

I. Letter to Shareholders

Dear Shareholders:

In 2023, due to factors such as the tightening of U.S. monetary policy, geopolitical tensions, and China's poor economic growth after the COVID-19, global economic growth remained slowdown and sluggish end markets demand. ACX's 2023 revenue totaled NT\$1,488,195 thousand, and net profit after tax was NT\$282,439 thousand, with a basic earnings per share of NT\$4.09. The overall operating results are mainly attributed with the joint efforts of the management team and all staff, so that ACX still maintained a stable profit trend.

Looking back over the past year, although we are still facing the global macroeconomic uncertainties, ACX has continued insisting on product innovation and technology upgrades. As transmission volume and transmission rates continue to increase, ACX continues to tap into Internet of Things, wearable and automotive and mmWave related applications in broadband and high frequency applications, and has successfully developed multi-frequency multi-mode integration components that meet customer needs. In addition, ACX can provide the solutions needed for AI smart phones due to the continuous upgrade of handsets in global markets. Furthermore, ACX continues to actively develop a variety of WiFi, NBIoT, mobile-related RF front-end (FEM) modules, system-in-package (SiP) modules, high-power device for base station, and advanced LTCC antenna substrate and filter for 5G mmWave to complement the product portfolio and significantly improve product technology. In this way, ACX hopes to further enhance ACX's long-term competitive advantage.

The world's fifth-generation mobile communication technology (5G) still keeps constantly evolving and 6G could be ready to take off soon. They are expected to bring huge economic benefits. The future demand for automotive networks, Internet of Things, self driving cars, smart cities and Low-Earth Orbit will also drive the development of 5G and 6G. In the future, ACX will continue to invest in research and development resources and widely deploy wireless communication applications. With advanced core technologies in RF circuit design, material development, process design and product testing, ACX can provide customers with diverse, miniaturized and modular products and services as well as new products from new technology applications in response to the communications market for future development.

ACX is the first design and manufacturing company in Taiwan dedicated to RF front-end devices and modules, providing advanced value-added solutions for wireless communications products using advanced ceramic and circuit design techniques and module packaging technologies. Looking forward, the application of wireless products will be more diversified and popularized, and the rapid growth of transmission rate specifications, coupled with the miniaturization of terminal products and the trend of component integration, etc., the market demand of communication applications for RF integrated components and modules required will increase. ACX will continue to focus on the wireless communications arena, developing new technologies solutions, providing customers with high value-added integrated services by accelerating technological innovation and product upgrades. With the joint efforts of the team, we will actively develop domestic and foreign customers based on advance R&D technology and production strength, strengthen strategic partnerships, and comprehensively expand the company's operating scale and market share in order to create new business achievements.

With our moderate and pragmatic business philosophy, every colleague will do our best to maximize the company's overall value. And finally, we would like to appreciate for your supporting as usually.

Advanced Ceramic X Corporation

Chairman: Shuang De Investment Corporation

Representative: Chien-Wen Kuo