (with records or written statements): None.

4. Information on the professional fees of the attesting CPAs (external auditors)

Unit: NT\$ thousands

Accounting firm	Accountant name	Auditing period	Audit Fee	None-Audit Fees	Total	Note
PricewaterhouseCoopers Taiwan	Wang, Sung-Tse	2024/01/01 ~ 2024/12/31	5,853	897	6,750	None
	Lin, Chun-Yao					

Note1: If there is any change of accountant or accounting firm in the year, the inspection period shall be listed separately and specified the reason of the change in the column of "Note."

Note2: The non-audit fees refer to the fees for CPA tax attestation services.

- (1) Replacement of accounting firm and the audit fees in the year of replacement is less than the previous year: None.
- (2) Audit fees were reduced by over 10% compared with the previous year: None.

5. Information on replacement of certified public accountant

If there are any changes of accountants in the latest two years and the subsequent periods, the following items shall be disclosed:

(1) About the previous accountant

Date of change	February 17, 2023		
Reason of the change and description	Due to the structural organizational adjustment of PricewaterhouseCoopers Taiwan, the Company's auditor for 2023 was changed to Wang, Song-Ze and Lin, Jun-Yao.		
Description of the termination or non-appointment of the entrustee or accountant	Situation	Party	Accountant
	Proactive termination of appointment	Appointed to	
	No subsequent appointments	Not applicable	
Reason and opinion of approved audit report without further opinion of the latest two years	Not applicable		
Disagreement with the publisher	Yes		Accounting standards or practices
			Financial statement disclosure
			Audit scope or procedures
			Other
	None	V	
	Description	Not applicable	
Other disclosures (The discloser shall be included based on Article 10.6 items 1.4~1.7 of the Guideline)	None		

(2) About the Succeeding Accountant

Firm name	PricewaterhouseCoopers Taiwan
Accountant name	Wang, Song-Ze and Lin, Jun-Yao
Appointment date	February 17, 2023
For the accountant of particular transaction before the appointment, the management approach or accounting principles and the counselling and results of the approval of the financial report.	Not applicable
Written opinions of the successor-accountant against the previous accountant.	Not applicable

(3) Reply of the previous accountant towards Article 10 Paragraph 6 Item 1 and 2-3 of “Guidelines of Mandatory Recordings in the Annual Report of the Public Company”.

6. The Company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm: None.

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

(1)The equity changes or modification of pledge of the directors, supervisors, managers and shareholders with more than 10% of the shares.

Unit: share

Title (Note 1)	Name	2024 Fiscal Year		As of March 31, 2025	
		Increase (decrease) in number of shares owned	Increase (decrease) in number of pledged shares	Increase (decrease) in number of shares owned	Increase (decrease) in number of pledged shares
Shareholder(Note 1) (4 seats)	Ennoconn International Investment Co., Ltd. (Note 2)	0	0	0	0
Director (1 seat)	Ji-Xuan Investment Corp.	0	0	0	0
Director (1 seat)	E-Win Investment Company Ltd.	0	0	0	0
Independent director	Wu, Chung –Pao	0	0	0	0
Independent director	Lin, Hsiao-Ming	0	0	0	0
Independent director	Wang, Yi-Chun	0	0	0	0
Independent director	Zhao, Rong-Xiang	0	0	0	0
Chairman and CEO	Margaret Kao	0	0	0	0
Director and President	Scott Lin	0	0	0	0
Group GM	Chen, Jian-Tsuen	0	0	0	0
Division GM	Huang, Zhong-Wen	0	0	0	0
Division GM	Chang, Ruei-Ru	0	0	0	0
Division VGM	Li, Ruei-Wen	0	0	0	0
Division VGM	Lin, Chih-Jen	0	0	0	0
Division VGM	Lu, Chien-Kuo	0	0	0	0
Division VGM	Lo, Ssu-Yuan	0	0	0	0
Division VGM	Yang, Yuan-Zhi	0	0	0	0
VGM, Finance & Accounting Division, and financial officer	Hsieh, Ming-Chu	0	0	0	0
Director, Finance & Accounting Division, and accounting officer	Chung, Chi-Wen	0	0	0	0
Corporate Governance Officer	Li Yi-Jung	0	0	0	0

Note 1: Shareholders holding more than 10% of the company's total shares should be identified as major shareholders and listed separately.

Note 2: Ennoconn International Investment Co., Ltd. holds more than 10% of the company's shares and is a major shareholder of the company.

Note 3: The record date for share transfer suspension for the company's 2025 Annual General Meeting of Shareholders is March 30, 2025.

(2)Share transfer information

The Company's directors, managers and shareholders holding more than 10% of the shares have not transferred their shares to related parties.

(3)Share pledge

The Company's directors, managers and shareholders holding more than 10% of the shares do not have any shares pledged to related parties.

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

March 30, 2025

Unit: Shares ; %

Name (Note 1)	Personal shareholding		Shareholding of the spouse and under age children		Total shareholding using other's name		Relationship with the 10 largest shareholders or relationship as the spouse or second lineage. Title or name and relationship (Note 3)		Other
	No. of shares	% of shares	No. of shares	% of shares	No. of shares	% of shares	Title (or name)	Relationship	
Ennoconn International Investment Co., Ltd. Representative: Lou, Chao-Tsung	83,468,613 *40,000	41.28% *0.02%	0 *0	0.00% *0.00%	0 *0	0.00% *0.00%	None	None	None
Ji-Xuan Investm-nt Corp. Representative: Margaret Kao	11,005,795 *2,010,513	5.44% *0.99%	0 *0	0.00% *0.00%	0 *0	0.00% *0.00%	Margaret Kao	Representative of the Company	None
E-Win Investment Company Ltd. Representative: Scott Lin	6,647,112 *5,986,097	3.29% *2.96%	0 *46,783	0.00% *0.02%	0 *0	0.00% *0.00%	Scott Lin	Representative of the Company	None
The Bank of Taiwan serves as the custodian for the Yuanta Taiwan High Dividend Low Volatility ETF.	6,039,000	2.99%	0	0.00%	0	0.00%	None	None	None
Scott Lin	5,986,097	2.96%	46,783	0.02%	0	0.00%	<ul style="list-style-type: none"> E-Win Investment Company Ltd. Lin, Yu-Yao 	<ul style="list-style-type: none"> Representative the Company Sibling relationship 	None
Sung, Ping-Chung	3,488,550	1.73%	255,846	0.13%	0	0.00%	<ul style="list-style-type: none"> Ji Chang Investment Company Margaret Kao Sung, Feng-Pei 	<ul style="list-style-type: none"> Representative of the Company Mother and son relationship Sibling relationship 	None
Sung, Feng-Pei	3,322,792	1.64%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> Margaret Kao Sung, Ping-Chung 	<ul style="list-style-type: none"> Mother and daughter relationship Sibling relationship 	None
Ji Chang Investment Company Representative: Sung, Ping-Chung	2,985,504 *3,488,550	1.48% *1.73%	0 *255,846	0.00% *0.13%	0 *0	0.00% *0.00%	<ul style="list-style-type: none"> Margaret Kao Sung, Feng-Pei 	<ul style="list-style-type: none"> Mother and son relationship Sibling relationship 	None
Lin, Yu-Yao	2,375,378	1.17%	0	0.00%	0	0.00%	Scott Lin	Sibling relationship	None
Ya Tai Investment Company Representative: Yang, Yi-Shun	2,150,000 *232,000	1.06% *0.11%	0 *0	0.00% *0.00%	0 *0	0.00% *0.00%	None	None	None

*Number of shares and the percentage of the shares held by each of the individuals.

Note 1: The ten largest shareholders shall be listed. Corporate shareholders shall be listed with the name and the name of the representative.

Note 2: The calculation of the percentage of the shares refers to the calculation of the percentage of the shares with its name, the spouse's, the underage children's or with others' names.

Note 3: The aforementioned shareholders include corporates and natural persons. The relationship between each other shall be disclosed in the financial reports of the issuers.

Note 4: The book closure date of the Company's 2025 regular shareholders' meeting is on March 30, 2025.

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

December 31, 2024

Unit: Share ; %

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Invested enterprises (Note 1)	Investment of our company (Note 1)		Investments made by Directors, Supervisors, Managers and the Company's Directly or Indirectly Controlled Businesses (Note 2)		Combined investment	
	No. of shares	Percentage of shares	No. of shares	Percentage of shares	No. of shares	Percentage of shares
Marketch Integrated Pte Ltd.	14,636,958	100.00%	0	0.00%	14,636,958	100.00%
Market Go Profits Ltd.	40,119,104	100.00%	0	0.00%	40,119,104	100.00%
MIC-Tech Global Corp.	131,560	100.00%	0	0.00%	131,560	100.00%
Headquarter International Ltd.	1,289,367	100.00%	0	0.00%	1,289,367	100.00%
Tiger United Finance Ltd.	1,410,367	100.00%	0	0.00%	1,410,367	100.00%
Marketch Engineering Pte. Ltd.	1,337,763	100.00%	0	0.00%	1,337,763	100.00%
Marketch Integrated Manufacturing Company Limited	1,535,600	100.00%	0	0.00%	1,535,600	100.00%
MIC-Tech Viet Nam Co., Ltd.	0	100.00%	0	0.00%	0	100.00%
Marketch Co., Ltd.	0	100.00%	0	0.00%	0	100.00%
eZoom Information, Inc.	0	100.00%	5,000,000	100.00%	5,000,000	100.00%
Marketch International Sdn. Bhd.	16,871,250	100.00%	0	0.00%	16,871,250	100.00%
Marketch International Corporation USA.	33,450,000	100.00%	0	0.00%	33,450,000	100.00%
Spiro Technology Systems Inc.	1,000,000	100.00%	0	0.00%	1,000,000	100.00%
ADAT Technology CO., LTD.	5,467,022	25.38%	5,008,644	23.25%	10,475,666	48.63%
PT Marketch International Indonesia	1,199,000	99.92%	1,000	0.08%	1,200,000	100.00%
Marketch Netherlands B.V.	1,200,000	100.00%	0	0.00%	1,200,000	100.00%
Glory Technology Service Inc.	6,208,320	29.24%	0	0.00%	6,208,320	29.24%
MIC Techno Co., Ltd.	200,000	29.85%	120,000	17.91%	320,000	47.76%
Smart Group Solutions Corp. original name (Smart Health Corp.)	10,000,000	100%	0	0.00%	10,000,000	100%
Vertex System Corporation	5,000,000	61.35%	0	0.00%	5,000,000	61.35%
Bolite Co.,Ltd	2,240,000	37.33%	0	0.00%	2,240,000	37.33%
MIC Healthcare Korea Co., Ltd	5,200,000	100.00%	0	0.00%	5,200,000	100.00%

Invested enterprises (Note 1)	Investment of our company (Note 1)		Investments made by Directors, Supervisors, Managers and the Company's Directly or Indirectly Controlled Businesses (Note 2)		Combined investment	
	No. of shares	Percentage of shares	No. of shares	Percentage of shares	No. of shares	Percentage of shares
Marketch International Corp. Japan	30,000	100.00%	0	0.00%	30,000	100.00%
Advanced Technology Matrix United	2,000,000	68.97%	0	0.00%	2,000,000	68.97%
Radisen Co., Ltd.(Ordinary Stock)	87,803	18.49%	8,902	0.71%	96,705	19.20%
Radisen Co., Ltd.(Preferred stock)	188,961	24.11%	0	0.00%	188,961	24.11%
Marketch International Corporation Germany GmbH	200,000	100.00%	0	0.00%	200,000	100.00%
MIC Industrial Viet Nam Co., Ltd.	0	100.00%	0	0.00%	0	100.00%
Marketop Smart Solutions Co., Ltd	3,060,000	51.00%	0	0.00%	3,060,000	51.00%
Marketch International (Thailand) Corp.,Ltd.	3,999,998	100.00%	2	0.00%	4,000,000	100.00%
MIC-Tech Ventures Asia Pacific Inc.	0	0.00%	40,016,604	100.00%	40,016,604	100.00%
Marketch Integrated Construction Co., Ltd.	0	0.00%	92,000	98.40%	92,000	98.40%
Rusky H.K. Limited	0	0.00%	833,000	100.00%	833,000	100.00%
MICT International Limited	0	0.00%	5,400,000	60.00%	5,400,000	60.00%
Leader Fortune Enterprise Co., Ltd.	0	0.00%	303,000	31.43%	303,000	31.43%
Fortune Blessing Co., Limited	0	0.00%	500,000	27.78%	500,000	27.78%
MIC-Tech (WuXi) Co., Ltd.	0	0.00%	0	100.00%	0	100.00%
MIC-Tech (Shanghai) Co. Ltd.	0	0.00%	0	100.00%	0	100.00%
Shanghai Maohua Electronics Engineering Co., Ltd.	0	0.00%	0	87.00%	0	87.00%
MIC-Tech Electronics Engineering Corp.	0	0.00%	0	100.00%	0	100.00%
MIC-Tech China Trading (Shanghai) Co., Ltd	0	0.00%	0	100.00%	0	100.00%
Macrotec Technology(Shanghai) Co. LTD.	0	0.00%	0	31.43%	0	31.43%
Fortune International Corporation	0	0.00%	0	27.78%	0	27.78%

Note 1: The above investments are recognized by equity method.

Note 2: Investments made by the Company's directly or indirectly controlled business refers to investment made by the Company's directly or indirectly controlled subsidiary through equity method.

Part 3. Information on capital raising activities

1. Capital and shares

1) Sources of the capital for shares

Sources of the capital for the shares issued by the Company in recent years and by the print date of the annual notice are as follows:

Mar 30, 2025
Unit: NTD; share

Date	Issue price	Approved shares		Actual received capital		Note		
		Shares	Amount	Shares	Amount	Source of shares	Stock offset by assets other than cash	Others
Jan. 2024	10	300,000,000	3,000,000,000	201,315,437	2,013,154,370	Converted from corporate bond: 2,326,190	None	Note 1
Jan. 2025	10	300,000,000	3,000,000,000	201,316,176	2,013,161,760	Converted from corporate bond: 7,390	None	Note 2
Mar. 2025	10	300,000,000	3,000,000,000	202,204,480	2,022,044,800	Converted from corporate bond: 888,304	None	Note 3

Note 1: As stipulated under the Financial Supervisory Commission's Taiwan FSC correspondence No. 11330010800 directive on Jan 26, 2024.

Note 2: As stipulated under the Financial Supervisory Commission's Taiwan FSC correspondence No. 11430004690 directive on Jan 10, 2025.

Note 3: In the first quarter of 2025, a total of 888,304 shares were issued due to the exercise of the Company's fifth domestic unsecured convertible bonds. The application for capital registration amendment will be submitted to the competent authority after March 31, 2025.

Mar 30, 2025 ; Unit: shares

Share type	Approved shares					Note
	Outstanding shares (Note 1)			Unissued shares	Total	
	Listed (Note)	OTC	Total			
Registered ordinary shares	202,204,480	0	202,204,480	97,795,520	300,000,000	None

Note1: Please indicate whether the shares are listed orOTC (please note if it is restricted from listing or OTC trading).

Note2: The book closure date of the Company's 2025 regular shareholders' meeting is on March 30, 2025.

Related information of General Application System: Not applicable

2) Name list of major shareholders

The names, shareholding numbers and ratios of the shareholders who hold more than 5% of total shares or have the shareholding ratios which rank top 10 are as follows:

March 30, 2025

Names of major shareholders	Shares owned (shares)	Shareholding ratio (%)
Ennoconn International Investment Co., Ltd.	83,468,613	41.28%
Ji-Xuan Investment Corp	11,005,795	5.44%
E-Win Investment Company Ltd.	6,647,112	3.29%
The Bank of Taiwan serves as the custodian for the Yuanta Taiwan High Dividend Low Volatility ETF.	6,039,000	2.99%
Scott Lin	5,986,097	2.96%
Sung, Ping-Chung	3,488,550	1.73%
Sung, Feng-Pei	3,322,792	1.64%
Ji Chang Investment Company	2,985,504	1.48%
Lin, Yu-Yao	2,375,378	1.17%
Ya Tai Investment Company	2,150,000	1.06%

Note: The book closure date of the Company's 2025 regular shareholders' meeting is on March 30, 2025.

3) Dividend Policy and Implementation Status

1. Policy per Articles of

Incorporation Article of

Incorporation Article 20:

If there is any surplus profit of the year, the Company shall firstly pay directors' remuneration, which shall not exceed 3%. Then 1% to 15% of the remaining amount shall then be paid as employees' remuneration. However, if the Company has any left-over deficit, the amount to make up the deficit shall be reserved in advance.

Upon closing of accounts, if there is surplus profit, the Company shall firstly estimate and reserve the all taxes and dues, make up the losses for preceding years, set aside a legal reserve of 10% of the net profit and then set aside a special reserve in accordance with applicable laws or regulations of the competent authority. Then the remaining profit shall be added with the remaining profit of precedent year. The Board of Directors shall draft a surplus distribution proposal, in which will be submitted to shareholders' meeting to decide whether to distribute or reserve the surplus profit.

However, if legal reserve amounts reach to the total paid-in capital, this provision shall not apply.

Article of Incorporation Article 20-1:

The appointed profit shall not exceed 50% to ensure that the development needs of future operation and security of the financial status could be optimized for the Company to response to the overall environment development and the features of industry growth.

The Company's profit distribution is determined by the Board of Directors based on factors such as operational performance, operational development fund requirements, and internal and external environmental changes. The distribution is set at 30% to 50% of the annual profit and submitted to the Shareholders' meeting. Considering future profit and funding needs, shareholder dividends were fully distributed in cash in the current year. If there are significant changes in our dividend policy in the future, we will provide further explanation.

2. Proposed dividend distribution

Unit: NT\$	
Items	Amount
Beginning unappropriated retained earnings	\$3,897,055,438
Plus: Adjusted 2024 retained earnings (Note 1)	<u>20,825,492</u>
The adjusted unappropriated earnings	3,917,880,930
Plus: Net income after tax for the year 2024	1,800,124,411
Less: Legal reserve	(182,094,990)
Plus: Reversal of special surplus reserve (Note 2)	<u>134,191,079</u>
Retained earning available for distribution	5,670,101,430
Distribution item(s): (Note 3)	
Shareholders' dividend – Cash dividend 6.00 / per share	<u>(1,207,897,056)</u>
Unappropriated retained earnings	<u>\$4,462,204,374</u>

Note 1: In 2024, adjustment for income taxes due to implementation of IFRS 12 recorded to retained earnings.

Note 2: Relates to changes in actuarial assumptions for the defined benefit retirement plan..

Note 3: Per regulatory requirement of the Financial Supervisory Commission R.O.C (Taiwan) No. 1090150022 directive.

Note 4: The above profit distributon will be made first from the 2023 profit.

Note 5: If the dividend rate set in this earnings distribution proposal is subsequently changed due to the conversion of the Company's 5th domestic unsecured convertible bond into common shares, it is hereby proposed to the shareholders to authorize the Chairman to make adjustments according to the resolution of the Board of Directors.

3. Explanation for expected significant changes to dividend policy: None.

4) Impact of stock dividend distribution on the Company's operations

As the Company's shareholders' meeting in 2025 did not propose any stock dividend distribution, therefore there are no impact on the business performance, earnings per share and return on equity.

5) Employee, directors and supervisor compensation

1. Percentages or ranges for employee, director, and supervisor compensation, as set forth in the Company's Articles of Incorporation.

Subject to the Article of Incorporation, if there is any surplus profit of the year, the Company shall firstly pay directors' remuneration, which shall not exceed 3%. Then 1% to 15% of the remaining amount shall then be paid as employees' remuneration. However, if the Company has any left- over deficit, the amount to make up the deficit shall be reserved in advance.

Upon closing of accounts, if there is surplus profit, the Company shall firstly estimate and reserve the all taxes and dues, make up the losses for preceding years, set aside a legal reserve of 10% of the net profit and then set aside a special reserve in accordance with applicable laws or regulations of the competent authority. Then the remaining profit shall be added with the remaining profit of precedent year. The Board of Directors shall draft a surplus distribution proposal, in which will be submitted to shareholders' meeting to decide whether to distribute or reserve the surplus profit.

However, if legal reserve amounts reach to the total paid-in capital, this provision shall not apply.

2. The basis for estimating the amount of employee, director, and supervisor compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period.

- (1) The Company's 2024 Employees' Compensation and Directors Remuneration were estimated based on the pre-tax net profit of the year. Employees' compensation and directors' remuneration were recognized as wage expenses.
 - (2) Accounting treatment for discrepancy between the actual distributed amount and estimated amount: discrepancy between the amount of remuneration actually distributed to employees and directors, and the estimated amount in financial statement shall be considered as changes in accounting estimates and shall be listed as the loss / profit of next year.
3. Information on any approval by the board of directors of distribution of compensation:
- (1) Employee, director and supervisor compensation distributed in cash or stocks:

- ① Proposed employee, director and supervisor compensation:

The distribution of employee and director compensation for the year 2024 was approved by the Board of Directors on February 24, 2025. The proposed distribution includes NT\$245,783,776 for employee compensation and NT\$24,578,378 for director compensation.

Unit: NT\$

Item	Proposed distribution
Employees compensation via cash	245,783,776
Employees' compensation via shares	0
Director remuneration	24,578,378

- ② Reasons for differences between proposed amounts and actual expenses recognized should be disclosed: No differences noted between the proposed amounts above and the 2024 financial statements.
- (2) The amount of employee compensation distributed in stocks, and its portion to current period net income after tax (on a standalone basis):
- Not applicable as none were approved by the Board during the February 24, 2025 meeting.
4. Previous fiscal year's distribution of employee, director, and supervisor remuneration (including number of shares, amount, and stock price), and explanation for any differences in amounts distributed.

Unit: NT\$

Item	Distribution made in 2024 for 2023 fiscal year			
	Distributed amount	Estimated amount	Difference	Explanation
Status				
1.Cash dividends	293,645,101	293,645,101	0	0
2.Stock dividends				
(1) Shares	0	0	0	0
(2) Cash	0	0	0	0
3.Director remuneration	29,364,510	29,364,510	0	0

- 6) Share Buy-back: None

2. Status of issuance of corporate bonds:

1) Outstanding Corporate Bonds

Types of Corporate Bond (Note 2)		The 5th Domestic Unsecured Convertible Bonds (Note 5)
Issue Date		June 27, 2023
Denomination		NT\$100,000 per certificate
Issuance & Trading Location (Note 3)		Not Applicable
Offering Price		Par value
Total Amount		NT\$2.5 billion
Coupon rate		0%
Term and Maturity Date		Term: Three Years Maturity Date: June 27, 2026
Guarantee Institution		None
Trustee		Taipei Fubon Bank
Underwriter		Fubon Securities Co., Ltd.
Lawyer		Yang-Yi Cheng
Accountant		Lin, Chun-Yao & Wong, Shu-Rong
Redemption Method		According to Clause 6 of the issue and conversion method of our company's 5th domestic unsecured convertible bond for 2023, denomination in cash is to be paid upon maturity, except those cases when the convertible bond holders convert the bond into common stocks in accordance with clause 10 or early redemption from the securities company's business office in accordance with Clause 18.
Outstanding principal		NT\$2,379,700,000 (As of March 31, 2025)
Redemption or Advance Repayment Clause		Please refer to the issuance and conversion policy of the Company's 2023 4th domestic unsecured convertible bond for.
Restriction Clauses (Note 4)		Please refer to issuance and conversion policy.
Credit Rating Agency Name, Rating date, Rating Outcome		Not Applicable
Other Attached Rights	Up till the time of the printing of the annual report, the amount money of the conversion (exchange or buyback) of bonds into common stocks, overseas depositary receipt or other securities.	After the issuance of the corporate bond, the accumulated exercised conversion right amount up till the time of the printing of the annual report is NT\$120,300,000.
	Issue & Conversion (Exchange or Buyback) Method	Please refer to the issue and conversion method of our company's 5th domestic unsecured convertible bond for 2023.

Types of Corporate Bond (Note 2)	The 5th Domestic Unsecured Convertible Bonds (Note 5)
Issue and conversion, exchange or buyback methods, issue conditions that may dilute equity and affect the present shareholders' equity.	Calculate the remaining corporate bond value according to the present conversion price if all convertible bonds are exchanged to become common stocks, then our company needs to reissue common stocks of 17,601,331 shares with a capital inflation rate of 8.70%, which would have limited influence on shareholders' equity.
Entrusted Institution of the Convertible Bonds	Not Applicable

Note1: Corporate bond issuance process includes the process of public and private equity of corporate bond. The processing of public equity of corporate bond means the process has been approved and in effect. The processing of private equity of corporate bond means it has been passed by the Board of Directors.

Note 2: The number of columns can be adjusted according to the number of processing times.

Note 3: For offshore corporate bond holders to fill in.

Note 4: Such as restrictions on the payment of cash dividends, investment abroad or request maintaining a certain equity asset ratio, etc.

Note 5: For private equity holders, please mark in a noticeable manner.

Note 6: For convertible corporate bond, exchange corporate bond, shelf registered corporate bond or equity warrant bond, please disclose relevant information according to the features in the table format.

2) Convertible Corporate Bond Information

Unit: NT\$

Types of Corporate Bond (Note 1)		The 5th Domestic Unsecured Convertible Bonds	
Item / Year		Fiscal year 2024	As of March 31, 2025 (Note 4)
Market Price of Convertible Corporate Bond (Note 2)	Maximum	131.40	128.50
	Minimum	111.20	112.20
	Average	120.79	123.30
Conversion Price		135.20	135.20
Issue Date & Conversion Price at Issuance		Issue Date: June 27, 2023 Conversion Price at Issuance: NT\$ 145.90/Share	
Obligation Method for Executing the Conversion (Note 3)		Issue new shares	

Note 1: The number of columns can be adjusted according to the number of processing times.

Note 2: If there are multiple trading locations for offshore corporate bond, please list the prices according to trading locations.

Note 3: Deliver issued shares or new shares.

Note 4: The annual information should be filled up to the time of the printing of the annual report.

3) Exchangeable bond information: None

4) Summary of Issuance of corporate bonds: None

5) Information on corporate bonds with stock options: None

3. Statue of preferred shares: None

4. Status of issuance of global depository receipts: None

5. Status of employee share subscription warrants: None

6. Status of new restricted employee shares:

1) As to the report was printed, the related regulation was not applicable.

2) The top-10 employees applicable for the share limitation: N/A

7. Status of issuance of new shares in connection with mergers or acquisitions:

1) Share issuance for merger: N/A

2) Share issuance for acquisition: N/A

8. Implementation of the capital allocation plans: None.

Part 4. Overview of Business Operations

1. Business Activities

1) Business Scope

1. Contents of business scope

MIC and its subsidiaries (referred to collectively as MIC hereafter) perform business in the following four categories:

- (1) Sales and service of high-tech equipment and materials: MIC provides sales, distribution, service and technical support for process and factory management infrastructure for high-tech industries such as semiconductor manufacturing and photo-electronics, as well as the associated materials, chemicals and parts/components.
- (2) Automatic supplying systems: MIC provides planning, design, construction, supervision, installation, testing, operating consultation and warranty service for gas supply, automatic chemical feeding system, special gas and factory monitoring systems for high-tech industry facilities such as those in semiconductor manufacturing, photo-electronics and biochemical and pharmaceutical companies.
- (3) Total Facility Engineering Turnkey Project: for this part, MIC provides service for turn-key projects for high-tech industry facilities such as those in semiconductor manufacturing, photo-electronics and biochemical and pharmaceutical companies from electrical system, clean room, factory peripherals to process equipment. Also, MIC is known for the integration of electrical systems in, for example, petrochemical compound, traditional industry facilities and smart buildings.
- (4) R&D and manufacturing of customized equipment: MIC designs and builds automatic factory and process equipment to the needs of clients in semiconductor manufacturing, photo-electronics and other high-tech industries as well as traditional industries.

2. Business percentages

Unit: NT\$ thousands; %

Sales or service cat.	2023		2024	
	Revenue	%	Revenue	%
R&D and manufacturing of customized equipment	10,341,905	18.38	13,047,719	21.50
Total Facility Engineering Turnkey Project	27,288,902	48.89	28,591,460	47.13
Sales and service of high-tech equipment and materials	9,312,405	16.54	10,334,281	17.03
Automatic Supplying system	9,336,520	16.59	8,701,644	14.34
Total	55,279,732	100.00	60,675,104	100.00

Note: Disclosed based on the consolidated audited financial statements of 2023 and 2024.

3. Current lines of product (service) offered by MIC

- (1) Sales and service of high-tech equipment and materials:
 - ① Semiconductor mask process

- ② IC manufacturing process
- ③ IC packaging process
- ④ LCD and color filter processes
- ⑤ GaAs process for LEDs
- ⑥ Front end process for LEDs
- ⑦ Solar power equipment
- (2) Automated supply system:
 - ① Design, manufacturing, construction, installation and testing of automatic supply system of gas/chemical/ultrapure water/pure steam/injection water/wastewater treatment
 - ② Factory automation
 - A. Factory management and control system (FMCS)
 - B. Computer-integrated manufacturing (CIM)
 - C. Importing of automation products
 - ③ Information, communications, corporate information and program service
 - A. Information/communication solution introduction and system integration
 - B. Value-added service system
 - C. Planning and consulting for communication systems
 - D. Importing and sales of software and hardware of communications and corporate information service
 - E. Outsourced management for information/communication systems
 - F. Sensing and messaging platform
 - G. Application System Performance
 - H. New Generation Internet Surveillance and Warning System
 - I. Automated meeting room asset management system - AMM
 - J. Radio voice integration solution – KoKo Radio
 - K. E-Commerce Platform design and installation services - eCommerce Service
 - L. Smart Healthcare Service Platform and Smart Hospital Solution
- (3) Total facility engineering turnkey project:
 - ① Turn-key projects for high-tech factories, pharmaceutical factories and biotechnical labs
 - ② Engineering projects for mass transit system
 - ③ Water resource and energy management
 - ④ Information data center project

4. R&D and manufacturing of customized equipment

According to the needs of markets and customers, MIC will continue to cooperate with the original equipment manufacturer to develop equipment modules and customized equipments in the future.

2) Industry Overview

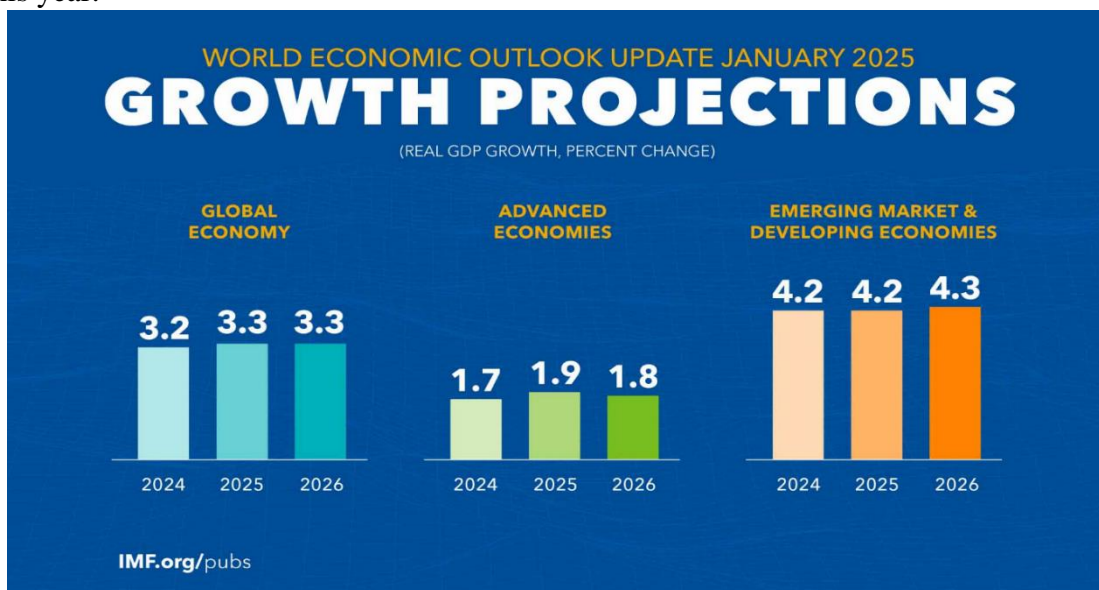
1. Global macroeconomic environment

The International Monetary Fund (IMF) has released its latest World Economic Outlook report, forecasting a global growth rate of 3.3% in 2025, with the estimated growth rate for 2026 remaining unchanged at 3.3%. Meanwhile, the IMF predicts that the overall global inflation rate will slow to 4.2% in 2025 and further decline to 3.5% in 2026, allowing central banks to further normalize

monetary policy.

The IMF has raised its U.S. growth forecast for 2025 to 2.7%, but growth may slow to 2.1% the following year. In contrast, the Eurozone's estimated growth rate is 1.0% in 2025 and 1.4% in 2026, reflecting concerns over weaker-than-expected manufacturing activity and rising political and policy uncertainty. The IMF stated that global growth prospects remain at risk, with the overall outlook leaning downward, and the global growth rate is expected to be around 3% in five years. The IMF also noted that economic uncertainty caused by Trump's policies after taking office could impact economic growth.

The World Bank has raised its U.S. economic growth forecast for this year to 2.3%. China's growth rate is projected at 4.5%, the Eurozone at 1%, Japan at 1.2%, while India, with an expected expansion of 6.7%, remains the fastest-growing major economy. The World Bank pointed out that rising trade tensions among major economies are one of its biggest concerns for global economic performance this year.



Source: IMF (World Economic Outlook), January 2025

<https://money.udn.com/money/story/5599/8497970>

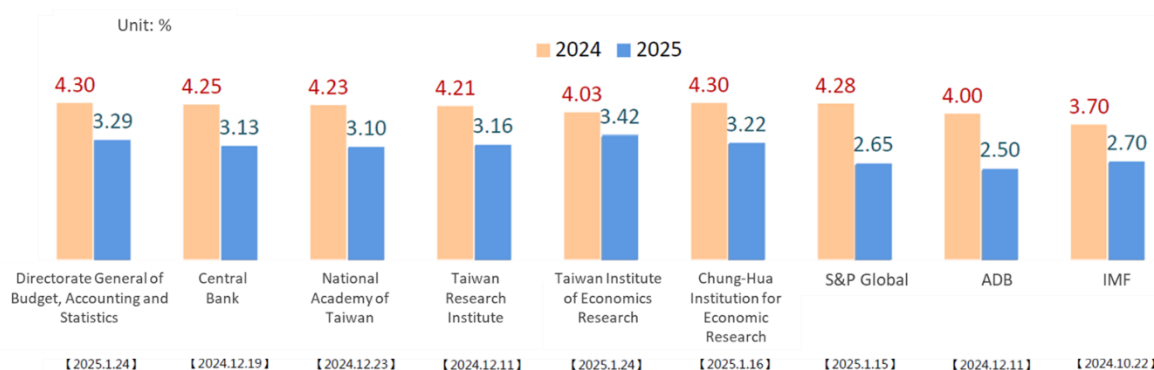
<https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>

Figure 1. Global Economic Growth Projections by the IMF

Taiwan's Economic Outlook for 2025

The National Development Council (NDC) has released its 2025 Economic Outlook report, stating that based on forecasts from major domestic and international institutions, this year's economic growth is projected to range between 2.50% and 3.42%. The Directorate General of Budget, Accounting and Statistics estimates that growth could exceed 3%, which, if achieved, would mark the second consecutive year of outperforming the global average.

According to the NDC's assessment, this year's economic outlook presents both opportunities and risks. On the export, as global inflation eases and major economies enter an interest rate cut cycle, end-market demand is expected to recover, leading to a steady expansion of global trade. Additionally, benefiting from strong emerging opportunities such as AI, Taiwan's semiconductor industry continues to hold advantages in advanced processes and high-end production capacity, which is expected to boost the country's export and production momentum.



Source: Directorate General of Budget, Accounting and Statistics of the Executive Yuan, National Development Council and various organizations, from October 2024 to January 2025

Figure: National Development Council.

<https://www.ctee.com.tw/news/20250213700097-439901>

https://www.ndc.gov.tw/nc_311_38822

Figure 2.Outlook for Taiwan's Economic Growth Rate in 2025

2. Current Industry Situation and Development

The Group's sales and service targets span across the semiconductor, display, and LED industries, and extend into general industries such as petrochemical plants, manufacturing plants, and smart buildings. The current situation and development of the industries in which the Group operates are analyzed as follows:

(1)IC (semiconductor) industry

According to a semiconductor market share analysis report released by research firm Gartner, global semiconductor revenue in 2024 is expected to reach \$626 billion, marking an 18.1% increase from 2023. Revenue is projected to grow further to \$705 billion in 2025. The primary growth driver for the chip industry in 2024 is the use of GPUs and AI processors in data centers. The rising demand for AI has made data centers the second-largest semiconductor market in 2024, following only smartphones. In 2024, semiconductor revenue from data centers is estimated at \$112 billion, up from \$64.8 billion in 2023. The strong overall market performance has influenced the rankings of several semiconductor suppliers, with 11 companies achieving double-digit growth, while only 8 out of the top 25 semiconductor suppliers saw revenue declines.

In terms of rankings, Samsung Electronics has reclaimed the top position in market share, with total revenue reaching \$66.5 billion, benefiting primarily from a strong rebound in memory prices, further solidifying its leadership in the memory market and surpassing second-ranked Intel, which recorded \$49.1 billion in revenue. NVIDIA, leveraging its dominance in AI GPUs and accelerator cards, saw an 84% growth rate in 2024, propelling its revenue to \$46 billion and elevating its ranking from fifth place last year to third.

The memory market performed exceptionally well, with revenue growing by 71.8%, accounting for 25.2% of global semiconductor sales. Among memory segments, DRAM (Dynamic Random Access

Memory) and NAND (Flash Memory) saw revenue growth of 75.4% and 75.7%, respectively. Notably, High Bandwidth Memory (HBM), which is in a high-growth phase, accounted for 13.6% of DRAM market revenue. Gartner predicts that demand for HBM will continue to rise, with its market share expected to reach 19.2% in 2025. HBM revenue is forecasted to grow by 66.3%, reaching \$19.8 billion in 2025.

Table 1. Global Top 10 Semiconductor Vendors by Revenue in 2024

Unit: Millions of U.S. Dollars

2024 Rank	2023 Rank	Vendor	2024 Revenue	2024 Market Share (%)	2023 Revenue	2024-2023 Growth (%)
1	2	Samsung Electronics	66,524	10.6	40,942	62.5
2	1	Intel	49,189	7.9	49,117	0.1
3	5	NVIDIA	45,988	7.3	25,053	83.6
4	6	SK hynix	42,824	6.8	23,027	86.0
5	3	Qualcomm	32,358	5.2	29,225	10.7
6	12	Micron Technology	27,843	4.4	16,123	72.7
7	4	Broadcom	27,641	4.4	25,613	7.9
8	7	AMD	23,948	3.8	22,307	7.4
9	8	Apple	18,880	3.0	18,052	4.6
10	9	Infineon Technologies	16,001	2.6	17,022	-6.0
		Others (outside top 10)	274,775	43.9	263,483	4.3
		Total Market	625,971	100	529,964	18.1

Source: Gartner (Market Share Analysis: Semiconductors, Worldwide, Preliminary 2024), February 2025

<https://www.gartner.com/en/newsroom/press-releases/2025-02-03-gartner-says-worldwide-semiconductor-revenue-grew-18-percent-in-2024>

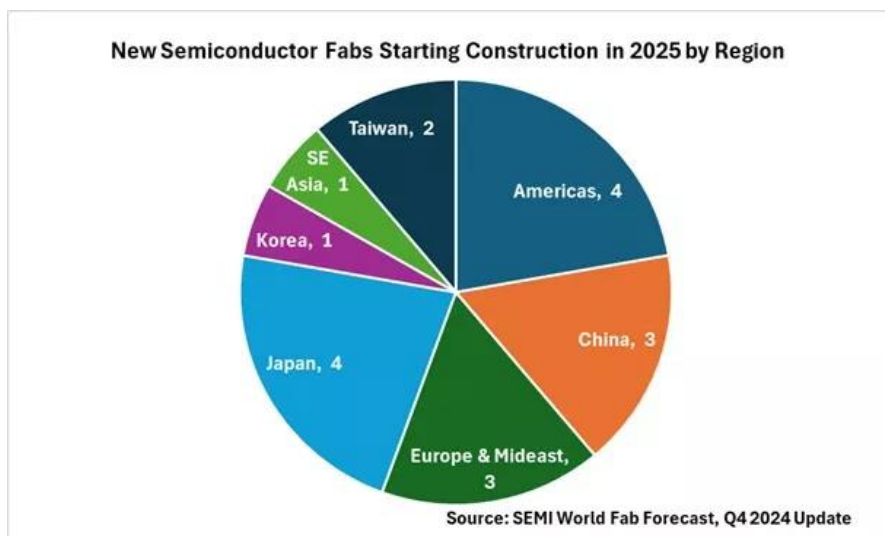


Figure 3. New Semiconductor Fabs Starting Construction in 2025

Source: SEMI (World Fab Forecast), January 2025

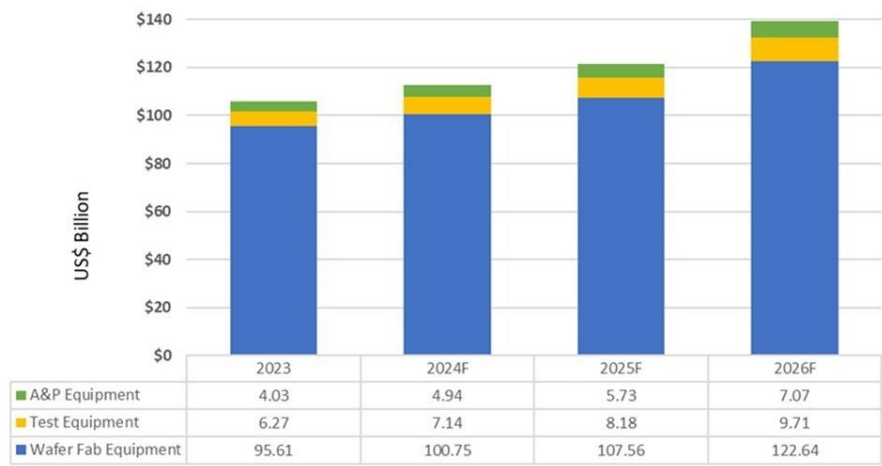
<https://www.semi.org/zh/2025SEMIWorldFabForecast>

The SEMI International Semiconductor Industry Association has released its latest quarterly SEMI World Fab Forecast report, revealing that 18 new semiconductor wafer fabs are set to begin construction in 2025. These include three 8-inch fabs and fifteen 12-inch fabs, most of which are expected to begin operations and mass production between 2026 and 2027. In terms of regional

distribution, North America and Japan lead with plans for four new fabs each, followed by China, Europe, and the Middle East, each with three new fabs. Taiwan is expected to build two new fabs, while South Korea and Southeast Asia will each have one.

The report, covering the period 2023 to 2025, projects that a total of 97 new high-capacity fabs will begin operations during this timeframe. This includes 48 fabs coming online in 2024 and 32 fabs in 2025, with wafer sizes ranging from 12 inches to 2 inches.

Advanced process technology continues to drive semiconductor industry expansion, with semiconductor production capacity expected to accelerate further in 2025, reaching an annual growth rate of 6.6% to 33.6 million wafers per month. This expansion is primarily fueled by high-performance computing (HPC) applications and the increasing penetration of generative AI in edge devices. To meet the growing computational demands of large language models (LLMs), leading chip manufacturers are actively scaling up advanced process capacity (NM and below). The annual growth rate of 7nm and below production is expected to surpass the industry average, reaching 16% in 2025, with monthly capacity increasing by 300,000 wafers, totaling 2.2 million wafers per month.



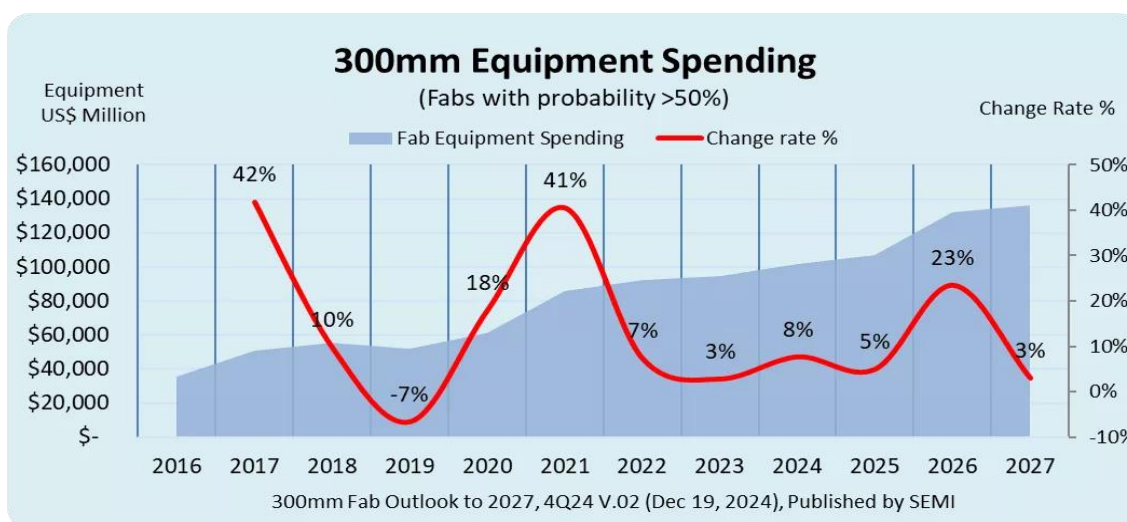
Source: SEMI Equipment Market Data Subscription (EMDS), December 2024
*Total equipment includes new wafer fab, test, and assembly and packaging. Total equipment excludes wafer manufacturing equipment. Totals may not add due to rounding.

Figure 4.SEMI 2024 Global Semiconductor Equipment Forecast

Source: SEMI (World Fab Equipment Spending Forecast), December 2024
<https://www.prnewswire.com/news-releases/global-total-semiconductor-equipment-sales-forecast-to-reach-a-record-of-139-billion-in-2026-semi-reports-302325238.html>

The SEMI International Semiconductor Industry Association has released its Year-End Total Semiconductor Equipment Forecast (OEM Perspective), projecting that global semiconductor manufacturing equipment sales will reach \$113 billion in 2024. Growth momentum is expected to continue through 2025, with total sales driven by both front-end and back-end process demand, reaching \$121 billion in 2025 and \$139 billion in 2026.

Wafer Fab Equipment (WFE)—which includes wafer processing, fab facilities, and photomask equipment—set a record high of \$96 billion in sales in 2023. In 2024, sales are expected to grow by 5.4%, reaching \$101 billion. The AI computing boom has significantly driven demand for DRAM and high-bandwidth memory (HBM) equipment, along with strong semiconductor equipment spending in China, which contributed to the upward revision of these estimates. Looking ahead, increasing demand for advanced logic and memory applications is expected to further drive growth in the wafer fab equipment market. Sales are projected to increase by 6.8% in 2025, reaching \$108 billion, and grow by 14% in 2026, reaching \$123 billion.



Source: SEMI (300mm Fab Outlook to 2027), December 2024
<https://www.semi.org/en/products-services/market-data/300mm-fab-outlook>
<https://money.udn.com/money/story/5612/8254728>

Figure 5. The 12-Inch Fab Equipment Expenditure Forecast for 2016 to 2027

The SEMI International Semiconductor Industry Association reports that due to the regionalization of semiconductor wafer fabs and strong demand for AI chips in data centers and edge computing, spending on 12-inch wafer fab equipment is projected to reach \$102 billion in 2024, representing an 8% YoY increase. Spending is expected to continue rising, reaching \$107 billion in 2025 (+5% YoY), \$132 billion in 2026 (+23% YoY), and \$136 billion in 2027 (+3% YoY). The cumulative spending from 2025 to 2027 is estimated to exceed \$400 billion. Additionally, total installed capacity is forecasted to grow by 9% annually from 2024 to 2026, followed by 8% growth in 2027.

Table 2. Statistics on Taiwan's IC Industry Output Value between 2021 and 2025

Unit: NT\$100 million; %										
	2021	2021 Growth Rate	2022	2022 Growth Rate	2023	2023 Growth Rate	2024	2024 Growth Rate	2025 (e)	2025 (e) Growth Rate
IC industry output value	40,820	26.7%	48,370	18.5%	43,428	-10.2%	53,151	22.4%	61,785	16.2%
IC design industry	12,147	42.4%	12,320	1.4%	10,965	-11.0%	12,721	16.0%	14,155	11.3%
IC manufacturing industry	22,289	22.4%	29,203	31.0%	26,626	-8.8%	34,195	28.4%	40,827	19.4%
Semiconductor foundries	19,410	19.1%	26,847	19.1%	24,925	-7.2%	32,438	30.1%	38,960	20.1%
Memories and other manufacturing	2,879	51.0%	2,356	-18.2%	1,701	-27.8%	1,757	3.3%	1,867	6.3%
IC packaging industry	4,354	15.3%	4,660	7.0%	3,931	-15.6%	4,233	7.7%	4,608	8.9%

	2021	2021 Growth Rate	2022	2022 Growth Rate	2023	2023 Growth Rate	2024	2024 Growth Rate	2025 (e)	2025 (e) Growth Rate
IC testing industry	2,030	18.4%	2,187	7.7%	1,906	-12.8%	2,002	5.0%	2,195	9.6%
IC product output value	15,026	44.0%	14,676	-2.3%	12,666	-13.7%	14,478	14.3%	16,022	10.7%
Global semiconductor market (US\$100 million) and growth rate (%)	5,559	26.2%	5,741	3.3%	5,269	-8.2%	6,276	19.1%	6,979	11.2%

Source: TSIA; ITRI/ISTI, February 2025

- Note: (e) refers to the estimate.
- IC industry output value = IC design industry + IC manufacturing industry + IC packaging industry + IC testing industry.
- IC product output value = IC design industry + Memory and other manufacturing
- IC manufacturing industry output value = Semiconductor foundries + Memories and other manufacturing.
- The calculation of the aforementioned output values is based on companies established by headquarters in Taiwan.

The Industrial Technology Research Institute (ITRI) Industrial Economics and Knowledge Center (IEK) reports that in 2024, Taiwan's IC manufacturing industry reached a production value of NT\$3.42 trillion, reflecting a 28.4% year-over-year growth, making it the primary driver of Taiwan's semiconductor industry expansion. Led by TSMC, the wafer foundry sector achieved a production value of NT\$3.24 trillion, with a 30.1% annual growth rate. Additionally, Taiwan's IC design industry recorded a production value of NT\$1.27 trillion (+16% YoY), while the IC packaging industry reached NT\$423.3 billion (+7.7% YoY) and the IC testing industry reported NT\$200.2 billion (+5% YoY).

Looking ahead to 2025, IEK projects that Taiwan's semiconductor industry will reach a total production value of NT\$6.18 trillion, representing a 16.2% annual growth. The IC manufacturing sector is expected to exceed NT\$4 trillion, reaching NT\$4.08 trillion, with a 19.4% annual increase, continuing as the main growth engine for Taiwan's semiconductor industry.

ITRI IEK forecasts that in 2025, Taiwan's IC design industry will reach a production value of NT\$1.42 trillion, reflecting an 11.3% year-over-year growth. The IC packaging industry is expected to achieve NT\$460.8 billion, with an 8.9% annual increase. The IC testing industry is projected to reach NT\$219.5 billion, growing 9.6% year-over-year.

According to IEK, Taiwan's semiconductor industry growth rate is set to outperform the global average. In 2024, Taiwan's semiconductor sector grew by 22.4%, significantly exceeding the global semiconductor industry's 19.1% growth. For 2025, Taiwan's semiconductor industry is expected to grow by 16.2%, surpassing the projected 11.2% growth of the global semiconductor industry.

Table 3. Overview of Taiwan's capital equipment imports between 2019 and 2024

Unit: US\$100 million

Year	Capital equipment	Annual growth rate (%)	Semiconductor equipment	Annual growth rate (%)
2019	507.60	21.2	236.37	52.6
2020	526.41	3.7	233.19	-1.3
2021	689.11	30.9	320.78	37.6
2022	754.71	9.5	363.22	13.2
2023	623.75	-17.4	242.51	-33.2
2024	698.01	11.9	236.91	-2.3

Source: Ministry of Finance, February 2025

<https://www.mof.gov.tw/singlehtml/384fb3077bb349ea973e7fc6f13b6974?cntId=d4ea42a9513a401186122e6f7938fc27>

(2) Display industry

For a long time, the panel industry has been constrained by cyclical economic trends. Companies have grown accustomed to market fluctuations driven by the overall economy. Due to the massive revenue scale of major panel manufacturers—often starting from NT\$250 billion—these fluctuations are still within tolerable bounds. As a result, Taiwanese manufacturers, traditionally operating under a "build-to-order" model, lacked the motivation for proactive changes. This passivity has allowed the industry to merely go with the flow, even leading to a price-cutting war in a red ocean market.

Taiwan's panel industry previously missed the development window of OLED technology. Now, with mature technologies in both China and South Korea, Taiwan faces steeper challenges. However, in recent years, Taiwanese manufacturers have initiated active transformation efforts to meet emerging market demands. Companies such as AU Optronics and Innolux have invested in Micro LED and FOPLP (Fan-Out Panel Level Packaging), clearly reflecting Taiwan's ambition to "enhance self-value and competitiveness, explore new markets, and secure a solid position," thereby creating a unique value proposition for Taiwan's panel industry.

From the demand side, the rapid growth of AI has significantly accelerated the creation of high-resolution content. "In the past, before AI technology, generating high-quality content was extremely labor- and resource-intensive. But in recent years, with the rapid development of AI, especially in CG rendering, content production timelines have drastically shortened." Once 8K devices mature in the future, the speed of content creation will accelerate even further, which will in turn drive consumer electronics upgrade demand—this is a trend shaped by AI. In professional fields—including automotive displays, smart medical devices, and industrial automation—the demand for panel and device features with "special specifications" such as antibacterial coatings, resistance to suspended particulates, and tolerance to high temperature and pressure presents another area of opportunity for Taiwanese companies. Bo-Chieh Ho also points out that although these markets are smaller in volume, they have higher specification requirements. This offers potential for Taiwanese manufacturers pursuing "high-value" product differentiation. However, these applications tend to be relatively closed-off, and manufacturers must provide integrated solutions tailored to each domain. A few leading Taiwanese companies have already begun laying out their strategies in these areas.

Since the beginning of 2025, panel prices have continued to rise, signaling that the display industry has emerged from its trough and entered a new growth cycle. According to the latest data from TrendForce, TV panel prices maintained their upward trend in February, with small-size TV panels increasing by USD 0.5 to 1, and large-size panels rising by USD 1 to 3.

The Chinese government has been actively promoting "New Industrialization" and "New Infrastructure Construction" policies—collectively referred to as the "Two New" strategy. Among these, the "Trade-in for New" initiative has directly benefited the panel industry, helping accelerate inventory reduction. As subsidies for replacing outdated household appliances and display equipment take effect, consumer demand for upgraded devices has increased, driving further demand for TV panels.

In addition to policy support, market trends are also contributing to the recovery of the panel industry. The growing popularity of AI PCs is expected to boost demand for high-resolution, high-refresh-rate display panels. AI PCs require more powerful computing and visual presentation capabilities, which in turn increases the need for panels such as OLED and Mini LED. This demand is projected to grow significantly in the second half of the year.

Moreover, major global PC brands such as Microsoft, Dell, Lenovo, and HP have already launched AI PC models, while Taiwanese manufacturers like ASUS, Acer, and MSI are also actively developing

related products, driving up demand for display panels.

The launch of the Switch 2 may also indirectly stimulate demand for panels used in TVs and gaming consoles. According to research firm Omdia, Nintendo plans to release a new version of the Switch with an upgraded 8-inch LCD screen, compared to the current 6.2-inch or 7-inch models, promising an improved visual experience. Sharp has confirmed its close collaboration with gaming console manufacturers and began R&D efforts last year, generating market anticipation for this hardware upgrade.

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Beyond the recovery in panel demand, Taiwanese panel manufacturers are also actively transforming by entering the advanced packaging market. Among them, Innolux (stock code: 3481) is expanding into the semiconductor supply chain through the development of FOPLP (Fan-Out Panel Level Packaging) technology. FOPLP is a new generation of advanced packaging that replaces circular wafers with square substrates for IC packaging. Compared to traditional 12-inch circular wafer packaging, FOPLP offers higher utilization rates, improved production efficiency, and lower costs.

FOPLP technology is primarily applied to power management ICs, RF ICs (radio frequency integrated circuits), and consumer CPUs and GPUs.

Gaming Monitor Panels

According to the latest research by TrendForce, global shipments of LCD gaming monitor panels (with a refresh rate above 144Hz) will reach 32.42 million units in 2024, representing a 12% year-over-year growth. However, due to the lack of strong new selling points and significant challenges to profitability in mainstream gaming monitor products, shipment growth is expected to slow in 2025, with an estimated increase of only 5% to approximately 34 million units.

TrendForce notes that the 2024 growth in global LCD gaming monitor panel shipments is mainly driven by Chinese panel manufacturers. To improve profitability in their display businesses, these companies have aggressively entered the gaming monitor market and expanded their production capacity. Additionally, the release of the video game *Black Myth: Wukong* in the second half of the year has boosted domestic demand in China, driving annual shipment growth close to 50% for HKC, nearly 40% for CSOT (China Star Optoelectronics Technology), and over 20% for BOE (Beijing Oriental Electronics).

Looking ahead to 2025, shipment growth for LCD gaming monitor panels is expected to slow due to two main factors: first, events like the 2023 Asian Games e-sports competitions and the release of *Black Myth: Wukong* in 2024 stimulated demand in China, but as of now, no comparable demand drivers have been identified for 2025; second, while 165Hz refresh rate models are widely available, fierce price competition has made it difficult for panel makers to turn a profit, leading some to gradually reduce production of 165Hz models.

2023-2025年LCD電競監視器面板出貨



As for emerging OLED gaming monitor panels, TrendForce reports a global shipment growth rate of 132% in 2024. This sharp increase is primarily driven by the mass production of mainstream 27-inch and 31.5-inch OLED gaming models at the end of 2023. In 2024, the OLED panel market remains in its early development stage. Additionally, Samsung Display (SDC) has aggressively cut prices to boost sales, significantly increasing shipment volumes.

TrendForce anticipates that more brands will allocate resources to developing OLED gaming monitors in 2025. However, to maintain OLED displays' premium positioning and protect profit margins, panel manufacturers are expected to slow down their price reduction strategies. As a result, the annual shipment growth rate for OLED gaming panels is forecasted to drop to 40% in 2025, marking the transition to a stage of steady growth.

Smartphone Panels

According to research firm TrendForce, the overall smartphone market is expected to grow only slightly by 3% in 2024. However, increased demand for second-hand and refurbished phones is driving growth in the smartphone panel market, with projected shipments reaching 2.066 billion units—an annual increase of 6.7%. A slight decline is expected in 2025. Chinese panel manufacturers, benefiting from rising demand for both mid-to-high-end AMOLED and low-end panels, are rapidly expanding their market share and may exceed 70% in 2025.

TrendForce notes that as new smartphone demand remains steady in 2025, the market is likely to return to a more balanced supply-and-demand cycle. Meanwhile, the second-hand market is projected to remain stable or decline slightly, resulting in a 1.7% decrease in smartphone panel shipments to an estimated 2.032 billion units.

In terms of regional competition, Taiwanese panel makers' traditional amorphous silicon LCD market share has been shrinking under pressure from the rapidly growing Chinese manufacturer HKC. Japanese panel manufacturers, on the other hand, have been rapidly exiting the smartphone market, leading to a steady decline in their market share.

In contrast, South Korean panel makers have maintained their dominance in the high-end smartphone segment with their advanced flexible AMOLED technology, holding a market share of approximately 20–21%.

Chinese panel makers, meanwhile, are rapidly expanding their market share thanks to strong demand

for both mid-to-high-end AMOLED and low-end panels. Their share is expected to reach 68.8% in 2024 and could surpass 70% in 2025, continuing to play a key role in the global smartphone supply chain.

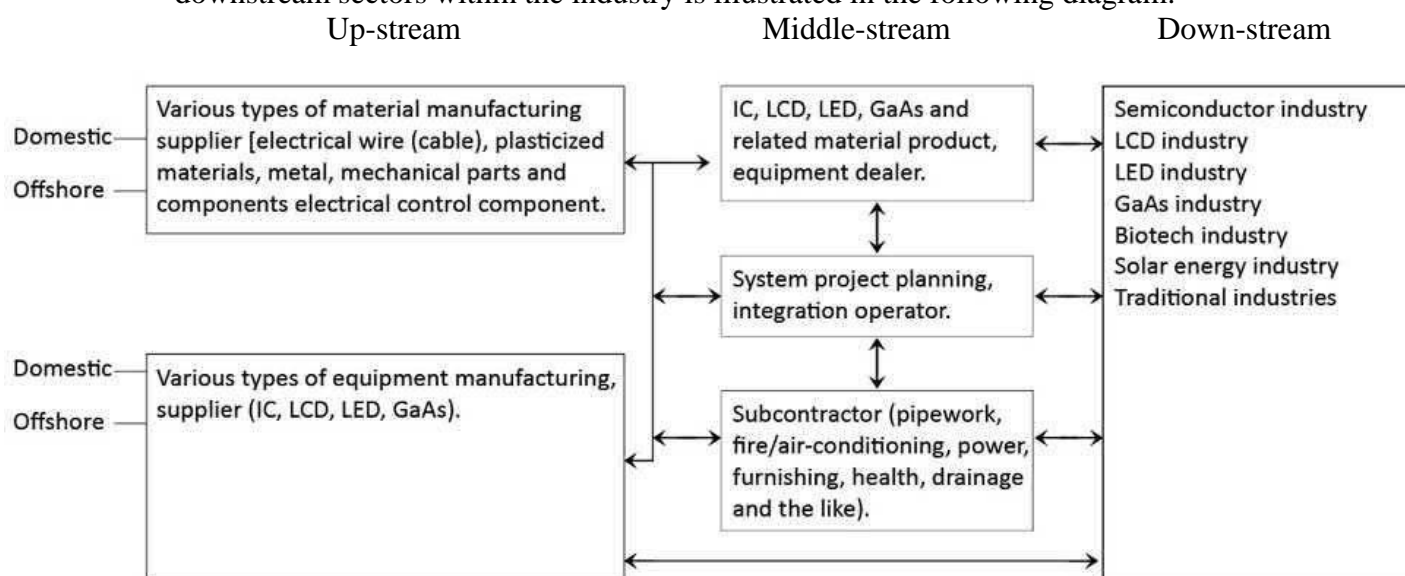
TrendForce estimates the shipment volumes of major panel suppliers. BOE Technology Group remains the top global supplier of smartphone panels, with shipments reaching 593 million units in 2024 and expected to rise to 610 million units in 2025, an annual growth of 2.8%. Ranked second, Samsung Display (SDC) benefits from Apple's demand for AMOLED panels, with shipments of 376 million units in 2024. However, in 2025, Apple may increase the supply proportion from other suppliers, causing Samsung Display's smartphone panel shipments to slightly decline to 365 million units, a decrease of 3.1%.

Additionally, the rapidly growing HKC ranks third, leveraging the cost advantages of its 8.6-generation production line, with estimated shipments of 219 million units in 2024, expected to increase to 230 million units in 2025, an annual growth of 4.8%. CSOT, ranked fourth, has closely collaborated with Xiaomi since 2022, with shipments expected to reach 191 million units in 2024, an annual growth rate of 62.9%, and slightly increase to 192 million units in 2025. Tianma, ranked fifth, is expected to ship 188 million units in 2024. In 2025, due to declining demand for LTPS LCDs but increasing demand for AMOLEDs, its shipment volume is likely to remain stable.

TrendForce points out that the overall demand for AMOLED smartphone panels will remain strong in 2024, keeping the utilization rates of major panel manufacturers high, with this trend expected to continue into 2025. However, the demand for LTPS LCD panels used in mid-to-low-end smartphones is gradually weakening, posing greater challenges for suppliers focusing on this technology.

3. Relationship between industry upstream, midstream and downstream

The Company operates as a comprehensive supplier in high-tech industries such as semiconductors and optoelectronics. The relationship of the upstream, midstream, and downstream sectors within the industry is illustrated in the following diagram:



4. The products' various development trends

(1) Sales and services of high-tech equipment and materials

① Integrated circuitry component processing

In the face of future market development trends, with 5G, AI, high-performance computing, automotive and other related emerging semiconductor applications. All kinds of AI acceleration and collaborative chips required from the cloud to the edge have been proposed. The development trend of architecture chips will affect the development direction of the semiconductor industry and the transfer of semiconductor application blocks.

IC designers will introduce a new generation of silicon intellectual property, strengthen ASIC and chip customization capabilities, and accelerate the application of 7nm EUV and 5nm. In terms of manufacturing, the adoption rate of the 7-nanometer node has increased, the timing of mass production of 5nm and R&D of 3 nm is more and more clear, and the proportion of advanced manufacturing will increase in the future days. Due to a new challenges in the global semiconductor manufacturing landscape, competition for advanced manufacturing processes under 10 nm is dominated by Taiwan and Korea, and it will also affect the future end- customer's order selection. As the 7nm process will be gradually put into mass production in recent years, the solution will come out after 7nm. Global wafer manufacturers predict higher- than-expected demand for high-end chips for 5G mobile phones and base stations. Both the 5nm and 7nm enhanced versions are introduced into the EUV process. EUV plays an important role in the advanced process, and related capital expenditures continue to be invested.

② IC packaging processing

Semiconductor OEM and IDM factories have successively invested R & D resources in 3D packaging technology, which will lead a new trend of 3D packaging and testing technology.

Through the bumping density, the overall computing speed between the CPU / GPU processor and the memory is improved. It is expected to continue to extend through SoIC packaging technology and serve as a new solution for various advanced packaging in the back end of Integrated Fan-out and Chip on Wafer on Substrate.

③ LED processing

The whole LED industry face the risk of oversupply but the prospects for special applications are still optimistic. The main motivations include small- pitch LED display screens, Mini LED backlights, UV-C LEDs, automotive lighting and high-efficiency LED lighting.

In recent years, Mini LED TVs have performed exceptionally well in the market, maintaining strong growth. According to data from RUNTO Technology, the global shipment of Mini LED TVs reached approximately 4.25 million units in 2023, with a year-on-year growth rate of 24.7%. It is expected that the shipment volume will rise to 6.59 million units in 2024, surpassing OLED TVs for the first time, which are projected to ship 6.4 million units. By 2025, the overall shipment volume of Mini LED TVs is expected to exceed 10 million units, showing rapid growth.

④ Display Panel processing

Summarizing the development of the panel industry in recent years, on the supply side, due to the withdrawal of Samsung Display & LG Display from the LCD market respectively, the two major Chinese players BOE and TCL CSOT are expected to dominate the entire market by controlling nearly 49% of the production capacity. Although Taiwanese manufacturers gain from the withdrawal of Korean manufacturers

in the short term, they still can't compete head-on with Chinese enterprises in TV applications in the long term, so they need to strengthen their market share in NB, monitor, automotive, and niche applications in order to stand a chance of creating profit margins. In terms of major end-user products, the NB market has unexpectedly experienced strong growth in 2020 due to the global outbreak of the Covid-19 pandemic, which has brought about the demand for working from home and distance learning. Although the profits from the pandemic have gradually diminished from 2022 to 2023, AI NB is expected to attract a new influx of replacement demand from 2025.

Regarding the display technology, major panel manufacturers are still focusing on multiple new technologies such as high-resolution, ultra-large size, high refresh rate, LTPO, Mini-LED & Micro LED, etc. They are actively innovating their products and developing potential markets, which helps strengthen the competitive resilience of the enterprises during the low-demand period. Besides, Taiwanese manufacturers need to proactively transform to create a new blue ocean market. In the panel industry, we can already find the potential growth of Mini LED backlight displays in the automotive market. Displays for AR/VR applications are the next star products, and with the continuous investment of industry giants such as Apple, Meta, Sony, and PICO, the future market is not to be underestimated. In the non-panel industry, they are actively researching and developing glass substrate-based related technologies, such as: Fan-out Panel Level Package (FOPLP), Low Earth Orbit Satellite Communication Ground Station Liquid Crystal Antenna... It is believed that they will eventually achieve certain results.

As a conclusion of the changes in the display industry in recent years, it is predicted that the LCD market will be oversupplied in the future. Meanwhile, the competitive pricing strategy of the Chinese manufacturers will become more and more aggressive in the future. The only way for Taiwanese manufacturers to grow is to actively transform their business.

(2) Automatic supplying system

① Gas automated supply system

Through many years of efforts, the group has become one of the primary industry suppliers, in terms of the operating scaled and technical sophistication. In the future, the Company vies to put its competitive focus on optimizing the cost control model, in a bid to bring the clients with high quality, high efficiency total solution proposals.

② Chemical automated supply system

With the chemical automated supply system being a requisite chemical conveying supply facility in high-tech industry plant launching. MIC focus on the future technical aspect, unless there is innovative development on the use of chemical materials, the current system design, equipment and implementation will continue to undergo changes corresponding to the customer's processing change, and exactly for is service uniqueness, and high technical thresholds, the saturating market will prevent potential rivals from entering into the market.

③ Operating service businesses

Our group has been deeply involved in the operation of client-side industrial systems for decades, including Total Chemical Management (TCM), Total Gas Management (TGM), and Total Water Management (TWM). We provide customers with comprehensive and complete services, and have a sound corporate operating system that ensures employee promotion, annual salary increases, and various generous

benefits. This not only fosters strong employee morale and high work efficiency, but also earns us excellent and irreplaceable word-of-mouth recommendations from all of our clients.

④ Factory automated operation

MIC have many years of experiences in facility management control system (FMCS), computer-integrated manufacturing (CIM) and automated product representation operation.

⑤ Equipment health pre-diagnosis and management system

(3) Total Facility Engineering Turnkey Project

① High-tech, data center, and precision manufacturing industries.

② High-tech factory equipment/server integrated server installation project (total turnkey hookup projects).

③ Electromechanical systems integration for general industry, communication industry and smart building.

(4) R&D and manufacturing of Customized equipment

To help research and design the production of OEM and ODM equipment, and cooperate with the important academic and research groups to jointly build our own brands in the equipment manufacturing market.

5. Competitive status

(1) Sales and services of high-tech equipment and materials: Due to the diversified and complex types of equipment and materials sold by the Group, and the various businesses have been intertwined in major technology companies.

(2) Automatic Supplying system

① Gas automated supply system

The group has successfully developed with gas material vendors a modularized panel to command a competitive edge in pricing and production speed; in product development aspect, it is able to offer customized product catering to the client's needs; in onsite maintenance/repair aspect, the reasoned software/firmware engineers are able to provide speedy, real-time services.

② Chemical automated supply system

Using our own brand, MIC has successfully introduced factory-wide chemical supply system equipment to the semiconductor and optoelectronics industries through turnkey system engineering. We have completed several 12-inch wafer fab projects and have established ourselves as a first-class brand with an excellent market share in the high-tech construction industry.

③ Operating service businesses

Outsourcing operation services has become a common practice in Europe, America, and Japan due to the demand for specialized labor and streamlined human resources. In Taiwan, currently, only TCM (Total Chemical Management), TGM (Total Gas Management), and TWM (Total Water Management) in the facility management system are outsourced to provide on-site maintenance, replacement of chemicals and gas supply materials, monitoring and supervision of the system. The main providers of technical services are still the original equipment suppliers, and there is no independent

"technical service provider" that specializes in this field yet.

④ Factory automated operation

A. Special gas and facility management control system (GMS & FMCS)

This kind of service is heading towards comprehensive and integrated service, main customers of which are IC and LCD plants in Taiwan and China. They tend to seek for cooperation with stable and all-encompassing companies, like Mitec, where skilled personnel and technical support sufficient. In this way, system-integrated competitors with relatively less capital, workforce and technique can hardly enter the market, which makes the threshold higher, and by contrast, it is more difficult to compete.

B. Computer-integrated manufacturing (CIM)

Taiwan's manufacturer must pay attention to the transparency of production in the future, to immediately adjust the production with product traceability, and respond to customer needs for additional business value. "Lean production", which presents an approach that

integrates management with technology, is not likely to succeed on the first try. Enterprises should identify their key technologies based on industrial characteristics when turning to Industry 4.0. The difference between Industry 4.0 and traditional industries lies not only in the degree of automation and informatization, but in the use of cyber-physical system (CPS), big data and other technologies to achieve smart factory. Therefore, the core technologies of Industry 4.0 are IoT (for collection of all-round information), big data (for analysis and forecasting), intelligent robot, and cyber-physical system, which will be integrated by Marketch International Corp. in terms of its computer-integrated manufacturing to make productions more responsive.

C. Automated product representation operation

The group provides customers with purpose-specific automated products and customized services which feature fast-integrating advantages and short establishment period.

Meanwhile, every system can be inter-compatible and integrated, breaking the traditional frame. Hence, a huge flexibility and agility of expansion can be supplied to customers to help them completely understand the whole picture of developing information strategy planning. Unlike general automated products with multi functions on the market, great performance and results can be presented immediately under this operation, which makes our products more competitive and valuable.

D. Prognostic and Health Management

This management system can reduce product defects and increase the utilization of facilities, and it has become a trend. However, as the strength of manufacturing industry in Taiwan, semiconductor and optoelectronic industries have no sound solutions to improve defects and utilization. As a result, based on the expertise in system integration for more than twenty years, the Company cooperated with a domestic professional corporation, Industrial Technology Research Center, to establish Prognostic and Health Management using big data analysis. The system was first developed by Taiwanese, providing a sound

solution from in-time monitoring of the status of equipment to predicting breakdown and management of the remaining service life. In the meantime, it can be perfectly integrated with parts retailers to optimize products maintenance, so the products are highly competitive.

(3) Total Facility Engineering Turnkey Project

In addition to providing integrated supply systems for large-scale high-tech factories, our group also focuses on meeting the specific factory construction needs of small and medium-sized enterprises (SMEs) or overseas customers. We often prioritize cost-effectiveness and the convenience of localized after-sales services. Foreign companies entering this space are often limited due to the aforementioned factors, making our group one of the few professional manufacturers capable of entering this industry.

To maintain competitive advantages and reduce cost, high technology industries have shifted decentralized manufacturing, which even makes market competition expanded from Taiwan to China and Southeast Asia. Accordingly, the Group has developed and deployed in such a large global market with a great result.

(4) R&D and manufacturing of Customized equipment

Our group currently serves multiple semiconductor equipment clients as well as clients in the panel and biomedical equipment industries, including key manufacturers from Europe, the United States, Japan, and other regions. To establish a foothold for manufacturing equipment technology domestically, our company collaborates with manufacturers from Japan, the United States, Germany, and the Netherlands. We engage in domestic OEM and ODM production of related manufacturing equipment while also developing our own brand of panel equipment.

3) Technology and R&D status

1. The operating business's technical level and R&D

The group, at its initial inception, primarily caters to TSMC, UMC and related IC manufacturing companies, and through the close-knit cooperation with globally renowned semiconductor and electronic materials plants, it has introduced various high-tech products when Taiwan's semiconductor industry is at a budding stage, and as it has also utilize the opportunity of collaborating with globally renowned producers to steadfastly introduce the technology to laid a sound foundation on the group's automated supply system and integrated system professional know-how.

In the aspect of gas automated system, chemical supply systems and integration projects, the group commands relevant professional design personnel in semiconductor, mechanical automated control and chemical engineering and related domains, and also relies on equipment distributor's orientation training and pertinent technology outsourced orientation training to absorb local and foreign peers' technology, and also work through the interactive exchange with key customers and local vendors in fully discerning the producers and users' needs, to develop on its own the international SEMI certified highly clean special gas supply system equipment, technology and know-how.

In recent years, the Group has actively attentive in the research and development and technical development of customized equipment, especially to enhance the design, assembly and testing capabilities of customized equipment. Moreover, the Group will self-developed and manufacture Colorfilter PI Repair, OLED PI Repair, Flexible OLED PI Repair and other panel repair

machines.

2. R&D personnel and their education

Unit: persons; %

Year	2023		2024		As of March 31, 2025	
Education	Personnel	Ratio (%)	Personnel	Ratio (%)	Personnel	Ratio (%)
Doctoral	6	13.33%	5	10.64%	5	9.80%
Master	20	44.44%	20	42.55%	21	41.18%
B.A.	15	33.33%	19	40.43%	22	43.14%
College	4	8.90%	3	6.38%	3	5.88%
Total	45	100.00%	47	100.00%	51	100.00%
Average tenure	4.73		5.23		5.39	

3. R&D expenditure in the most recent fiscal year and up to the annual report publication date

Unit: NT\$ thousands

Year	2024	As of March 31, 2025
Item		
Research and development expenses (A)	277,650	70,747
Operating income (B)	60,675,104	13,260,751
Ratio (A)/(B) (%)	0.46	0.53

Note: Figures above based on 2023 audited consolidated financial statements and 2024 first quarter reviewed consolidated financial statements.

4. Successfully developed technology or products

The research and development team of the Groups commands high-tech manufacturing, automated control, laser, optoelectronics, software, precise machinery technology integration capability, and has had rather excellent results in developing high-tech system equipment, with some of the critical R&D practical performances as enlisted below:

Year	R&D Performance	Applications
2024	EIM Series Automated Validation System	Gas and Fluid Control Modules for Semiconductor Lithography Systems
	Automated Library Purification System	Biotechnology
	SMART NGS LAB	Biotechnology
	ICP Automated Slide Loader	LED PSS (Patterned Sapphire Substrate) Process Technology
	Ultrasonic Spray Coating System	Semiconductor Wafer Packaging Process Technology
	12-inch Vacuum Imprinting System	Optoelectronic Display Component Process Technology
	Direct-Write Lithography System for Flexible PCBs	Optical Communication Component Process Technology
	TGV Laser Modification System	Semiconductor Wafer Process Technology

4) Long, short-term business development plans

1. Short-term operating strategies

- (1) To expand the depth and propensity of the high-tech equipment/material sale product lines.
 - (2) To integrate the electrical and mechanical engineering and facility integration implementing capability. Enhance the ability for providing international service.
 - (3) To integrate the capability of installation and maintenance of equipment, in order to expand the depth and propensity of service provided to client.
 - (4) To research and develop, design, manufacture customized private label equipment.
 - (5) To actively introduce international factories for cooperation to enhance the domestic technical capabilities of production process equipment.
 - (6) To actively develop application and deployment capabilities for IoT, Big Data, AI, 5G networks, as well as AR/VR technologies.
2. Mid-term operating strategies
- (1) To actively rally for potentially dynamic industry processing equipment or material representation rights.
 - (2) To accumulate non-high-tech industry's customer base and technology, and expand into the Asian markets.
 - (3) To actively introduce relevant high-tech technology, develop the localized assembly-related processing equipment technical capability, with which to assist localizing the original manufacturer equipment.
 - (4) To integrate the initial plant and customer resources to jointly expand the Asian markets.
3. Long-term operating strategies
- (1) To excel in the high-tech industry, i.e. IC, TFT-LCD, LED, OLED, petrochemical, solar energy battery and biotech, electrical and mechanical, telecommunications, foods and related industry services, and also to expand the sale and service network in securing its footing In the Asian markets.
 - (2) To continue accumulated experience on customized equipment R&D and manufacturing by jointly developing future fabrication equipment.
 - (3) To continue excelling automated supply system's relevant technology and seeking higher end design development.
 - (4) To develop enterprise-to-enterprise e-commerce system, bearing to become a customer end and supply end's information exchange hub.

2. Analysis of market as well as the production and marketing situation

(1) Market analysis

1. Key products (services) sale (supply) areas

Over the past two years, our group's primary sales and service regions have been Taiwan, the United States, and mainland China. In order to expand operational efficiency, enhance customer service, and ensure timely response, the Company has established sales and service locations in China, Singapore, South Korea, Vietnam, Malaysia, Myanmar, Indonesia, the Netherlands, United States, Japan, Germany, Thailand and other areas. These locations are strategically positioned to provide nearby support to high-tech manufacturers in these regions for equipment, materials, technical support, and facility automation systems, among other related products and services.

Unit: NT\$ thousands; %

Sale or service area \ Year	2023		2024	
	Amount	Ratio (%)	Amount	Ratio (%)
Taiwan	19,919,074	35.39	22,570,759	37.20
Mainland China	11,717,142	20.82	13,074,593	21.55
USA	16,932,805	30.09	17,178,308	28.31
Others	7,710,711	13.70	7,851,444	12.94
Total	56,279,732	100.00	60,675,104	100.00

Note: The above figures are disclosed based on the 2023 and 2024 audited consolidated financial statements. The consolidated income in above sales or service areas were classified according to the country where the customers are located.

2. Market Share

1) Sales and Service Business for High Technology Equipment

For proxy chemicals and consumables required for advanced semiconductor manufacturing processes, including etching solutions, abrasive slurry, abrasive brushes, tube equipment used in diffusion processes, Ball mount machines, Ball Implant machines, Wafer substrate Bonding /de-bonding, and Glass Carrier Wafers Bonding / de-bonding machines in advance back-end process. Also, photoresist are widely used in many well-known panel Fab.

2) Automatic Supply System

① Gas Automatic Supply System

For gas supply equipment, the gas cabinet used by semiconductor fabs and photoelectric plants are all designed, soldered, assembled, tested, installed and guaranteed by the Company in our own plants. There is no difference for valve manifold box (VMB). Since the building speed and quantity for new plants are not as before, the competition for gas automatic supply system is getting more and more intense. With respect to development strategy, the Group still focuses on introducing certification of high standard and specification requested by large companies. We also engage in development of LED plants, solar energy plants and research units in order to increase market share of equipment and profit rate.

② Chemistry Automatic Supply System

For this system, Air-Liquid, Mitsubishi, Sumitomo, Kanto and the Group keep as competitors with each other.

Currently, we have our own brand both to enhance price competitiveness, and to maintain and increase market share.

③ Plant Automation Business

Facility monitoring control system (FMCS): The major suppliers in Taiwan are the Company and the automation business department of MITAC. In response to drastic price competition and drastically increased raw material cost, in addition to original technical capability, the Group complies with the trend of technological development

by introducing wireless technology solution to improve competitiveness and reduce cost.

3) Total Facility Engineering Turnkey Project

Due fast handling of market trend and early response, the Group has invested in the market actively and enhanced technology level together with integrated construction capability, and has developed biotechnology and pharmaceutical plant building business actively, including construction, steel structure, internal installation, electro mechanics, clean room, gas, chemistry, water systems, special pharmaceutical requirement plant systems, secondary distribution etc. These turn-key professional performance wins admission and trust from customers. In the future, the market business will be further expanded.

Leveraging our experience in technological plant construction, our group has participated in various traditional industry plant construction and expansion projects as well as government public works. Currently, we have been involved in government public works such as water resource recycling and automation, as well as expansion projects in the traditional industry. Our diversified business approach aims to expand our business areas and create new opportunities for growth.

4) R&D and Manufacturing of Customized Equipment

The groups has been serviced in the automation industry and has provided comprehensive and complete solutions to our clients for several years. Besides, the groups have fully control the industry trends and client demands, and service the OEM and ODM in real time.

3. The future supply and demand status and growth potential of the market

① The sales and services of high-tech equipment and materials

① Equipment Business

The SEMI International Semiconductor Industry Association forecasts that global semiconductor manufacturing equipment sales will reach USD 121 billion in 2025, driven by strong demand from both front-end and back-end processes demand. This figure is expected to rise to USD 139 billion in 2026. Sales of wafer fab equipment (WFE)—which includes wafer processing, fab facilities, and photomask equipment—are projected to grow by 6.8% in 2025 to USD 108 billion, and further increase by 14% in 2026 to USD 123 billion. The upward revision is mainly attributed to the growing impact of AI computing, which is boosting demand for DRAM and high-bandwidth memory (HBM) equipment, as well as the continued strength of semiconductor equipment spending in China.

② Material Business

Materials are sold for supporting production requirement of factories of customers all over the world. Therefore, the sales of various related materials would increase in response to outputs of various industries. With respect to supply, increase of customer satisfaction in technology, cost and after sales service is focused to increase market share.

② Automation System Business

① Gas Automatic Supply System

MIC Group not only ensures continues orders from existing customers, but also actively develops new customers and orders. Despite the intense competition, the Company will be able to earn a place in the gas dispense system market owing to years of solid foundation, research and development resources it continuously invests in, as well as innovative gas dispense systems developed with customers with advanced technologies.

② Chemistry Automatic Supply System

With respect to supply, all competitors are engaging in localized production now in order to reduce cost and increase delivery speed.

③ Running Service Business

Judging from the current industry situation, existing customers will continue to designate the original manufacturers to supply equipment for operations. Under the pressure of cost reduction, outsourcing is an inevitable trend. If the professional ability of an outsourced company is recognized by customers and "suppliers", the professional operation business volume will greatly increase in response to market demands.

④ Plant Automation Business

A. Facility Monitoring Control System (FMCS)

This system is an important investment that introduces facility monitoring for whole plant into factory building in high technology industry. In addition to high technology, other industries will also increase the demands for such automatic plant monitoring facility due to advanced technique. However, expansion of potential market demand results in the trend of increased participant companies.

B. Automatic Special Gas Monitoring System (GMS)

GMS, like the central brain, is a design necessary for safety measure in building factories for high technology industry. Additionally, because life and security of people are involved, the threshold for new competitors is very high. The Group can still be one of the leaders in this field as long as the technological function keeps improved. This should be an apparent fact. Such monitoring system market has increased due to production expansion of original IC, LCD and LED industries. Other peripheral related industries also have to introduce use of such system because of production related equipment or materials with respect to security and monitoring requirements.

C. Manufacturing Integration Business (CIM, Computer-Integrated Manufacturing)

With the advent of Industry 4.0, all industries are turning to automation, digitization and smart plant. MIC helps enterprises with Customer Relationship Management (CRM) and Supply Chain Management (SCM) systems, and establish a horizontal integration system. We also integrate Enterprise Resource Planning (ERP), Computer- Integrated Manufacturing (CIM) and Manufacturing Execution System (MES), to strengthen the vertical integration system. Through horizontal, vertical and related systematic integration, we achieve massive custom, efficient production, independent decision-making and fault prediction targets to meet customer needs.

D. Information & Communication and Software Services

The software services are based on the development of integrated capabilities of information and communication technology, the mastery of digital convergence trends, and the collaboration of group resources to provide enterprises with complete ERP, BI, and Cloud solutions. The Company also utilizes intelligent cloud-based system solutions, such as enterprise clouds and education clouds, to achieve interconnectedness, information integration, and sharing services, thereby establishing long-term stable business relationships with customers.

E. Prognostic and Health Management

Especially for semiconductor and optoelectronic industries, how to reduce product defects and increase the utilization of facilities has been the most significant issue in every manufacturing industry. The Company developed the first Taiwanese-built prognostic and health management system focusing on important instruments in semiconductor and optoelectronic industries. As technology has advanced, the demand for monitoring remotely the health state of equipment and predicting breakdown will also increase in other industries, like precision machinery.

③ Integrated System Business

From equipment expansion integration supply systems of large high-tech fabs to project plan, design, construction and test, a different competition field is differentiated from design and construction monitoring of initial factory arrangement, to which the companies mentioned above pay attention to. Additionally, for special factory building requirement of middle and small factories or foreign customers, the barrier for foreign vendors to enter such field is always difficult due to cost and local after sales service convenience, so that the Group is one of the few professional vendors that can get across such a threshold in the industry.

To maintain its competitive advantage and reduce costs while diversifying manufacturing risks, the high-tech industry has expanded its market competition from Taiwan to the United States, China, and Southeast Asia. The group has deepened its cultivation and layout in various regional markets, resulting in fruitful achievements.

④ Customized Equipment R&D and Manufacturing Business

The large environment mentioned above is very advantageous to development of customized equipment assemblage, maintenance and process R&D for the Company. With several years of efforts, there have been several ongoing projects running smoothly. In addition to continuous development of talents, the Company employs experts to join operation team in order to occupy a position when there is an opportunity.

4. Competition Niche

- (1) Wide business range capable of reducing single industry business cycle risk effectively.
- (2) High technological level facilitating to win whole plan turn-key engineering business because there are few vendors with both automatic supply system and process equipment linking integration capabilities in our nation.
- (3) Providing customers with diversified services, based on which deepness and breadth of products can be further expanded from process equipment, material agent, automatic supply system and integration system to localized assemblage, manufacturing design (OEM, ODM), installation, maintenance service.

- (4) Business sites are located in Taiwan, China, Singapore, Korea, Vietnam, Malaysia, Myanmar, Indonesia, Netherlands, United States, Japan and Germany Thailand for providing customers with local services and handling local market.
 - (5) We have robust operation team and rich experiences, and excellent professional staffs, and integrate transversely related technologies of various business divisions, go into different industries deeply, and deploy related business in Asia.
5. Advantageous and Disadvantageous Factors of Development Vision and Response Strategy
- (1) Advantageous Factors
- ① The company's business covers industries such as IC, LCD, LED, IC packaging, OLED, petrochemicals, electromechanics, telecommunications, food, life sciences, and medical imaging across Taiwan, China, Southeast Asia, the United States, Germany, and Japan. These industries are expected to experience significant growth over the next decade. Although economic cycles are inevitable, the overall growth trend is an established fact.
 - ② As for high technology equipment material sales and service business, the Group and various suppliers have keep long term cooperative partnership. In addition to business transaction, we also obtain long term common interest with each other through cooperative production plan actively.
 - ③ For past decades, the Company has introduced foreign technologies and developed integration in depth as the only one choice in our nation now. Moreover, the companies with such capabilities in Europe and America are very rare. Furthermore, under "localization" requirement in our nation, the development of the Company is far superior to other European and American companies.
 - ④ In order to reduce production cost and excessively large equipment (e.g., process equipment beyond 10.5G TFT-LCD) factors, the opportunity that foreign vendors search for OEM cooperation has increased. Currently, the customized equipment manufacturing business of the Group has been developed for many years, and cooperation projects with multiple original vendors are ongoing. The development with respect to capability of such technology facilitates to R&D of future equipment of high technology industry and accelerates improvement of both manufacturing quality and quantity for introducing foreign process equipment into Taiwan.
 - ⑤ The company has obtained ISO 9001 international quality certification, as well as ISO 14001, ISO 13485, ISO 45001, and Taiwan QMS certifications, ensuring superior service quality for our customers.

(2) Disadvantageous Factors and Countermeasure

- ① The growth of high technology industry grows excessively fast and graduate talents are insufficient. Moreover, excellent professional talents of the Group are susceptible to be poached by other companies and customers.

Countermeasure:

Provide internal trainings for talents actively in order to improve comprehensively product design and technical abilities, and realize professional experiences and R&D results with effective accumulation, together with offering bonus, share allotment and stock option certification programs for employees in order for employees to be more stable and in order to hire good talents.

- ② After participation in WTO (World Trade Organization), foreign operation sites have entered our nation such that market competition is more and more intense. Therefore, partial products may suffer from reduction of price and product gross margin due to competition with companies in the same industry and mature market.

Countermeasure:

In addition of deep development of original niche market with inherent advantages with respect to domestic laws, language and culture, the Group creates products, services and technologies with "integration" and with "differentiation" compared to competitors actively. Also, with standardization of work flow, MIS system cost control budget is enhanced to save labor, increase efficiency for cost down and reduce labor waste.

Moreover, domestic business is promoted, together with sales promotion in Singapore, Malaysia, Vietnam, Myanmar, Netherland, Japan, Korea, Indonesia, United State and China markets in response to challenge of market opening.

- ③ There are very engineering variables for automatic system and integrated system business, which are susceptible to mutual interaction of various engineering. Therefore, if the engineering work period is relatively long, increase of expenses of materials, equipment and outsourcing fees will result in increased cost, which causes business risk and financial maneuver risk.

Countermeasure:

The Group has to evaluate the factors that undertaken cases might influence work periods, and list them into predicted engineering cost, keep good cooperation relationship with suppliers, and develop long term good outsourcing vendors. During construction period, procurement and outsourcing prices have to be handled immediately, the possibility of price fluctuation has to be predicted, and discussion meetings for countermeasure in response to price fluctuation have to be held regularly or irregularly and collaborative procurement with relative enterprises should be done to reduce variation risk of procurement and outsourcing prices effectively. Also, short term engineering business should play the major role, and company has to adopt steady financial policy with sufficient operation revolving fund to pay revolving fund necessary for engineering operation. Thereby, not only belief of proprietors to credits and trust of the Company may be increased, but also capital cost may be reduced.

(2) Important purposes and production processes of major products

1. Important purposes of major products

- ① Sale and service of hi-tech equipment materials

MIC sales the important equipment, chemicals and consumables required in the front-end process of semiconductors, including vertical diffusion furnace tubes of major Japanese manufacturers, etching liquids, abrasive slurry, abrasive brushes. Our groups also sale Japan's advanced ball mount machine, ball implant machines, wafer substrate bonding /de-bonding, glass carrier wafers bonding / de-bonding machines, and advanced materials and consumables for LCD 、 OLED 、 mini LED 、 micro LED 、 Fan-Out Panel Level Package(FO-PLP) 、 Glass Core Substrate(GCS) 、 Through Glass Via(TGV) and other displays for the display industry.

- ② Automation Supplying System

MIC is the leading brand of automation system integration services in the industry's factory engineering business. It has been served in the field of automated supply systems for gas, chemicals, and pure water for several years. The Group also assists owners to operate TCM, TGM, TWM, the whole plant management monitoring system provides the purpose of integrating the monitoring and, data collection and sub-division of each subsystem to improve the operation efficiency of the factory management system and simplify manpower. For the monitoring of the most sensitive special gases, the overall plan provided by the Group can maintain production operations and ensure the safety of staff under the most economic considerations. In the manufacturing integration business, the mission of MIC is to help the machine diagnose and connect, and then further integrate and analyze the data to assist the management layer to use the information management system ERP to fully grasp the field control system MES of the operation layer operation. The hardware report software allows information streaming, collection, and integration to help customers build better smart factories.

③ Total Facility Engineering Turnkey Project

Business includes electromechanical, clean room, UPW water, gas, chemical, sewage treatment, exhaust emission treatment and equipment integration connection. Our customers can rely on professional manufacturers to quickly complete the work of building factories and profit with the most streamlined labor and cost.

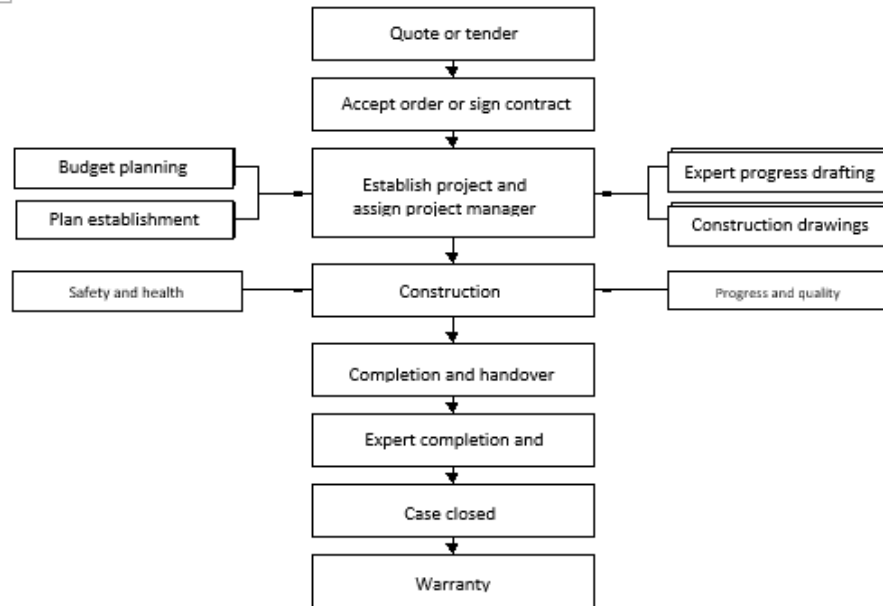
④ R&D and manufacturing of customized equipment

To provide OEM services for major international semiconductor and panel equipment manufacturers, and provide advanced and complete services to become the industry's leading OEM brand.

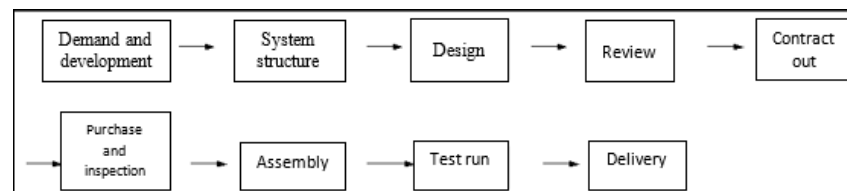
2. Production process of major product

Our high-tech equipment material sales and service are not production businesses, thus there is no manufacturing process. Our plant affairs and process system planning and integration service, and production process of customized equipment R&D and manufacturing are as follows:

① Factory and process systems workflow for planning and integration services



② Production process of R&D and manufacturing customized equipment



(3) Status of major material supply

For a hi-tech equipment sales and service business, the products we are authorized to sell as an agent are from long-term cooperating firms, thus the supplying is quite stable. Regarding plant affairs and process system planning and integration, stocked items are mainly raw materials required for piping constructions, such as pipe sitting materials and control valves. Because construction collaborations with owners are handled as projects, suitable equipment and materials are assigned by customers according to contractual requirements. Therefore, suppliers differ with the items purchased for each project and their specifications. However, as the quality of important construction materials, such as pipe fitting, affects the stability and safety of an automation supply system, we adopt the strategy of long-term cooperation with two to three outstanding pipe fitting suppliers. As for customized equipment R&D and manufacturing, supply and quality of materials are normal and steady without any supply shortage or interruption.

(4) Name of customer with over ten percent of total purchase (sales) in one year for the previous two years and its amount and ratio of purchase (sales), explain the reason for the variation

1. Information of customer with over ten percent of total sales (service) in one year for the previous two years:

Unit: NT\$ thousands; %

Unit: RMB thousands, %

			2023			2024		
Item	Name	Amount	Net ratio of annual sales (%)	Relationship with issuer	Name	Amount	Net ratio of annual sales (%)	Relationship with issuer
1	Customer A	16,048,194	28.52	None	Customer A	16,333,155	26.92	None
2	Customer B	6,841,083	12.16	None	Customer B	7,529,768	12.41	None
	Other	33,390,455	59.32		Other	36,812,181	60.67	
	Net sales	56,279,732	100.00		Net sales	60,675,104	100.00	

Note 1: The names of customers with over ten percent of total sales for the previous two years and their amount and ratio of sales are listed, but if the contract forbids disclosure of customer names or whether the counterparties are individuals and non-related parties, codes may be used. The above net sales refer to the net revenue from goods sold and service rendered.

Note 2: Listed company or company that has its stock listed and traded on the stock exchange shall have the information stated up to the season of the printing of the annual report. Besides, it is also a must to note whether the financial information has or has not been audited or by a public accountant.

Note 3: The above information is based on the 2023 and 2024 audited consolidated financial statements

Trend analysis:

We act as an agent for multiple critical materials and equipment required by semiconductor and photoelectric businesses, and we collaborate with OEM in developing related equipment modules. Our steady goods supply and elevated added values, such as technical support, have won the trust of customers. As we have years of technical and managerial experience as well as outstanding construction performance, our expert system integration construction services for automation gas and chemical supply system and plant affairs control system are highly praised by our customers. We have built solid and close supply value chain system with customers, and the status of our sales and service targets are quite. In the fiscal year 2024, we benefited from the global semiconductor market's growth momentum, increased demand for semiconductor industry clients to build and expand factories, and recorded revenue growth. Overall, there were no significant abnormalities.

2. Information of major purchasing customer with over ten percent of total purchase in one year for the previous two years During the past two fiscal years and up until the first quarter 2024, our group has not purchased from suppliers or outsourcing contracts that exceed 10% of our total purchases (or outsourcing).

3. Employee Information

The employee profile for the recent two years and as of the printing date of annual reports is as follows:

Date: March 31, 2025

Unit: person; %

Item/Year		2023	2024	As of March 31, 2025
Number of employees	Direct	1,579	1,279	1,309
	Indirect	951	960	939
	Total	2,530	2,239	2,248
Average age		38.57	39.27	39.34
Average years of service		8.18	8.48	8.56
Education distribution ratio (%)	Doctor	0.75	0.76	0.80
	Master	11.35	13.98	13.79
	University	44.62	48.82	48.84
	Junior college	29.37	23.58	23.62
Other		13.91	12.86	12.95

4. Disbursements for environmental protection

As of the most recent fiscal year and up to the date of the annual report's publication, the Group has not incurred any losses (including compensation) due to environmental pollution, nor has it been subject to any penalties resulting from violations of environmental protection laws or regulations. If any violations had occurred, details such as the date of the penalty, official reference number, violated regulations, description of the violations, the content of the penalties, estimated current and potential future financial impacts, and responsive measures would be disclosed. However, none have occurred, and no such estimates are applicable.

The Group's business operations do not generate any pollution. Consumables used in semiconductor manufacturing processes, such as chemical mechanical polishing (CMP) slurries, may require disposal if affected by temperature or humidity control issues or if expired. Additionally, raw materials that need to be discarded during the manufacturing process are handled by certified waste disposal companies in accordance with regulations. All emissions related to air, water, waste, hazardous substances, and noise comply with the review standards of local government authorities.

The Group's facility and process system planning and integration services primarily involve designing, planning, construction, and installation of plant facilities for high-tech industries. These construction processes do not generate pollutants such as wastewater or exhaust. In cases where equipment must be self-assembled to meet customer requirements, the assembly is carried out in cleanroom environments and does not produce exhaust or wastewater. Furthermore, all waste generated during construction or assembly is sorted, bagged, and fully handled by licensed waste disposal companies in accordance with government regulations and client specifications.

Moreover, the Group's products are currently not subject to the European Union's environmental directives (RoHS) and are therefore unaffected by the EU's Restriction of Hazardous Substances Directive. Given the nature of its business, the Group does not cause environmental pollution. There have been no violations of environmental regulations or any penalties imposed in the past two fiscal years.

Breakdown of Environmental Protection Expenditures and Investments (Total: NT\$8,145 Thousand)
in 2024

Unit: NTD			
Category	Expenditures	Investments	Total
Air Pollution Control	76,250	115,920	192,170
Waste Treatment	2,605,354	0	2,605,354
Toxic Substance Control	464,418	637,484	1,101,902
Water Pollution Control	894,833	0	894,833
Environmental, Health and Safety (EHS)	938,285	2,412,834	3,351,119
Total	4,979,140	3,166,238	8,145,378

Breakdown of Environmental Protection Expenditures and Investments (Total: NT\$1,243 Thousand)
in Q1 2025

Unit: NTD			
Category	Expenditures	Investments	Total
Air Pollution Control	19,268	0	19,268
Waste Treatment	699,915	0	699,915
Toxic Substance Control	53,436	0	53,436
Water Pollution Control	247,935	0	247,935
Environmental, Health and Safety (EHS)	215,385	6,700	222,085
Total	1,235,939	6,700	1,242,639

5. Labor Relations

(1) List each employee benefit practice, continuing education, training, retirement system and their implementation, as well as labor-capital agreements and impletion of each employee rights maintenance.

① Employee benefit practices

To promote labor harmony, bring together unity amongst employees and take care of employee benefits, we provided not only the social insurance regulated by local governments but also employee's group insurance and physical examination. We have setup nursery rooms, reading spaces and dormitories in part of the office areas, as well as provide shuttle buses, for our employees. Our Employee Benefit Committee or personnel administrative unit is responsible for promoting employee benefit practices, such as incentive tour, group seminar, outdoors activity and year-end party, and providing assistance in communicating labor-capital opinions.

② Employee continuing education

To cope with the industrial environment and technology development that are changing rapidly, we provide employee funds every year for subsidizing employees' learning to create employees with competitiveness and potential, allowing employees to elaborate learning results, apply new knowledge and develop creations, and acquiring rich profits.

③ Employee training

To enhance employee literacy and working skills, as well as strengthen work efficiency and quality, we established the "Regulations for Guidance for New Employees", the "Regulations for Educational Training Expense Write-off and Language Subsidy Management" and the

“Procedure for Human Resource Control”; guidance and educational training are implemented once new employees report to work. Industrial safety training is held regularly to maintain work safety. We have planned annual educational training programs for implementing general training and expert training for employees of all levels and functions to train excellent professional talents and further enhance operational performance as well as effectively develop and use human resources.

④ Retirement system and its implementation

- (1) Employees of the Company and its domestic subsidiaries who choose the old labor pension system

Retirement includes voluntary retirement and compulsory retirement. An employee who has served the Company for 25 years or is 55 years old and has worked for over 15 years or is over 60 years old may apply for voluntary retirement. An employee who is over 65 years old or is not qualified for the job due to state of mind or disability must be compelled to retire. Pension payment and calculation shall be handled in accordance with the regulations of the Labor Standards Act.

- (2) Employees of the Company and its domestic subsidiaries who choose the new labor pension system

- ① For an employee who chooses the new system, 6% of his/her wage will be allocated monthly to a personal account at the Bureau of Labor Insurance in accordance with the labor pension. For voluntary allocation, the wage withheld will be remitted to a personal account at the Bureau of Labor Insurance in accordance with the voluntary allocation rate. The calculation of labor pension is followed and executed by Enforcement Rules of the Labor Pension Act.
 - ② Monthly retirement payment: according to the annuity table, the amount calculated using bases of life expectancy and interests for an employee’s personal pension account and accumulated gains is the retirement payment paid regularly.
 - ③ Lump-sum retirement payment: collect the capital of the employee personal pension account and accumulated gains all at once. The abovementioned annuity table, life expectancy, interest and amount calculation shall be established by the Bureau of Labor Insurance and filed to the central competent authority for approval.
 - ④ An employee who is over 60 years old and has worked for over 15 years may apply for monthly retirement payment. But an employee who has not worked for over 15 years shall apply for lump-sum retirement payment.
- (3) In accordance with the Labor Act of the People’s Republic of China, a certain ratio of the wage of an employee working at a subsidiary in China is allocated monthly as endowment insurance funds. Part of the amount allocated will be designated as social funds for management and usage by the government; the rest will be remitted to the employee’s personal account to ensure his/her basic living requirements in old age and provide stable and reliable living sources.
- (4) Other subsidiaries conform to related regulations of the Labor Act established by the local government, and allocate an amount of certain ratio for retirement payment according to the wage cap to ensure his/her living rights in old age.

⑤ Labor-capital agreements and employee rights maintenance measures

We see labor and capital as one, and handle industrial relations in accordance with the operational principles of co-existence and co-prosperity, thus we value the opinions of employees.

Employees may communicate living or work related problems through our formal or informal channels. Through the opportunity for two-way communication, the Company and employees can further understand and recognize each other, gather common consensus and achieve together excellent performance.

(1) Industrial coordination mechanism:

Establish unions or industrial meetings in accordance with regulations stipulated by local governments for two-way communication between the Company and employees regarding issues such as government orders, working environment and safety and health, as well as for strengthening a mutual trusting relation between each other.

(2) Beneficial activities:

We have an Employee Benefit Committee, of which members are warm-hearted workers good at communication. They are designated by employees and elected through public and fair election, thus they can provide complete insights on behalf of employees toward the Company's benefit measures during committee meetings and achieve full communication and consensus. In addition, to advocate recreational activities, we hold on irregular basis tours and sports competitions. We also encourage employees to organize different clubs to enhance communication through cross-departmental organizations and harmonized atmosphere.

(3) Physical examination:

To safeguard employees' health, the Company provides annual health checkups at its own expense. In addition to legally mandated items, the checkups include ultrasound screenings, cancer screening, and examinations tailored to high-risk groups. The Company analyzes and cross-references the results each year and implements a tiered management system. Employees are categorized by risk level and placed on a tracking list for regular follow-ups to ensure effective health management.

Starting in 2022 (Year 111 of the ROC calendar), the Company introduced carotid artery ultrasound and gender-specific screenings—prostate exams for men and gynecological ultrasounds for women—for senior and middle-aged employees to enhance their health monitoring. Based on the screening results, the Company develops health promotion programs and follow-up care to help improve employees' well-being.

To encourage healthy living and raise awareness of wellness while fostering good habits, the Company organized a five-month weight loss competition in 2024 (Year 113). A total of 300 employees participated. During the event, 12 health seminars on fitness and nutrition were held, attracting a cumulative 403 attendees. These sessions provided valuable health knowledge and practical tips. Collectively, participants lost nearly one metric ton (969.3 kilograms) in weight, demonstrating impressive results! The Company encourages everyone to continue practicing healthy habits and embrace a more energetic, vibrant lifestyle.

(4) Group insurance:

In addition to the basic protection provided by social insurance, our company offers group insurance to employees. In addition to basic life and accident insurance, we have also planned medical insurance and cancer insurance, which covers spouses and children and is fully paid for by the Company.

In addition to the above-mentioned employee group insurance, we also provide travel

insurance for employees on business trips, providing more comprehensive protection for colleagues during their travels.

- (2) For the recent year and as of the printing date of annual reports, list the losses incurred by industrial conflicts, and disclose estimated amounts and responsive measures for losses that may occur now or in the future; if a loss cannot be estimated reasonably, state the reason

We have always valued employee benefits and our industrial relations are harmonious, thus no industrial disputes were encountered. We will continue to follow our principles in the future for industrial relations to be more stable and harmonized and achieve mutual benefits.

6. Cyber security management

- (1) Describe the information and communication security risk management framework, the information and communication security policy, the specific management plan and the resources invested in the information and communication security management, etc.

1. Information and communication security risk management framework

- (1) The responsible party of information security of the Company is the information center, which is responsible for planning, implementing and promoting information security matters.
- (2) The audit department of the Company is responsible for the information security audit work. If there are deficiencies found during the audit procedure, the audit department is required to propose relevant improvement plans and report to the board of directors, and regularly track the improvement results to reduce information security risks. The organizational operation mode adopts PDCA (Plan-Do-Check- Act) cycle management to ensure the achievement of goals and continuous improvement.

2. Information and communication security policy

The Company regulates the information and communication security policy in the information and communication security control procedures, including network resources, hardware resources, software copyright and data security, the main purposes are as follows:

- (1) Maintain the continuous operation of information-related systems
- (2) Prevent internal personnel from illegally using software and information.
- (3) Prevent external hackers and viruses from invading, damaging equipment, or stealing data that could cause operational interruptions.
- (4) Protect sensitive and confidential information to prevent data leaks.

3. Specific management plan

- (1) Network resource security management

① Account/Password management:

Account management: When there is an account demand or change, an application form should be filled out. Password management: Password settings must be set in accordance with the minimum length and complexity rules for passwords announced by the information unit, and it is mandatory to change passwords quarterly. Account check: The information unit performs check on idle accounts that have not been logged in for more than a year in the first quarter of each year, and records the account check results.

② Internet and Email Usage Guidelines:

Formulate a standard usage code. If the usage code is violated, the information personnel

will issue a slip to the user, and the unit will propose improvement measures.

③ Antivirus system security management:

In order to effectively prevent virus intrusion, strengthen information security, and monitor the status of personal computers in the Company's entire area, the information unit builds the Company's anti-virus system according to the anti-virus system planning standards, and sets up anti-virus automatic protection mechanisms. The virus monitoring center uniformly updates the virus code and sets up a schedule to scan all computers.

④ Network traffic monitoring and management:

In order to grasp the Company's network usage status, the information unit conducts daily monitoring according to the network traffic statistics system.

⑤ Personal computer access clearance:

A. Considering information security, after purchasing a general stand-alone computer, the information unit will set the user domain and usage clearance to the Company domain and general user clearance.

B. Computers provided by the Company for personal use are prohibited from being used for other purposes except for official business purposes.

⑥ Firewall management:

A. In order to block unknown intrusions and attacks from the Internet and ensure the security and integrity of the Company's internal data, the information unit builds a firewall to control the Internet connection in accordance with the Company's information security policy.

B. The information unit conducts rule checking operations every six months. If there is any abnormality in the operation, it will confirm the applicability of the rule and make improvements. After confirming that the improvement is completed, record the results.

(2) Hardware resource security management

① After the Company's hardware resources are purchased, it will be managed by the demand unit. If the purchased hardware resources are the main equipment, the information unit will be responsible for management and registration.

② The main equipment needs to be installed on the UPS (uninterruptible power supply) power system device. Take caution of power load and balance during installation.

(3) Copyright software resource security control

① Copyright software purchase and management:

A. Basic configuration software: The information unit will evaluate the needs every year and make recommendations and file a budget. After purchase, it will be kept and registered.

B. Non-basic configuration software: The demand unit will purchase it according to the needs. After purchase, it will be kept and registered.

C. The software should be stored in an appropriate storage location and kept by a designated person.

② Software installation management:

A. For the basic configuration software, when a new computer is purchased, the information unit will select the appropriate copyrighted software version and install

it based on the overall performance of the stand-alone computer.

- B. For the installation of non-basic configuration software is newly added or changed, an application form should be filled out and installed by the information unit.
- C. The information unit should check the installation and use of the software at any time, and notify the responsible unit for improvement if there is any abnormality.

(4) Information security education and training

When educating and training new personnel, the information unit will explain the proper use of information resources, and let users understand the threats and concerns of information security. In addition to education and training for new recruits, information units should put information security-related information on the Company's internet portal so that users can obtain it at any time.

(5) Data security controls

① Electronic file data storage

- A. The relevant documents used by the Company shall be uniformly stored in the file server for access. If each unit needs to create a server folder clearance, it should submit an application and the information unit will set it up.
- B. The information unit audits the server folder clearance management status every month, and records the inspection results.

② Server data backup

- A. The system and file data stored by the Company need to be backed up, and daily change records should be kept. When necessary, historical data at a certain point in time can be accessed.
- B. The backup media and host should be password protected. Backup data should be stored in an appropriate storage location and properly kept by a designated person. Backup data may not be lent without permission.
- C. Backup data should have two or more backup storage methods, including in-site backup and off-site backup.
- D. Backup data is kept for at least one year.

③ Portable storage device control

Considering information security, the function of the external storage device should be disabled according to the characteristics of the unit.

(6) Outsourced information security

- ① In the outsourcing contract, the information unit should clearly stipulate that the supplier must keep the data processing and process confidential, strictly prohibit leakage, and formulate relevant terms or penalties in the contract.
- ② The supplier must obtain the consent of the information unit before the operation, or be accompanied by the personnel of the information unit.

(7) Computer room security control

- ① The computer room should be set up with access control, monitoring, fire protection, temperature and humidity management and other related configurations
- ② The access control of the computer room is controlled by the information unit. Personnel entering and leaving the computer room must be approved by the information unit before they can enter and leave the computer room, and they must fill in the log.

- ③The maintenance manufacturer must be accompanied by the responsible unit when entering and leaving the computer room, and is restricted to operate within the scope of the operation and must not operate unrelated equipment.
 - ④Only hardware and software equipment and related documents can be in the computer room, items not required for operation are prohibited from being brought into the computer room.
 - ⑤The information unit shall inspect the computer room from time to time, and prohibit the storage of flammable materials, unapproved electrical appliances, eating, drinking or smoking.
- (8) Information security incident notification and recovery
- ①Notification:
After an information security incident occurs, the information unit should immediately notify the top director of the information unit after determining the type of disaster. If it cannot be repaired immediately, the head of the information unit should immediately report the incident to the general manager and CEO, and inform colleagues of the scope of influence and possible repair time.
 - ②Emergency response:
 - A. Regarding the signs of the security hazard incidents, it is necessary to identify the cause of the incident, determine the possible impact scope, assess the possible losses, and determine whether it is necessary to apply assistance.
 - B. Obtain solutions through system vulnerability database, Internet access, technical support units, etc.
 - ③Recovery:
 - A. Check whether the hardware equipment can operate normally. If the hardware equipment is damaged and cannot be used, it can be temporarily replaced with a backup equipment and contact the manufacturer for maintenance.
 - B. Check whether information security risks affect normal operation, and perform system repair or environmental reconstruction after eliminating information security risks.
 - C. After the operation is normal, data recovery and data reset will be performed.
 - ④Review/Drill:
 - A. When the disaster is resolved and recovered, the information unit shall record the cause of the event, disaster response, recovery process, and review and improvement plan.
 - B. Information unit needs to conduct drills on the computers for major equipment in accordance with disaster recovery procedures. Information security incident drills are carried out once a year to confirm the effectiveness of the system, and the drill process must be recorded.

4. Resources invested in the information and communication security management

The Company continues to invest resources in the information and communication security management. The investment include improving the security infrastructure in terms of governance and technology, strengthening information security defense equipment, and education and training. Information system security is regularly updated. Employees' information security awareness is

strengthened. Conferences and intranet websites are used to promote information security awareness to colleagues. If there is any suspicious information or email, do not open it to avoid hacker attacks and update information security equipment in a timely manner to optimize the protective effect.

- (2) List the losses, possible impacts and countermeasures caused by major information security incidents in the most recent year and up to the date of publication of the annual report. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be stated: None.

7. Important contracts

Listed below are significant agreements that are effective as of the printing date of this annual report:

Nature	Contracting party	Commencement date and termination date	Main contents	Restrictions
Agency agreement	Ripsey Corporation	From 1998.02.16; automatically extended annually if not terminated in writing by either party in advance.	Agency rights to chemical mechanical polishing brush.	For use in Taiwan and China
Agency agreement	ADEKA Corporation	From 2012.01.18; the validity is 5 years. and if ADEKA provides no written notification for terminating the 90 days before the expiry date, the contract will be renewed automatically.	Agency rights for semiconductor process precursor gas material	For use in Taiwan
Agency agreement	Taisei Corporation	From 2012.11.16; the contract will be renewed for a year automatically after the expiry date.	Agency rights for anti-Vibration System	For use in Taiwan
Agency agreement	Lasertec Corporation	Automatically renewed annually unless either party provides written notice at least 60 days prior to expiry date.	Agency rights for panel photomask inspection equipment and laser confocal scanning microscope.	For use in Taiwan and China
Agency agreement	AIMECHATEC, Ltd.	The validity period is two years (until 2025/10/31).	Agency rights for wafer bonding process-related equipment and photoresist removal machines.	For use in Taiwan and China
Agency agreement	Athlete FA Corporation	Automatically extended each year. If there are no objections, the contract will be renewed unconditionally with no termination date.	Agency rights for ball placement machines, ball repair machines, and debonding machines.	For use in Taiwan and China

Part 5. Review and Analysis of Financial Position and Financial Performance, and Risks Assessment

1. Financial position

1) Analysis of the consolidated financial situation (consolidated financial statement)

1. The main reasons and the effects for any material changes in assets, liabilities, or equity during the past two fiscal years

Unit: NT\$, thousands

Description	Year	December 31, 2024	December 31, 2023	Difference	
				Amount	%
Current assets		37,953,602	39,459,227	(1,505,625)	(3.82)
Property, plant and equipment		3,445,599	2,414,956	1,030,643	42.68
Intangible assets		97,135	98,634	(1,499)	(1.52)
Other assets		5,160,987	4,723,887	437,100	9.25
Total assets		46,657,323	46,696,704	(39,381)	(0.08)
Current liabilities		29,549,532	30,223,059	(673,527)	(2.23)
Non-current liabilities		5,081,921	5,237,606	(155,685)	(2.97)
Total liabilities		34,631,453	35,460,665	(829,212)	(2.34)
Capital stock		2,013,162	2,013,154	8	0.00
Capital surplus		2,499,572	2,498,186	1,386	0.06
Retained earnings		7,3711,428	6,858,371	613,057	8.94
Other equity interest		(85,078)	(226,430)	141,352	62.43
Equity attributable to shareholders of the parent		11,899,084	11,143,281	755,803	6.78
Non-controlling interests		126,786	92,758	34,028	36.68
Total equity		12,025,870	11,236,039	789,831	7.03
Analysis of Significant Changes in Ratios (For changes exceeding 20% and NT\$100 million in absolute value):					
(1) Increase in Property, plant and equipment:					
The increase was mainly due to the expansion of plant facilities and the acquisition of related operational equipment in fiscal year 2024 to meet operational and production expansion needs.					
(2) Increase in other equity interest:					
The increase was mainly due to a decrease in foreign exchange losses arising from the financial statements translation differences of foreign operations in fiscal year 2024.					
(3) Increase in non-controlling interests:					
The increase was mainly due to a increase in percentage of ownership and equity from non-controlling interests in fiscal year 2024.					

2. Where the effect is of material significance, the annual report shall describe the measures to be taken in response

Changes in the Group's last two annual balance sheets did not have any significant impact. The group continued to focus on improving the business performance, the stability of its earnings and the Company's financial structure in order to reduce the financial burden.

2) Parent Company only Financial Overview (parent company only financial statements)

1. The main reasons and the effects for any material change in assets, liabilities, or equity during the past two fiscal years

Unit: NT\$, thousands %

Description	Year	December 31, 2024	December 31, 2023	Difference	
				Amount	%
Current assets		22,225,609	23,522,368	(1,296,759)	(5.51)
Property, plant and equipment		3,140,722	2,096,066	1,044,656	49.84
Intangible assets		72,173	71,455	718	1.00
Other current assets		7,496,943	7,315,771	181,172	2.48
Total assets		32,935,447	33,005,660	(70,213)	(0.21)
Current liabilities		16,826,927	17,657,733	(830,806)	(4.71)
Non-current liabilities		4,209,436	4,204,646	4,790	0.11
Total liabilities		21,036,363	21,862,379	(826,016)	(3.78)
Capital stock		2,013,162	2,013,154	8	0.00
Capital surplus		2,499,572	2,498,186	1,386	0.06
Retained earnings		7,471,428	6,858,371	613,057	8.94
Other equity interest		(85,078)	(226,430)	141,352	62.43
Total equity		11,899,084	11,143,281	755,803	6.78
Analysis of Significant Changes in Ratios (For changes exceeding 20% and NT\$100 million in absolute value):					
(1) Increase in Property, Plant and Equipment:					
The increase was mainly due to the expansion of plant facilities and the acquisition of related operational equipment in fiscal year 2024 to meet operational and production expansion needs.					
(2) Increase in other equity interest:					
The increase was mainly due to a decrease in foreign exchange losses arising from the financial statements translation differences of foreign operations in fiscal year 2024.					

2. Where the effect is of material significance, the annual report shall describe the measures to be taken in response:

Changes in the Company's last two annual balance sheets did not have any significant impact. The group continued to focus on improving the business performance, the stability of its earnings and the Company's financial structure in order to reduce the financial burden..

2. Financial Performance

1) Consolidated Financial Performance Analysis (consolidated financial statement)

- The main reasons and the effects for any material change in operating revenues, operating income, or income before tax during the past two fiscal years

Unit: NT\$ thousands; %
(Earnings per share in NT\$)

Description \ Year		2024	2023	Amount increased (decreased)	Difference Percentage (%)
Net Operating Income		60,675,104	56,279,732	4,395,372	7.81
Operating Cost		55,398,732	51,032,096	4,366,636	8.56
Gross profit		5,276,372	5,247,636	28,736	0.55
Operating expenses		3,093,977	2,813,262	280,715	9.98
Operating income from operations		2,182,395	2,434,374	(251,979)	(10.35)
Non-operating income and expenses		455,016	402,786	52,230	12.97
Income before tax		2,637,411	2,837,160	(199,749)	(7.04)
Income Tax		880,121	735,931	144,190	19.59
Net Income of Continuing Operations		1,757,290	2,101,229	(343,939)	(16.37)
Other comprehensive income (loss) (after tax)		164,770	(46,685)	211,455	452.94
Total comprehensive income (loss)		1,922,060	2,054,544	(132,484)	(6.45)
Net income attributable to shareholders of the parent		1,800,125	2,161,833	(361,708)	(16.73)
Net income attributable to non-controlling interests		(42,835)	(60,604)	17,769	29.32
Total comprehensive income attributable to shareholders of the parent		1,962,302	2,115,141	(152,839)	(7.23)
Total comprehensive income attributable to the non-controlling interests		(40,242)	(60,597)	20,355	33.59
EPS (NT\$)	Basic EPS for current period	8.94	10.96	(2.02)	(18.43)
	Diluted EPS for current period	8.27	10.47	(2.20)	(21.01)
<p>(1). Explanations for recent two years' trends and changes in gross profit exceeded 20%. (Analysis provided for changes exceeding 20% and NT\$10 million)</p> <p>① Increase in other comprehensive income (loss)(after tax): The increase was mainly due to a increase in foreign exchange gain arising from the translation of financial statements of foreign operations in 2024.</p> <p>② Decrease in net income attributable to non-controlling interests, and in total comprehensive income attributable to the non-controlling interests The decrease was mainly due to a reduction in losses incurred by subsidiaries with non-controlling interests during 2024, leading to a decrease in both net loss and total comprehensive loss attributable to non-controlling interests.</p> <p>③ Decrease in Earnings Per Share (EPS): The decrease was mainly due to a decrease in profit attributable to owners of the parent in 2024.</p> <p>(2) Analysis of changes in gross profit: (2.1) Explanation of Changes: Changes below 20%, thus explanation not provided. (2.2) Price-Volume Analysis: Not applicable.</p>					

2. Sales volume forecast with related assumptions, and its possible impact on the Company's financials and operations as well as the response plans:

The forecast of the Group's sales or service volumes in 2025 aims to assess changes of the industry conditions, future business environment, company and department's operation plans, market supply and demand, and future development plan. It is complied under reasonable assumptions including the operating performance of 2024 and orders to be released. Therefore, it does not have material impacts on the Group's finances.

2) Parent company only financial statements Financial Performance Analysis (parent company only financial statements)

1. The main reasons and the effects for any material change in operating revenues, operating income, or income before tax during the past two fiscal years

Unit: NT\$ thousands; %
(Earnings per share in NT\$)

Description \ Year		2024	2023	Amount increase (decrease)	Difference Percentage (%)
Net Operating Income		29,521,096	28,394,864	1,126,232	3.97
Operating Cost		25,849,127	24,774,033	1,075,094	4.34
Gross profit		3,671,969	3,620,831	51,138	1.41
Operating expenses		1,731,217	1,667,042	64,175	3.85
Operating income from operations		1,940,752	1,953,789	(13,037)	(0.67)
Non-operating income and expenses		246,724	659,652	(412,928)	(62.60)
Income before tax		2,187,476	2,613,441	(425,965)	(16.30)
Income Tax		387,351	451,608	(64,257)	(14.23)
Net income		1,800,125	2,161,833	(361,708)	(16.73)
Other comprehensive income (loss) (after tax)		162,177	(46,692)	208,869	447.33
Total comprehensive income for the year		1,962,302	2,115,141	(152,839)	(7.23)
EPS (NT\$)	Basic EPS for current period	8.94	10.96	(2.02)	(18.43)
	Diluted EPS for current period	8.27	10.47	(2.20)	(21.01)
<p>(1) Explanations for recent two years' trends and changes in gross profit exceeded 20%. (Analysis provided for changes exceeding 20% and NT\$10 million)</p> <p>① Increase in non-operating income and expenses: The increase was mainly due to a decrease in share of loss of subsidiaries, associates and joint ventures accounted for using equity method in 2024.</p> <p>② Increase in net income attributable to non-controlling interests The increase was mainly due to a increase in foreign exchange gain arising from the translation of financial statements of foreign operations in 2024.</p> <p>③ Decrease in Earnings Per Share (EPS): The decrease was mainly due to a decrease in net income in 2024.</p> <p>(2) Analysis of changes in gross profit:</p> <p>(2.1) Explanation of Changes: Changes below 20%, thus explanation not provided.</p> <p>(2.2) Price-Volume Analysis: Not applicable.</p>					

2. Sales volume forecast with related assumptions, and its possible impact on the Company's financials and operations as well as the response plans:

The forecast of the Company's sales or service volumes in 2025 aims to assess changes of the industry conditions, future business environment, company and department's operation plans, market supply and demand, and future development plan. It is compiled under reasonable assumptions including the operating performance of 2024 and orders to be released. Therefore, it does not have material impacts on the Company's finances.

3. Cash Flow

1) Consolidated Financial Performance Analysis (consolidated financial statement)

1. Change in cash flows for the latest year

Unit: NT\$ thousands

Cash and cash equivalents at beginning of period (December 31, 2023)	Net cash flow from operating activities for the entire year	Net cash flow from investing activities for the entire year	Net cash flow from financing activities for the entire year	Effects of exchange rate change on cash	Cash and cash equivalents at end of period (December 31, 2024)
7,210,086	10,917,397	(1,349,135)	(5,685,340)	349,706	11,442,714
<p>Analysis of changes in cash flows for the current year (2024) are as follows:</p> <p>(1) The net cash inflow from operating activities amounted to NT\$10,917,397 thousand. This was mainly due to increased cash collection from accounts receivable and a decrease in cash payments for construction costs.</p> <p>(2) The net cash outflow from investing activities was NT\$ 1,349,135 thousand. This was primarily due to the expansion of plant facilities and the purchase of operational equipment to meet the needs of business and production growth, resulting in a net cash outflow from investing activities..</p> <p>(3) The net cash outflow from financing activities was NT\$ 5,685,340 thousand. This was mainly due to the repayment of bank borrowings and the distribution of cash dividends, resulting in a net cash outflow from financing activities.</p> <p>In summary, the net cash flow for the year of 2024 resulted in a net cash inflow, leading to an increase in cash balance at period end compared to the beginning of the year.</p>					

2. Liquidity analysis in the latest year

Unit: %

Item \ Year	2024	2023	Change (%)
Cash Flow Ratio	36.95	(13.81)	367.56
Cash Flow Adequacy Ratio	77.59	0.76	10,109.21
Cash Reinvestment Ratio	57.64	(33.14)	273.93
<p>Analysis of Percentage Change (increase/decrease) in ratio (for changes greater than 20% between two periods):</p> <p>(1) Increase in cash flow ratio: The increase is primarily attributed to net cash inflow from operating activities in 2024.</p> <p>(2) Increase in cash flow adequacy ratio: The increase is mainly due to the increase in net cash inflow from operating activities over the past five years.</p> <p>Increase in cash reinvestment ratio: The increase is primarily due to net cash inflow from operating activities in 2024.</p>			

3. Liquidity analysis for future year

Unit : NT\$ thousands

Cash and cash equivalents at beginning of period (December 31, 2024)	Net cash flow from operating activities ②	Cash outflow ③	Cash surplus (deficit) ①+②-③	Cash deficiency planning	
				Invesment plans	Financing plans
11,442,714	2,218,977	(1,838,008)	11,823,683	Not applicable	
1. Analysis of Expected Cash Flow Changes in 2025 are as follows: (1) Operating Activities: Net cash inflow from operating activities is expected in the coming year, primarily due to business growth and increased cash collection from accounts receivable. (2) Investing Activities: Net cash outflow from investing activities is anticipated, mainly due to increases in long-term investments, plant expansion, and purchases of equipment and other assets. (3) Financing Net cash outflow from financing activities is expected, primarily due to the planned distribution of cash dividends.					
2. Remedial Measures for Expected Cash Shortfalls and Liquidity Analysis: Not applicable.					

2) Analysis of standalone cash flows (Standalone Financial Statements)

1. Changes of cash flows in the latest year

Unit : NT\$ thousands

Cash and cash equivalents at beginning of period (December 31, 2023)	Net cash flow from operating activities for the entire year	Net cash flow from investing activities for the entire year	Net cash flow from financing activities for the entire year	Cash and cash equivalents at end of period (December 31, 2024)
2,771,744	6,243,527	(1,362,356)	(3,678,682)	3,974,233
<p>Cash Flow Analysis for the Year (FY2024):</p> <p>1. Net Cash Inflows from Operating Activities: Net cash inflows from operating activities amounted to NT\$6,243,527 thousand, primarily due to increased cash collections from accounts receivable and reduced cash outflows for project costs, resulting in a positive cash flow from operations.</p> <p>2. Net Cash Outflows from Investing Activities: Net cash outflows from investing activities totaled NT\$1,362,356 thousand, mainly attributable to the expansion of plant facilities and the acquisition of related operational equipment to support business and production growth, leading to a net outflow in investing activities.</p> <p>3. Net Cash Outflows from Financing Activities: Net cash outflows from financing activities amounted to NT\$3,678,682 thousand, primarily due to loan repayments and the distribution of cash dividends, resulting in a net outflow from financing activities.</p> <p>In conclusion, the Company recorded a net increase in cash for the full year of 2024, resulting in a higher ending cash balance compared to the beginning of the period</p>				

2. Liquidity analysis in the latest year

Unit: %

Item \ Year	2024	2023	Variance(%)
Cash Flow Ratio	37.10	(4.02)	41.13
Cash Flow Adequacy Ratio	9.22	9.22	-
Cash Reinvestment Ratio	34.39	(12.75)	47.14
Analysis of Significant Changes in Ratios (For items with a change exceeding 20% between periods):			
(1) Increase in Cash Flow Ratio: The increase was primarily due to higher net cash inflows from operating activities in fiscal year 2024.			
(2) Increase in Cash Reinvestment Ratio: The increase was mainly attributable to the increase in net cash inflows from operating activities in fiscal year 2024.			

3. Liquidity analysis in the future one year

Unit : NT\$ thousands

Unit : NT\$ thousands					
Cash and cash equivalents at beginning of period (December 31, 2024)①	Net cash flow from operating activities for the entire year②	Cash outflows for the entire year ③	Cash surplus (deficient) ①+②-③	Contingency plans for projected insufficient cash position	
				Invesment plans	Financial plans
3,974,233	1,968,927	(1,428,318)	4,514,842	Not applicable	
(1) Projected Cash Flow Changes for Fiscal Year 2025:					
(a) Operating Activities:					
Net cash inflows from operating activities are expected, primarily due to business growth and increased cash collections from accounts receivable.					
(b) Investing Activities:					
Net cash outflows from investing activities are anticipated, mainly resulting from increased long-term investments, plant expansion, and asset acquisitions such as equipment.					
(c) Financing Activities:					
Net cash outflows from financing activities are expected, primarily due to the planned distribution of cash dividends.					
(2) Measures for Projected Cash Shortfalls and Liquidity Analysis: Not applicable.					

4. Effect upon Financial Operations of any major capital expenditures during the most recent fiscal year:

- 1) Utilization of Major Capital Expenditures in the Most Recent Fiscal Year and Funding Sources: To support future business development, the Company constructed a new plant in the Southern Taiwan Science Park and acquired related auxiliary equipment. Capital expenditures for fiscal year 2024 amounted to approximately NT\$1.06 billion. The funding sources were the Company's operating funds and bank financing.
- 2) Expected benefits: The new facilities are expected to alleviate the shortage of production space and enhance the Group's business development and overall competitiveness.

5. Reinvestment policy for the most recent fiscal year, main reasons for the profits, losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year:

1) Shift Policies in Investment in Recent Years

Based on the requirements of expanding business and enlarge service customers, the Group has invested and set service and dealing bases in China, Singapore, South Korea, Vietnam, Malaysia, Myanmar, Indonesia, Netherland, USA, Japan, Germany Thailand etc, so as to establish sales and service network and service customers in the neighborhood, and thus to improve market share and competitiveness of the Company. In the last year, the group took product development and district development of the industry as the investment spindle and continued expand service fields. With regional resource distribution and integrated flexible scheduling support, the Group gave full play to the complementary synergy effect and improved business efficiency and scale. It will keep a foothold in Asia and become an integrated system service dealer with international reputation for professional high-tech industry process equipment, materials and factory service system facilities etc.

2) Analysis of reasons for profit or loss from investments

In the year 2024, the company recorded an investment loss of NT\$474,746 thousand from equity method investments. The current operations of the investee companies are in line with expectations and planning. The company continues to focus on its core business, concentrating resources to leverage its core competencies and deliver strong operational performance. Any future investments that may generate synergies will be carefully evaluated and supervised.

6. Risks during the most recent fiscal year and as they stood on the printing date of the annual report

- 1) By the latest annual report and the publish date of the annual report this year, the impact of the interest rate, exchange rate changes and inflation on our company and future response measures.
 - (1) The interest rate risk of our group is mainly from bank loans and loans at floating rates which may cause interest rate risk for cash flow. We regularly assess interest rate for bank loan, and closely contact with banks for more favorable borrowing rates in order to lower the impact of interest rate change on the Company. And in the future, we will review and consider the amount and cost of a variety of funding sources for raising the necessary funds.
 - (2) As we operate internationally, the relevant currency risk is mainly from future commercial transactions, recognized assets and liabilities and net investments on foreign organizations. Our group's procurement personnel shall refer to the recent currency trend for the abroad suppliers' quotes to avoid increasing procurement cost due to currency fluctuation. The finance department should occasionally collect exchange rate information for references with exchange rate changes, so the purchase payment shall depend on the level of exchange rate to be paid by our foreign currency cash like U.S. dollars or by our foreign currency deposits account, with offset effect of foreign currency income and expense which the exchange rate changes may cause a certain hedge effect, in order to reduce the harmful impact on the Company due to the exchange rate changes.
 - (3) Our Group pays attention to the inflation all the time: our quotation for import and sales

activities and service transactions is based on the market price in order to reduce influences caused by the inflation.

- (4) 6.1.4 Our group has established appropriate risk management mechanisms, and will continue to monitor changes in interest rate, exchange rate and inflation, in order to avoid any harmful influence on company profit and loss account caused by the aforesaid situations.
- 2) By the latest annual report and the publish date of the annual report this year, the main reasons and future response measures for policy profits or losses of the engaged in high-risk and highly leveraged investments, capital lending to others, endorsement and derivatives financial commodity transactions.
 - (1) Engaging in high-risk and highly leveraged investments and derivatives financial commodity transactions:

We focus upon our business operations, and for ensuring safety of assets, we do not engage in high-risk and highly leveraged investments and derivatives financial commodity transactions. And we shall take more robust fixed time deposits or risk-free bond funds for free capital flows to prevent losses.
 - (2) Capital lending to others:

By the latest annual report and the publish date of the annual report this year, the capital lending to others we engaged in is mainly the short-term financing for working capital needs within company's subsidiaries, which should be operated in accordance with "Operation Procedures for Capital Lending to Others" and the relevant regulations and laws, and the amount of capital lending does not exceed the limit.
 - (3) Endorsement

In recent years and up to the printing of the annual report, the endorsement guarantees provided by the Group include: the Company's bank financing guarantee to its subsidiaries and joint guarantee as required by subsidiaries' construction performance bond; and joint guarantee signed among subsidiaries due to engineering contracting bonds. And such endorsements operation shall be complied with the "Endorsement Operation Procedure" and the relevant regulations and laws, and the amount of endorsements does not exceed the limit.
- 3) The future R&D Plan and estimated R&D cost of the latest year and by the annual report's publish date.

Our company's research and development team has integration capability of high-tech process, automatic control and precision machinery technology in developing high-tech system equipment, which has achieved superb results. In the future, Our company will continue to develop automatic testing equipment and products used in related industries such as semiconductors, LEDs and biotechnology, and will continue to invest in equipment and products that have been successfully developed to improve their performance. The estimated R&D-related expenses that are expected to be invested this year are at least NT\$220 million.
- 4) By the latest annual report and the publish date of the annual report this year, the impact of important domestic and international policy and legislation changes on the Company's financial operations and response measures.

Recent domestic and foreign policy and legislation changes have no obvious effects on our current operations. We will closely monitor the important domestic and foreign policy and legislation changes, and under the quickest condition, assist in the Company's internal transformation and change to enhance the overall operation capacity.
- 5) The Company has dedicated staff that collects the latest industry dynamics and market information. With a strong management team and experienced and excellent professionals, the Company has rich experience in market development, customer relationship management,

marketing and ability to adapt to changes in industry, allowing itself to flexibly react to market dynamics, customer demand, technological development and supply and demand. The Company also actively integrates and introduces advanced products and technology in the role of a supplier and a marketer, instantly and consistently delivers products and the supporting services of applications. Overall, technological change can bring more opportunities to the Company's business development.

As the market development has gradually shifted to Asia, and with the globalization strategy and the establishment of overseas operations of the technology industry in general, the Company establishes offices in China (Shanghai, Wuxi and others), Singapore, Korea, Vietnam, Malaysia, Myanmar, Indonesia Netherlands, United States, Japan, and Germany Thailand to expand its business and serve more clients. In response to technological development, the Company provides international sales of advanced technology, high-tech equipment and materials to reduce the communication barrier.

The Company will make good use of technological and industry changes to enhance its business management capacity and reduce cost to improve the overall competitiveness.

- 6) The impact of image change on the Company's risk management and the response measures for the most recent year and the latest annual report:

The corporate image has always been about modesty and stability. The Company also operates honestly and maintains the shareholders' best interests for the Company philosophy. In addition to improving business growth, the Company also strives for transparency and enhances the relationship with shareholders and various investment institutions. If the media or the outside parties have any questions, the Company maintains its openness and transparency and quickly offers explanation to achieve active communication.

- 7) The expected benefits, possible risk and the response measures of acquisitions of the most recent year and the latest annual report: None.
- 8) The expected benefits, possible risk and the response measures of plant expansion of the most recent year up to the date of the Annual Report:

Due to the business and capacity' expansion, MIC group bought a manufacturing plant in Tainan, to solve the problem of insufficient production area and maintain high capacity demand, and which helps MIC will develop business and increase competitive entirely.

In response to the expansion of business operations and the need for increased production capacity, the Company acquired property right of use from the Southern Taiwan Science Park Administration of the National Science and Technology Development Center in 2024. We plan to construct a new plant in the Southern Science Park, to address the insufficient production area and contribute to business development and overall competitiveness of our group.

- 9) The risks and the response measures of purchase and sales of the most recent year and the latest annual report:
 1. Risks and the response measures for purchase: None.
 2. Risks and the response measures for sales: None.
- 10) The impact and the risks of directors, supervisors and major shareholders with more than ten percent of the equity and the transfer or change of equity in large volume and the response measures for the most recent year and the latest annual report: None.
- 11) The impact and risks of changes in right to operate and the response measures for the most recent year and the latest annual report: None.
- 12) For the most recent year and the latest annual report, any litigation and non-litigation cases of the Company, directors, supervisors, general manager, person in charge, major shareholders

with more than ten percent of the equity and the subsidiaries should be clearly listed. For the results that can potentially present huge impact to the rights of shareholders and share price, the dispute, money, lawsuits starting date and the major parties to the suit should be disclosed:
None

- 13) Other major risks and the response measures of the most recent year and the latest annual report: None

7. Other Important Matters: None.

Part 6. Special Disclosures

1. Information related to the Company's affiliates

1) Consolidated Business Report of Affiliated Enterprises:

Relevant information is available on the Market Observation Post System (MOPS) website (https://mopsov.twse.com.tw/mops/web/t57sb01_q10) under "Electronic Documents Download / Affiliated Enterprises' Three Reports" in the "Individual Company" section.

2) Consolidated Financial Statements of Affiliated Enterprises:

For fiscal year the companies required to be included in the preparation of the Consolidated Financial Statements of Affiliated Enterprises, in accordance with the "Guidelines for the Preparation of the Consolidated Business Report, Consolidated Financial Statements, and Affiliation Report of Affiliated Enterprises," are identical to those required under IAS 27 "Consolidated and Separate Financial Statements" for parent-subsidary consolidated financial statements. As the required disclosures have already been included in the aforementioned parent-subsidary consolidated financial statements, a separate set of consolidated financial statements of affiliated enterprises is not prepared. Relevant information can be found on the MOPS website (https://mopsov.twse.com.tw/mops/web/t57sb01_q1) under "Electronic Documents Download / Financial Reports" in the "Individual Company" section.

3) Affiliation Report:

Relevant information is available on the MOPS website (https://mopsov.twse.com.tw/mops/web/t57sb01_q10) under "Electronic Documents Download / Affiliated Enterprises' Three Reports" in the "Individual Company" section.

2. Status of Private Placements of Securities in the Most Recent Fiscal Year and Up to the Date of Publication of the Annual Report: None

3. Other matters that require additional disclosures: None

Part 7 Situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act of Taiwan, which might materially affect Shareholders' Equity or the price of the Company Securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report:
None.