

## **I. Letter to Shareholders**

Dear Shareholders:

After two years of poor operating income due to sluggish demand for end products and customer inventory adjustments, in 2024, benefiting from improved economic conditions in North America, client inventory adjustments came to a temporary halt and began replenishing normal inventory. ACX's operating revenue was NT\$1,689,803 thousand, net profit after tax was NT\$428,602 thousand, and earnings per share was NT\$6.21, with growth rates of 13.5%, 51.8%, and 51.8%, respectively. In the context of global economic polarization, the management team and all colleagues have consistently worked together to achieve impressive overall business results.

In an uncertain global economic outlook, ACX still persists in product innovation and continuous technological advancement. As the demand for transmission capacity, transmission rate, application areas and transmission reliability continues to increase rapidly, ACX continues to focus on broadband, high-frequency, low-power and high-reliability applications for the Internet of Things (IoT) in NBIoT, UWB, and RedCap, as well as for wearable devices such as AI, VR, AR, and XR, and related applications such as indoor navigation, automated intelligent vehicles, and ubiquitous global low-orbit satellite communications. We are also developing low-loss multi-frequency and multi-mode integrated components and antenna arrays to meet customer needs. In addition, in response to the continuous upgrade of cell phones worldwide, ACX is able to provide integrated solutions for different communication modes in smartphones. ACX continues to actively develop a variety of WiFi, NBIoT, and mobile phone-related FEM modules and SiP modules. ACX is also actively engaged in the development of high-power base station components, and has made progress in the research and development of substrate materials and design technologies for high-end LTCC antenna array modules and filtering components for low-orbit satellites, thus completing the product portfolio and significantly increasing the level of product technology. We expect to further enhance our long-term competitive advantage by making our product portfolio more complete and significantly raising the level of product technology.

The 5th generation of mobile communication technology (5G) continues to grow in popularity globally, the 6th generation of mobile communication technology (6G) will be fully commercialized after 2030, and the 7th generation of mobile communication technology (7G) will achieve true global wireless and visualization of all things through satellites. In line with the progress of mobile communications, WiFi 7 will continue to be popularized in wireless networks, and WiFi 8, which focuses on ultra-high reliability, will be completed by 2028. It is expected that these trends will bring significant economic



benefits. In the future, 5G~7G will be driven by the omnipresent communication needs of vehicle networking, Internet of Things, autonomous driving, smart factories, smart cities, telemedicine, and low-orbit satellites. ACX has already invested in the development of components for the second phase of 5G (millimeter wave) and WiFi 7, and has also laid out a wide range of technologies for future 6G and WiFi 8 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