Stock Code：6104

# Genesys Logic, Inc.

## 2025 Annual Report

April 15, 2026

Market Observation Post System: https://emops.twse.com.tw
Company Annual Report Website: https://www.genesyslogic.com.tw

I. Name, Title, Telephone Number, and E-mail Address of the Company's Spokesperson and Acting Spokesperson


Spokesperson

Name: Wang Li-Wei

Title: Deputy General Manager, Operations Division

Tel: +886-2-8913-1888#1998

E-mail: ir@genesyslogic.com.tw

Acting Spokesperson

Name: Wang Hui-Mei

Title: Manager, Finance and Accounting Department

Tel: +886-2-8913-1888#1998

E-mail: ir@genesyslogic.com.tw


II. Address, Website, and Telephone Number of the Head Office

Head Office Address: 13F, No. 205, Sec. 3, Beixin Rd., Xindian Dist., New Taipei City

Website: https://www.genesyslogic.com.tw

Tel: +886-2-8913-1888

Fax: +886-2-8913-1688

III. Name, Address, Website, and Telephone Number of the Stock Transfer Agency

Name: CTBC Bank Co., Ltd., Stock Transfer Agency

Address: 5F, No. 83, Sec. 1, Chongqing S. Rd., Taipei City

Website: https://www.ctbcbank.com/

Tel: +886-2-6636-5566

IV. Name of the Certified Public Accountants, Name, Address, Website, and Telephone Number of the CPA Firm for the Most Recent Annual Financial Report

Names of CPAs: Yung-Hua Huang, Sheng-Ho Yu

Firm Name: KPMG

Address: 68F, No. 7, Sec. 5, Xinyi Rd., Xinyi Dist., Taipei City

Website: https://www.kpmg.com

Tel: +886-2-8101-6666

V. Overseas Securities Listing: Not applicable.

VI. Company Website: https://www.genesyslogic.com.tw

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# One. Letter to Shareholders

Dear Shareholders:

We would like to thank all shareholders for attending the Company's 2026 Annual Shareholders' Meeting.

In 2025, the global economy continued to face a highly uncertain environment. Diverging monetary policies among major economies, ongoing trade disputes, and intensifying technological competition created mounting external challenges for the semiconductor industry. The U.S. CHIPS Act continued to encourage the reshoring of semiconductor supply chains, while the U.S.-China technology rivalry persisted and escalated, accompanied by stricter tariffs and technology controls. At the same time, weak domestic demand and overcapacity in China led to inventory adjustments and pricing pressure, accelerating the shift of global supply chains toward regionalization and diversification.

In response, the Company strengthened its supply chain management and refined its market strategy in 2025 to mitigate the impact of geopolitical risks and market volatility, maintaining stable operations. As risks of supply chain disruption increased, the U.S. and EU Chips Acts gained influence, driving the reallocation of global production and improving supply resilience, while reducing reliance on East Asian wafer fabrication concentration.

During the year, rapid growth in demand for high-speed transmission in AI servers and data center equipment drove upgrades in technologies such as USB4 and PCI Express. This trend significantly increased demand for GPUs, ASICs, and high-speed I/O chips. Supported by these developments, the Company delivered steady growth in its overall operating performance.

I. Operating Results for 2025:

(I) Operating Performance:

Consolidated net operating revenue for 2025 was NT$4,056,160 thousand, up 27.6% from 2024. Gross margin improved to 47.3%, an increase of 2.9 percentage points from 44.4% in the prior year. The growth was driven by stronger demand in the consumer market and continued optimization of the Company's product mix, resulting in solid operating performance. Despite external factors, including customers accelerating purchases in response to tariff adjustments, the Company maintained stable shipments through flexible supply chain management and strong technological capabilities. This supported revenue growth and demonstrated resilient operations. Operating expenses totaled NT$1,267,806 thousand, an increase of 15.1% year over year, primarily reflecting continued investment in research and development. Net income after tax reached NT$509,807 thousand, up 67.5% from 2024, with earnings per share of NT$5.62. These results indicate continued improvement in the Company's operating performance and market competitiveness.

Unit: NT$ thousand

| Item | 2024 | 2025 | Increase (Decrease) |
|---|---|---|---|
| Consolidated net operating revenue | 3,178,690 | 4,056,160 | 877,470 |
| Consolidated total comprehensive income after tax | 304,340 | 509,807 | 205,467 |

(II) Budget Execution: The Company did not issue financial forecasts for 2025.

(III) Financial Position and Profitability Analysis:

The Company focuses on the IC design industry and maintains a conservative and prudent approach to financial management. Its capital structure, liquidity, and profitability have remained at stable levels with ongoing improvement. A comparison is provided below:

| Item | | 2024 | 2025 |
|---|---|---|---|
| Financial Structure | Liabilities-to-Assets Ratio (%) | 39 | 38 |
| | Long-term Funds to Property, Plant and Equipment Ratio (%) | 217 | 250 |
| Solvency | Current Ratio (%) | 166 | 169 |
| | Quick Ratio (%) | 127 | 113 |
| | Interest Coverage Ratio (%) | 24 | 47 |
| Profitability | Return on Assets (%) | 9 | 14 |
| | Return on Equity (%) | 15 | 23 |
| | Pre-tax Income to Paid-in Capital Ratio (%) | 38 | 65 |
| | Net Profit Margin (%) | 10 | 13 |
| | Earnings per Share (NT$) - Adjusted | 3.37 | 5.62 |

Note: Consolidated financial ratios

(IV) Research and Development

The Company's core competitive strength lies in its high-speed SerDes technology. It continues to expand investment in USB4®/3.2 and cross-domain high-speed interface technologies, while actively developing high value-added niche products and adopting more advanced process technologies. R&D expenses increased from NT$808,832 thousand in 2024 to NT$913,238 thousand in 2025, up 12.9%, reflecting the Company's ongoing commitment to R&D investment to support future product innovation. A comparison of R&D spending over the past two years is presented below:

Unit: NT$ thousand

| Year / Item | 2024 | 2025 |
|---|---|---|
| R&D Expenses | 808,832 | 913,238 |
| Operating Revenue | 3,178,690 | 4,056,160 |
| R&D Expenses / Operating Revenue | 25.44% | 22.51% |

Note: Consolidated statement of comprehensive income

II. 2026 Operating Plan Summary

The global technology and semiconductor industries are expected to continue expanding in 2026, supported by strong demand from AI applications, cloud computing, 5G, automotive electronics, and intelligent systems. The Company will maintain its focus on steady growth while accelerating innovation and market expansion to strengthen its competitive position and improve overall performance.

III. Future Development Strategies

(I) Key Product Focus

The Company will continue to advance its high-speed interface portfolio, including USB4, PCIe Gen series, and SD Express, to support higher bandwidth and lower latency required by AI servers and cloud architectures. It will also introduce high-performance, low-power, and highly integrated controller IC solutions, expand capabilities in advanced packaging and high-speed signal integrity, enhance product value, strengthen system-level integration, and further differentiate its competitiveness in the market.

(II) Strengthening Customer Engagement

The Company will deepen co-development and technical collaboration with key customers in the AI and cloud sectors, delivering highly integrated interface solutions. It will also expand its presence in emerging markets by growing its customer base, enhancing technical support and customization capabilities, increasing customer retention, broadening application coverage, and extending existing products into additional vertical markets.

(III) Enhancing Supply Chain Management

The Company will continue to diversify its supply chain to reduce dependence on any single region, wafer foundry, or material source, mitigating risks associated with geopolitical developments and logistics disruptions. It will further improve manufacturing flexibility and proactively plan capacity allocation to ensure timely product launches aligned with market demand while maintaining stable shipments.

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

In 2026, ongoing innovation and rapid market changes in the global technology sector will keep the semiconductor industry closely aligned with key trends such as AI, high-performance computing, advanced packaging, and global supply chain restructuring. Macroeconomic factors, including inflation, foreign exchange volatility, and rising supply chain costs, are expected to continue influencing operating costs and investment decisions.

Guided by a prudent management philosophy, the Company will continue to strengthen its competitive position and expand market share through technological advancement, product differentiation, customer collaboration, and supply chain resilience. It remains committed to sustaining stable growth, delivering value to shareholders, employees, and all stakeholders, and achieving new milestones in corporate value.

We wish all shareholders good health and prosperity.

Chairman and President: Kuo-Chao Wang

Deputy General Manager: Li-Wei Wang

# Two. Corporate Governance Report

# I. Information on Directors, General Manager, Deputy General Managers, Associate General Managers, and Heads of Departments and Branches

## (I) Directors

### 1. Directors Information

April 11, 2026

| Title | Nationality or Place of Registration | Name | Gender /Age | Date Elected | Term | First Election Date | Shares Held at Election | | Current Shareholding | | Shares Held by Spouse and Minor Children | | Shares Held in Others' Names | | Education and Experience | Current Positions in the Company and Other Companies | Related Executives, Directors, or Supervisors (Spouse or Second-degree Relatives) | | | Remarks |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Shares | % | Shares | % | Shares | % | Shares | % | | | Position | Name | Relationship | |
| Chairman | ROC | Kuo-Chao-Wang | Male 71-80 | 2024.06.13 | 3 | 2004.06.18 | 536,681 | 0.59% | 694,681 | 0.76% | 5,477,815 | 6.01% | N/A | N/A | M.S., Electrical Engineering, Illinois Institute of Technology, USA<br>B.S., Electrical Engineering, National Cheng Kung University<br>Manager, Electronics Research & Service Organization, ITRI | Chairman, General Manager and CEO of the Company<br>Chairman, Syntek Semiconductor Co., Ltd.<br>Chairman, ISOFT SILICON, INC.<br>Chairman, Broadway System Inc.<br>Genesys Logic America, Inc.CEO | Director | Man-Ping-Chin | Spouse | Note 1 |
| Director | ROC | Man-Ping-Chin | Female 71-80 | 2024.06.13 | 3 | 1999.06.22 | 5,477,815 | 6.04% | 5,477,815 | 6.01% | 694,681 | 0.76% | N/A | N/A | B.A., Business Administration, National Chung Hsing University<br>Chairman and Director, Genesys Logic, Inc.<br>Assistant Manager, Taiwan Business Bank | Director, ISOFT SILICON, INC. | Director | Kuo-Chao-Wang | Spouse | No |
| Director | ROC | Guoyu Investment Co., Ltd. | - | 2024.06.13 | 3 | 2018.06.15 | 1,056,000 | 1.16% | 1,056,000 | 1.16% | - | - | N/A | N/A | Director, Genesys Logic, Inc. | N/A | - | - | - | N/A |
| | ROC | Rep. Shu-Hua Tsai | Female 51-60 | 2024.06.13 | 3 | 2018.06.15 | 2,000 | 0.00% | 2,000 | 0.00% | 0 | 0.00% | N/A | N/A | Department of Accounting and Statistics, Shih Chien Junior College<br>Finance Manager, Syntek Semiconductor Co., Ltd. | Finance Manager, ISOFT SILICON, INC. | N/A | N/A | N/A | N/A |
| Director | ROC | Shih Ding Co., Ltd. | - | 2024.06.13 | 3 | 2024.06.13 | 484,267 | 0.53% | 484,267 | 0.53% | - | - | N/A | N/A | N/A | N/A | - | - | - | N/A |
| | ROC | Rep. Chin-Kuo Chen | Male 61-70 | 2024.06.13 | 3 | 2015.06.24 | 2,904 | 0.00% | 2,904 | 0.00% | 0 | 0.00% | N/A | N/A | Department of Electronic Engineering, Taipei Institute of Technology<br>Deputy General Manager of R&D, Syntek Semiconductor Co., Ltd. | General Manager, Syntek Semiconductor Co., Ltd.<br>CTO, ISOFT SILICON, INC. | N/A | N/A | N/A | N/A |
| Independent Director | ROC | Yen-Ching Tsai | Male 61-70 | 2024.06.13 | 3 | 2006.06.14 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | N/A | N/A | Ph.D. in Accounting, University of California, Los Angeles<br>Chair, Department of Accounting, National Taiwan University, and Director, Graduate Institute of Accounting<br>Chairperson, Taiwan Financial Reporting Standards Committee, Accounting Research and Development Foundation, ROC<br>Executive Director, Financial Accounting Standards Committee, Accounting Research and Development Foundation, ROC<br>Member, Sustainability Standards Committee, Accounting Research and Development Foundation, ROC | Independent Director, Genesys Logic, Inc.<br>Independent Director, Yulon Finance Co., Ltd.<br>Chairman, Tung Hua Book Co., Ltd.<br>Chairman, New Moon Education Co., Ltd. | N/A | N/A | N/A | N/A |
| Independent Director | ROC | Sung-Yuan Wang | Male 61-70 | 2024.06.13 | 3 | 2021.08.04 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | N/A | N/A | Ph.D. in Biochemistry, Michigan State University<br>Assistant Professor, Northern Taiwan Institute of Science and Technology<br>Associate Research Fellow, Department of Medical Research, Mackay Memorial Hospital<br>Associate Research Fellow, Department of Medical Research, Taipei Veterans General Hospital<br>Patent Examiner, Intellectual Property Office, Ministry of Economic Affairs | Professor, Department of Food Nutrition and Health Biotechnology, Shih Chien University<br>Member, National Standards Technical Committee, Bureau of Standards, Metrology and Inspection, Ministry of Economic Affairs<br>Advisor on Intellectual Property Administrative Litigation, Judicial Yuan | N/A | N/A | N/A | N/A |
| Independent Director | ROC | Yi-Yuan Shao | Female 61-70 | 2024.06.13 | 3 | 2021.08.04 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | N/A | N/A | Ph.D. in Grain Science, Kansas State University<br>Reviewer, Food Safety Control System, Ministry of Health and Welfare<br>Member, Advisory Committee on Food Testing Methods, Taiwan Food and Drug Administration, Ministry of Health and Welfare<br>Director, 13th Board, China Grain Products Research & Development Institute<br>Director, 3rd Board, Taiwan Grain Industry Association | Professor, Department of Food Nutrition and Health Biotechnology, Shih Chien University | N/A | N/A | N/A | N/A |
| Independent Director | ROC | Shang-Wu Yu | Male 61-70 | 2024.06.13 | 3 | 2024.06.13 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | N/A | N/A | Ph.D. in Finance, University of Birmingham<br>Former Dean, College of Business and Management, Jinwen University of Science and Technology<br>Chair Professor and Dean, College of Management and Languages, Yuanpei University of Medical Technology<br>Professor, Chair, and Dean of Student Affairs, Department of Information Management, National Taiwan University of Science and Technology<br>Vice President and Dean, College of Management, Tungnan University of Science and Technology<br>Distinguished Professor and Dean, College of Informatics, Takming University of Science and Technology<br>Director (Government Representative), First Financial Holding Co., Ltd.<br>Corporate Representative Director, First Commercial Bank | Management and Design, Ming Chi University of Technology<br>Independent Director, Visgeneer Inc.<br>Independent Director, Member of Remuneration Committee, Convener and Member of Audit Committee, and Member of Investment Review Committee, TXC Corporation | N/A | N/A | N/A | N/A |
| Independent Director | ROC | Ming-Te Hsieh | Male 61-70 | 2024.06.13 | 3 | 2024.06.13 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | N/A | N/A | Ph.D. in Electrical Engineering, Michigan State University<br>Dean, Meng-Chi College of Smart Computing, National Cheng Kung University<br>Chairman, Taiwan IC Design Association<br>Chair, Department of Electrical Engineering, National Cheng Kung University<br>Deputy Director, Information and Communications Research Laboratories, Industrial Technology Research Institute | Professor, Department of Electrical Engineering, National Cheng Kung University<br>Chief Technology Officer, Electro-Optics Research Laboratories, Industrial Technology Research Institute<br>Independent Director, Alpha Networks Inc. | N/A | N/A | N/A | N/A |

Note 1: The Chairman also serves as President. To improve operating efficiency and strengthen overall R&D capabilities in coordination with the Deputy General Manager, the Company has expanded the number of independent director seats.

## 2. Major Shareholders of Legal Shareholders

April 11, 2026

| Legal Shareholder (Note 1) | Major Shareholders of Legal Shareholder |
|---|---|
| Guoyu Investment Co., Ltd. | Kuo-Chao-Wang (99.9989%) |
| | Other (0.0011%) |
| Shih Ding Co., Ltd. | Man-Ping-Chin (99.9038%) |
| | Other (0.0962%) |

## 3. Directors' Professional Qualifications and Independence of Independent Directors

April 11, 2026

| Name / Criteria | Professional Qualifications and Experience | Independence Status (Note 1) | Number of Other Public Companies Served as Independent Director |
|---|---|---|---|
| Kuo-Chao-Wang | About professional qualifications and experience, please see page 4-[ (I) Directors Information ] and page 6 – [Professional Expertise and Industry Experience] of this Annual Report.<br><br>No circumstances under Article 30 of the Company Act. | N/A | 0 |
| Man-Ping-Chin | | | 0 |
| Shih Ding Co., Ltd.<br>Rep.: Chin-Kuo Chen | | | 0 |
| Guoyu Investment Co., Ltd.<br>Rep.: Shu-Hua Tsai | | | 0 |
| Yen-Ching Tsai | About professional qualifications and experience, please see page 4-[ (I) Directors Information ] and page 6 – [Professional Expertise and Industry Experience] of this Annual Report. | No circumstances as specified in Subparagraphs 1 to 9, Paragraph 1, Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies"; independence criteria satisfied | 1 |
| Sung-Yuan Wang | | | 0 |
| Yi-Yuan Shao | | | 0 |
| Shang-Wu Yu | | | 2 |
| Ming-Te Hsieh | | | 1 |

Note 1: The independence of independent directors during the two years preceding their appointment and throughout their term is assessed in accordance with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies:

(1) The individual is not an employee of the Company or any affiliated entity.
(2) The individual is not a director or supervisor of the Company or any affiliated entity.
(3) The individual, together with his or her spouse, minor children, or shares held in others' names, does not hold 1% or more of the Company's issued shares and is not among the top ten individual shareholders.
(4) The individual is not a spouse, a relative within the second degree of kinship, or a lineal relative within the third degree of kinship of any person listed in (1), (2), or (3).
(5) The individual is not a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the Company's issued shares, ranks among the top five shareholders, or appoints a representative to serve as a director or supervisor under Article 27 of the Company Act.
(6) The individual is not a director, supervisor, or employee of another company where more than half of its board seats or voting shares are controlled by the same person as those of the Company.
(7) The individual is not a director, supervisor, or employee of another company or institution whose chairman or general manager is the same person as, or the spouse of, the Company's chairman or general manager.
(8) The individual is not a director, supervisor, managerial officer, or shareholder holding more than 5% of a specified company or institution that has financial or business relationships with the Company.
(9) The individual is not a professional service provider or related party that has provided audit, legal, financial, or accounting services to the Company or its affiliates and received total compensation exceeding NT$500 thousand in the past two years. This also applies to sole proprietors, partners, companies, institutions, and their responsible persons, partners, directors, supervisors, managerial officers, and spouses. This restriction does not apply to members of the remuneration committee, tender offer review committee, or special committee for mergers and acquisitions who perform their duties in accordance with applicable laws.

4. Board Diversity and Independence

(1) Board Composition and Diversity

In accordance with Article 23 of the Company's Corporate Governance Best Practice Principles, the Board is structured with due consideration of diversity. The Company establishes appropriate diversity policies based on its operations, business model, and development needs. Directors are expected to possess the knowledge, skills, and qualifications required to perform their duties. To support effective corporate governance, the Board as a whole should demonstrate the following core competencies:

① Sound business judgment
② Accounting and financial analysis
③ Management capability
④ Crisis management
⑤ Industry expertise
⑥ Global market perspective
⑦ Leadership
⑧ Decision-making

The Board comprises nine directors, including five independent directors and four non-independent directors. The Company places importance on gender diversity. Currently, women represent 33% of the Board (three members) and men represent 67% (six members). Board members bring diverse professional expertise and industry experience across fields such as industry, technology, finance, and accounting.

| Position | Name | Gender | Age | Nationality | Independent Director Tenure | Concurrent Employee | Professional Expertise and Industry Experience | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Finance & Accounting | Manufacturing | Management | Industry Experience | Risk Management | Academic Research |
| Chairman | Kuo-Chao-Wang | Male | 71-80 | ROC | - | √ | | √ | √ | √ | √ | |
| Director | Man-Ping-Chin | Female | 71-80 | ROC | - | | √ | | √ | | √ | |
| Director | Guoyu Investment Co., Ltd. | - | - | ROC | - | | √ | | √ | | √ | |
| Legal Director Representative | Shu-Hua Tsai | Female | 51-60 | ROC | - | | √ | | √ | | √ | |
| Director | Shih Ding Co., Ltd. | - | - | ROC | - | | √ | | √ | | √ | |
| Legal Director Representative | Chin-Kuo Chen | Male | 61-70 | ROC | - | | | √ | √ | √ | √ | |
| Independent Director | Yen-Ching Tsai | Male | 61-70 | ROC | Over 9 years | | √ | | √ | | √ | √ |
| Independent Director | Sung-Yuan Wang | Male | 61-70 | ROC | 3-6 years | | | | √ | | √ | √ |
| Independent Director | Yi-Yuan Shao | Female | 61-70 | ROC | 3-6 years | | | | √ | | √ | √ |
| Independent Director | Shang-Wu Yu | Male | 61-70 | ROC | Under 3 years | | √ | | √ | √ | √ | √ |
| Independent Director | Ming-Te Hsieh | Male | 61-70 | ROC | Under 3 years | | | | √ | √ | √ | √ |

Specific Objectives and Achievement Status of Board Diversity Policy:

| Objectives | Status |
|---|---|
| Directors who also serve as Company executives shall not exceed one-third of total Board seats | Achieved |
| A minimum of three independent directors | Achieved |
| At least two directors with a background in finance or accounting or with management experience | Achieved |
| At least one female director on the Board | Achieved |
| Adequate diversity in professional expertise and skill sets | Achieved |

# (II) Information on the General Manager, Deputy General Managers, Associate General Managers, and Heads of Departments and Branches

## Information on the General Manager, Deputy General Managers, Associate General Managers, and Department and Branch Heads

April 11, 2026

| Title | Nationality | Name | Gender | Date (Appointed) Elected | Shares Held | | Shares Held by Spouse and Minor Children | | Shares Held in Others' Names | | Education and Experience | Current Positions in the Company and Other Companies | Related Executives, Directors, or Supervisors (Spouse or Second-degree Relatives) | | | Remarks |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Shares | % | Shares | % | Shares | % | | | Position | Name | Relationship | |
| Chairman and General Manager | ROC | Kuo-Chao-Wang | Male | 2014.01.01 | 694,681 | 0.76% | 5,477,815 | 6.01% | N/A | N/A | M.S., Electrical Engineering, Illinois Institute of Technology, USA<br>B.S., Electrical Engineering, National Cheng Kung University<br>Manager, Electronics Research & Service Organization, ITRI | Chairman, Syntek Semiconductor Co., Ltd.<br>Chairman, ISOFT SILICON, INC.<br>Chairman, Broadway System Inc.<br>Genesys Logic America, Inc.CEO | N/A | N/A | N/A | Note 1 |
| Deputy General Manager | ROC | Han-Ching Hsieh (Note 2) | Male | 2012.12.21 | 0 | 0% | 0 | 0% | N/A | N/A | M.S., Computer Science, National Tsing Hua University<br>Deputy General Manager and Division Head, Genesys Logic, Inc.<br>R&D Director, Faraday Technology Corporation<br>Special Assistant to the Office of the Deputy General Manager, Ultima Electronic<br>Senior Engineer, United Microelectronics Corporation | N/A | N/A | N/A | N/A | Note 2 |
| Deputy General Manager | ROC | Wang Li-Wei | Male | 2022.02.01 | 41,283 | 0.05% | 0 | 0% | N/A | N/A | Chief Operating Officer, Chief Business Officer, Associate General Manager, and Senior Manager, Genesys Logic, Inc.<br>General Manager, Broadway System Inc.<br>Marketing Manager, Alcor Micro Corp.<br>M.S., Civil Engineering, National Central University<br>EMBA, College of Management, National Taiwan University | Director and Secretary, Eclat Holding Ltd. | N/A | N/A | N/A | N/A |
| Deputy General Manager | ROC | Kai-Chi Chen (Note 2) | Male | 2022.02.01 | 0 | 0.00% | 0 | 0% | N/A | N/A | Deputy General Manager and Division Director, Genesys Logic, Inc.<br>B.S., Department of Physics, National Taiwan University<br>Ph.D. in Solid State Physics, Université Paris-Sud (Paris XI), France<br>Deputy General Manager, TaiHan Precision Technology Co., Ltd.<br>Manager, MStar Semiconductor, Inc. | Legal Director Representative, Broadway System Inc. | N/A | N/A | N/A | Note 2 |
| Deputy General Manager | ROC | Wei-Te Li | Male | 2022.02.01 | 1,000 | 0.00% | 0 | 0% | N/A | N/A | Deputy General Manager and Senior Division Director, Genesys Logic, Inc.<br>B.S., National Taipei University of Technology | N/A | N/A | N/A | N/A | N/A |
| Chief Technology Officer | ROC | Chih-Jung Lin | Male | 2022.02.01 | 50,000 | 0.05% | 0 | 0% | N/A | N/A | General Manager, Deputy General Manager, Chief Technology Officer, and Senior Manager, Genesys Logic, Inc.<br>Chairman, Broadway System Inc.<br>Researcher, ALi Corporation<br>M.S. in Computer Science, National Chiao Tung University | Legal Director Representative, Broadway System Inc.<br>Director, Genesys Logic America, Inc. | N/A | N/A | N/A | N/A |
| Head of Finance and Accounting and Chief Corporate Governance Officer | ROC | Wang Hui-Mei | Female | 2008.06.30<br>2022.12.29 | 0 | 0.00% | 0 | 0% | N/A | N/A | Manager, Finance and Accounting Department, Genesys Logic, Inc.<br>Audit Staff, Hsu Hsiu-Chuan CPA Firm<br>Master's Program in Accounting (In-Service), Tamkang University | N/A | N/A | N/A | N/A | N/A |

Note 1：The Chairman also serves as General Manager. To improve operating efficiency and strengthen overall R&D capabilities in coordination with the Deputy General Managers, the Company has expanded the number of independent director seats.

Note 2：Deputy General Manager Han-Ching Hsieh retired on July 24, 2025, and Deputy General Manager Kai-Chi Chen resigned on September 30, 2025. The information presented in this table reflects their tenure in office.

# II. Compensation of Directors, General Manager, and Deputy General Managers for the Most Recent Year

(I) Compensation of Directors and Independent Directors Unit: NT$ thousand

Unit: NT$ thousand

| Title | Name | Director Compensation | | | | | | | | Total of A, B, C, and D and % of Net Income After Tax | | Concurrent Employee Compensation | | | | | | | | Total of A, B, C, D, E, F and G and % of Net Income After Tax | | Compensation Received from Non-Subsidiary Investees or Parent Company |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Remuneration (A) | | Pension (B) | | Directors' Compensation (C) (Note 1) | | Operating Expenses (D) | | | | Salary, Bonus and Allowances (E) | | Pension (F) | | Employee Compensation (G) (Note 1) | | | | | | |
| | | | | | | | | | | | | | | | | Company | | Consolidated Entities | | | | |
| | | Company | Consolidated Entities | Company | Consolidated Entities | Company | Consolidated Entities | Company | Consolidated Entities | Company | Consolidated Entities | Company | Consolidated Entities | Company | Consolidated Entities | Cash | Stock | Cash | Stock | Company | Consolidated Entities | |
| Chairman | Kuo-Chao-Wang | 1,440 | 1,440 | 0 | 0 | 9,138 | 9,138 | 0 | 0 | 2.08% | 2.08% | 10,029 | 10,029 | 0 | 0 | 900 | 0 | 900 | 0 | 4.22% | 4.22% | N/A |
| Director | Man-Ping-Chin | | | | | | | | | | | | | | | | | | | | | |
| Director | Shih Ding Co., Ltd. Rep.: Chin-Kuo Chen | | | | | | | | | | | | | | | | | | | | | |
| Director | Guoyu Investment Co., Ltd. Rep.: Shu-Hua Tsai | | | | | | | | | | | | | | | | | | | | | |
| Independent Director | Yen-Ching Tsai | 2,400 | 2,400 | 0 | 0 | 11,422 | 11,422 | 505 | 505 | 2.81% | 2.81% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2.81% | 2.81% | N/A |
| Independent Director | Shang-Wu Yu | | | | | | | | | | | | | | | | | | | | | |
| Independent Director | Ming-Te Hsieh | | | | | | | | | | | | | | | | | | | | | |
| Independent Director | Sung-Yuan Wang | | | | | | | | | | | | | | | | | | | | | |
| Independent Director | Yi-Yuan Shao | | | | | | | | | | | | | | | | | | | | | |

1. Policy, Framework, and Determination of Independent Director Compensation, and Its Linkage to Responsibilities, Risks, and Time Commitment:
   (1) Pursuant to the Company's Articles of Incorporation and the Regulations for the Remuneration of Directors and Functional Committees:
   ①Compensation for the Chairman and directors is determined by the Board based on each individual's level of involvement in operations and contribution to the Company.
   ②Independent directors receive fees for performing their duties, particularly in connection with their roles on functional committees.
   ③Under Article 20 of the Articles of Incorporation, if the Company reports annual profits (defined as pre-tax income before the allocation of employee and director compensation), up to 5% may be allocated as directors' remuneration.
2. Other than the amounts disclosed above, directors did not receive any additional compensation in the most recent fiscal year for services such as consulting for the parent company, consolidated entities, or investee companies where they are not employees.

Note 1: The amounts for directors' remuneration and employee compensation for 2025 are proposed allocations.

Director and Independent Director Compensation Bands

| Compensation Range Paid to Directors | Director Names | | | |
|---|---|---|---|---|
| | Total Compensation (A+B+C+D) | | Total Compensation (A+B+C+D+E+F+G) | |
| | Company | Consolidated Entities | Company | Consolidated Entities |
| Below NT$1,000,000 | | | | |
| NT$1,000,000 to under NT$2,000,000 | | | | |
| NT$2,000,000 to under NT$3,500,000 | Kuo-Chao-Wang, Man-Ping-Chin, Yen-Ching Tsai, Shang-Wu Yu, Ming-Te Hsieh, Sung-Yuan Wang, Yi-Yuan Shao, Guoyu Investment Co., Ltd., Shih Ding Co., Ltd. | Kuo-Chao-Wang, Man-Ping-Chin, Yen-Ching Tsai, Shang-Wu Yu, Ming-Te Hsieh, Sung-Yuan Wang, Yi-Yuan Shao, Guoyu Investment Co., Ltd., Shih Ding Co., Ltd. | Man-Ping-Chin, Yen-Ching Tsai, Shang-Wu Yu, Ming-Te Hsieh, Sung-Yuan Wang, Yi-Yuan Shao, Guoyu Investment Co., Ltd., Shih Ding Co., Ltd. | Man-Ping-Chin, Yen-Ching Tsai, Shang-Wu Yu, Ming-Te Hsieh, Sung-Yuan Wang, Yi-Yuan Shao, Guoyu Investment Co., Ltd., Shih Ding Co., Ltd. |
| NT$3,500,000 to under NT$5,000,000 | - | - | - | - |
| NT$5,000,000 to under NT$10,000,000 | - | - | - | - |
| NT$10,000,000 to under NT$15,000,000 | - | - | Kuo-Chao-Wang | Kuo-Chao-Wang |
| NT$15,000,000 to under NT$30,000,000 | - | - | - | - |
| NT$30,000,000 to under NT$50,000,000 | - | - | - | - |
| NT$50,000,000 to under NT$100,000,000 | - | - | - | - |
| NT$100,000,000 and above | - | - | - | - |
| Above | 9 | 9 | 9 | 9 |

## (II) Supervisor Compensation: Not applicable

## (III) Compensation of the General Manager and Deputy General Managers

Unit: NT$ thousand

| Title | Name | Salary (A) | | Pension (B) | | Bonus and Allowances (C) | | Employee Compensation (D) (Note 1) | | | | Total Compensation (A+B+C+D) and % of Net Income After Tax | | Compensation from Non-Subsidiary Investees or Parent Company |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Company | Consolidated Entities | Company | Consolidated Entities | Company | Consolidated Entities | Company | | Consolidated Entities | | Company | Consolidated Entities | |
| | | | | | | | | Cash | Stock | Cash | Stock | | | |
| General Manager | Kuo-Chao-Wang | 16,380 | 16,380 | 277 | 277 | 6,931 | 6,931 | 1,900 | 0 | 1,900 | 0 | 4.99% | 4.99% | N/A |
| Deputy General Manager | Han-Ching Hsieh (Note 2) | | | | | | | | | | | | | |
| Deputy General Manager | Wang Li-Wei | | | | | | | | | | | | | |
| Deputy General Manager | Kai-Chi Chen (Note 2) | | | | | | | | | | | | | |
| Deputy General Manager | Wei-Te Li | | | | | | | | | | | | | |

Note 1: Employee compensation for 2025 represents proposed allocations.

Note 2: Deputy General Manager Han-Ching Hsieh retired on July 24, 2025, and Deputy General Manager Kai-Chi Chen resigned on September 30, 2025. The information disclosed reflects their tenure in office.

General Manager and Deputy General Manager Compensation Bands

| Compensation Range Paid to General Manager and Deputy General Managers | Names of General Manager and Deputy General Managers | |
|---|---|---|
| | Company | Consolidated Entities |
| Below NT$1,000,000 | Kai-Chi Chen | Kai-Chi Chen |
| NT$1,000,000 to under NT$2,000,000 | - | - |
| NT$2,000,000 to under NT$3,500,000 | Han-Ching Hsieh | Han-Ching Hsieh |
| NT$3,500,000 to under NT$5,000,000 | - | - |
| NT$5,000,000 to under NT$10,000,000 | Wang Li-Wei, Wei-Te Li | Wang Li-Wei, Wei-Te Li |
| NT$10,000,000 to under NT$15,000,000 | Kuo-Chao-Wang | Kuo-Chao-Wang |
| NT$15,000,000 to under NT$30,000,000 | - | - |
| NT$30,000,000 to under NT$50,000,000 | - | - |
| NT$50,000,000 to under NT$100,000,000 | - | - |
| NT$100,000,000 and above | - | - |
| Above | 5 | 5 |

Note 1: Deputy General Manager Han-Ching Hsieh retired on July 24, 2025, and Deputy General Manager Kai-Chi Chen resigned on September 30, 2025. The information presented in this table reflects their tenure in office.

(IV) Analysis of the proportion of total compensation paid by the Company and its consolidated entities to directors, the General Manager, and Deputy General Managers over the past two years, expressed as a percentage of net income after tax, together with a description of the Company's compensation policies, standards, structure, determination procedures, and their linkage to operating performance and future risk.

| Title | 2024 | | 2025 | |
|---|---|---|---|---|
| | Company | Consolidated Entities | Company | Consolidated Entities |
| Directors | 5.25% | 5.25% | 4.89% | 4.89% |
| General Manager and Deputy General Managers | 9.55% | 10.06% | 4.99% | 4.99% |

1. Compensation Policy, Framework, Determination Process, and Linkage to Performance and Risk:
   (1) Compensation Policy: Compensation for directors and executives is determined based on their level of involvement in operations, professional contributions, and business performance. The overall compensation framework considers operating results, industry pay trends, internal equity, and external competitiveness to ensure a fair and appropriate remuneration structure.
   (2) Compensation Standards and Structure: Directors are entitled to remuneration for performing their duties regardless of the Company's profitability. Such remuneration is determined by the Board based on each director's level of participation and contribution, within the limits set by the Company's compensation policies. Independent directors receive fees for fulfilling their responsibilities on functional committees, while directors who concurrently serve as employees do not receive additional director compensation. Executive compensation is determined based on the Company's performance and individual evaluations, including salary and performance-based bonuses, with additional incentives awarded for overall contributions or outstanding achievements. If the Company generates annual profits, defined as pre-tax income before allocation of employee and director compensation, no less than 5% is allocated to employee compensation, including no less than 0.5% for junior employees, and no more than 5% is allocated to directors.
   (3) Compensation Determination Process: In determining compensation, the Company considers individual performance, achievement of targets, and contributions, as well as overall corporate performance, industry risks, and future trends. Assessments are conducted in accordance with Board performance evaluation policies and executive compensation guidelines. The performance evaluations and the reasonableness of compensation for directors and executives are reviewed by the Remuneration Committee and approved by the Board.
   (4) Linkage to Performance and Risk: The Company's compensation framework is closely tied to business performance. Adjustments to executive salaries, annual bonuses, and employee compensation are linked to operating results, budget achievement, and individual performance, aligning management incentives with long-term objectives. At the same time, macroeconomic conditions and industry cycles are considered to reduce the risk of excessive short-term risk-taking. By combining fixed compensation with performance-based incentives, the Company balances motivation and risk management, supporting stable operations and long-term sustainable growth.

## Managerial Employee Compensation Allocation and Distribution

April 11, 2026
Unit: NT$ thousand

| | Title | Name | Stock | Cash | Total | % of Net Income After Tax |
|---|---|---|---|---|---|---|
| Executives | CEO and General Manager | Kuo-Chao-Wang | 0 | 2,800 | 2,800 | 0.55% |
| | Deputy General Manager | Han-Ching Hsieh | | | | |
| | Deputy General Manager | Wang Li-Wei | | | | |
| | Deputy General Manager | Kai-Chi Chen | | | | |
| | Deputy General Manager | Wei-Te Li | | | | |
| | CTO | Chih-Jung Lin | | | | |
| | Head of Finance and Accounting and Chief Corporate Governance Officer | Wang Hui-Mei | | | | |

Note 1: The 2025 employee compensation amounts are proposed allocations.
Note 2: Deputy General Manager Han-Ching Hsieh retired on July 24, 2025, and Deputy General Manager Kai-Chi Chen resigned on September 30, 2025. The information presented reflects their tenure in office.

# III. **Corporate Governance Practices**

## (I) Board of Directors Operations

The Board convened 7 meetings (A) during the most recent fiscal year. Directors' attendance is summarized below:

| Title | Name | Meetings Attended (B) | Proxy Attendance | Attendance Rate (%) (B/A) | Remarks |
|---|---|---|---|---|---|
| Director | Kuo-Chao-Wang | 9 | 0 | 100% | |
| Director | Man-Ping-Chin | 5 | 4 | 55.56% | |
| Director | Shih Ding Co., Ltd. Rep.: Chin-Kuo Chen | 9 | 0 | 100% | |
| Director | Guoyu Investment Co., Ltd. Rep.: Shu-Hua Tsai | 9 | 0 | 100% | |
| Independent Director | Yen-Ching Tsai | 9 | 0 | 100% | |
| Independent Director | Sung-Yuan Wang | 9 | 0 | 100% | |
| Independent Director | Yi-Yuan Shao | 9 | 0 | 100% | |
| Independent Director | Shang-Wu Yu | 9 | 0 | 100% | |
| Independent Director | Ming-Te Hsieh | 8 | 1 | 88.89% | |

Additional Disclosures:

I. Where any of the following circumstances arise in Board operations, the meeting date, session, agenda items, opinions of all independent directors, and the Company's response to such opinions shall be disclosed:
  (1)Matters set forth under Article 14-3 of the Securities and Exchange Act: See pages 14-16 of this annual report for Audit Committee operations.
  (2)Other than the above, any Board resolutions to which independent directors expressed dissenting or qualified opinions, as recorded in the minutes or in written statements: None.

II. Implementation of Directors' Recusal from Conflict-of-Interest Agenda Items: The names of directors, agenda content, reasons for recusal, and voting participation shall be disclosed as follows:

| Meeting Date (Term-Meeting No.) | Director Name | Agenda Item | Basis for Recusal | Voting Outcome |
|---|---|---|---|---|
| 2025.01.08 (10-5) | 1. Kuo-Chao-Wang<br>2. Man-Ping-Chin<br>3. Rep. of Shih Ding Co., Ltd., Chin-Kuo Chen<br>4. Rep. of Guoyu Investment Co., Ltd., Shu-Hua Tsai | 1. Managerial bonus proposal submitted by the Remuneration Committee. | Item 1: Director Kuo-Chao Wang, Director Man-Ping Chin, Director Chin-Kuo Chen (representative of Shih Ding Investment), and Director Shu-Hua Tsai (representative of Guoyu Investment) are interested parties. | For Item 1, except that Director Kuo-Chao Wang, Director Man-Ping Chin, Director Chin-Kuo Chen (representative of Shih Ding Investment), and Director Shu-Hua Tsai (representative of Guoyu Investment), being interested parties, recused themselves from discussion and voting, the proposal was approved with the consent of all other attending directors upon inquiry by Acting Chairperson, Independent Director Yen-Ching Tsai. |
| 2025.05.09 (10-7) | 1. Kuo-Chao-Wang<br>2. Man-Ping-Chin<br>3. Rep. of Shih Ding Co., Ltd., Chin-Kuo Chen<br>4. Rep. of Guoyu Investment Co., Ltd., Shu-Hua Tsai | 1. Proposal to enter into a technical service agreement with a related party. | Item 1: Director Kuo-Chao Wang, Director Man-Ping Chin, Director Chin-Kuo Chen (representative of Shih Ding Investment), and Director Shu-Hua Tsai (representative of Guoyu Investment) are interested parties. | For Item 1, except that Director Kuo-Chao Wang, Director Man-Ping Chin, Director Chin-Kuo Chen (representative of Shih Ding Investment), and Director Shu-Hua Tsai (representative of Guoyu Investment), being interested parties, recused themselves from discussion and voting, the proposal was approved with the consent of all other attending directors upon inquiry by Acting Chairperson, Independent Director Yen-Ching Tsai. |
| 2026.01.27 (10-12) | 1. Kuo-Chao-Wang<br>2. Man-Ping-Chin<br>3. Rep. of Shih Ding Co., Ltd., Chin-Kuo Chen<br>4. Rep. of Guoyu Investment Co., Ltd., Shu-Hua Tsai | 1. Managerial bonus proposal submitted by the Company's Remuneration Committee. | Item 1: Director Kuo-Chao Wang serves concurrently as the Company's General Manager; Director Man-Ping Chin (represented by Director Kuo-Chao Wang), Director Chin-Kuo Chen (representative of Shih Ding Investment), and Director Shu-Hua Tsai (representative of Guoyu Investment) are interested parties. | Item 1: Except that Director Kuo-Chao Wang (due to concurrently serving as General Manager), Director Man-Ping Chin (represented by Director Kuo-Chao Wang), Director Chin-Kuo Chen (representative of Shih Ding Investment), and Director Shu-Hua Tsai (representative of Guoyu Investment), being interested parties, recused themselves from discussion and voting, the proposal was approved with the consent of all other attending directors upon inquiry by Acting Chairperson, Independent Director Yen-Ching Tsai. |

III. Board Self-Evaluation (or Peer Evaluation): Cycle, Scope, Methodology, and Content

| Evaluation Cycle | Evaluation Period | Scope | Method | Evaluation Criteria |
|---|---|---|---|---|
| Annual | 2025.01.01~ 2025.12.31 | Individual Directors | Director self-assessment | -Understanding of corporate goals and mission<br>-Clarity of directors' roles and responsibilities<br>-Extent of participation in operations<br>-Internal relationships and communication<br>-Professional qualifications and continuing education<br>-Internal control systems |
| Annual | 2025.01.01~ 2025.12.31 | Full Board | Internal board self-assessment | -Extent of participation in operations<br>-Quality of board decision-making<br>-Board composition and structure<br>-Director nomination and continuing education<br>-Internal control systems |

(1) Functional Committees

| Evaluation Cycle | Evaluation Period | Scope | Method | Evaluation Criteria | Reporting Date to the Board |
|---|---|---|---|---|---|
| Annual | 2025.01.01~ 2025.12.31 | Audit Committee | Committee self-assessment | -Extent of participation in operations<br>-Understanding of committee responsibilities<br>-Quality of committee decision-making<br>-Committee composition and member reappointment<br>-Internal control | Mar. 10, 2026 |
| Annual | 2025.01.01~ 2025.12.31 | Remuneration Committee | Committee self-assessment | -Extent of participation in operations<br>-Understanding of committee responsibilities<br>-Quality of committee decision-making<br>-Committee composition and member reappointment<br>-Internal control | Mar. 10, 2026 |
| Annual | 2025.01.01~ 2025.12.31 | Sustainability Development Committee | Committee self-assessment | -Extent of participation in operations<br>-Understanding of committee responsibilities<br>-Quality of committee decision-making<br>-Committee composition and member reappointment<br>-Internal control | Mar. 10, 2026 |

IV. Enhancement of Board Functions: Objectives and Implementation Review

(1) The Remuneration Committee conducts regular reviews of executive compensation levels, employee profit sharing, and incentive programs.

(2) The Board operates in accordance with its Rules of Procedure and applicable regulations, with effective governance practices in place.

(3) An Audit Committee has been established to assume the functions of supervisors, further strengthening Board oversight.

(4) To improve transparency, the Company provides investor relations disclosures on its website, including sections on events, financial information, and corporate governance.

(5) The Company has adopted a Board performance evaluation framework, with results reported to the Board at year-end. Evaluation results for 2025 are as follows:

①Overall Board performance: Excellent to Outstanding

②Individual director performance: Excellent to Outstanding

③Functional committee performance: Excellent to Outstanding

Rating scale: Excellent (Strongly Agree) 5 points, Good (Agreed) 4 points, Average (Neutral) 3 points, Poor (Disagree) 2 points, Very Poor (Strongly Disagree)

(6) The 2025 evaluation results were submitted to and approved by the Board on March 10, 2026.

## (II) Audit Committee Operations

The Company established an Audit Committee on August 4, 2021 in accordance with Article 14-4 of the Securities and Exchange Act. The committee is composed entirely of independent directors.

Key oversight responsibilities of the Audit Committee include:

(1) Ensuring the fair presentation of the Company's financial statements.
(2) Overseeing the appointment, dismissal, independence, and performance of the external auditors.
(3) Monitoring the effectiveness of internal control systems.
(4) Ensuring compliance with applicable laws and regulations.
(5) Managing existing and potential risks.

The Audit Committee's principal authorities are as follows:

(1) Establishing or amending internal control systems in accordance with Article 14-1 of the Securities and Exchange Act.
(2) Reviewing the effectiveness of internal controls.
(3) Establishing or revising procedures for major financial and business activities, including asset acquisitions or disposals, derivatives transactions, lending of funds, and endorsements or guarantees.
(4) Reviewing matters involving conflicts of interest of directors.
(5) Reviewing significant asset and derivatives transactions.
(6) Reviewing major lending, endorsement, or guarantee arrangements.
(7) Approving public offerings, issuances, or private placements of equity securities.
(8) Reviewing the appointment, dismissal, and compensation of external auditors.
(9) Approving the appointment or removal of senior finance, accounting, and internal audit officers.
(10) Reviewing annual financial statements and second-quarter financial reports subject to CPA audit and attestation, signed or sealed by the Chairman, management, and the chief accounting officer.
(11) Reviewing the annual business report and proposals for earnings distribution or loss offset.
(12) Reviewing other material matters as required by the Company or regulatory authorities.

The Audit Committee held 7 meetings (A) during the most recent year. Attendance details are as follows:

| Title | Name | Meetings Attended (B) | Proxy Attendance | Attendance Rate (%) (B/A) | Remarks |
|---|---|---|---|---|---|
| Independent Director | Yen-Ching Tsai | 6 | 0 | 100% | |
| Independent Director | Sung-Yuan Wang | 6 | 0 | 100% | |
| Independent Director | Yi-Yuan Shao | 6 | 0 | 100% | |
| Independent Director | Shang-Wu Yu | 6 | 0 | 100% | |
| Independent Director | Ming-Te Hsieh | 6 | 0 | 100% | |

Other Disclosures:

I. If any of the following circumstances arise in the operation of the Audit Committee, the Company shall disclose the meeting date and session, agenda items, any dissenting or qualified opinions or significant recommendations raised by independent directors, the Committee's resolutions, and the Company's response to such opinions.

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

| Meeting Date (Term- Meeting No.) | Agenda Item | Independent Directors' Dissenting or Qualified Opinions / Key Recommendations | Committee Resolution | Matters Approved by Two-Thirds or More of All Directors Without Audit Committee Approval |
|---|---|---|---|---|
| 2025.03.11 (2-4) | 1. Approved the 2024 annual business report, parent company only financial statements, and consolidated financial statements.<br>2. Approved the assessment of the independence and qualifications of the CPAs for 2025.<br>3. Approved the 2024 internal control system statement.<br>4. Approved the 2024 earnings distribution proposal for submission to the shareholders' meeting.<br>5. Approved the definition of "entry-level employees." | None | Unanimously approved | None |

| | | | | |
|---|---|---|---|---|
| | 6. Approved the filing with the Financial Supervisory Commission for issuance of employee stock options. | | | |
| 2025.05.09<br>(2-5) | 1. Approved the consolidated financial statements for the first quarter of 2025.<br>2. Approved entering into a technical service agreement with related parties.<br>3. Approved the appointment of the signing representative for the related-party agreement.<br>4. Approved the annual renewal of credit facilities with financial institutions.<br>5. Approved ISO procedures, policies, and information security guidelines. | None | Unanimously approved | None |
| 2025.08.12<br>(2-6) | 1. Approved the consolidated financial statements for the second quarter of 2025.<br>2. Approved amendments to the Procedures for Lending Funds to Others.<br>3. Approved amendments to the Rules of Procedure for Board Meetings.<br>4. Approved amendments to the Audit Committee Charter.<br>5. Approved credit facilities with financial institutions. | None | Unanimously approved | None |
| 2025.11.11<br>(2-7) | 1. Approved the consolidated financial statements for the third quarter of 2025.<br>2. Approved partial revisions to internal control procedures.<br>3. Approved a cash capital increase for subsidiary Broadway System Inc. | None | Unanimously approved | None |
| 2025.12.30<br>(2-8) | 1. Approved CPA service fees for 2025.<br>2. Approved the policy for evaluating CPA independence and qualifications.<br>3. Approved the annual renewal of credit facilities.<br>4. Approved the annual renewal of financial transaction limits for hedging purposes.<br>5. Approved a capital reduction of subsidiary Eclat Holding Ltd. to offset losses.<br>6. Approved a cash capital increase of subsidiary Eclat Holding Ltd. | None | Items 1 and 3 through 6 unanimously approved; Item 2 approved with amendments | None |
| 2026.03.10<br>(2-9) | 1. Approved the 2025 annual business report, parent company only and consolidated financial statements.<br>2. Approved the assessment of CPA independence and qualifications for 2026.<br>3. Approved the 2025 internal control system statement.<br>4. Approved the 2025 earnings distribution proposal.<br>5. Approved credit facilities.<br>6. Approved derivatives transaction limits (PSR) for hedging purposes. | None | Unanimously approved | None |

(II) Apart from the matters described above, there were no resolutions that failed to obtain Audit Committee approval but were subsequently approved by more than two-thirds of all directors.

II. Implementation of recusal of independent directors for conflict-of-interest agenda items: The Company shall disclose the names of independent directors, the agenda content, the reasons for recusal, and their participation in voting: None.

III. Communication between independent directors, the internal audit head, and external auditors:

1. The internal audit head regularly reports to the Audit Committee and the Board on audit activities, including execution status, follow-up on deficiencies, and remediation effectiveness. Written reports are provided to independent directors, and additional project reports are prepared based on their recommendations. Special meetings may be convened as needed in the event of significant issues.
2. The internal audit head submits the audit plan for the following year to the Audit Committee and the Board prior to year-end.
3. The Company holds annual private sessions between independent directors and the internal audit head, during which the audit head reports directly on routine audit activities.

4. Independent directors have direct access to the internal audit head and may communicate as needed through email, telephone, or in-person meetings.
   (1) Communication with the internal audit head:
   Communication between independent directors and the internal audit head has been effective. A summary of key communications in 2025 is set out below:

| Date | Meeting Type | Key Topics | Outcome |
|---|---|---|---|
| 2025.01.08 | Board Meeting | January 2025 audit report | Noted and accepted |
| 2025.03.11 | Audit Committee<br>Board Meeting | January-February 2025 audit report<br>Review of 2024 internal control statement | Noted and accepted<br>Approved |
| 2025.05.09 | Audit Committee<br>Board Meeting | March-April 2025 audit report | Noted and accepted |
| 2025.07.11 | Board Meeting | May-June 2025 audit report | Noted and accepted |
| 2025.08.12 | Audit Committee<br>Board Meeting | July 2025 audit report | Noted and accepted |
| 2025.11.11 | Audit Committee<br>Board Meeting | August-October 2025 audit report | Noted and accepted |
| 2025.12.30 | Audit Committee<br>Board Meeting | November-December 2025 audit report | Noted and accepted |
| 2025.12.30 | Annual Audit Session (internal audit head reports directly to independent directors) | Review of execution of the 2025 audit plan | Acknowledged by all attending Audit Committee members |
| 2026.01.27 | Board Meeting | January 2026 audit report | Noted and accepted |
| 2026.03.10 | Audit Committee<br>Board Meeting | February 2026 audit report<br>Review of 2025 internal control statement | Noted and accepted<br>Approved |

   (2) Communication with the internal audit head and external auditors:
   The Company's external auditors report to independent directors on the audit or review of financial statements. They also provide timely updates on securities, financial, and tax regulations, along with related compliance measures. Audit findings and the impact of regulatory changes are discussed in detail. Ongoing communication is maintained through calls, email, or meetings as needed. Overall, communication between independent directors and the external auditors has been effective.
   A summary of communications during the most recent fiscal year is set out below:

| Date | Meeting Type | Key Topics | Outcome |
|---|---|---|---|
| 2025.03.11 | Private Session | 1. Presentation of audit results and key audit matters for the 2024 consolidated and parent company only financial statements<br>2. Regulatory updates | Independent directors raised follow-up questions. After the auditors' explanations, no further comments were made |
| 2025.08.12 | Private Session | 1. Review results for the second quarter 2025 consolidated financial statements<br>2. Regulatory updates | Independent directors raised follow-up questions. After the auditors' explanations, no further comments were made |
| 2025.12.30 | Private Session | 1. Annual audit planning<br>2. Discussion of key audit matters<br>3. Updates on accounting standards and regulations | Independent directors raised follow-up questions. After the auditors' explanations, no further comments were made |
| 2026.03.10 | Private Session | 1. Presentation of audit results and key audit matters for the 2025 consolidated and parent company only financial statements<br>2. Regulatory updates | Independent directors raised follow-up questions. After the auditors' explanations, no further comments were made |

## (III) Remuneration Committee Operations

Committee Composition: The Remuneration Committee consists entirely of independent directors appointed by the Board, with one member designated as convener. The Committee's term is aligned with that of the Board.

Roles and Responsibilities: The Committee is required to act with the care of a prudent manager and perform the following duties, with recommendations submitted to the Board for consideration:
(1) Periodically review this charter and propose amendments.
(2) Establish and periodically review policies, frameworks, and structures governing annual and long-term performance targets and compensation for directors and executives.
(3) Assess the achievement of performance targets by directors and executives and determine their individual compensation packages.

1. Remuneration Committee Membership

| Title \ Criteria | Name | Years of Work Experience | Professional Qualifications and Experience | Independence | Number of Other Public Company Remuneration Committee Roles |
|---|---|---|---|---|---|
| Independent Director (Convener) | Yen-Ching Tsai | Over 20 years | See Director profile on page 6 of this annual report | See Director profile on page 6 of this annual report | 1 |
| Independent Director | Sung-Yuan Wang | Over 16 years | | | 0 |
| Independent Director | Shang-Wu Yu | Over 20 years | | | 2 |

2. Remuneration Committee Operations
(1) The Remuneration Committee comprises three members.
(2) The current term runs from June 13, 2024 to June 12, 2027. The Committee held 7 meetings (A) during the most recent fiscal year. Member qualifications and attendance are summarized below:

| Title | Name | Meetings Attended (B) | Proxy Attendance | Attendance Rate (%) (B/A) | Remarks |
|---|---|---|---|---|---|
| Independent Director | Yen-Ching Tsai | 7 | 0 | 7 | |
| Independent Director | Sung-Yuan Wang | 7 | 0 | 7 | |
| Independent Director | Shang-Wu Yu | 7 | 0 | 7 | |

Other Disclosures:
I. There were no instances in which the Board did not adopt or revised the Remuneration Committee's recommendations requiring disclosure of meeting details, resolutions, or the Company's response.
II. Resolutions of the Remuneration Committee: Where any member has expressed dissenting or qualified opinions that are recorded or submitted in writing, the Company shall disclose the meeting date, session number, agenda items, all members' opinions, and the Company's response to such opinions. No such circumstances occurred.

| Meeting Date (Term-Meeting No.) | Agenda Item | Resolutions | Board Handling of Committee Recommendations |
|---|---|---|---|
| 2025.01.08 (6-2) | 1. Approved of the Company's 2024 managerial bonus proposal. | Unanimously approved by all committee | Submitted and approved by presented directors |
| 2025.03.06 (6-3) | 1. Approved of the proposed appropriation of 2024 employee compensation.<br>2. Approved of the proposed appropriation of 2024 directors' compensation.<br>3. Approved of the proposed meeting attendance fees for members of the Sustainability Development Committee. | Unanimously approved by all committee | Submitted and approved by presented directors |
| 2025.05.09 (6-4) | 1. Approved of the proposed distribution of 2024 directors' compensation. | Unanimously approved by all committee | Submitted and approved by presented directors |
| 2025.07.11 (6-5) | 1. Approved of the proposed 2025 salary adjustments for managers.<br>2. Approval of the proposed distribution of 2024 employee compensation to managers.<br>3. Approved of the proposed distribution of managerial bonuses for the first half of 2025.<br>4. Approved of the early retirement and retirement payment for a Deputy General Manager. | Unanimously approved by all committee | Submitted and approved by presented directors |
| 2025.12.29 (6-6) | 1. Approved of the establishment of the Company's managerial compensation policy. | Unanimously approved by all committee | Submitted and approved by presented directors |
| 2026.01.27 (6-7) | 1. Approved of the Company's 2025 managerial bonus proposal. | Unanimously approved by all committee | Submitted and approved by presented directors |
| 2026.03.10 (6-8) | 1. Approved of the proposed distribution of 2025 employee compensation, including allocations to entry level employees.<br>2. Approved of the proposed distribution of 2025 directors' compensation. | Unanimously approved by all committee | Submitted and approved by presented directors |

# (IV) Corporate Governance Practices and Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, and Reasons Therefor

| Evaluation Items | Implementation Status (Note) | | | Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons |
|---|---|---|---|---|
| | Yes | No | Summary | |
| I. Has the Company adopted and disclosed its Corporate Governance Best Practice Principles in accordance with the applicable guidelines? | ✓ | | The Company adopted its Corporate Governance Best Practice Principles upon Board approval on December 28, 2018. The principles are disclosed on the Market Observation Post System and the Company's website. | No deviations |
| II. Shareholding Structure and Shareholders' Rights | | | | |
| (I) Has the Company established and implemented internal procedures to address shareholder proposals, inquiries, disputes, and litigation? | ✓ | | (I) The Company has established relevant internal procedures. Matters are communicated to management through the spokesperson system and stakeholder contact channels. Responses are provided by phone or email. Legal matters are handled by the legal function. | No deviations |
| (II) Does the Company maintain information on controlling shareholders and the ultimate beneficial owners of major shareholders? | ✓ | | (II) The Company maintains records of shareholdings of directors, officers, and shareholders holding more than 5% of the shares, and maintains effective communication with them. | No deviations |
| (III) Has the Company established and implemented risk control measures and firewall mechanisms with its affiliates? | ✓ | | (III) The Company has adopted the "Regulations Governing the Management of Related Party Transactions" and the "Procedures for Supervision and Management of Subsidiaries." It compiles subsidiaries' financial statements monthly and conducts annual internal audit and internal control reviews. | No deviations |
| (IV) Has the Company established internal policies prohibiting insiders from trading securities based on non-public information? | ✓ | | (IV) The Company has implemented the "Code of Ethical Conduct" and the "Procedures for Handling Material Non-public Information and Prevention of Insider Trading." These policies set out conflict of interest avoidance principles and have been communicated to all directors and employees. | No deviations |
| III. Composition and Responsibilities of the Board of Directors | | | | |
| (I) Has the Board adopted a diversity policy with defined objectives and implemented it? | ✓ | | (I) The Company has adopted a board diversity policy under its Corporate Governance Best Practice Principles. Specific objectives have been set in line with this policy and are actively implemented. Please refer to page 6 of this annual report for details on board diversity, objectives, and implementation status. | No deviations |
| (II) In addition to the legally required Remuneration Committee and Audit Committee, has the Company voluntarily established other functional committees? | | ✓ | (II) Beyond the Audit Committee and Remuneration Committee required by law, the Company has established a Sustainability Development Committee. Additional functional committees may be established in the future based on operational needs. | No deviations |
| (III) Has the Company established board performance evaluation procedures and methods, conducted regular annual evaluations, reported the results to the Board, and used the results as a reference for directors' compensation and re-nomination? | ✓ | | (III) The Company has established board performance evaluation procedures and conducts annual evaluations of both the Board and individual directors. Results are reported to the Board. Evaluations are carried out through internal board self-assessments and individual director self-assessments. The scope covers the full Board, individual directors, and functional committees. Details on evaluation criteria and results are provided on pages 12-13 of this annual report. | No deviations |
| (IV) Does the Company regularly assess the independence of its external auditors? | ✓ | | The Company conducts an annual evaluation in accordance with its "Regulations for Evaluating the Independence and Qualifications of External Auditors." As part of this process, it obtains an Independence Statement and an Audit Quality Indicators (AQI) report from the auditors. The evaluation covers independence criteria, AQI metrics, and qualifications and performance indicators. The AQI review includes factors such as the experience and turnover of the audit team and senior personnel, auditor workload, level of audit team involvement, EQCR review practices, and comparisons with industry benchmarks. It also considers whether the audit firm continues to invest in innovation to enhance audit quality. The most recent evaluation was reviewed and approved by the Audit Committee and subsequently approved by the Board of Directors on March 10, 2026, confirming the auditors' independence and qualifications.<br>The table below summarizes the independence criteria for the external auditors: | No deviations |

| Evaluation Items | Implementation Status (Note): Yes | Implementation Status (Note): No | Summary: Item No. | Summary: Evaluation Criteria | Yes | No | N/A | Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons |
|---|---|---|---|---|---|---|---|---|
| | | | 1 | Auditor tenure does not exceed seven years | V | | | |
| | | | 2 | The audit team, associated CPAs, firm partners, the accounting firm, its affiliates, and network firms maintain independence from the Company | V | | | |
| | | | 3 | The auditor and audit team members have not served as directors, officers, or in positions with significant influence over the Company within the past two years | V | | | |
| | | | 4 | The auditor and audit team members have no familial relationships with the Company's directors, officers, or key personnel involved in the audit | V | | | |
| | | | 5 | The auditor has not assumed a director or management role, or a position with significant influence over the audit, within one year after rotation | V | | | |
| | | | 6 | The auditor has no direct or indirect material financial interest in the Company | V | | | |
| | | | 7 | The accounting firm does not rely excessively on the Company as a primary source of fees | V | | | |
| | | | 8 | The auditor has no significant business relationships with the Company | V | | | |
| | | | 9 | There is no prospective employment relationship between the auditor and the Company | V | | | |
| | | | 10 | The auditor does not receive contingent fees related to the engagement | V | | | |
| | | | 11 | The auditor does not act as an advocate for the Company in legal matters or disputes | V | | | |
| | | | 12 | The auditor does not promote or broker the Company's securities | V | | | |
| | | | 13 | The auditor has not received material gifts or preferential treatment from the Company or its insiders | V | | | |
| | | | 14 | The auditor and audit team do not hold or manage Company funds | V | | | |
| | | | 15 | The auditor complies with professional independence standards and has issued an Independence Statement | V | | | |

| Evaluation Items | Yes | No | Summary | Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons |
|---|---|---|---|---|
| IV. Has the Company appointed qualified corporate governance personnel in sufficient numbers and designated a corporate governance officer to oversee governance matters (including providing necessary information to directors and supervisors, supporting legal compliance, organizing Board and shareholders' meetings, and preparing meeting minutes)? | ✓ | | The Company appointed Ms. Wang Hui-Mei, Manager of the Finance and Accounting Department and Chief Financial Officer, as Corporate Governance Officer following Board approval on December 29, 2022. Her key responsibilities include organizing Board and shareholders' meetings in accordance with applicable laws, preparing meeting minutes, supporting director onboarding and continuing education, providing information required for directors to perform their duties, assisting directors in regulatory compliance, reporting to the Board on the eligibility review of independent directors at nomination, election, and during their tenure, handling changes in board membership, protecting shareholders' rights, and strengthening Board effectiveness.<br>The Corporate Governance Officer has more than three years of experience in a senior finance role at a public company. She completed 12 hours of continuing education in 2025 in compliance with regulatory requirements. Details are as follows: | No deviations |

| Date | Organizer | Course Title | Hours |
|---|---|---|---|
| 2025.11.18 | Taiwan Corporate Governance Association | Board Meeting Practices and Common Operational Deficiencies in Listed Companies | 3.0 |
| 2025.10.27 | Securities and Futures Institute | Global Economic Outlook under Trump 2.0 and Implications for Taiwan Industries | 3.0 |
| 2025.09.25 | Taipei Bar Association and Corporate Governance Professionals Institute of Taiwan | Governance of Related Party and Material Transactions | 3.0 |
| 2025.07.25 | Taiwan Corporate Governance Association | Developing Sustainable Performance Metrics and Compensation Systems | 3.0 |

| Evaluation Items | Implementation Status (Note) | | | Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons |
|---|---|---|---|---|
| | Yes | No | Summary | |
| V. Has the Company established communication channels with stakeholders (including shareholders, employees, customers, and suppliers), created a dedicated stakeholder section on its website, and appropriately addressed key corporate social responsibility issues raised by stakeholders? | ✓ | | The Company maintains a stakeholder section on its website and assigns dedicated personnel to respond to key corporate social responsibility issues. Key stakeholder concerns, communication channels, and implementation status are disclosed on the Company's website. | No deviations |
| VI. Has the Company engaged a professional share registrar or transfer agent to handle shareholder meeting matters? | ✓ | | The Company has appointed CTBC Bank Co., Ltd., Transfer Agency Department, to manage shareholder meeting affairs. | No deviations |
| VII. Information Disclosure | | | | |
| (I) Does the Company maintain a website to disclose financial, operational, and corporate governance information? | ✓ | | (I) The Company's website includes an investor relations section with disclosures on financial performance, operations, and corporate governance for investor reference. Website: https://www.genesyslogic.com | No deviations |
| (II) Does the Company adopt additional disclosure practices (such as maintaining a multilingual website, assigning dedicated personnel for information disclosure, implementing a spokesperson system, and posting investor conference materials online)? | ✓ | | (II) The Company's website is available in Chinese, English, and Japanese and provides information on products, financials, operations, and investor briefings for public access. Website: https://www.genesyslogic.com.tw | No deviations |
| (III) Does the Company publish and file its annual financial statements within two months after the fiscal year-end, and publish and file quarterly financial reports and monthly operating results ahead of the required deadlines? | | ✓ | (III) The Company publishes and files its annual financial statements within three months after the fiscal year-end and completes the filing of quarterly financial reports and monthly operating results within the required deadlines. | Compliant with regulatory requirements; no plans for early disclosure |

| Evaluation Items | Implementation Status (Note) | | | Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons |
|---|---|---|---|---|
| | Yes | No | Summary | |
| VIII. Whether the Company provides other material information that facilitates an understanding of its corporate governance practices, including but not limited to employee rights, employee care, investor relations, supplier relationships, stakeholder rights, directors' and supervisors' continuing education, implementation of risk management policies and risk measurement standards, implementation of customer policies, and the purchase of directors' and supervisors' liability insurance? | ✓ | | (I) Employee rights and employee care:<br>1. The Company does not employ forced labor or child labor. Employees under 18 are not assigned hazardous duties or night work.<br>2. Employees are protected from harassment and unlawful discrimination. No employee or applicant is treated differently based on race, religion, color, nationality, age, disability, or other factors. The Company has established workplace sexual harassment prevention, complaint, and disciplinary procedures, and strictly prohibits such conduct.<br>3. Compensation complies with applicable wage laws and local regulations, including requirements on wages, overtime, and leave.<br>4. Recruitment is conducted through open hiring or referral processes to select qualified talent without predetermined bias.<br>5. The Company provides a range of training programs and seminars each year to support and enhance employees' professional skills.<br>6. The Company emphasizes employee well-being by offering comprehensive health care support. Employees are eligible for annual health examinations and may participate in health promotion programs such as wellness campaigns, seminars, and sports activities.<br>7. The Company maintains a clean working environment through regular disinfection, cleaning, and floor maintenance.<br>(II) Investor relations: Investors may contact the Company's spokesperson or deputy spokesperson by telephone or email to submit inquiries.<br>(III) Supplier relationships: The Company maintains stable working relationships with contractors and enters into formal cooperation or OEM agreements with key contractors to protect the rights and obligations of both parties.<br>(IV) Stakeholder rights: The Company discloses key stakeholder concerns, response channels, and communication practices in the stakeholder section of its corporate website.<br>(V) Directors' continuing education: Directors participate in required training in accordance with applicable regulations. All directors completed the required training hours for 2025. See the table below for details. | No deviations |

Continuing Education of Directors:

| Attendee | Date | Hours | Organizer | Course Title |
|---|---|---|---|---|
| Kuo-Chao Wang | 2025.05.15 | 3 | Securities and Futures Institute | Silicon Photonics in Network Architecture: Trends in SiPh and Co-Packaged Optics (CPO) |
| | 2025.03.04 | 3 | Securities and Futures Institute | NVIDIA's Three-Trillion Milestone: Rethinking the Semiconductor Industry in the Age of AI |
| Man-Ping-Chin | 2025.10.28 | 3 | Chinese Corporate Governance Association | Board Practices and Corporate Governance |
| | 2025.07.09 | 3 | Taiwan Stock Exchange | 2025 Cathay Sustainable Finance and Climate Change Summit |
| | 2025.04.25 | 3 | Chinese Corporate Governance Association | Executive Compensation and ESG Performance Design |
| Chin-Kuo Chen | 2025.08.28 | 3 | Securities and Futures Institute | Digital Finance Transformation: Stablecoins and Blockchain Asset Trends |
| | 2025.07.19 | 3 | Taiwan Stock Exchange | 2025 Cathay Sustainable Finance and Climate Change Summit |

| Evaluation Items | Implementation Status (Note) | | | Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons |
|---|---|---|---|---|
| | Yes | No | Summary | |

| | | | | |
|---|---|---|---|---|
| Shu-Hua Tsai | 2025.07.09 | 6 | Taiwan Stock Exchange | 2025 Cathay Sustainable Finance and Climate Change Summit |
| | 2025.04.17 | 2 | Industrial Technology Research Institute | Advancing Toward Net Zero: Environmental Leadership, Global Plastic Reduction Trends, Industrial Transformation Opportunities, and Taiwan's Carbon Market Development |
| Yen-Ching Tsai | 2025.12.03 | 3 | Chinese Corporate Governance Association | Global Trends: Risks and Opportunities |
| | 2025.11.25 | 3 | Taiwan Institute for Sustainable Energy | 8th Global Corporate Sustainability Forum |
| | 2025.11.21 | 3 | Securities and Futures Institute | 2025 Legal Compliance Seminar on Insider Share Transactions |
| Sung-Yuan Wang | 2025.07.22 | 3 | Taipei Exchange | 2025 Insider Shareholding Compliance Seminar for Emerging Companies |
| | 2025.02.21 | 3 | Chinese Corporate Governance Association | Audit Committee Practices in Financial Statement Review |
| Ming-Te Hsieh | 2025.08.07 | 3 | Taipei Exchange | 2025 Insider Shareholding Compliance Seminar for Emerging Companies |
| | 2025.07.17 | 3 | Greater China Financial and Economic Development Association | Key Financial Decision Considerations for Directors and Supervisors |
| Shang-Wu Yu | 2025.11.10 | 3 | Chinese Corporate Governance Association | TCFD and SBTi Developments and Board Responsibilities |
| | 2025.08.04 | 3 | Chinese Corporate Governance Association | Sustainability and Corporate Resilience Management |
| Yi-Yuan Shao | 2025.04.15 | 3 | Chinese Corporate Governance Association | Case Studies in Corporate Control Disputes |
| | 2025.03.14 | 3 | Chinese Corporate Governance Association | Circular Economy and Sustainable Finance Opportunities |
| | 2025.03.07 | 3 | Chinese Corporate Governance Association | GHG Inventory and Assurance Principles Overview |

(VI) Implementation of risk management policies and risk measurement standards:

The Board oversees senior management in identifying the Company's risk sources and categories, taking into account its size, industry characteristics, operations, and sustainability considerations, and in establishing appropriate risk response objectives. Each department conducts risk identification aligned with its functional responsibilities and both short-term and long-term goals. The corporate governance function works with all departments to monitor risk developments on an ongoing basis and reports to senior management as needed. Overall, the Company's risk management and control processes are operating effectively.

(VII) Implementation of customer policy: The Company maintains strong relationships with its customers and emphasizes a customer-focused approach. It delivers highly integrated interface solutions, expands into emerging customer segments, enhances technical support and customized services, and strengthens customer retention while broadening application areas.

(VIII) Directors' liability insurance coverage:

| Insured Parties | Insurance Company | Period Coverage | Amount |
|---|---|---|---|
| All Directors | Chubb Insurance Taiwan Limited | 2025/08/01 - 2026/08/01 | US$5,000,000<br>Approximately NT$149,350,000 |

IX. Improvements based on the latest corporate governance evaluation results issued by the Taiwan Stock Exchange Corporate Governance Center, and priority actions for areas not yet addressed:

1. The Company has enhanced its sustainability disclosures in response to the evaluation findings.
2. The Company will continue to follow regulatory initiatives and evaluate further improvement measures to increase transparency and advance its corporate governance practices in line with the Corporate Governance Best Practice Principles.

## (V) Operating status of the Sustainability Development Committee

To advance its sustainability objectives and reinforce governance, the Board approved the establishment of the Sustainability Development Committee on January 8, 2025. The Committee is responsible for setting sustainability goals and developing related policies and action plans. A designated sustainability function supports the Committee in executing these initiatives. The Committee meets at least once annually and reports implementation progress to the Board.

The Committee's duties include:

1. Developing, promoting, and enhancing the Company's sustainability policies, annual plans, and strategies.
2. Monitoring, reviewing, and updating the implementation and effectiveness of sustainability efforts.
3. Overseeing sustainability disclosures and reviewing the sustainability report.
4. Overseeing other sustainability-related matters as assigned by the Board.

During the most recent year, the Sustainability Development Committee held a total of 2 meetings (A). Attendance details are as follows:

| Title | Name | Meetings Required (A) | Meetings Attended (B) | Proxy Attendance | Attendance Rate (%) (BA) | Remarks |
|---|---|---|---|---|---|---|
| Convener Chairman | Kuo-Chao-Wang | 2 | 2 | 0 | 100% | |
| Independent Director | Yen-Ching Tsai | 2 | 2 | 0 | 100% | |
| Deputy General Manager | Wang Li-Wei | 2 | 2 | 0 | 100% | |
| Deputy General Manager | Wei-Te Li | 2 | 2 | 0 | 100% | |
| Deputy General Manager | Han-Ching Hsieh | 1 | 1 | 0 | 100% | Stepped down on July 24, 2025; required to attend 1 meeting |
| CTO | Chih-Jung Lin | 2 | 2 | 0 | 100% | |

Other required disclosures:

I. If the Board of Directors does not adopt or amends the recommendations of the Corporate Governance and Sustainability Committee, the meeting date, session, agenda content, Board resolution, and the Company's response to the Committee's opinions shall be disclosed: None.

II. Matters resolved by the Sustainability Committee for which any member expressed dissenting or qualified opinions with records or written statements: None.

| Date (Term-Meeting No.) | Agenda | Result |
|---|---|---|
| 2025.04.23 (1-1) | 1. Approved the preparation of the Company's 2024 Sustainability Report.<br>2. Approved the planned frequency for identifying and analyzing material topics in the Sustainability Report. | All attending members agreed without objection following the chair's inquiry, and the proposals were approved and submitted to the Board. |
| 2025.12.30 (1-2) | 1. Approved the identification of material topics for the Company's 2025 Sustainability Report. | All attending members agreed without objection following the chair's inquiry, and the proposal was approved and submitted to the Board. |

(VI) Status of sustainable development implementation, and any deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx listed companies, with explanations

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from Best Practice Principles and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td>I. Has the Company established a governance framework for sustainability, set up a dedicated or designated function, authorized senior management to oversee execution, and ensured Board-level oversight?</td><td>✓</td><td></td><td>The Board approved the establishment of a Sustainability Development Committee on January 8, 2025. An ESG task force operates under the Committee to drive sustainability initiatives. The task force is composed of four groups: Corporate Governance, Partnership, Environmental Sustainability, and Social Care. These groups are responsible for planning, executing, and overseeing ESG-related policies.
<table>
<tr><th>Task Force Name</th><th>Scope of Responsibilities</th></tr>
<tr><td>Corporate Governance Group</td><td>Operational performance, corporate governance, risk management, innovation and R&D, information security, regulatory compliance, and climate-related financial disclosures</td></tr>
<tr><td>Partnership Group</td><td>Customer service, data privacy, sustainable supply chain, raw material management, and product safety responsibilities</td></tr>
<tr><td>Social Care Group</td><td>Human rights, labor relations, diversity and inclusion, talent development, employee benefits and retirement programs, occupational safety and health, and community engagement</td></tr>
<tr><td>Environmental Sustainability Group</td><td>Energy management, water management, greenhouse gas emissions, and waste management</td></tr>
</table>
The ESG task force reported its annual sustainability performance to the Board on December 30, 2025, supporting Board oversight and accountability for sustainability governance. For further details on Board oversight, refer to the Sustainability Development Committee section on page 23 of this annual report.</td><td>No deviations</td></tr>
<tr><td>II. Whether the Company, in accordance with the principle of materiality, conducts risk assessments on environmental, social, and governance matters relevant to its operations and establishes related risk management policies or strategies?</td><td>✓</td><td></td><td>Senior management identifies sources and categories of risk by considering materiality, the Company’s operating context, ESG dimensions, and issues of concern to internal and external stakeholders. Based on this assessment, the Company develops risk management policies and response strategies, selects appropriate responses, and implements risk mitigation measures. Personnel within operating units continuously monitor risks to ensure they remain within controllable limits and report developments to senior management on a timely basis.<br>Risk assessment standards, processes, results, and related policies or strategies:
<table>
<tr><th>Process</th><th>Operation</th></tr>
<tr><td>Risk Identification</td><td>The Board and senior management identify potential risk sources and categories based on the Company’s scale, industry characteristics, operations, and sustainability considerations, and set corresponding response objectives. Each unit conducts risk identification aligned with its responsibilities, covering both short-term and long-term objectives.</td></tr>
<tr><td>Risk Analysis and Classification</td><td>Changes in internal and external environments are evaluated, and identified risks are analyzed based on likelihood, severity, timing, and scope of impact, forming the basis for risk classification.</td></tr>
<tr><td>Risk Response</td><td>Management strategies are determined according to risk levels, with response objectives established accordingly. High-risk items are subject to enhanced controls, while medium- and low-risk items are subject to ongoing monitoring.</td></tr>
<tr><td>Risk Monitoring and Review</td><td>Operating units regularly review and manage risks within their areas and update them in line with Company risk objectives, stakeholder concerns, and sustainability considerations. Consolidated risk information is reported by designated risk management personnel to management and relevant Board members to ensure effective risk control and timely escalation where necessary.</td></tr>
</table></td><td>No deviations</td></tr>
<tr><td colspan="5">III. Environmental Matters</td></tr>
<tr><td>(I) Whether the Company has established appropriate environmental management systems in line with its industry characteristics?</td><td>✓</td><td></td><td>(I) The Company maintains ISO 9001 Quality Management System and ISO 14001 Environmental Management System certifications. To ensure ongoing effectiveness, annual surveillance audits are conducted by an independent certification body. Following updates to international standards, the Company transitioned to the 2015 versions of ISO 9001 and ISO 14001 in August 2018 and obtained certification. A recertification audit was completed in July 2025. Both certifications remain valid through July 26, 2028, supporting sustainable operations and continuous improvement.</td><td>No deviations</td></tr>
</table>

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from Best Practice Principles and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>(II) As an IC design company without manufacturing facilities, Genesys Logic operates in a low-carbon-emission industry. Guided by its business philosophy of “Corporate Mission, Focus Objectives, and Growth Model,” the Company continues to enhance product quality and strengthen the integrity of its green supply chain to comply with ISO 14001 environmental policies and applicable regulations.<br>(III) The Company has adopted the ISO 14064-1 greenhouse gas inventory standard to strengthen its ability to respond to risks arising from green regulations and supply chain requirements.<br>(IV) In 2025, the Company was not subject to any fines or sanctions for violations of environmental laws or related regulations.<br>(V) Management meetings included discussions on the potential operational impacts of climate change and corresponding response strategies.</td><td></td></tr>
<tr><td>(II) Whether the Company is committed to enhancing energy efficiency and adopting environmentally friendly materials with lower impact?</td><td>✓</td><td></td><td>(II) Genesys Logic is engaged in IC design, research and development, and sales. The Company’s internal energy consumption primarily consists of purchased electricity, a non-renewable energy source, which is mainly used for server room equipment, office operations, measurement centers, and air conditioning and lighting in common areas. External energy consumption mainly arises from other indirect emissions generated by the Company’s operational activities. The Company actively promotes green operations and fosters an environmentally conscious corporate culture. In 2026, the Company adopted the ISO 14064-1 standard for the quantification and reporting of organizational greenhouse gas emissions and removals to enhance the accuracy of its carbon inventory management in accordance with international standards.<br>1. Energy Management Policy: The Company is committed to energy conservation and carbon reduction measures, including turning off computers and monitors after working hours or when not in use, switching off office lighting during lunch breaks, and gradually replacing existing lighting equipment with energy-efficient fixtures.<br>2. Implementation Status:<br>(1)In 2025, the replacement of lighting fixtures reduced electricity consumption by approximately 19,000 kWh, equivalent to 8.92 metric tons of CO2e.<br>(2)In 2025, five desktop computers were replaced with notebook computers, reducing electricity consumption by approximately 2,000 kWh per year, equivalent to 1.09 metric tons of CO2e annually.<br>3. Total Energy Consumption:
<table>
<tr><th>Year</th><th>Electricity (kWh)</th><th>Total Energy Consumption from Electricity Usage (GJ)</th><th>Change from Previous Year</th></tr>
<tr><td>2023</td><td>1,514,037.8806</td><td>5,450.5364</td><td>↓2.86%</td></tr>
<tr><td>2024</td><td>1,507,389.3931</td><td>5,426.6018</td><td>↓0.44%</td></tr>
<tr><td>2025</td><td>1,617,805.1584</td><td>5,824.0986</td><td>↑7.32%</td></tr>
</table>
Note 1: Purchased electricity is converted at 3.6 megajoules per kWh. GJ refers to 109 joules.<br>Note 2: The increase in electricity consumption in 2025 compared with 2024 was primarily attributable to the inclusion of two additional operating sites in Hsinchu City and Kaohsiung City within the reporting scope.</td><td>No deviations</td></tr>
<tr><td>(III) Whether the Company evaluates the potential impacts of climate change on its current and future operations, including risks and opportunities, and implements appropriate response measures?</td><td>✓</td><td></td><td>(III) To reduce the impact of climate change on its operations, the Company conducts a comprehensive review across governance, strategy, risk management, and metrics and targets. Senior management assesses the likelihood and impact of climate-related risks and opportunities. These include transition risks such as policy and regulatory changes, technology, market, and reputation; physical risks including acute and chronic events; and climate-related opportunities in areas such as resource efficiency, energy use, products and services, markets, and operational resilience. The Company evaluates their relevance and potential impact on operations and develops corresponding management actions and response strategies.
<table>
<tr><th>Aspect</th><th>Item</th><th>Financial Impact on the Company</th><th>Response and Management Measures</th></tr>
<tr><td>Transition Risk - Policy and Regulation</td><td>Rising greenhouse gas pricing</td><td>The Company’s direct exposure to carbon costs is limited. However, cost pass-through from subcontractors represents the main indirect pressure and may increase operating costs. As the Company is not in a high-emission industry, the overall financial impact remains limited.</td><td>Continue greenhouse gas inventory under ISO 14064-1 and initiate third-party verification.</td></tr>
</table></td><td>No deviations</td></tr>
</table>

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from Best Practice Principles and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>Transition Risk - Market</td><td>Rising raw material costs</td><td>Extreme weather may disrupt supply and drive up raw material prices through subcontractors. This may increase production costs for packaging-related processes, reduce margins, and weaken competitiveness.</td><td>Diversify subcontractor relationships to reduce dependence on any single supplier and build long-term partnerships to secure support and priority access.</td></tr>
<tr><td>Physical Risk - Acute</td><td>More severe extreme weather events such as typhoons and floods</td><td>Such events may increase recovery costs and disrupt supply chains, leading to delays in delivery schedules and higher logistics and inventory costs. Supply disruptions may result in delayed customer deliveries or customer losses being transferred to the Company.</td><td>Provide disaster preparedness training, maintain effective emergency communication systems, and ensure personnel safety.<br>Monitor subcontractor inventory readiness before typhoon season and include it in regular subcontractor review meetings.</td></tr>
<tr><td>Opportunity - Resource Efficiency</td><td>More efficient production and distribution processes</td><td>Greater efficiency can lower costs, shorten lead times, improve product quality and competitiveness, enhance profitability and customer satisfaction, optimize resource allocation, and strengthen supply chain management to support sustainable growth.</td><td>Optimize the supply chain through data-driven demand forecasting, improve inventory efficiency, and maintain close collaboration with subcontractors to ensure smooth material and product flow.</td></tr>
<tr><td>Opportunity - Products and Services</td><td>Development and innovation of new products and services</td><td>Investment in new equipment and low-carbon product development may increase production costs.</td><td>Establish development cycle targets for new products.</td></tr>
</table>
</td><td></td></tr>
<tr><td>(IV)Whether the Company has tracked greenhouse gas emissions, water usage, and total waste generation over the past two years, and established policies for emissions reduction, water conservation, or waste management?</td><td>✓</td><td></td><td>
(IV) Greenhouse Gas Emissions:<br>
The Company began third-party verification of its greenhouse gas inventory in 2025. CO2e emissions have been estimated based on office electricity and water consumption for 2023 through 2025.<br>
Scope of inventory: Taipei office for 2023 and 2024; all Taiwan offices, comprising four operating locations, for 2025.
<table>
<tr><th>Year</th><th>Scope 1 (Tons CO2e)</th><th>Scope 2 (Tons CO2e)</th><th>Total Emissions (Tons CO2e)</th><th>Operating Revenue (NT$ million)</th><th>Emission Intensity (Tons CO2e/NT$ million)</th></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>714.5026</td><td>714.5026</td><td>3,178.690</td><td>0.2248</td></tr>
<tr><td>2025</td><td>954.8136</td><td>766.8396</td><td>1721.6533</td><td>4,056.160</td><td>0.4245</td></tr>
</table>
Greenhouse Gas Management Policies and Results:<br>
Environmental impact is considered from the product design stage, with green design principles applied throughout the lifecycle from raw material sourcing to end-of-life disposal. The Company implements energy-saving practices in daily operations to reduce emissions and resource consumption. Employees are encouraged to conserve energy by turning off unused equipment, taking stairs where possible, and transitioning to energy-efficient lighting. In 2025, lighting upgrades reduced electricity usage by approximately 19,000 kWh, equivalent to 8.92 metric tons CO2e. Upgrades to IT server room systems reduced energy use by approximately 33,000 kWh per year, equivalent to 15.78 metric tons CO2e annually. Replacement of five desktop computers with laptops resulted in additional savings of approximately 2,000 kWh per year, equivalent to 1.09 metric tons CO2e annually. The Company plans to replace 27 more desktops with laptops in 2026. The Company conducts annual voluntary greenhouse gas inventories. Total emissions for office operations were 747.9347 metric tons CO2e in 2023, down 3.06% from 2022, and 714.5026 metric tons CO2e in 2024, down 4.47% from 2023. In 2025, emissions increased to 1,721.6533 metric tons CO2e due to expanded reporting under ISO 14064-1, including additional offices and emission categories such as purchased electricity and fugitive emissions. This represents an increase of 1,007.1507 metric tons CO2e compared to 2024. To address climate change and reduce emissions, the Company
</td><td>No deviations</td></tr>
</table>

| Item | Implementation Status | | | Deviations from Best Practice Principles and Reasons |
|---|---|---|---|---|
| | Yes | No | Summary (Note 2) | |
| | | | continues to upgrade energy-efficient lighting and replace HVAC systems with variable frequency equipment. The Company targets a 1% reduction in total greenhouse gas emissions by 2026.<br><br>Water Resource Management:<br>The Company's primary operating locations in Xindian District of New Taipei City, Zhongshan District of Taipei City, East District of Hsinchu City, and Qianjin District of Kaohsiung City are not located in water-stressed regions or protected water source areas, and therefore do not have a material impact on surrounding ecosystems. All sites are office-based facilities within commercial buildings. Domestic wastewater from the Dazhi and Kaohsiung offices is discharged into municipal sewer systems, while wastewater from the Xindian and Hsinchu offices is treated through septic systems before being released into public drainage.<br>(1) Water Resource Management Policy: To protect the natural and living environment and minimize the environmental impact arising from corporate operations.<br>(2) Reduction Target: Reduce annual water intensity by 5% compared with the previous year.<br>(3) Implementation Measures:<br>- Promote water conservation through orientation and training programs for new employees.<br>- Improve water use efficiency.<br>- Assess water resource risks and establish response measures to manage water-related risks.<br>- Reduce faucet water flow appropriately or install water-saving valves to conserve water.<br>- Purchase atmospheric water generation dispensers to reduce water consumption.<br>- Conduct quarterly drinking water inspections and regularly replace filter cartridges to ensure employees have access to clean drinking water.<br><br>(4) Results Achieved: Water intensity in 2024 decreased by 21% compared with the previous year, meeting the target. Water intensity in 2025 further decreased by 27% compared with the previous year, also meeting the target. | |

| Year | Water Withdrawal (ML) | Revenue (NT$ million) | Water Intensity (ML/NT$ million) | Achievement Status (Annual 5% Reduction in Water Intensity) |
|---|---|---|---|---|
| 2023 | 9.32 | 2,515.56 | 0.0037 | - |
| 2024 | 9.3 | 3,178.69 | 0.0029 | -21% Achieved |
| 2025 | 8.64 | 4,056.16 | 0.0021 | -27% Achieved |

Note 1: The total number of employees was 304 in 2023, 306 in 2024, and 287 in 2025.
Note 2: As Genesys Logic does not have independent water meters, water withdrawal is calculated using the following formula: average daily domestic water consumption per capita in New Taipei City, where the Company has the highest employee concentration, multiplied by the number of employees, divided by 24 hours, multiplied by average daily water usage hours (approximately 9.5 hours), and multiplied by the annual number of working days.
Note 3: The Xindian and Dazhi offices use water supplied from the Feitsui Reservoir, the Hsinchu office uses water from the Baoshan Reservoir, and the Kaohsiung office uses water from Chengcing Lake.
Note 4: The 2024 water withdrawal and discharge data were restated from 9.42 ML to 9.30 ML. At the time of the original calculation, the 2024 per capita daily domestic water consumption data had not yet been released, so the 2023 figure of 311 liters was used. The figures have since been recalculated using the published 2024 New Taipei City per capita daily domestic water consumption figure of 307 liters.

Waste Management:
As a semiconductor company focused on IC design, manufacturing, testing, and sales, the Company generates both general and hazardous industrial waste. The Company does not operate its own manufacturing facilities, and most waste arises from office activities. General industrial waste includes paper, packaging materials, food waste, and other office-related waste, which is handled by building management. Hazardous waste includes discarded ICs, wafers, tray carriers, blue tape, and electronic components, including circuit boards.
(1) Waste Management Policy: Promote waste reduction at the source and resource recycling.

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from Best Practice Principles and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary (Note 2)</th></tr>
<tr><td></td><td></td><td></td><td>(2) Reduction Target: Reduce business waste intensity by 5% each year.<br>(3) Waste Management Measures<br>- Comply with applicable national waste management laws and regulations.<br>- Actively promote waste reduction, recycling, and reuse initiatives.<br>- Implement waste classification, waste reduction, and resource recycling practices.<br>- Do not provide single-use plastic bottled water to visitors.<br>- Encourage employees to reduce the use of disposable utensils and request lunch vendors not to provide disposable utensils with meal orders.<br>- Regularly monitor employees' photocopy paper usage and remind employees to reduce paper consumption.<br>- Conduct periodic spot checks to ensure proper waste classification and prevent improper disposal.<br>(4) Results Achieved: Business waste intensity in 2024 decreased by 7% compared with the previous year, meeting the target. Business waste intensity in 2025 further decreased by 24% compared with the previous year, also meeting the target.
<table>
<tr><th>Year</th><th>Total Business Waste (Tons)</th><th>Revenue (NT$ million)</th><th>Non-Recyclable Domestic Waste Intensity (Tons/NT$ million)</th><th>Achievement Status (Annual 5% Reduction in Business Waste Intensity)</th></tr>
<tr><td>2023</td><td>56.8537</td><td>2,515.56</td><td>0.0226</td><td>-</td></tr>
<tr><td>2024</td><td>66.6749</td><td>3,178.69</td><td>0.0210</td><td>-7% Achieved</td></tr>
<tr><td>2025</td><td>64.6294</td><td>4,056.16</td><td>0.0159</td><td>-24% Achieved</td></tr>
</table></td><td></td></tr>
<tr><td colspan="5">IV. Social Issues</td></tr>
<tr><td>(I) Has the Company established relevant management policies and procedures in compliance with applicable laws and international human rights conventions?</td><td>✓</td><td></td><td>(I) Genesys Logic is committed to respecting human rights and maintaining a dignified workplace. The Company supports the Universal Declaration of Human Rights and follows the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Global Compact, and the Responsible Business Alliance Code of Conduct.<br>The Company has established human rights policy covers protection of freely chosen employment, prohibition of discrimination and child labor, provision of a safe workplace, promotion of employee well-being, and support for freedom of association and sound labor relations. The policy applies to all managers and employees, as well as affiliates, suppliers, customers, and other stakeholders, with the objective of preventing any human rights violations.<br>The policy is disclosed internally, and the Company promotes a respectful workplace through communication seminars, supervisory self-assessments on unlawful conduct, and training programs on prevention of workplace misconduct. The Human Resources Department serves as the responsible unit and regularly reviews the effectiveness of the human rights policy and related statements. In cases involving potential human rights violations, evaluations and investigations are conducted in accordance with the Company's workplace unlawful infringement handling procedures. The Company had no human rights violations recorded in 2025.</td><td>No deviations</td></tr>
<tr><td>(II) Has the Company established and implemented reasonable employee welfare measures, including compensation, leave, and other benefits, and appropriately linked operating performance to employee compensation?</td><td>✓</td><td></td><td>(II) The Company offers competitive and comprehensive compensation and benefits to attract and retain talent.<br>1.The Company conducts annual compensation and benefits benchmarking and adjusts salaries in line with market conditions. It also implements retention programs and employee shareholding plans. The bonus structure is tied to operating performance, with no discrimination based on gender, region, race, age, or religion. Entry-level salaries exceed statutory minimum wage requirements.<br>2.As of the end of 2025, the Company employed 287 people, with women representing 21.26% of the workforce.<br>3.Employee welfare programs include birthday events, domestic trips, holiday activities, and employee clubs. Additional benefits include group insurance, parking subsidies, emergency assistance loans, employee stock ownership trust programs, and childcare and education subsidies, addressing a wide range of employee needs.<br>4. Company's Articles of Incorporation provide that when the Company reports annual profits, at least 5% is allocated to employee compensation, including no less than 0.5% for grassroots employees. For details regarding labor-management relations, please refer to pages 59–60 of this Annual Report.</td><td>No deviations</td></tr>
</table>

| Item | Implementation Status | | | Deviations from Best Practice Principles and Reasons |
|---|---|---|---|---|
| | Yes | No | Summary (Note 2) | |
| (III) Does the Company provide a safe and healthy workplace and deliver regular safety and health training to employees? | ✓ | | (III) The Company operates primarily in a standard office environment. To ensure employee safety, the following measures are in place for the Taipei office:<br>1. Health examinations that exceed legal requirements, with ongoing health monitoring and follow-up.<br>2. Health promotion programs, wellness seminars, and personal development sessions, along with fitness equipment to support employee well-being.<br>3. Office facilities designed to provide a safe and comfortable working environment.<br>4. Security and access control measures, including monitored entry systems and surveillance cameras across all floors and office areas. Emergency contact information is available on the internal system. Visitor access is controlled at the main entrance. After hours, security systems remain active with remote monitoring, routine patrols, and incident response to ensure employee safety during overtime, weekends, and holidays.<br>5. Regular cleaning and maintenance, including semiannual office cleaning and floor maintenance.<br>6. Electrical safety controls, including circuit breaker protection, compliant wiring, and ground fault protection in pantry areas.<br>7. Fire safety systems, including sprinklers, smoke detectors, public address systems, fire compartment shutters, fire extinguishers, hydrants, and specialized fire suppression systems for storage and server rooms.<br>8. No fire incidents or occupational accidents were recorded in 2025. The Company conducts safety drills and health-related programs every six months.<br>9. Certified first aid personnel are in place in accordance with applicable regulations.<br>10. The Company has established a Human-Caused Hazard Prevention Program and conducts quarterly occupational safety and health training, as well as occupational safety and health orientation training for new employees upon onboarding. | No deviations |
| (IV) Has the Company established effective career development and training programs for employees? | ✓ | | (IV)<br>1. Employees are assigned to attend domestic and international IC industry forums and seminars to strengthen technical capabilities, support product development, introduce new ideas, and enhance management practices.<br>2. The Company provides subsidies for external training, encouraging employees to enroll in job-related professional courses to build their expertise and skills.<br>3. New hire orientation covers the Company's philosophy, industry and product overview, organizational structure, operating procedures, and environmental and quality policies.<br>4. General training programs focus on core competencies such as communication, productivity, physical health, mental wellness, and personal development.<br>In 2025, the Company's total employee education and training expenses amounted to NTD 519.077 thousand. Total training hours reached 2,185.3 hours, with a total of 1,318 training attendances. For details regarding labor-management relations, please refer to pages 59–60 of this Annual Report. | No deviations |
| (V) Does the Company comply with applicable laws and international standards regarding customer health and safety, privacy, marketing, and product labeling, and has it established policies and complaint mechanisms to protect customer rights? | ✓ | | (V) The Company places importance on customer feedback. In addition to regular customer engagement by its business teams, it conducts customer satisfaction surveys twice each year. The Company's website provides contact points and email channels for inquiries, complaints, and suggestions. All matters are handled in good faith with timely responses, while ensuring customer privacy and rights. The Company's products and services comply with relevant domestic and international regulations, and contracts include warranty provisions to protect customer interests. | No deviations |
| (VI) Has the Company established supplier management policies and required suppliers to comply with environmental, occupational safety and health, and labor and human rights standards, and how are these policies implemented? | ✓ | | (VI) The Company has implemented supplier evaluation procedures and management policies, with annual assessments covering quality and environmental performance. In line with global expectations on corporate responsibility, the Company has adopted the QA-250 Supplier Code of Conduct based on RBA standards, requiring suppliers to meet expectations on product safety, workplace conditions, labor and human rights, environmental protection, and ethical practices. The Company has established management regulations for the "Restricted and Hazardous Substance Control Standards" and requires suppliers to comply with laws, regulations, and Company standards in order to improve public safety and health performance. Suppliers that fail to correct violations related to corporate responsibility or environmental issues may face immediate termination of business relationships and potential claims for damages.<br>The Company formulated GLI QA-250 as the Supplier Code of Conduct in accordance with the Responsible Business Alliance (RBA) regulations. The content of this code is established in accordance with RBA requirements, including labor, health and safety, environment, ethics, and management systems. VAP (Validated Assessment Program) is an on-site audit | No deviations |

| Item | Implementation Status | | | Deviations from Best Practice Principles and Reasons |
|---|---|---|---|---|
| | Yes | No | Summary (Note 2) | |
| | | | system established by the RBA and conducted by the strictest third-party auditors. Suppliers that meet the requirements may obtain a VAP certificate.<br>1. Human Rights Due Diligence Process: Confirm whether a VAP certificate has been obtained.<br>a. Apply for VAP certification and obtain a certificate verified by an impartial third-party organization to confirm compliance with RBA requirements.<br>b. Suppliers that have not applied for VAP certification shall, in accordance with GLI QA-250 requirements, complete the QA-250-01 Supplier Code of Conduct Commitment Declaration and QA-250-02 Supplier Sustainability Due Diligence Questionnaire.<br>2. Implementation Status:<br>a. 100% of suppliers completed conflict minerals non-use investigations, provided VAP certification documentation, and signed the Supplier Code of Conduct Commitment Declaration.<br>b. 100% of products passed inspections for compliance with RoHS and REACH international restricted substance requirements.<br>c. Zero customer complaints were received due to violations involving prohibited or restricted substances.<br>d. The Supplier Code of Conduct was updated to align with the latest RBA Version 8.0 requirements, and all suppliers were notified and required to comply accordingly.<br>e. 100% completion of annual supplier evaluations and due diligence reviews for suppliers without VAP certification. | |
| V. Does the Company prepare sustainability reports or other non-financial disclosures based on internationally recognized standards or guidelines, and have such reports obtained third-party assurance? | ✓ | | The Company began issuing sustainability reports in 2025, covering the prior year. The reports are prepared in accordance with the GRI Standards 2021 issued by the GSSB, with reference to TCFD recommendations, SASB standards, and semiconductor industry sustainability disclosure indicators. The reports also comply with the Regulations Governing the Preparation and Filing of Sustainability Reports by TPEx listed companies. The 2025 report received a moderate level of assurance under the AA1000 standard from an independent third party. | No deviations |

VI. If the Company has adopted its own sustainability development principles in line with the Corporate Governance Best Practice Principles for TWSE/TPEx listed companies, please describe any differences between its implementation and those principles:

The Company follows the Corporate Governance Best Practice Principles and ensures its operations comply with all applicable regulations while advancing sustainable development. It obtained ISO 9001 and ISO 14001 certifications in 2004 and 2007. The Company maintains these systems through annual third-party audits and recertification reviews. It transitioned to the ISO 9001/ISO 14001:2015 standards in August 2018 and completed the 2025 surveillance audit in July 2025. The Company adheres to international regulations and industry standards in product marketing and labeling, supporting sustainable operations and continuous improvement. There are no differences between the Company’s practices and its sustainability principles.

VII. Other material information relevant to understanding the Company’s sustainability implementation

(I) Environmental:

(1)The Company is an IC design firm focused on research and design, with manufacturing fully outsourced to contractors that comply with ISO 14001 standards and applicable environmental regulations. Production processes meet required environmental standards, and operations emphasize low pollution and low risk.

(2)Products comply with EU REACH and RoHS requirements and relevant environmental laws. The Company manages restricted substances to meet environmental standards and fulfill its responsibilities to users and society.

(3)Atmospheric water generators are installed to improve air quality, reduce humidity, enhance workplace comfort, and lower reliance on tap water.

(II) Corporate Responsibility:

(1)The Company complies with international conflict minerals regulations and conducts annual reviews of supplier sourcing to ensure materials are conflict-free and policies are properly implemented.

(2)Suppliers are evaluated annually on corporate responsibility compliance to ensure their systems meet applicable standards and regulatory requirements.

(3)Suppliers must complete the QA-250-02 sustainability due diligence questionnaire and sign the QA-250-01 code of conduct commitment, confirming compliance with the Company’s requirements on product safety, working conditions, human rights, environmental protection, and ethical conduct.

(4)The Company adopted ISO 14064-1 in 2025 to disclose carbon emissions in a transparent and verifiable manner, reinforcing its environmental and social commitments.

(III) Social Contribution:

The Company supports academic programs and industry collaborations, providing students with practical industry exposure to support their future career development.

(IV) Human Rights:

The Company has established a human rights policy and a workplace misconduct prevention program. It emphasizes fair and people-focused management, with labor policies developed through full communication between management and employees, resulting in stable labor relations.

(V) Occupational Safety and Health:

The Company’s safety and health policy focuses on providing a safe, healthy, and comfortable workplace while fulfilling its corporate responsibility. It promotes awareness and well-being through the following actions:

| Item | Implementation Status | | | Deviations from Best Practice Principles and Reasons |
|---|---|---|---|---|
| | Yes | No | Summary (Note 2) | |
| (1)Compliance with environmental and occupational safety regulations and related requirements.<br>(2)Reduction of workplace risks through safety training and drills, regular maintenance of fire protection systems, and daily inspections of the work environment.<br>(3)Promotion of energy efficiency and recycling to reduce resource consumption.<br>(4)Ongoing workplace hygiene management, including water testing, waste sorting, environmental sanitation, and regular inspection of air conditioning and ventilation systems to maintain a high-quality work environment. | | | | |

## Other Material Information Relevant to the Company’s Implementation of Sustainable Development

### 1 Climate-related Information for Listed Companies:

| Item | Implementation Status |
|---|---|
| 1. Describe the oversight and governance by the Board of Directors and management regarding climate-related risks and opportunities. | 1. The Sustainability Development Committee will report on climate risk response to the Board on a periodic basis, and the Board will oversee implementation and performance.<br>2. The Company has established a Sustainability Development Committee, chaired by the Chairman. The Committee convenes meetings during the year to review climate-related risks and opportunities arising from operations and to determine appropriate response measures. |
| 2. Describe how the identified climate risks and opportunities affect the Company’s business, strategy, and financials (short-term, medium-term, long-term). | 1. 1. Based on the 2025 climate risk and opportunity assessment, the Company adopts a ten-year planning horizon, defining short term as 1 to 3 years, medium term as 4 to 6 years, and long term as 7 to 10 years.<br>2. The Company considers climate risk to be a key operational risk. Climate change and global warming may materially affect the upstream supply chain, internal operations, and downstream customer demand. The Company identifies relevant climate risks and opportunities and prioritizes response actions for matters with material financial impact, potential changes to business strategy or operating model, or effects across the value chain. Please refer to the Sustainability Report 3.3 Climate-related financial disclosures. |
| 3. Describe the financial impact of extreme climate events and transition actions. | 1. Carbon pricing risk: Climate-related policies and regulations may introduce carbon taxes, which could increase operating costs. As the Company is not a high-emission industry, the expected financial impact is limited.<br>2. Raw material cost increases: Extreme weather conditions may constrain supply and drive up outsourcing costs. Higher raw material costs may raise operating expenses, reduce profitability, and weaken competitiveness. Please refer to the Sustainability Report 3.3 Climate-related financial disclosures. |
| 4. Describe how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system. | Senior management assesses the likelihood and potential impact of climate-related risks and opportunities. These include transition risks such as policy and regulatory changes, technological developments, market dynamics, and reputational factors, as well as physical risks including acute and chronic events. Climate-related opportunities are also evaluated across areas such as resource efficiency, energy use, products and services, market development, and operational resilience. The Company consolidates these factors to assess their relevance and impact on operations and formulates corresponding response strategies. The process follows the TCFD framework, with periodic review and continuous improvement. Implementation results are reported to the Board annually, and the Board oversees execution progress and effectiveness to strengthen governance and enhance resilience to climate-related challenges. Please refer to the Sustainability Report 3.3 Climate-related financial disclosures. |
| 5. If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analytical factors, and major financial impacts used. | The Company performs financial assessments under two extreme climate scenarios:<br>Transition Risk under RCP 2.6<br>Assuming convergence of carbon pricing between Taiwan and international markets, and based on projected 2025 Scope 1 and Scope 2 emissions of 1,721.6533 metric tons and a carbon price of NT$300 per metric ton, annual operating costs are estimated to increase by approximately NT$516.496 thousand. The Company plans to mitigate this impact by implementing energy efficiency measures and increasing the use of renewable energy to reduce carbon-related expenses.<br>Physical Risk under RCP 8.5<br>The Company evaluates the risk of operational disruption caused by extreme rainfall. If flooding results in a three-day shutdown at supplier facilities, the estimated revenue impact would be approximately NT$49,464 thousand, calculated based on the average daily revenue of the Taiwan headquarters over three days. To address this risk, the Company has reinforced facilities in high-risk areas and established backup systems at alternative locations to maintain operational resilience. |

| | |
|---|---|
| 6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical and transition risks. | 1. The Company maintains relationships with multiple outsourcing vendors to reduce dependence on any single supplier. It builds long-term partnerships to secure support and preferential treatment, while closely tracking market and industry developments such as raw material pricing and supply conditions. Where appropriate, the Company enters into long-term supply agreements to ensure supply stability and price visibility.<br>2. To strengthen greenhouse gas management, the Company adopted ISO 14064-1 in 2025 and designated 2024 as the base year. It is developing feasible emission reduction plans, with a target to reduce emissions by 1% in 2025.<br>3. Please refer to the Sustainability Report 3.3 Climate-related financial disclosures. |
| 7. If internal carbon pricing is used as a planning tool, describe the basis for pricing. | The Company does not currently use internal carbon pricing as a planning tool. |
| 8. If climate-related targets are set, describe the covered activities, greenhouse gas emission scopes, planning timeline, and annual progress. If carbon offsets or renewable energy certificates (RECs) are used to achieve the targets, describe the source and amount of offsets or the quantity of RECs. | The Company plans to complete its greenhouse gas inventory and further enhance disclosures through its website and public information platforms during 2025–2026. Using 2024 as the baseline year, the Company has established the following phased greenhouse gas reduction targets:<br>2024: Targeted reduction of 2%<br>2025: Targeted reduction of 1%<br>2026: Targeted reduction of 1%<br>2030: Targeted reduction of 3% compared with the baseline year<br>In 2026, the Company will conduct a voluntary greenhouse gas emissions inventory in accordance with ISO 14064-1:2018 verification requirements. Relevant inventory information is scheduled to be disclosed in 2027, while verification results are expected to be disclosed in 2029.<br>The Company currently does not utilize carbon offsets or Renewable Energy Certificates (RECs) for carbon credit offsetting purposes. |

**9. Greenhouse Gas Inventory, Assurance Status, Reduction Targets, Strategies, and Action Plans**

**1. Greenhouse gas inventory and assurance status for the most recent three years**

**1.1 Greenhouse gas inventory information**

**Inventory boundary: Taipei office**

| Category | 2024 | | 2025 | | Assurance provider and status (Verification certificate) |
|---|---|---|---|---|---|
| Scope 1 | Total emissions (Tons $CO_2e$) | Intensity (Tons $CO_2e$/ NT$million) | Total emissions (Tons $CO_2e$) | Intensity (Tons $CO_2e$/ NT$million) | No assurance conducted |
| Parent company | 0 | - | 954.8136 | 0.2345 | |
| Scope 2 | Total emissions (Tons $CO_2e$) | Intensity (Tons $CO_2e$/ NT$million) | Total emissions (Tons $CO_2e$) | Intensity (Tons $CO_2e$/ NT$million) | |
| Parent company | 714.5026 | 0.2248 | 1,721.6533 | 0.4239 | |

Note1: Revenue was NT$3,178.690 million in 2024 and NT$4,056.160 million in 2025.

Note2: The data in this table was recorded after verification of the Sustainability Report in May 2026. Any revisions shall be subject to the announcements published on the MOPS.

2. Greenhouse gas reduction targets, strategies, and action plans

| Reduction Targets | Strategic Actions | Timeline |
|---|---|---|
| The Company follows a principle of continuous improvement and annual reduction. Using 2024 as the base year and considering annual operating conditions and inventory results, the phased targets are:<br>2024: 2% reduction target.<br>2025: 1% reduction target.<br>2026: 1% reduction target.<br>In 2030, 3% reduction compared to the base year. | - Continue upgrading to energy-efficient lighting to lower electricity use and indirect emissions.<br>- Replace 27 desktop computers with laptops to further reduce electricity consumption.<br>- Promote employee awareness and behavior for energy conservation and carbon reduction to build an internal sustainability culture.<br>- Please refer to the Sustainability Report 4.1 Energy Saving and Carbon Reduction. | - Inventory disclosure to be completed in 2027.<br>- Assurance disclosure to be completed in 2029. |
| Progress toward reduction targets: | | |

| Action | Electricity Savings | Emission Reduction |
|---|---|---|
| Energy-efficient lighting replacement | approx. 19,000 kWh | approx. 8.92 Tons $CO_2e$ |
| IT server room platform upgrade | approx. 33,000 kWh/Year | approx. 15.78 Tons $CO_2e$/Year |
| Desktop to laptop replacement (5 units) | approx. 2,000 kWh/Year | approx. 1.09 Tons $CO_2e$/Year |

The Company did not meet its 2025 target of reducing emissions by 1 to 2 percent compared to the prior year. This was primarily due to the expansion of the inventory boundary to include all operating sites in Taiwan and the inclusion of Scope 1 fugitive emissions and Scope 2 purchased electricity data.

(VII) Implementation of Ethical Corporate Management and Any Deviations from the TWSE/TPEx Ethical Corporate Management Best Practice Principles

| Evaluation Items | Implementation Status (Note 1) | | | Deviations and Reasons |
|---|---|---|---|---|
| | Yes | No | Summary | |
| I. Ethical Corporate Management Policies and Programs | | | | |
| (I) Has the Company adopted Board-approved policies on ethical corporate management and clearly disclosed its principles, practices, and the commitment of the Board and senior management in internal rules and external documents? | ✓ | | (I) The Company has adopted Board-approved "Ethical Corporate Management Best Practice Principles," "Work Rules," and a "Code of Ethical Conduct." These apply to all directors and employees of the Company and its subsidiaries and are implemented through the internal control system to reinforce ethical business practices. | No deviations |
| (II) Has the Company established a risk assessment mechanism for unethical conduct, regularly reviewed higher-risk business activities, and implemented prevention programs covering at least the measures specified in Article 7, Paragraph 2 of the applicable principles? | ✓ | | (II) The Company's ethical policies require avoidance of conflicts of interest, prohibit bribery and improper gain, and prohibit unfair competition. Violations by directors, managers, or employees are subject to disciplinary action in accordance with the Code of Ethical Conduct. | No deviations |
| (III) Has the Company defined operating procedures, conduct guidelines, disciplinary measures, and complaint mechanisms within its prevention programs, and implemented and periodically reviewed them? | ✓ | | (III) The Company has established a reporting and complaint procedure for violations of ethical corporate management. This framework ensures that directors and employees understand the Company's commitment, policies, preventive measures, and consequences of non-compliance. | No deviations |
| II. Implementation of Ethical Corporate Management | | | | |
| (I) Does the Company assess the integrity of its counterparties and include integrity provisions in its contracts? | ✓ | | (I) The Company seeks to understand the integrity practices of its counterparties and incorporates ethical conduct provisions into commercial agreements where appropriate. | No deviations |
| (II) Has the Company established a unit under the Board to promote ethical corporate management and report regularly to the Board on related policies and implementation? | ✓ | | (II) The Legal Department serves as the designated unit responsible for promoting ethical corporate management and reported its implementation status to the Board on December 30, 2025. | No deviations |
| (III) Has the Company implemented policies and mechanisms to prevent conflicts of interest and provide reporting channels? | ✓ | | (III) The Company has established measures to prevent conflicts of interest in daily operations and provides channels for reporting. | No deviations |
| (IV) Whether the Company has established effective accounting and internal control systems to implement ethical corporate management, and whether the internal audit unit formulates audit plans based on the assessment of risks of unethical conduct to review compliance with prevention programs, or engages accountants to conduct such audits? | ✓ | | (IV) The Company maintains effective accounting and internal control systems for higher-risk activities. The internal audit function incorporates such risks into its annual audit plan, strengthens preventive measures, and reports audit results to the Audit Committee and the Board. The Company and its subsidiaries also conduct self-assessments to enhance internal oversight and adjust control design and implementation in response to changing conditions. | No deviations |
| (V) Does the Company provide regular training on ethical corporate management? | ✓ | | (V) In 2025, the Company held two company-wide training sessions covering topics such as trade secret protection, lawful software use, national security laws, the U.S. Economic Espionage Act, personal data protection, insider trading, and ethical conduct, with 183 and 238 participants, respectively. | No deviations |
| III. Operation of the Whistleblowing System | | | | |
| (I) Has the Company established a formal whistleblowing and incentive mechanism, accessible reporting channels, and designated responsible personnel for handling reports? | ✓ | | (I) The Company has adopted the "Regulations for Reporting and Complaint Handling of Violations of Ethical Corporate Management," which provide for reporting, complaint handling, and incentive mechanisms. A designated unit convenes an investigation team, and any member with a conflict of interest must recuse themselves. | No deviations |
| (II) Has the Company implemented standard procedures for handling reports, including investigation protocols, follow-up actions, and confidentiality safeguards? | ✓ | | (II) The same regulations set out clear procedures and principles, including timelines for case handling, document retention requirements, corrective action assessment, and protection of the identities of both whistleblowers and investigators. | No deviations |
| (III) Has the Company adopted measures to protect whistleblowers from retaliation or improper treatment? | ✓ | | (III) The Company ensures strict confidentiality of whistleblower and investigator identities, as well as report contents, and provides appropriate safeguards to prevent any form of improper treatment. | No deviations |
| IV. Enhanced Information Disclosure | | | | |

| Evaluation Items | Implementation Status (Note 1) | | | Deviations and Reasons |
|---|---|---|---|---|
| | Yes | No | Summary | |
| Does the Company disclose its ethical corporate management policies and implementation results on its website and the Market Observation Post System? | ✓ | | The Company assigns dedicated personnel to compile and publish relevant information on its website in a timely, transparent manner, and also discloses such information on the Market Observation Post System. | No deviations |
| V. Where the Company has adopted its own ethical corporate management guidelines in accordance with the applicable best practice principles, please describe any differences in implementation: None.<br>The Company has established ethical corporate management guidelines applicable to directors, officers, and all employees as the foundation for responsible business conduct. All personnel comply with applicable laws and internal preventive measures in the performance of their duties. | | | | |
| VI. Other Information Relevant to Understanding the Company's Ethical Corporate Management Practices:<br>The Company has adopted internal governance rules, including the Rules of Procedure for Board Meetings, Rules of Procedure for Shareholders' Meetings, and charters for the Audit Committee and Remuneration Committee, and conducts corporate governance accordingly. It will continue to enhance transparency through revisions to its internal policies. All operations are conducted in compliance with applicable laws and regulatory requirements, with decisions made in the best interests of shareholders and the Company, and in accordance with internal policies. | | | | |

## (VIII) Other material information that may facilitate a better understanding of the Company's corporate governance practices:

1. In compliance with Article 13-4, Paragraph 1 of the TPEx Procedures for Verification and Disclosure of Material Information, the Company has adopted the "Procedures for Application for Trading Suspension and Resumption" to ensure the confidentiality of material information and timely disclosure.
2. To maintain consistency and accuracy in external disclosures, the Company has implemented the "Procedures for Handling Material Non-Public Information and Prevention of Insider Trading," and adheres to established confidentiality controls.
3. Continuing education of the Chief Accounting Officer:

| Title | Name | Date | Organizer | Course Title | Hours |
|---|---|---|---|---|---|
| Manage | Wang Hui-Mei | 2025/06/19 ~ 2025/06/20 | Accounting Research and Development Foundation | Continuing Education Program for Accounting Officers of Issuers, Securities Firms, and Stock Exchanges | 12 |

(IX) Status of Internal Control System Implementation:

1. Statement on Internal Control System

## Genesys Logic, Inc.

## Internal Control System Statement

Date: March 10, 2026

Based on the results of its self-assessment, the Company hereby declares the following with respect to its internal control system for 2025:

I. The Company recognizes that the Board of Directors and management are responsible for establishing, implementing, and maintaining the internal control system, which has been duly put in place. The system is designed to provide reasonable assurance regarding the achievement of operational effectiveness and efficiency, including profitability, performance, and asset protection, as well as the reliability, timeliness, and transparency of reporting, and compliance with applicable laws and regulations.

II. All internal control systems are subject to inherent limitations. Even a well-designed system can only provide reasonable assurance regarding the achievement of the foregoing objectives. In addition, changes in the operating environment or circumstances may affect the effectiveness of internal controls. The Company has established self-monitoring mechanisms, and any identified deficiencies are promptly addressed through corrective actions.

III. The Company assesses the effectiveness of its internal control system in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies." These regulations define evaluation criteria based on a management control framework, under which internal controls are categorized into five components: control environment, risk assessment, control activities, information and communication, and monitoring activities. Each component comprises multiple elements. Refer to the Regulations for detailed provisions.

IV. The Company has applied the aforementioned internal control evaluation criteria to assess the effectiveness of the design and operation of its internal control system.

V. Based on this assessment, the Company concludes that, as of December 31, 2025, its internal control system, including oversight and management of subsidiaries, is effectively designed and operating. This includes controls related to operational effectiveness and efficiency, the reliability, timeliness, and transparency of reporting, and compliance with applicable laws and regulations, and provides reasonable assurance that these objectives are achieved.

VI. This Statement will form an integral part of the Company's annual report and prospectus and will be publicly disclosed. Any false representation, omission, or other unlawful conduct in the disclosed content may give rise to liabilities under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.

VII. This Statement was approved by the Board of Directors on March 10, 2026. Of the nine directors in attendance, none expressed opposition, and all remaining directors approved the contents of this Statement.

**Genesys Logic, Inc.**

Chairman: Kuo-Chao-Wang

President: Kuo-Chao-Wang

2. Where a CPA has been engaged to perform a special review of the internal control system, the CPA's report shall be disclosed: None.

(X) Significant resolutions of the Shareholders' Meeting and Board of Directors for the most recent fiscal year and up to the date of this annual report:

1. Board of Directors

| Meeting Date (Term-Meeting No.) | Key Resolutions | Matters under Article 14-5 of the Securities and Exchange Act | Dissenting or Qualified Opinions by Independent Directors | Company's Handling of Independent Directors' Opinions |
|---|---|---|---|---|
| 2025.01.08 (10-5) | 1. Approved the establishment of the Sustainability Development Committee. | | | |
| | 2. Approved the appointment of members to the Sustainability Development Committee. | | | |
| | 3. Approved the management bonus proposal as recommended by the Remuneration Committee. | | | |
| 2025.03.11 (10-6) | 1. Approved the Company's 2025 business plan. | | | |
| | 2. Approved the 2024 employee compensation distribution proposed by the Remuneration Committee for reporting to the Annual Shareholders' Meeting. | | | |
| | 3. Approved the 2024 directors' compensation distribution proposed by the Remuneration Committee for reporting to the Annual Shareholders' Meeting. | | | |
| | 4. Approved the 2024 Business Report, parent company only financial statements, and consolidated financial statements. | ✓ | N/A | N/A |
| | 5. Approved the assessment of independence and qualifications of the Company's CPAs for 2025. | ✓ | N/A | N/A |
| | 6. Approved the 2024 Internal Control System Statement. | ✓ | N/A | N/A |
| | 7. Approved the adoption of a clear and specific dividend policy. | | | |
| | 8. Approved the 2024 earnings distribution proposal for submission to the Annual Shareholders' Meeting for ratification. | ✓ | N/A | N/A |
| | 9. Approved matters relating to the determination of the ex-dividend record date for cash dividends. | | | |
| | 10. Approved the 2024 cash dividend distribution proposal for reporting to the Annual General Meeting. | | | |
| | 11. Approved the record date for issuance of new shares for capital increase in connection with the Company's first domestic unsecured convertible bonds. | | | |
| | 12. Approved the definition of "grassroots employees." | ✓ | N/A | N/A |
| | 13. Approved amendments to certain provisions of the Company's Articles of Incorporation for submission to the Annual General Meeting. | | | |
| | 14. Approved the filing with the Financial Supervisory Commission for the issuance of employee stock options. | ✓ | N/A | N/A |
| | 15. Approved matters relating to the convening of the 2025 Annual General Meeting. | | | |
| | 16. Approved the Remuneration Committee's proposal regarding meeting attendance fees for members of the Sustainability Development Committee. | | | |
| | 17. Approved the annual renewal of credit facilities with financial institutions. | | | |
| | 18. Approved the annual renewal of financial transaction limits for hedging purposes with financial institutions. | | | |
| | 19. Approved the annual renewal of credit facilities with financial institutions. | | | |
| | 20. Approved the annual renewal of financial transaction limits for hedging purposes with financial institutions. | | | |
| 2025.05.09 (10-7) | 1. Approved the consolidated financial statements of the Company and its subsidiaries for Q1 2025. | ✓ | N/A | N/A |
| | 2. Approved the preparation of the Company's 2024 Sustainability Report. | | | |
| | 3. Approved the proposed distribution of directors' remuneration for 2024. | | | |
| | 4. Approved entering into a technical service agreement with a related party. | ✓ | N/A | N/A |
| | 5. Approved the annual renewal of credit facilities with financial institutions. | | | |
| | 6. Approved amendments to the Regulations Governing Domestic and Overseas Business Travel and Overseas Assignment Management. | | | |
| | 7. Approved revisions to the Company's ISO procedures, specifications, and information security policies. | | | |
| 2025.07.11 (10-8) | 1. Approved the proposed 2025 salary adjustments for managerial officers as recommended by the Remuneration Committee. | | | |
| | 2. Approved the proposed distribution of 2024 employee compensation to managerial officers as recommended by the Remuneration Committee. | | | |
| | 3. Approved the proposed bonus distribution to managerial officers for the first half of 2025 as recommended by the Remuneration Committee. | | | |
| | 4. Approved the early retirement of a Deputy General Manager and the related retirement benefit payment. | | | |
| | 5. Approved the record date for capital reduction through cancellation of restricted shares for employees repurchased in the second quarter of 2025. | | | |
| | 6. Approved the record date for capital increase in connection with the Company's first domestic unsecured convertible corporate bond issuance. | | | |
| 2025.08.12 (10-9) | 1. Approved the consolidated financial statements of the Company and its subsidiaries for Q2 2025. | ✓ | N/A | N/A |
| | 2. Approved the Procedures for Lending Funds to Others and submitted the same to the shareholders' meeting for discussion. | ✓ | N/A | N/A |
| | 3. Approved amendments to the Company's Rules of Procedure for Board of Directors Meetings. | | | |
| | 4. Approved amendments to the Company's Audit Committee Charter. | | | |
| | 5. Approved the arrangement of credit facilities with financial institutions. | | | |
| 2025.11.11 (10-10) | 1. Approved the consolidated financial statements of the Company and its subsidiaries for Q32025. | ✓ | N/A | N/A |
| | 2. Approved partial amendments to the terms governing the issuance and conversion of the Company's first domestic unsecured convertible corporate bonds. | | | |
| | 3. Approved partial amendments to the Company's internal control procedures. | ✓ | N/A | N/A |
| | 4. Approved a cash capital increase for the subsidiary, Broadway System Inc. | ✓ | N/A | N/A |

| | | | | |
|---|---|---|---|---|
| | 5. Approved the record date for capital reduction through cancellation of restricted shares for employees repurchased in Q3 2025. | | | |

| Meeting Date (Term-Meeting No.) | Key Resolutions | Matters under Article 14-5 of the Securities and Exchange Act | Dissenting or Qualified Opinions by Independent Directors | Company's Handling of Independent Directors' Opinions |
|---|---|---|---|---|
| 2025.12.30 (10-11) | 1. Approved the audit fees for the Company's independent auditors for 2025. | ✓ | N/A | N/A |
| | 2. Approved the adoption of the Regulations for Evaluating the Independence and Qualification of Independent Auditors. | ✓ | N/A | N/A |
| | 3. Approved the material topics for the Company's 2025 Sustainability Report. | | | |
| | 4. Approved the Company's 2026 internal audit plan. | | | |
| | 5. Approved revisions to the Issuance and Conversion Regulations for the Company's First Domestic Unsecured Convertible Corporate Bonds. | | | |
| | 6. Approved the issuance and subscription regulations for the Company's first tranche of 2025 employee stock options. | | | |
| | 7. Approved the Company's managerial compensation policy. | | | |
| | 8. Approved the annual renewal of credit facilities with financial institutions. | ✓ | N/A | N/A |
| | 9. Approved the annual renewal of financial transaction limits for hedging purposes with financial institutions. | ✓ | N/A | N/A |
| | 10. Approved a capital reduction of Eclat Holding Ltd. to offset accumulated losses. | ✓ | N/A | N/A |
| | 11. Approved a cash capital increase for Eclat Holding Ltd. | ✓ | N/A | N/A |
| 2026.01.27 (10-12) | 1. Approved the managerial bonus proposal as recommended by the Remuneration Committee. | | | |
| 2026.03.10 (10-13) | 1. Approved the Company's 2026 business plan. | | | |
| | 2. Approved the proposed distribution of 2025 employee compensation as recommended by the Remuneration Committee. | | | |
| | 3. Approved the proposed distribution of 2025 directors' remuneration as recommended by the Remuneration Committee. | | | |
| | 4. Approved the Company's 2025 Business Report, parent company only financial statements, and consolidated financial statements. | ✓ | N/A | N/A |
| | 5. Approved the evaluation of the independence and qualification of independent auditors for 2026. | ✓ | N/A | N/A |
| | 6. Approved the Company's 2025 Internal Control System Statement. | ✓ | N/A | N/A |
| | 7. Approved matters related to setting the record date for cash dividend distribution. | ✓ | N/A | N/A |
| | 8. Approved the proposed cash dividend distribution from 2025 earnings for submission to the annual shareholders' meeting for reporting. | ✓ | N/A | N/A |
| | 9. Approved the record date for issuing new shares in connection with the Company's first domestic unsecured convertible corporate bonds. | | | |
| | 10. Approved the convening of the Company's 2026 annual shareholders' meeting. | | | |
| | 11. Approved the arrangement of credit facilities with financial institutions. | | | |
| | 12. Approved the derivatives trading limit (PSR) for hedging purposes with financial institutions. | | | |

2. Shareholders' Meeting

| Meeting Date | Summary of Key Agenda Items and Implementation Status |
|---|---|
| 2025.06.11 | 1. Report Items<br>(1) 2024 Business Report.<br>(2) Report on the distribution of 2024 employee compensation and directors' remuneration.<br>(3) 2024 Audit Committee review report.<br>(4) Report on 2024 cash dividend distribution.<br>2. Matters for Ratification<br>(1) Approval of the 2024 Business Report and financial statements.<br>Resolution: Voting results are as follows:<br>Total voting rights represented by shareholders present: 56,396,406 shares<br>Voting Results (including electronic voting) / % of voting rights present<br>Votes in favor: 46,255,987 shares / 82.01%<br>Votes against: 22,989 shares / 0.04%<br>Invalid votes: 0 shares / 0.00%<br>Abstentions and non-votes: 10,117,430 shares / 17.93%<br>The proposal was approved as presented and implemented accordingly.<br>Implementation status: The 2024 Business Report and financial statements have been disclosed on the Market Observation Post System for shareholders' reference.<br>(2)Approval of the 2024 earnings distribution proposal.<br>Resolution: Voting results are as follows:<br>Total voting rights represented by shareholders present: 56,396,406 shares<br>Voting Results (including electronic voting) / % of voting rights present<br>Votes in favor: 46,343,426 shares / 82.17%<br>Votes against: 26,000 shares / 0.04%<br>Invalid votes: 0 shares / 0.00%<br>Abstentions and non-votes: 10,026,980 shares / 17.77% |

<table>
<tr><td></td><td>The proposal was approved as presented and implemented accordingly.<br>Implementation status: The 2024 cash dividend distribution was completed on May 9, 2025.</td></tr>
<tr><td></td><td>3. Discussion Items<br>(1) Partial amendments to the Company's Articles of Incorporation.<br>Resolution: Voting results are as follows:<br>Total voting rights represented by shareholders present: 56,396,406 shares
<table>
<tr><th>Voting Results (including electronic voting)</th><th>% of voting rights present</th></tr>
<tr><td>Votes in favor: 46,345,307 shares</td><td>82.17%</td></tr>
<tr><td>Votes against: 23,269 shares</td><td>0.04%</td></tr>
<tr><td>Invalid votes: 0 shares</td><td>0.00%</td></tr>
<tr><td>Abstentions and non-votes: 10,027,830 shares</td><td>17.78%</td></tr>
</table>
The proposal was approved as presented and implemented accordingly.<br>Implementation status: The amended Articles of Incorporation have been disclosed on the Market Observation Post System for shareholders' reference.</td></tr>
</table>

(XI) Whether any director or supervisor has expressed dissenting opinions to material resolutions approved by the Board of Directors, with such opinions recorded or provided in writing, during the most recent year and up to the date of this annual report: None.

## IV. Information on Fees Paid to Independent Auditors

(I) The Company discloses the amounts of audit and non-audit fees paid to its independent auditors, their accounting firm, and affiliated entities, together with the nature of non-audit services:

Unit: NT$ thousand

| Accounting Firm | Name of CPA | Audit Period | Audit Fees | Non-Audit Fees | Total | Remarks |
|---|---|---|---|---|---|---|
| KPMG (Taiwan) | Yung-Hua Huang<br>Sheng-Ho Yu | 2025/01/01 ~ 2025/12/31 | 2,360 | 250 | 2,610 | Non-audit services:<br>Stock option review<br>Transfer pricing report |

Note 1: The table above presents the audit and non-audit fees paid to the independent auditors, their accounting firm, and affiliated entities, along with the related non-audit services.

Note 2: If there has been any change of auditors or accounting firm during the year, the audit periods shall be disclosed separately, and the reasons for the change shall be explained in the remarks column. The audit and non-audit fees paid shall be disclosed accordingly, and the content of non-audit services shall also be specified.

(II) If the Company changed its accounting firm and the audit fees in the year of change decreased compared to the prior year, the Company shall disclose the audit fees before and after the change and the reasons: None.

(III) If audit fees decreased by more than 10% compared to the prior year, the Company shall disclose the amount, percentage, and reasons for the decrease: None.

## V. Information on change of auditors: None.

## VI. Whether the Chairman, General Manager, or managerial officers responsible for finance or accounting have served in the accounting firm of the certifying CPAs or its affiliated enterprises within the most recent year: None.

# VII. Changes in Share Transfers and Share Pledges by Directors, Supervisors, Managers, and Shareholders Holding More Than 10% of the Company's Shares During the Most Recent Year and up to the Date of this Annual Report:

(I) Changes in Shareholdings of Directors, Managers, and Major Shareholders

| Title | Name | 2025 | | As of April 11, 2026 | |
|---|---|---|---|---|---|
| | | Increase (Decrease) in Shares Held | Increase (Decrease) in Pledged Shares | Increase (Decrease) in Shares Held | Increase (Decrease) in Pledged Shares |
| Chairman / General Manager | Kuo-Chao-Wang | 31,000<br>0 | 0 | 27,000<br>0 | 0 |
| Director | Man-Ping-Chin | 0 | 0 | 0 | 0 |
| Director | Shih Ding Co., Ltd.<br>Rep.: Chin-Kuo Chen | 0 | 0 | 0 | 0 |
| Director | Guoyu Investment Co., Ltd.<br>Rep.: Shu-Hua Tsai | 0 | 0 | 0 | 0 |
| Director | Yen-Ching Tsai | 0 | 0 | 0 | 0 |
| Director | Sung-Yuan Wang | 0 | 0 | 0 | 0 |
| Director | Yi-Yuan Shao | 0 | 0 | 0 | 0 |
| Director | Ming-Te Hsieh | 0 | 0 | 0 | 0 |
| Director | Shang-Wu Yu | 0 | 0 | 0 | 0 |
| CTO | Chih-Jung Lin | 0<br>(97,000) | 0 | 9,155<br>(46,000) | 0 |
| Deputy General Manager | Wang Li-Wei | 0 | 0 | 10,000<br>0 | 0 |
| Deputy General Manager | Wei-Te Li | 0 | 0 | 0 | 0 |
| Head of Finance and Accounting / Corporate Governance Officer | Wang Hui-Mei | 0 | 0 | 0 | 0 |
| Deputy General Manager | Han-Ching Hsieh<br>(Dismissed:2025/7/24) | 0<br>(65,000) | 0 | 0 | 0 |
| Deputy General Manager | Kai-Chi Chen<br>(Dismissed:2025/9/30) | 0 | 0 | 0 | 0 |

Note: The information disclosed in this table covers each individual's tenure in office.

(II) Whether any counterparties to share transfers are related parties: None.

(III) Whether any counterparties to share pledges are related parties: None.

# VIII. Information on Relationships Among the Top Ten Shareholders by Shareholding Percentage, Including Related Party Status and Spousal or Second-Degree Kinship

April 11, 2026

| Name | Shares Held | | Shares Held by Spouse and Minor Children | | Shares Held Through Nominees | | Names and Relationships of Top Ten Shareholders Who Are Related Parties or Spouses or Relatives Within the Second Degree | | Remarks |
|---|---|---|---|---|---|---|---|---|---|
| | Shares | % | Shares | % | Shares | % | Name | Relationship | |
| Man-Ping-Chin | 5,477,815 | 6.01% | 694,681 | 0.76% | - | - | Kuo-Chao-Wang | Spouse | |
| Guoyu Investment Co., Ltd. | 1,056,000 | 1.16% | - | - | - | - | Shih Ding Co., Ltd. | Spouse of its director | |
| Kuo-En Huang | 860,000 | 0.94% | - | - | - | - | - | - | |
| Kuo-Chao-Wang | 694,681 | 0.76% | 5,477,815 | 6.01% | - | - | Man-Ping-Chin | Spouse | |
| Hui-Hsiang Kao | 676,000 | 0.74% | - | - | - | - | - | - | |
| JPMorgan Custody Vanguard Emerging Markets Fund Account | 571,000 | 0.63% | - | - | - | - | - | - | |
| Shih Ding Co., Ltd. | 484,267 | 0.53% | - | - | - | - | Guoyu Investment Co., Ltd. | Spouse of its director | |
| JPMorgan Custody Advanced Star Global Equity Index Fund Account | 473,000 | 0.52% | - | - | - | - | - | - | |
| Trust Property Account for Genests Logic Inc. to Taipei Fubon Bank. | 393,171 | 0.43% | - | - | - | - | - | - | |
| Yung-Shan Yeh | 378,000 | 0.41% | - | - | - | - | - | - | |

# IX. Shareholdings in Investee Companies Held by the Company, Its Directors and Managers, and Entities Directly or Indirectly Controlled by the Company, Presented on a Combined Basis

December 31, 2025 / Unit: Thousand Shares

| Investee Company | Company Investment | | Investment by Directors, Supervisors, Managers, and Controlled Entities | | Total Investment | |
|---|---|---|---|---|---|---|
| | Shares | % | Shares | % | Shares | % |
| 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. | 20,000 | 100.00% | - | - | 20,000 | 100.00% |
| Broadway System America Inc. | 15 | 100.00% | | | 15 | 100.00% |

Note 1: Refers to long-term investments accounted for under the equity method.

# Three. Capital Raising

## I. Capital and Shares

(I) Sources of Capital

1. Changes in Share Capital

As of April 11, 2026 Unit: Thousand Shares / NT$ Thousand

| Year / Month | Par Value | Authorized Capital | | Paid-in Capital | | Remarks | | |
|---|---|---|---|---|---|---|---|---|
| | | Shares (1,000 Shares) | Amount (NT$1,000) | Shares (1,000 Shares) | Amount (NT$1,000) | Source | Non-cash Contributions | Other |
| 2025.01 | 10 | 123,000 | 1,230,000 | 90,678 | 906,789 | Repurchase of 1,000 restricted shares issued to employees | None | Note 1 |
| 2025.04 | 10 | 123,000 | 1,230,000 | 90,946 | 906,467 | Conversion of convertible bonds into 266,697 shares | None | Note 2 |
| 2025.09 | 10 | 123,000 | 1,230,000 | 91,175 | 911,751 | Conversion of convertible bonds into 232,453 shares<br>Repurchase of 3,000 restricted shares issued to employees | None | Note 3 |
| 2025.12 | 10 | 123,000 | 1,230,000 | 91,127 | 911,271 | Repurchase of 48,000 restricted shares issued to employees | None | Note 4 |

Note 1: Approved by letter No. Zheng-Shou-Shang-Zi 11330220780
Note 2: Approved by letter No. Zheng-Shou-Shang-Zi 11430052790
Note 3: Approved by letter No. Zheng-Shou-Shang-Zi 11430135090
Note 4: Approved by letter No. Zheng-Shou-Shang-Zi 11430201950

2. Share Classes

| Share Type | Authorized Capital | | | Remarks |
|---|---|---|---|---|
| | Shares Outstanding (TPEx-listed) | Unissued Shares | Total | |
| Registered Common Shares | 91,127,107 | 31,872,893 | 123,000,000 | |

Note: Based on the share transfer suspension record date of April 11, 2026.

3. Securities offered under a shelf registration program: Not applicable.

(II) Major Shareholders

As of April 11, 2026 / Unit: Shares

| Shareholdings / Name | Shares Held | Ownership (%) |
|---|---|---|
| Man-Ping-Chin | 5,477,815 | 6.01% |
| Guoyu Investment Co., Ltd. | 1,056,000 | 1.16% |
| Kuo-En Huang | 860,000 | 0.94% |
| Kuo-Chao-Wang | 694,681 | 0.76% |
| Hui-Hsiang Kao | 676,000 | 0.74% |
| JPMorgan Custody Vanguard Emerging Markets Fund Account | 571,000 | 0.63% |
| Shih Ding Co., Ltd. | 484,267 | 0.53% |
| JPMorgan Custody Advanced Star Global Equity Index Fund Account | 473,000 | 0.52% |
| Trust Property Account for Genesys Logic Inc. to Taipei Fubon Bank. | 393,171 | 0.43% |
| Yung-Shan Yeh | 378,000 | 0.41% |

(III) Dividend Policy and Implementation

1. Dividend policy under the Articles of Incorporation

The Company's dividend policy is set by the Board of Directors with reference to operating plans, investment plans, capital budgeting, and changes in internal and external conditions. As a semiconductor company in a growth stage, the Company gives priority to future business expansion and cash flow needs when determining dividend distributions. Dividends may be paid in cash or in shares, and cash dividends shall account for no less than 10% of total dividends declared for the year. If no earnings are available for distribution, or if earnings are significantly lower than those of the prior year, or based on financial, operational, or business considerations, capital surplus may be distributed in whole or in part in accordance with applicable laws and regulatory requirements.

2. Proposed dividend distribution for the current shareholders' meeting:

On March 10, 2026, the Board of Directors approved a cash dividend of NT$4.5 per share for 2025. Total dividends represent 89.2% of the newly distributable earnings for the year.

3. Expected changes to the dividend policy:
Dividend distributions are adjusted based on annual profitability, capital expenditure plans, and funding conditions. The Company's expected policy is as follows:
Total dividends will in principle be no less than 50% of newly distributable earnings for the year. However, if such amount is less than 2% of paid-in capital, no distribution may be made. Cash dividends shall account for no less than 10% of total dividends declared for the year.

(IV) Impact of the proposed stock dividend at the current shareholders' meeting on operating performance and earnings per share: None.

(V) Employee and Director Compensation

1. Percentage or range under the Articles of Incorporation:
If the Company reports profits for the year, defined as profit before tax prior to deducting employee and director compensation, no less than 5% shall be allocated as employee compensation. Of this amount, no less than 0.5% shall be allocated to non-executive employees, and no more than 5% shall be allocated as director compensation. If the Company has accumulated losses, including adjustments to retained earnings, such losses shall be offset first.
Recipients of employee compensation in the form of shares or cash may include employees of controlled or affiliated entities who meet specified criteria, as determined by the Board of Directors.
2. Basis for estimating employee and director compensation for the current period, basis for calculating the number of shares for stock-based employee compensation, and accounting treatment for differences between estimated and actual amounts:
Employee and director compensation for the current period is estimated based on current-year profit before tax prior to such compensation, with adjustments to retained earnings as the distribution base. The estimated amount is based on proposals by the Compensation Committee and approval by the Board of Directors. Where employee compensation is paid in shares, the number of shares is calculated based on the closing price on the day preceding the Board resolution date, after adjusting for ex-rights and ex-dividend effects. Any difference between the estimated and actual amounts is treated as a change in accounting estimate and recognized as an adjustment to profit or loss in the subsequent year.
3. Board-approved remuneration distribution:
(1) Employee and director remuneration paid in cash or shares. Any variance from the amounts accrued in the expense year, including the variance, reasons, and accounting treatment, is disclosed as follows: For 2025, proposed employee remuneration is NT$68,550 thousand and director remuneration is NT$20,560 thousand. There is no variance from the amounts previously accrued.
(2) The amount of employee remuneration distributed in stock and its proportion to net income after tax in the current standalone or separate financial statements and to the total employee remuneration: All employee remuneration for the current period is distributed in cash; therefore, not applicable.
4. Actual distribution of employee and director remuneration for the prior year, including shares, amounts, and share price. Any variance from the amounts recognized is explained below:

| Item | 2024 | | | |
|---|---|---|---|---|
| | Actual Amount (NT$,1000) | Accrued Amount (NT$,1000) | Variance (NT$,1000) | Treatment |
| Employee Remuneration | 40,290 | 40,290 | - | No difference between actual and estimated amounts; no adjustment required |
| Directors' Remuneration | 12,090 | 12,090 | - | |

(VI) Share repurchases by the Company: None.

# II. Status of Corporate Bonds:

## (I) Issued and outstanding bonds and those under processing: The Company has no corporate bonds currently under processing. The outstanding domestic convertible bonds are summarized below:

| Type of Bond | | First Domestic Unsecured Convertible Bonds |
|---|---|---|
| Issue Date | | August 26, 2022 |
| Par Value | | NT$100,000 |
| Place of Issuance and Trading | | Not applicable |
| Issue Price | | NT$100.5 |
| Total Issuance | | NT$500,000,000 |
| Interest Rate | | Coupon rate 0% |
| Term | | Five years; maturity on August 26, 2027 |
| Guarantor | | Not applicable |
| Trustee | | Taipei Fubon Commercial Bank Co., Ltd. |
| Underwriter | | Fubon Securities Co., Ltd. |
| Legal Advisor | | Not applicable |
| CPA | | Not applicable |
| Repayment | | Unless bondholders convert into common shares in accordance with Article 10 of the issuance and conversion rules, exercise the put option under Article 19, or the Company conducts early redemption under Article 18, or repurchases and cancels the bonds, the Company will repay the bonds in full at par in cash within ten business days after maturity. If the repayment date falls on a non-trading day of the Taipei exchange, repayment will be made on the next business day. |
| Outstanding Principal | | NT$436,800,000 |
| Redemption and Early Repayment Terms | | Refer to the issuance and conversion rules of the Company's first domestic unsecured convertible bonds |
| Restrictive Covenants | | None |
| Credit Rating Agency, Rating Date, and Rating Result | | Not applicable |
| Other Rights | Amount of conversions into common shares, overseas depositary receipts, or other securities as of the date of the annual report publication | As of April 15, 2026, NT$63,200 thousand of the bonds have been converted into 499,923 common shares. |
| | Terms governing issuance and conversion, exchange, or subscription | Refer to the issuance and conversion rules of the Company's first domestic unsecured convertible bonds |
| Impact of Issuance and Conversion, Exchange or Subscription Rules, and Issuance Terms on Potential Equity Dilution and Shareholders' Equity | | Based on the weighted average of 90,873 thousand outstanding shares as of the date of the annual report, assuming full conversion of the convertible bonds with a maximum possible conversion of approximately 3,671 thousand common shares, the dilution to share capital would be approximately 3.88%, with limited impact on shareholders' equity. |
| Custodian Institution for Underlying Securities | | Not applicable |

## (II) Convertible Bond Information:

Unit: NT$

| Type of Bond | | First Domestic Unsecured Convertible Bonds | | |
|---|---|---|---|---|
| Item \ Year | | 2024 | 2025 | As of April 16, 2026 |
| Convertible Bond Market Price (Note 1) | High | 143.60 | 146.0 | 112.95 |
| | Low | 105.55 | 105.2 | 106.00 |
| | Average (Note 2) | 122.54 | 123.25 | 108.27 |
| Conversion Price | | 129.30 (Note 3)<br>127.10 (Note 4) | 127.1 (Note 4)<br>124.8 (Note 5) | 124.8 (Note 5)<br>119.0 (Note 6) |
| Issue (Offering) Date and Conversion Price at Issuance | | Issue Date: August 26, 2022<br>Conversion Price at Issuance: 132.0 | | |
| Method of Fulfilling Conversion Obligation | | The Company shall satisfy conversion obligations for its common shares by issuing new shares. Shares issued upon conversion shall be delivered through book-entry transfer in uncertificated form, and no physical share certificates will be issued. | | |

Note 1: Information source: Taipei Exchange.
Note 2: Average Price = Total transaction value of matched and negotiated trades ÷ Total trading volume of matched and negotiated trades.
Note 3: Due to ex-dividend cash dividend distribution, the conversion price was adjusted to NT$129.30 starting from April 21, 2023.
Note 4: Due to ex-dividend cash dividend distribution, the conversion price was adjusted to NT$127.10 starting from April 19, 2024.
Note 5: Due to ex-dividend cash dividend distribution, the conversion price was adjusted to NT$124.80 starting from April 17, 2025.
Note 6: Due to ex-dividend cash dividend distribution, the conversion price was adjusted to NT$119.00 starting from April 15, 2026.

**(III) Exchangeable Bonds: None.**
**(IV) Shelf Registration of Corporate Bonds: None.**
**(V) Corporate Bonds with Warrants: None.**

## III. Status of Preferred Shares: None.

## IV. Status of Overseas Depositary Receipts: None.

## V. Status of Employee Stock Options:

(I) For employee stock options not yet expired, the status as of the publication date and the impact on shareholders' equity shall be disclosed:

April 15, 2026

<table>
<tr><th>Type of Employee Stock Options</th><th>Ninth Employee Stock Options</th><th>Tenth Employee Stock Options</th></tr>
<tr><td>Effective Registration Date and Total Units</td><td>July 13, 2022<br>300,000 shares</td><td>October 17, 2025<br>600,000 shares</td></tr>
<tr><td>Issue (Grant) Date</td><td>May 7, 2024</td><td>-</td></tr>
<tr><td>Units Issued</td><td>300,000 shares</td><td>-</td></tr>
<tr><td>Units Available for Issuance</td><td>0 shares</td><td>600,000 shares</td></tr>
<tr><td>Percentage of Shares Issuable to Total Issued Shares</td><td>0.33%</td><td>0.66%</td></tr>
<tr><td>Option Term</td><td>10 years</td><td>10 years</td></tr>
<tr><td>Method of Exercise</td><td>Delivery by issuance of new shares</td><td>Delivery by issuance of new shares</td></tr>
<tr><td>Exercise Restrictions and Ratios (%)</td><td colspan="2">After two years from the grant date of the employee stock options, option holders may exercise according to the following schedule:<br>Grant Period of Options — Cumulative Maximum Exercisable Percentage<br>After 2 years — 50%<br>After 3 years — 100%</td></tr>
<tr><td>Shares Acquired through Exercise</td><td>0 shares</td><td>0 shares</td></tr>
<tr><td>Amount Paid for Exercised Options</td><td>0 shares</td><td>0 shares</td></tr>
<tr><td>Unexercised Options</td><td>300,000 shares</td><td>600,000 shares</td></tr>
<tr><td>Exercise Price per Share for Unexercised Options (Note 1)</td><td>NT$89.50</td><td>-</td></tr>
<tr><td>Percentage of Unexercised Options to Total Issued Shares (%) (Note 2)</td><td>0.33%</td><td>0.66%</td></tr>
<tr><td>Impact on Shareholders' Equity</td><td>These options may be exercised annually after two years from the issuance date during the option term, with limited impact on shareholders' equity.</td><td>Not yet issued, no impact on shareholders' equity.</td></tr>
</table>

Note 1: The exercise price of the ninth employee stock options has been adjusted to NT$89.5 per share in accordance with dividend distribution under the issuance plan.
Note 2: Total issued shares as of April 11, 2026 were 91,127,107 shares.

(II) As of the annual report publication date, names of managerial officers who have been granted employee stock options and the top ten employees by option grants, including grant and exercise status:

Unit: NT$

| | Title | Name | Number of Options Granted (shares) | Percentage of Total Issued Shares (Note 1) | Exercised | | | | Unexercised | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Number of Shares | Exercise Price | Amount | % of Total Issued Shares | Number of Shares | Exercise Price (Note 2) | Amount | % of Total Issued Shares (Note 1) |
| Managerial Officers | General Manager / CEO | Kuo-Chao-Wang | 75,000 | 0.082% | - | - | - | - | 75,000 | 89.5 | 6,712,500 | 0.082% |
| | Deputy General (Note 3) | Kai-Chi Chen | | | | | | | | | | |
| | Deputy Genera | Wei-Te Li | | | | | | | | | | |
| | Deputy Genera | Wang Li-Wei | | | | | | | | | | |
| Employees | Manager | Xian-Rui, Chen | 225,000 | 0.25% | - | - | - | - | 225,000 | 89.5 | 20,137,500 | 0.25% |
| | Director | Xin-De, Yang | | | | | | | | | | |
| | Senior Engineer | Ming-Hao Lu | | | | | | | | | | |
| | Principal Engineer | Yuan-Fa, Zhu | | | | | | | | | | |
| | Senior Engineer | Guan-Han, Wu | | | | | | | | | | |
| | Manager | Jun-Yan, Kuo | | | | | | | | | | |
| | Senior Director | GOYAL PRATEEK KUMAR | | | | | | | | | | |
| | Technical Manager | Jian-Qiang, Jiang | | | | | | | | | | |
| | Senior Director | Shao-Yu Wang | | | | | | | | | | |
| | Assistant Manager | Jun-Xiang Hung | | | | | | | | | | |

Note 1: Total shares outstanding as of April 11, 2026 were 91,127,107 shares.
Note 2: Deputy General Manager Kai-Chi Chen resigned on September 30, 2025, and the granted options were forfeited in accordance with the plan.
Note 3: The exercise price for the ninth grant has been adjusted to NT$89.5 per share in accordance with the issuance terms following dividend distribution.

# VI. Status of Restricted Stock Awards:

(I) Status of restricted stock awards and their impact on shareholders' equity:

April 11, 2026

| Type of Restricted Stock Awards | 2022 First Grant (Tranche 1) | 2023 First Grant (Tranche 1) |
|---|---|---|
| Effective Registration Date and Total Shares | 2022.07.26 | 2023.08.09 |
| Issuance Date | 2024.02.05 | - |
| Number of Restricted Shares Issued | 400,000 shares | - |
| Number of Restricted Shares Available for Issuance | 0 | 500,000 shares |
| Issue Price | 0 | - |
| Percentage of Issued Restricted Shares to Total Issued Shares | 0.44% | - |
| Vesting Conditions for Restricted Stock Awards | There are two types of vesting conditions under this issuance plan, described as follows:<br>Type 1: From the date the employee is granted the restricted stock awards, if the employee remains employed on the vesting dates specified below and achieves a performance evaluation of at least "3" (inclusive) as required by the Company, the following proportions of shares will vest. For any portion that does not meet the vesting conditions, the Company will repurchase the shares without consideration and cancel them in accordance with applicable laws:<br>After 2 years of service: 50%<br>After 3 years of service: 50%<br>Type 2: For senior executives of the Company (at or above the level of Associate Director), if the employee remains employed on the fourth anniversary from the grant date and achieves a performance rating of "5" in any two years as required by the Company, 100% of the shares will vest. For any portion that does not meet the vesting conditions, the Company will repurchase the shares without consideration and cancel them in accordance with applicable laws. | |
| Restricted Rights of Employee Restricted Stock Awards | (I) During the vesting period, employees may not sell, pledge, transfer, gift, create any encumbrance on, or otherwise dispose of the restricted stock awards.<br>(II) For restricted stock awards issued by the Company, employees who are nationals of the Republic of China shall, upon grant, immediately deliver the shares to a trust institution designated by the Company for custody. Employees may not, for any reason or by any means, request the trustee to return the restricted stock awards. For employees of other nationalities, the shares shall be held in custody by a designated custodian bank.<br>(III) Prior to meeting the vesting conditions, the restricted shares do not carry rights to participate in dividends, bonuses, capital surplus distributions, or subscription rights in cash capital increases. If the vesting conditions are met during the period from fifteen business days prior to the book closure date for dividend or rights distribution to the record date, the shares released from restriction shall still not be entitled to dividends, bonuses, or subscription rights.<br>(IV) Attendance at shareholders' meetings, proposals, speaking rights, voting rights, and other shareholder rights shall be exercised by the trust institution or custodian bank in accordance with the relevant agreement. | |
| Custody Status of Restricted Stock Awards | During the trust custody period, the restricted stock awards shall be entrusted by the Company to a stock trust institution for custody. The Company shall act on behalf of employees with full authority to negotiate, execute, amend, extend, terminate, and cancel the trust custody agreement, as well as to transfer or dispose of the trust property (including shares and cash), and perform other actions in accordance with this plan. | |
| Treatment of Unvested Shares After Employees Are Granted or Subscribe for New Shares | (I) Employee resignation (voluntary resignation, termination, layoff, retirement, or inability to continue employment due to occupational injury): except for the circumstances specified in Subparagraph (4), Item (2) of this section, the Company shall repurchase without consideration and cancel the shares previously granted but not yet vested.<br>(II) Leave without pay: for employees approved by the Company to take leave without pay, the restricted stock awards that have not yet vested shall have their rights restored from the date of reinstatement; however, the vesting period conditions shall be deferred by the duration of the leave. Employees who do not return to work upon expiration of the leave period shall be deemed to have lost eligibility to meet the vesting conditions as of the expiration date, and the Company shall repurchase without consideration and cancel the unvested shares.<br>(III)Employee death, with the date of death deemed the vesting date:<br>(1) If the employee dies due to an occupational accident, the heirs shall acquire all restricted stock awards granted to the employee on the date of death. Upon completion of required legal procedures and submission of supporting documents, the heirs may apply to receive the inherited shares.<br>(2) If the employee dies not due to an occupational accident, the number of shares to be inherited shall be calculated based on the proportion of the period from the grant date to the date of death relative to the total vesting period. The heirs shall acquire such shares on the date of death. Upon completion of required legal procedures and submission of supporting documents, the heirs may apply to receive the inherited shares.<br>(IV) Transfer of position:<br>(1) If an employee transfers to an affiliated company, another company, or a subsidiary upon request, the unvested restricted stock awards shall be handled in the same manner as resignation under Item (2).<br>(2) If an employee is assigned by the Company, due to operational needs, to an affiliated company, another company, or a subsidiary, the unvested restricted stock awards shall not be affected by such assignment. However, the vesting conditions in Paragraph 3 of this article shall still apply, and the employee must continue service at the assigned entity. The employee's performance evaluation shall be determined by the Chairman of the Company with reference to the evaluation provided by the assigned entity to determine whether vesting conditions are met. | |
| Number of Restricted Shares Repurchased or Bought Back | 52,000 | - |
| Number of Restricted Shares Released from Restriction | 93,500 | - |
| Number of Restricted Shares Not Yet Released from Restriction | 254,500 | - |
| Percentage of Unreleased Restricted Shares to Total Issued Shares (%) | 0.28 % | - |
| Impact on Shareholders' Equity | No material impact | Expired and not issued, no impact on shareholders' equity. |

Note 1: Total issued shares as of April 11, 2026 were 91,127,107 shares.

Note 2: The 2023 first restricted stock award expired without issuance on August 9, 2025.

(II) Names of managerial officers who have been granted restricted stock awards and the top ten employees by shareholding, together with grant status:

2022 First Grant (Tranche 1) April 11, 2026

<table>
<tr><th rowspan="2"></th><th rowspan="2">Title</th><th rowspan="2">Name</th><th rowspan="2">Number of Restricted Shares Granted</th><th rowspan="2">Percentage of Total Issued Shares</th><th colspan="4">Released from Restriction</th><th colspan="4">Not Yet Released</th></tr>
<tr><th>Shares Released</th><th>Issue Price</th><th>Issue Amount</th><th>% of Total Issed Shares</th><th>Shares Not Released</th><th>Issue Price</th><th>Issue Amount</th><th>% of Total Issued Shares</th></tr>
<tr><td rowspan="4">Managerial Officers</td><td>General Manager</td><td>Kuo-Chao-Wang</td><td rowspan="4">197,000</td><td rowspan="4">0.2172%</td><td rowspan="4">18,000</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">140,000</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0.15%</td></tr>
<tr><td>Deputy General Manager</td><td>Wei-Te Li</td></tr>
<tr><td>Deputy General Manager</td><td>Kai-Chi Chen</td></tr>
<tr><td>Deputy General Manager</td><td>Wang Li-Wei</td></tr>
<tr><td rowspan="10">Employees</td><td>Senior Director</td><td>Shao-Yu Wang</td><td rowspan="10">130,000</td><td rowspan="10">0.1434%</td><td rowspan="10">42,000</td><td rowspan="10">0</td><td rowspan="10">0</td><td rowspan="10">0</td><td rowspan="10">74,000</td><td rowspan="10">0</td><td rowspan="10">0</td><td rowspan="10">0.08%</td></tr>
<tr><td>Director</td><td>Zhong-Ping Huang</td></tr>
<tr><td>Technical Manager</td><td>Chih-Gao Chen</td></tr>
<tr><td>Manager</td><td>Jun-Yan, Kuo</td></tr>
<tr><td>Manager</td><td>Nai-Jen Chang</td></tr>
<tr><td>Manager</td><td>Chih-Peng Lu</td></tr>
<tr><td>Manager</td><td>Shih-Chieh Chang</td></tr>
<tr><td>Manager</td><td>Xian-Rui, Chen</td></tr>
<tr><td>Assistant Manager</td><td>Hung-Cheng Chen</td></tr>
<tr><td>Assistant Manager</td><td>Ji-Cheng Chao</td></tr>
</table>

Note 1: Total issued shares as of April 11, 2026 were 91,127,107 shares.

Note 2: Vice President Kai-Chi Chen and Director Zhong-Ping Huang have resigned, and the restricted shares granted to them have been repurchased and canceled in accordance with the plan.

## VII. Status of Issuance of New Shares for Mergers or Acquisition of Shares of Other Companies: None.

## VIII. Status of Implementation of Capital Utilization Plans: None.

# Four. Operating Overview

## I. Business Description

(I) Business Scope

1. Principal Business Activities

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

A. Integrated circuits
B. Semiconductor memory components and related systems
C. Computer products and semiconductor components
D. Digital communication products and related semiconductor components
E. Computer peripherals and related semiconductor components
F. Semiconductor components

(2) Software development, including programming, R&D, sales, testing, and data processing

(3) Agency representation and import/export trading of the above products

2. Revenue mix of major products for **2025**:

| Item | Product | Revenue Share |
|---|---|---|
| (1) | IC chips | 99.9% |
| (2) | Others | 0.1% |

3. Current Products

◎USB Hub Controller ICs

| | |
|---|---|
| GL850G | High-performance USB 2.0 4-port hub controller |
| GL850GC | High-performance USB 2.0 4-port hub with charging controller |
| GL852G | High-performance USB 2.0 4-port hub controller |
| GL852GC | High-performance USB 2.0 4-port hub with charging controller |
| GL852GT | Industrial-grade USB 2.0 4-port charging hub controller |
| GL854G | High-performance USB 2.0 7-port hub controller |
| GL857L | USB 2.0 3-port hub with integrated SD card reader controller |
| GL3510 | High-performance USB 3.2 Gen1 4-port hub controller |
| GL3523 | High-performance USB 3.2 Gen1 4-port native USB-C® hub controller |
| GL3523-S | High-performance USB 3.2 Gen1 4-port native USB-C® hub controller |
| GL3525 | High-performance USB 3.2 Gen1 7-port hub controller |
| GL3525-S | High-performance USB 3.2 Gen1 7-port hub controller |
| GL3590 | High-performance USB 3.2 Gen2 native USB-C® hub controller |
| GL3590-S | High-performance USB 3.2 Gen2 native USB-C® hub controller |

◎USB Storage Media Controller ICs

| | |
|---|---|
| GL823/GL823U | USB 2.0 SD flash memory single-slot card reader controller |
| GL834/GL834L | USB 2.0 flash memory single-slot card reader controller |
| GL835 | USB 2.0 SD flash memory single-slot card reader controller |
| GL838 | USB 2.0 flash memory multi-slot card reader controller |
| GL838UC | USB 2.0 flash memory single-slot all-in-one card reader controller |
| A390/A395/A500 | USB 3.2 Gen1 flash memory single-slot card reader controller |
| GL3213/GL3213L | USB 3.2 Gen1 flash memory single-slot card reader controller |
| GL3215/GL3215L | USB 3.2 Gen1 flash memory single-slot card reader controller |
| GL3221 | USB 3.2 Gen1 flash memory single-slot card reader controller |
| GL3224/GL3224E | USB 3.2 Gen1 flash memory single-slot card reader controller |
| GL3230 | USB 3.2 Gen1 flash memory single-slot card reader controller |
| GL3233 | USB 3.2 Gen1 flash memory single-slot card reader controller |

| | |
|---|---|
| GL3235 | USB 3.2 Gen1 flash memory single-slot card reader controller |
| GL3235I | USB 3.2 Gen1 flash memory single-slot card reader controller |
| GL3220 | USB 3.2 Gen1 flash memory single-slot card reader controller |
| GL3223 | USB 3.2 Gen1 flash memory single-slot card reader controller |
| GL3225 | USB 3.2 Gen1 flash memory single-slot card reader controller |
| GL3227E | USB 3.2 Gen1 to eMMC HS400 RAID0 bridge controller |
| GL3227ET | Industrial-grade USB 3.2 Gen1 to eMMC HS400 RAID0 bridge controller |
| GL3231ST | Industrial-grade USB 3.2 Gen1 to SD 4.0 flash memory dual-slot card reader controller |
| GL3232X | USB 3.2 Gen1 SD/DDR275 flash memory single-slot card reader controller |
| GL3239 | USB 3.2 Gen1 smart card, NFC, and flash memory multi-slot card reader controller |
| GL830 | USB 2.0 to SATA bridge controller |
| GL831/GL831A | ATA/SATA bridge controller |
| GL3310 | USB 3.2 Gen1 to SATA 3G bridge controller |
| GL3321/GL3321G | USB 3.2 Gen1 to SATA 6G bridge controller |

◎PCIe Storage Media Controller ICsPCIe Storage Media Controller ICs

| | |
|---|---|
| GL9750 | PCIe 1.0 single-slot flash memory card reader controller IC |
| GL9755 | PCIe 1.0 single-slot 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 |
| BW9821 | eUSB2 Repeater Single Port |
| BW9822 | eUSB2 Repeater Single Port + USB 10G Redriver |
| BW9823 | eUSB2 Repeater Single Port + USB 5G Redriver |
| BW9852 | eUSB2 1:4 Repeater HUB |
| BW9871 | eUSB2 Repeater dual Port |
| BW9902 | USB 3.2 Gen2 1-Port Redriver |
| BW9914 | USB 3.2 Gen2 DP-ALT Mode Redriver with 4:4 Switch |
| BW9915E-11 | USB 3.2 Gen2x2 20Gbps Redriver |
| BW9951 | USB 3.2 Gen2 2-Port Redriver |
| BW9951E-11 | 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 |

◎Charging Controller ICs

| | |
|---|---|
| GL887x | Charging controller IC |
| GL888x | Charging controller IC |
| GL889x | Charging controller IC supporting Qualcomm QC2.0® and MediaTek PE/PE+® |
| GL9510 | Dual-port PD2.0/3.0 controller IC |

◎USB Imaging Controller ICs

| | |
|---|---|
| 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-based standalone USB 2.0 scanner controller IC |
| GL310-04 | ARM-based standalone USB 2.0 scanner controller IC |
| GL3466 | ARM-based standalone 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 ICs

| | |
|---|---|
| GL3004 | FHD fisheye image processor IC |
| GL3008 | 4K fisheye image processor IC |

◎PCI Express

| | |
|---|---|
| GL9701 | Single-port PCI Express to PCI interface bridge |
| GL9711 | Single-port PCI Express signal repeater |
| GL9714 | Four-port PCI Express signal repeater |

◎Intellectual Property

| | |
|---|---|
| GL230 | PCI Express PIPE physical layer IP core |
| GL800 | USB 2.0 UTMI transceiver IP core |

4. Planned New Products

| | |
|---|---|
| USB4® Hub Controller | USB4® hub controller IC |
| eUSB2 to USB2 Repeater | Next-generation eUSB2 to USB2 repeater |
| PCIe 5.0 Redriver | PCIe 5.0 signal redriver |
| USB 3.2 SD Card Reader Controller | USB 3.2 high-speed card reader controller IC |
| USB 3.2 UVC 4K Fisheye Image Processor | Next-generation USB 3.2 UVC 4K fisheye camera controller IC |

(II) Industry Overview

1. Taiwan IC Design Industry in 2025

According to estimates by the Industrial Technology Research Institute (ITRI), Industrial Economics and Knowledge Center (IEK), Taiwan's IC industry output is projected to reach NT$6,522.5 billion (US$209.1 billion) in 2025, representing year over year growth of 22.7%. Within this total, the IC design segment is expected to generate NT$1,424.5 billion (US$45.7 billion), up 12.0% from 2024. The IC manufacturing segment is projected at NT$4,386.9 billion (US$140.6 billion), reflecting growth of 28.3%. Of this, foundry services account for NT$4,169.3 billion (US$133.6 billion), an increase of 28.5%, while memory and other manufacturing total NT$217.6 billion (US$7.0 billion), up 23.8%. The IC packaging segment is estimated at NT$482.5 billion (US$15.5 billion), growing 14.0%, and IC testing is projected at NT$228.6 billion (US$7.3 billion), an increase of 14.2%. The NTD to USD exchange rate is assumed at 31.2.

**Taiwan IC Industry Output, 2025**

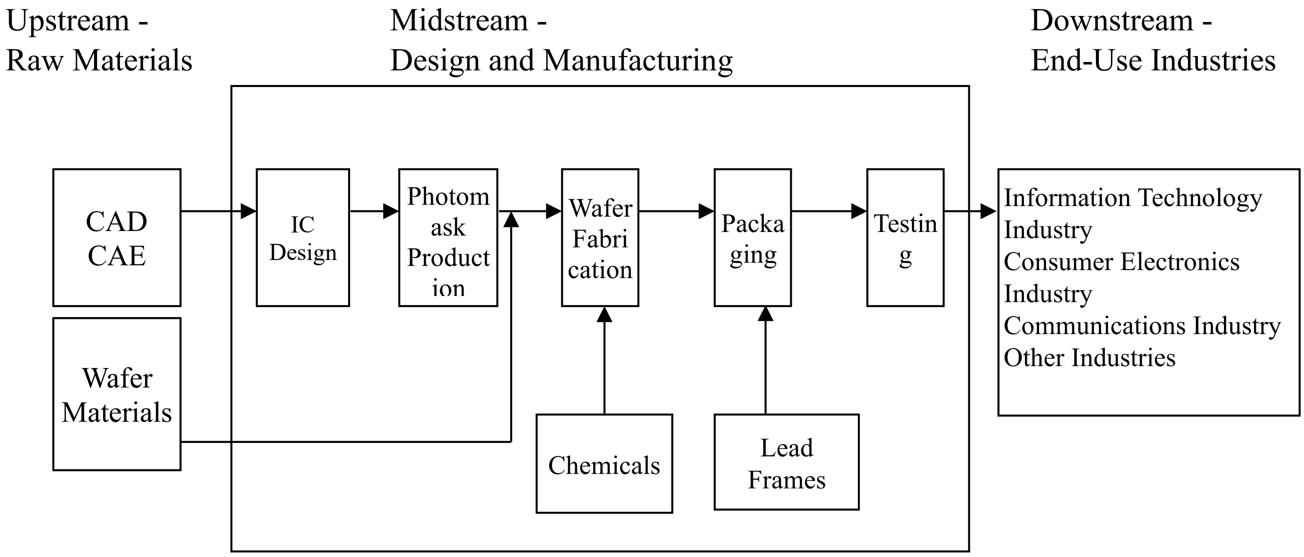
| Unit: NT$ hundred million | 25Q1 | QoQ Growth | YoY Growth | 25Q2 | QoQ Growth | YoY Growth | 25Q3 | QoQ Growth | YoY Growth | 25Q4 | QoQ Growth | YoY Growth | 2025 (e) | YoY Growth | 26Q1 (e) | QoQ Growth | YoY Growth |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| IC Industry Output | 14,888 | -0.4% | 27.6% | 15,994 | 7.4% | 25.9% | 16,697 | 4.4% | 20.6% | 17,646 | 5.7% | 18.1% | 65,225 | 22.7% | 18,063 | 2.4% | 21.3% |
| IC Design Industry | 3,620 | 8.4% | 20.6% | 3,595 | -0.7% | 15.0% | 3,490 | -2.9% | 7.2% | 3,540 | 1.4% | 6.1% | 14,245 | 12.0% | 3,600 | 1.7% | -0.6% |
| IC Manufacturing Industry | 9,683 | -2.8% | 34.6% | 10,686 | 10.4% | 32.4% | 11,372 | 6.4% | 26.8% | 12,128 | 6.6% | 21.7% | 43,869 | 28.3% | 12,567 | 3.6% | 29.8% |
| Foundry | 9,261 | -3.3% | 37.2% | 10,219 | 10.3% | 34.4% | 10,806 | 5.7% | 27.0% | 11,407 | 5.6% | 19.1% | 41,693 | 28.5% | 11,806 | 3.5% | 27.5% |
| Memory and Other Manufacturing | 422 | 8.2% | -5.0% | 467 | 10.7% | 0.2% | 566 | 21.2% | 23.9% | 721 | 27.4% | 84.9% | 2,176 | 23.8% | 761 | 5.5% | 80.3% |
| IC Packaging Industry | 1,069 | -3.7% | 8.3% | 1,155 | 8.0% | 13.0% | 1,252 | 8.4% | 12.4% | 1,349 | 7.7% | 21.5% | 4,825 | 14.0% | 1,297 | -3.9% | 21.3% |
| IC Testing Industry | 516 | -2.4% | 6.3% | 558 | 8.2% | 15.3% | 583 | 4.5% | 15.4% | 629 | 7.9% | 19.1% | 2,286 | 14.2% | 599 | -4.8% | 16.2% |
| IC Product Output | 4,042 | 8.4% | 17.3% | 4,062 | 0.5% | 13.1% | 4,056 | -0.1% | 9.2% | 4,261 | 5.1% | 14.3% | 16,421 | 13.4% | 4,361 | 2.3% | 7.9% |

Source: TSIA; ITRI IEK (February 2026)

2. Industry Supply Chain Relationships

The IC production process can be summarized as follows: IC design companies complete product specifications and circuit design, then outsource mask production to photomask vendors and wafer fabrication to foundries to produce wafer-level semi-finished products. These wafers are subsequently diced, packaged, and tested by packaging and testing providers to complete the manufacturing process. IC design companies therefore occupy a central position in the value chain and represent the starting point of IC products. Their responsibilities include defining specifications, performing circuit design, and establishing testing methodologies and validation criteria, all of which are critical to value creation. As IC products continue to increase in functionality and complexity, the division of labor within the IC design industry has become more specialized. Over time, the industry has developed into a comprehensive ecosystem encompassing design tools, IC design, wafer materials, silicon wafers, mask production, IC manufacturing, packaging, lead frames, testing, and related support services. Each stage is supported by dedicated participants, with clear specialization and vertical integration across the supply chain, and each segment maintains its own technical focus (see table below). Genesys Logic, Inc. focuses primarily on the design of controller ICs, including USB, PCIe, DisplayPort, and HDMI, and operates within the IC design segment of the semiconductor industry.

IC Industry Value Chain Segmentation




3. Product Development Trends

(1) Card Reader Controller Chips

The Company's GL3232X USB 3.2 Gen1 controller is the first SD 3.0 flash memory card reader controller to support read speeds of up to 275 MB/s. This performance is approximately 2.75 times that of the SDR104 mode and approaches SD 4.0 UHS-II read speeds. Built on the UHS-I interface, the GL3232X improves data throughput by leveraging dual data transfer technology and a higher SD clock rate. It remains fully compatible with standard SD 3.0 connectors and does not require additional board-level components. This enables customers to significantly enhance UHS-I performance without increasing RBOM costs, delivering a high-performance and cost-efficient solution to end users.

(2) Hub Controller Chips

The introduction of USB-C® has fundamentally reshaped how USB is used and has significantly expanded its end-market applications. It delivers data transfer bandwidth of up to approximately 40 Gb/sec, several times higher than earlier USB standards, and supports bandwidth sharing across multiple use cases. DisplayPort for audio and video applications has become one of the most widely adopted features. In addition, USB Power Delivery enables simultaneous power delivery alongside data and video, further enhancing user adoption. As a result, the efficient integration of data, video, and power has become a key focus in the evolution of USB-C®.

The Company focuses on developing highly integrated hub controller solutions and has introduced native USB-C® hub controller chips following the adoption of USB-C®. Its offerings range from USB 2.0 hub controllers to USB 3.2 Gen1 and Gen2 USB-C® hub controllers, as well as USB4® hub controllers. These solutions support reversible plug handshaking, VBUS detection and configuration, and VCONN power delivery. The latest USB4® hub controller integrates the Company's proprietary USB-C® Power Delivery controller and incorporates a self-developed device router to consolidate USB data, DisplayPort video, and high-speed PCIe data. It supports DisplayPort Alternate Mode natively without requiring external MUX components and is also compatible with Intel Thunderbolt™ 4. This enables broad application coverage and more efficient bandwidth allocation and utilization.

(3) Signal Redrivers

The Company is actively developing high-speed Redriver solutions. Its USB, PCIe, and DisplayPort Redriver products have been adopted by leading PC brands. As data transmission standards continue to evolve, the Company is expanding its portfolio to support next-generation high-speed protocols, including USB4®, DisplayPort 2.1, PCIe Gen5.0, and HDMI 2.1.

The rapid growth of data usage has driven demand for higher-speed data transmission across a wide range of applications. Industry standards bodies have introduced multiple protocols and continue to increase transmission speeds. However, high-speed signals are subject to insertion loss caused by PCB traces and cable interconnects, which can degrade signal integrity and lead to transmission errors. This effect becomes more pronounced as data rates increase, making signal conditioning an essential part of system design. To address these challenges, repeaters are commonly deployed using either Redriver or Retimer architectures. The Company focuses on Redriver solutions, which simplify system design while offering lower power consumption and more cost-efficient implementation.

4. Market Competition

The Company focuses on the design, manufacturing, testing, and sale of integrated circuits, computer peripherals, and related products, offering comprehensive solutions to consumer electronics and system manufacturing customers. High-speed SerDes technology is a key competitive strength. In addition to USB4® and USB 3.2, the Company continues to invest in advanced SerDes interface technologies to capture cross-platform and cross-application growth opportunities.

The Company has developed a broad product portfolio covering high-speed interfaces, including USB4®, USB 3.2 and 2.0, SD 8.0, 7.1, 4.0 and 3.0, and PCIe 5.0, 4.0 and 3.0, serving a wide range of applications. It continues to strengthen its position in USB 3.2 controller solutions while advancing into higher-end process technologies and developing differentiated, high value-added niche products. By enhancing product quality, executing efficiently, and differentiating specifications, the Company aims to expand its presence in niche markets, broaden its product lineup, and improve profitability.

To sustain competitiveness and support customer product differentiation, the Company is adopting more advanced process technologies and has introduced copper-based processes to better manage packaging costs for key products. Looking ahead, it will leverage strong collaboration within the semiconductor ecosystem and integrate resources with strategic partners to expand vertical market applications and accelerate delivery of value to end customers. Key competitors include TI, Microchip, VIA, and REALTEK. The Company’s advantage lies in its internally developed IP portfolio, which supports faster development cycles and stronger control over core technologies.

(III) Technology and R&D Overview

1. R&D spending and key technologies or products developed in the most recent year and through the date of this annual report:

(1) R&D spending: The Company is engaged in the design, manufacturing, testing, and sale of integrated circuits, semiconductors, digital communication products, computer peripherals, and related products, and continues to invest substantially in research and development. R&D expenses totaled NT$913,238 thousand in 2025. R&D spending for the first quarter of 2026 amounted to NT$237,120 thousand.

(2) Key technologies and products developed:

| Development Period | Technologies or Products |
|---|---|
| 2025 | USB 3.2 Gen1 with Power Delivery integrated hub controller |
| | USB4® PHY technology |
| | USB4®, USB 3.2, PCIe 4.0, and DP 2.1 Redriver solutions |
| | PCIe-based SD 8.0, 7.1, 4.0, and 3.0 flash memory card reader controllers |

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

1. Short-term plans:

(1) Complete development of USB 4 hub controller.
(2) Complete development of eUSB 2 hub controller.
(3) Complete development of next-generation enhanced USB 3.2 Gen2 hub controller.
(4) Complete development of streamlined USB 3.2 Gen1/Gen2 hub controllers.
(5) Complete development of streamlined USB 2 hub controller.
(6) Complete development of USB 3.2 DDR300 card reader controller.
(7) Launch compact PCIe SD8/SD9 card reader controllers.
(8) Launch image controller solutions and achieve customer design adoption.

2. Long-term plans:
(1) Continue promoting USB 4 hub controllers and expand customer adoption.
(2) Develop USB 4v2 technologies and related products.
(3) Launch PCIe Gen5 and Gen6 Redriver solutions and expand customer adoption.
(4) Launch image protocol conversion solutions.

# II. Market and Sales Overview

(I) Market Analysis

1. Geographic Distribution of Sales

Unit: NT$ thousand; %

| Year / Sales Region | | 2024 | | 2025 | |
|---|---|---|---|---|---|
| | | Sales Amount | % of Revenue | Sales Amount | % of Revenue |
| Export | Asia | 1,090,868 | 35 | 1,308,544 | 32 |
| | Other | 41,827 | 1 | 17,967 | 1 |
| Subtotal | | 1,132,695 | 36 | 1,326,511 | 33 |
| Domestic | | 2,045,995 | 64 | 2,729,649 | 67 |
| Total | | 3,178,690 | 100 | 4,056,160 | 100 |

2. Market Share

Based on ITRI data, Taiwan's IC design industry generated NT$1,424.5 billion in output value in 2025. The Company's net revenue was approximately NT$4 billion (NT$4,056,160 thousand), representing about 0.28% of the total IC design industry output.

3. Market Outlook: Supply, Demand, and Growth

ITRI and the Market Intelligence & Consulting Institute (MIC) have both indicated in their 2026 technology outlook that generative AI will drive structural transformation across the industry. Demand for semiconductors and AI servers is expected to remain strong, supporting the expansion of end applications such as edge AI, robotics, and AI-enabled wearables.

ITRI projects that Taiwan's semiconductor industry will exceed NT$7 trillion in output value in 2026, reaching NT$7.13 trillion, up 10% year over year. IC manufacturing is expected to lead growth at 12%, supported by full utilization of 3nm capacity and contributions from 2nm nodes. The report also highlights the emergence of a "compute stacking" paradigm, as global companies transition from standalone chip production to integrated hardware, software, and platform ecosystems.

MIC forecasts that global AI server shipments will reach 4.5 million units in 2026, with penetration approaching 30%. This demand is expected to drive more than 40% annual growth in advanced process capacity for four consecutive years. Advanced nodes are increasingly treated as strategic assets and are concentrated in AI applications, reshaping industry capacity and reinforcing Taiwan's critical role in the high-performance computing supply chain.

For edge applications, MIC notes that AI is moving from centralized cloud environments to edge deployment. Edge AI hardware penetration is expected to approach 20% by 2026, driving the adoption of AI Box solutions across verticals such as manufacturing, healthcare, and retail.

In emerging devices and communications, ITRI highlights the role of physical AI in advancing AI PCs. Low Earth orbit satellites are projected to reach approximately 11,000 units, increasing demand for satellite components from Taiwanese suppliers. MIC forecasts shipments of AI glasses at 9.5 million units in 2026 and values the drone market at US$25 billion. With strengths in IPC and communications, Taiwanese companies are well positioned to capture value in core components and system integration for edge computing and drone applications.

ITRI projects that humanoid robots will enter mass production by 2030, supporting the development of the RaaS model and benefiting Taiwan's electronic control supply chain. MIC expects the cybersecurity market to reach NT$74.9 billion by 2027. As AI adoption expands across enterprises, IT services revenue is projected to reach NT$720 billion, with more than half of companies favoring partners with deep vertical expertise.

Overall, the technology sector in 2026 is expected to shift from a focus on computing power expansion to broad deployment across use cases. ITRI emphasizes the need for Taiwanese companies to strengthen hardware and software integration and to create value through cross-industry collaboration.

MIC also cautions that companies must address privacy and system vulnerability risks as they expand AI applications. With strong positioning in advanced semiconductor processes, Taiwan's supply chain is expected to play a leading role in the next phase of global technology transformation.

Source: IEK Industry News, February 22, 2026, "AI Physicalization Drives a Wave of Transformation"

4. Competitive Advantages

(1) Depth and continuity of R&D expertise

The IC design industry is highly technical and knowledge-intensive. The Company's competitiveness depends on the execution, design capability, and experience of its R&D team. It invests in professional training and employee benefits to attract and retain talent, while actively recruiting experienced engineers from global markets and forming strategic partnerships with leading design firms. Through collaboration and knowledge sharing, the Company strengthens its technical capabilities and improves R&D efficiency. A strong talent base and low turnover support sustained product competitiveness.

(2) Strong niche product positioning

The Company combines a capable R&D team with advanced equipment and closely tracks evolving requirements in functionality, speed, and usability across electronic products. By managing development timelines effectively, it brings to market high-performance IC solutions that are competitively priced and aligned with customer needs.

(3) Established upstream partnerships

Taiwan's semiconductor supply chain is well developed, spanning IC design, wafer fabrication, packaging and testing, and distribution. The Company works with qualified partners based on technology capability, yield performance, capacity, delivery, and cost. Long-term collaboration supports consistent product quality and competitive positioning.

(4) Comprehensive sales and support network

The Company established Genesys Logic America, Inc. in 2002 and Elact Holding Ltd. in 2003. It continues to expand its global reach through subsidiaries, agents, and distributors, enabling broader market coverage, timely access to market information, and responsive sales and technical support. In November 2006, through Elact Holding Ltd., the Company indirectly established a representative office in Shenzhen to support market intelligence and promotion activities, with approval from the Investment Commission of the Ministry of Economic Affairs.

5. Favorable and Unfavorable Factors Affecting Future Development and Corresponding Strategies

(1) Favorable Factors

A. The Company actively pursues strategic alliances with leading design firms in Taiwan and abroad to co-develop new products, enhancing both product diversity and overall competitiveness.

B. The Company adopts a diversified operating model and maintains a broad product portfolio. This reduces exposure to fluctuations in any single product cycle and allows different product lines to complement one another, supporting stable profitability.

C. The Company has consistently focused on developing high-speed interface controller ICs, including USB, PCI Express, and SATA. In USB 2.0 and 3.2 technologies, the most technically challenging physical layer (PHY) has been developed in-house. Since initiating in-house PHY development at the USB 2.0 stage, the Company has accumulated substantial expertise through the USB 3.2 generation and achieved cost advantages. This capability also enables rapid product adjustments or refinements to better meet customer requirements.

Taiwan's semiconductor industry benefits from a well-established and specialized supply chain spanning upstream and downstream segments. Leading domestic wafer foundries, TSMC and UMC, rank among the top two global providers. Meanwhile, local IC packaging and testing companies have become increasingly specialized, with significant improvements in both service quality and capacity. As a result, Taiwan-based IC design companies enjoy a more complete manufacturing support infrastructure than their international peers, providing advantages in cost efficiency, technical support, and production capacity allocation.

(2) Unfavorable Factors and Mitigation Measures

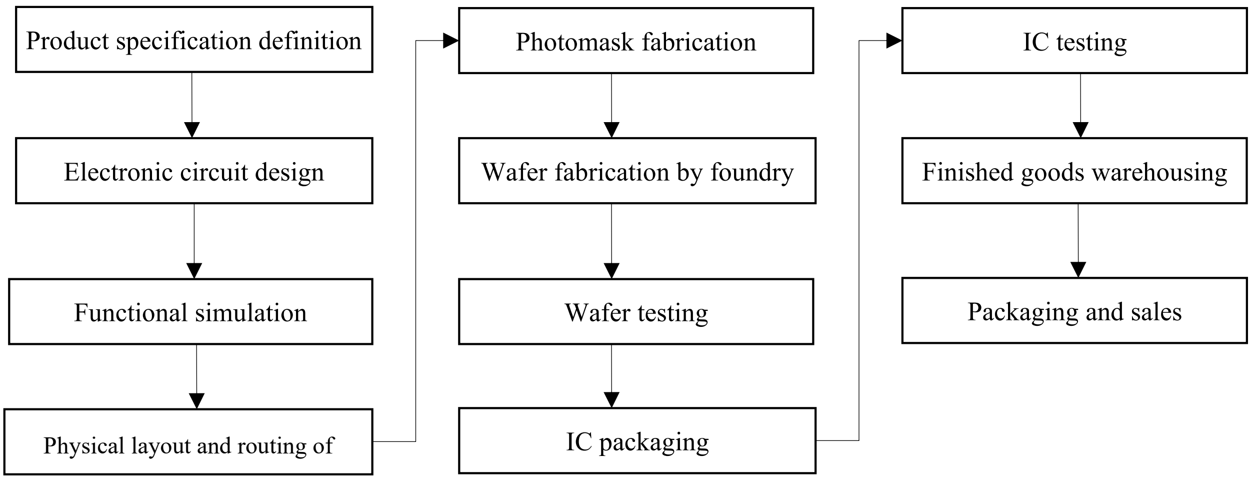
| Unfavorable Factors | Mitigation Measures |
|---|---|
| Difficulty in recruiting high-quality design and R&D talent | Form strategic alliances with capable design firms in Taiwan and abroad to jointly develop new products. |
| The long training period required for IC design R&D personnel and the challenge of maintaining their commitment to the Company | Provide a supportive work environment and training opportunities that enable employee development; enhance the Company's brand recognition and product image to attract top talent. |
| Rapid technological advancement, short product life cycles, increasing functional requirements, fast-changing markets, continuous new product launches by competitors, and intense competition | Continuously develop forward-looking products to keep pace with market changes; adopt innovative design approaches and leverage advanced process and packaging technologies to shorten development cycles and reduce manufacturing costs, thereby strengthening competitiveness. |
| Low entry barriers in the IC design industry, intensifying competition, and difficulty in improving gross margins | Actively develop advanced process technologies, expand product diversity, and increase high value-added offerings to broaden the product portfolio and improve profitability; participate in key international industry organizations, build strong core capabilities, and capture market opportunities in a timely manner to enhance competitiveness. |
| Intellectual Property | Strengthen the management of patent value and innovative R&D Results, file applications with relevant authorities in a timely manner, and work with internal legal teams and external counsel to protect the Company's rights and interests. |

## (II) Key Applications and Manufacturing Process of Major Products

### 1. Key Applications of Major Products

| Major Products | Key Applications |
|---|---|
| Integrated Circuit Chips and Intellectual Property | 1. Primarily used in USB 3.2/2.0 hubs, including external hubs for LCD monitors and embedded hubs on PC motherboards.<br>2. Used in removable storage devices for file storage, backup, and data sharing.<br>3. Used in scanners for image capture and processing for computer storage or editing, as well as in built-in or external camera modules for PCs and notebooks.<br>4. Core high-speed transmission transceivers or physical layer technologies licensed to customers for integration into chipsets used in computers and consumer electronics. |

### 2. Manufacturing Process




The primary applications are high-speed I/O communications, including USB, PCIe, DisplayPort, and HDMI product families, as well as high-speed interface applications such as PCI Express and Serial ATA.

### (III) Status of Supply of Major Raw Materials

| Category | Object | Supply Status | Mitigation Measures |
|---|---|---|---|
| Procurement | EOUV01 | The primary supplier is the world's leading wafer manufacturer, providing reliable quality and delivery with predictable performance. The Company maintains long-term relationships with its foundry partners and has secured dedicated capacity, ensuring a stable and sufficient water supply. | To support advanced product development and sustain long-term partnerships, the Company secures adequate capacity for current production, which helps reduce inventory risk and shorten production lead times. |
| Procurement | EKOU02 | The primary supplier is a world-class wafer manufacturer, offering consistent quality and delivery performance that can be effectively evaluated. The Company maintains long-term relationships with its foundry partners and has secured capacity, ensuring a stable supply of wafers. | To mitigate potential shortages during peak demand periods, the Company has established relationships with additional world-class wafer manufacturers, diversifying supply sources and reducing procurement concentration risk. |

### (IV) Names of Customers Representing More Than 10% of Total Purchases or Sales in Either of the Most Recent Two Years, Together with Related Amounts and Percentages, and Explanations for Variations:

1. Major Suppliers for the Most Recent Two Years

Unit: NT$ thousand, %

| | 2024 | | | | 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| Item | Name | Amount | % of Annual Net Purchases | Relationship with Issuer | Name | Amount | % of Annual Net Purchases | Relationship with Issuer |
| 1 | EOUV01 | 555,602 | 38 | None | EOUV01 | 1,083,814 | 45 | None |
| 2 | CGTI01 | 301,806 | 20 | None | CGTI01 | 323,287 | 13 | None |
| 3 | EKOU02 | 150,515 | 10 | None | EKOU02 | 209,024 | 9 | None |
| | Other | 468,607 | 32 | None | Other | 784,661 | 33 | None |
| | Total Net Purchases | 1,476,530 | 100 | | Total Net Purchases | 2,400,786 | 100 | |

Note 1: The names of suppliers representing more than 10% of the Company's total purchases for each of the two most recent fiscal years, together with the related purchase amounts and percentages, shall be disclosed. However, codes may be used in place of supplier names where disclosure is prohibited by contract or where the transaction counterparty is an individual who is not a related party.

Note 2: As of the publication date of the annual report, if the Company is listed or its shares are traded over the counter at securities firms' business locations and the latest financial statements have been audited or reviewed by independent accountants, such financial information shall also be disclosed.

Explanation of Changes: Changes were primarily driven by adjustments in capacity allocation reflecting shifts in product mix.

2. Major Customers for the Most Recent Two Years

Unit: NT$ thousand, %

| | 2024 | | | | 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| Item | Name | Amount | % of Annual Net Sales | Relationship with Issuer | Name | Amount | % of Annual Net Sales | Relationship with Issuer |
| 1 | GIYV01 | 630,466 | 20 | None | CNCI01 | 788,890 | 19 | None |
| 2 | GRKN01 | 620,392 | 20 | None | GIYV01 | 682,792 | 17 | None |
| 3 | CNCI01 | 599,533 | 19 | None | GRKN01 | 645,552 | 16 | None |
| 4 | WTCO01 | 220,709 | 7 | None | WTCO01 | 551,607 | 14 | None |
| | Other | 1,107,590 | 34 | None | Other | 1,387,319 | 34 | None |
| | Total Net Sales | 3,178,690 | 100 | | Total Net Sales | 4,056,160 | 100 | |

Note 1: The names of suppliers representing more than 10% of the Company's total purchases for each of the two most recent fiscal years, together with the related purchase amounts and percentages, shall be disclosed. However, codes may be used in place of supplier names where disclosure is prohibited by contract or where the transaction counterparty is an individual who is not a related party.

Note 2: As of the publication date of the annual report, if the Company is listed or its shares are traded over the counter at securities firms' business locations and the latest financial statements have been audited or reviewed by independent accountants, such financial information shall also be disclosed.

Explanation of Changes: Variations were mainly due to changes in customer market conditions, adjustments to sales networks, shifts in product mix, and overall market environment changes.

## III. Workforce Profile for the Most Recent Two Years and as of the Annual Report Publication Date, Including Headcount, Average Tenure, Average Age, and Educational Distribution

April 15, 2026

| Year | | 2024 | 2025 | As of April 15, 2026 |
|---|---|---|---|---|
| Number of Employees | R&D Personnel | 211 | 193 | 193 |
| | Other Personnel | 95 | 94 | 96 |
| | Total | 306 | 287 | 289 |
| Average Age | | 43.4 | 43.4 | 45.2 |
| Average Years of Service | | 9.7 | 10.9 | 11.0 |
| Educational Distribution (%) | Ph.D. | 1.4 | 1.4 | 1.4 |
| | Master's | 57.8 | 56.4 | 56.4 |
| | College | 40.2 | 41.5 | 41.5 |
| | High School | 0.7 | 0.7 | 0.7 |

Note: Data for the current year is presented as of the annual report publication date.

## IV. Environmental Protection Expenditure Information

(I) Losses from environmental pollution for the most recent year and up to the annual report publication date: None.

(II) Future response measures and expected expenditures: The Company's products comply with RoHS requirements, and the manufacturing processes of its outsourced partners also meet RoHS standards. Future expenditures are expected to be limited to routine inspection costs.

## V. Labor-Management Relations

(I) Overview of employee welfare programs, education and training, retirement systems and their implementation, as well as labor-management agreements and measures to protect employee rights

1. Employee Welfare Programs:

(1) Insurance: In addition to statutory Labor Insurance and National Health Insurance, the Company provides comprehensive group insurance fully funded by the Company for all employees.

(2) Other Benefits: The Company has established an Employee Welfare Committee responsible for organizing employee welfare activities, supported by an annual budget. Activities include birthday events, domestic travel, holiday celebrations, and various club activities with subsidies, as well as year-end banquets. The Company also offers benefits beyond legal requirements, including enhanced health checkups, health promotion programs, sports clubs, health education seminars, fitness facilities, parking subsidies, emergency assistance loans, employee stock ownership trust plans, and childcare and education subsidies. These programs address diverse employee needs and support employee engagement.

2. Employee Training and Development:

The Company maintains a dedicated function for training and development that designs and delivers programs aligned with job-specific needs. Employees are also encouraged to attend external training programs:

(1) Annual training subsidies are provided to support employees in selecting external professional courses relevant to their roles, enabling continuous enhancement of their expertise.

(2) New hire orientation training: Designed to help new employees integrate quickly, covering corporate philosophy, industry and product overview, organizational structure and policies, system operations, and environmental and quality policies.

(3) Management training: Strengthens leadership and managerial capabilities for employees in supervisory roles, including corporate governance, internal controls and audit, talent development, and employee engagement.

(4) Professional training: Focuses on improving technical skills and work efficiency, including information security, project management, design thinking, and presentation skills.

(5) Core training: Covers common foundational topics such as information security, regulatory compliance, and ISO standards.

(6) Health and wellness programs: Promotes a workplace culture that supports physical and mental well-being, including health seminars and first aid training.

| Item | Total Participants | Total Hours | Total Cost (NT$ thousand) |
|---|---|---|---|
| New hire orientation training | 92 | 198 | 0 |
| Management training | 63 | 98 | 40 |
| Professional training | 282 | 785 | 262 |
| Core training | 613 | 471 | 0 |
| Health and wellness programs | 268 | 633 | 217 |
| Total | 1,318 | 2,185 | 519 |

In 2025, total employee training expenditures were NTD 519thousand, with 2,185 training hours delivered and 1,318 total participant attendances recorded.

3. Retirement Plan: In accordance with the Labor Standards Act, the Company has established a labor pension reserve account and contributes 2% monthly to such reserve account. Seniority accrued by employees hired before implementation of the new pension system is retained. In addition, pursuant to the Labor Pension Act under the new labor pension system, the Company contributes no less than 6% of each employee's monthly salary to the employee's individual pension account each month.
4. Labor-Management Relations and Employee Rights Protection:
The Company follows a people-oriented management approach. Any additions or revisions to labor-related policies are implemented only after thorough communication between labor and management. No labor disputes have occurred, and relations remain stable and harmonious.
5. Employee Code of Conduct and Ethics:
The Company has adopted formal work rules and a code of ethical conduct to guide employees in their daily responsibilities and behavior. Employees are expected to comply with the following principles:
(1) Employees shall uphold teamwork, act with integrity and good faith, and demonstrate initiative, diligence, and accountability in the performance of their duties.
(2) Discrimination or exclusion based on gender, race, religion, political affiliation, position, nationality, or age is strictly prohibited.
(3) Employees shall maintain a safe and healthy workplace and must not engage in sexual harassment or any form of violence, threats, or intimidation.
(4) Employees are responsible for protecting and advancing the Company's lawful interests and must avoid:
- Using Company assets, information, or position to obtain personal gain or to benefit third parties.
- Disclosing confidential information without proper authorization. The misuse of confidential or insider information for personal benefit or to advantage or harm others is prohibited.
- Engaging in activities that compete with the Company.
(5) Employees shall deal fairly with all business counterparties. No preferential treatment may be given in transactions involving spouses, relatives, friends, or other related parties. In performing their duties, employees shall not, for their own benefit or that of any third party, request, promise, offer, provide, or accept any gifts, entertainment, rebates, bribes, or other improper benefits. This restriction does not apply to gifts or hospitality that are consistent with customary social practices or permitted under Company policies.
(6) Employees must keep strictly confidential any non-public information obtained through their duties that could materially affect the market price of the Company's securities, in compliance with applicable securities laws. Such information may not be used for insider trading prior to public disclosure.
(7) Employees shall respect the privacy of others and must not spread rumors or engage in defamation. Information or confidential materials obtained through the course of employment must be properly safeguarded and may not be disclosed to others or used for non-business purposes, unless disclosure is authorized by the Company or required for the performance of duties. This obligation continues after employment ends.
Confidential information as described above includes, without limitation, employee and customer data, inventions, business secrets, technical information, product designs, manufacturing know-how, financial and accounting information, intellectual property, and any other non-public information that could be used by competitors or that could harm the Company or its customers if disclosed.

(8) Employees shall ensure the accuracy and completeness of all documents they handle and retain them properly.

(9) Employees shall protect Company resources, including data, information systems, and networks, from theft, disruption, damage, or unauthorized access to maintain information confidentiality, integrity, and availability.

(10) Employees may not influence others to make political contributions, support specific parties or candidates, or engage in political activities. Political activities should also be avoided during working hours and in the workplace.

(11) Employees shall comply with intellectual property laws and must not unlawfully use or reproduce copyrighted materials, including books, magazines, and software.

(12) Supervisors shall strengthen the promotion of internal ethical concepts and encourage employees to report, under their real names, any violations of laws, regulations, or this Code to their supervisors. The Company shall make every effort to keep the identity of the reporting person confidential and to protect them from threats.

- The Company has established policies to ensure gender equality and prevent workplace sexual harassment, providing a safe working environment for all employees.
- As computers are essential tools, the Company has implemented policies governing the use of system resources, including internet access, traffic management, content usage, and software compliance.
- Employees are required to sign employment agreements that include provisions on trade secret protection, safeguarding business interests and competitiveness, preventing unauthorized disclosure, and defining ownership of work results.

6. Labor Safety and Health Policy:

The Company's labor safety and health policy aims to fulfill its corporate social responsibility and safeguard employee well-being by providing a safe, healthy, and comfortable workplace. Through health and safety management, the Company fosters proper awareness and supports employees' physical and mental well-being. Key initiatives include:

(1) Compliance with all applicable environmental, safety, and health laws, regulations, and requirements.

(2) Reduction of workplace hazards and accident risks. Measures include regular fire safety training to reinforce proper practices, routine maintenance of fire protection equipment, and daily inspections of workplace lighting to prevent safety risks.

(3) Annual health education programs and provision of health examinations exceeding legal requirements, along with ongoing health monitoring. The Company also offers wellness programs, personal development seminars, and sports activities to support employee well-being.

(4) Promotion of energy conservation and resource recycling to reduce waste.

(5) Regular environmental maintenance, including water quality testing, waste sorting, disinfection, and periodic inspection of air conditioning and ventilation systems, to enhance workplace conditions.

(6) Commitment to achieving zero accidents and zero injuries to ensure a safe workplace and protect employee health.

(7) Maintenance of open communication and feedback channels to enable timely resolution and improvement of safety and health matters.

(II) For the most recent year and up to the publication date of the annual report, the Company has not incurred any losses arising from labor disputes, including violations identified in labor inspections under the Labor Standards Act. The Company maintains harmonious labor relations and does not expect such losses in the future.

# VI. Information and Communication Security Management:

(I) Description of cybersecurity risk management, security policies, specific management programs, and resources dedicated to information security

1. Information and communication security risk management framework:

The Company has established a dedicated information security officer and supporting personnel responsible for overseeing cybersecurity governance. Drawing on recognized information security frameworks, the Company manages the development, implementation, risk oversight, and compliance review of its security policies. It conducts regular meetings and applies a Plan-Do-Check-Act (PDCA) cycle to build and maintain its information security management system. The Company periodically reports to executive management on cybersecurity risk assessments, along with corresponding mitigation measures and action plans. It also provides regular updates to the Board of Directors on the effectiveness of its information security program and strategic direction. These practices ensure the ongoing suitability, adequacy, and effectiveness of the information security management system, while safeguarding the confidentiality, integrity, and availability of the Company's information assets and achieving its cybersecurity objectives.

2. Information and Communication Security Policy:

The Company seeks to protect the confidentiality, integrity, and availability of its information assets by maintaining an information security management system that supports continuous business operations. It complies with applicable laws and regulations, as well as the requirements of internal and external stakeholders, to safeguard its information environment against intentional and accidental internal and external threats and to achieve its information security objectives.

(1) This policy is established and reviewed by management. The dedicated information security officer and personnel within the Information Department are responsible for overseeing and advancing information security management initiatives.

(2) All employees are required to actively participate in and support the Company's information security framework and to implement this policy in accordance with established standards and procedures.

(3) All personnel, organizations, external vendors, and visitors involved in business operations must comply with this policy.

(4) All employees and outsourced service providers are required to report any information security incidents or vulnerabilities to the designated information security contact through appropriate reporting channels.

(5) Any conduct that compromises information security will be subject to civil, criminal, or administrative liability, or disciplinary action in accordance with the Company's policies, depending on the severity of the case.

3. Specific Management Programs

To support its information security policies and objectives and to establish comprehensive protection, the Company has implemented the following management measures and programs:

(1) Strengthening information security defenses:

- Maintain firewalls with intrusion detection and prevention capabilities.
- Deploy Defender for Office 365 to enhance email system security.
- Perform regular vulnerability scans and remediate identified weaknesses through patching or other appropriate actions to mitigate security risks.
- Restrict insecure or non-compliant network protocols and control the use of high-risk protocols, including remote access connections.
- Establish controls for VPN access by compliant devices to improve the security of VPN connections.
- Implement email authentication protocols, including SPF, DKIM, and DMARC, to reduce spam and phishing risks.

(2) Strengthening Information Security Management Procedures:

In line with the Information Security Control Guidelines for listed companies, applicable international standards, and customer contractual requirements, the Company has established and implemented the following procedures:

- Conduct regular vulnerability scans and remediate identified weaknesses through patching or other corrective measures to reduce security risks.

- Implement incident management procedures that assess impact and potential losses based on severity, with corresponding reporting and recovery actions.
- Perform impact assessments prior to system changes and implement appropriate mitigation measures to ensure smooth execution and minimize operational disruption.
- Enforce controls over certificate and key management, remote access, identity verification, privileged accounts, and mobile devices to strengthen data security.
- Maintain system, equipment, and data recovery procedures, including regular recovery and backup restoration drills, to support business continuity objectives.
- Update and enforce antivirus and security protection policies to enhance overall information security defenses.
- In 2025, the Company adopted the ISO/IEC 27001:2022 Information Security Management System international standard to further strengthen its overall information security environment.
- Evaluate the integration of a Secure Software Development Life Cycle into development processes, and deploy tools such as GitLab EE and PC-lint Plus to improve software security.

(3) Strengthen Network, Endpoint, and Application Security:

- Establish a network access segmentation mechanism. Network segmentation is implemented based on the intended use of connected devices, with appropriate access permissions assigned.
- Deploy antivirus software on endpoints and implement an XDR system to enhance endpoint protection.
- Enforce MFA for VPN, email, SFTP, and privileged account access to strengthen user authentication.
- Enable BitLocker on client devices to encrypt disk data.
- Use secure transmission protocols, including TLS and SFTP, for data exchanges with suppliers.
- Implement a DLP mechanism to enhance the protection of sensitive and personal data.
- Deploy an MDM solution to strengthen mobile device management.
- Continuously update and monitor application software and operating systems.
- Establish a centralized SIEM log management system to monitor security alerts and take appropriate response actions.
- Disable USB data access on workstations and remove local administrator privileges to enhance endpoint security and ensure compliance with software usage policies.

(4) Training and Education:

- The Company conducts periodic enterprise-wide phishing simulations on an annual basis to strengthen employees' awareness of social engineering and information security risks.
- The Information Technology Department regularly performs disaster recovery drills, including Active Directory (AD) disaster recovery exercises.
- The Company continuously monitors external cybersecurity developments and emerging protection trends, and issues monthly cybersecurity reports to relevant personnel.
- The Company closely follows cybersecurity intelligence and vulnerability updates issued by TWCERT/CC, the National Institute of Cyber Security (NICS), and other relevant external sources.
- Dedicated cybersecurity supervisors and personnel attend professional cybersecurity training programs provided by the Taiwan Academy of Banking and Finance and obtain relevant certification.
- The Company participates in cybersecurity conferences to maintain awareness of industry cybersecurity trends and developments.
- ISO/IEC 27001:2022 Information Security Management System internal auditor training courses are conducted to strengthen internal audit capability and compliance awareness.

4. Resources Allocated to Information Security Management:

Information security is a critical operational priority. The Company's management approach and resource deployment are as follows:

(1) Dedicated Personnel: The Company has appointed dedicated cybersecurity supervisors and personnel responsible for information security planning, technology implementation, and audit-related activities, ensuring ongoing maintenance and enhancement of cybersecurity capabilities.

(2) Training and Education: Cybersecurity awareness materials and videos are provided to all employees to strengthen security awareness. Relevant personnel receive professional cybersecurity training as required. Security policies and procedures are regularly communicated in company-wide meetings. The Company conducts five unannounced phishing simulation campaigns annually. Employees who fall victim to such simulations are required to complete cybersecurity training and pass awareness assessments.

(3) Security Monitoring and Incident Response: The Company has implemented multi-factor authentication (MFA) to enhance identity verification, advanced endpoint protection (XDR) to monitor abnormal endpoint and network behavior and prevent intrusion, advanced email security controls to filter malware, phishing, and fraudulent emails, intrusion-prevention-level firewalls, and a centralized log management system.

(4) Customer Satisfaction: No complaints have been received regarding customer data loss. The Company has met customers' cybersecurity requirements across the supply chain.

(5) Equipment Upgrades: The Company upgrades or replaces systems and equipment that do not meet cybersecurity requirements, including continuous firewall updates, database system upgrades, reporting system upgrades, AD system backup enhancements, file encryption system upgrades, backup system upgrades, replacement of legacy PCs with notebooks, and firmware upgrades for network equipment.

(6) Security Announcements and Notifications: More than 50 cybersecurity announcements and notices have been issued to communicate key policies, operational requirements, precautions, and security-related information.

(7) Application Platform Migration: Migration of three BPM workflow electronic forms and 11 ASP.NET application systems has been completed.

(8) Vulnerability Scanning: The Company operates 27 vulnerability scanning systems and has remediated 94 identified vulnerabilities.

(9) Suppliers: Cybersecurity requirements are included in supplier maintenance contracts, including requirements for remediation timelines for vulnerabilities classified as Critical or High under CVSS.

(II) No material adverse cybersecurity incidents have occurred during the most recent fiscal year and up to the publication date of this annual report.

# VII. Significant Contracts

| Contract Type | Parties | Term of Agreement | Key Terms | Restrictions |
|---|---|---|---|---|
| Entrustment Agreement | KPMG Taiwan | 2025/01/01 - 2025/12/31 | Provision of professional services including financial reporting and tax reporting services | None |
| Entrustment Agreement | Microsoft Taiwan Corporation | 2024/09/09 - 2027/09/08 | Provision of technical support services | None |

# Five. Financial Condition, Financial Performance Review and Analysis, and Risk Factors

## I. Financial Condition

Unit: NT$ thousand

| Item \ Year | 2024 | 2025 | Change | |
|---|---|---|---|---|
| | | | Amount | % |
| Current assets | 2,140,108 | 2,384,311 | 244,203 | 11.41 |
| Financial assets measured at fair value through other comprehensive income, non-current | 73,995 | 233,077 | 159,082 | 214.99 |
| Property, plant and equipment | 925,808 | 919,246 | (6,562) | (0.70) |
| Intangible assets | 62,098 | 73,044 | 10,946 | 17.62 |
| Other non-current assets | 90,468 | 94,293 | 3,825 | 4.22 |
| Total assets | 3,292,477 | 3,703,971 | 411,494 | 12.49 |
| Current liabilities | 1,281,816 | 1,404,946 | 123,130 | 9.6 |
| Non-current liabilities | 10,072 | 7,585 | (2,487) | (24.69) |
| Total liabilities | 1,291,888 | 1,412,531 | 120,643 | 9.33 |
| Share capital | 908,536 | 911,271 | 2,735 | 0.30 |
| Capital surplus | 333,056 | 366,117 | 33,061 | 9.92 |
| Retained earnings | 831,606 | 1,069,633 | 238,027 | 28.62 |
| Other equity | (76,907) | (59,254) | 17,653 | 22.95 |
| Non-controlling interests | 4,298 | 3,673 | (625) | (14.54) |
| Total equity | 2,000,589 | 2,291,440 | 290,851 | 14.53 |

(I) Key explanations for significant changes in assets, liabilities, and equity over the past two fiscal years (defined as changes exceeding 20% and NT$10 million), including their causes and impacts; where material, future response plans are disclosed:

1. Financial assets measured at fair value through other comprehensive income, non-current: primarily attributable to investments in New Taiwan Dollar-denominated bonds.
2. Retained earnings: primarily driven by higher current-period profitability.
3. Other equity: primarily resulting from recognition of share-based compensation costs associated with the issuance of restricted employee shares.

## II. Financial Performance

Unit: NT$ thousand

| Item \ Year | 2024 | 2025 | Change Amount | % Change |
|---|---|---|---|---|
| Net operating revenue | 3,178,690 | 4,056,160 | 877,470 | 27.60 |
| Cost of goods sold | 1,768,498 | 2,138,145 | 369,647 | 20.90 |
| Gross profit | 1,410,192 | 1,918,015 | 507,823 | 36.01 |
| Operating expenses | 1,101,050 | 1,267,806 | 166,756 | 15.14 |
| Operating income | 309,142 | 650,209 | 341,067 | 110.32 |
| Non-operating income and expenses | 42,519 | (52,855) | (95,374) | (224.30) |
| Profit before tax from continuing operations | 351,661 | 597,354 | 245,693 | 69.86 |
| Income tax expense | 47,321 | 87,547 | 40,226 | 85.00 |
| Net profit from continuing operations | 304,340 | 509,807 | 205,467 | 67.51 |
| Other comprehensive income, net of tax | (413) | (492) | (79) | (19.12) |
| Total comprehensive income | 303,927 | 509,315 | 205,388 | 67.57 |
| Net income attributable to owners of the parent | 304,469 | 509,807 | 205,338 | 67.44 |
| Net income attributable to non-controlling interests | (129) | — | 129 | 100.00 |
| Total comprehensive income attributable to owners of the parent | 304,055 | 509,315 | 205,260 | 67.50 |
| Total comprehensive income attributable to non-controlling interests | (128) | — | 128 | 100.00 |

(I) Explanations of changes over the past two fiscal years (may be omitted when changes are below 20%):

1. Net operating revenue, cost of goods sold, gross profit, and operating income: primarily driven by increased sales revenue during the period.
2. Non-operating income and expenses: primarily driven by increased foreign exchange losses resulting from the appreciation of the New Taiwan dollar.
3. Profit before tax from continuing operations: primarily driven by higher sales revenue.
4. Income tax expense: increased in line with higher pre-tax income.
5. Net income from continuing operations, total comprehensive income, net income attributable to owners of the parent, and total comprehensive income attributable to owners of the parent: primarily driven by higher sales revenue, resulting in improved profitability.

## III. Cash Flows

Unit: NT$ thousand

| Beginning cash balance | Net cash flows generated from operating activities during the year | Cash flows from other activities during the year | Ending cash balance | Measures for addressing cash shortfall | |
|---|---|---|---|---|---|
| | | | | Investment plan | Financing plan |
| 1,243,793 | 516,093 | (559,536) | 1,200,350 | — | — |

(I) Analysis of changes in cash flows:

1. The decrease in net cash inflows from operating activities was mainly attributable to reversal gains from inventory valuation write-downs in the current period and an increase in inventory levels.

2. The increase in net cash outflows from investing activities was mainly due to higher acquisition of financial assets measured at fair value through other comprehensive income and an increase in intangible assets during the current period.
3. The decrease in net cash outflows from financing activities was mainly due to higher cash dividend distributions in the current period, as well as an increase in short-term borrowings, compared with repayment of short-term borrowings in the same period of the previous year.

(II) Plan for improving liquidity insufficiency: Not applicable

(III) Analysis of cash liquidity for the next year:

Unit: NT$ thousand

| Beginning cash balance (1) | Estimated net cash flows from operating activities for the year (2) | Estimated cash inflows and outflows for the year (3) | Estimated ending cash balance (deficit) (1)+(2)+(3) | Measures for addressing estimated cash shortfall | |
|---|---|---|---|---|---|
| | | | | Investment plan | Financing plan |
| 1,200,350 | 498,089 | (534,794) | 1,163,645 | — | — |

## IV. Material capital expenditures in the most recent fiscal year and their impact on financial and business operations: None.

## V. Investment policy for the most recent year, primary causes of profit or loss, improvement measures, and investment plan for the coming year

| Item \ Description | Amount (NT$ Thousand) | Policy | Primary causes of profit or loss | Improvement measures | Future investment plan |
|---|---|---|---|---|---|
| Genesys Logic America, Inc. | Investment: 30,085<br>Carrying: 16,236 | Long-term investment | Investment in high-end product research and development projects | Strict control of R&D budgets and expansion of market reach | None |
| Eclat Holding Ltd. | Investment: 168,148<br>Carrying: 7,442 | Long-term investment | Operating expenses | Strict control of budgeted expenditures | None |
| Broadway System Inc. | Investment: 391,018<br>Carrying: 121,828 | Long-term investment | Company is in an expansion stage, with revenue contributions already generated | Strict control of expenditures and expansion of market reach | None |
| Broadway System America Inc. | Investment: 462<br>Carrying: 231 | Long-term investment | Operating expenses | Strict control of expenditures and expansion of market reach | None |

## VI. Risk factors: analysis and evaluation of the following matters for the most recent fiscal year and up to the publication date of this annual report:

(I) Impact of interest rate changes, exchange rate fluctuations, and inflation on the Company's results of operations and future response measures:

1. Interest rate risk
   (1) The Company's exposure to interest rate risk primarily arises from time deposits and bank borrowings. As of December 31, 2025, the net assets of floating-rate instruments held amounted to NT$986,363 thousand. If interest rates increase or decrease by 0.25%, assuming all other conditions remain unchanged, profit before tax for fiscal year 2025 would increase or decrease by NT$2,466 thousand. Accordingly, the impact of interest rate fluctuations on profit or loss is not material.
   (2) In addition to negotiating borrowing interest rates with banks based on liquidity conditions in the market to actively reduce short-term funding costs, and under the expectation that interest rates may continue to fluctuate, the Company adopts floating-rate instruments or short-term placements when deploying idle funds for investment to hedge against interest rate risk. The objective of interest rate risk management is to control market exposure within an acceptable range while maximizing investment returns.
2. Exchange rate risk
   (1) Based on the Company's net foreign currency assets as of December 31, 2025, a 1% appreciation or depreciation in exchange rates, assuming all other factors remain unchanged, would result in an increase or decrease of NT$2,899 thousand in profit before tax for 2025.

(2) As the Company's product sales are primarily denominated in U.S. dollars, it maintains U.S. dollar positions. The Company currently manages exchange rate risk through a natural hedging approach. To effectively reduce the impact of exchange rate fluctuations on revenue and profitability, a portion of U.S. dollar holdings is retained to meet U.S. dollar-denominated expenses, thereby achieving a natural hedge. The Company will also continue to regularly monitor macroeconomic conditions affecting exchange rates as the basis for future foreign exchange management strategies.

3. Inflation

The Company continuously monitors market price trends, maintains strong relationships with suppliers and customers, and promptly tracks raw material price fluctuations in order to actively mitigate the impact of inflation on overall profitability.

(II) Policies, primary causes of profit or loss, and future response measures regarding high-risk or high-leverage investments, loans of funds to others, endorsements and guarantees, and derivative financial instrument transactions:

1. Policy: To manage financial risk, the Company does not engage in high-risk or high-leverage financial investments.
2. Primary causes of profit or loss: The Company does not engage in high-risk or high-leverage financial investments; therefore, such activities have had no impact on profit or loss.
3. Future response measures: To control certain transaction risks, the Company has established internal management policies and operating procedures based on sound financial and operational principles in accordance with relevant regulations issued by the Financial Supervisory Commission. These include the "Procedures for Lending Funds to Others," "Procedures for Acquisition or Disposal of Assets," "Procedures for Endorsements and Guarantees," and the "Regulations Governing the Management of Liability Commitments and Contingent Matters."

(III) Future R&D plans and expected R&D expenditures

The Company's research and development programs have consistently aimed to meet customer requirements and have successfully developed multiple products across various application areas. Going forward, in order to maintain product competitiveness and support customers in strengthening their product advantages, the Company will continue to adopt more advanced process technologies. In addition to the current mass-production processes of 0.152μm, 0.13μm, 0.11μm, and 55nm, the Company will gradually introduce 22nm process technology. In addition to USB4®/3.2 technologies, the Company will also continue investing in the development of ultra-high-speed SerDes interface technologies to capture emerging cross-domain and cross-platform technological trends and market opportunities.

2026 R&D plans are as follows:

Unit: NT$ thousand

| R&D project | Expected additional R&D expenditure |
|---|---:|
| USB4/USB 3.2/USB 2.0/eUSB2/DP2.1 Hub Controller IC | 184,000 |
| USB 4V2 Retimer | 45,100 |
| USB 3.2 to SD Express/PCIe to SD Express Card Reader Controller IC | 19,600 |
| USB 3.2/eUSB2/PCIe Signal Repeater | 16,200 |
| Fisheye Image Processor | 18,200 |

(IV) Impact of significant domestic and international policy and legal changes on the Company's financial and business operations and corresponding measures:

The Company continuously pays close attention to major domestic and international policy and legal developments and has established contingency measures for various regulatory and policy changes. In the most recent fiscal year, there has been no material impact on the Company's financial or business operations.

(V) Impact of technological changes and industry developments on the Company's financial performance and corresponding measures:

Over the years, the Company has accumulated considerable depth in research and development capabilities and has built a broad customer base and strong market reputation. The Company's management team periodically monitors and evaluates developments in technology and industry trends.

To enhance market competitiveness, the Company will continue investing in new product development projects, managing product development timelines, implementing cost reduction initiatives, and expanding strategic partnerships. In addition, the Company will maintain a stable financial structure and preserve flexibility in capital management to respond to future market changes.

(VI) Impact of changes in corporate image on corporate crisis management and corresponding measures:
The Company is committed to upholding high ethical standards and fair business practices. Under its established integrity principles, the management team does not permit any unethical behavior and will not compromise its core values or guiding principles. In the event of a crisis, the General Manager will be responsible for directing response efforts to minimize operational disruption and financial impact, thereby ensuring continuity of operations. For the most recent fiscal year and up to the publication date of this annual report, the Company has not experienced any risk events that would materially affect normal operations or its corporate image.

(VII) Expected benefits, potential risks, and corresponding measures of mergers and acquisitions: For the most recent year and up to the publication date of this annual report, the Company has not undertaken any merger or acquisition activities.

(VIII) Expected benefits, potential risks, and corresponding measures for plant expansion: Not applicable.

(IX) Risks arising from concentrated procurement or sales and corresponding countermeasures:

| Category | Counterparty | Supply status | Countermeasures |
|---|---|---|---|
| Procurement | EOUV01 | The primary supplier is the world's largest semiconductor wafer manufacturer, offering excellent quality and delivery performance that can be reliably assessed. The Company maintains a long-term and stable cooperative relationship with this wafer supplier and has secured capacity arrangements; therefore, the supply of wafer materials is assured. | To support the development of high-end products while maintaining long-term cooperation, the supplier is able to provide a certain level of capacity for current production, effectively reducing inventory risk and shortening production lead times. |
| Procurement | EKOU02 | The supplier is a world-class semiconductor wafer manufacturer, with quality and delivery performance that meet established standards and can be reliably assessed. The Company maintains a long-term and stable cooperative relationship with this wafer supplier and has secured capacity arrangements; therefore, wafer material supply is assured. | To prevent material shortages during peak seasons that could disrupt supply, the Company has also established close business relationships with other world-class wafer manufacturers, diversified its supply sources, and effectively reduced the risks associated with supplier concentration. |

(X) Impact, risks, and corresponding measures arising from the substantial transfer or change in shareholdings of directors, supervisors, or shareholders holding more than 10% of the Company's shares: None.

(XI) Impact, risks, and corresponding measures arising from changes in control of the Company: None.

(XII) Litigation or non-litigation matters:
The Company shall disclose any material litigation, non-litigation, or administrative dispute cases involving the Company, its directors, supervisors, general manager, de facto responsible person, shareholders holding more than 10% of shares, and subsidiaries, whether finally adjudicated or still pending, where the outcome may have a material impact on shareholders' equity or securities prices. Such disclosure shall include the disputed facts, subject matter amount, commencement date of litigation, main parties involved, and the status of handling as of the publication date of this annual report: None.

(XIII) Other significant risks and corresponding measures:
The Company has established information security policies and an information security risk management framework, including network firewalls, antivirus software and email filtering systems, encrypted workstation control environments, system and data access controls, and replacement or upgrading of operating systems and equipment that do not meet information security requirements. The Company also conducts periodic internal personnel security management and information security training. Each management level carries out risk supervision in accordance with its responsibilities. After evaluating the above information security risk management mechanisms, no material operational risks have been identified.

## VII. Other significant matters: None.

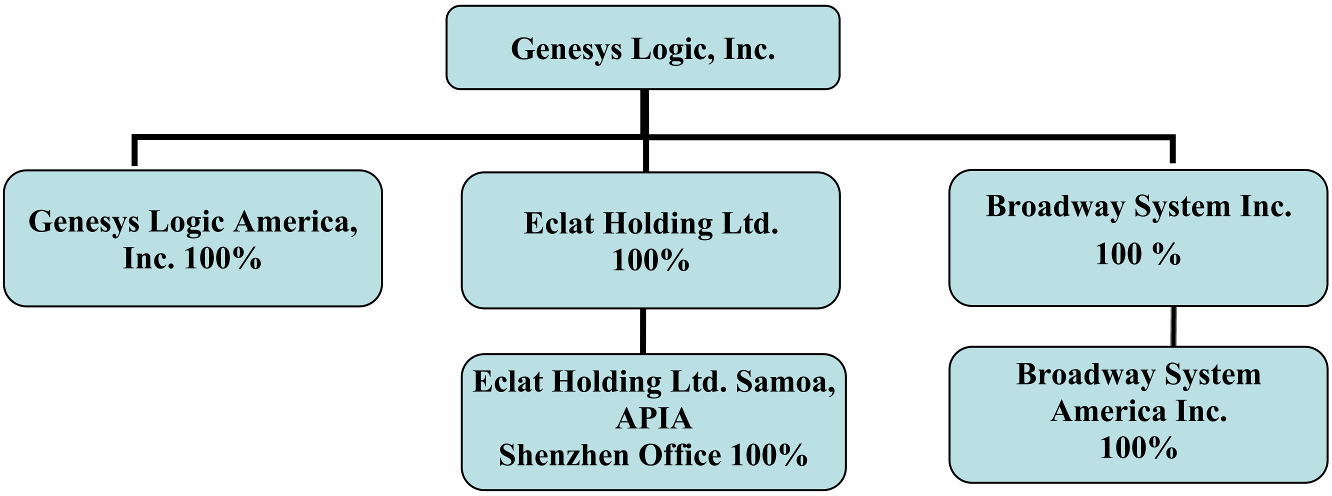
# Six. Special Disclosure Items

## I. Information regarding affiliated enterprises:

(I) Consolidated business report of affiliated enterprises

1. Organizational structure chart of affiliated enterprises

December 31, 2025




2. Basic Information of Affiliated Enterprises

Unit: Currency

| Enterprise Name | Date of Establishment | Address | Capital as of December 31, 2025 | | Principal Business Activities |
|---|---|---|---|---|---|
| | | | Currency | Amount | |
| Genesys Logic America, Inc. | 2002.03.20 | 2880 Zanker Road, Suit 102 San Jose, CA,95134 | USD | 400,000 | IC design and sales |
| Eclat Holding Ltd. | 2003.09.15 | Le Sanalele Complex, Ground Floor, Vaea Street, Saleufi, PO Box 1868, Apia, Samoa | USD | 1,500,000 | Investment holding |
| Broadway System Inc. | 2007.12.11 | 6F-6, No. 308 Zhifu Road, Zhongshan District, Taipei City, Taiwan | NTD | 200,000,000 | IC design and sales |
| Broadway System America, Inc. | 2023.05.01 | 19104 NORWALK BLVD ARTESIA, CA 90701 | USD | 15,000 | IC design and sales |

3. Details of relationships among affiliated enterprises and the division of business operations

| Enterprise Name | Controlling (Controlled) Company | Control Relationship | Division of Business Operations among Affiliated Enterprises |
|---|---|---|---|
| Genesys Logic, Inc. | Controlling company | - | Research and development, manufacturing, testing, and sales of products related to its business scope |
| Genesys Logic America, Inc. | Subsidiary | Equity control | 1. Research and development and sales of products related to its business scope<br>2. Expansion of international markets and development of customers in Europe and the United States |
| Eclat Holding Ltd. | Subsidiary | Equity control | Engaged in investment activities |
| Broadway System Inc. | Subsidiary | Equity control | Research and development and sales of products related to its business scope |
| Broadway System America Inc. | Subsidiary | Equity control | 1. Research and development and sales of products related to its business scope<br>2. Expansion of international markets and development of customers in Europe and the United States |

4. Information on Directors, Supervisors, and General Managers of Affiliated Enterprises

As of December 31, 2025 Unit: thousand shares

| Enterprise Name | Title | Name or Representative | Shares Held | |
|---|---|---|---|---|
| | | | Shares | % |
| Genesys Logic America, Inc. | Director<br>CEO | Kuo-Chao-Wang,<br>Chih-Jung Lin<br>Kuo-Chao-Wang | 40,000 | 100.00% |
| Eclat Holding Ltd. | Director, Secretary | Wang Li-Wei | 1,500 | 100.00% |
| Broadway System Inc. | Chairman<br>Director<br>President<br>Supervisor | Kuo-Chao-Wang<br>Chih-Jung Lin, 、Tsai-De Lin<br>Tsai-De Lin<br>Bao-Chian Kuo | 20,000 | 100.00% |
| Broadway System America, Inc. | Chairman<br>CEO | Kuo-Chao-Wang<br>Kuo-Chao-Wang | 15 | 100.00% |

5. Operating results of affiliated enterprises

Unit: NT$ thousand

| Enterprise Name | Capital | Total Assets | Total Liabilities | Net Assets | Operating Revenue | Operating Profit (Loss) | Net Profit (Loss) After Tax | Earnings Per Share (NT$) |
|---|---|---|---|---|---|---|---|---|
| Genesys Logic America, Inc. | 14,158 | 23,771 | 7,535 | 16,236 | 38,559 | 5,091 | 1,090 | 0.027 |
| Eclat Holding Ltd. | 47,788 | 9,341 | 1,899 | 7,442 | — | (10,498) | (10,933) | (7.288) |
| Broadway System Inc. | 200,000 | 280,376 | 154,875 | 125,501 | 375,169 | (59,101) | (59,861) | (2.993) |
| Broadway System America Inc. | 462 | 231 | — | 231 | — | (85) | (85) | (5.666) |

Note: As of December 31, 2025, the Bank of Taiwan central exchange rate was USD/NTD = 31.43; the average exchange rate for 2025 was USD/NTD = 31.18.

(II) Consolidated financial statements of affiliated enterprises:

For 2025 (from January 1, 2025 to December 31, 2025), in accordance with the "Regulations Governing Preparation of Consolidated Business Reports, Consolidated Financial Statements, and Affiliation Reports of Affiliated Enterprises," the scope of companies required to be included in the preparation of consolidated financial statements of affiliated enterprises is the same as that required under Statement of Financial Accounting Standards No. 7 for parent and subsidiary consolidated financial statements. Furthermore, all relevant information required to be disclosed in the consolidated financial statements of affiliated enterprises has already been disclosed in the aforementioned parent and subsidiary consolidated financial statements. Accordingly, no separate consolidated financial statements of affiliated enterprises are prepared.

(III) Affiliation report: Not applicable. In accordance with Article 369-12 of the Company Act, the Company is a subsidiary of a non-publicly issued company; therefore, it is not required to prepare an affiliation report.

## II. Private placement of securities during the most recent fiscal year and up to the publication date of this annual report: None.

## III. Other necessary supplementary disclosures: None.

## IV. During the most recent fiscal year and up to the publication date of this annual report, no events prescribed under Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act that may have a material impact on shareholders' equity or securities prices have occurred.

Genesys Logic, Inc.

Responsible Person: Kuo-Chao-Wang