

Stock code: 6104



Genesys Logic, Inc.

2024 Annual Report

Printed on: April 23, 2025

Annual Report is available at
Taiwan Stock Exchange Market Observation Post System <http://mops.twse.com.tw>
Company Website <https://www.genesyslogic.com.tw>

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Spokesperson

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Acting Spokesperson

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5. Overseas Security Exchange Listing: N.A.

6. Company Website: <https://www.genesyslogic.com.tw>

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One. Letter to Shareholders

Ladies and gentlemen:

I want to begin by thanking all the shareholders who joined us at the 2025 Annual Shareholders' Meeting for the Company.

The global economy in 2024 is highly uncertain. The monetary policies, trade disputes and technology competition in major economies are intensifying, causing great impact on the semiconductor industry. The "Chip Act" adopted in the U.S. continues to promote the return of the semiconductor supply chain the U.S. As the US-China technology war is elevated, tariffs and technology control are becoming more stringent. In addition, the weak domestic demand and the excessive production capacity in China, companies are facing the pressure of inventory adjustment. All of these factors are expected to further accelerate the regionalization and restructuring of the global supply chain. In response to the changes in the industry, the Company actively strengthens the management of the supply chain and market deployment, in order to reduce the impact of political and market risks and to ensure the steady growth of business.

With the fast growth of AI applications and accelerated global corporate digital transformation, the semiconductor industry benefits from the increasing demand for cloud computing and information and communication technologies. In addition, as the market demand is driven to increase by the gradual recovery of consumer electronics applications, the Company's revenue maintains a stable growth. In 2024, the Company will continue to improve the product portfolio. In addition to the development of faster USB4, PCI Express 5.0 and SD 8.0 series of products, we will also invest resources to optimize the existing product lines, thereby reducing chip power consumption and increasing profits at the same time. The Company also invests resources in the research and development of new-generation of image control chips, in order to expand the high value-added product line, to achieve the goal of developing new product lines and to expand new markets

Below is a summary of the 2024 business results and 2025 business plan:

I. The 2024 business results are explained in the following:

The consolidated operating revenue in 2024 reached NT\$3,178,690 thousand, a growth of 26.4% from 2023. The gross margin was 44.4%, a growth of 2.1% from 42.3% in 2023. This is mainly due to the impact of inventory valuation losses in 2023. The 2024 destocking has been completed and inventory has returned to a relatively healthy level, which also shows that the optimized product portfolio of the Company has a positive impact on achieving stable profitability. The operating expenses in 2024 were NT\$1,101,050 thousand, an increase of 15.6% from 2023, mainly due to continued investment in R&D resources. The net profit after tax in 2024 reached NT\$304,340 thousand, a significant increase of 216.6% from 2023, and the earnings per share was NT\$3.37, indicating that the Company's operating performance and market competitiveness have significantly improved.

Unit: Thousand NT\$

Item	2024	2023	Increase (decrease) amount
Net consolidated revenue	3,178,690	2,515,564	663,126
Net post-tax consolidated profit or loss	304,340	96,124	208,216

II. Summary of 2025 Business Plan

Looking ahead to Year 114, the global technology industry is expected to continue its growth, driven by strong demand in AI applications, cloud computing, 5G technologies, and automotive electronics. However, geopolitical risks, global supply chain restructuring, and regional competition remain key challenges. Our company will build on a foundation of steady growth, continuously driving innovation and strengthening market presence. We will focus on three strategic directions to address market and technological challenges, ensuring long-term competitiveness and optimal operational performance.

III. Future Strategic Directions

1. Focusing on key product development

USB transmission technology and PCI Express communication protocol have become the standard specifications for high-performance computing and information and communication equipment. The Company will continue to strengthen the technology research and development of high-speed serial interface of USB 4, PCI Express and SD. In addition, the Company will also enhance the competitiveness of existing products and actively increase the product added-value of products developed for new application fields of information and communication, industry, automotive electronics and AI, in order to expands the market share.

2. Strengthening customer relationships

In the post-pandemic era, the market has become increasingly competitive. The Company will enhance its technology integration, strengthen its partnerships with key customers, in order to provide complete and timely technical support, and to meet customer needs and ensure long-term cooperation. In addition, the Company will also actively expand new applications and new markets, and increase product introduction rates, in order to expand the customer base.

3. Enhancing supply chain management

In the face of changes in the global supply chain, the Company will enhance supply chain management in response to the actual situation, and will continue to increase the flexibility of production, in order to ensure that the launch schedule and market demand of new products are simultaneously, and to also optimize the cost structure, thereby improving the overall operating efficiency. Through a variety of supply chain strategies, we aim to reduce reliance on a single region or supplier, in order to reduce the impact of external risks.

IV. Impact of External Competitive, Regulatory, and Macroeconomic Environments

Global competition in the technology industry is intensifying, and the speed of innovation in new technologies and the timely entry of new products into the market have become decisive factors for success. At the same time, countries around the world are implementing increasingly stringent regulations concerning cybersecurity, data protection, and AI applications. Companies must continuously adjust their product designs

and market strategies to respond to these changes and proactively develop corresponding measures. In addition, various economic factors—such as inflationary pressures, exchange rate fluctuations, and rising energy costs—will continue to impact operational expenses and investment decisions.

The management team of the Company will uphold the business principles of active and stable operations. We will focus on technology research and development based on the annual development goals set, actively promote product sales and market development, and improve long-term competitive advantages, in order to achieve sustainable growth momentum. We will also create a new peak of corporate value for our shareholders, employees, and all stakeholders.

Lastly, I would like to extend my warmest wishes of health and success to all shareholders. Thank you.

Chairman and President: Kuo-Chao Wang

Vice President: Wang Li-Wei

(I) Operating performance:

In 2024, the Company recorded consolidated revenue of NT\$3,178,690 thousand, an increase of 26.4% compared to 2023. The gross profit margin for 2024 was 44.4%, up 2.1 percentage points from 42.3% in 2023. Operating expenses for 2024 totaled NT\$1,101,050 thousand, representing an increase of 15.6% compared to 2023. Net profit after tax for 2024 was NT\$304,340 thousand, an increase of 216.6% compared to 2023. Earnings per share (EPS) for 2024 was NT\$3.37.

(II) Implementation status of the budget

The Company did not make public its 2023 financial forecast.

(III) Financial income and expenses and profitability analysis:

Genesys Logic, Inc. is concentrating on its development in the IC design industry. It adopts a conservative and cautious approach to its financial operations. It maintains its financial structure, solvency, and profitability at a certain level and continues to strive for progress. Below is a comparison in this regard:

Item		2023	2024
Financial structure	Debt-to-assets ratio (%)	42	39
	Long-term capital to property, plant, and equipment (%)	247	217
Solvency	Current ratio (%)	239	166
	Quick ratio (%)	155	127
	Interests coverage multiplier (%)	7	24
Profitability	Return on assets (%)	2	9
	Return on equity (%)	5	15
	Net profits before tax to paid-in capital (%)	12	38
	Net profit margin (%)	4	9
	Earnings per share after retrospective adjustment.	1.07	3.37

Note: Financial ratios on a consolidated basis.

(IV) Research and Development:

The Company is mainly engaged in the development, production, testing, and sale of integrated circuit, computer peripherals, and related products, providing total solutions to clients such as consumer electronics producers and system manufacturers. The Company's core strength lies in the progress and utilization of high-speed SerDes technology. Aside from the USB4@3.2 technology, the Company also invests more resources in the development of high-speed SerDes interface technology, so as to grasp the trend of development of new technologies across domains and platforms and seize the opportunities on the application market. In terms of product planning, the Company will, as always, lead the market and innovate its products. By aggressively developing diversified, high-added-value niche products with differentiated specifications, the Company improves its product quality; by enhancing its execution effectiveness, The Company slowly increases its product applications' foothold on the niche market. In doing so, it enriches its product portfolio and boosts profit potential, thereby sharpening market competitiveness.

The Company is devoted to introducing up-to-date process technologies to foster product competitiveness and enable customers to maximize their product advantages. In the future, by utilizing the strong connection between industry players in the semiconductor eco-system, the Company will be able to expand its products into the vertical application market and convey the product value to end customers. The ensuing data displays a comparison of R&D expenses on an annual basis.

Unit: Thousand NT\$

Item \ Year	2023	2024
Research and development expenses	715,074	808,832
Operating revenue	2,515,564	3,178,690
R&D expenses / operating revenue	28.43%	25.44%

Note: Meaning the consolidated statement of comprehensive income.

Two. Corporate Governance Report

I. Profile of directors of the board, supervisors, president, vice presidents, associate vice presidents, managers of departments and branches

(I) Information on directors

Information on directors

April 13, 2025

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected (Assuming Office)	Term of Office	Date first elected	Shareholding when elected		Shareholding now		Shareholding of spouse and minor children now		Shareholding in the name of others		Main career (academic) achievements	Concurrent duties in the Company and other companies	Spouse or relatives within the second degree of kinship who are managerial officers or Company directors			Note
							Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Title	Name	Relation	
Chairman	Republic of China	Guo-Zhao Wang	Male 71-80	113.06.13	3 years	93.06.18	536,681	0.59%	636,681	0.70%	5,477,815	6.02%	None	None	Manager, Institute of Electronics Industry, INDUSTRIAL TECHNOLOGY RESEARCH INSTITUTE (ITRI) Master of Electrical Engineering, Illinois Institute of Technology Bachelor of Electrical Engineering, National Cheng Kung University	The Company's Chairman, President, and CEO Chairman and president of the SYNTEK SEMICONDUCTOR CO.,LTD. Chairman and president, ISOFT SILICON INC. Chairman of the BROADWAY SYSTEM, INC. CEO, Genesys Logic America, Inc.	Director	Man-Ping Chin	Spouse	Note 2
Director	Republic of China	Man-Ping Chin	Female 71-80	113.06.13	3 years	88.06.22	5,477,815	6.04%	5,477,815	6.02%	636,681	0.70%	None	None	Chairman and director, Genesys Logic, Inc. Assistant manager, Taiwan Business Bank Co., Ltd. Bachelor of Business Administration, National Chung Hsing University	Director of the BROADWAY SYSTEM, INC.	Director	Kuo-Chao Wang	Spouse	None
Director	Republic of China	Chih-Jung Lin (Note3)	Male 51-60	110.08.04	3 years	98.06.16	324,845	0.36%	183,845	0.20%	0	0.00%	None	None	Genesys Logic, Inc.'s president, vice president, CTO, and senior manager Chairman, BROADWAY SYSTEM, INC. Research fellow at Acer Laboratory Inc. Master of Computer Science, National Chiao Tung University	The Company's CTO Representative of a corporate director, BROADWAY SYSTEM, INC. Director, of the Genesys Logic America, Inc.	None	None	None	None
Director	Republic of China	Guoyu Investment Co., Ltd.	-	113.06.13	3 years	107.06.15	1,056,000	1.16%	1,056,000	1.16%	0	0.00%	None	None	Director, Genesys Logic, Inc.	None	-	-	-	None
	Republic of China	Representative Shu-Hua Tsai	Female 51-60	113.06.13	3 years	107.06.15	2,000	0.00%	2,000	0.00%	0	0.00%	None	None	Chief of the Financial Section, SYNTEK SEMICONDUCTOR CO.,LTD. Department of Accounting and Statistics, Shih Chien Junior College	Chief of the Financial Section, ISOFT SILICON INC.	None	None	None	None
Director	Republic of China	Shih Chuang Investment and Development Co., Ltd. (Note 4)	-	110.08.04	3 years	98.06.16	2,104	0.00%	2,104	0.00%	0	0.00%	None	None	Director, Genesys Logic, Inc. Supervisor, Genesys Logic, Inc.	None	-	-	-	None
	Republic of China	Representative Chin-Kuo Chen	Male 61-70	110.08.04	3 years	104.06.24	2,904	0.00%	2,904	0.00%	0	0.00%	None	None	Research and Development Vice President, SYNTEK SEMICONDUCTOR CO.,LTD. Department of Electronic Engineering, Taipei Institute of Technology	CTO of the BROADWAY SYSTEM, INC. President of the SYNTEK SEMICONDUCTOR CO.,LTD.	None	None	None	None
Director	Republic of China	Shih ding Co., Ltd. (Note 5)	-	113.06.13	3 years	113.06.13	484,267	0.53%	484,267	0.53%			None	None	None	None	-	-	-	None
	Republic of China	Representative Chin-Kuo Chen	Male 61-70	113.06.13	3 years	104.06.24	2,904	0.00%	2,904	0.00%	0	0.00%	None	None	Research and Development Vice President, SYNTEK SEMICONDUCTOR CO.,LTD. Department of Electronic Engineering, Taipei Institute of Technology	CTO of the BROADWAY SYSTEM, INC. President of the SYNTEK SEMICONDUCTOR CO.,LTD.	None	None	None	None

Independent director	Republic of China	Yen-Ching Tsai	Male 61-70	113.06.13	3 years	95.06.14	0	0.00%	0	0.00%	0	0.00%	None	None	Dean of the Department of Accounting and Director of the Institute of Accounting, National Taiwan University Chair of the Taiwan Financial Reporting Standards Committee, Accounting Research and Development Foundation (ARDF) CEO of the Financial Accounting Standards Committee, Accounting Research and Development Foundation (ARDF) External member of the Securities Listing Review Committee of Taiwan Stock Exchange (TWSE) PhD in Accounting, University of California, Los Angeles	Independent director, YULON MOTOR CO.,LTD. Independent director, Cowealth Medical Holding Co., Ltd. Advisor of the Taiwan Financial Reporting Standards Committee, Accounting Research and Development Foundation (ARDF) Convener of the Committee on Promotion of Adoption of International Financial Reporting Standard (IFRS) No.17 "Insurance Contract" in Taiwan under the Taiwan Insurance Institute Member of the Management Committee of the Financial Restructuring Fund, Central Deposit Insurance Corporation	None	None	None	None
Independent director	Republic of China	Sheng-Nien Yeh (Note 3)	Male 71-80	110.08.04	3 years	103.06.19	0	0.00%	0	0.00%	0	0.00%	None	None	Dean of Academic Affairs, Professor of the Department of Electrical Engineering, and honorary professor at National Taiwan University of Science and Technology. Founder and chairman, Taiwan Power Electronics Association independent director, Tyson Bioresearch Inc. PhD in Electrical Engineering, University of Wisconsin-Madison Master of Electrical Engineering, University of North Dakota Bachelor of Electrical Engineering, National Cheng Kung University	Honorary Professor, National Taiwan University of Science and Technology Director, Chinese Association for Industrial Technology Advancement Director, Satellite and Cable TV Technology Association	None	None	None	None
Independent director	Republic of China	Sung-Yuan Wang	Male 61-70	113.06.13	3 years	110.08.04	0	0.00%	0	0.00%	0	0.00%	None	None	Ph.D., in Chemistry from Michigan State University, USA Assistant professor, Technology & Science Institute of Northern Taiwan Associate Research Fellow, Department of Medical Research, MacKay Memorial Hospital Associate Research Fellow, Department of Medical Research, Taipei Veterans General Hospital Member of the Patent Review Committee, Intellectual Property Office, MOEA	Assistant professor of the Department of Food, Nutrition, and Healthcare, and Biotechnology, Shih Chien University Member of the National Standards and Technology Committee of the Bureau of Standards, Metrology and Inspection of the Ministry of Economic Affairs, and an advisory member of the Patent and Administrative Litigation Advisory Committee of the Judicial Yuan.	None	None	None	None
Independent director	Republic of China	Yi-Yuan Shao	Female 61-70	113.06.13	3 years	110.08.04	0	0.00%	0	0.00%	0	0.00%	None	None	Ph.D., Department of Cereal Science, Kansas State University, USA Member of the Hazard Analysis and Critical Control Point System (HACCP) Committee, Ministry of Health and Welfare Member of the Advisory Committee in Food Testing Methods, Taiwan Food and Drug Administration, Ministry of Health and Welfare Director of the 13th board of directors, CHINA GRAIN PRODUCTS RESEARCH AND DEVELOPMENT INSTITUTE Director of the 3rd board of directors, Taiwan Grain Industry Association (TGIA)	Associate professor of the Department of Food, Nutrition, and Healthcare, and Biotechnology, Shih Chien University	None	None	None	None
Independent director	Republic of China	Shang-Wu Yu (Note 6)	Male 61-70	113.06.13	3 years	113.06.13	0	0.00%	0	0.00%	0	0.00%	None	None	PhD in Finance, University of Birmingham, UK Dean, College of Business Management, Jinwen University of Science and Technology Chair Professor and Dean, College of Management and Languages, Yuanpei University of Medical Technology Professor, and Chair of Department of Information Management and Dean of Office of Student Affairs, National Taiwan University of Science and Technology Vice President and Dean of the College of Management, Tunghan University Distinguished Professor and Dean, College of Information, Takming University of Science and Technology Director (and public stock representative), First Financial Holding Co., Ltd. Corporate Director Representative, First Commercial Bank Corporate Director Representative, Kuo Chi Tung Securities Co., Ltd. Public-wellbeing director of TWSE (assigned by Financial Supervisory Commission) Independent Director, Taishin Holdings Co., Ltd. Supervisor, Taiwan Institute of Economic Research	Honorary Chair Professor, College of Management and Design, Ming Chi University of Technology Independent Director, Visgeneer Inc. Independent Director, TXC CORPORATION; Member and Convener of the Compensation Committee, Audit Committee, and Investment Review Committee	None	None	None	None

Independent director	Republic of China	Ming-Te Hsieh (Note 6)	Male 61-70	113.06.13	3 years	113.06.13	0	0.00%	0	0.00%	0	0.00%	None	None	PhD, Department of Electronic Engineering, Michigan State University Dean, NCKU Miin Wu School of Computing, National Cheng Kung University Chairman, Taiwan IC Design Society Dean, Department of Electrical Engineering, National Cheng Kung University Deputy Director General, Information and Communications Research Laboratories, Industrial Technology Research Institute (ITRI)	Bachelor, Department of Electrical Engineering, National Cheng Kung University Chief Technology Officer, Electronics and Optoelectronic System Laboratories, Industrial Technology Research Institute Independent Director, Alpha Networks Inc.	None	None	None	None
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- Note : 1. As of the book closure date on April 13, 2025, the Company has issued a total of 91,027,474 shares.
2. The Company's chairman and president. This is to improve the operational efficiency and, together with the vice presidents, improve the Company's overall R&D technology. The Company already set up (an) additional seat(s) of independent director in 2021.
3. The term of office of the Directors, Chih-Jung Lin and Sheng-Nian Yeh, expired on June 13, 2024.
4. The term of office of the institutional director Shih Chuang Investment Investment and Developme expired on June 13, 2024.
5. Corporate Director Shih Ding was appointed on June 13, 2024.
6. Independent Director Shang-Wu Yeh and Independent Director Ming-De Hsieh were appointed on June 13, 2024.

Table 1: Major shareholders of corporate shareholders

April 13, 2025

Name of corporate shareholder	Major shareholders of corporate shareholders
Guoyu Investment Co., Ltd.	Guo-Zhao Wang (99.9989%)
	Others (0.0011%)
Shih Ding Co., Ltd.	Man-Ping Chin (99.9038%)

Information on directors (II)

(I) Disclosure of professional qualifications of directors and independence of independent directors:

April 13, 2025

Name	Criteria	Professional qualifications and experience	Independence (Note 1)	Number of other public companies in which the individual is concurrently serving as an independent director
Guo-Zhao Wang		For the professional qualifications and experience of directors, see Information on directors (I) on p.6-8 of this annual report and Professional background and industry competency on p.10-11 of this annual report.	Not a person with any of the circumstances under Article 30 of the Company Act.	0
Man-Ping Chin				0
Chih-Jung Lin (Note 1)				0
Representative of Shih Chuang Investment and Development Co., Ltd.: Chin-Kuo Chen (Note 2)				0
Shih Ding Co., Ltd. Representative: Chin-Kuo Chen (Note 3)				0
Representative of Guoyu Investment Co., Ltd.: Shu-Hua Tsai				0
Yen-Ching Tsai		For the professional qualifications and experience of independent directors, see Information on directors (I) on p.6-8 of this annual report and Professional background and industry competency on p.10-11 of this annual report.	Not a person with any of the circumstances under Article 30 of the Company Act. (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), (11)	1
Sheng-Nien Yeh (Note 1)				0
Sung-Yuan Wang				0
Yi-Yuan Shao				0
Shang-Wu Yu (Note 4)				2
Ming-Te Hsieh (Note 4)				1

Note 1 : The term of office of the Directors, Chih-Jung Lin and Sheng-Nian Yeh, expired on June 13, 2024.

2 : The term of office of the institutional director Shih-Chuang Investment expired on June 13, 2024.

3 : Corporate Director Shih-Ding was appointed on June 13, 2024.

4 : Independent Director Shang-Wu Yeh and Independent Director Ming-De Hsieh were appointed on June 13, 2024.

Note 1: The table above discloses the compliance with the independence requirement on independent directors during their term of office and during the two years prior to their taking office:

- (1) Not an employee of the Company or its affiliates.
- (2) Not a director or supervisor of the Company or its affiliates.
- (3) Not a natural-person shareholder holding more than 1% of the total number of issued shares or among the top 10 natural-person shareholders in the name of itself, its spouse, minor children or others.
- (4) Not a managerial officer under (1) or a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship under (2), (3).
- (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act.
- (6) Not a director, supervisor, or employee of another company whose majority board seats or voting shares are controlled by the person who controls majority board seats or voting shares of the company.

- (7) Not a director, supervisor, or employee of another company or institution whose chairman, president, or a person holding equivalent positions are the person who is the chairman, president, or a person holding equivalent positions of the company.
- (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company.
- (9) Not a professional, sole proprietor, partner, owner of a company or institution, director, supervisor, managerial officer or its spouse that provides the Company or affiliates with audit services or commercial, legal, financial, accounting or related services with a cumulative amount of remuneration in the last two years exceeding NT\$500,000. However, this restriction does not apply to a member of the Remuneration Committee, public tender offer review committee, or special committee for merger and acquisition, which exercises powers of office pursuant to the Securities and Exchange Act, the Business Mergers and Acquisitions Act, or relevant laws or regulations.
- (10) Not a person who has a spouse or relatives of second degree of kinship with other directors.
- (11) Not a person elected in the capacity of the government, a juristic person, or a representative as provided in Article 27 of the Company Act.

II. Diversity and Independence of the Board of Directors:

(I) Diversity and Independence of the Board of Directors:

According to Article 23 of the “Corporate Governance Best Practice Principles”, the Board of Directors shall consider diversity when it comes to board membership, shall formulate proper diversity policy suitable for its operation, business model, and development needs, and shall possess the knowledge, skills, and literacy required for performing their duties. To achieve the ideal of corporate governance, the Board of Directors as a whole must possess the following capabilities:

1. Operational judgment capability
2. Accounting and financial analysis capability
3. Business management capability
4. Crisis Handling capability
5. Industry knowledge
6. Cosmopolitan market view
7. Leadership capability
8. Decision-making capability

The Company’s Board of Directors is composed of 9 directors, including 5 independent directors and 4 directors. The Company highly regards gender equity among board members. Currently, the Board of Directors has 3 female directors (33%) and 6 male directors (67%). Directors are professionals with an industrial, technological, financial, or accounting background and possess experience in related industries.

Title	Name	Gender	Age	Nationality	Term and seniority of independent director	Concurrently serving as the Company’s employee	Professional background and industrial competency					
							Financial accounting	Manufacturing	Business administration	Industry experience	Risk management	Academic research
Chairperson	Guo-Zhao Wang	Male	71-80	Republic of China	-	√		√	√	√	√	
Director	Man-Ping Chin	Female	71-80	Republic of China	-		√		√		√	
Director	Chih-Jung Lin (Note 1)	Male	51-60	Republic of China	-	√		√	√	√	√	
Director	Guoyu Investment Co., Ltd.	-	-	Republic of China	-		√		√		√	
Director representative	Shu-Hua Tsai	Female	51-60	Republic of China	-		√		√		√	
Director	Shih Chuang Investment and Development Co., Ltd. (Note 2)	-	-	Republic of China	-		√		√		√	
Director	Shih ding Co., Ltd. Representative: Chin-Kuo Chen (Note3)	-	-	Republic of China	-		√		√		√	
Director representative	Chin-Kuo Chen	Male	61-70	Republic of China	-			√		√	√	
Independent director	Yen-Ching Tsai	Male	61-70	Republic of China	More than 9 years		√		√		√	√
Independent director	Sheng-Nien Yeh (Note 1)	Male	71-80	Republic of China	3-9 years			√	√	√	√	√
Independent director	Sung-Yuan Wang	Male	61-70	Republic of China	3-6 years				√		√	√
Independent director	Yi-Yuan Shao	Female	61-70	Republic of China	3-6 years				√		√	√
Independent director	Shang-Wu Yu (Note 4)	Male	61-70	Republic of China	under 3 years		√		√	√	√	√
Independent director	Ming-Te Hsieh (Note 4)	Male	61-70	Republic of China	under 3 years				√	√	√	√

Note 1 : The term of office of the Directors, Chih-Jung Lin and Sheng-Nian Yeh, expired on June 13, 2024.

2 : The term of office of the institutional director Shih Chuang Investment expired on June 13, 2024.

3 : Corporate Director Shih Ding was appointed on June 13, 2024.

4 : Independent Director Shang-Wu Yeh and Independent Director Ming-De Hsieh were appointed on June 13, 2024.

Description of the policy and goals regarding board diversity, and the achievement thereof:

Goals:	Achievement status
The number of directors who are also the Company's manager should not exceed one third of all director seats.	Achieved
Independent directors shall not be less than 3 seats.	Achieved
At least 2 board members are a professional with a financial or accounting background or have worked in a managerial position.	Achieved
At least one director shall be a female director.	Achieved
Sufficient, diversified professional knowledge and skills	Achieved

(II) Background information on directors, the President, vice presidents, associate vice presidents, and heads of various departments and branches

Background information on directors, the President, vice presidents, associate vice presidents, and heads of various departments and branches

April 13, 2025

Title	Nationality	Name	Gender	Date Elected (Assuming Office)	Shareholding		Shareholding of spouse and minor children now		Shares held in the name of other persons		Main career (academic) achievements	Concurrent duties in the Company and other companies	Managerial officers with spouses or relatives with a second degree of kinship			Note
					Shares	Shareholding percent age	Shares	Shareholding percent age	Shares	Shareholding percent age			Title	Name	Relation	
Chairman and General Manager	Republic of China	Guo-Zhao Wang	Male	2014.01.01	636,681	0.70%	5,477,815	6.02%	None	None	Manager, Institute of Electronics Industry of the INDUSTRIAL TECHNOLOGY RESEARCH INSTITUTE (ITRI) Master of Electrical Engineering, Illinois Institute of Technology Bachelor of Electrical Engineering, National Cheng Kung University	Chairman and president, of the SYNTEK SEMICONDUCTOR CO.,LTD. Chairman and president of the ISOFT SILICON INC. Chairman of the BROADWAY SYSTEM, INC. CEO of the Genesys Logic America, Inc.	None	None	None	Note
Chief Technology Officer (CTO) (Note 2)	Republic of China	Chih-Jung Lin	Male	2022.02.01	183,845	0.20%	0	0%	None	None	President, vice president, CTO, and senior manager of the Genesys Logic, Inc Chairman of the BROADWAY SYSTEM, INC. Research fellow of the Acer Laboratory Inc. Master of Computer Science, National Chiao Tung University	Representative of a corporate director, BROADWAY SYSTEM, INC. Director of the Genesys Logic America, Inc.	None	None	None	None
Deputy general manager	Republic of China	Han-Ching Hsieh	Male	2012.12.21	65,000	0.07%	0	0%	None	None	Vice president and division chief of the Genesys Logic, Inc. Chief of the R&D Division, Faraday Technology Corporation Special Assistant to Vice President's Office, Dateng Electronics Senior engineer, United Microelectronics Master of Computer Science, NATIONAL TSING HUA UNIVERSITY	None	None	None	None	None
Deputy general manager	Republic of China	Li-Wei Wang	Male	2022.02.01	31,283	0.03%	0	0%	None	None	Chief operating officer, chief business officer, associate vice president, and senior manager of the Genesys Logic, Inc. President of the BROADWAY SYSTEM, INC. Manager of Marketing Department of the Alcor Micro, Corp. Master of Civil Engineering, National Central University MBA, On-the-job Programs, NATIONAL TAIWAN UNIVERSITY;	Director and secretary of the Eclat Holding Ltd.	None	None	None	None
Deputy general manager	Republic of China	Kai-Chi Chen	Male	2022.02.01	0	0.00%	0	0%	None	None	Vice president, division chief of the Genesys Logic, Inc. Bachelor of Physics, National Taiwan University Ph.D. in Solid State Physics, Paris-Sud University, France Vice president, TAIHAN PRECISION TECHNOLOGIES CO., LTD. Manager, MStar Semiconductor	Representative of a corporate director, BROADWAY SYSTEM, INC.	None	None	None	None
Deputy general manager	Republic of China	Wei-Te Li	Male	2022.02.01	1,000	0.00%	0	0%	None	None	Vice president, Executive Director of the Genesys Logic, Inc. Bachelor, National Taipei University of Technology	None	None	None	None	Note 5
Chief financial officer, chief accounting officer, and chief governance officer	Republic of China	Hui-Mei Wang	Female	2022.12.29	0	0.00%	0	0%	None	None	Manager of the Finance and Accounting Department Auditor, Hsu Hsiu-Chuan CPAs Master's Program in Accounting, Tamkang University	None	None	None	None	None

Note : 1. As of the book closure date on April 13, 2025, the Company has issued a total of 91,027,474 shares.

2. The Company's chairman and president. This is to improve operational efficiency and, together with the vice presidents, improve the Company's overall R&D technology. The Company already set up (an) additional seat(s) of independent directors in 2021.

II. Remuneration paid during the most recent fiscal year to directors, the president, and vice presidents

1. Remuneration paid to directors and independent directors

Unit: Thousand NT\$

Title	Name	Directors' remuneration								Total Remuneration (A+B+C+D) as a % of the Net Income		Remuneration for concurrent duty as an employee								Total Remuneration (A+B+C+D+E+F+G) as a % of the Net Income		Remuneration received from an investee other than a subsidiary, or from the parent company
		Base remuneration (A)		Disability retirement benefit (B)		Remuneration for directors (C)		Fees for professional practice (D)				Salary, bonus, and special reimbursement (E)		Disability retirement benefits (F)		Employee compensation (G) (Note 1)						
		The Company	All companies within the financial statements	The Company	All companies within the financial statements	The Company	All companies within the financial statements	The Company	All companies within the financial statements	The Company	All companies within the financial statements	The Company	All companies within the financial statements	The Company	All companies within the financial statements	The Company		All companies within the financial statements		The Company	All companies within the financial statements	
														Amount in cash	Amount in shares	Amount in cash	Amount in shares					
Chairman	Guo-Zhao Wang																					
Director	Man-Ping Chin																					
Director	Chih-Jung Lin (Note 1)																					
Director	Representative of Shih Chuang Investment Development Co., Ltd.: Chin-Kuo Chen (Note 2)	1,440	1,440	0	0	5,977	5,977	0	0	2.44%	2.44%	10,390	10,390	117	117	1,078	0	1,078	0	6.24%	6.24%	無
Director	Shih Ding Co., Ltd. Representative: Chin-Kuo Chen (Note 3)																					
Director	Representative of Guoyu Investment Co., Ltd.: Shu-Hua Tsai																					
Independent director	Yen-Ching Tsai																					
Independent director	Sheng-Nien Yeh (Note 1)																					
Independent director	Shang-Wu Yu (Note 4)	2,144	2,144	0	0	6,113	6,113	300	300	2.81%	2.81%	0	0	0	0	0	0	0	0	2.81%	2.81%	無
Independent director	Ming-Te Hsieh (Note 4)																					
Independent director	Sung-Yuan Wang																					

Independent director	Yi-Yuan Shao																				
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1. Please describe the remuneration policy, system, criteria, and structure for independent directors, and the relevance of remuneration to factors such as the duty and risk they assume and the time they invest:
 (1) The Company authorizes the Board of Directors and the Remuneration Committee to conduct regular performance assessments every year on the basis of a director's attendance and participation in speech.
 (2) According to Article 20 of the Articles of Incorporation, If the Company makes profits during the year (i.e., profits before tax inclusive of compensation to be distributed to employees and directors), no more than 5% of such profits shall be allocated as director compensation.

2. In addition to as disclosed in the above table, the remuneration received by the directors for their services provided (such as serving as a non-employee consultant for the parent company/any of the consolidated companies/ investees) in the most recent fiscal year: None.

- Note 1: The term of office of the Directors, Chih-Jung Lin and Sheng-Nian Yeh, expired on June 13, 2024.
- 2: The term of office of the institutional director Shih Chuang Investment expired on June 13, 2024.
- 3: Corporate Director Shih Ding was appointed on June 13, 2024.
- 4: Independent Director Shang-Wu Yeh and Independent Director Ming-De Hsieh were appointed on June 13, 2024.
- 5: The employee compensation for 2024 was the amount intended to be distributed.

Table of ranges of remuneration paid to directors and independent directors

Remuneration ranges for the Company directors	Name of director			
	Total amount of the first four remunerations (A+B+C+D)		Remuneration equal to the sum of A, B, C, D, E, F, and G	
	The Company	All companies within the financial statements (H)	The Company	All companies within the financial statements (I)
Less than NT\$1,000,000	Sheng-Nien Yeh, Chih-Jung Lin, Shih Chuang Investment and Development Co., Ltd. Representative Chin-Kuo Chen, Shin Ding Co., Ltd. Representative: Chin-Kuo Chen, Shang-Wu Yu, Ming-Te Hsieh	Sheng-Nien Yeh, Chih-Jung Lin, Shih Chuang Investment and Development Co., Ltd. Representative Chin-Kuo Chen, Shih Ding Co., Ltd. Representative: Chin-Kuo Chen, Shang-Wu Yu, Ming-Te Hsieh	Sheng-Nien Yeh, Shih Chuang Investment and Development Co., Ltd. Representative Chin-Kuo Chen, Shih Ding Co., Ltd. Representative: Chin-Kuo Chen, Shang-Wu Yu, Ming-Te Hsieh	Sheng-Nien Yeh, Shih Chuang Investment and Development Co., Ltd. Representative Chin-Kuo Chen, Shih Ding Co., Ltd. Representative: Chin-Kuo Chen, Shang-Wu Yu, Ming-Te Hsieh
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	Guo-Zhao Wang, Yen-Ching Tsai, Sung-Yuan Wang, Yi-Yuan Shao, Man-Ping Chin, Representative of Guoyu Investment Co., Ltd.: Shu-Hua Tsai	Guo-Zhao Wang, Yen-Ching Tsai, Sung-Yuan Wang, Yi-Yuan Shao, Man-Ping Chin, Representative of Guoyu Investment Co., Ltd.: Shu-Hua Tsai	Yen-Ching Tsai, Sung-Yuan Wang, Yi-Yuan Shao, Man-Ping Chin, Representative of Guoyu Investment Co., Ltd.: Shu-Hua Tsai	Yen-Ching Tsai, Sung-Yuan Wang, Yi-Yuan Shao, Man-Ping Chin, Representative of Guoyu Investment Co., Ltd.: Shu-Hua Tsai
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	-	-	Chih-Jung Lin	Chih-Jung Lin
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	-	-	-	-
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	-	-	-	-
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	-	-	Guo-Zhao Wang	Guo-Zhao Wang
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	-	-	-	-
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)	-	-	-	-
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)	-	-	-	-
More than NT\$100,000,000	-	-	-	-
Total	12	12	12	12

2. Remuneration to supervisors: Not applicable

3. Remuneration to the president and vice presidents

Unit: Thousand NT\$

Title	Name	Salary (A)		Disability retirement benefits (B)		Bonus and special reimbursement (C)		Amount of employee remuneration (D) (Note 1)				Total Remuneration (A+B+C+D) as a % of the Net Income (%)		Remuneration received from an investee other than a subsidiary, or from the parent company
		The Company	All companies within the financial statements	The Company	All companies within the financial statements	The Company	All companies within the financial statements	The Company		All companies within the financial statements		The Company	All companies within the financial statements	
								Amount in cash	Amount in shares	Amount in cash	Amount in shares			
Chief executive officer	Guo-Zhao Wang	19,562	21,112	414	414	6,454	6,454	2,638	0	2,638	0	9.55%	10.06%	None
Deputy general manager	Han-Ching Hsieh													
Deputy general manager	Li-Wei Wang													
Deputy general manager	Kai-Chi Chen													
Deputy general manager	Wei-Te Li													

Note: 1. The employee compensation for 2024 was the amount intended to be distributed.

Table of range of remuneration to the president and vice presidents

Remuneration ranges for the general manager and deputy general manager of the Company	Name of President and vice president	
	The Company	All companies within the financial statements
Less than NT\$1,000,000	-	-
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	-	-
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	Kai-Chi Chen	-
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	-	Kai-Chi Chen
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	Li-Wei Wang, Han-Ching Hsieh, Wei-Te Li	Li-Wei Wang, Han-Ching Hsieh, Wei-Te Li
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	Guo-Zhao Wang	Guo-Zhao Wang
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	-	-
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)	-	-
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)	-	-
More than NT\$100,000,000	-	-
Total	5	5

Note: 1. The information disclosed in this table was the one when they were still in office.

* The remuneration disclosed in this table is different in concept from the income under the Income Tax Act. Therefore, the purpose of this table is for information disclosure and not for tax return purposes.

4. Compare and describe the total remuneration paid to directors, president, and vice presidents in the last 2 years by the Company and all companies in the consolidated financial statements as a % of the net profits after-tax in the parent company only financial statements or individual financial statements, and explain the policies, criteria, combination, the procedures for determining remuneration and the correlation to operating performances and future risks.

Title	Total remuneration, as a percentage of net profit or loss after tax in 2023 to directors, president, and vice presidents	Total remuneration, as a percentage of net profit or loss after tax in 2024 to directors, president, and vice presidents
Director	7.93	5.25
President and vice president	27.78	10.06

- (1) The Company authorizes the Board of Directors and the Remuneration Committee to conduct regular performance assessments every year on the basis of a director’s attendance and participation in speech. The compensation to the Company’s president and vice presidents shall be drafted by the Remuneration Committee based on their performance at work, and shall be submitted to and approved by the Board of Directors before being distributed.
- (2) If the Company makes profits during the year (i.e., profits before tax inclusive of compensation to be distributed to employees and directors), no more than 5% of such profits shall be allocated as director compensation, and no less than 5% of such profits shall be allocated as employee compensation.

Names of managerial officers who are assigned employee remuneration and the status of assignment

April 13, 2025
Unit: Thousand NT\$

	Title	Name	Amount in shares	Amount in cash	Total	Total amount as a % of the net profits after-tax (%)
Managerial officer	Chief executive officer General Manager	Guo-Zhao Wang	0	3,686	3,686	1.21%
	Chief Technology Officer (CTO)	Chih-Jung Lin				
	Deputy general manager	Han-Ching Hsieh				
	Deputy general manager	Li-Wei Wang				
	Deputy general manager	Kai-Chi Chen				
	Deputy general manager	Wei-Te Li				
	Chief financial officer and chief accounting officer Corporate governance officer	Hui-Mei Wang				

Explanation:

1. The employee compensation for 2024 was the amount intended to be distributed

III. Corporate governance implementation

(I) Operation of the Board of Directors

The Board of Directors met 11 times (A) in the last year, and the attendance of directors is as follows:

Title	Name	Number of times of attendance in person [B]	Number of times of attendance by proxy	Actual Attendance Rate (%) (B/A)	Note
Director	Guo-Zhao Wang	11	0	100%	Re-elected on 2024.06.13
Director	Man-Ping Chin	10	1	90.91%	Re-elected on 2024.06.13
Director	Chih-Jung Lin	4	0	100%	Discharged on 2024.06.13 Number of meetings held during the term of office: 4
Director	Shih Chuang Investment and Development Co., Ltd. Representative: Chin-Kuo Chen	4	0	100%	Discharged on 2024.06.13 Number of meetings held during the term of office: 4
Director	Shih Ding Co., Ltd. Representative: Chin-Kuo Chen	6	1	85.71%	Inaugurated on 2024.06.13
Director	Guoyu Investment Co., Ltd. Representative: Shu-Hua Tsai	11	0	100%	Re-elected on 2024.06.13
Independent director	Yen-Ching Tsai	9	2	81.82%	Re-elected on 2024.06.13
Independent director	Sheng-Nien Yeh	4	0	100%	Discharged on 2024.06.13 Number of meetings held during the term of office: 4
Independent director	Sung-Yuan Wang	10	1	90.91%	Re-elected on 2024.06.13
Independent director	Yi-Yuan Shao	11	0	100%	Re-elected on 2024.06.13
Independent director	Shang-Wu Yu	7	0	100%	Inaugurated on 2024.06.13 Number of meetings held during the term of office: 7
Independent director	Ming-Te Hsieh	7	0	100%	Inaugurated on 2024.06.13 Number of meetings held during the term of office: 7

Other matters to be recorded:

I. In the event of any of the following in a Board of Directors meeting, the dates of meeting, session, contents of motions, the opinions of independent directors, and the Company's response to the opinions should be specified:

- (1) For matters specified in Article 14-3 of the Securities and Exchange Act, see "Operation of the Audit Committee" on p.21-22.
- (2) Any other documented objections or qualified opinions raised by an independent director against a board resolution: None

II. In the implementation of a director's recusal for being an interested party in a proposal, the director's name, the proposal content, the recusal reasons and his or her participation in voting should be stated:

Meeting date (N th meeting of the N th term)	Name of director	Proposal content	Reasons for recusal	Participation in voting
2024.01.25 (9-15)	1. Guo-Zhao Wang 2. Chih-Jung Lin 3. Man-Ping Chin 4. Shih Chuang Investment and Development Co., Ltd. Representative: Chin-Kuo Chen 5. Guoyu Investment Co., Ltd. Representative: Shu-Hua Tsai	1. Proposal on salary increase for managers raised by the Company's Remuneration Committee. 2. Proposal on bonus to managers raised by the Company's Remuneration Committee.	1-2. in the left column: Director Kuo-Chao Wang and director Chih-Jung Lin concurrently serve as the Company's CEO and president, respectively. Director Man-Ping Chin, director Chin-Kuo Chen who is the representative of Shih Chuang Investment and Development Co., Ltd., and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. are interested parties.	1 and 2 on the left column: Director Kuo-Chao Wang, director Man-Ping Chin, director Chih-Jung Lin, director Chin-Kuo Chen who is the representative of Shih Chuang Investment and Development Co., Ltd., and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. recused themselves from discussion and voting of this proposal, which was then passed with an approval from all directors present who were consulted by independent director Sheng-Nien Yeh, the

				acting chair.
2024.03.08 (9-16)	1. Guo-Zhao Wang 2. Chih-Jung Lin 3. Man-Ping Chin 4. Shih Chuang Investment and Development Co., Ltd. Representative: Chin-Kuo Chen 5. Guoyu Investment Co., Ltd. Representative: Shu-Hua Tsai	1. Proposal to report to the shareholders' meeting on the 2023 employee compensation proposal raised by the Company's Remuneration Committee. 2. Proposal to report to the shareholders' meeting on the 2023 director compensation proposal raised by the Company's Remuneration Committee.	1-2. in the left column: Director Kuo-Chao Wang and director Chih-Jung Lin concurrently serve as the Company's CEO and president, respectively. Director Man-Ping Chin, director Chin-Kuo Chen who is the representative of Shih Chuang Investment and Development Co., Ltd., and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. are interested parties.	1 and 2 on the left column: Director Kuo-Chao Wang, director Man-Ping Chin, director Chih-Jung Lin, director Chin-Kuo Chen who is the representative of Shih Chuang Investment and Development Co., Ltd., and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. recused themselves from discussion and voting of this proposal, which was then passed with an approval from all directors present who were consulted by independent director Yen-Ching Tsai, the acting chair.
2024.04.26 (9-17)	1. Guo-Zhao Wang 2. Man-Ping Chin (Attended by Director Guo-Zhao Wang) 3. Shih Chuang Investment and Development Co., Ltd. Representative: Chin-Kuo Chen 4. Guoyu Investment Co., Ltd. Representative: Shu-Hua Tsai	1. Proposal to lift the non-competition restrictions on newly appointed directors, to be submitted to the shareholders' meeting for discussion.	1. in the left column: Director Kuo-Chao Wang and Director Man-Ping Chin, director Chin-Kuo Chen who is the representative of Shih Chuang Investment and Development Co., Ltd., and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. are interested parties.	Director Kuo-Chao Wang, director Man-Ping Chin, director Chin-Kuo Chen who is the representative of Shih Chuang Investment and Development Co., Ltd., and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. recused themselves from discussion and voting of this proposal, which was then passed with an approval from all directors present who were consulted by independent director Sheng-Nien Yeh, the acting chair.
2024.05.07 (9-18)	1. Guo-Zhao Wang 2. Chih-Jung Lin 3. Man-Ping Chin 4. Shih Chuang Investment and Development Co., Ltd. Representative: Chin-Kuo Chen 5. Guoyu Investment Co., Ltd. Representative: Shu-Hua Tsai	1. Proposal on the Company's 2023 director remuneration. 2. Proposal on the list of employees allocated employee stock options under the 2022 employee stock option plan and the quantities allotted.	1. in the left column: Director Kuo-Chao Wang and director Chih-Jung Lin concurrently serve as the Company's CEO and president, respectively. Director Man-Ping Chin, director Chin-Kuo Chen who is the representative of Shih Chuang Investment and Development Co., Ltd., and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. are interested parties. 2. in the left column: Director Kuo-Chao Wang and Director Man-Ping Chin, director Chin-Kuo Chen who is the representative of Shichuang Investment and Development Co., Ltd., and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. are interested parties.	1 in the left column: Director Kuo-Chao Wang, director Man-Ping Chin, director Chih-Jung Lin, director Chin-Kuo Chen who is the representative of Shih Chuang Investment and Development Co., Ltd., and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. recused themselves from discussion and voting of this proposal, which was then passed with an approval from all directors present who were consulted by independent director Yen-Ching Tsai, the acting chair. 2 in the left column: Director Kuo-Chao Wang, director Man-Ping Chin, director Chin-Kuo Chen who is the representative of Shichuang Investment and Development Co., Ltd., and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. recused themselves from discussion and voting of this proposal, which was then passed with an approval from all directors present who were consulted by independent director Yen-Ching Tsai, the acting chair.
2024.07.19 (10-1)	1. Guo-Zhao Wang 2. Man-Ping Chin	1. The Company's Remuneration	1-3. in the left column: Director Kuo-Chao Wang and Director	1-3 in the left column: Director Kuo-Chao Wang, director Man-

	3. Shih Ding Co., Ltd. Representative: Chin-Kuo Chen 4. Guoyu Investment Co., Ltd. Representative: Shu-Hua Tsai	Committee's proposal on employee compensation to be distributed to managers of 2023. 2. Proposal on bonus to managers raised by the Company's Remuneration Committee. 3. Proposal on salary increase for managers raised by the Company's Remuneration Committee.	Man-Ping Chin, director Chin-Kuo Chen who is the representative of Shih Ding Co., Ltd., and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. are interested parties.	Ping Chin, director Chin-Kuo Chen who is the representative of Shih Ding Co., Ltd. and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. recused themselves from discussion and voting of this proposal, which was then passed with an approval from all directors present who were consulted by independent director Yen-Ching Tsai, the acting chair.
2025.01.08 (10-5)	1. Guo-Zhao Wang 2. Man-Ping Chin 3. Shih Ding Co., Ltd. Representative: Chin-Kuo Chen 4. Guoyu Investment Co., Ltd. Representative: Shu-Hua Tsai	1. Proposal on bonus to managers raised by the Company's Remuneration Committee.	1. in the left column : Director Kuo-Chao Wang and Director Man-Ping Chin, director Chin-Kuo Chen who is the representative of Shih Ding Co., Ltd. and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. are interested parties.	1 in the left column: Director Kuo-Chao Wang, director Man-Ping Chin, director Chin-Kuo Chen who is the representative of Shih Ding Co., Ltd. and director Shu-Hua Tsai who is the representative of Guoyu Investment Co., Ltd. recused themselves from discussion and voting of this proposal, which was then passed with an approval from all directors present who were consulted by independent director Yen-Ching Tsai, the acting chair.

III. The Company's Board of Directors meeting dated December 26, 2019 resolved to pass the Rules for Performance Evaluation of Board of Directors, by which a self-evaluation or peer-evaluation of the performance of Board of Directors and individual directors is carried out regularly every year starting from 2020, and the results of performance evaluation are also reported. The table below depicts the execution of the evaluation of the performance of the Board of Directors.

(1) Board of Directors

Evaluation frequency	Evaluation period	Evaluation scope	Evaluation method	Evaluation content	Date of report to the Board of Directors
Once a year	2024.01.01~ 2024.12.31	Individual board member.	Self-evaluation of directors	<ul style="list-style-type: none"> · Mastery of the Company's objectives and tasks. · Perception of the responsibilities of directors · The extent of participation in the Company's operations. · Internal relationship management and communication. · Professionalism and continuing education of directors. · Internal control 	2025.03.11
Once a year	2024.01.01~ 2024.12.31	The Board of Directors as a whole	Internal self-evaluation of the board	<ul style="list-style-type: none"> · The extent of participation in the Company's operations. · Improvement in the quality of the board's decision-making. · Composition and structure of the board. · Election and continuing education of directors. · Internal control 	2025.03.11

(2) Functional committee

Evaluation frequency	Evaluation period	Evaluation scope	Evaluation method	Evaluation content	Date of report to the Board of Directors
Once a year	2024.01.01~ 2024.12.31	Audit Committee	Self-evaluation of directors	<ul style="list-style-type: none"> · The extent of participation in the Company's operations. · Perception of the responsibilities of the functional committee · Improvement in the quality of 	2025.03.11

				the functional committee's decision-making. · Composition and re-appointment of functional committee members · Internal control	
Once a year	2024.01.01~ 2024.12.31	Remuneration Committee	Self-evaluation of directors	· The extent of participation in the Company's operations. · Perception of the responsibilities of the functional committee · Improvement in the quality of the functional committee's decision-making. · Composition and re-appointment of functional committee members · Internal control	2025.03.11

IV. An evaluation of targets for strengthening of the functions of the board during the current and immediately preceding fiscal years.

- (1) The Company's Remuneration Committee regularly assesses the executes the standards for managers' salary and employee compensation, and other rewards and incentive plans.
- (2) The Company's Board of Directors operates by the rules for Board of Directors meetings and implements relevant regulations, and is therefore well-functioning.
- (3) On August 12, 2021, the Company set up the Audit Committee to assume the duties of supervisors and enhance the Board of Directors' functions.
- (4) To improve information transparency, the Company discloses information like "Event Information, Financial Information, Corporate Governance" on the Investors corner of its official website.
- (5) The Company has set up the "Rules for Performance Evaluation of Board of Directors", and submits the evaluation results to the Board of Directors by the end of every year. Below are the scores for the performance of the Board of Directors and functional committees for 2024:
 - ① Scores for the performance of the Board of Directors as a whole : Good ~ Excellent
 - ② Scores for the performance of individual directors as a whole : Good ~ Excellent
 - ③ Scores for functional committees as a whole : Good ~ Excellent

Evaluation options: Excellent (Strongly Agree) – 5 points; Good (Agree) – 4 points; Average (Neutral) – 3 points; Poor (Disagree) – 2 points; Very Poor (Strongly Disagree) – 1 point

- (6) The Company already reported the results of evaluation of 2024 to the Board of Directors meeting dated March 11, 2025.

(II) Operation of the Audit Committee

As required by Article 14-4 of the Securities and Exchange Act, the Company set up the Audit Committee on August 4, 2021 and staffed it with all members of independent directors.

The Audit Committee shall operate to supervise the following:

- (1) Fair presentation of the Company's financial statements.
- (2) Appointment, dismissal, independence, and performance of attesting CPAs.
- (3) Effective implementation of the Company's internal control system.
- (4) The Company's compliance with relevant laws and rules.
- (5) Control of existing or potential risks facing the Company.

Major duties of the Audit Committee:

- (1) To establish or amend the internal control systems in accordance with Article 14-1 of the Securities and Exchange Act.
- (2) The assessment of the effectiveness of the internal control systems.
- (3) Adoption or amendment of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others
- (4) Matters involving the directors' personal interests.
- (5) Significant asset or derivative transactions.
- (6) Significant funds lending, endorsements or guarantees.
- (7) Raising, issuing or private placement of marketable securities with equity nature.
- (8) The appointment, discharge or remuneration of attesting CPA.
- (9) Appointment or dismissal of finance, accounting or internal audit officer.
- (10) The annual financial statements signed by or affixed with the seal of the chairman, manager, and accounting officer and the financial statements for the second quarter that are attested and certified by CPAs.
- (11) Annual Business Report, Earnings Distribution Statement, and the proposal to make up for prior losses.
- (12) Other significant matters stipulated by the Company or the competent authorities.

The Audit Committee met 7 times (A) in the last year, and the attendance is as follows:

Title	Name	Number of times of attendance in person (B)	Number of times of attendance by proxy	Actual Attendance Rate (%) (B/A)	Note	Title
Independent director	Yen-Ching Tsai	7	6	1	85.7%	Re-elected on 2024.06.13
Independent director	Sung-Yuan Wang	7	6	1	85.7%	Re-elected on 2024.06.13
Independent director	Yi-Yuan Shao	7	7	0	100%	Re-elected on 2024.06.13
Independent director	Sheng-Nien Yeh	3	3	0	100%	Outgoing on 2024.06.13 Number of meetings held during the term of office: 3
Independent director	Shang-Wu Yu	4	4	0	100%	Newly Appointed on 2024.06.13 Number of meetings held during the term of office: 4
Independent director	Ming-Te Hsieh	4	4	0	100%	Newly Appointed on 2024.06.13 Number of meetings held during the term of office: 4

Other matters to be recorded:

- I. If the operation of the Audit Committee is under any of the following circumstances, the date, term, proposal content of the meetings of the Audit Committee, resolution of the Audit Committee, the objections, reservations or major recommendations of the independent directors, the results of the Audit Committee's resolutions and the Company's handling of the Audit Committee's opinions should be described:

(I) Matters specified in Article 14-5 of the Securities and Exchange Act:

Meeting date (N th meeting of the N th term)	Proposal content	The objections, reservations or major recommendations of the independent directors	Resolution of the Audit Committee	Resolution not adopted by the Audit Committee but adopted by two-thirds or more of all directors of the Board of Directors
2024.03.08 (1-14)	1.Resolved to approve the Company's 2023 business report, parent company only financial statements, and consolidated financial statements. 2.Resolved to approve the proposal to submit the 2023 Earnings Distribution Proposal to the Shareholders' Meeting for ratification. 3.Resolved to approve the proposal on the assessment of independence and suitability of the Company's attesting CPAs for 2024. 4.Resolved to approve the proposal on the Company's 2023 Statement of Internal Control System. 5.Resolved to amend the Company's "Procedures for the Acquisition and Disposal of Assets" and submitted the resolution to the Shareholders' Meeting for discussion.	None	All committee member present approved the proposal as proposed.	None
2024.04.26 (1-15)	1.Resolved to approve the proposal to lift the non-compete restrictions on the Company's Newly Appointed directors and give a report at the shareholders' meeting for discussion.	None	All committee member present approved the proposal as proposed.	None
2024.05.07 (1-16)	1.Resolved to approve the proposal on the Company and subsidiaries' 2024Q1 Consolidated Financial Statements. 2.Resolved to approve the proposal to amend a part o the operation of the Company's internal control system. 3.Resolved to approve the list of employees allocated employee	None	All committee member present approved	None

	stock warrants for 2022 and the number of warrants allocated. 4. Resolved to approve the proposal to carry out a capital increase for the subsidiary Eclat Holding Ltd.		the proposal as proposed.	
2024.08.09 (2-1)	1. Resolved to approve the proposal on the Company and subsidiaries' 2024Q3 Consolidated Financial Statements. 2. Resolved to approve the proposal to amend a part of the operation of the Company's internal control system.	None	All committee member present approved the proposal as proposed.	None
2024.11.12 (2-2)	1. Resolved to approve the proposal on the Company and subsidiaries' 2024Q3 Consolidated Financial Statements.	None	All committee member present approved the proposal as proposed.	None
2024.12.24 (2-3)	1. Resolved to approve the proposal on professional service fees for the Company's attesting CPAs for 2024. 2. Resolved to approve the proposal to establish the Company's "Sustainability Report Preparation and Assurance Procedures." 3. Resolved to approve the proposal to establish the Company's "Sustainable Information Management Guidelines." 4. Resolved to approve the proposal to amend a part of the operation of the Company's internal control system. 5. Resolved to approve the proposal to negotiate a credit line with financial institutions. 6. Resolved to approve the proposal to negotiate a limit for derivative financial instrument transactions (PSR) (for hedging purposes) with financial institutions.	None	All committee member present approved the proposal as proposed.	None
2025.03.11 (2-4)	1. Resolved to approve the Company's 2024 business report, parent company only financial statements, and consolidated financial statements. 2. Resolved to approve the proposal on the assessment of independence and suitability of the Company's attesting CPAs for 2025. 3. Resolved to approve the proposal on the Company's 2024 Statement of Internal Control System. 4. Resolved to approve the proposal to submit the 2024 Earnings Distribution Proposal to the Shareholders' Meeting for ratification. 5. Resolved to approve the proposal to define the scope of "Entry-Level Employees" of the Company. 6. Resolved to approve the proposal to apply to the Financial Supervisory Commission for issuance of employee stock warrants.	None	All committee member present approved the proposal as proposed.	None

(II) In addition to the previous matters, other matters that have not been approved by the Audit Committee but approved by more than two-thirds of all directors: None.

II. In the implementation of an independent director's recusal for being an interested party in a proposal, the director's name, the proposal content, the recusal reasons and his or her participation in voting should be stated: None.

III. Status of communication between independent directors, the chief internal audit officer, and CPAs:

Policy on communication between independent directors and the chief internal audit officer

- The Company's chief internal audit officer regularly presents an internal audit report at Audit Committee meetings and Board of Directors meetings, and in doing so fully communicates the progress of audit work, audit deficiency follow-up and improvement, and the audit efficacy. The chief internal audit officer, in addition to regularly providing independent directors with a written audit report, also furnish a project-based report if so requested by any independent director. A meeting may be called at any time in the event of material anomaly.
- The Company's chief internal audit officer submits the audit plan for the following year to the Audit Committee and Board of Directors by the end of each year.
- The Company holds a meeting at which participants are limited to independent directors and the chief internal audit officer every year and during which the chief internal audit officer reports alone to the independent directors on the matters required to be reported at the annual audit meeting.
- A direct communication between the Company's independent directors and chief internal audit officer is made available. They may also contact each other whenever needed by e-mail, phone, or a face-to-face meeting.

(1) Status on communication between independent directors and the chief internal audit officer:

Communication between independent directors and the chief internal audit officer goes well. Below is an abstract of the communication matters in 2024:

Meeting date	Type of meeting	Communication essence	Communication Results
2024.01.25	Board of Directors	Audit work report for January 2024.	Consent to the results reported.
2024.03.08	Audit Committee Board of Directors	Audit work report for January and February 2024. To review the 2023 “Statement of Internal Control Systems”	Consent to the results reported.
2024.04.26	Audit Committee Board of Directors	Audit work report for March 2024.	Consent to the results reported.
2024.05.07	Audit Committee Board of Directors	Audit work report for April 2024.	Consent to the results reported.
2024.07.19	Board of Directors	Audit work report for May and June 2024.	Consent to the results reported.
2024.08.09	Audit Committee Board of Directors	Audit work report for July 2024.	Consent to the results reported.
2024.11.12	Audit Committee Board of Directors	Audit work report for August and October 2024.	Consent to the results reported.
2024.12.24	Audit Committee Board of Directors	Audit work report for November and December 2024.	Consent to the results reported.
2024.12.24	Annual audit meeting (during which the chief internal audit officer report alone to independent directors)	Communication on and review of the implementation of the 2023 annual audit plan.	Consent to the results reported.
2025.01.08	Board of Directors	Audit work report for January 2025.	Consent to the results reported.
2025.03.11	Audit Committee Board of Directors	Audit work report for January and February 2025.	Consent to the results reported.

(2) Status of communication between independent directors, the chief internal audit officer, and attesting CPAs:

Meeting date	Type of meeting	Communication essence	Communication Results
2024.03.08	Private Meeting	<ol style="list-style-type: none"> 1. Explained the findings and results of audits on the 2023 consolidated and parent company only financial statements, and communicated key audit matters. 2. Significant legal revisions and updates. 	The independent directors asked for more information about the contents of the report, to which the CPA responded and explained. Afterwards, the independent directors had no further comments.
2024.08.09	Private Meeting	<ol style="list-style-type: none"> 1. Reported on and explained the findings and results of the review of the 2024Q3 consolidated financial statements. 2. Significant legal revisions and updates. 	The independent directors asked for more information about the contents of the report, to which the CPA responded and explained. Afterwards, the independent directors had no further comments.
2024.12.24	Private Meeting	<ol style="list-style-type: none"> 1. Annual audit planning 2. Communication of key audit matters 3. Update of important accounting standards and laws and regulations 	The independent directors asked for more information about the contents of the report, to which the CPA responded and explained. Afterwards, the

				independent directors had no further comments.
	2025.03.11	Private Meeting	<ol style="list-style-type: none"> 1. Explained the findings and results of audits on the 2024 consolidated and parent company only financial statements, and communicated key audit matters. 2. Significant legal revisions and updates. 	The independent directors asked for more information about the contents of the report, to which the CPA responded and explained. Afterwards, the independent directors had no further comments.

(III) Information on the operation of the Remuneration Committee:

Committee membership: The committee is composed of independent directors, who are appointed by the Board of Directors through a resolution and of whom 1 person is the convener. The committee and the Board of Directors that appoints it shall serve the same term of office.

Committee duties: The committee shall exercise the care of a good administrator in faithfully performing the official powers listed below, and shall submit its recommendations for deliberation by the board of directors.

- (1) Regularly review the Charter and submit recommendation for revision.
- (2) Set and regularly review the goals of long-term performance of the Company's directors and managers, and the policy, system, standard, and package of remuneration.

1. Information on the members of the Remuneration Committee

Criteria		Service years	Professional qualifications and experience	Independence	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Position	Name				
Independent director (Convener)	Yen-Ching Tsai	With more than 20 years of relevant work experience	Please refer to the information on the directors on page 6-8 of this annual report.	Please refer to the information on the directors on page 6-8 of this annual report.	1
Independent director	Sheng-Nien Yeh (Note1)	With more than 20 years of relevant work experience			0
Independent director	Sung-Yuan Wang	With more than 16 years of relevant work experience			0
Independent director	Shang-Wu Yeh (Note2)	With more than 20 years of relevant work experience			2

Note 1: Independent Director Sheng-Nian Yeh, expired on June 13, 2024.

2: Independent Director Shang-Wu Yeh were appointed on June 13, 2024.

2. Information on the operation of the Remuneration Committee

- (1) There are 3 members of the Remuneration Committee of the Company.
- (2) The term of office of the current Remuneration Committee: June 13, 2024 and June 12, 2027. The total number of meetings in the last year is 5 times (A). The qualifications and attendance of the members are as follows.

Title	Name	Number of attendance in person (B)	Number of times of attendance by proxy	Attendance rate (%) (B/A)	Note
Convener	Yen-Ching Tsai	4	1	80 %	Re-elected on 2024.06.13
Member	Sheng-Nien Yeh	2	0	100 %	Outgoing on 2024.06.13 Number of meetings held during the term of office: 2
Member	Shang-Wu Yeh	3	0	100%	Newly Appointed on 2024.06.13 Number of meetings held during the term of office: 3
Member	Sung-Yuan Wang	5	0	100 %	Re-elected on 2024.06.13

1. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, it should state the date, period, proposal content, resolution of the board, and its handling of the committee's opinions (if the remuneration approved by the board is better than the recommendation proposed by the committee, the difference and reasons should be stated): No such situation.
2. For the proposals by the Remuneration Committee. If any members have objections or reservations with records or written statements, the date, period, proposal content, the opinions of all members, its handling of the members' opinions should be stated: No such situation.
3. Summary of main subjects of communication and results in 2024 :

Remuneration Committee	Proposal content	Resolution of the Audit Committee	Communication Result
2024.01.25	<ol style="list-style-type: none"> 1. Proposal on bonus to managerial officers of the Company 2. Salary adjustment case for managerial officers of the Company 3. Proposal to distribute the Company's 2023. employee compensation 4. Proposal to distribute the Company's 2024 director compensation. 	All committee member present approved the proposal as proposed.	Approved, submit to board of directors for resolution
2024.04.30	<ol style="list-style-type: none"> 1. Proposal on the 2023 director compensation. 2. Proposal on the Company's remuneration management regulations for directors and functional committee members. 3. Proposal on the recommended remuneration for the Company's directors and functional committee members. 4. Proposal on the list of managers granted stock options under the 2022 Employee Stock Option Plan and the quantities allotted. 	All committee member present approved the proposal as proposed.	Approved, submit to board of directors for resolution
2024.07.05	<ol style="list-style-type: none"> 1. Proposal on employee compensation to be distributed to managers of 2023. 2. Proposal on bonus to managerial officers of the 3. Company Proposal on salary adjustment for managerial officers. 	All committee member present approved the proposal as proposed.	Approved, submit to board of directors for resolution
2025.01.08	<ol style="list-style-type: none"> 1. Proposal on bonus to managerial officers of the Company. 	All committee member present approved the proposal as proposed.	Approved, submit to board of directors for resolution
2025.03.06	<ol style="list-style-type: none"> 1. Proposal on the appropriation of employee compensation for 2024. 2. Proposal on the appropriation of director compensation for 2024. 3. Proposal on the remuneration for members of the Sustainable Development Committee attending meetings. 	All committee member present approved the proposal as proposed.	Approved, submit to board of directors for resolution

(IV) The Company’s implementation of corporate governance and the differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and their reasons.

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
I. Has the Company formulated and disclosed its corporate governance best practice principles in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”?	✓		The Company’s Board of Directors meeting dated December 28, 2018 formulated a set of “Corporate Governance Practice Principles” and disclosed it on the Company website and the Market Observation Post System.	No difference
II. The Company’s equity structure and shareholder equity				
(I) Has the Company established internal operating procedures to handle shareholder recommendations, doubts, disputes, litigations, and implemented them according to the procedures?	✓		(I) The Company has formulated its “Operating Procedures for Handling Shareholder Affairs”. Matters can be reflected through the Company’s established spokesperson system or the stakeholders contract to the management, and response will be given through phone call or mail. If legal issues are involved, matters will be handled by the Legal.	No difference
(II) Does the Company have a list of the major shareholders who actually control the Company and those who ultimately control the major shareholders?	✓		(II) The Company keeps abreast of the shareholding situation of directors, managers and major shareholders holding more than 10% of the shares, and maintains good communication with them.	No difference
(III) Has the Company established and implemented risk control and firewall mechanisms between affiliated companies?	✓		(III) In addition to formulating the “Operating Procedures for Management of Transactions with Related Parties” and the “Operating Procedures for Supervision and Management of Subsidiaries”, the Company also summarizes the financial Statements of subsidiaries monthly and carries out internal control and internal audit annually.	No difference
(IV) Has the Company formulated internal regulations to prevent insiders from trading securities using undisclosed information on the market?	✓		(IV) The Company has formulated its “Code of Ethical Conduct” and “Operating Procedures for Processing Material Inside Information and Preventing Insider Trading”, which stipulate the principle for recusal from conflict of interests and are communicated to all directors and employees through announcement.	No difference
III. Composition and responsibilities of the Board of Directors				
(I) Has the board established a policy on diversity and specific management objectives, and have they been implemented accordingly?	✓		(I) The Company specifies the policy of diversity of the Board of Directors in the “Corporate Governance Best Practice Principles”, and implements the specific objectives set out in the policy. For the diversity policy, specific goals, and the implementation thereof, see “Board of Directors diversity and independence” on p.10-11 of this annual report.	No difference
(II) In addition to the Remuneration Committee and the Audit Committee established in accordance with the law, has the Company voluntarily set up other functional committees?		✓	(II) Except the Remuneration Committee and the Audit Committee established in accordance with the law, Voluntary establishment of a sustainable development committee. The Company will consider establishing additional functional committees in the future, depending on actual operational circumstance.	No difference

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.																				
	Yes	No	Summary Description																					
(III) Has the Company formulated board performance evaluation measures and methods, conducted performance evaluations annually and regularly, and reported the results of performance evaluations to the Board of Directors, and used them as a reference for individual directors' remuneration and a nomination for reappointment?	✓		(III)The Company has put in place its "Rules for Performance Evaluation of Board of Directors", by which it evaluates the performance of the Board of Directors and its members annually and submits the evaluation results to the Board of Directors. The procedures for evaluation include self-evaluation by the Board of Directors and self-evaluation by Board of Directors members. The evaluation covers the Board of Directors as a whole, Board of Directors individuals, and the functional committees. For the evaluation items and the scores thereof, see Board of Directors evaluation on p.20-21.	No difference																				
(IV) Does the Company regularly evaluate the independence of the attesting CPA?	✓		<p>(IV)Every year, the Company conducts annual assessments in compliance with the "Checklist for Evaluation of CPAs' Independence and Suitability" and has acquired the "Declaration of Independence" and "Audit Quality Indicator (AQI)" report from the CPAs. The evaluation material consists of three key components: "Independence Indicators" (Table 1), "Audit Quality Indicators (AQI)", and "Suitability and Performance Indicators". The Audit Quality Indicators (AQI) includes assessment of the audit experience and turnover of CPAs and persons in positions above manager, workload of CPAs, extent of engagement of the audit team, and reviews by EQCR CPAs. We utilize them to evaluate our audit performance compared to the standard performance among our peers, and to assess whether to continue to invest innovative resources to improve the audit quality. The Audit Committee met on March 11, 2025 to discuss and approve the evaluation results for the previous year. The Board of Directors also reviewed and approved these results through a resolution on the same day, in order to assess the independence and suitability of the CPAs.</p> <table border="1"> <thead> <tr> <th>Item No.</th> <th>Evaluation Indicators</th> <th>Yes</th> <th>No</th> <th>Underqualified</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>The attesting CPAs have been in office for less than 7 years</td> <td>V</td> <td></td> <td></td> </tr> <tr> <td>2</td> <td>Do members of the audit service team, other partner CPAs , shareholders of the accounting firm, the accounting firm, affiliates of the accounting firm, and other accounting firms of the same accounting alliance maintain independence from the Company?</td> <td>V</td> <td></td> <td></td> </tr> <tr> <td>3</td> <td>The CPAs who are providing attestation services, as well as the members of the audit service team, have neither been nor are currently serving as directors or managers for any of the audit clients. Additionally, they do not hold any positions that could significantly influence the audits, within the last two years.</td> <td>V</td> <td></td> <td></td> </tr> </tbody> </table>	Item No.	Evaluation Indicators	Yes	No	Underqualified	1	The attesting CPAs have been in office for less than 7 years	V			2	Do members of the audit service team, other partner CPAs , shareholders of the accounting firm, the accounting firm, affiliates of the accounting firm, and other accounting firms of the same accounting alliance maintain independence from the Company?	V			3	The CPAs who are providing attestation services, as well as the members of the audit service team, have neither been nor are currently serving as directors or managers for any of the audit clients. Additionally, they do not hold any positions that could significantly influence the audits, within the last two years.	V			No difference
Item No.	Evaluation Indicators	Yes	No	Underqualified																				
1	The attesting CPAs have been in office for less than 7 years	V																						
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Evaluation Items	The State of Operation						The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.
	Yes	No	Summary Description				
			4	None of the CPAs or members of the audit service team have any familial connections to the Company's directors, managers, or personnel who hold influential roles in the audit.	V		
			5	The CPAs were not employed as directors, managers, or in any roles with substantial influence over the audit within one year of their termination.	V		
			6	The attesting CPAs do not have any significant financial interest connections with the Company, whether direct or indirect.	V		
			7	The accounting firm offered attesting services without being overly reliant on one client (the Company) for remuneration.	V		
			8	There is no significant business relationship between the attesting CPAs and the Company.	V		
			9	There is no significant employment relationship between the attesting CPAs and the Company.	V		
			10	The CPAs did not include a contingent fee in the audit case.	V		
			11	The CPAs did not act as defendants for the Company in any legal matters or conflicts between the Company and a third party.	V		
			12	The CPAs played no part in promoting or brokering the Company's shares or other securities.	V		
			13	The CPAs were not given any gifts or notable rewards of significant value by the Company or its directors, managers, or major shareholders.	V		
			14	None of the CPAs and audit service team members had custody of the Company's funds.	V		
			15	Do the CPAs comply with the requirements of independence as stated in No.10 the Bulletin of the Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10? Has the company obtained the "Declaration of Independence" issued by the CPAs?	V		

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.																				
	Yes	No	Summary Description																					
IV. Do TWSE/TPEX listed companies have a suitable and appropriate number of corporate governance personnel and appoint a corporate governance officer to be responsible for corporate governance-related matters (including but not limited to providing information necessary for directors and supervisors to perform their business, assisting directors and supervisors in complying with laws and regulations, conducting board meeting and shareholder meeting related matters in accordance with the law, handling company registration and alteration registration, and preparing minutes of board meetings and shareholder meetings, etc.)?	✓		The Company’s Board of Directors meeting dated December 29, 2022 resolved to appoint Hui-Mei Wang, manager of the Financial and Accounting Department and chief financial officer, to be the chief corporate governance officer, whose duties include the following: Handling matters relating to board meetings and shareholders meetings according to laws, producing minutes of board meetings and shareholders meetings, assisting in onboarding and continuous development of directors, furnishing information required for business execution by directors, assisting directors and supervisors with legal compliance, reporting to the Board of Directors on the whether the nomination and election of independent directors and their qualifications during their term of office comply with laws and regulations, safeguarding shareholders’ equity; and enhancing the Board of Directors functions. The Company’s chief corporate governance officer has held a managerial role at a publicly traded corporation for over 3 years. The officer took the following continuing education courses in 2024.	No difference																				
			<table border="1"> <thead> <tr> <th>Date</th> <th>Organize</th> <th>Course name</th> <th>Course hours</th> </tr> </thead> <tbody> <tr> <td>2024.4.30</td> <td>Taiwan Corporate Governance Association</td> <td>Practical operation of the Sustainable Development Committee (Chief Sustainability Officer and Work Groups)</td> <td>3.0</td> </tr> <tr> <td>2024.7.30</td> <td>Taiwan Corporate Governance Association</td> <td>How the Board of Directors (Sustainable Development Committee) reviews the Sustainability Report</td> <td>3.0</td> </tr> <tr> <td>2024.8.27</td> <td>Taiwan Corporate Governance Association</td> <td>Discussion on Ethical Corporate Management and Anti-Corruption from the Perspective of Sustainable Governance</td> <td>3.0</td> </tr> <tr> <td>2024.10.1</td> <td>Taiwan Corporate Governance Association</td> <td>How the Board of Directors Formulates an ESG Sustainability Strategy</td> <td>3.0</td> </tr> </tbody> </table>		Date	Organize	Course name	Course hours	2024.4.30	Taiwan Corporate Governance Association	Practical operation of the Sustainable Development Committee (Chief Sustainability Officer and Work Groups)	3.0	2024.7.30	Taiwan Corporate Governance Association	How the Board of Directors (Sustainable Development Committee) reviews the Sustainability Report	3.0	2024.8.27	Taiwan Corporate Governance Association	Discussion on Ethical Corporate Management and Anti-Corruption from the Perspective of Sustainable Governance	3.0	2024.10.1	Taiwan Corporate Governance Association	How the Board of Directors Formulates an ESG Sustainability Strategy	3.0
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2024.8.27	Taiwan Corporate Governance Association	Discussion on Ethical Corporate Management and Anti-Corruption from the Perspective of Sustainable Governance	3.0																					
2024.10.1	Taiwan Corporate Governance Association	How the Board of Directors Formulates an ESG Sustainability Strategy	3.0																					
V. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.) and a special section for stakeholders on the Company’s website, and responded appropriately to important corporate social responsibility issues that are of concern to stakeholders?	✓		The Company’s website features a dedicated section for stakeholders, with designated personnel responsible for appropriately responding to key corporate social responsibility (CSR) issues of concern to stakeholders. The issues of interest, communication channels, and implementation status for each stakeholder category have been disclosed on the Company’s website.	No difference																				

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
VI. Has the Company appointed a professional stock affairs agency to handle matters for shareholder meetings?	✓		The Company appointed the agency department of CTBC to handle the affairs of the shareholders meeting.	No difference
VII. Information Disclosure				
(I) Has the Company set up a website to disclose finance and business matters and corporate governance information?	✓		(I) Investors can access relevant financial, business and corporate governance information in the Investor corner of the Company's website. URL: http://www.genesyslogic.com.tw	No difference
(II) Has the Company adopted other means of information disclosure (such as setting up an English website, appointing dedicated personnel responsible for the collection and disclosure of Company information, implementing a spokesperson system, posting the Company's earnings calls on its website, etc.)?	✓		(II) The Company has a website in English, where it grants the investors access to relevant information on its products, its financials, business and its investors' conference (seminars). URL: http://www.genesyslogic.com.tw	No difference
(III) Does the Company publicly announce and file annual financial statements within two months after the end of the fiscal year? The financial statements for the first, second and third quarters and the monthly operating status before the prescribed deadline?		✓	(III) The Company publicly announces and files annual financial statements within three months after the end of the fiscal year, and the financial statements for the first, second, and third quarters and the monthly operating status within the prescribed deadline.	No difference

Evaluation Items	The State of Operation			The differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
VIII. Does the Company have other important information that is helpful to understand its implementation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, continuing education of directors and supervisors, Implementation of risk management policies and risk measurement standards, implementation of customer policies, the Company’s purchase of liability insurance for directors and supervisors, etc.)?	✓		<p>(I) Employee rights and employee care:</p> <ol style="list-style-type: none"> 1. The Company strictly prohibits the use of forced labor and child labor. The Company does not employ employees who are under 18 years old to perform dangerous or night-time tasks. 2. Employees are protected from harassment and unlawful discrimination. No employee or job applicant is discriminated on the basis of race, religious beliefs, skin color, nationality, age or disability, among others. Meanwhile, the Company also puts in place the “Regulations for Prevention and Reporting of, and Punishment for, Workplace Sexual Harassment” to nip workplace sexual harassment in the bud. 3. Employees’ remuneration complies with all laws and local statutes considered reasonable and pertaining to salary, including the benefits stipulated by laws, e.g., wages, number of overtime working hours, and leave. 4. During recruitment, the Company selects outstanding talents through open recruitment procedures and via recommendation procedures without any preset standing. 5. Each year, various courses and seminars are held in order to improve the skills needed by different kinds of workers. 6. The Company is committed to a spirit of care for employees, and provides a comprehensive and sound health care and support for employees. Employees can enjoy a health check-up each year, and they can promote their health through a variety of health programs and courses, such as health-promoting competitions, health -promoting seminars, and various sporting events, that are held by the Company regularly. 7. The Company is very concerned about the cleanliness in the office, which is why it regularly disinfects the offices and cleans and waxes the floors. <p>(II) Investor relations: By calling or sending an email, investors can get their issues taken care of by the Company's spokesman or appointed spokesperson.</p> <p>(III) Supplier relations: The Company has maintained an excellent relationship with suppliers and has signed the relevant cooperation agreements or mandated OEM contracts with them, in order to protect both parties' rights and obligations.</p> <p>(IV) Stakeholders’ interests: The Company has formulated its “Operating Procedures for Management of Transactions with Related Parties” and “Operating Procedures for Supervision and Management of Subsidiaries” to protect the rights and obligations of itself and stakeholders.</p> <p>(V) Status of continuing education of directors: The directors have completed the courses prescribed by law and regulation. Please refer to table below to see the continuing education participation status:</p>	No difference

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			Sung-Yuan Wang	2024.09.24	3.0	Taiwan Corporate Governance Association	Application, Legal Issues, and Audit Aspects of AI								
				2024.10.30	3.0	Taiwan Corporate Governance Association	Latest Trends in Corporate Governance Evaluation Indicators for Directors and Supervisors – Intellectual Property Management								
			Ming-De Hsieh	2024.08.23	3.0	Taiwan Corporate Governance Association	Prevention of Labor Disputes and Corporate Governance								
				2024.09.06	3.0	Taiwan Corporate Governance Association	Strategic Thinking for Group Business Restructuring								
			Shang-Wu Yeh	2024.08.05	3.0	Taiwan Corporate Governance Association	Sustainability Trends and Sustainability Report Review Essential for Directors								
				2024.08.12	3.0	Taiwan Corporate Governance Association	Development of TCFD & SBTi and the Duties of Directors								
			Yi-Yuan Shao	2024.07.18	3.0	Securities and Futures Institute	2030/2050 Green Industrial Revolution								
				2024.08.07	3.0	Securities and Futures Institute	Mechanism of Carbon Trading and Application of Carbon Management								
			<p>(VI)Implementation of risk management policies and risk measurement standards: The Company evaluates its business, financial, and legal risks in accordance with its internal rules and regulations and relevant laws and regulations. The internal audit unit also regularly and irregularly performs an audit against the evaluation indicators. The Legal also conducts periodic reviews to determine if the internal regulations are flawed or need to be revised. The risk control operation is currently running smoothly.</p> <p>(VII)Customer policy implementation status: The Company maintains a healthy relationship with customers and is always customer-oriented.</p> <p>(VIII)The Company’s purchase of liability insurance for directors:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">The insured</th> <th style="width: 25%;">Insurer</th> <th style="width: 20%;">Period</th> <th style="width: 40%;">Coverage amount</th> </tr> </thead> <tbody> <tr> <td>All directors</td> <td>Insurance Company of North America, Taiwan Branch</td> <td>2023.08.01-2024.08.01</td> <td>USD5,000,000 around NTD157,100,000</td> </tr> </tbody> </table>					The insured	Insurer	Period	Coverage amount	All directors	Insurance Company of North America, Taiwan Branch	2023.08.01-2024.08.01	USD5,000,000 around NTD157,100,000
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<p>IX. Please describe the improvements that have been made in response to the corporate governance evaluation results issued by the Corporate Governance Center of the Taiwan Stock Exchange in the last year, and propose priorities and measures for those not yet improved:</p> <p>1. Deficiencies identified in the evaluation and pending improvement have been improved successively.</p> <p>2. The Company drafts remediation plans for deficiency items to implement information disclosure and transparency.</p>															

(V) Operation of the Sustainable Development Committee

In order to achieve the Company's sustainable development goals and strengthen sustainable governance, the Board of Directors at the 5th meeting of the 10th Board (January 8, 2025) resolved to establish the "Sustainable Development Committee." The Committee is responsible for formulating the Company's sustainable development goals, establishing relevant management policies, and drafting concrete plans. The Committee is assisted by full-time (or part-time) sustainable development units in implementing various plans, holds at least one meeting every year, and reports the implementation status of sustainable development to the Board of Directors.

The duties of the Committee shall include the following:

- (I) Formulate, promote, and strengthen the Company's sustainable development policies, annual plans, and strategies.
- (II) Review, track, and revise the implementation and performance of sustainable development efforts.
- (III) Supervise the disclosure of sustainability information and review the sustainability report.
- (IV) Supervise the implementation of other sustainability-related tasks as resolved by the Board of Directors.

The Sustainable Development Committee met 1 times (A) in the last year, and the attendance is as follows:

Title	Name	Number of attendance required (A)	Number of actual attendances (B)	Number of times of attendance by proxy	Actual attendance rate (%) (B/A)	Note
Convener Chairman	Kuo-Chao Wang	1	1	0	100%	Newly appointed on 2025.01.08
Independent director	Yen-Ching Tsai	1	1	0	100%	Newly appointed on 2025.01.08
Vice President	Li-Wei Wang	1	1	0	100%	Newly appointed on 2025.01.08
Vice President	Wei-Te Li	1	1	0	100%	Newly appointed on 2025.01.08
Vice President	Han-Ching Hsieh	1	1	0	100%	Newly appointed on 2025.01.08
Chief Technology Officer (CTO)	Chih-Jung Lin	1	1	0	100%	Newly appointed on 2025.01.08
Other matters to be recorded: (I) If the Board of Directors does not adopt or amend the recommendations of the Sustainable Development Committee, it should state the date, period, proposal content, resolution of the board, and its handling of the committee's opinions: None. (II) For the proposals by the Sustainable Development Committee, if any members have objections or reservations with records or written statements, the date, period, proposal content, the opinions of all members, its handling of the members' opinions should be stated: None.						
Meeting date (Nth meeting of the Nth term)	Proposal content				Results	
2025.04.23 (1-1)	1.Resolution passed to approve the preparation of the Company's 2024 Sustainability Report. 2.Resolution passed to approve the planning of the analysis frequency for material issues in the Company's Sustainability Report.				After the chair consulted all members present, the proposals were unanimously approved and will be submitted to the Board of Directors for resolution.	

(VI) Fulfillment of Sustainable Development; Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies; and Causes for Such Differences

Item	Implementation status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes for Such Differences
	Yes	No	Summary Description	
I. Has the Company set up a full-time (part-time) unit to promote sustainable development, together with senior management authorized by the Board of Directors to handle related matters and report to the board on the handling of the matters?		✓	(I)The Company established the Sustainability Development Committee on January 8, 2025, under which an ESG Task Force is responsible for promoting sustainability-related issues. (II)The ESG Task Force is composed of four groups: Corporate Governance Group, Partnership Group, Environmental Sustainability Group, and Social Care Group. Since August 2024, the task force has been executing work assignments and planning the implementation of the materiality assessment process. (III)On December 24, 2024, the ESG Task Force reported the ESG implementation status to the Board of Directors, including management policies, strategies, and other references based on organizational regulations.	No difference
II. Does the Company conduct risk evaluations on environmental, social and corporate governance issues related to the Company’s operations in accordance with the materiality principle and formulate relevant risk management policies or strategies?		✓	The Company’s senior management identifies sources and types of risks based on the principle of materiality, the operational context, and the three pillars of corporate sustainability (environmental, social, and governance), as well as issues of concern to internal and external stakeholders. Risk management policies and response strategies are planned accordingly, with appropriate strategies selected and risk mitigation plans implemented. Personnel in operational units continuously monitor various types of risks to ensure they remain within controllable levels and report to senior management in a timely manner.	Subject to actual needs
III. Environmental Issues				
(I) Has the Company set up an appropriate environmental management system based on the characteristics of its industry?	✓		(I) The Company passed ISO-9001 quality management system certification and ISO-14001 environmental management system certification in 2004 and 2007, respectively. To maintain the effectiveness of the systems, the systems are reviewed by a third impartial party every year. In response to the revision of the ISO standards, the Company passed the upgraded ISO9001/ISO14001 2015 certification in August 2018 and obtained a certificate, and passed the ISO9001/ISO14001 2015 surveillance audit in July 2024 to ensure compliance with sustainable development and continuous improvement.	No difference
(II) Is the Company committed to improving energy efficiency and to the use of renewable materials with low environmental impact?	✓		(II) The Company commissioned licensed entities to recycle and dispose of waste; the whole process is monitored and a report is generated. The Company sets up resources recycling bins for sorting of resources; advocates for recycling and reuse of photocopied paper; and continues to implement electronic procedures to progress towards a paperless workplace, thereby reducing environmental impact. Materials used in the Company’s products comply with international environmental laws and the requirement for non-use of conflict minerals; in addition, all processing factories are certified by impartial third parties against international standards such as the EU’s REACH, RoHS, among others.	No difference
(III) Does the Company evaluate the potential risks and opportunities of climate change to the Company now and in the future, and take corresponding measures to respond to climate related issues?	✓		(III)The Company’s general affairs unit is in charge of environmental management affairs; environment cleanliness is maintained by commissioned external specialists. Environmental, safety, and health awareness session is given quarterly. Considering the environmental benefits,	No difference

Item	Implementation status			Summary Description	Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes for Such Differences																								
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				the climate change, and the impact on natural environments, the Company has adopted the relevant measures for energy saving, carbon reduction, and the inventory of greenhouse gases: 1.Set the air-conditioning temperature (at 26°C) in a timely fashion during daily checks. 2.Post noticeable reminders such as "Please turn off the air conditioner off work" at the light switch and each air conditioner. 3.Set a timer on automatic to switch off lights in the public area during noon break and urge colleagues to turn off lights. 4.Inspire enthusiasm for arranging green potted plants. 5.Promote the reduction in paper consumption; check the use records of the photocopying machines every month; and manage the paper consumption. 6.Promote and carry out resource recycling. 7.The carbon emissions of air-conditioning in 2022 were 319,139 kg; the carbon emissions of electricity consumption were 452,409 kg. The carbon emissions of air-conditioning in 2023 were 298,162 kg; the carbon emissions of electricity consumption were 449,773 kg. The carbon emissions of air-conditioning in 2024 were 288,105 kg; the carbon emissions of electricity consumption were 456,546 kg. 8.The Company inventoried the carbon emissions in relation to its operations, and gathered relevant data to progress towards the goal to reduce global warming year on year and fulfill corporate social responsibilities.																									
(IV) Does the Company make statistics on greenhouse gas emissions, water consumption, and total weight of waste for the past two years, and formulate policies for greenhouse gas emissions reduction, water consumption reduction, or other waste management?	✓			(IV) 1. Corporate (direct and indirect) greenhouse gas emissions The Company's greenhouse gas emission inventory was not verified by external certification body (CB) but compiled on internal statistics for management use. The CO2 equivalent for 2022, 2023 and 2024 inferred from the electricity bills and water bills of the office is as follows: Inventory scope: Taipei office Inventory period: 2022、2023 and 2024 Emissions statistics: The CO2 emissions associated with electricity consumption and water consumption were converted using the Electricity Retailing Utility Enterprise Electricity Carbon Emission Factors announced by the Bureau of Energy.	No difference																								
				<table border="1"> <thead> <tr> <th>Year</th> <th>Scope 1 (metric tons of CO2e)</th> <th>Scope 2 (metric tons of CO2e)</th> <th>Total Emissions (metric tons of CO2e)</th> <th>Operating revenue (NT\$1,000,000)</th> <th>Emission intensity (tons of CO2e/NT\$1 million)</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>0</td> <td>771.5477</td> <td>771.5477</td> <td>3,243.770</td> <td>0.2379</td> </tr> <tr> <td>2023</td> <td>0</td> <td>747.9347</td> <td>747.9347</td> <td>2,515.564</td> <td>0.2973</td> </tr> <tr> <td>2024</td> <td>0</td> <td>744.6504</td> <td>744.6504</td> <td>3,178.690</td> <td>0.2343</td> </tr> </tbody> </table>	Year	Scope 1 (metric tons of CO2e)	Scope 2 (metric tons of CO2e)	Total Emissions (metric tons of CO2e)	Operating revenue (NT\$1,000,000)	Emission intensity (tons of CO2e/NT\$1 million)	2022	0	771.5477	771.5477	3,243.770	0.2379	2023	0	747.9347	747.9347	2,515.564	0.2973	2024	0	744.6504	744.6504	3,178.690	0.2343	
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			<p>(Water withdrawal calculation formula = Average daily water consumption per capita in New Taipei City × Number of employees / 24 hours × Daily usage time (about 9.5 hours) × Number of working days per year)</p> <p>The Company actively conducts a voluntary greenhouse gas inventory every year to reduce its impact on the environment and climate. According to the 2023 inventory results, the total greenhouse gas emissions from office areas were 747.9347 metric tons CO₂e, a decrease of 3.06% compared to 2022. The total greenhouse gas emissions in 2024 were 744.6504 metric tons CO₂e, a decrease of 0.44% compared to 2023.</p> <p>To address the greenhouse gas effect caused by global warming and mitigate the impacts of climate change, we have scheduled the continued replacement of energy-saving lighting fixtures in 2025, and the replacement of variable frequency air-conditioning chillers in office buildings in 2024 and 2025 to reduce electricity consumption, aiming for a 1% reduction in total greenhouse gas emissions by 2025.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>Total Emissions (tons of CO₂e)</th> <th>Operating revenue (NT\$1,000,000)</th> <th>Emission intensity (tons CO₂e/NT\$1 million)</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>771.5477</td> <td>3,243.770</td> <td>0.2379</td> </tr> <tr> <td>2023</td> <td>747.9347</td> <td>2,515.564</td> <td>0.2973</td> </tr> <tr> <td>2024</td> <td>744.6504</td> <td>3,178.690</td> <td>0.2343</td> </tr> </tbody> </table> <p>(2)Corporate GHG emissions reduction budget and plan</p> <p>Encourage employees to develop the habit to turn off the lights and power supply when leaving, perform irregular energy-saving patrol, encourage colleagues to take the stairs when traveling between floors, turn off lighting and air conditioners in area not in use to reduce electricity consumption and CO₂ emissions, develop budget year after year to gradually replace the lights with energy saving lamps.</p>	Year	Total Emissions (tons of CO ₂ e)	Operating revenue (NT\$1,000,000)	Emission intensity (tons CO ₂ e/NT\$1 million)	2022	771.5477	3,243.770	0.2379	2023	747.9347	2,515.564	0.2973	2024	744.6504	3,178.690	0.2343	
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2024	744.6504	3,178.690	0.2343																	
IV. Social Issues																				
(I) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations as well as the International Bill of Human Rights?	✓		<p>(I) 1. The Company employs employees legally in accord with the International Bill of Human Rights and applicable labor laws and regulations. The company prohibits any form of discrimination, prohibits forced labor, and does not interfere with employees' freedom of association.</p> <p>2. Respect workplace human rights: The Company complies with the requirements of the Labor Standards Act and Act of Gender Equality in Employment, and implements workplace diversity; does not provide differential treatment or any form of discrimination on the grounds of gender, sexual orientation, race, social class, age, marriage, language, beliefs, religion,</p>	No difference																

Item	Implementation status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes for Such Differences
	Yes	No	Summary Description	
			political party affiliation, place of origin, place of birth, appearance, facial features, or physical of mental disabilities; is dedicated to creating a workplace in which all employees are equal to employment and free of discrimination and harassment; sets up internal regulations for preventing sexual harassment and unlawful infringement; regularly holds awareness sessions on prevention of sexual harassment and workplace bullying; and makes available a sexual harassment prevention hotline.	
(II)Has the Company established and implemented reasonable employee welfare measures (including remuneration, vacation and other benefits) and appropriately reflected the business performance or results in the employee remuneration policy?	✓		(II) The Company adjusts the salary annually in line with the standards of the labor market, and has implemented multiple measures for the retention of talent. This includes aligning the bonus system to the Company’s functioning performance to promptly reflect its operational outcomes. 1. Provide a number of days of annual leave superior to what is required by the Labor Standards Act 2. The Company has set up its Employee Welfare Committee, which carries out various activities related to employee welfare, such as birthday parties, domestic tour, special festival activities, and various community events. The Company provides employees with subsidies for the rent for a parking space and subsidies for emergency relief loans; in providing diverse welfare benefits, the Company is attentive to various kinds of employee needs.	No difference
(III)Does the Company provide employees with a safe and healthy working environment, and related education?	✓		(III) The Company's internal environment is almost entirely used as a general office. However, to ensure employees' safety, the measures established or implemented are: (Coverage area is Taipei office) 1. Provide physical health examinations that surpass the requirements of laws and regulations, and track health issues for management purpose. 2. Organize health education and health promotion seminars, seminars on spiritual growth, and various sporting competitions; and set up exercise and fitness equipment for the physical and mental development of workers. 3. The Company was awarded the Taiwan i Sport mark by the Sport Affairs Council, Executive Yuan in October 2024, indicating recognition from government agency for the Company’s efforts to maintain employees’ physical and mental health. 4. Office decoration gives employees a safe and comfortable workplace. 5. Access and security control: Security systems and access control systems are installed in each floor of the building and in the office, and the contact information for emergency situations is published on the internal website of the Company. There is also a dedicated staff at the building entrance to control visitor registration. By activating the security and access control system during non-business hours, the security company can monitor the security situation remotely. Aside from routine patrols, should any anomaly occurs, the security company will also send personnel to check and will report to the Company’s management unit. In doing so, safety measures are provided to employees during business hours and holidays and when they work overtime at night. 6. Cleaning and upkeep of the environment: Perform a thorough cleaning of the office and wax the floors every 6 months.	No difference

Item	Implementation status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes for Such Differences
	Yes	No	Summary Description	
			<p>7. Electrical appliances: Power is protected by non-fuse breakers to ensure the safety of electricity use. The power pipelines are installed in accordance with electrical regulations and standards; and the pantry facilities are protected with earth leakage circuit breakers.</p> <p>8. Fire safety: Automatic sprinkler system, smoke detection detector, broadcasting system, and automatic rolling fire doors installed according to fire safety zoning are made available. Indoor dry powder fire extinguishers or fire hydrants are put in place according to regulations; warehouses and engine rooms are equipped with CO2 fire extinguishers and FM2000 automatic fire extinguishing equipment.</p> <p>9. Not a single fire incident occurred within the Company in the year 2024. The Company takes part or arranges a fire drill and health-promoting seminar every six months, and an employee health check-up every year.</p> <p>10. Emergency medical technician: The Company has licensed emergency medical technicians as required by law.</p>	
(IV) Has the Company established an effective career development training program for employees?	✓		<p>(IV) 1. Assign employees to take part in IC-related professional meetings and seminars in the country and abroad, in order to increase the technical level of the Company and to create new products, Come up with fresh ideas and refine leadership strategies.</p> <p>2. Offer subsidies to enable colleagues to select external professional training programs pertaining to their work to boost their professional skills.</p> <p>3. New employee orientation: Including the business philosophy of the Company, the introduction of industry and products, the introduction of the organization and system of the Company, the introduction of internal processes, the introduction of the training in the field of occupational health and safety, and the quality and environment policy.</p> <p>4. Development of common competency for employees: Mainly including liberal courses on communication and expression skills, skills in improving work efficiency, physical health seminars, and spirit-growth seminars.</p> <p>5. Development of managerial competency for executives: Including targets management, subordinate cultivation skills, leadership and motivation, and establishment of a highly-performing team.</p>	No difference
(V) Has the Company complied with the relevant regulations and international standards and formulated policies for protection of consumers and clients' rights and interests and grievance procedures with respect to consumer health and safety, customer privacy, marketing and labeling of products and services?	✓		<p>(V) Customer opinions are of great importance to the Company. In addition to paying them business visits, the Company also cares about customers' health. It also conduct customer satisfaction surveys twice a year and provides an email address and a contact on the website of the Company to provide customers with a way of asking questions, filing complaints, or submitting suggestions. The Company will give proper response in line with the principle of good faith, and will protect customers' privacy and interests. In addition, the Company offers products and services that comply with laws and standards at home and abroad, and includes a warranty clause in the contract with customers in order to protect their rights and interests.</p>	No difference

Item	Implementation status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes for Such Differences
	Yes	No	Summary Description	
(VI) Has the Company formulated supplier management policies requiring suppliers to follow relevant regulations on environmental protection, occupational safety and health, or labor rights and monitor their implementation?	✓		(VI)The Company put in place procedures for evaluation of suppliers and regulations for management of suppliers, by which it evaluates the quality and environmental performance of suppliers every year. In addition, since the international community attaches great importance to corporate social responsibilities, the Company formulated its “QA-250 Code of Conduct for Contractors”, aiming to facilitate suppliers’ understanding of the Company’s requirements regarding product safety, work environment, labor rights, environmental protection, and ethical conduct. The Company also helps suppliers comply with laws and regulations and the Company’s internal regulations and improve their performance of public safety and health. If the supplier breaches the Company’s Corporate Social Responsibility and Environmental Policy, and does not improve after being informed, the Company may immediately suspend the cooperation relationship with that supplier and demand compensation.	No difference
V. Has the Company referred to international reporting standards or guidelines in its preparation of sustainability reports and other reports which disclose the Company’s non-financial information? Has the confirmation or assurance opinion from third-party certifying institutions been obtained for the reports of the preceding paragraph?	✓		The Company has started preparing the sustainability report for the previous year starting from 2025. The reporting structure follows the 2021 version of the Global Reporting Initiative (GRI) Standards published by the Global Sustainability Standards Board (GSSB), and also references the TCFD (Task Force on Climate-related Financial Disclosures) guidelines and the SASB (Sustainability Accounting Standards Board) standards for sustainability information disclosure. It also complies with the "Regulations Governing the Preparation and Filing of Sustainability Reports by TPEX Listed Companies." There is no plan to obtain confirmation from a third-party verification unit.	No difference
<p>VI. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company’s operations: The Company abides by the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and its operating procedures all comply with legal requirements. The Company is committed to developing a sustainable environment, in that it passed ISO-9001 quality management system certification and ISO-14001 environmental management system certification in 2004 and 2007, respectively. To maintain the effectiveness of the systems, the systems are reviewed by an impartial third party every year. In response to the revision of the ISO standards, the Company passed the upgraded ISO9001/ISO14001 2015 certification in August 2018, and passed the ISO9001/ISO14001 2015 surveillance audit in July 2024. The Company values the labelling and marketing of products and services and follows international laws and industry standards, so as to ensure compliance with sustainable development and continuous improvement.</p>				
<p>VII. Other important information that will help promote the implementation of sustainable development:</p> <p>(I) Environmental:</p> <p>(1)The Company is an IC design company, which focuses on research, development, and design of ICs. Production of products is outsourced to processing plants meeting the ISO14001 environmental management system standards and the requirements of environmental protection laws and regulations. The manufacturing process is compliant with the environmental protection testing requirements. The work environment should effect little pollution and hazards.</p> <p>(2)The Company requires the products to comply with EU regulations like REACH and RoHS and the environmental protection legislation and regulations of the government, in order to fulfil its social and environmental responsibility over the life cycle of the product.</p> <p>(3)The Company acquired two atmospheric water dispensers, capable of purifying office air, decreasing humidity levels, enhancing office comfort, and reducing tap water consumption.</p> <p>(II) Corporate responsibility:</p> <p>(1)The Company's products comply with international laws and regulations pertaining to conflict minerals. The Company investigate the source of minerals obtained by contractors to ensure non-use of conflict minerals and implement conflict mineral policy.</p> <p>(2)The Company checks contractors’ compliance with corporate social responsibility requirements, so as to ensure the regulatory compliance of the corporate social responsibility management system.</p>				

Item	Implementation status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes for Such Differences
	Yes	No	Summary Description	
<p>(3)The Company ensures that all contractors sign the QA-250-01 Undertaking of Code of Conduct for Contractors, so as to ensure that they understand and comply with the Company’s requirements regarding product safety, work environment, labor rights, environmental protection, and ethical conduct.</p> <p>(III) Social contribution: The company sponsors research and education activities in schools and colleges and actively provides students with the industry’s best practices for reference for their career planning.</p> <p>(IV) Benefit events: Irregularly hold charitable sale of outdated books and magazines and donate the revenue to charitable groups.</p> <p>(V) Human rights: Attaching importance to people-oriented management approaches, the Company drafts labor relations measures and regulations upon negotiation of both labor and the management, a reason the labor relations have been harmonious.</p> <p>(VI) Safety and health (OSH): The Company's labor safety and health policy is to fulfil the social responsibility of the Company and to protect the security of its employees, with a view to ensuring the safety, health, and comfort of the working environment. By promoting health and safety management, the Company enables employees to develop the right concepts and a healthy body and mind. Below are the items the Company is committed to:</p> <p>(1)Abide by laws and regulations concerning environmental conservation, safety, and health, and by other requirements.</p> <p>(2)Reduce the potential danger incidental to the working environment and reduce the probability of accidents. For example, a fire safety lecture and drill is held every 6 months to develop the correct awareness of fire safety, and a fire protection system is maintained each year; the lighting of the environment is checked daily to prevent danger.</p> <p>(3)Advocate conservation of energy and promote resources recycling to reduce waste.</p> <p>(4)Quarterly environmental sanitation maintenance, including testing of water quality, garbage disposal, environmental cleaning, and inspection of air conditioning and purification equipment every six months to improve working conditions.</p>				

Climate information of TWSE/TPEX-listed companies:

1 Climate-related information implementation

Item	Implementation status
I. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.	The Company’s senior management evaluates risks and opportunities based on their level of impact and likelihood of occurrence. Transition risks, physical risks, and opportunities are identified and described in terms of their relevance to the Company’s operations, along with corresponding response strategies. An annual report is submitted to the Board of Directors, which oversees and monitors the effectiveness of implementation.
II. Describe how the identified climate risks and opportunities affect the Company's business, strategy and finance (short-term, medium-term, and long-term).	(I) Considering the Company’s long-term operational development, the short term is defined as 1–3 years, the medium term as 4–6 years, and the long term as 7–10 years. (II) Genesys identifies climate risk as one of its major operational risks. Climate change and global warming pose significant impacts across the entire value chain—from upstream supply chains and internal operations to downstream customer demand. To fully understand how climate-related risks may affect the Company’s operations and development, or potentially create opportunities, Genesys identifies relevant climate risks and opportunities. Priority is given to issues that significantly impact financial performance, alter operational strategies or business models, or have a broad effect across the value chain, with corresponding response strategies and management measures planned accordingly.
III. Describe the financial impact of extreme climate events and transition actions.	(I) Extreme climate conditions may lead to shortages in raw materials, causing subcontractors to raise prices and resulting in increased raw material costs. (II) Extreme weather events may cause delays in delivery schedules and increase transportation or inventory costs. (III) The Company is not part of a high carbon-emitting industry, so the financial impact is relatively limited.
IV. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	(I) Risk Identification: The Board of Directors and senior management identify sources and categories of risk based on the company's scale, industry, business characteristics, operational activities, and various aspects of corporate sustainability, and plan corresponding strategic objectives. Each department identifies risks according to its business responsibilities and short-, medium-, and long-term goals. (II) Risk Analysis and Classification: Taking into account current environmental resources, the identified risk factors are analyzed and classified based on the likelihood of occurrence, severity, duration, and scope of impact. (III) Risk Response: High-risk items are identified and corresponding risk strategy objectives are formulated. Medium- and low-risk items are continuously monitored. (IV) Risk Monitoring and Review: Each operational unit monitors and reviews the risks related to its business. Based on the company’s strategic objectives, the perspectives of internal and external stakeholders, risk appetite, and available resources, appropriate risk response measures or mitigation plans are selected and implemented. To ensure all types of risks remain within controllable limits, risk management personnel, together with relevant staff from operational units, continuously monitor the situation and report to senior management in a timely manner.

<p>V. If a scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be described.</p>	<p>The Company has not yet assessed the resilience to climate change risks through scenario analysis and hence is not applicable.</p>				
<p>VI. If there is a transition plan in place to manage climate-related risks, specify the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</p>	<p>(I)Establishing Partnerships with Multiple Contractors: Establish partnerships with multiple contractors to avoid reliance on a single contractor and build long-term cooperative relationships based on mutual trust. This helps secure contractor support and preferential treatment. At the same time, closely monitor market and industry changes, including trends in raw material prices and supply conditions, to anticipate potential issues in advance. When necessary, sign long-term supply contracts with contractors to ensure stable supply and pricing. (II)Greenhouse Gas Emissions Inventory and Reduction: Continue conducting self-assessments of greenhouse gas emissions in accordance with the ISO 14064-1:2018 verification standard to accurately track emission levels. Based on the findings, develop and propose feasible greenhouse gas reduction plans. Starting in 2025, the company aims to reduce emissions by 1% annually.</p>				
<p>VII. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.</p>	<p>The Company has not used internal carbon pricing as a planning tool; therefore, it is not applicable.</p>				
<p>VIII. If climate-related targets are set, information on the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress should be described; if carbon credits or renewable energy certificates (RECs) are used to achieve the relevant targets, the source and amount of carbon reduction credits offset or the amount of renewable energy certificates (RECs) should be described.</p>	<p>The company has established a Greenhouse Gas Inventory and Environmental Assessment Task Force with clearly defined roles and responsibilities. Management is responsible for overseeing the effectiveness of the greenhouse gas inventory and providing the necessary resource support. Additionally, on August 11, 2022, the Board of Directors approved the schedule for greenhouse gas inventory and verification. Moving forward, the company will continue to manage the completion of the inventory and verification disclosure timeline in accordance with the reference guidelines and relevant regulations issued by the competent authorities.</p>				
<p>IX. Greenhouse gas inventory and assurance, and reduction goals, strategies, and concrete action plans. (I)The Company's greenhouse gas inspection and assurance in the last 3 years 1.Greenhouse gas inventory information Scope of inventory: Taipei Office</p>					
<p>Year</p>	<p>Scope 1 (metric tons of CO₂e)</p>	<p>Scope 2 (metric tons of CO₂e)</p>	<p>Total Emissions (metric tons CO₂e)</p>	<p>Revenue (NT\$ million)</p>	<p>Emission Intensity (metric tons CO₂e) (per NT\$ million)</p>
<p>2022</p>	<p>0</p>	<p>771.5477</p>	<p>771.5477</p>	<p>3,243.770</p>	<p>0.2379</p>
<p>2023</p>	<p>0</p>	<p>747.9347</p>	<p>747.9347</p>	<p>2,515.564</p>	<p>0.2973</p>
<p>2024</p>	<p>0</p>	<p>744.6504</p>	<p>744.6504</p>	<p>3,178.690</p>	<p>0.2343</p>
<p>According to the 2024 self-conducted inventory results, the total greenhouse gas emissions from office areas amounted to 747.9347 metric tons of CO₂e, representing a 3.06% reduction compared to 2022. The total greenhouse gas emissions in 2024 were 744.6504 metric tons of CO₂e, showing a 0.44% decrease compared to 2023.</p> <p>2.Greenhouse gas assurance information The Company has not yet conducted the assurance operation</p>					
<p>(II)Greenhouse gas reduction goals, strategies and concrete action plans Currently, the greenhouse gas inventory is conducted voluntarily. The organization continues to promote internal energy-saving and carbon reduction initiatives, with a target of reducing emissions by 1% annually starting in 2025. The disclosure of inventory information is expected to be completed by 2027, and reasonable assurance disclosure is planned to be completed by 2029.</p>					

(VII) Fulfillment of the ethical corporate management practice principles and the differences from the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and the reasons therefor.

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
I. Formulate ethical corporate management policy and plan				
(I) Has the Company formulated an ethical corporate management policy approved by the Board of Directors, and are the policy and practice of ethical corporate management stated in the Company’s regulations and external documents, as well as the commitment of the Board of Directors and the senior management to actively implement the policy?	✓		(I) The Company’s Board of Directors resolved to pass the “Ethical Corporate Management Best Practice Principles”, “Work Rules”, and “Code of Ethical Conduct”, by which Board of Directors members and employees of the Company and subordinate companies must abide by. The ideal of ethical corporate management is further fulfilled through relevant internal control systems.	No major difference.
(II) Whether the Company has established a mechanism for evaluating the risk of unethical conduct, regularly analyzes and evaluates the activities in the scope of business with a higher risk of unethical conduct, and based on this, has formulated a plan to prevent unethical conduct, which covers at least the preventive measures for the conduct set out in Article 7, Paragraph 2 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”?	✓		(II) The Company’s “Ethical Corporate Management Best Practice Principles” stipulates the principle for recusal of conflict of interests, prohibition of taking bribes, prohibition of seeking personal gains, and prohibition of engagement in competition in the same business field. Directors, supervisors, or managers violating the Ethical Corporate Management Best Practice Principles will be subject to the disciplinary actions or measured thereunder.	No major difference.
(III) Whether the Company has specified operating procedures, conduct guidelines, and disciplinary and complaint systems for violations in the plan to prevent unethical conduct and implemented the plan as well as regularly reviews and amends it?	✓		(III) The Company has formulated its “Regulations for Reporting Violation of Ethical Corporate Management and Filing Complaints”, which sets out a mechanism for reporting unethical conduct and filing complaints. These regulations enable the Board of Directors members and all employees to understand the Company’s determination of ethical corporate management, the policies, the prevention plans, and the consequences of unethical conduct.	No major difference.
II. The implementation of ethical corporate management				
(I) Does the Company evaluate the ethical records of its counterparties and specify the ethical conduct clauses in the contracts signed with the counterparties?	✓		(I) Before entering into a contract with another party, the Company shall gain a thorough knowledge of the status of the other party’s ethical management, and shall make observance of the ethical management policy of the Company part of the terms and conditions of the contract.	No major difference.
(II) Does the Company have a dedicated unit under the Board of Directors to promote ethical corporate management and report regularly (at least once a year) to the Board of Directors on its ethical management policy, plan to prevent unethical conduct, and the state of monitoring and implementation of such policy and plan?	✓		(II) The Company’s Legal Task Force is the unit concurrently responsible for promoting ethical corporate management, and made an annual report to directors on December 24, 2024.	No major difference.
(III) Does the Company have a policy to prevent conflict of interest, provide appropriate channels for explanation, and carry out the implementation?	✓		(III) The Company prevents conflict of interests during daily operations, and makes available a complaint filing channel.	No major difference.

Evaluation Items	The State of Operation			The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No	Summary Description	
(IV) Does Company establish an effective accounting system and internal control system for the implementation of ethical corporate management, and have the internal audit unit draw up relevant audit plans based on the evaluation results of risk of unethical conduct and audit the compliance with the plan to prevent unethical conduct, or entrust a CPA to perform the audit?	✓		(IV) The Company has established effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct. The internal audit unit takes the types of operation identified as having high risk in a risk assessment and includes them as audit items in the annual audit plan and enhances preventive measures; it also reports the implementation of the audit items to the Audit Committee and the Board of Directors. Through self-evaluation, the Company and subsidiaries implement the self-monitoring mechanism and adjust the design and implementation of the internal control system in response to external changes.	No major difference.
(V) Does the Company regularly organize internal and external education and training on ethical corporate management?	✓		(V) In May 2024, the Company conducted an educational training for 118 participants on the Trade Secrets Act., Directors and supervisors will participate in ethical corporate management courses organized by relevant units from time to time.	No major difference.
III. The operation of the Company’s whistleblower reporting system				
(I) Has the Company set up a specific whistleblower reporting and reward system and a convenient reporting channel and designated appropriate personnel to deal with the reported matters?	✓		(I) The Company formulated its “Regulations for Reporting Violation of Ethical Corporate Management and Filing Complaints”, which set out mechanisms for reporting, complaint lodging, and rewards; a dedicated unit will assemble an investigation team; members of the investigation team whose interests conflict those of the informant shall recuse himself/herself.	No major difference.
(II) Has the Company formulated standard operating procedures to investigate the reported matters, follow-up measures to be taken after the completion of the investigation, and the relevant confidentiality mechanisms?	✓		(II) The Company formulated its “Regulations for Reporting Violation of Ethical Corporate Management and Filing Complaints”, which set out the procedures and principles for accepting reporting, including the deadline for closing a case, document retention, assessment and improvement, and protection of the identity of the informant and investigator.	No major difference.
(III) Whether the Company takes measures to protect whistleblowers from being improperly handled due to reporting?	✓		(III) The Company formulated its “Regulations for Reporting Violation of Ethical Corporate Management and Filing Complaints”, which stipulated confidentiality of the informant’s identity and the reporting content and proper protection for the informant from improper treatment due to reporting.	No major difference.
IV. Enhance Information Disclosure				
(I) Does the Company disclose the content and effectiveness of its Ethical Corporate Management Principles on its website and the MOPS?	✓		(I) The Company has set up its company website. The Company has dedicated personnel responsible for gathering ethical corporate management information and disclosing it on the company website in a timely, open, and transparent manner, and at the same time publishing it on the Market Observation Post System (MOPS).	No major difference.
<p>V. If the Company has established its own ethical corporate management best practice principles in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies”, please state the differences between its own principles and the state of implementation: No difference.</p> <p>The Company has formulated its Ethical Corporate Management Best Practice Principles for compliance by directors, managers, and all employees and for providing principles for fulfilling ethical and accountable management. In addition, the Company’s personnel performing duties also comply with laws and preventive programs.</p>				

Evaluation Items	The State of Operation			Summary Description	The differences from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons therefor.
	Yes	No			

VI. Other important information that is conducive to understanding the implementation of ethical corporate management (e.g., the Company’s review or revision of its own ethical corporate management best practice principles):
 Currently, the Company put in place the “Rules of Procedure for Board of Directors Meetings”, “Rules of Procedure for Shareholders Meetings”, “Audit Committee Charter”, and “Remuneration Committee Charter”, by which the Company operates in line with the corporate governance spirit and implement its corporate governance regulations. In the future the Company will increase the transparency and promote corporate governance through the revision of relevant internal regulations. The Company operates by laws and regulations and the requirements of the competent authority; puts the interests of stakeholders and the Company in the first place when making decisions; and abides by internal company regulations.

(VIII) Other important information conducive to understanding the operations of corporate governance may be disclosed:

- As required by Article 13-4, Paragraph 1 of the Taipei Exchange Procedures for Verification and Disclosure of Material Information of Companies with TPEX Listed Securities, the Company formulated the “Operating Procedures for Application for Suspension and Resumption of Transaction”, by which it implements material information confidentiality and the real-time disclosure mechanism.
- To ensure the consistency and accuracy of the information disclosed by the Company, the Company has formulated its “Operating Procedures for Preventing Insider Trading” and abides by the confidentiality requirements therein.
- Continuing education of the chief accounting officer

Title	Name	Date	Organizer	Course name	Course hours
Manager	Hui-Mei Wang	2024.10.28~ 2024.10.29	Accounting Research and Development Foundation (ARDF)	Continuing Education Courses for Accounting Officers of Issuers, Securities Dealers, and Exchanges	12

(IX) Implementation of internal control systems:

1. Statement of Internal Control

Genesys Logic, Inc.

Statement of internal control systems

Date: March 11, 2025

The Company states the following for its 2024 internal control system based on the results of self-evaluation:

- I. The Company knows that establishing, implementing and maintaining an internal control system is responsible for the Company's Board of Directors and managerial officers, and the Company has established this system. Its purpose is to provide reasonable assurance of the achievement of objectives such as the effectiveness and efficiency of operations (including profitability, performance and asset security, etc.), the reliability, timeliness, and transparency of reporting, as well as compliance with relevant rulings, laws and regulations, etc.
- II. The internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide a reasonable assurance of the achievement of the above three objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the Company's internal control system has a self-monitoring mechanism. Once a defect is identified, the Company will take corrective actions.
- III. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the criteria of the effectiveness of the internal control system stipulated in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The criteria of the internal control system adopted in the "Regulations" are based on the process of managerial control and divide the internal control system into five components: 1. control environment, 2. risk evaluation, 3. control operations, 4. Information and communication, and 5. Monitoring operations. Each component consists of a number of items. Please refer to the "Regulations" for these items.
- IV. The Company has adopted the aforementioned criteria of the internal control system to evaluate the effectiveness of the design and implementation of its internal control systems.
- V. Based on the evaluation results of the preceding paragraph, the Company believed that the design and implementation of its internal control system were effective as of December 31, 2024 (including the supervision and management of subsidiaries), with an understanding of the extent to which the objectives of effectiveness and efficiency of operations were achieved, whether the reporting was reliable, timely, transparent, and if the compliance with relevant rulings, laws and regulations is met, and a reasonable assurance of the achievement of these objectives.
- VI. This statement will become the main content of the Company's annual report and prospectus and will be made public. If the above-mentioned disclosures have falsehood or concealment, legal liability under Articles 20, 32, 171 and 174 of the Securities and Exchange Act will be incurred.
- VII. This statement was approved by the Company's Board of Directors on March 11, 2025. Of the 9 directors present, 0 had objections, and the rest all agreed with the content of this statement and declared here.

Genesys Logic, Inc.

Chairman: Kuo-Chao Wang

President: Kuo-Chao Wang

2. If a CPA was appointed to conduct a special audit of the internal control systems, the CPA's review report shall be disclosed: None

(X) Important resolutions of the shareholder meeting and board meeting during the last year or the current year up to the date of publication of the annual report:

1. Board of Directors

Meeting date (N th meeting of the N th term)	Important resolutions	Matters listed in Article 14-5 of the Securities and Exchange Act.	Whether an independent director objects or has a qualified opinion	The Company's response to the independent director's opinion
2024.1.25 (9-15)	1. Resolved to approve the proposal on salary adjustment for managers raised by the Company's Remuneration Committee.			
	2. Resolved to approve the proposal on bonuses to managers raised by the Company's Remuneration Committee.			
2024.3.8 (9-16)	1. Resolved to approve the proposal on the Company's 2024 Business plan.			
	2. Resolved to approve the proposal to report to the shareholders' meeting on the 2023 employee compensation proposal raised by the Company's Remuneration Committee.			
	3. Resolved to approve the proposal to report to the shareholders' meeting on the 2023 director compensation proposal raised by the Company's Remuneration Committee.			
	4. Resolved to approve the Company's 2023 business report, parent company only financial statements, and consolidated financial statements.	✓	None	None
	5. Resolved to approve the proposal on the assessment of independence and suitability of the Company's attesting CPAs for 2024.	✓	None	None
	6. Resolved to approve the proposal on the Company's 2023 Statement of Internal Control System.	✓	None	None
	7. Resolved to approve the proposal to submit the 2023 Earnings Distribution Proposal to the Shareholders' Meeting for ratification.	✓	None	None
	8. Resolved to approve the proposal to set the Company's record date for cash dividends distribution and ex-dividend.			
	9. Resolved to approve the proposal to report to the Shareholders' Meeting on the 2023 distribution of cash dividends.			
	10. Approved the proposal to hold a general election for directors, and proposed to submit it to the shareholders' meeting.			
	11. Resolved to approve the proposal to lift the non-compete restrictions on the Company's directors and give a report at the shareholders' meeting for discussion.			
	12. Resolved to amend the Company's "Procedures for the Acquisition and Disposal of Assets" and submit the resolution to the Shareholders' Meeting for discussion.	✓	None	None
	13. Resolved to approve the proposal to convene the Company's 2024 Shareholders' Meeting.			
2024.4.26 (9-17)	1. Resolved to approve the list of candidates nominated by the Board of Directors for directors (including independent directors).			
	2. Resolved to approve the proposal to lift the non-compete restrictions on the newly appointed directors and to submit the proposal to the shareholders' meeting for discussion.	✓	None	None
	3. Resolved to approve the proposal regarding the record date for the capital increase by issuing new shares for the Company's first domestic unsecured convertible corporate bonds.			
2024.5.7 (9-18)	1. Resolved to approve the proposal on the Company and subsidiaries' 2024Q1 Consolidated Financial Statements.	✓	None	None
	2. Resolved to approve the proposal to amend a part of the operation of the Company's internal control system.	✓	None	None
	3. Resolved to approve the establishment of the "Sustainable Development Committee Charter" of the Company.			
	4. Resolved to approve the directors' remuneration for fiscal year 2023.			
	5. Resolved to approve the establishment of the "Remuneration Management Guidelines for Directors and Members of Functional Committees" of the Company.			
	6. Resolved to approve the proposal regarding the remuneration of the Company's directors and members of functional committees.			
	7. Resolved to approve the list of employees allocated employee stock warrants for 2022 and the number of warrants allocated.	✓	None	None
	8. Resolved to approve the proposal to apply to banks for renewal of financing facility.			
	9. Resolved to approve the application to the bank for the extension and addition of a comprehensive credit line.			
	10. Resolved to approve the proposal to carry out a capital increase for the subsidiary Eclat Holding Ltd.	✓	None	None

2024.6.13 (10-1 臨)	1. Resolved to approve the election of the Chairman of the Company's 10th Board of Directors.			
	2. Resolved to approve the appointment of members of the Company's 6th Remuneration Committee.			
2024.7.19 (10-1)	1. Resolved to approve the Company's Remuneration Committee's proposal on employee compensation to be distributed to managers of 2023.			
	2. Resolved to approve the proposal on bonuses to managers raised by the Company's Remuneration Committee.			
	3. Resolved to approve the proposal on salary adjustment for managers raised by the Company's Remuneration Committee.			
	4. Resolved to approve the Company's purchase of USD-denominated overseas bonds and the related authorization matters.			
2024.8.9 (10-2)	1. Resolved to approve the proposal on the Company and subsidiaries' 2024Q2 Consolidated Financial Statements.	✓	None	None
	2. Resolved to approve the proposal to amend a part o the operation of the Company's internal control system.	✓	None	None
	3. Resolved to approve the proposal to negotiate a credit line with financial institutions.			
2024.11.12 (10-3)	1. Resolved to approve the proposal on the Company and subsidiaries' 2024Q3 Consolidated Financial Statements.	✓	None	None
	2. Resolved to approve the proposal on the base date for the capital reduction due to the cancellation of restricted employee shares recovered in the 2024Q3.			
	3. Resolved to approve the proposal to amend the Company's "Rules for Hierarchical Authorization".			
	4. Resolved to approve the proposal to amend the Company's "Workplace Sexual Harassment Prevention, Complaint Investigation, and Disciplinary Measures."			
2024.12.24 (10-4)	1. Resolved to approve the proposal on professional service fees for the Company's attesting CPAs for 2024.	✓	None	None
	2. Resolved to approve the establishment of the Company's "Sustainable Development Best Practice Principles."			
	3. Resolved to approve the establishment of the Company's "Sustainability Report Preparation and Assurance Procedures."	✓	None	None
	4. Resolved to approve the establishment of the Company's "Sustainable Information Management Guidelines."	✓	None	None
	5. Resolved to approve the proposal to amend a part o the operation of the Company's internal control system.	✓	None	None
	6. Resolved to approve the proposal on the Company's 2025 annual audit plan.			
	7. Resolved to approve the proposal to negotiate a credit line with financial institutions.	✓	None	None
	8. Resolved to approve the proposal to negotiate a limit for derivative financial instrument transactions (PSR) (for hedging purposes) with financial institutions.	✓	None	None
2025.1.8 (10-5)	1. Resolved to approve the establishment of the Sustainable Development Committee.			
	2. Resolved to approve the appointment of the members of the Sustainable Development Committee.			
	3. Resolved to approve the proposal on bonuses to managers raised by the Company's Remuneration Committee.			
2025.3.11 (10-6)	1. Resolved to approve the proposal on the Company's 2025 Business plan.			
	2. Resolved to approve the proposal to report to the shareholders' meeting on the 2024 employee compensation proposal raised by the Company's Remuneration Committee.			
	3. Resolved to approve the proposal to report to the shareholders' meeting on the 2024 director compensation proposal raised by the Company's Remuneration Committee.			
	4. Resolved to approve the Company's 2024 business report, parent company only financial statements, and consolidated financial statements.	✓	None	None
	5. Resolved to approve the proposal on the assessment of independence and suitability of the Company's attesting CPAs for 2025.	✓	None	None
	6. Resolved to approve the proposal on the Company's 2024 Statement of Internal Control System.	✓	None	None
	7. Resolved to approve the proposal to establish a clear and specific Dividend Policy.			
	8. Resolved to approve the proposal to submit the 2024 Earnings Distribution Proposal to the Shareholders' Meeting for ratification.	✓	None	None
	9. Resolved to approve the proposal to set the record date for cash dividend distribution.			

	10. Resolved to approve the proposal to report to the Shareholders' Meeting on the 2024 distribution of cash dividends.			
	11. Resolved to approve the proposal regarding the record date for the capital increase by issuing new shares for the Company's first domestic unsecured convertible corporate bonds..			
	12. Resolved to approve the proposal to define the scope of "Entry-Level Employees" of the Company.	✓	None	None
	13. Resolved to approve the proposal to amend certain articles of the Company's "Articles of Incorporation" and submit it to the Shareholders' Meeting for discussion.			
	14. Resolved to approve the proposal to apply to the Financial Supervisory Commission for issuance of employee stock warrants.	✓	None	None
2024.6.13 (10-1 臨)	1. Resolved to approve the election of the Chairman of the Company's 10th Board of Directors.			
	2. Resolved to approve the appointment of members of the Company's 6th Remuneration Committee.			
2024.7.19 (10-1)	1. Resolved to approve the Company's Remuneration Committee's proposal on employee compensation to be distributed to managers of 2023.			
	2. Resolved to approve the proposal on bonuses to managers raised by the Company's Remuneration Committee.			
	3. Resolved to approve the proposal on salary adjustment for managers raised by the Company's Remuneration Committee.			
	4. Resolved to approve the Company's purchase of USD-denominated overseas bonds and the related authorization matters.			
2024.8.9 (10-2)	1. Resolved to approve the proposal on the Company and subsidiaries' 2024Q2 Consolidated Financial Statements.	✓	None	None
	2. Resolved to approve the proposal to amend a part o the operation of the Company's internal control system.	✓	None	None
	3. Resolved to approve the proposal to negotiate a credit line with financial institutions.			
2024.11.12 (10-3)	1. Resolved to approve the proposal on the Company and subsidiaries' 2024Q3 Consolidated Financial Statements.	✓	None	None
	2. Resolved to approve the proposal on the base date for the capital reduction due to the cancellation of restricted employee shares recovered in the 2024Q3.			
	3. Resolved to approve the proposal to amend the Company's "Rules for Hierarchical Authorization".			
	4. Resolved to approve the proposal to amend the Company's "Workplace Sexual Harassment Prevention, Complaint Investigation, and Disciplinary Measures."			
2024.12.24 (10-4)	1. Resolved to approve the proposal on professional service fees for the Company's attesting CPAs for 2024.	✓	None	None
	2. Resolved to approve the establishment of the Company's "Sustainable Development Best Practice Principles."			
	3. Resolved to approve the establishment of the Company's "Sustainability Report Preparation and Assurance Procedures."	✓	None	None
	4. Resolved to approve the establishment of the Company's "Sustainable Information Management Guidelines."	✓	None	None
	5. Resolved to approve the proposal to amend a part o the operation of the Company's internal control system.	✓	None	None
	6. Resolved to approve the proposal on the Company's 2025 annual audit plan.			
	7. Resolved to approve the proposal to negotiate a credit line with financial institutions.	✓	None	None
	8. Resolved to approve the proposal to negotiate a limit for derivative financial instrument transactions (PSR) (for hedging purposes) with financial institutions.	✓	None	None
2025.1.8 (10-5)	1. Resolved to approve the establishment of the Sustainable Development Committee.			
	2. Resolved to approve the appointment of the members of the Sustainable Development Committee.			
	3. Resolved to approve the proposal on bonuses to managers raised by the Company's Remuneration Committee.			
2025.3.11 (10-6)	1. Resolved to approve the proposal on the Company's 2025 Business plan.			
	2. Resolved to approve the proposal to report to the shareholders' meeting on the 2024 employee compensation proposal raised by the Company's Remuneration Committee.			
	3. Resolved to approve the proposal to report to the shareholders' meeting on the 2024 director compensation proposal raised by the Company's Remuneration Committee.			

2025.3.11 (10-6)	4. Resolved to approve the Company's 2024 business report, parent company only financial statements, and consolidated financial statements.	✓	None	None
	5. Resolved to approve the proposal on the assessment of independence and suitability of the Company's attesting CPAs for 2025.	✓	None	None
	6. Resolved to approve the proposal on the Company's 2024 Statement of Internal Control System.	✓	None	None
	7. Resolved to approve the proposal to establish a clear and specific Dividend Policy.			
	8. Resolved to approve the proposal to submit the 2024 Earnings Distribution Proposal to the Shareholders' Meeting for ratification.	✓	None	None
	9. Resolved to approve the proposal to set the record date for cash dividend distribution.			
	10. Resolved to approve the proposal to report to the Shareholders' Meeting on the 2024 distribution of cash dividends.			
	11. Resolved to approve the proposal regarding the record date for the capital increase by issuing new shares for the Company's first domestic unsecured convertible corporate bonds..			
	12. Resolved to approve the proposal to define the scope of "Entry-Level Employees" of the Company.	✓	None	None
	13. Resolved to approve the proposal to amend certain articles of the Company's "Articles of Incorporation" and submit it to the Shareholders' Meeting for discussion.			
	14. Resolved to approve the proposal to apply to the Financial Supervisory Commission for issuance of employee stock warrants.	✓	None	None
	15. Resolved to approve the proposal to convene the Company's 2025 Shareholders' Meeting.			
	16. Resolved to approve the proposal regarding the remuneration for members of the Sustainable Development Committee raised by the Remuneration Committee.			
	17. Resolved to approve the proposal to renew the annual credit line agreements with financial institutions.			
	18. Resolved to approve the proposal to renew the annual financial transaction limit agreements (for hedging purposes) with financial institutions.			
	19. Resolved to approve the proposal to renew the annual credit line agreements with financial institutions.			
	20. Resolved to approve the proposal to renew the annual financial transaction limit agreements (for hedging purposes) with financial institutions.			

(XI) Shareholder Meeting

Meeting date	Abstract and implementation of important resolutions										
2024.06.13	<p>1. Report Items (1) 2023 business report. (2) Report on the status of distribution of remuneration to employees and directors of 2023. (3) Audit Committee Review Report for 2023. (4) Report on the distribution of earnings of 2023 as cash dividends.</p> <p>2. Adoptions: (1) Adoption of the Company's Business Report and Financial Statements for 2023. Resolution: The voting results for this proposal are as follows: Number of votes represented by shareholders present at the time of vote: 52,496,555 votes</p> <table border="1"> <thead> <tr> <th>Voting results (including votes cast electronically)</th> <th>As a percentage (%) of the number of votes represented by shareholders present at the time of vote</th> </tr> </thead> <tbody> <tr> <td>Yes: 49,962,878 votes</td> <td>95.17%</td> </tr> <tr> <td>No: 31,976 votes</td> <td>0.06%</td> </tr> <tr> <td>Invalid votes: 0</td> <td>0.00%</td> </tr> <tr> <td>Abstentions and votes not cast: 2,501,701 votes</td> <td>4.76%</td> </tr> </tbody> </table> <p>This proposal was approved as proposed, and was implemented according to the resolution. Implementation status: The 2023 Business Report and Financial Statements are already disclosed on the Market Observation Post System (MOPS) for shareholders' reference.</p>	Voting results (including votes cast electronically)	As a percentage (%) of the number of votes represented by shareholders present at the time of vote	Yes: 49,962,878 votes	95.17%	No: 31,976 votes	0.06%	Invalid votes: 0	0.00%	Abstentions and votes not cast: 2,501,701 votes	4.76%
Voting results (including votes cast electronically)	As a percentage (%) of the number of votes represented by shareholders present at the time of vote										
Yes: 49,962,878 votes	95.17%										
No: 31,976 votes	0.06%										
Invalid votes: 0	0.00%										
Abstentions and votes not cast: 2,501,701 votes	4.76%										

(2) Adoption of the 2023 Earnings Distribution Proposal.

Resolution: The voting results for this proposal are as follows:

Number of votes represented by shareholders present at the time of vote: 52,496,555 votes

Voting results (including votes cast electronically)	As a percentage (%) of the number of votes represented by shareholders present at the time of vote
Yes: 49,995,227 votes	95.23%
No: 35,626 votes	0.06%
Invalid votes: 0	0.00%
Abstentions and votes not cast: 2,465,702 votes	4.69%

This proposal was approved as proposed, and was implemented according to the resolution.

Implementation status: The cash dividends for 2023 were fully distributed on May 13, 2024.

3. Discussion Items

(1) Proposal to amend the Company's "Procedures for the Acquisition and Disposal of Assets".

Resolution: The voting results for this proposal are as follows:

Number of votes represented by shareholders present at the time of vote: 52,496,555 votes

Voting results (including votes cast electronically)	As a percentage (%) of the number of votes represented by shareholders present at the time of vote
Yes: 49,973,480 votes	95.19%
No: 31,513 votes	0.06%
Invalid votes: 0	0.00%
Abstentions and votes not cast: 2,491,562 votes	4.74%

This proposal was approved as proposed, and was implemented according to the resolution.

Implementation status: The revised "Procedures for Acquisition or Disposal of Assets" has been disclosed on the Market Observation Post System (MOPS) for shareholders' reference.

4. Elections

(1) General election of the Company's directors (including independent directors) for the 10th board of directors.

Election results:

List of elected directors of the 10th term

Sequence	Account number/ID card number	Name	Number of votes
1	72	Kuo-Chao Wang	55,013,360
2	1	Man-Ping Chin	51,628,532
3	64976	Guoyu Investment Co., Ltd.	46,072,489
4	81634	Shih Ding Co., Ltd.	44,742,471

List of elected independent directors for the 10th term

Sequence	Account number/ID card number	Name	Number of votes
0.5	A12221****	Yen-Ching Tsai	50,797,819
2	J12031****	Shang-Wu Yu	50,146,298
3	D12094****	Ming-Te Hsieh	49,766,830
4	A12352****	Sung-Yuan Wang	49,438,857
5	Y22005****	Yi-Yuan Shao	48,947,816

5. Other Proposals

(1) Proposal to lift the non-compete restriction on new directors.

Resolution: The voting results for this proposal are as follows:

Number of votes represented by shareholders present at the time of vote: 52,496,555 votes

Voting results (including votes cast electronically)	As a percentage (%) of the number of votes represented by shareholders present at the time of vote
Yes: 49,850,608 votes	94.95%
No: 94,643 votes	0.18%
Invalid votes: 0	0.00%
Abstentions and votes not cast: 2,551,304 votes	4.85%

This proposal was approved as proposed, and was implemented according to the resolution.

Implementation status: Uploaded to the MOPS for shareholders' reference on June 13, 2024.

(XII) Where, during the last year or the current year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: None.

IV. Information on CPA professional fees

(I) Information on CPA professional fees

Unit: Thousand NT\$

CPA firm	CPA name	CPA audit period	Audit fee	Non-audit fees	Total	Note
KPMG Taiwan	Yung-Hua Huang Sheng-Ho Yu	2024/1/01~ 2024/12/31	2,300	470	2,770	Non-audit fees: English translation of financial statements Transfer Pricing Report

Note 1: The above table should disclose the amount of audit and non-audit fees paid to the CPA and their firm and affiliated companies, and the contents of non-audit services.

Note 2: If the Company has changed its CPA or accounting firm this year, the audit period shall be listed separately, and the reason for the change shall be stated in the remark column. The audit and non-audit fees paid shall be disclosed in order. The non-audit fees shall be stated with the description of the services.

- (II) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.
- (III) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10% or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed: None.

V. Information on replacement of CPAs : None.

VI. Circumstances in which the chairperson, president, or officers in charge of financial or accounting matters of the Company has worked in the firm of the CPA or its affiliated companies within the last year: None.

VII. Any equity transfer or change in equity pledge by a director, managerial officer, or shareholder with 10% stake or more during the last year or the current year up to the date of publication of the annual report

(I) Changes of equity held by directors, managers, and major shareholders

Title	Name	2024		Year-to-date through April 13	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares	Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares
Chairman and President	Kuo-Chao Wang	210,000 (80,000)	0 0	0	0
Director	Man-Ping Chin	0	0	0	0
Director	Shih Chuang Investment and Development Co., Ltd. Representative: Chin-Kuo Chen (Note 2)	0	0	-	-
Director	Shh Dding Co., Ltd Representative: Chin-Kuo Chen (Note 3)	0	0	0	0
Director and chief technology officer	Chih-Jung Lin (Note 1)	0	0	0	0
Director	Guoyu Investment Co., Ltd. Representative: Shu-Hua Tsai	0	0	0	0
Independent director	Yen-Ching Tsai	0	0	0	0
Independent director	Sheng-Nien Yeh (Note 1)	0	0	-	-
Independent director	Sung-Yuan Wang	0	0	0	0
Independent director	Yi-Yuan Shao	0	0	0	0
Independent director	Ming-De Hsieh (Note 4)	0	0	0	0
Independent director	Shang-Wu Yeh (Note 4)	0	0	0	0
Vice President	Han-Ching Hsieh	0 (65,000)	0	0	0
Vice President	Li-Wei Wang	39,000 (39,000)	0	0	0
Vice President	Kai-Chi Chen	39,000 (40,000)	0	0	0
Vice President	Wei-Te Li	39,000 (39,000)	0	0	0
Chief financial officer, chief accounting officer, and chief governance officer	Hui-Mei Wang	0	0	0	0

Note 1 : The term of office of the Directors, Chih-Jung Lin and Sheng-Nian Yeh, expired on June 13, 2024.

2 : The term of office of the institutional director Shih Chuang Investment expired on June 13, 2024.

3 : Corporate Director Shih Ding was appointed on June 13, 2024.

4 : Independent Director Shang-Wu Yeh and Independent Director Ming-De Hsieh were appointed on June 13, 2024.

(II) Equity transfer: None.

(III) Equity pledge: None.

VIII. Information on the top ten shareholders who are a related party, a spouse, or a relative within the second degree of kinship of one another

April 13, 2025

Name	Shareholding by the individual		Shareholding of spouse and minor children		Shareholding in the name of others		The name of and relationship among the top 10 shareholders if anyone is a related party, a spouse or a relative within the second degree of kinship of another		Note
	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Name (or alias)	Relation	
Man-Ping Chin	5,477,815	6.02%	636,681	0.70%	-	-	Guo Zhao Wang	spouse	
Standard Chartered Custody – Mizuho Securities Co., Ltd.	1,808,000	1.99%	-	-	-	-	-	-	
HSBC Custody – J.P. Morgan Securities Ltd. Investment Account	1,575,000	1.73%	-	-	-	-	-	-	
Uni-President Securities Corporation	1,418,815	1.56%	-	-	-	-	-	-	
HSBC Custody – Goldman Sachs International Investment Account	1,217,000	1.34%	-	-	-	-	-	-	
HSBC Custody – Morgan Stanley International Ltd. Investment Account	1,179,636	1.30%	-	-	-	-	-	-	
Su-Man Lin	1,150,000	1.26%	-	-	-	-	-	-	
JPMorgan Custody – Cathay SITE Shin Kong Global Equity Index Fund Investment Account	1,122,000	1.23%	-	-	-	-	-	-	
Citibank Custody – UBS Europe SE Investment Account	1,076,999	1.18%	-	-	-	-	-	-	
JPMorgan Custody – Vanguard Group Emerging Markets Fund Investment Account	1,073,000	1.18%	-	-	-	-	-	-	

IX. The total number of shares and the consolidated equity stake percentage held in any single reinvested enterprise by the Company, its directors, managerial officers, or any companies controlled either directly or indirectly by the Company

December 31, 2024 / Unit: thousand shares

Reinvested enterprises	Investment by the Company		Directors, supervisors, managerial officers, and investments controlled either directly or indirectly		Total investment	
	Shares	Shareholding (%)	Shares	Shareholding (%)	Shares	Shareholding (%)
Genesys Logic America, Inc.	40,000	100.00%	—	—	40,000	100.00%
Eclat Holding Ltd.	1,500	100.00%	—	—	1,500	100.00%
Broadway System Inc.	6,340	100.00%	—	—	6,340	100.00%
Broadway System America Inc.	15	100.00%	—	—	15	100.00%

Note 1: The Company's long-term investment accounted for using the equity method.

THREE 、 Capital Raising

I. Capital and shares

(I) Source of share capital

1. Capital formation history

April 13, 2025; Unit: thousand shares/NT\$1,000

Date	Issue price	Authorized capital stock		Paid-in capital		Note		
		Shares (in thousand shares)	Amount (NT\$thousand)	Shares (in thousand shares)	Amount (NT\$thousand)	Source of share capital	Using property other than cash as payment of shares	Others
1997.04	10	800	8,000	800	8,000	Registered capital stock upon incorporation	None	(Note 1)
2019.01	10	123,000	1,230,000	90,599	905,991	Retrieving 10,000 shares of new restricted employee shares	None	(Note 2)
2019.08	10	123,000	1,230,000	90,559	905,591	Retrieving 40,000 shares of new restricted employee shares	None	(Note 3)
2019.10	10	123,000	1,230,000	90,549	905,491	Retrieving 10,000 shares of new restricted employee shares	None	(Note 4)
2020.02	10	123,000	1,230,000	90,818	908,181	Retrieving 231,000 shares of new restricted employee shares Issuance of 500,000 shares of new restricted employee shares.	None	(Note 5)
2020.07	10	123,000	1,230,000	90,783	907,831	Retrieving 35,000 shares of new restricted employee shares	None	(Note 6)
2020.12	10	123,000	1,230,000	90,279	902,792	Retrieving 504,000 shares of new restricted employee shares	None	(Note 7)
2024.01	10	123,000	1,230,000	90,679	906,799	Issuance of 400,000 shares of new restricted employee shares. Convertible bonds were converted into 773 shares	None	(Note 8)
2025.01	10	123,000	1,230,000	90,678	906,789	Retrieving 1,000 shares of new restricted employee shares	None	(Note 9)

Note 1: Approved by the Public Works Department, Taipei City Government as per its official letter titled Jian-Yi-Zi No.86275465 dated April 2, 1997.

Note 2: The registered capital stock after modification shall prevail.

Note 3: The registered capital stock after modification shall prevail.

Note 4: The registered capital stock after modification shall prevail.

Note 5: Approved by the Financial Supervision Commission of Executive Yuan as per its official letter titled Jin-Guan-Zheng-Fa-Zi No.1080332230 dated October 7, 2019. The capital stock after modification on February 10, 2020 shall prevail.

Note 6: The registered capital stock after modification shall prevail.

Note 7: The registered capital stock after modification shall prevail.

Note 8: The registered capital stock after modification shall prevail.

Note 9: The registered capital stock after modification shall prevail.

2. Share type

Share type	Authorized capital stock			Note
	Outstanding shares (OTC-traded shares)	Unissued shares	Total	
Registered common shares	91,027,474	31,972,526	123,000,000	

Note: The record date shall be the book closure date on April 13 2025.

3. Shelf registration information: None.

(II) List of major shareholders:

April 13, 2025/ Unit: shares; %

Name of major shareholder	Shares	Number of shares held	Shareholding %
Man-Ping Chin		5,477,815	6.02%
Standard Chartered Custody – Mizuho Securities Co., Ltd.		1,808,000	1.99%
HSBC Custody – J.P. Morgan Securities Ltd. Investment Account		1,575,000	1.73%
Uni-President Securities Corporation		1,418,815	1.56%
HSBC Custody – Goldman Sachs International Investment Account		1,217,000	1.34%
HSBC Custody – Morgan Stanley International Ltd. Investment Account		1,179,636	1.30%
Su-Man Lin		1,150,000	1.26%
JPMorgan Custody – Cathay SITE Shin Kong Global Equity Index Fund Investment Account		1,122,000	1.23%
Citibank Custody – UBS Europe SE Investment Account		1,076,999	1.18%
JPMorgan Custody – Vanguard Group Emerging Markets Fund Investment Account		1,073,000	1.18%

(III) Company's dividend policy and implementation thereof

1. Company's dividend policy

The board of directors determines the Company's dividend policy in consideration of elements such as business planning, investment plans, capital budgets, and alterations in internal and external environment. Since the Company is mainly engaged in the semiconductor industry and is currently at the growth stage, the Company factors in future operational expansion and required cash flows when determining the distribution of dividends. Shareholder dividends may be distributed in either cash or shares; however, cash dividends shall not be less than 10% of total shareholder dividends distributed in the year. In the event of absence of earnings for distribution, or earnings substantially lower than the earnings actually distributed in the previous year, or out of financial, business, and operational considerations, the Company may distribute reserves, in part or in whole, according to law or the competent authority's regulations.

2. Proposed Dividend Distribution at This Shareholders' Meeting:

On March 11, 2025, the Board of Directors resolved to distribute a cash dividend of NT\$3.00 per share for the fiscal year 2024. (Subsequently, due to changes in the number of shares eligible for dividends resulting from the conversion of the Company's first domestic unsecured convertible bonds into common shares, the dividend per share was adjusted to NT\$2.99729157.) The total amount of shareholder dividends represents 99.7% of the newly added distributable earnings for the year.

3. Expected Dividend Distribution Policy:

When distributing dividends, the Company primarily considers factors such as annual profitability, capital expenditure budget, and funding status. The expected dividend distribution policy is as follows:

The total amount of shareholder dividends shall, in principle, not be less than 50% of the newly added distributable earnings for the year. However, if the amount is less than 2% of the paid-in capital, dividends may not be distributed. Among the dividends, cash dividends shall not be less than 10% of the total dividends distributed to shareholders for the year.

(IV) The effect of the stock dividends to be resolved at the shareholder meeting on the Company's operating performance and earnings per share: Not applicable.

(V) Compensation to employees and directors:

1. Percentage or scope of compensation of employees and directors stipulated in the Company's Articles of Incorporation:

If the Company makes profits during the year (i.e., profits before tax inclusive of remuneration to be distributed to employees and directors), no less than 5% of such profits should be appropriated

as employee remuneration and no more than 5% of such profits shall be allocated as director remuneration. However, if the Company is still in accumulated losses (including adjustment made through unappropriated earnings), an amount equal to such losses must be reserved in the first place.

Employee remuneration may be distributed in cash or shares; those eligible for employee remuneration as mentioned in the preceding paragraph shall also include the employees of a subsidiary or affiliate who meet certain criteria. Such criteria shall be formulated by the Board of Directors.

2. The basis for estimating the amount of employee and director 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.

The basis for estimating the compensation to employees and directors of the current period is based on the earnings of the current year (i.e., pre-tax earnings inclusive of employee compensation and director compensation) plus the adjustments of unappropriated earnings, and on the amount proposed by the Remuneration Committee and the amount approved by the Board of Directors. In the case of employee compensation distributed in shares, the calculation of number of shares shall be based on the closing price one day prior to the Board of Directors resolution date, taking into account the ex-dividends effects. Differences between the amount of employee compensation and director compensation estimated and the amount actually distributed are accounted for changes in accounting estimates, and will be recognized as adjustments to the profit or loss of the following year.

3. Distribution of compensation as approved by the board:

- (1) Amount of remuneration for employees and directors payable in cash or stocks: If there is a difference from the amount estimated in the year in which the expense is recognized, the amount of the difference, the reason for the difference, and the treatment of the difference shall be disclosed. The employee compensation and director compensation approved for distribution for 2024 in the amount of NT\$40,290 thousand and NT\$12,090 thousand, respectively, were not different from the amount recognized in the year in which expenses were incurred.
- (2) The proposed amount of stock-based profits sharing with employees and its proportion to the net profits after-tax and total profits sharing amount to employees for the period: Not applicable, because dividends were distributed solely in cash in the current period.

4. The difference between the actual amount of profits sharing with employees, directors in the previous year (including the number of shares distributed, the amount and the price of the shares) and the recognized amount of profits sharing with employees, directors, the reasons for the difference and the treatment of the difference should be described.

Item	2023			Accounting treatment
	Amount distributed (NT\$1,000)	Amount recognized on the book (NT\$1,000)	Differences (NT\$1,000)	
Employee remuneration	12,730	12,730	-	No adjustment because there is no difference between the amount distributed and the amount estimated.
Director compensation	3,820	3,820	-	

- (VI) Repurchases of the Company's shares: None.

II. Issuance of corporate bonds:

- (I) Corporate bonds issued and yet to be redeemed and corporate bonds under preparation:
The Company did not have any corporate bonds under preparation. Below is the detail of the domestic convertible corporate bonds outstanding:

Issuing (processing) date	First installment of domestic unsecured corporate bonds
Face value	August 26, 2022
Issuing and trading location	NT\$ 100,000
Issue price	Not applicable
Total amount	NT\$ 100.5
Interest rate	NT\$ 500,000,000
Duration	Coupon interest rate 0%
Guarantee agency	5-year Maturity date: August 26, 2027
Trustee	Not applicable
Underwriting agency	Taipei Fubon Commercial Bank Co., Ltd.
Attesting lawyer	Fubon Securities Co., Ltd.
Attesting CPA	Not applicable
Issuing (processing) date	Not applicable
Reimbursement method	Except under the circumstances when the convertible bond holder (“Creditor” hereinafter) converts the bonds in possession into the Company’s common shares by Article 10 of its Regulations for Issuance and Conversion of the Company’s 1st Installment of Domestic Unsecured Corporate Bonds (the “Regulations” hereinafter) or exercises the put option by Article 19 of the Regulations, or when the Company redeems the bonds earlier on the OTC market and cancels such redeemed bonds by Article 18 of the Regulations, the Company will, within 10 business days after the maturity date of the corporate bonds, pay the Creditor for the corporate bonds in his/her possession at the bonds’ face value in a lump sum cash payment. But if such a date coincides with an off day of the TWSE, it may be postponed to the following business day.
Outstanding principal	NTD 455,600,000
Terms of redemption or early settlement	Please see the regulations for issuance and conversion of the Company’s first tranche of domestic unsecured convertible corporate bonds,.
Restrictions	None
Name of the credit rating agency, date of rating, results of corporate bond rating	Not applicable
With other rights	Amount of common shares, overseas depository receipts or other marketable securities converted (exchange or subscription) as of the date of publication of the annual report.
	As of April 13, 2025, the convertible debenture was executed in the amount of \$44,400,000 and 349,290 shares of common stock were converted.
	Regulations for issuance and conversion (exchange or subscription)
	Please see the regulations for issuance and conversion of the Company’s first tranche of domestic unsecured convertible corporate bonds,.
Measures for issuance, conversion, exchange or subscription and possible equity dilution by the terms of issuance and the effect on existing shareholder equity	The total number of shares outstanding as of the printing date of the annual report is estimated to be 90,628 thousand shares. The calculated capital dilution under the scenario that the maximum number of common shares that may be converted from all of the debenture is approximately 3,584 thousand shares (the face value of the outstanding unconverted debentures is \$455,600 thousand /127.1) is approximately 3.80%.
Name of the custodian agency for the exchange of the subject.	Not applicable

(II) Corporate bonds issued and attached with the right to be converted into common shares:

Type of corporate bonds		First installment of domestic unsecured corporate bonds		
Year		2023	2024	April 13, 2025 (Note 3)
Item				
Market price of the convertible corporate bonds (Note 1)	Highest	NT\$ 121.00	NT\$ 143.6	NT\$ 146.00
	Lowest	NT\$ 102.00	NT\$ 105.55	NT\$ 118.00
	Average (Note 2)	NT\$ 113.14	NT\$ 122.54	NT\$ 134.12
Conversion price		NT\$ 129.30	NT\$ 127.10	NT\$ 127.10
Issuing (processing) date and conversion price then		August 26, 2022 Conversion price upon issuance: NT\$132.0		
Methods for the fulfillment of conversion obligations		The Company will fulfill its obligation by issuing new common shares, which will be delivered via book-entry transfer and will not take the form of physical share certificates.		

Note 1: Source credit: TPEx

Note 2: Average price = Total transaction amount via automated trade matching system and price negotiation / Total number shares traded via automated trade matching system and price negotiation.

Note 3: Data of the current year up to the publication date of the annual report.

Note 4: Since April 17, 2025, the conversion price per share has been adjusted from NTD 127.10 to NTD 124.80.

(III) Exchangeable corporate bonds: none.**(IV) Shelf registration of issuance of corporate bonds: none.****(V) Issuance of corporate bonds with stock warrants: none.****III. Handling of preferred stock: none****IV. Handling of overseas depository receipts: None****V. Handling of Employee stock options :****(I) Effect of issuance of Employee stock options on shareholders' equity**

April 13, 2025

Employee stock options	9th issuance of employee stock options	
Date of approval by competent authorities	2022.7.13	
Date of Issuance	2024.5.7	
Issuance unit	300,000 shares	
Percentage of subscription shares issued to total outstanding shares (%)	0.33%	
Subscription period	10 years	
Exercise	Issuance of new shares	
Vesting schedule and quota (%)	Warrant holders may exercise their stock option rights according to the following schedule, starting two years after the employee stock warrants are granted:	
	Years Since Grant	Maximum Cumulative Exercisable Percentage
	=====	=====
	After 2 years	50%
After 3 years	100%	
Units exercised (shares)	0	
Amount exercised (NT\$)	0	
Units unexercised (shares)	300,000 shares	
Exercise price for unexercised units	95.70	
Units unexercised to total outstanding shares (%)	0.33%	
Impact on shareholders' equity	No significant impact	

Note1: As of April 13, 2015, the total number of issued shares is 91,027,474 shares

(II) Names, Acquisition, and Subscription Status of Managers and the Top Ten Employees (by number of shares) Granted Employee Stock Warrants:

	Title	Name	Number of Options Granted	Number of Options Granted to total issued share in percentage terms	Exercised				Unexercised			
					Subscription Price	Subscription Price	Total Subscription Amount	Number of Options Granted vested to total issued share in percentage terms	Subscription Price	Subscription Price	Total Subscription Amount	Number of Options Granted vested to total issued share in percentage terms
Managerial officer	Chairman President	Guo-Zhao Wang	75,000	0.08239	0	0	0	0	75,000	95.7	7177,500	0.08239
	Vice President	Kai-Chi Chen										
	Vice President	Wei-Te Li										
	Vice President	Li-Wei Wang										
Employee	Manager	Xian-Rui, Chen	225,000	0.24718	0	0	0	0	225,000	95.7	21,532,500	0.24718
	Director	Xin-De, Yang										
	Engineer	Ming-Hao, Lu										
	Principal Engineer	Yuan-Fa, Zhu										
	Senior Enginee	Guan-Han, Wu										
	Manager	Jun-Yan, Kuo										
	Senior Director	Goyal Prateek Kumar										
	Technical Manager	Jian-Qiang, Jiang										
	Senior Director	hao-Yu, Wang										
	Assistant Manager r	Jun-Xiang< Hung										

Note1: As of April 13, 2015, the total number of issued shares is 91,027,474 shares

VI. New restricted employee shares

(I) Effect of issuance of new restricted employee shares on shareholders' equity

April 13, 2025

Type of new restricted employee shares	The 1st tranche of issuance of new restricted employee shares in 2022	The 1st tranche of issuance of new restricted employee shares in 2023
Registration effective date and total number of shares	2022.07.26	2023.08.09
Issue date	2024.02.05	-
Number of new restricted employee shares issued	400,000 shares	-
Number of new restricted employee shares available for issue	0	500,000 shares
Issue price	0	-
Total number of new restricted employee shares issued as a percentage of total number of shares issued	0.44 %	-
Vesting conditions for new restricted employee shares	These Regulations contain two types of vesting conditions, which are described separately as follows: Type 1: An employee granted new restricted employee shares still working with the Company during the period from the grant date to the expiration date of the following vesting periods and scoring "3" or more in the performance evaluation required by the Company is deemed to have met the vesting condition and may have the following percentage of their shares vest. If the employee fails to meet the vesting condition, the Company will retrieve the shares in their possession without any compensation and retire such shares.	

	<p>Two years or more with the Company: 50%.</p> <p>Three years or more with the Company: 50%.</p> <p>Type 2: An executive (at the rank of deputy division chief or above) granted new restricted employee shares working with the Company for 4 years counting from the grant date and scoring "5" in the performance evaluation required by the Company in either two years is deemed to have met the vesting condition and may have 100% of their shares vest. If the executive fails to meet the vesting condition, the Company will retrieve the shares in their possession without any compensation and retire such shares.</p>	
Restricted rights of new restricted employee shares	<p>(I) During the vesting period, employees are not allowed to sell, pledge, transfer, give out, create any right to, or dispose of the new restricted employee shares.</p> <p>(II) If an employee granted the Company's new restricted employee shares is an R.O.C. national, the employee shall deposit such shares with the Company's designated trust immediately after being granted such shares, and may not request on any ground or by any means that the trustee return the new restricted employee shares. If an employee granted the Company's new restricted employee shares is a foreigner, such shares shall be held by an entrusted custodian bank.</p> <p>(III) New restricted employee shares granted but yet to meet the vesting conditions may not participate in distribution of stock dividend, cash dividend, and capital reserves or subscription to shares in a follow-on offering. Employees meeting the vesting conditions during the period from the date that is 15 business days before the book closure date for stock/cash dividend distribution or share subscription in a follow-on offering to the record date for distribution of rights still may not participate in distribution of stock dividend, cash dividend, or share subscription.</p> <p>(IV) Shareholders' meeting affairs, including attendance, proposal, speech, vote, and other shareholders' rights and interests are carried out by the trust or custodian bank according to contractual terms.</p>	
Custody of new restricted employee shares issued	<p>During the period new restricted employee shares are held in a trust, the new restricted employee shares shall be held in a trust designated by the Company for a specified period, and the Company is authorized to act in full powers on behalf of employees with respect to the negotiation, execution, modification, renewal, cancellation, and termination of the trust contract, transfer and disposal of trusted assets (i.e., shares and cash), and any other conduct carried out by these Regulations.</p>	
Actions to be taken in the event that the vesting conditions are not met after employees are granted or subscribe to new shares	<p>(I) Employee termination (voluntary resignation, dismissal, lay-off, retirement, incompetency caused by work-related injury), except under any circumstance specified in subparagraph 4, item 2 of this paragraph, will cause the shares granted to the employee but yet to vest to be retrieved and retired by the Company without any compensation.</p> <p>(II) Leave without pay: If an employee takes leave without pay under the Company's permission, the rights attached to the new restricted employee shares that were granted to such employee but yet to vest will be resumed upon the employee's reinstatement date; however, the vesting period (which is one type of condition) shall be deferred by a period equal to the period of the employee's leave without pay. If an employee on leave without pay fails to return to work after the expiry of the period of leave without pay, the employee is deemed to have failed the vesting condition at the date of expiry of the period of leave without pay, in which case the Company may retrieve and retire all unvested shares in his/her possession without any compensation.</p> <p>(III) If an employee dies, the vesting date is the death date.</p> <p>(1) If an employee dies of work-related injury, the new restricted employee shares vested in the employee on the death date shall be given to his/her heir. An heir completing all legally required proceedings and providing proofs may apply for the shares he/she is entitled to inherit.</p> <p>(2) If an employee dies of any cause other than work-related injury, the percentage of new restricted employee shares vested in the employee, which is the ratio of the period from the grant date to the death date to the total restrictive period, shall be given to the employee's heir on the death date. An heir completing all legally required proceedings and providing proofs may apply for the shares he/she is entitled to inherit.</p> <p>(IV) Job transfer:</p> <p>(1) If an employee requests to transfer to an affiliate, another company, or a subsidiary, his/her unvested new restricted employee shares shall be treated as "Termination" and handled in the manner specified in subparagraph 2 of this article.</p> <p>(2) If an employee is designated by the Company to transfer to the Company's affiliate, another company, or a subsidiary, his/her unvested new restricted employee shares shall not be affected by the transfer. However, restrictions on vesting conditions in paragraph 3 of this article shall still apply, and the employee must continue to serve the Company's affiliate, another company, or a subsidiary to which he/she is designated to transfer; whether the employee's performance evaluation results meet the vesting condition shall be determined by the Chairman by referencing the performance evaluation results provided by the company to which the employee is transferred to.</p>	
Number of new restricted employee shares retrieved or redeemed	1,000 shares	-
Number of new restricted employee shares vested	0	-
Number of new restricted employee shares unvested	399,000 shares	-
Total number of unvested new restricted employee shares as a percentage of total number of shares issued (%)	0.44 %	-
Effect on shareholders equity	No material impact	No material impact

Note1: As of April 13, 2015, the total number of issued shares is 91,027,474 shares

(II) Effect of issuance of new restricted employee shares on shareholders' equity:

1st tranche in 2022

April 13, 2025

	Title	Name	Number of new restricted employee shares Granted	New restricted employee shares Granted to total issued share in percentage terms	Vested				Restricted			
					Number of Shares Released from Restrictions	Issuance Price	Total Issuance Amount	Number of Shares Released from Restrictions to total issued share in percentage terms	Number of Shares Still Under Restriction	Issuance Price	Total Issuance Amount	Number of Shares Still Under Restriction to total issued share in percentage terms
Managerial officer	General Manager	Guo-Zhao Wang	197,000	0.2172%	0	0	0	0	197,000	0	0	0.2172%
	Vice President	Kai-Chi Chen										
	Vice President	Wei-Te Li										
	Vice President	Li-Wei Wang										
Employees	Senior Director	hao-Yu, Wang	130,000	0.1434%	0	0	0	0	130,000	0	0	0.1434%
	Director	Zhong-Ping Huang										
	Technical manager	Chih-Gao Chen										
	Manager	Jun-Yan, Kuo										
	Manager	Nai-Jen, Chang										
	Manager	Chih-Peng Lu										
	Manager	Shih-Chieh Chang										
	Manager	Xian-Rui, Chen										
	Assistant Manager	Hung-Cheng Chen										
	Assistant Manager	Ji-Cheng Chao										

VII. Issuance of new shares in connection with mergers or acquisitions: None.

VIII. Status of implementation of capital allocation plans: None.

FOUR 、 Operation Overview

I. Business activities

(I) Business Scope

1. Major lines of business

(1) Design, manufacturing, testing, and sale of the following products:

- A. Integrated circuits (ICs)
- B. Semiconductor memory components and system equipment
- C. Computer products and semiconductor components
- D. Digital communication products and their semiconductor components
- E. Computer peripheral equipment and its semiconductor components
- F. Semiconductor components

(2) Computer software programming, research and development, sales, and testing and computer data processing

(3) Agentship and import and export of the above products

2. Operating revenue in 2024 broken down by major products is as follows:

Item	Product name	As a percentage of operating revenue
(1)	Integrated circuits (ICs) chips	99.9%
(2)	Others	0.1%

3. Current lines of products

◎USB Hub Controller IC

GL850G	High-performance USB 2.0 4-Port Hub Controller IC
GL850GC	High-performance USB 2.0 4-Port Hub and Charger Controller IC
GL852G	High-performance USB 2.0 4-Port Hub Controller IC
GL852GC	High-performance USB 2.0 4-Port Hub and Charger Controller IC
GL852GT	Industrial-specifications High-performance USB 2.0 4-Port Hub Controller IC
GL854G	High-performance USB 2.0 7-Port Hub Controller IC
GL857L	USB 2.0 3-Port Hub and SD Flash Memory Card Single Slot Card Reader Integrated Controller IC
GL3510	High-performance USB 3.2 Gen1 4-Port Hub Controller IC
GL3523	High-performance USB 3.2 Gen1 4-Port Native USB-C® Hub Controller IC
GL3523-S	High-performance USB 3.2 Gen1 4-Port Native USB-C® Hub Controller IC
GL3525	High-performance USB 3.2 Gen1 7-Port Hub Controller IC
GL3525-S	High-performance USB 3.2 Gen1 7-Port Hub Controller IC
GL3590	High-performance USB 3.2 Gen2 Native USB-C® Hub Controller IC
GL3590-S	High-performance USB 3.2 Gen2 Native USB-C® Hub Controller IC

◎USB Storage Media Controller IC

GL823/GL823U	USB 2.0 SD Single-LUN Flash Memory Card Reader Controller IC
GL834/GL834L	USB 2.0 SD Single-LUN Flash Memory Card Reader Controller IC
GL835	USB 2.0 SD Single-LUN Flash Memory Card Reader Controller IC
GL838	USB 2.0 SD Multi-LUN Flash Memory Card Reader Controller IC
GL838UC	USB 2.0 SD All-in-one Flash Memory Card Reader Controller IC

A390/A395/A500	USB 3.2 Gen1 Single-LUN Flash Memory Card Reader Controller IC
GL3213/GL3213L	USB 3.2 Gen1 Single-LUN Flash Memory Card Reader Controller IC
GL3215/GL3215L	USB 3.2 Gen1 Single-LUN Flash Memory Card Reader Controller IC
GL3221	USB 3.2 Gen1 Single-LUN Flash Memory Card Reader Controller IC
GL3224/GL3224E	USB 3.2 Gen1 Single-LUN Flash Memory Card Reader Controller IC
GL3230	USB 3.2 Gen1 Single-LUN Flash Memory Card Reader Controller IC
GL3233	USB 3.2 Gen1 Single-LUN Flash Memory Card Reader Controller IC
GL3235	USB 3.2 Gen1 Single-LUN Flash Memory Card Reader Controller IC
GL3235I	USB 3.2 Gen1 Single-LUN Flash Memory Card Reader Controller IC
GL3220	USB 3.2 Gen1 Multi-LUN Flash Memory Card Reader Controller IC
GL3223	USB 3.2 Gen1 Multi-LUN Flash Memory Card Reader Controller IC
GL3225	USB 3.2 Gen1 Multi-LUN Flash Memory Card Reader Controller IC
GL3227E	USB 3.2 Gen1 to eMMC HS400 RAID0 Bridge Controller IC
GL3232X	USB 3.2 Gen1 SD/DDR275 Single-LUN Flash Memory Card Reader Controller IC
GL3239	USB 3.2 Gen1 Multi-LUN Smart Card/NFC/Flash Memory Card Reader Controller IC
GL830	USB 2.0 to SATA Bridge Controller IC
GL831/GL831A	ATA/SATA Bridge Controller IC
GL3310	USB 3.2 Gen1 to SATA 3G Bridge Controller IC
GL3321/GL3321G	USB 3.2 Gen1 to SATA 6G Bridge Controller IC

◎PCIe Storage Media Controller IC

GL9750	PCIe 1.0 Single-LUN Flash Memory Card Reader Controller IC
GL9755	PCIe 2.0 Single-LUN Flash Memory Card Reader Controller IC
GL9763E	PCIe 1.0 to eMMC HS400 Bridge Controller IC
GL9767E	PCIe 2.0 to eMMC HS400 Bridge Controller IC
GL9767	PCIe 2.0 to SD 8.0 Bridge Controller IC

◎Repeater

BW9802	USB 3.2 Gen2x2 Redriver with CC Logic Detector
BW9902	USB 3.2 Gen2 1-Port Redriver
BW9914	USB 3.2 Gen2 DP-ALT Mode Redriver with 4:4 Switch
BW9951	USB 3.2 Gen2 2-Port Redriver
BW9930	PCIe 3.0 1-Port Redriver
BW9963	20Gbps 2-Ch 1:2 MUX/DeMUX with CC Logic Detector
BW9971	DP2.1 UHBR10/eDP1.5 4-Lane Redriver
BW9972	DP2.1 UHBR20/eDP1.5 4-Lane Redriver
GL9805	USB 3.2 Gen2x2 Redriver with CC Logic Detector
GL9805V	USB 3.2 Gen2x2 Redriver with CC Logic Detector
GL9900N	USB 3.2 Gen1 1-Port Redriver
GL9901N	USB 3.2 Gen2 1-Port Redriver
GL9901V-1T	USB 3.2 Gen2 1-port Industrial Grade Redriver
GL9904	USB 3.2 Gen2 DP-ALT Mode Redriver with 4:4 Switch
GL9905	USB 3.2 Gen2x2 20Gbps Redriver
GL9906	USB4® 20Gx2 Redriver
GL9950N	USB 3.2 Gen2 2-Port Redriver
GL9950VE-1T	USB 3.2 Gen2 2-port Industrial Grade Redriver
GL9930	PCIe 3.0 1-Port Redriver
GL9930N-1T	PCIe 3.0 1-port Redriver

GL9931	PCIe 3.0 4-Ch Redriver
GL9932	PCIe 4.0 4-Ch Redriver
GL9960	20Gbps 4-Ch 1:2 MUX/DeMUX
GL9961	10Gbps 8-Ch 1:2 MUX/DeMUX
GL9962	20Gbps 2-Ch 1:2 MUX/DeMUX
GL9970	DP 1.4 4-lane Redriver
GL9971	DP2.0 UHBR10 & eDP1.4 4-lane Redriver
GL9982	PCIe 4.0 8-Ch Redriver

© Charger Controller IC

GL887x	Charger Controller IC
GL888x	Charger Controller IC
GL889x	Qualcomm QC2.0®,MediaTek PE/PE+® Charger Controller IC
GL9510	2-port PD2.0/3.0 Controller IC

©USB Image Controller IC

GL660	USB 2.0 Bridge Controller IC
GL123	USB 2.0 Scanner Controller IC
GL124	USB 2.0 Scanner Controller IC
GL125	USB 2.0 Scanner Controller IC
GL126	USB 2.0 Scanner Controller IC
GL127	USB 2.0 Scanner Controller IC
GL128	USB 2.0 Scanner Controller IC
GL843	USB 2.0 Scanner Controller IC
GL843-2X&3X	USB 2.0 Scanner Controller IC
GL845	USB 2.0 Scanner Controller IC
GL846	USB 2.0 Scanner Controller IC
GL310	ARM Stand-alone USB 2.0 Scanner Controller IC
GL310-04	ARM Stand-alone USB 2.0 Scanner Controller IC
GL3466	ARM Stand-alone USB 3.2 Gen1 Scanner Controller IC
GL862EC/EE/EF	USB 2.0 UVC Camera Controller IC
GL862EX	USB 2.0 UVC Camera Controller IC
GL864A	USB 2.0 UVC Camera Controller IC
GL865A	USB 2.0 UVC Camera Controller IC

©Fisheye Image Processor

GL3004	FHD Fisheye Image Processor
GL3008	4K Fisheye Image Processor

©PCI Express

GL9701	1-Port PCI Express to PCI Interface Adapter
GL9711	1-Port PCI Express to PCI Communication Card
GL9714	4-Port PCI Express to PCI Communication Card

©Intellectual property rights

GL230	PCI Express PIPE PHY IP
GL800	USB 2.0 UTMI Transceiver IP

4. Planned new products:

USB4® Hub Controller

USB4® Hub Controller IC

USB 3.2 Hub/PD Controller
 1.8V USB4® Redriver
 eUSB2 to USB2 Repeater
 PCIe 5.0 Redriver
 USB/DP Active Mux/Switch
 USB 3.2 Memory Card Reader Controller
 USB 3.2 UVC 4K Fisheye Image Processor

High-performance Hub Integrated PD Controller IC
 1.8V USB4® Redriver
 eUSB2 to USB2 Redriver
 PCIe 5.0 Redriver
 USB/DP Active Mux Switcher
 USB 3.2 Card Reader Controller IC
 USB 3.2 UVC 4K Fisheye Camera Controller IC

(II) Industry Overview

1. Overview of Taiwan's IC Design Industry in 2024

According to the Industrial Economics and Knowledge Center (IEK) of ITRI, Taiwan's IC industry output value is projected to reach NT\$5,315.1 billion (USD\$165.6 billion) in 2024, an increase of 22.4% compared to 2023. The output value can be broken down by sub-industry, with NT\$1,272.1 billion (USD\$39.6 billion) from the IC design industry, up 16.0% compared to 2023; NT\$3,419.5 billion (USD\$106.5 billion) from the IC manufacturing industry, up 28.4% compared to 2023, of which: NT\$3,243.8 billion (USD\$101.1 billion) from the foundry industry, up 30.1% compared to 2023, and NT\$175.7 billion (USD\$5.5 billion) from memory and other manufacturing, up 3.3% compared to 2023; NT\$423.3 billion (USD\$13.2 billion) from the IC packaging industry, up 7.7% compared to 2023; NT\$200.2 billion (USD\$6.2 billion) from the IC testing industry, up 5.0% compared to 2023. Assuming the exchange rate of TWD against USD is 32.1

Statistical Results of Taiwan's IC Industry Output Value in 2024

in NT\$100 million	24 Q1	Quarterly growth	Annual growth	24 Q2	Quarterly growth	Annual growth	24 Q3	Quarterly growth	Annual growth	24 Q4	Quarterly growth	Annual growth	2024	Annual growth	25Q1 (e)	Quarterly growth	Annual growth
IC industry output value	11,667	-3.0%	15.7%	12,702	8.9%	25.1%	13,840	9.0%	24.0%	14,942	8.0%	24.2%	53,151	22.4%	14,404	-3.6%	23.5%
IC design industry	3,002	0.1%	25.1%	3,125	4.1%	16.4%	3,256	4.2%	13.1%	3,338	2.5%	11.3%	12,721	16.0%	3,380	1.3%	12.6%
IC manufacturing industry	7,193	-4.3%	14.6%	8,071	12.2%	32.9%	8,965	11.1%	32.7%	9,966	11.2%	32.6%	34,195	28.4%	9,435	-5.3%	31.2%
Foundry industry	6,749	-4.8%	14.9%	7,605	12.7%	34.7%	8,508	11.9%	34.7%	9,576	12.6%	35.1%	32,438	30.1%	9,050	-5.5%	34.1%
Memory manufacturing and other products manufacturing	444	4.0%	9.4%	466	5.0%	8.9%	457	-1.9%	3.9%	390	-14.7%	-8.7%	1,757	3.3%	385	-1.3%	-13.3%
IC packaging industry	987	-4.1%	5.0%	1,022	3.5%	10.2%	1,114	9.0%	7.6%	1,110	-0.4%	7.9%	4,233	7.7%	1,069	-3.7%	8.3%
IC testing industry	485	-0.6%	4.3%	484	-0.2%	4.5%	505	4.3%	3.1%	528	4.6%	8.2%	2,002	5.0%	520	-1.5%	7.2%
IC industry output value	3,446	0.6%	22.8%	3,591	4.2%	15.4%	3,713	3.4%	11.8%	3,728	0.4%	8.8%	14,478	14.3%	3,765	1.0%	9.3%

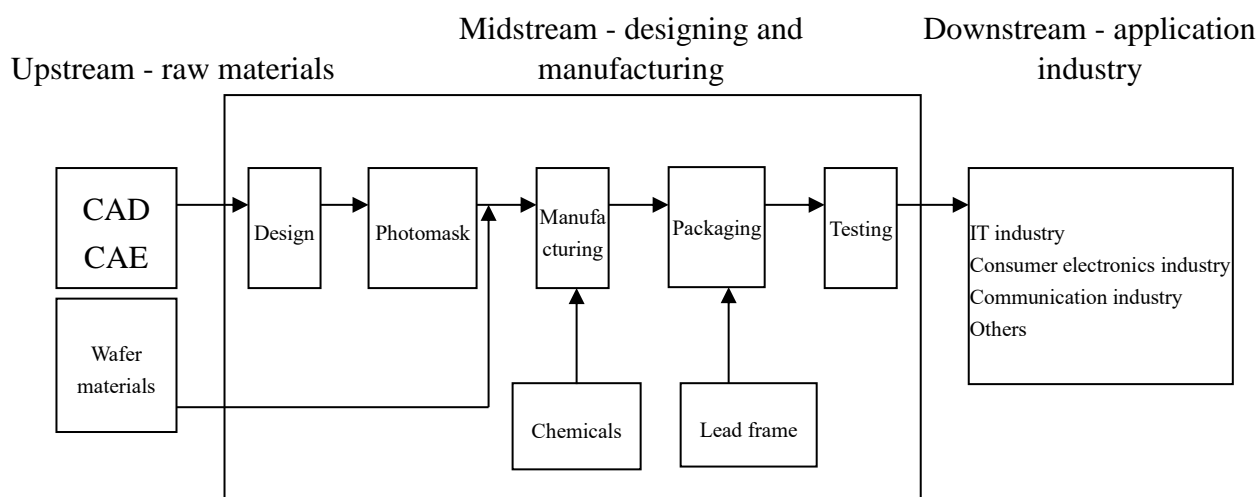
Source: TSIA; IEK, ITRI (2025/02)

2. Correlations of upstream, midstream and downstream industries.

Participants in the production of ICs roughly comprise the IC design industry, which designs the specifications and circuits and commissions the photomask industry to produce photomask; the foundry industry, which produces semi-finished IC products; and lastly the packing and testing industry, which performs the cutting, packaging, and testing and completes the production. This gives the IC design industry a key role in the industry chain because it is the one that initiates a product, mainly by setting specifications, designing circuits, determining subsequent testing methods, and confirming specifications, all of which are important steps necessary for creating product value. As IC products develop ever more powerful and complex features, the division of labor in the IC design industry has become more exquisite. The IC design industry, after years of development, has become more complete; every manufacturing stage, from design tools, IC

design, wafer materials, silicon wafer, photomask production, IC fabrication, packing, lead frame, testing, to peripheral support, features a variety of competing and competitive companies. This makes the industry vertically integrated while featuring specific division of expertise. (see the table below) Genesys Logic, Inc. is mainly engaged in the design of USB Controller ICs, and belongs to the IC design sub-industry under the IC industry.

Division of labor among upstream, midstream and downstream of the IC industry



3. Development trends of products

(1) Card Reader Controller IC

The Company's GL3232X USB 3.2 Gen1 controller is the world's first SD 3.0 flash memory card reader controller that supports reading speeds of up to 275 MB/s, which is 2.75 times faster than the SDR104 speed mode and approaches the reading speed of SD 4.0 UHS-II. The GL3232X is based on UHS-I interface technology, leveraging dual data transmission technology and a higher SD clock rate to enhance data transfer speeds. It is hardware-compatible with traditional SD 3.0 memory card connectors, meaning no additional components are required on the circuit board. This allows customers to significantly boost UHS-I transmission speeds without increasing RBOM costs, providing consumers with high-performance and cost-effective products.

(2) Hub Controller IC

The arrival of USB-C® has fundamentally changed the traditional notion of USB applications and its end market; on the practical front, USB-C® can not only provide a data transmission bandwidth of about 40Gb/sec, which is 4~8 times faster than the traditional one, but also share the bandwidth with other applications. Currently, DisplayPort is the most popular choice among users for audio-visual applications. In addition, the USB Power Delivery, a family member of USB-C®, is the favorite son for consumers due to its capability to deliver enough power in addition to the transmission of data and video. Therefore, the future development of USB C® lies in the issue as to how to effectively combine the data, the video and the power features.

The Company is dedicated to developing highly integrated controller ICs for hubs. After the emergence of USB C®, the Company also launched the hub controller IC, which supports USB C® natively. USB 2.0 Hub Controller IC, USB 3.2 Gen1 USB-C® Hub Controller IC, USB 3.2 Gen2 USB-C® Hub Controller IC, and USB4® Hub Controller IC all support reverse insertion; detect/are equipped with VBUS; and are equipped with/provide VCONN current. Most noticeable is the USB4® Hub Controller IC of the latest specifications; this

controller IC is built in with Genesys Logic, Inc.'s self-developed USB-C®-specification USB Power Delivery controller and, when used with Genesys Logic, Inc.'s self-developed device routers, can effectively integrate USB data, Display Port videos, and high-speed PCIe data and, without any plug-in MUX component, natively support the Display Port's alternate mode. What's more, this USB4® Hub Controller IC is also compatible with Intel Thunderbolt™ 4. In this sense, USB4® Hub Controller IC can be used in almost all application scenarios, enabling a more efficient allocation and use of bandwidth.

(3) Redriver

The Company devoted resources to develop high-speed Redrivers. USB/PCIe/DP Redrivers have been taken up by many prominent computer manufacturers. As the speed of the various protocols increases, the Company will successively develop high-speed Redrivers for USB4®, DP 2.1, PCIe Gen5.0, and HDMI 2.1 applications.

Big data have gain their presence in our life, thanks to the information explosion era. To cope with massive data transmission, each association has devised distinct data transmission protocols that facilitate more rapid transmission speeds. When designing a system ideal for high-speed signal transmission, PCB traces and cable signals must be considered because they cause signal loss (i.e., insertion loss) which will prevent signals from reaching the intended destination. The faster the transmission system is, the more extreme the phenomena is. That's when repeaters come in. Currently, repeaters can be realized by deploying the architecture of Redriver or Retimer. The Company opted for Redrivers, because they make system design simpler, consume litter power, and are cheaper.

4. Competition situation of products

The Company is mainly engaged in the development, production, testing, and sale of integrated circuit, computer peripherals, and related products, providing total solutions to clients such as consumer electronics producers and system manufacturers. The Company's core strength lies in the progress and utilization of high-speed SerDes technology. Aside from the USB4®/3.2 technology, the Company also invests more resources in the development of high-speed SerDes interface technology, so as to grasp the trend of development of new technologies across domains and platforms and seize the opportunities on the application market.

The Company plans a complete series of high-speed USB4®/3.2/2.0, SD 8.0/7.1/4.0/3.0, PCIe 5.0/4.0/3.0 interface products suitable for multiple applications. Aside from gaining market share for USB 3.2 Controller ICs, the Company will, as always, lead the market and innovate its products. By aggressively developing diversified, high-added-value niche products with differentiated specifications, the Company improves its product quality; by enhancing its execution effectiveness, The Company slowly increases its product applications' foothold on the niche market. In doing so, it enriches its product portfolio and boosts profit potential, thereby sharpening market competitiveness.

The Company is devoted to introducing up-to-date process technologies to foster product competitiveness and enable customers to maximize their product advantages. In addition, the Company has successively launched the copper process, which is the key to controlling packaging and testing costs, for its major products. In the future, by utilizing the strong connection between industry players in the semiconductor eco-system, the Company will be able to expand its products into the vertical application market and convey the product value to end customers. Competitors of related products include TI, Microchip, VIA, REALTEK, etc. The Company's competitive advantage lies in its own product-specific intellectual property, which gives a strong grasp of the pace of development and technology.

(III) Technology and R&D Overview

1. A listing of research and development expenditures as well as technologies and/or products successfully developed during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report

(1)R&D Expenses: Mainly engaged in the design, manufacture, testing and trading of integrated circuits, semiconductors, digital communication products, computer peripheral equipment,

and related products, the Company puts all its effort into research and development. The R&D expenses were NT\$808,832 thousand in 2024, and NT\$247,905 thousand in 2025 as of the end of the first quarter.

(2) Products or technology successfully developed in the most recent year:

Development period	Products or technology successfully developed
2024	USB 3.2 Gen 1/PD Integrated Hub Controller IC
	USB4® PHY Technology
	USB4®/USB 3.2/PCIe 4.0/DP2.1 Redriver
	PCIe SD 8.0/7.1/4.0/3.0 Flash Memory Card Reader Controller IC

(IV) Long-term and short-term business development planning

1. Short-term business development plan:

- (1) Completed the USB4 HUB chip.
- (2) Completed the eUSB 2 Repeater chip.
- (3) Completed the new generation enhanced USB 3.2 Gen2 HUB.
- (4) Completed the USB 3.2 Gen1/Gen2 simplified HUB chip.
- (5) Completed the USB 3.2 DDR300 card reader chip.

2. long-term business development plan:

- (1) Continue promoting the USB4 Hub chip and support customer design-in.
- (2) Launch the PCIe Gen5/Gen6 redriver chip and assist customer design-in.
- (3) Launch the small package PCIe SD8/SD9 card reader chip.
- (4) Launch the image controller chip and introduce the customer design.

II. Market and sales overview

(I) Market analysis

1. Geographic areas where the main products are sold

Unit: Thousand NT\$; %

Year Geographic area where products are sold		2023		2024	
		Sales amount	As a percentage of the operating revenue of the current year	Sales amount	As a percentage of the operating revenue of the current year
Overseas	Asia	909,958	36	1,090,868	35
	Others	130,746	5	41,827	1
Total		1,040,704	41	1,132,695	36
Domestic		1,474,860	59	2,045,995	64
Total		2,515,564	100	3,178,690	100

2. Market shares

According to the statistics of the Industrial Economics & Knowledge Center (IEK) of ITRI, the output value of Taiwan's IC design industry in 2024 totaled NT\$1272.1 billion; the Company's net operating income in 2024 amounted to NT\$3.1 billion (NT\$3,178,690 thousand), accounting for roughly 0.24% of the total output value of Taiwan's IC design industry.

3. Marketplace in the future

According to DIGITIMES, global semiconductor revenue in 2024 is estimated to reach US\$627.9 billion, representing an annual growth rate of 19.2%, mainly driven by AI applications fueling demand for HPC chips and memory products. In the Q4 2024 forecast, full-

year semiconductor revenue is expected to reach US\$627 billion, up 19% year-over-year, benefiting from stronger-than-expected shipments of smartphones and NB/PCs, which in turn lifted chip demand. AI applications are the main driver of semiconductor demand in 2024, propelling shipments of cloud AI accelerators and edge AI devices (such as AI smartphones and AI PCs), while memory demand also improves alongside rising shipments of AI/HPC chips.

Looking ahead to 2025, global semiconductor sales are forecasted to reach US\$713 billion, an annual growth of 13.6%. In addition to the continued momentum in computing chips fueled by AI applications, geopolitical tensions are accelerating semiconductor self-sufficiency in China and driving risk diversification efforts across non-Chinese electronics supply chains, both contributing to overall market growth.

4. Competitive niche

(1) R&D team design technology experience accumulation and passing on

The IC design industry is a high-tech and technology-intensive industry, so the development achievements, design capabilities and R&D experience of R&D personnel are closely related to the Company's market competitiveness. The Company values and enhances professional training for R&D personnel and provides a variety of welfare measures to attract and retain talents. In addition, the Company is keen to recruit exceptional R&D talents at home and abroad and form a strategic alliance with domestic exceptional design companies to carry out joint development. Such division of labor improve the technology level and build a more efficient R&D team. High quality talents and low personnel turnover is the key to success in the IC design industry, and will make the Company's products more competitive.

(2) Possess exceptional niche products

Beyond having an outstanding R&D and design team and purchasing state-of-art precision instruments, the Company also always attends to the change in functions, speed, and convenience of each category of electronic products; in addition, it also properly schedules the R&D timeline, in order to launch high-tech IC applications that are competitive in the industry in terms of products and price and meet the market demand in a timely manner.

(3) Good and stable partnership with upstream factories

A region with a complete and competitive electronics and semiconductor industry, Taiwan has well-developed companies in areas like IC design, wafer foundry, packaging and testing, and even professional marketing channels. This enables the Company to select exceptional and cooperative partners by considering process technology, quality and yield, equipment capacity, lead time, and price. After good partnership for a long time, we are able to produce quality and competitive products.

(4) Provide complete product sales service

The Company established subsidiaries Genesys Logic America, Inc. and Elact Holding Ltd. in 2002 and 2003, respectively. In the future, we will expand the market distribution channels through subsidiaries and worldwide agents to build a sound distribution network. We will also swiftly gather market information to seize any opportunity at sight, to provide sales and technological support in a timely manner. In November 2006, the Company established the Shenzhen representative office of Elact Co., Ltd. in mainland China indirectly through Elact Holding Ltd.; the office is engaged in business information collection, promotion of goods or services, and various promotion services. Such investment had been approved by the Investment Review Committee of MOEA.

5. Favorable and unfavorable factors of development prospects, and corresponding measures

(1) Favorable factors

- A. The Company is keen to form strategic alliance with design powerhouses at home and abroad to develop new products, making products more diverse and competitive.
- B. The Company operates a diversified range of business lines and product lines and is therefore unlikely to be impacted by the performance of revenue from a single products; such diversified product lines can offset a variety of impacts to ensure profitability.
- C. The Company has been devoting itself to the development of controller ICs for high-speed interfaces like USB, PCI Express, and SATA. The Company especially focuses on the

development of USB 2.0/3.2 IC technology, and self-develops the most challenging part - the physical layer (PHY). The Company already developed own PHY as early as in the USB 2.0 era. Therefore, by the time the era of USB 3.2 arrived, the Company has accumulated considerable technological experience and possessed cost advantages, and is able to adapt to product adjustment or modification whenever required, to meet customer requirements.

Taiwan's semiconductor industry features clear division of labor and professional companies in the upstream and downstream. Domestic foundries like TSMC and UMC are the two largest foundries in the world. In addition, domestic IC packaging companies and testing companies have become increasingly professional and provide services that are substantially refined in terms of both quality and quantity. Therefore, compared with foreign IC design companies, domestic IC design companies have access to more complete production supporting systems, giving rise to the advantages such as reduced operating costs, production technology support, and production capacity allocation.

(2) Unfavorable factors and response measures

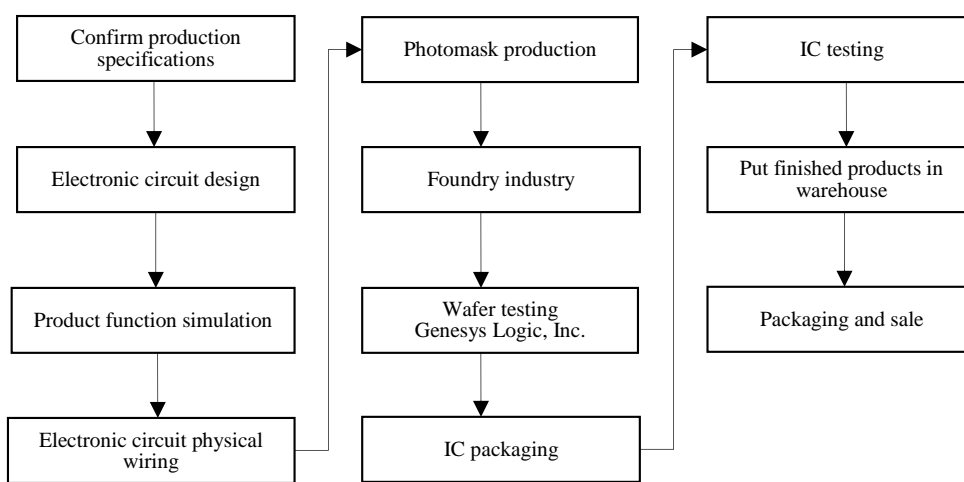
Unfavorable factors	Response measures:
Recruiting all types of highly skilled design and R&D personnel is not a simple task.	Strategically collaborate with renowned design firms domestically and internationally to create new products.
It takes longer for an IC design company to nurture its R&D talents; therefore, their recognition for the Company will be another challenge the Company needs to address.	Offer a good workplace and provide employees with education and trainings, so that they have the opportunity to develop themselves; improve the brand awareness of the Company and the image of the product; and attract more outstanding talents to join the Company.
Rapid evolving IC product technology, shorter product life cycle, increasing demand for more product function, rapid market changes, and new products successively launched by competitors all prompt the IC design industry to shorten the development process in order to be competitive on the market.	Continue to develop future-proof new products to cope with volatile market trends; shorten product development time and manufacturing overheads by adopting advanced process and packaging technology as early as at the design stage, so as to increase product competitiveness.
IC design industry has a lower entry barrier at the initial stage; increasingly fierce marketplace competition prevents the growth in gross profits.	Aggressively develop advanced process, and diversified product lines with high added value, to as to broaden the Company's lines of products and increase profitability, thereby enhancing competitiveness and take lead in the industry; participate in major international industrial association, foster strong core capabilities, and grasp opportunities in a timely manner, so as to facilitate market competition.
Intellectual property rights	Properly manage the R&D results and the value that comes with the R&D patents; apply to IPR competent authority in a timely manner; respond to the request of internal legal unit to hire legal consultants, to uphold the Company's interests.

(II) Main use of major products and their manufacturing processes

1. Main use of major products

Main products	Main use
Integrated circuits (ICs) chips and intellectual property rights (IPR)	1. Mainly USB3.2/2.0 hubs, LCD display plus USB3.2/2.0 hubs, and PC motherboards with built-in USB3.2/2.0 hubs. 2. Used as a transfer and storage device for file storage, backup, and sharing. 3. Used in scanners to perform image scanning for storage or edit on computer, or for use as built-in or plug-in camera modules in PC/NB. 4. Mainly transmission transceivers or physical layer core technology, which can be licensed to customers for use in computers and consumer electronics chipsets.

2. Production process



Mainly used for high-speed I/O communication, including USB series products, and high-speed transmission interface like PCI Express and Serial ATA applications.

(III) Supply status of main raw materials

Category	Counterparty	Supply status	Response measures:
Purchase	EOUV01	The major supplier is the world's largest wafer foundry whose quality and delivery date are exceptional and can be reasonably assessed. The Company maintains a good partnership with foundries and secures a safety capacity from them, so the supply of wafer raw materials should not be an issue.	Prepare for developing advanced products and maintain long-term partnership; be able to give a portion of production capacity, to reduce the risk of stockpile and shorten the production timeline.
Purchase	EKOU02	Major suppliers are among the world's largest wafer foundry whose quality and delivery date are exceptional and can be reasonably assessed. The Company maintains a good partnership with foundries and secures a safety capacity from them, so the supply of wafer raw materials should not be an issue.	To avoid the scenario in which the Company is able to supply products due to lack of materials in peak seasons, the Company already establish close business relationship with world-class foundries to expand supply sources and effectively reduce the risk that comes from concentration of purchase.

(IV) A list of any customers accounting for 10% or more of the company’s total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each, and an explanation of the reason for increases or decreases in the above figures.

1. Major suppliers in the last two years

Unit: NT\$1,000; %

Item	2023				2024			
	Name	Amount	Ratio to annual net purchase (%)	Relationship with the issuer	Name	Amount	Ratio to annual net purchase (%)	Relationship with the issuer
1	EOUV01	174,540	26	None	EOUV01	555,602	38	None
2	REKV01	132,588	19	None	CGTI01	301,806	20	None
3	CGTI01	123,608	18	None	EKOU02	150,515	10	None
4	VVCR01	72,961	11	None	REKV01	115,435	8	None
5	EKOU02	54,941	8	None	VVCR01	114,874	8	None
	Others	125,758	18	None	Others	238,298	16	None
	Total net purchase	684,396	100		Total net purchase	1,476,530	100	

Note 1: List the names of suppliers whose total purchases in the last two years exceeded 10% of the total purchases, and the amounts and percentages of their purchases. However, if the contract stipulates that the name of the supplier or the trading counterparty is an individual and non-related person, the code can be used instead.

Note 2: If, before the date of publication of the annual report, a listing company or OTC-traded company has any financial data for the most recent period audited and attested or reviewed by a CPA, it shall also be disclosed therewith.

Reasons for changes: Mainly due to the adjustment of production capacity allocation in response to market condition changes.

2. Major customers in the last two years

Unit: NT\$1,000; %

Item	2023				2024			
	Name	Amount	Ratio to annual net sales (%)	Relationship with the issuer	Name	Amount	Ratio to annual net sales (%)	Relationship with the issuer
1	GRKN01	537,354	21	None	GIYV01	630,466	20	None
2	GIYV01	502,540	20	None	GRKN01	620,392	20	None
3	CNCI01	378,179	15	None	CNCI01	599,533	19	None
	Others	1,097,491	44	None	Others	1,328,299	41	None
	Net sales	2,515,564	100		Net sales	3,178,690	100	

Note 1: List the names of customers whose sales exceeded 10% of total sales in the last two years, and the amount and percentage of sales to each customer. However, if the customer is an individual, non-related person, the name of the customer or the trading counterparty can be coded.

Reasons for changes: Mainly due to the change in the customer market, the change in the sales network, change in product portfolio, and the change in market conditions.

Note 2: If, before the date of publication of the annual report, a listing company or OTC-traded company has any financial data for the most recent period audited and attested or reviewed by a CPA, it shall also be disclosed therewith.

Reasons for changes: Mainly due to the change in the customer market, the change in the sales network, change in product portfolio, and the change in market conditions.

III. Information on employees during the most recent two years and during the current year up the publication date of this annual report

April 10, 2025

Year		2023	2024	Year-to-date through April 10, 2025
Number of employees	R&D personnel	230	211	209
	Other personnel	74	95	92
	Total	304	306	301
Average age		43.4	43.6	44.0
Average years of service		9.7	9.9	10.2
Education distribution (%)	Doctorate	1.6	1.3	1.7
	Masters	58	57.8	57.1
	University or College	39.8	40.2	40.5
	High school	0.6	0.7	0.7

Note: Data of the current year up to the publication date of the annual report.

IV. Information on environmental expenditure

In the most recent year and in the current year up to the publication date of this annual report, the Company did not subject to any penalties for contaminating environment. Our products, as well as the manufacturing processes of the outsourced factory, meet the environmental protection requirements of the RoHS, so future expenses may be limited to the regular inspection.

V. Labor relations

(I) Current important labor-management agreements and their implementation

(1) Employee welfare facilities, retirement system:

Employee insurance: In addition to providing labor insurance and national health insurance in accordance with the law, the Company also provides a complete group insurance at the Company's expense.

Retirement system: The Company has set up a labor pension account by the Labor Standards Act. The service years of employees working at the Company before the commencement of the new scheme are reserved. In addition, the Company makes a monthly contribution equal to 6% of employee's monthly salary every month to employees' personal pension account in accordance with the Labor Pension Act.

The Company has set up its Employee Welfare Committee, which carries out various activities related to employee welfare; the Company also sets aside budget every year for organizing a variety of events, e.g., birthday parties, domestic tour, special festival activities, various club activities and subsidies, and spring party. In addition, the Company provides health checkups superior to legal requirements, health management, various sports competitions, health-promoting seminars, sports and fitness equipment, allowance for parking space rentals for employees, employee emergency relief loan subsidies, and an employee stock trust plan. By providing multiple welfare and subsidies to cater for the different needs of employees, the Company improves their motivation to work.

(2) Employee continuing education and training:

The Company has a dedicated unit responsible for employee education and training; the unit takes charge of arranging appropriate training courses according to the needs of different types of work. Meanwhile, the Company encourages employees to take part in external training courses:

1. The Company offers subsidies every year to enable colleagues to select external professional training programs pertaining to their work, so that they can continuously boost their professional skills.

2. New employee orientation: Helping new employees quickly adapt to the work environment, including the Company’s business philosophy, industry and product introduction, organization and system overview, system operation processes, occupational health and safety training, and environmental and quality policies.
3. Management competency training: Helping employees in management positions improve their leadership and governance capabilities, including corporate governance, internal control and audit, talent development, and employee motivation.
4. Professional competency training: Aimed at enhancing employees’ professional skills and work efficiency, including information security, project management, design thinking, and presentation skills.
5. General competency training: Focused on common courses, such as ISO standard introductions.
6. Health promotion: Establishing a workplace culture that supports employees’ physical and mental health, including physical and mental health seminars and first aid training.

Item	Total number of persons	Total number of hours	Total expenses (NTD thousand)
1. New employee orientation	41	71	3
2. Management competency training	34	100	45
3. Professional competency training	83	635	431
4. General competency training	46	120	18
5. Health promotion	316	221	9
Total	520	1,147	506

In 2024, employee education and training totaled NTD 506 thousand for 1,147 hours. Trainees totaled 520 persons.

- (3) Implementation of labor-management agreements and measures for preserving employees' rights and interests:

The Company attaches importance to people-oriented management approaches, and drafts or revises labor relations measures and regulations upon negotiation of both labor and the management, so there is no labor dispute and labor relations have been harmonious.

- (4) Employee code of conduct or ethics:

(A)The Company has formulated its “Work Rules”, “Employee Manual”, and “Employee Code of Ethical Conduct” to provide a reference for employees’ work and conduct. Below is the code of ethical conduct Staff should abide by:

1. In the execution of their duties, Staff shall focus on teamwork, abandon sectionalism, diligently comply with the principle of honesty and credibility, and be proactive, responsible and prudent.
2. No form of preferential treatment or discrimination should take place in any form based on race, sex, religious beliefs, political party affiliation, position, nationality, or age.
3. Staff should work to maintain a safe and healthy environment, and there should be no instances of harassment, or violent and threatening behavior.
4. Staff are obliged to maintain and increase the profits duly made by the Company, and shall avoid the following:
 - 4.1 attempt to obtain personal gain for themselves or for others by using the Company’s property, information, or taking advantage of their positions;
 - 4.2 provide or confide confidential information without proper authorization from the Company; take advantage of confidential or inside information to seek personal gains ore benefit or hurt others;
 - 4.3 compete with the Company.
5. Staff shall treat all business counterparties fairly, and may not offer/accept preferential treatment when transacting with spouse, relative, or other stakeholders. When performing duties, Staff may not demand, promise, give, or accept a gift, hospitality, kickback, or bribe in any form for the

benefits of himself/herself or another party or engage in other improper conduct for benefits.

However, gift or hospitality considered normal as social etiquette or custom or allowed by the Company is excepted.

6. Work-related knowledge and any information that could affect the share price of the Company's stock, before it has been disclosed as public information, all information shall be kept confidential pursuant to the Securities and Exchange Act, and shall not to be used to engage in insider trading.
7. Staff shall mutually respect personal privacy and may not disseminate rumors or fabricate rumors to harm others. They shall cautiously manage the affairs or confidential information acquired during their work and may not leak such information to others or for purposes unrelated to work, except when the Company permits such disclosure or when such disclosure is necessary for carrying out job duties. This rule shall apply mutatis mutandis after termination of employment.

The information that must be kept confidential as specified in the preceding paragraph includes, but not limited to, information of Staff and clients, invention, business secrets, technical data, product design, professional manufacturing knowledge, financial and accounting data, intellectual property rights, and other non-public information which, if leveraged by competitors or leaked, may cause harm to the Company or its clients.

8. Staff shall ensure the accuracy and integrity of all documents and data in any form that they have processed, and shall properly preserve such documents and data.
9. Staff shall prevent the theft, interference, destruction and/or intrusion of corporate data, information systems and/or network equipment when carrying out their duties in order to protect the confidentiality, integrity, and availability of corporate information.
10. Staff may not interfere with other employees' contribution of political donations, support for specific political party or candidate, or participation in any political activity, in any form. In addition, it is advised that they refrain from engaging in political campaign during business hours or at the workplace.
11. Staff shall respect intellectual property rights and follow relevant laws and regulations. Illegal use and/or reproduction of copyrighted intellectual property, such as software, publications, and/or magazines is prohibited.
12. The Company's management shall raise awareness of ethics internally and encourage employees to report with defined identity upon suspicion or discovery of any activity in violation of a law or regulation or the Codes of Ethical Conduct. The Company shall use its best efforts to ensure the safety of informants and protect them from reprisals.
 - 12.1 In order to ensure the equality of genders at work, and to ensure that employees have a safe environment for work and services, the Company has developed relevant measures to prevent and control sexual harassment at work, which should be followed by all employees.
 - 12.2 The computer is an essential tool for the company's employees. In order to regulate the use of electronic tools by employees, regulations for the use of computer system resources have been formulated for all employees to follow. The regulations mainly include: a. Regulations for use of the Internet; b. Regulations for control of network traffic; c. Regulations for use of information content; and d. Regulations for software use.
 - 12.3 The Company requires employees to sign an employment contract, which provides for the management of the business secrets, in order to protect the commercial interests of the Company and its competitive advantage, to prevent damage from leaks, and to define the attribution of labor results and the ownership thereof.

(5) Occupational safety and health policy:

The Company's labor safety and health policy is to fulfil the social responsibility of the Company and to protect the security of its employees, with a view to ensuring the safety, health, and comfort of the working environment. By promoting health and safety management, the Company enables employees to develop the right concepts and a healthy body and mind. Below are the items the Company is committed to:

1. Abide by laws and regulations concerning environmental conservation, safety, and health, and by other requirements.
2. Reduce the potential danger incidental to the working environment and reduce the probability of accidents. For example, a fire safety lecture is held regularly to develop the correct awareness of

fire safety, and a fire protection system is maintained regularly; the lighting of the environment is checked daily to prevent danger.

3. The Company organizes health promotion and provides health examination that is superior than the statutory requirements. The Company also organizes seminars and sports competitions to promote physical and mental health of employees.
 4. Advocate conservation of energy and promote resources recycling to reduce waste.
 5. The Company regularly performs environmental sanitation maintenance, including testing of water quality, garbage disposal, environmental cleaning, and regular inspection of air conditioning and purification equipment to improve working conditions.
 6. In pursuit of the goals of “Zero-incident” and “Zero-hazard” to ensure workplace safety and employees’ health.
 7. The company keeps a clear communication and feedback channel, so that any safety or health issues can be resolved in time.
- (II) List any losses suffered by the company during the last year or the current year up to the date of publication of the annual report due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.
- The company has an harmonious relationship between workers and the management. we have never suffered any losses due to labor disputes and we do not expect that to happen in the future.

VI. Cybersecurity Management:

- (I) Describe the cybersecurity risk management framework, the cybersecurity policy, the specific management plan, and the resources committed to the cyber-security management, etc.
1. Cyber-security risk management structure:
The Company has designated a team of experts in cybersecurity, with reference to relevant information and communication security framework, to manage the implementation, risk management, and regulatory compliance of policies related to safeguarding cyber-security. The Company meets regularly to implement and uphold a comprehensive cyber-security management system by following the Plan-Do-Check-Act (PDCA) cycle; we also provide regular updates on risk analysis and the protective measures and policies implemented to the management. Furthermore, we consistently update the Board of Directors on the success of our cyber security management and the progress of our cyber security strategies, guaranteeing the suitability, sufficiency, and efficiency of our cyber security management system. Doing so maintains the confidentiality, integrity, and availability of the information assets of the Company, thereby achieving cyber security objectives.
 2. Cyber security policy:
In order to strengthen the governance of cyber security and safeguard the confidentiality, integrity, and availability of information assets, the Company enacts cyber security measures to create an information environment that supports business continuity. At the same time, the Company adheres to government regulations and addresses the concerns of internal and external stakeholders to protect the information environment from deliberate or accidental attacks, in pursuit of cyber security goals.
 - 2.1 The Company’s management establishes and reviews this policy, and has the dedicated IT officer and dedicated IT personnel at the IT Department of the Business Administration Division responsible for promoting cyber security management.
 - 2.2 All colleagues must actively participate and support the various systems for the management of cyber security, and implement the policy in accordance with the appropriate standard and procedure.
 - 2.3 All personnel, organizations, services, contractors, and visitors involved in the operation of the

business must comply with this Policy.

2.4 All colleagues and contractors are required to inform the contact person for cyber security of any cyber security incident or vulnerability through a suitable reporting system.

2.5 Any conduct that threatens cyber security shall be investigated for civil and criminal liability and administrative accountability depending on severity of circumstances, and punished according to the Company's regulations.

3. Information security management plan

To effectively implement our cyber security policy and achieve our goal of comprehensive protection, we have put in place the following management measures and specific plans:

3.1 Enhancement of cyber security protection capabilities:

- Continue to maintain a firewall equipped with intrusion detection and defense functions.
- Utilize the defender of office 365 to strengthen the information security protection of our email system.
- To ensure cyber security, the Company conducts regular vulnerability scans and promptly addresses system vulnerabilities through repairs or other necessary measures.
- It is strictly prohibited to use insecure or non-compliant network communication protocols, as well as high-risk network communication protocols, including remote control connections.
- The establishment of the control mechanism for the computer connection management of the VPN compliance, and the strengthening of the security of the connection equipment.
- The Company has implemented email verification mechanisms such as SPF, DKIM, and DMARC to prevent spam emails and phishing emails.

3.2 Procedures for improving cyber security management:

We have implemented the necessary procedures for cyber security management in accordance with the Cyber Security Management Guidelines for TWSE/TPEX-listed Companies, as well as relevant international standards and customer contract requirements.

- We have implemented a Vulnerability Scanning Management Policy, conducting regular vulnerability scans and reinforcing or remediating system vulnerabilities with appropriate measures to reduce cybersecurity risks.
- We have implemented an Information Security Incident Management Procedure, assessing the impact and losses based on incident severity levels and taking corresponding reporting and recovery actions.
- We have implemented a System Change Impact Assessment Management Policy, evaluating the potential impacts before any system changes and considering corresponding mitigation measures to ensure smooth execution and minimize disruption to the Company.
- We have strengthened management policies for certificate and key management, remote access, identity authentication, privileged account management, and mobile device management, to enhance the protection of computer data security.
- We have implemented a Computer Systems, Equipment, and Data Recovery Management Policy, reinforcing procedures for system recovery and data backup restoration drills to support the Company's business continuity objectives.
- We have revised and implemented the Computer Virus Prevention and Security Protection Management Policy to further strengthen the Company's information security defenses.

3.3 Enhance network, endpoint, and application security:

- Establish a network access control and segmentation mechanism, segmenting the network based on the purpose of connected devices and configuring appropriate access permissions.
- Enhance endpoint protection by installing anti-virus software and implementing an XDR system on all endpoint equipment.
- Establish MFA to strengthen user identification for VPN connections, Email connections,

Sftp connections, and privileged account connections.

- Enable Bit Locker on the client computer to encrypt data on computer disks.
- Adopt secure network transmission method like the TLS and SFTP protocol, for data transmission between the Company and suppliers.
- Implement the DLP mechanism to strengthen the protection of personal data.
- Improve mobile device management by implementing MDM on all mobile devices.
- Keep updating and monitoring relevant application software and operating system.
- Establish a centralized Security Information and Event Management (SIEM) system to monitor information security alerts and take appropriate response actions.

3.4 Education and training:

- Employees undergo periodic social engineering exercises (phishing) each year to boost their knowledge of cyber security.
- The IT Department staff regularly conduct disaster recovery drills to cope with the scenario of damage to the ERP system mainframe.
- Keep a close watch on the current state of external cyber security and emerging trends in cyber defense, and produce monthly reports on these matters.
- Stay updated with external cybersecurity intelligence and related vulnerability information through TWCERT/CC.
- Cybersecurity management personnel participate in professional cybersecurity training courses organized by the Taiwan Academy of Banking and Finance and obtain relevant training certificates.
- Attend cybersecurity conferences to stay abreast of the latest cybersecurity trends.

4. Resources invested in cyber security management:

Protecting against cyber threats has become a top priority for the Company. Here is a breakdown of our cyber security management efforts and investments.

4.1 Dedicated manpower: The Company has designated a dedicated information security officer and team responsible for cybersecurity planning, technology implementation, and related auditing matters to maintain and continuously strengthen information security.

4.2 Education and training: Our company offers cyber security training videos to all employees in order to increase awareness and understanding of cyber security. Additionally, our cyber security management personnel receive professional training and all-staff meetings are held regularly to review relevant policies and procedures. Throughout the year, the Company conducted 5 social engineering tests through phishing emails. Additionally, all employees who fell victim to the scams completed a security course and awareness test.

4.3 Monitoring and alert handling for cybersecurity systems: The Company has implemented a multi-factor authentication (MFA) system to strengthen identity verification, deployed advanced endpoint protection (XDR) to monitor abnormal endpoint network activities to prevent hacking, enhanced email security for filtering virus, phishing, and scam emails, and introduced intrusion prevention firewalls and a centralized log management (SIEM) system.

4.4 Customer satisfaction: There have been no reports of customer data loss. By doing this, we meet the demands of customers regarding supply chain cyber security.

4.5 System and equipment upgrades: The Company replaced and upgraded systems and equipment that did not meet cybersecurity standards. These upgrades include ongoing firewall updates, database system upgrades, report system upgrades, backup of Active Directory (AD) systems, file encryption system upgrades, backup system upgrades, replacement of old PCs with notebooks (NBs), and firmware updates for related network equipment.

4.6 Cyber security announcements and notices: More than thirty cybersecurity-related announcements and notifications were created and distributed to convey important security regulations, precautions, operational requirements, and security information.

4.7 Program platform transfer: Six BPM electronic form processes and thirty-four ASP.Net application projects were successfully migrated.

4.8 Vulnerability scanning: Vulnerability scans were performed on fifteen servers, identifying and

addressing seventy-five vulnerabilities.

4.9 Suppliers: Ensure that the supplier's maintenance contract incorporates pertinent cyber security requirements, including a repair plan for critical and high CVSS level vulnerabilities.

(II) In the most recent year and up to the date of publication of this annual report, the Company's cyber security management

On September 21, 2024, the Company experienced an information security incident. Information security personnel detected abnormal network transmissions and identified that some servers had been attacked by hackers. The information security unit immediately activated defense and recovery mechanisms and invited external cybersecurity experts to assist in handling the situation. The affected systems were promptly restored. Subsequently, the Company reviewed and continues to strengthen the security controls over its network and information infrastructure to ensure ongoing information security.

VII. Important Contracts

Contract nature	Party	Contract start and end date	Main content	Restrictions
Appointment contract	KPMG Taiwan	2024.01.01~2024.12.31	Provision of professional services in relation to financial statements and tax report	None
Appointment contract	MICROSOFT TAIWAN CORPORATION	2024.09.09~2027.09.08	Provision of technical support	None

FIVE 、 Review and analysis of financial position and financial performance, and risks

I. Analysis of financial position

Unit: Thousand NT\$

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	2,140,108	2,019,351	120,757	5.97
Financial assets at fair value through profit or loss - non-current	-	650	(650)	(100.00)
Financial assets at fair value through other comprehensive income - non-current	73,995	9,572	64,423	673.03
Property, plant and equipment	925,808	932,205	(6,397)	(0.68)
Intangible assets	62,098	74,295	(12,197)	(16.41)
Other non-current assets	90,468	112,210	(21,742)	(19.37)
Total assets	3,292,477	3,148,283	144,194	4.58
Current liabilities	1,281,816	843,476	438,340	51.96
Non-current liabilities	10,072	483,238	(473,166)	(97.91)
Total liabilities	1,291,888	1,326,714	(34,826)	(2.62)
Capital stock	908,536	902,792	5,744	0.63
Capital surplus	333,056	315,758	17,298	5.47
Retained earnings	831,606	687,832	143,774	20.90
Other equity	(76,907)	(89,185)	12,278	13.76
Non-controlling interests	4,298	4,372	(74)	(1.69)
Total equity	2,000,589	1,821,569	179,020	9.82

(I) Description of materially changed items:

The annual report shall list the main reasons for any material change in the company's assets, liabilities, or equity (changes in the most recent two years that reach or exceed 20% or NT\$10 million) during the past 2 fiscal years, and describe the effect thereof. Where the effect is of material significance, the annual report shall describe the measures to be taken in response.

1. Financial assets at fair value through other comprehensive income – non-current:

Mainly due to the investment in USD-denominated overseas corporate bonds during the current period.

2. Current liabilities and non-current liabilities: Mainly due to the reclassification of convertible corporate bonds from non-current liabilities to current liabilities, as bondholders are entitled to exercise the put option within the period specified under relevant regulations.
3. Retained earnings: Mainly due to the increase in profits during the current period.

II. Analysis of financial performance

Unit: Thousand NT\$

Item \ Year	2024	2023	Increase (decrease) amount	Change ratio (%)
Net revenue	3,178,690	2,515,564	663,126	26.36
Sales cost	1,768,498	1,452,470	316,028	21.75
Operating gross profit	1,410,192	1,063,094	347,098	32.64
Operating expenses	1,101,050	952,772	148,278	15.56
Operating net profits	309,142	110,322	198,820	180.21
Non-operating income and expenses	42,519	1,239	41,280	3,331.71
Pre-tax profits for the period from continuing operations	351,661	111,561	240,100	215.21
Income tax expense	47,321	15,437	31,884	206.54
Net profits for the period from continuing operations	304,340	96,124	208,216	216.61
Other comprehensive income (net after tax)	(413)	10,568	(10,981)	(103.90)
Total comprehensive income for the period	303,927	106,692	197,235	184.86
Net profits for the period attributable to shareholders of the parent	304,469	96,636	207,833	215.06
Net profits for the period attributable to non-controlling interests	(129)	(512)	383	74.80
Comprehensive income attributable to shareholders of the parent	304,055	107,204	196,851	183.62
Comprehensive income attributable to non-controlling interests	(128)	(512)	384	75.00

(I) Analysis and description of changes for the last two years (%) (This section need not be filled in if the change is within 20%)

1. Operating revenue, net, cost of goods sold, and operating gross profit:

The consumer electronics market continued to recover in the current year, and increased customer market demand drove growth in operating revenue, leading to a simultaneous increase in cost of goods sold and operating gross profit.

2. Operating profit: The continuous recovery in the consumer electronics market resulted in a significant increase in overall revenue, thereby boosting operating profit.
3. Non-operating income and expenses: Mainly due to the appreciation of the U.S. dollar, resulting in the recognition of exchange gains during the current period.
4. Income tax expenses: Mainly due to the significant growth in pre-tax profit during the current period, leading to an increase in income tax expenses.
5. Profit before tax from continuing operations, profit for the period from continuing operations, total comprehensive income for the period, profit for the period attributable to owners of the parent, and total comprehensive income attributable to owners of the parent: Mainly due to a substantial increase in operating revenue, resulting in increased profitability.
6. Other comprehensive income (net of tax): Mainly due to an increase in unrealized valuation losses on equity/debt instruments measured at fair value through other comprehensive income.
7. Profit for the period attributable to non-controlling interests and total comprehensive income attributable to non-controlling interests: Mainly due to a decrease in losses of subsidiaries during the current period.

III. Analysis of cash flow

Unit: Thousand NT\$

Cash balance, beginning of period	Net cash inflow from operating activities during the year	Annual cash flow from other activities	Cash balance	Remedies for cash shortfall	
				Investment plan	Financing plan
1,109,754	707,924	(573,885)	1,243,793	—	—

(I) Analysis of change in cash flow:

1. Decrease in net cash inflow from operating activities: Mainly due to the continued reduction of inventories during the current period; however, the amount of inventory reduction was lower compared to the same period last year.
2. Increase in net cash outflow from investing activities: Mainly due to the increased purchase of equipment and other financial assets during the current period.
3. Increase in net cash outflow from financing activities: Mainly due to the distribution of cash dividends and repayment of short-term borrowings in the current period.

(II) Corrective measures to be taken in response to illiquidity: Not applicable.

(III) Cash flow analysis for the coming year

Unit: Thousand NT\$

Cash balance, beginning of period	Estimated cash flow from operating activities	Estimated cash outflow for the year	Amount of estimated cash surplus (shortfall)	Remedy for estimated cash shortfalls	
				Investment plan	Financing plan
(1)	(2)	(3)	(1)+(2)+(3)		
1,243,793	835,540	(394,708)	1,684,625	—	—

IV. Effect of major capital expenditures on finance and business matters in the last year: None.

V. Reinvestment policy for the last year, the main reasons for profits or losses, improvement plan and investment plan for the coming year.

Item \ Description	Amount	Policy	The main reasons for profits or losses	Improvement plan	Investment plan in the future
Genesys Logic America, Inc.	Investment amount: NT\$30,085 thousand Carrying amount: NT\$16,255 thousand	Long-term investment	Investment in high-end product development projects	Closely monitor R&D expenditure and broaden market reach	None
Eclat Holding Ltd.	Investment amount of NT\$168,148 thousand Carrying amount: NT\$19,262 thousand	Long-term investment	Operating expenses	Closely monitor budget expenditure	None
Broadway System, Inc.	Investment amount: NT\$254,418 thousand Carrying amount: NT\$43,557 thousand	Long-term investment	At the expansion stage; already producing operating revenue	Closely monitor expenditure budget and broaden market reach	None

VI. Analysis and evaluation of risks for the last year and the current year up to the date of publication of the annual report shall include the following items:

(I) The impact of the changes in the interest rate and exchange rate, and inflation on the Company's profitability and corresponding future measures:

1. Interest rate risk -

(1) The Company's exposure to interest rate risk mainly arises from time deposits and bank borrowings. As of December 31, 2024, the net assets of floating rate instruments held amounted to NT\$779,551 thousand. If the interest rate were to increase or decrease by 0.25%, with all other variables held constant, the pre-tax profit for 2024 would increase or decrease by NT\$1,949 thousand, which would have an immaterial impact on the profit or loss.

(2) The Company negotiates borrowing interest rates with banks when money abounds on the market, to reduce the cost of short-term working capital. Considering the inherent change of interest rates, when investing using idle funds, the Company opts for a floating-rate or short-term investment to circumvent interest rate risks. In addition, the objective of managing interest rate risks on market is to reduce the market risk exposure to an acceptable level and optimize return on investment.

2. Exchange rate risk -

(1) Given the total amount of foreign currency assets on hand on December 31, 2024, if the exchange rate decreases or increases by 1%, held other variables constant, the pre-tax profit of 2024 will increase or decrease by NT\$6,826 thousand.

(2) The Company holds a position in USD because it sells products quoted in USD; it currently control the exchange rate risk by means of natural hedging, but will opt for forward exchange contracts with foreign exchange banks in the future to hedge risks and cushion impact.

3. Inflation –

Quotations offered by the Company to customers or offered by raw materials to the Company mainly depend on market factors as opposed to inflation. The Company will be able to keep an eye on the market at any moment. If the raw material prices fluctuate because of inflation, sales prices will be adapted to the current situation to minimize the negative impact of the inflation on profits or losses of the Company.

(II) Policies on high-risk, highly-leveraged investments, lending funds others, endorsement and guarantee, and derivatives transactions, main reasons for gain or loss, and corresponding future measures:

1. Policy: To manage financial risks, the Company did not engage in any high-risk, highly-leveraged investments.

2. Main reasons for gain or loss: Since the Company did not engage in any high-risk, highly-leveraged investments, there is no such a thing as impact on gain or loss.

3. Corresponding future measures: In order to manage certain transactions, the Company has adopted internal management procedures and procedures, which aim to achieve sound financial and operational management, in compliance with the applicable laws and regulation of the FSC. Such internal regulations include “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees”, “Regulations Governing the Acquisition and Disposal of Assets”, “Regulations Governing Making of Endorsements/Guarantees”, and “Regulations for Managing Liability Commitments or Contingencies”.

(III) Future R&D plans and the estimated expenses:

The Company satisfies customers’ needs with a variety of product R&D plans, and has developed a wider selection of products for different applications. In terms of the product development, we are continuing to introduce advanced process technology to maintain competitiveness of our products and help our customers strengthen their product advantages. In addition to the current 0.152um, 0.13um, 0.11um and 55nm processes deployed for mass production, the Company will gradually introduce the 22nm process. Aside from the USB4®/3.2 technology, the Company will also invest more resources in the development of high-speed SerDes interface technology, so as to grasp the trend of development of new technologies across domains and platforms and seize the opportunities on the application market.

The R&D plan for 2025 is as follows:

Unit: Unit: NT\$ thousands

R&D plan	Research and development expenses anticipated in the future
USB4®/USB 3.2/USB 2.0/eUSB2v1 Hub Controller IC	187,200
USB PD 3.2 Controller IC	4,600
USB 3.2/SD Express Card Reader Controller IC	26,900
USB4®/USB 3.2/eUSB2/DP2.1/PCIe Redriver	59,300
Fisheye Image Processor	1,900
eUSB2v2 to MIPI Bridge	13,500

(IV) The impact of important domestic and foreign policy and legal changes on the Company’s finance and business and corresponding measures

The Company is usually highly attentive to significant domestic and international policies and legal modifications. The company has established backup plans in light of the changing policies and laws both domestically and internationally. In the last few years, there has been no significant effect on the financial and commercial activities of the Company.

(V) The impact of important changes in technology or industry on the Company’s finance and corresponding measures:

The company has gained considerable expertise in the field of R & D, and also has established an extensive customer base and a reputation on the marketing front. The Company’s management keeps track of changes and technological developments evaluates them periodically. To be competitive in the market, the Company will continue investment in new products and R & D projects, grasp development timeline, formulate a cost reduction solution, and admit more strategic partners, in addition to maintaining a sound financial structure, which gives the flexibility to fund allocation and is able to cope with market changes in the future.

(VI) The impact of change in the corporate image on corporate crisis management and corresponding measures

The Company strives to maintain an ethical and fair level of management and operations. Adhering to the Company’s established ethical framework, the Company’s management team will not tolerate any unethical conduct or compromise on the core values and principles. In the event of crisis, the President shall take the lead to minimize the level of business interruption and financial

impact, to maintain smooth operations. In the most recent year and in the current year up to the publication date of this annual report, there was no occurrence of risks able to impact the Company’s normal operations and corporate image.

(VII) Anticipated benefits and inherent risks of mergers and acquisitions, and response measures: In the most recent year and in the current year up to the publication date of this annual report, the Company did not initiate any merger or acquisition.

(VIII) Expected benefits and possible risks of plant expansion and corresponding measures: Not applicable.

(IX) Risks of concentrations of purchases or sales and corresponding measures:

Category	Counterparty	Supply status	Response measures:
Purchase	EOUV01	The major supplier is the world’s largest wafer foundry whose quality and delivery date are exceptional and can be reasonably assessed. The Company maintains a good partnership with foundries and secures a safety capacity from them, so the supply of wafer raw materials should not be an issue.	Prepare for developing advanced products and maintain long-term partnership; be able to give a portion of production capacity, to reduce the risk of stockpile and shorten the production timeline.
Purchase	EKOU02	Major suppliers are among the world’s largest wafer foundry whose quality and delivery date are exceptional and can be reasonably assessed. The Company maintains a good partnership with foundries and secures a safety capacity from them, so the supply of wafer raw materials should not be an issue.	To avoid the scenario in which the Company is able to supply products due to lack of materials in peak seasons, the Company already establish close business relationship with world-class foundries to expand supply sources and effectively reduce the risk that comes from concentration of purchase.

(X) Effect upon and risk to the company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10% stake in the company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken: In the most recent year and in the current year up to the publication date of this annual report, the Company did not experience any of the above situations.

(XI) Effect upon and risk to company associated with any change in governance personnel or top management, and mitigation measures being or to be taken: In the most recent year and in the current year up to the publication date of this annual report, the Company did not experience the said situation.

(XII) Litigation or non-litigation events:

1. List major litigious, non-litigious or administrative disputes that: Involve the company, and have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders’ equity or the prices of the company’s securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of

the dispute up to date: In the most recent year and in the current year up to the publication date of this annual report, the Company did not experience any of the said situations.

2. List major litigious, non-litigious or administrative disputes that: Involve the company's director, supervisor, general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10%, and/or any company or companies controlled by the company, and have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute up to date: In the most recent year and in the current year up to the publication date of this annual report, the Company did not experience any of the said situations.

(XIII) Other important risks, and mitigation measures being or to be taken:

The firm has instituted a policy on information security and set up a framework for information security risk management. Actions in this regard include the establishment of a network firewall, the installation of antivirus software and email intercept system, the establishment of a encryption-controlled environment for workstations, the control of the access to systems and programs, the replacement or upgrading of operating systems or equipment that don't meet information security requirements. The Company holds periodical education and training courses on information security management for company personnel. Management at each level also supervises the risk management according to the duties assigned to them. After evaluating the above information security risk management mechanism, the Company did not find any material operational risk.

VII. Other important matters: None.

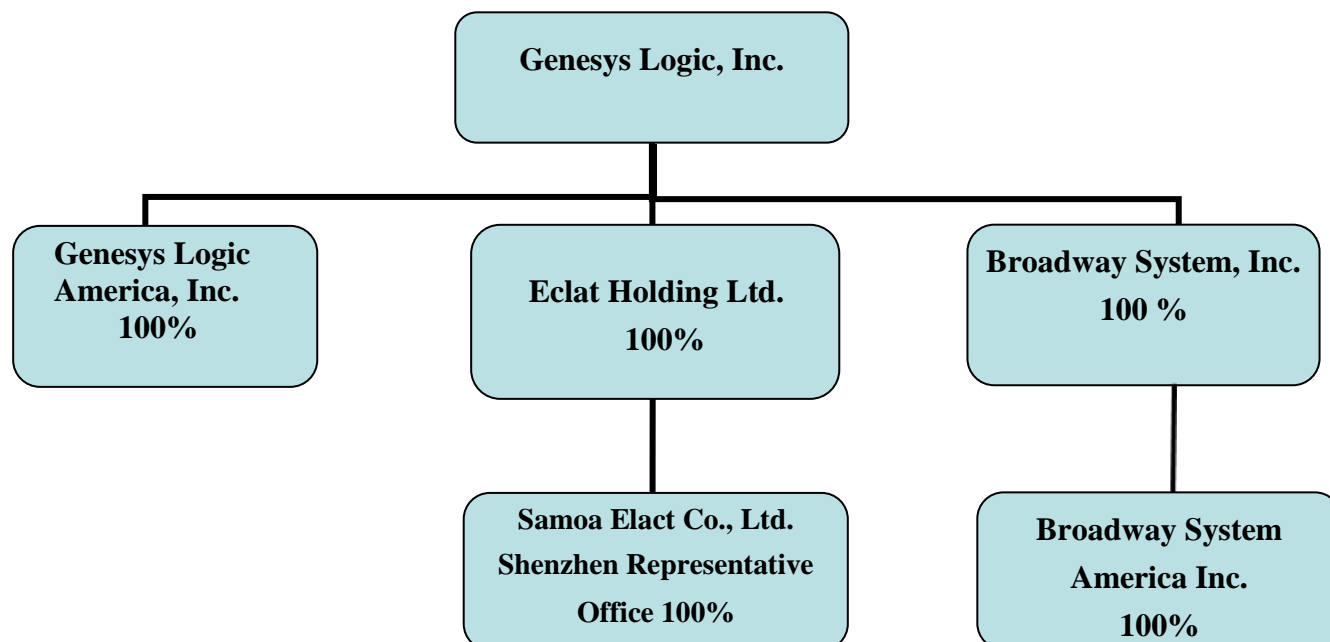
SIX、Special Matters

I. Information on affiliated companies:

(I) Consolidated business report of affiliated companies

1. Organizational chart of affiliated companies

December 31, 2024



2. Basic information on associates

Unit: NT\$

Company name	Date of incorporation	Address	December 31, 2024 Capital		Main business line
			Currency	Amount	
Genesys Logic America, Inc.	2002.03.20	2880 Zanker Road, Suit 102 San Jose, CA,95134	USD	400,000	IC design and sale
Eclat Holding Ltd.	2003.09.15	Le Sanalele Complex, Ground Floor, Vaea Street, Saleufi, PO Box 1868, Apia, Samoa	USD	1,500,000	Reinvested
Broadway System, Inc.	2007.12.11	6F-6, No. 308, Zhifu Road, Zhongshan District, Taipei City	NTD	63,400,000	IC design and sale
Broadway System America, Inc.	2023.05.01	19104 NORWALK BLVD ARTESIA, CA 90701	USD	15,000	IC design and sale

3. Business relationship and division of business lines among affiliates and the controlled and subordinate companies

Company name	Controlled (subordinate) companies	Controlled (subordinate) relationship	Business relationship and division of business lines among affiliates
Genesys Logic, Inc.	Controlled company	-	R&D, manufacturing, testing and sales of products of business lines
Genesys Logic America, Inc.	Subordinate	Controlled via shareholding	1. R&D and sale of products of business lines. 2. Broaden the global reach and target consumers in Europe and the USA.
Eclat Holding Ltd.	Subordinate	Controlled via shareholding	Mainly engaged in indirect investment
Broadway System, Inc.	Subordinate	Controlled via shareholding	Product development and sale
Broadway System America Inc.	Subordinate	Controlled via shareholding	1. R&D and sale of products of business lines. 2. Broaden the global reach and target consumers in Europe and the USA.

4. Information on directors, supervisors and general managers of affiliated companies

December 31, 2024 / Unit: thousand shares.

Company name	Title	Name or representative	Shareholding	
			Shares	Shareholding (%)
Genesys Logic America, Inc.	Director	Kuo-Chao Wang Chih-Jung Lin	40,000	100.00%
	Chief executive officer	Kuo-Chao Wang		
Eclat Holding Ltd.	Director, secretary	Li-Wei Wang	1,500	100.00%
BROADWAY SYSTEM, INC.	Chairperson	Kuo-Chao Wang	6,340	100.00%
	Director	Chih-Jung Lin, Tsai-De Lin		
	General Manager	Tsai-De Lin		
	Supervisor	Bao-Chian Kuo		
Broadway System America, Inc.	Director Chief executive officer	Kuo-Chao Wang Kuo-Chao Wang	15	100.00%

5. Business overview of affiliated companies

Unit: Thousand NT\$

Company name	Capital	Total assets	Total liabilities	Net profit	Operating revenue	Operating profit (loss)	Post-tax profits (losses) for the period	Earnings per share (NT\$) (after taxes)
Genesys Logic America, Inc.	14,158	24,435	8,180	16,255	36,910	4,099	(137)	(0.003)
Eclat Holding Ltd.	47,788	22,104	2,842	19,262	—	(8,208)	(8,431)	(5.621)
Broadway System, Inc.	63,400	191,657	143,802	47,855	332,211	(21,204)	(17,146)	(2.704)
Broadway System America Inc.	462	330	—	330	—	(87)	(87)	(5.800)

Note 1: Central exchange rate published by the Bank of Taiwan on December 31, 2024: USD/NTD=32.785; average exchange rate published by the Bank of Taiwan in 2024: USD/NTD=32.11

(II) Consolidated Financial Statements of Affiliates:

Considering that the companies to be included in the consolidated financial statements of affiliates under the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” were the same as those to be included in the consolidated financial statements of the parent and subsidiaries for 2024 (from January 1, 2024 through December 31, 2024) under the Financial Accounting Standards Statement No. 7 and the related information to be disclosed in the consolidated financial statements of affiliates were already disclosed in said consolidated financial statements of the parent and subsidiaries, no consolidated financial statements of affiliates were prepared separately.

(III) Relationship report: Not applicable. According to Article 369-12 of the Company Act, the Company is not a subordinate company of a public company and is therefore not required to compile an affiliation report.

II. Marketable securities privately placed in the most recent year and in the current year up to the publication date of this annual report, the use of raised funds, and plan execution progress: None.

III. Other matters that require additional explanation: None.

IV. If any of the situations listed in Article 36, Paragraph 2, Subparagraph 2 of the Act, which might materially affect shareholder equity or the price of the Company’s securities, has occurred during the last year or the current year up to the date of publication of the annual report: None.