



Advanced Ceramic X Corporation

2024 Annual Report

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Notice to readers

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

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Overseas Securities Exchange: None.

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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

II. Corporate Governance Report

2.1 Directors, Supervisors and Management Team

2.1.1 Directors and Supervisors

A. Directors

As of 04/13/2025

Title	Nationality / Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C	Shuang De Investment Corp.	-	06/17/2022	3	06/25/2013	46,000	0.07%	64,000	0.09%	0	0%	0	0%	None	None	None	None	None	Note 2
		Rep.: Chien-Wen Kuo	Male 51-60				1,709,481	2.48%	1,709,481	2.48%	365,017	0.53%	0	0%	•Bachelor Degree in Department of Civil Engineering •Chairman of Ting Fu Investment Corp.	Note 1	Director Director	Chih-Chun Kuo Te-Ti Han	Brother Spouse	
Director	R.O.C	Kuo Chia Fu Investment Corp.	-	06/17/2022	3	06/28/2001	5,485,189	7.95%	5,485,189	7.95%	0	0%	0	0%	None	None	None	None	None	
		Rep.: Cheng-Hsin Kuo	Male 11-40				395,709	0.57%	395,709	0.57%	0	0%	0	0%	• Bachelor of International relations • Special assistant to GM of Kuo Chia Fu Investment Corp.	Special assistant to GM of Kuo Chia Fu Investment Corp. Manager of Mei Erh Ku Construction Corp.	Director	Chih-Chun Kuo	Father and Son	
Director	R.O.C	Hsin Chang Construction Corp.	-	06/17/2022	3	06/17/2010	1,552,344	2.25%	1,552,344	2.25%	0	0%	0	0%	None	None	None	None	None	
		Rep.: Chih-Chun Kuo	Male 61-70				1,709,481	2.48%	1,709,481	2.48%	365,017	0.53%	0	0%	•Master Degree in EMBA •Chairman of Kuo Chia Fu Investment Corp.	Note 3	Chairman Director Director	Chien-Wen Kuo Te-Ti Han Cheng-Hsin Kuo	Father and Son Sister-in-law Father and Son	
Director	R.O.C	Lin Li Construction Corp.	-	06/17/2022	3	06/17/2010	1,808,271	2.62%	1,808,271	2.62%	0	0%	0	0%	None	None	None	None	None	
		Rep.: Te-Ti Han	Female 51-60				365,017	0.53%	365,017	0.53%	1,709,481	2.48%	0	0%	•Bachelor Degree in Spanish Language and Culture •Director of Lin Li Construction Corp.	Note 4	Chairman Director	Chien-Wen Kuo Chih-Chun Kuo	Spouse Sister-in-law	
Director	US	Johanson Technology Inc.	-	06/17/2022	3	06/28/2001	2,881,810	4.18%	2,881,810	4.18%	0	0%	0	0%	None	None	None	None	None	
		Rep.: John Darko Petrinc	Male 61-70				88,200	0.13%	60,200	0.09%	0	0%	0	0%	•Bachelor Degree in Ceramic engineering •President of Johanson Technology Inc.	President of Johanson Technology Inc.	None	None	None	

Note 1: Chairman of Ting Fu Investment Corp., Chairman of Lin Li Construction Corp., Chairman of Universal Asia Technology Company, Chairman of Chun Chien International Co., Ltd, Chairman of Te Li Development Co., Ltd, Director of Hsin Chang Construction Corp., Director of Lien Fu Investment Corp., Director of Mei Erh Ku Construction Corp., Director of Kuo Chia Fu Investment Corp., President of Advanced Ceramic X Corporation

Note 2: The Company has simple organizations, chairman acts as the general manager can increasing efficiency, and general manager without salary. Mr. Chien-Wen Kuo has a wealth of experience in electronics business, and company's stable profit and TOP 20% of Corporation Governance Evaluation during his tenure. The Company needs his insights to guide ACX's future direction. The board of directors has increase the number of independent directors and planning succession plan to enhance corporate governance.

Note 3: Chairman of Kuo Chia Fu Investment Corp., Chairman of Lien Fu Investment Corp., Chairman of Hsin Chang Construction Corp., Chairman of Mei Erh Ku Construction Corp., Chairman of Chien Fu Investment Co., Ltd, Chairman of Build Fun Co., Ltd, Director of Lin Li Construction Corp., Director of Ting Fu Investment Corp., Chairman of Universal Asia Technology Company, Director of Formosan Union Chemical Corp.

Note 4: Director of Lin Li Construction Corp., Chairman of Universal Asia Technology Company, Director of Ting Fu Investment Corp., Director of Lien Fu Investment Corp., Supervisor of Kuo Chia Fu Investment Corp., Supervisor of Hsin Chang Construction Corp., Supervisor of Mei Erh Ku Construction Corp.

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	US	Scientific Components Corp.	-	06/17/2022	3	04/19/2006	3,068,477	4.45%	3,068,477	4.45%	0	0%	0	0%	None	None	None	None	None	
		Rep.: Theodore C. Heil	Male 61-70				0	0%	0	0%	0	0%	0	0%	•Bachelor of Science in Electrical Engineering •President of Scientific Components Corp.	President of Scientific Components Corp.	None	None	None	
Independent Director	R.O.C	Shiuh-Kao Chiang	Male 61-70	06/17/2022	3	05/09/2007	0	0%	0	0%	0	0%	0	0%	•Ph. D. in Ceramic Engineering •Director of Gould Electronics	Managing partner of Prismark Partners LLC	None	None	None	
Independent Director	R.O.C	Shang-Ming Chin	Male 61-70	06/17/2022	3	06/25/2013	0	0%	0	0%	0	0%	0	0%	•Master Degree in EMBA •Vice President of IBM	None	None	None	None	
Independent Director	R.O.C	Chiu-Feng Lien	Male 61-70	06/17/2022	3	06/17/2022	2,0000	0.03%	2,0000	0.03%	0	0%	0	0%	• Master Degree in Electronics Engineering •Director of Explore Semiconductor Inc.	Director of Explore Semiconductor Inc. Supervisor of Explore Microelectronics Inc.	None	None	None	
Independent Director	R.O.C	Yu-Hui Ning	Female 51-60	06/17/2022	3	06/17/2022	0	0%	0	0%	0	0%	0	0%	• Master Degree in Accounting • Vice President of Advantech semiconductor Inc.	Chairman of Tsun Yu Ltd.	None	None	None	

B. Major shareholders of the institutional shareholders

As of 03/31/2025

Name of Institutional Shareholders	Major Shareholders
Shuang De Investment Corp.	Ching-Yu Chien (98%), Fang-Ling Kuo (1%), Ming-Shan Li (1%)
Kuo Chia Fu Investment Corp.	Chien-Wen Kuo (8.80%), Chih-Chun Kuo (8.69%), Lin Li Construction Corp. (8.12%), Te-Ti Han (6.91%), Hui-Chu Tsai (5.95%), Lien Fu Investment Corp. (5.32%), Hsin Chang Construction Corp. (5.17%), Ting Fu Investment Corp. (4.69%), Tun-Pei Kuo (2.56%), Lung Kai Investment Corp. (1.46%)
Johanson Technology Inc.	Johanson Family (100%)
Scientific Components Corp.	Harvey Kaylie Family Trust (79%), GK-Yacoby(15.8%)
Hsin Chang Construction Corp.	Ting Fu Investment Corp. (19.48%), Cheng-Hsin Kuo (12.65%), Cheng-Lin Kuo (12.65%), Chun Kuo(12.65%), Li Kuo (12.65%), Chih-Chun Kuo (9.45%), Chien-Wen Kuo (9.20%), Te-Ti Han (5.76%), Hui-Chu Tsai (5.51%)
Lin Li Construction Corp.	Lien Fu Investment Corp. (14.95%), Cheng-Hsin Kuo (14.12%), Cheng-Lin Kuo(14.12%), Chun Kuo (14.12%), Li Kuo(14.12%), Chih-Chun Kuo (7.90%), Chien-Wen Kuo (7.90%), Te-Ti Han (6.39%), Hui-Chu Tsai (6.38%)

C. Major shareholders of the Company's major institutional shareholders

As of 03/31/2025

Name of Institutional Shareholders	Major Shareholders
Ting Fu Investment Corp.	Lin Li Construction Corp. (30.80%), Chih-Chun Kuo (14.25%), Chien-Wen Kuo (14.20%), Te-Ti Han (11.22%), Hui-Chu Tsai (11.17%), Cheng-Hsin Kuo (4.59%), Cheng-Lin Kuo (4.59%), Chun Kuo (4.59%), Li Kuo (4.59%)
Lien Fu Investment Corp.	Hsin Chang Construction Corp. (33.58%), Chien-Wen Kuo (16.46%), Chih-Chun Kuo (16.33%), Te-Ti Han (15.98%), Hui-Chu Tsai (15.33%), Cheng-Hsin Kuo (0.77%), Cheng-Lin Kuo (0.77%), Chun Kuo (0.39%), Li Kuo (0.39%)
Lung Kai Investment Corp	Yu-Hsiung Hsieh (27.58%), Chung-Wei Hsieh (20%), Chung-Chiang Hsieh (20%), An-Tzu Hsieh Chen (12.42%), Chung-Chi Hsieh (5%), Po-Chang Hsieh (5%), Po-Hung Hsieh (5%), Po-Chieh Hsieh (5%)

D Directors and Supervisors

(A) Professional qualifications and independence analysis of directors and supervisors

As of 12/31/2024

Criteria Name	Professional Qualification and Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Shuang De Investment Corp. Rep.: Chien-Wen Kuo	Chien-Wen Kuo has extensive experience in business management, corporate governance and corporate social responsibility. He is also as Chairman of Ting Fu Investment Corp., Chairman of Lin Li Construction Corp., Chairman of Universal Asia Technology Company, Chairman of Chun Chien International Co., Ltd, Chairman of Te Li Development Co., Ltd, Director of Hsin Chang Construction Corp., Director of Lien Fu Investment Corp., Director of Mei Erh Ku Construction Corp., Director of Kuo Chia Fu Investment Corp., President of Advanced Ceramic X Corporation. Mr. Kuo holds a bachelor degree in department of civil engineering.	A juridical person is elected as director in Article 27 of the Company Law. Therefore, it does not meet independence criteria.	0
Kuo Chia Fu Investment Corp. Rep.: Cheng-Hsin Kuo	Cheng-Hsin Kuo specializes in international affairs, business management and corporate governance. He currently serves as the special assistant to the general manager of Kuo Chia Fu Investment Corp. and the manager of Mei Erh Ku Construction Corp. Mr. Kuo holds a bachelor's degree in international relations.	A juridical person is elected as director in Article 27 of the Company Law. Therefore, it does not meet independence criteria.	0
Hsin Chang Construction Corp. Rep.: Chih-Chun Kuo	Chih-Chun Kuo has extensive experience in business management and corporate governance. He is also as Chairman of Kuo Chia Fu Investment Corp., Chairman of Lien Fu Investment Corp., Chairman of Hsin Chang Construction Corp., Chairman of Chien Fu Investment Co., Ltd, Chairman of Mei Erh Ku Construction Corp., Chairman of Build Fun Co., Ltd, Director of Lin Li Construction Corp., Director of Ting Fu Investment Corp., Chairman of Universal Asia Technology Company, Director of Formosan Union Chemical Corp., Director of Fortune General Merchandise Corp. Mr. Kuo holds a master degree in EMBA.	A juridical person is elected as director in Article 27 of the Company Law. Therefore, it does not meet independence criteria.	0
Lin Li Construction Corp. Rep.: Te-Ti Han	Te-Ti Han has extensive experience in business management and corporate governance. She is also as Director of Lin Li Construction Corp., Chairman of Universal Asia Technology Company, Director of Ting Fu Investment Corp., Director of Lien Fu Investment Corp., Supervisor of Kuo Chia Fu Investment Corp., Supervisor of Hsin Chang Construction Corp., Supervisor of Mei Erh Ku Construction Corp. Ms. Han holds a bachelor degree in Spanish Language and Culture.	A juridical person is elected as director in Article 27 of the Company Law. Therefore, it does not meet independence criteria.	0
Johanson Technology Inc. Rep.: John Darko Petrincec	John has extensive experience in material science, business management, and corporate governance. He is also as GM of JTI (1990-present) and CEO of JDI (2010-present). He served vice president of Capax Technologies from 1987 to 1990. John holds a bachelor degree in ceramic engineering.	A juridical person is elected as director in Article 27 of the Company Law. Therefore, it does not meet independence criteria.	0
Scientific Components Corp. Rep.: Theodore C. Heil	Ted has extensive experience in business management and corporate governance. He is currently the GM of Scientific Components Corp. Ted has served as Vice President of Volex Inc., senior management positions at Powerwave Technologies, and management positions at American Technical Ceramics, MITEQ, and M/A-Com. Ted holds a bachelor's degree.	A juridical person is elected as director in Article 27 of the Company Law. Therefore, it does not meet independence criteria.	0

Shiuh-Kao Chiang	<p>Shiuh-Kao Chiang served as managing partner of Prismark Partners LLC from 1998. He has extensive materials science, business management, international markets and corporate governance experience. Prior to that, he served technical director of Gould Electronics.</p> <p>Mr. Chiang holds an EMBA in Cleveland State University and a Ph. D. in ceramic engineering.</p> <p>Shiuh-Kao Chiang is chairman of the Audit Committee, Compensation Committee and Nominating Committee.</p>	<p>1. Not an employee of the company or any of its affiliates.</p> <p>2. Not a director or supervisor of the company or any of its affiliates. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.</p> <p>3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.</p> <p>4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.</p> <p>5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.</p>	0
Shang-Ming Chin	<p>Shang-Ming Chin served at a variety of executive management positions in IBM for nearly 25 years, he has extensive business management, corporate governance, marketing strategy and information security experience.</p> <p>Mr. Chin holds a master degree in EMBA.</p> <p>Shang-Ming Chin is member of the Audit Committee, Compensation Committee and Nominating Committee.</p>	<p>6. If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.</p> <p>7. If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: not a director (or governor), supervisor, or employee of that other company or institution. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent.</p>	0
Chiu-Feng Lien	<p>Chiu-Feng Lien has extensive experience in business management, corporate governance, marketing strategy and human resources. He served as Director of ACX (2013-2020) and served at a variety of executive management positions in Explore Semiconductor Inc. for over 18 years. He is also as CEO & Director of Explore Semiconductor Inc. and Supervisor of Explore Microelectronics Inc.</p> <p>Mr. Lien holds a master degree in electronics engineering.</p> <p>Chiu-Feng Lien is member of the Audit Committee, Compensation Committee and Nominating Committee.</p>	<p>8. Not a director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company. Not apply to independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent, if the specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the public company.</p>	0
Yu-Hui Ning	<p>Yu-Hui Ning has extensive business management, financial, accounting and internal audit expertise. She is also as Chairman of Tsun Yu Ltd. She served vice president of Advantech semiconductor Inc. (1998 -2005) and financial director of ACX (2006 -2018).</p> <p>Ms. Ning holds a master degree in accounting, CPA(USA) and CIA certificate (Taiwan).</p> <p>Yu-Hui Ning is member of the Audit Committee, Compensation Committee and Nominating Committee.</p>	<p>9. Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.</p> <p>10. Not having a marital relationship, or a relative within the second degree of kinship to any other director of the Company.</p> <p>11. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.</p>	0

Note1: All directors do not meet the conditions stipulated in Article 30 of the Company Law.

(B) Diversity and independence of Board of Directors

a. Diversity of Board of Directors

(1) Policy

Members of the Board are diversified, with different nationalities, genders, skills and professional backgrounds, to form a well-balanced structure.

(2) Target

The Board of Directors shall have least four independent directors, least one director from another country, and least one female director. All members of the board shall have the knowledge, skills, and experience necessary to perform their duties.

(3) State of implementation:

The board of directors comprises of ten members, including four independent directors (40%), two foreign directors (20%) and two female director (20%); The age distribution of directors includes one directors aged 31-40 (10%), three directors aged 51-60 (30%) and six directors aged 61-70 (60%). All members of the board shall have the knowledge, skills, and experience necessary to perform their duties.

(4) Reasons and plans for less than one-third of the seats held by either gender on the board of directors:

The diversity of the Company's directors is based on factors such as independence, nationality and gender. The Company will continue to evaluate and seek suitable female directors.

b. Independence of Board of Directors

- More than half of the directors do not spousal relationship or familial relationship within the second degree of kinship.
- More than half of the director seats are filled by members of outside companies.
- Independent directors account for 40% of the board.
- All independent directors meet the restriction of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies for other mandates, each independent director concurrently does not serve as an independent director for more than 3 listed companies.

2.1.2 Management Team

As of 04/13/2025

Title	Nationality	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	R.O.C	Chien-Wen Kuo	Male	12/13/2013	1,709,481	2.48%	365,017	0.53%	0	0%	•Bachelor Degree in Department of Civil Engineering, Chung Yuan Christian University •Chairman of Ting Fu Investment Corp.	Note 1	None	None	None	Note 2
Vice President	R.O.C	Chih-Wen Shen	Male	10/23/2013	0	0%	0	0%	0	0%	•Ph. D. in Electrical Communication Engineering, National Chiao Tung University •Vice President of Scientific Technics Co., Ltd.	None	None	None	None	
Director	R.O.C	Cheng-Chi Lin	Female	08/01/1998	16,596	0.02%	0	0%	0	0%	•Master Degree in Applied Chemistry, National Chiao Tung University •Material Research Fellow of Industrial Technology Research Institute	None	None	None	None	
Director	R.O.C	Chun-Hung Liu	Male	08/03/2010	7,500	0.01%	300	0%	0	0%	•Master Degree in Materials Science and Engineering, National Tsing Hua University	None	None	None	None	Note 3
Accounting officer	R.O.C	Hsien-Liang Chou	Male	11/29/2024	0	0%	0	0%	0	0%	•Bachelor Degree, China University of Technology •Internal Audit Officer of Advanced Ceramic X Corp.	None	None	None	None	

Note 1: Chairman of Ting Fu Investment Corp., Chairman of Lin Li Construction Corp., Chairman of Universal Asia Technology Company, Chairman of Chun Chien International Co., Ltd, Chairman of Te Li Development Co., Ltd, Director of Hsin Chang Construction Corp., Director of Lien Fu Investment Corp., Director of Mei Erh Ku Construction Corp., Director of Kuo Chia Fu Investment Corp.

Note 2: The Company has simple organizations, chairman acts as the general manager can increasing efficiency, and general manager without salary. Mr. Chien-Wen Kuo has a wealth of experience in electronics business, and company's stable profit and TOP 20% of Corporation Governance Evaluation during his tenure. The Company needs his insights to guide ACX's future direction. The board of directors has increase the number of independent directors and planning succession plan to enhance corporate governance.

Note 3: Director, Chun-Hung Liu, officially withdrew from her position on December 31, 2024.

2.1.3 Remuneration of Directors, Supervisors, President, and Vice Presidents

A. Remuneration of Directors

As of 12/31/2024; Unit: NT\$ thousands; Shares in thousands

Title	Name	Remuneration								Total Remuneration and Ratio of Total Remuneration (A+B+C+D) to Net Income (%) Note 2		Relevant Remuneration Received by Directors Who are Also Employees								Total Remuneration and Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C) Note 1		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
		The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company		Companies in the Financial Reports		The Company	Companies in the Financial Reports	
																Cash	Stock	Cash	Stock			
Chairman	Shuang De Investment Corp. Rep.: Chien-Wen Kuo	0	0	0	0	859.5	859.5	24	24	883.5 0.21%	883.5 0.21%	0	0	0	0	0	0	0	0	883.5 0.21%	883.5 0.21%	None
Director	Kuo Chia Fu Investment Corp. Rep.: Cheng-Hsin Kuo	0	0	0	0	859.5	859.5	18	18	877.5 0.20%	877.5 0.20%	0	0	0	0	0	0	0	0	877.5 0.20%	877.5 0.20%	None
Director	Hsin Chang Construction Corp. Rep.: Chih-Chun Kuo	0	0	0	0	859.5	859.5	24	24	883.5 0.21%	883.5 0.21%	0	0	0	0	0	0	0	0	883.5 0.21%	883.5 0.21%	None
Director	Lin Li Construction Corp. Rep.: Te-Ti Han	0	0	0	0	859.5	859.5	24	24	883.5 0.21%	883.5 0.21%	0	0	0	0	0	0	0	0	883.5 0.21%	883.5 0.21%	None
Director	Johanson Technology Inc. Rep.: John Darko Petrinec	0	0	0	0	859.5	859.5	6	6	865.5 0.20%	865.5 0.20%	0	0	0	0	0	0	0	0	865.5 0.20%	865.5 0.20%	None
Director	Scientific Components Corp. Rep.: Theodore C. Heil	0	0	0	0	859.5	859.5	12	12	871.5 0.20%	871.5 0.20%	0	0	0	0	0	0	0	0	871.5 0.20%	871.5 0.20%	None
Independent Director	Shiuh-Kao Chiang	0	0	0	0	859.5	859.5	30	30	889.5 0.21%	889.5 0.21%	0	0	0	0	0	0	0	0	889.5 0.21%	889.5 0.21%	None
Independent Director	Shang-Ming Chin	0	0	0	0	859.5	859.5	18	18	877.5 0.20%	877.5 0.20%	0	0	0	0	0	0	0	0	877.5 0.20%	877.5 0.20%	None
Independent Director	Chiu-Feng Lien	0	0	0	0	859.5	859.5	24	24	883.5 0.21%	883.5 0.21%	0	0	0	0	0	0	0	0	883.5 0.21%	883.5 0.21%	None
Independent Director	Yu-Hui Ning	0	0	0	0	859.5	859.5	30	30	889.5 0.21%	889.5 0.21%	0	0	0	0	0	0	0	0	889.5 0.21%	889.5 0.21%	None

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration: please refer to page 12 of this annual report.

2. Other than disclosure in the above table, Directors remunerations earned by providing services (e.g. providing consulting services as a non-employee) to ACX and all consolidated entities in the 2024 financial statements: None.

Note 1: The employees' compensation and Directors' compensation for year 2024 were NT\$28,650 thousand and NT\$8,595 thousand, respectively, which were passed by the Board of Directors' meeting on February 25, 2025.

Qualifications for remuneration payment of directors must be in office before the general shareholders meeting; When a director is not eligible for payment, his remuneration will be distributed equally to serving directors.

Note 2: The net income for year 2024 was NT\$428,602 thousand.

B. Compensation of Supervisors: N/A

C. Compensation Paid to President and Vice Presidents

As of 12/31/2024; Unit: NT\$ thousands; Shares in thousands

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D) Note 1				Total Compensation and Ratio of Total Compensation (A+B+C+D) to Net Income (%)		Compensation Paid to the President and Vice Presidents from an Invested Company Other than the Company's Subsidiary
		The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports	The Company		Companies in the Financial Reports		The Company	Companies in the Financial Reports	
								Cash	Stock	Cash	Stock			
President	Chien-Wen Kuo													
Vice President	Chih-Wen Shen	2,128	2,128	108	108	1,350	1,350	2,357	0	2,357	0	5,943 1.39%	5,943 1.39%	None

Note 1: The employees' compensation for year 2024 was NT\$28,650 thousand which was passed by the Board of Directors' meeting on February 25, 2025. Employee compensation percentage used last year is adopted.

Note 2: The net income for year 2024 was NT\$428,602 thousand.

Range of Compensation	Name of President and Vice Presidents	
	The Company	Companies in the Financial Reports
Under NT\$ 1,000,000	Chien-Wen Kuo	Chien-Wen Kuo
NT\$1,000,001 ~ NT\$2,000,000		
NT\$2,000,001 ~ NT\$3,500,000		
NT\$3,500,001 ~ NT\$5,000,000		
NT\$5,000,001 ~ NT\$10,000,000	Chih-Wen Shen	Chih-Wen Shen
NT\$10,000,001 ~ NT\$15,000,000		
NT\$15,000,001 ~ NT\$30,000,000		
NT\$30,000,001 ~ NT\$50,000,000		
NT\$50,000,001 ~ NT\$100,000,000		
Over NT\$100,000,000		
Total	2	2

D. Employee Compensation Paid to Management Team

As of 12/31/2024; Unit: NT\$ thousands

Title		Name	Employee Compensation - in Stock (Fair Market Value)	Employee Compensation - in Cash	Total	Ratio of Total Amount to Net Income (%)
Executive Officers	President	Chien-Wen Kuo	0	3,411	3,411	0.80%
	Vice President	Chih-Wen Shen				
	Director	Cheng-Chi Lin				
	Director	Chun-Hung Liu (Note 3)				
	Accounting Officer	Hsien-Liang Chou				

Note 1: The employees' compensation for year 2024 was NT\$28,650 thousand which was passed by the Board of Directors' meeting on February 25, 2025. Employee compensation percentage used last year is adopted.

Note 2: The net income for year 2024 was NT\$428,602 thousand.

Note 3: Director, Chun-Hung Liu, officially withdrew from her position on December 31, 2024.

2.1.4 Comparison of Remuneration for Directors, Supervisors, President and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Supervisors, President and Vice Presidents

Year Items	2023		2024	
	The Company	Companies in the Financial Reports	The Company	Companies in the Financial Reports
Director	2.09%	2.09%	2.05%	2.05%
Supervisor	N/A	N/A	N/A	N/A
President and Vice President	1.52%	1.52%	1.39%	1.39%
Total	3.61%	3.61%	3.44%	3.44%

Remuneration for directors is made according to the Company's Articles of Incorporation. According to the Article, if there is any net profit after closing of a fiscal year, no more than 1.5% of the same shall be allocated as directors' compensation. The rational of directors' remuneration policy takes into account the Procedures for Board Performance Evaluation, overall business performance of the Company, operation requirement and development of the industry in the future, individual director contribution to the Company's operations and remuneration standard of the industry. The reasonable directors' compensation is proposed by the Compensation Committee and approved by the Board of Directors. Compensation to management and employee is according to the Company's Articles of Incorporation, employer salary and performance assessment rules. The compensation is measured based on the department and individual performance evaluation (such as number of environmental pollution cases, professional ethics and compliance with regulations, number of occupational accidents, corporate governance assessment results, etc.), contribution made to the business operation, and remuneration standard of the industry. Thus, we do not expect any significant risk of uncertainty arising from the compensation policy in the future.

2.2 Implementation of Corporate Governance

2.2.1 Board of Directors

A total of 4 (A) meetings of Board of Directors were held in 2024. Director attendance was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks
Chairman	Shuang De Investment Corp. Rep.: Chien-Wen Kuo	4	0	100	
Director	Kuo Chia Fu Investment Corp. Rep.: Cheng-Hsin Kuo	3	1	75	
Director	Hsin Chang Construction Corp. Rep.: Chih-Chun Kuo	4	0	100	
Director	Lin Li Construction Corp. Rep.: Te-Ti Han	4	0	100	
Director	Johanson Technology Inc. Rep.: John Darko Petrinc	4	0	100	
Director	Scientific Components Corp. Rep.: Theodore C. Heil	4	0	100	
Independent director	Shiuh-Kao Chiang	4	0	100	
Independent director	Shang-Ming Chin	4	0	100	
Independent director	Chiu-Feng Lien	4	0	100	
Independent director	Yu-Hui Ning	4	0	100	

Other mentionable items:

1. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the Company's response should be specified:

(1) Matters referred to in Article 14-3 of the Securities and Exchange Act.

Board of Directors Meeting Date	Resolutions	Independent Director' Opinions and the Company's Response
02/27/2024 The 8th meeting of the 9th session	<ul style="list-style-type: none"> Approved the change of financial officer, accounting officer and corporate governance officer. Evaluation of independence and qualification of the CPA to be engaged by the Company. Approval of the 2023 statement of the internal control system. Approval of the business report and financial statements for the year of 2023. Approved to purchase of clean room and office projects for the new factory. Amendment to the Company's internal control system. 	No independent director had a dissenting opinion or qualified opinion to the proposal and all attending directors agree to pass the proposal.
05/07/2024 The 9th meeting of the 9th session	Evaluation of independence and qualification of the CPA to be engaged by the Company.	
11/05/2024 The 11th meeting of the 9th session	Establishment of "Management of Sustainability Information" internal control procedures and its internal audit procedures.	

(2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the Board of Directors: None.

2. If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None.

3. Implementation of self-evaluations by the Company's Board of Directors:

Evaluation Cycle	Evaluation Period	Scope of Evaluation	Evaluation Method	Evaluation Items
Once a year	2024	Performance of the Board of Directors, board members and functional committee	Internal evaluation of the board, self-evaluation by individual board members, internal evaluation of the functional committee	<p>The Board's performance evaluation by self-assessment:</p> <ol style="list-style-type: none"> 1. Participation in the operation of the Company. 2. Improvement of the quality of the Board of Directors' decision making. 3. Composition and structure of the Board of Directors. 4. Election and continuing education of the directors. 5. Internal controls. <p>Self-assessment of Board members:</p> <ol style="list-style-type: none"> 1. Their grasp of the Company's goals and missions. 2. Their recognition of director's duties. 3. Their degree of participation in the Company's operations. 4. Their management of internal relationships and communications. 5. Their professionalism and continuing professional education. 6. Internal controls. <p>The functional committee's performance evaluation by self-assessment:</p> <ol style="list-style-type: none"> 1. Participation in the operation of the Company. 2. Awareness of the duties of the functional committee. 3. Improvement of quality of decisions made by the functional committee. 4. Makeup of the functional committee and election of its members. 5. Internal controls.

Board performance evaluation in 2024, the Board's and functional committee's performance were graded as excellent. Detailed information regarding the above evaluation was reported to the Board at the Board Meeting of February 25, 2025.

4. Measures taken to strengthen the functionality of the board: The Board of Directors has established an Audit Committee and a Remuneration Committee to assist the board in carrying out its various duties.

- (1) After the election held in the AGM on June 17, 2022, four independent directors has organized the Audit Committee to supervise the following matters: (a) fair presentation of the financial reports of the Company, (b) the hiring (and dismissal) and independence of certificated public accountants of the Company, (c) the effective implementation of the internal control system of the Company, (d) compliance with relevant laws and regulations by the Company, and (e) Control of the existing or potential risks of the Company.
- (2) The Board had approved “Ethical Corporate Management Best Practice Principles”, “Codes of Ethical Conduct”, “Corporate Governance Best Practice Principles”, “Sustainable Development Best Practice Principles” and “Risk Management Best Practice Principles” in order to strengthen the functionality of the Board and enhance information transparency.

2.2.2 Audit Committee

A. The Company’s Audit Committee was established on June 25, 2013.

B. The Audit Committee assists the Board in fulfilling its oversight of the finance reporting and internal control system of the Company. The discussion items in 2024 are as follows:

1. The adoption or amendments of internal control systems and internal audit systems.
2. Assessment of the effectiveness of the internal control system.
3. The hiring or dismissal of an attesting CPA, or the compensation given thereto.
4. The appointment of a financial and accounting officer.
5. Annual financial reports and quarter financial reports.
6. The adoption of internal audit plan.

C. A total of 4 (A) meetings of the Audit Committee meetings were held in 2024.

Independent director attendance was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks
Independent director	Shiuh-Kao Chiang	4	0	100	
Independent director	Shang-Ming Chin	4	0	100	
Independent director	Chiu-Feng Lien	4	0	100	
Independent director	Yu-Hui Ning	4	0	100	

Other mentionable items:

1. If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company’s response to the Audit Committee’s opinion should be specified:

(1) Matters referred to in Article 14-5 of the Securities and Exchange Act.

Audit Committee Meeting Date	Resolutions	Items Prescribed by Article 14-5 of the Securities and Exchange Act	Resolutions of the Audit Committee and the Company’s Response
02/27/2024 The 7th meeting of the 4th session	<ul style="list-style-type: none"> • Reviewed the 2023 fourth quarter internal auditor report. • Approved the change of financial officer, accounting officer and corporate governance officer. • Evaluation of independence and qualification of the CPA to be engaged by the Company. • Approval of the 2023 statement of the internal control system. • Approval of the business report and financial statements for the year of 2023. • Recommendation of the distribution of earnings for the year of 2023. • Approved to purchase of clean room and office projects for the new factory. • Approval of the budget plan of the Company for the year of 2024. • Amendment to the Company’s internal control system. 	<p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p>	No Audit Committee member had any dissenting opinion or qualified opinion to the proposal and all attending members agree to pass the proposal.

05/07/2024 The 8th meeting of the 4th session	<ul style="list-style-type: none"> Reviewed the 2024 first quarter internal auditor report. Evaluation of independence and qualification of the CPA to be engaged by the Company. Report of the financial statement for the first quarter of 2024. 	V	
07/30/2024 The 9th meeting of the 4th session	<ul style="list-style-type: none"> Reviewed the 2024 second quarter internal auditor report. Report of the financial statement for the second quarter of 2024. 		
11/05/2024 The 10th meeting of the 4th session	<ul style="list-style-type: none"> Reviewed the 2024 third quarter internal auditor report. Report of the financial statement for the third quarter of 2024. Establishment of “Management of Sustainability Information” internal control procedures and its internal audit procedures. Approval of auditing plan for 2025. 	V	

(2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.

2. If there are independent directors’ avoidance of motions in conflict of interest, the directors’ names, contents of motion, causes for avoidance and voting should be specified: None.

3. Communications between the independent directors, the internal auditors and independent auditors (e.g. the material items, methods and results of audits of corporate finance or operations, etc.)

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

Date	Communication	Independent Directors’ Opinion
02/27/2024 Audit Committee	<ul style="list-style-type: none"> Reviewed the 2023 fourth quarter internal auditor report. Approved of the effective implementation of the internal control system. 	None
05/07/2024 Audit Committee	<ul style="list-style-type: none"> Reviewed the 2024 first quarter internal auditor report. 	None
07/30/2024 Audit Committee	<ul style="list-style-type: none"> Reviewed the 2024 second quarter internal auditor report. 	None
11/05/2024 Audit Committee	<ul style="list-style-type: none"> Reviewed the 2024 third quarter internal auditor report. Approval of auditing plan for 2025. 	None

The internal auditor communicates with independent directors through monthly audit report, reporting audit execution status in Audit Committee meeting at least one time each quarter, and report to independent directors any time when there are special circumstances. The communications between the independent directors and the internal auditors work well.

(2) Communications between the independent directors and the independent auditors:

Date	Communications	Independent Directors’ Opinion
02/27/2024 Audit Committee	<ul style="list-style-type: none"> Reviewed auditing scope, the independent auditors’ responsibility and independence, major accounting estimates and audit result for 2023. Review regulatory developments. 	None

The independent auditors communicated with Audit Committee, including results of the audited or reviewed quarterly financial report, the significant audit findings, the determination that key audit matters should be communicated in the auditors’ report, impact on the Company of regulatory changes. The independent auditors report to independent directors from time to time when there are special circumstances. The communications between the independent directors and the independent auditors work well.

2.2.3 Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		The Company has established the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and approved of Board of Directors on 08/19/2009. The information has been disclosed on the MOPS website and Company’s website.	None
2. Shareholding structure & shareholders’ rights				None
(1) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure?	✓		The Company established internal procedures and assigned designated departments to handle shareholder suggestions, doubts, disputes and litigations.	
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		The Company tracks the shareholdings of directors, officers and shareholders’ holding more than 10% of the Company’s outstanding shares.	
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	✓		The Company has established internal control system and Procedures to Supervision and Management of Subsidiaries to establish and execute the risk management and firewall system within its conglomerate structure.	
(4) Does the company establish internal rules against insiders trading with undisclosed information?	✓		<p>The Company established “Codes of Ethical Conduct”, “Employees for Code of Ethical Conduct” and “Standards of Behavior Regarding Insider Trading”, strictly prohibiting staffs and managers from insider trading with material nonpublic information. Violators are subject to punishment, investigation, and legal liability.</p> <p>The Company carries out regular training and propaganda of ethical for its directors and employee every year. For new employees, training on personnel rules, management systems, business ethics, prevention of insider trading, and all other CSR-related subjects are carried out on their first day of work.</p> <p>The Company's implementations of prevention of insider trading in 2024</p> <ol style="list-style-type: none"> 1. New employees sign the “Code of Ethic Commitment” on their first day of work. 2. Participants of prevention of insider trading training total 30 personnel. 3. Notify directors and managers that trading in stocks is prohibited 30 days before the announcement of the financial report. 4. The Company has not any matters about discipline of insider trading conduct in 2024. 	
3. Composition and Responsibilities of the Board of Directors				None
(1) Does the Board develop and implement a diversified policy for the composition of its members?	✓		Members of the Board are diversified, with different nationalities, genders, skills and professional backgrounds, to form a well-balanced structure. The diversity of composition of the Board of Directors, please refer to pages 6-8 of this annual report.	

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Illustration	
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	✓		The Company has established a Compensation Committee and Audit Committee in accordance with law, and we have also voluntarily established Nominating Committee in consideration of corporate matters and development. The Audit Committee, Compensation Committee and Nominating Committee are composed of independent directors.	
(3) Does the company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?	✓		The Company has established "Procedures Governing the Performance Evaluation of Board of Directors" on 08/11/2015 and conducts it annually, and to submit the results of performance assessments to the board of directors and use them as reference in determining compensation for individual directors, their nomination and additional office term.	
(4) Does the company regularly evaluate the independence of CPAs?	✓		<p>The Company's Audit Committee regularly refer to the Audit Quality Indicators (AQIs) evaluates the independence and suitability of CPAs every year, and submits the evaluation results to the Board of Directors.</p> <p>standards for CPA independence and suitability:</p> <ol style="list-style-type: none"> 1. Whether the CPA has a direct or materially indirect financial interest in the Company. 2. Whether the CPA or the audit team members serve as a director, manager or in a position of the Company that could significantly influence the audit work either currently or in the past two years. 3. Whether the CPA acts as a defender of the Company or resolves conflicts with a third party on behalf of the Company. 4. Whether the CPA has close relationship with the Company's directors, managers or persons in a position that could significantly influence the audit work. 5. Whether the CPA has created intimidation threats with actual or perceived pressures of the Company. 6. Whether the CPA Independence is influenced of result from the non-assurance services. 7. AQIs are referenced to ensure that CPAs possess audit expertise, training hours and professional support superior to average industry standards. CPAs must not have any external inspection deficits and penalties. The accounting firm should also continue to integrate digital audit tools to enhance audit quality. 	
4. Does the company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the Board of Directors and the shareholders' meetings, and producing minutes of Board meetings and shareholders' meetings and shareholders' meetings and shareholders' meetings)	✓		<p>The Board of Director appointed financial director as company secretary, the corporate governance team under the president office as the department responsible for corporate governance and business integrity, to safeguard shareholder rights and strengthen the Board's functioning. Primary duties are to provide the Board directors with information needed for executing their roles, conducting and producing meeting minutes Board Meetings, Audit Committee Meetings, and Shareholder Meetings, assisting in on boarding and continuous development of directors and to assist the Board Directors with legal compliance.</p> <p>The company secretary is an officer of the Company and has been in internal officer for at over three years in a public company.</p> <p>The Company's implementations of corporate governance in</p>	

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Illustration	
meetings)?			2024: 1. Conducted matters relating to Board Meetings and Shareholder Meeting. 2. Recorded minutes of Board Meetings and Shareholder Meeting. 3. Regularly conduct performance evaluation pursuant to the rules for “Board of Directors Self-Assessment of Performance”. 4. Assisting continuous development of directors.	
5. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		The Company set up telephone numbers and email addresses in the “Stakeholder Area” of the corporate website for communication with stakeholders. Designated personnel and contact information are available to handle all enquiries and respond to any key issues raised by stakeholders. Please refer to the Company’s ESG report and corporate website for issues of concern and communication channel of stakeholders.	None
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The Company has appointed the professional agency “Transfer Agency Department, Taishin Securities Co., Ltd” to deal with shareholder affairs.	None
7. Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	✓		The Company has set up website (www.acxc.com.tw) to disclose information regarding the Company’s financial standings, business, corporate governance and sustainable development status.	None
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	✓		The Company has set up its website, and has assigned an appropriate person to handle information collection and disclosure. The Company has designated the spokesperson and deputy spokesperson in charge of making external statements. Investor conference information is disclosed on the corporate website.	
(3) Does the company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?	✓		The Company has publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.	
8. Is there any other important information to facilitate a better understanding of the company’s corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors’ training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing	✓		Employee rights and employee wellness: Please refer to the “4.5 Labor Relations” section on pages 44-45 of this annual report. Investor relations: To achieve openness and information transparency, the Company has delegated specific personnel to announce information including finance and business, on the MOPS website and corporate website on a timely basis in compliance with the related regulations. Supplier relations and rights of stakeholders: The Company has maintain channels of communication with its banks, other creditors, employees, consumers, suppliers, community, or other stakeholders of the Company, respect and safeguard their legal rights and interests, and designate a	None

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Illustration	
insurance for directors and supervisors)?			<p>stakeholders area on its website. When any of a stakeholder's legal rights or interests is harmed, the Company has handled the matter in a proper manner and in good faith.</p> <p>Directors' training records: Please refer to the "2.2.12 Continuing Education of Directors in 2024" section on page 31 of this annual report.</p> <p>The implementation of risk management policies and risk evaluation measures: Please refer to the "V. Review of Financial Conditions, Financial Performance, and Risk Management" on pages 50-51 of this annual report.</p> <p>The implementation of customer relations policies: The Company normally maintains close contact with its customers, and ensures products can achieve the expected reliability and quality. Moreover, the Company also actively participates in the customers' ESG and ethical policies.</p> <p>Purchasing insurance for directors: To reduce and spread the risk of material harm to the Company and shareholders arising from the wrongdoings or negligence of a director, the Company purchaser liability insurance for Directors each year.</p>	
9. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures: None.				

2.2.4 Composition, Responsibilities and Operations of the Compensation Committee or Nominating Committee

A. Duties of the Compensation Committee

- a. The Company's Compensation Committee was established on November 15, 2011.
- b. The members of the Compensation Committee are appointed by the Board of Directors and the Compensation Committee shall consist of four members. The responsibilities of committee are as follows:
 1. Prescribe and periodically review the performance review and remuneration policy, system, standards, and structure for directors and executives.
 2. Periodically evaluate and prescribe the remuneration of directors and executives.

B. Professional Qualifications and Independence Analysis of Compensation Committee Members

Title	Criteria Name	Experience Professional Qualification and Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member
Independent Director	Shiuh-Kao Chiang	Please refer to page 7 of this annual report.		0
Independent Director	Shang-Ming Chin			0
Independent director	Chiu-Feng Lien			0
Independent director	Yu-Hui Ning			0

C. Attendance of Members at Compensation Committee Meetings

- a. The Compensation Committee has four members.
- b. The tenure of the 4th session is from June 17, 2022 to June 16, 2025. A total of 2 (A) meetings of the Compensation Committee were held in 2024. Member attendance was as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks
Chairman	Shiuh-Kao Chiang	2	0	100	
Committee Member	Shang-Ming Chin	2	0	100	
Committee Member	Chiu-Feng Lien	2	0	100	
Committee Member	Yu-Hui Ning	2	0	100	

Other mentionable items:

1. If the Board of Directors declines to adopt or modifies a recommendation of the compensation committee, it should specify the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the Company's response to the compensation committee's opinion (e.g., the remuneration passed by the Board of Directors exceeds the recommendation of the compensation committee, the circumstances and cause for the difference shall be specified): None.
2. Resolutions of the compensation committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.

c. Major resolutions of Compensation Committee are summarized as follows:

Compensation Committee Meeting Date	Resolutions	Resolutions of the Compensation Committee and the Company's Response
02/27/2024 The 4th meeting of the 5th session	<ul style="list-style-type: none"> · Evaluation directors' compensations for the year of 2023. · Evaluation employees' compensations for the year of 2023. · Reviewing director's system and structure of the remuneration for the year of 2024. · Reviewing manager's system and structure of the remuneration for the year of 2024. · Approval of employees' and directors' compensations for the year of 2024. 	No Compensation Committee member had any dissenting opinion or qualified opinion to the proposal and all attending members agree to pass the proposal.
11/05/2024 The 5th meeting of the 5th session	· Approval of directors' and employees' compensations for the year of 2024.	

D. Attendance of Members at Nominating Committee Meetings:

◆ Criteria and Duties for Members of Nominating Committee

The members of the Nominating Committee are appointed by the Board of Directors and the Nominating Committee shall consist of four members. The responsibilities of committee are as follows:

1. Laying down the standards of independence and a diversified background covering the expertise, skills, experience, gender, etc. of board of directors, and finding, reviewing, and nominating candidates for directors based on such standards.
2. Establishing and developing the organizational structure of the board and each committee, and evaluating the performance of the board, each committee and each director.
3. Establishing and reviewing on a regular basis programs for director continuing education.
4. Establishing and amending on corporate governance guidelines and related regulations of the Company.

◆ Professional Qualifications and Attendance of Nominating Committee Members

a. The Nominating Committee has four members.

b. The tenure of the 1st session is from June 17, 2022 to June 16, 2025. A total of 1 (A) meetings of the Nominating Committee were held in 2024. Member attendance was as follows:

Title	Name	Experience Professional Qualification and Experience	Attendance in Person(B)	By Proxy	Attendance Rate (%) 【 B/A 】	Remarks
Chairman	Shiuh-Kao Chiang	Please refer to page 7 of this annual report.	2	0	100	
Committee Member	Shang-Ming Chin		2	0	100	
Committee Member	Chiu-Feng Lien		2	0	100	
Committee Member	Yu-Hui Ning		2	0	100	

The dates of meetings, sessions, contents of motion, all committee member' opinions, resolutions of the Nominating Committee and the Company's response to the Nominating Committee's opinion should be specified as follows:

Nominating Committee Meeting Date	Resolutions	Resolutions of the Nominating Committee and the Company's Response
02/27/2024 The 4th meeting of the 1st session	<ul style="list-style-type: none"> · Review and revision Company's functional committees charter. · Review and revision Company's "Rules for continuing education for directors" · Approval of Board of Directors, functional committees and board member performance evaluation 	No Nominating Committee member had any dissenting opinion or qualified opinion to the proposal and all attending members agree to pass the proposal.
11/05/2024 The 5th meeting of the 1st session	· Directors' continuing education schedule in 2025	

2.2.5 Promotion of Sustainable Development and Deviations from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies"

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Explanation	
1. Does the company establish exclusively (or concurrently) dedicated first-line managers authorized by the board to be in charge of proposing the corporate social responsibility policies and reporting to the board?	✓		The sustainable development group was established to develop and implement policies or practices pertaining to the implementation of corporate governance, a sustainable environment, and safeguarding public interest. The group chairperson is headed by the president and comprises the following promotion teams: Corporate Governance, Employee Development, Green Products, Service of Customer, Supplier Management, Environment Protection and Social Participation. They are responsible for formulating corporate social responsibility policies, and objectives and activities for implementing corporate social responsibility-related events. The leader of each promotion team is usually the head of division, and team's members are composed of relevant business departments. The Group performs its duties based on the P-D-C-A cycle. At least once a year, the group is reviewed for its effectiveness and a written inspection report to Board of Directors.	None
2. Does the company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?	✓		The Company assesses ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies. Corporate Social Responsibility policy 1. Do honestly manage the Company and comply with the law, respect intellectual property and be transparency. 2. Any kind of bribery, extortion, or embezzlement is prohibited to perform well at corporate governance. 3. Esteem the human rights of workers and prohibited employ underage workers with unfair welfare. 4. Meet all government environmental protection, safety, and health regulations and strive to comply with international environmental protection, safety and health standards. 5. The targets of zero accident, zero pollution, and zero occupational disease provide safety and healthy working conditions for worker. 6. Implement social responsibility with continuity conduct.	None
3. Environmental Issues (1) Does the company establish proper environmental management systems based on the characteristics of their industries? (2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment? (3) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	✓ ✓ ✓		The Company has acquired ISO-14001 certifications and designated a person for system management as well as regular review every year. (Valid until 05/24/2027) The Company continues utilizing all resources more efficiently such as utilize electricity, water and paper more efficiently, reducing packaging resources, water recycling, and waste management and recycling. The Company has evaluated potential risks and opportunities brought by climate change, and take response measures to climate-related issues.	None

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Explanation	
(4) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?	✓		<p>The Company implements GHG, Water use and Waste Inventory, and strategies to reduce greenhouse gas were established based on the Company's emission level to diminish the negative impact on the environment.</p> <p>Climate change caused increase of extreme temperature and level. The Company taken the following policies to energy conservation and carbon reduction:</p> <ol style="list-style-type: none"> 1. To devote to save water and energy and control pollution companywide and set reduction goals. 2. To take corresponding improvement action plans to the goals of water saving, energy saving and pollution control. 3. Review execution status and efficacy of action plans annual. 	
4. Social Issues				None
(1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		To protect the rights and interests of all workers, ACX strictly abides by the provisions of the Labor Standards Act and those of the requirements of international standards in all of our actions relevant to human rights. At the same time, we have consulted the code of conduct established by the Responsible Business Alliance (RBA), as the basis for our management policies into order to protect our employees.	
(2) Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?	✓		The Company reviews the remuneration standard in accordance to market rates to ensure a competitive level of employee benefit measures. According to the Articles of Incorporation of the Company, if there is any profit for a specific fiscal year, the Company shall allocate no lower than 5% of profit of the current year is distributable as employees' compensation to integrate employees' compensation with its Company's operational performance and ESG. Also, by offering a platform of two-way communication though regular performance evaluations and future plan developments, we achieve individual and organization development by rewarding based on performance and encourage employees to grow with the Company.	
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	✓		The Company aims to offer a safe and healthy working environment and promote a health life. The Company also regularly holds safety and health training sessions to employees. The Company has acquired ISO 45001 qualification and designated a person for system management as well as regular review every year. (Valid until 05/24/2027)	
(4) Does the company provide its employees with career development and training sessions?	✓		The Company has established the Rules of employee training, to employees offers a comprehensive career development training program.	
(5) Do the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	✓		<p>The Company ensures the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries. The Company follows relevant laws, regulations and international guidelines when marketing or labeling their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.</p> <p>The Company regularly meets and communicates with customers. Customer satisfaction survey is also undertaken</p>	

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Explanation	
(6) Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.	✓		<p>on an annual basis. If satisfaction data analysis shows that objective has not been met, the designated department will be responsible for carrying out improvement measures, and review will be undertaken by senior executives during management review meetings.</p> <p>The Company has secured products liability insurance to ensure customers rights.</p> <p>The Company established the Procedure of Supplier Management and the RBA Code of Conduct to require suppliers to meet local regulatory requirements in terms of labor rights, health and safety, environmental protection, ethics, and management systems.</p> <p>To ensure suppliers' and contractors' compliance with RBA Code of Conduct, the Company undertakes social environmental responsibility audit and assessment for Level 1 suppliers and labor contractors on every year.</p>	
5. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third party verification unit?	✓		The Company adopts Global Reporting Initiative GRI standards producing CSR report and publishes on both the official website and MOPS. Stakeholders can download the report and understand the Company's efforts on concerned CSR topics. CSR report not verified by external certification institutions.	None
6. Describe the difference, if any, between actual practice and the sustainable development principles, if the Company has implemented such principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies: There have been no differences.				
7. Other useful information for explaining the status of sustainable development practices: The Company policy, promotion plans and performance in implementation for sustainable development, please refer ESG report.				

The Company assesses ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies, were as follows:

ESG risks		Policy	Management method
Governance	Corporate governance	Do honestly manage the Company and comply with the law, respect intellectual property and be transparency.	The company shall with regular and timely information on company financial conditions and operations, and corporate governance status through the MOPS or the website established by the company.
Governance	Anti corruption	Any kind of bribery, extortion, or embezzlement is prohibited to perform well at corporate governance.	The internal control system, organizational structure, reporting system and authority responsibilities are set by the board of directors to establish a culture of integrity management and implement corporate governance.
Environmental	Environmental compliance Emissions	Meet all government environmental protection, safety, and health regulations and strive to comply with international environmental protection, safety and health standards.	Pay attention to the revision trend of domestic and foreign laws and regulations at any time, and make preparations as soon as possible.
Social	Occupational health and safety	The targets of zero accident, zero pollution, and zero occupational disease provide safety and healthy working conditions for worker.	Comply with ISO 45001 specifications, setup occupational safety committee, safety and health performance goals and management plans.
Social	Supplier environmental and social assessment	Implement social responsibility with continuity conduct.	If the supplier seriously violates the environmental and social issues, the supplier will be asked to propose corrective and preventive measures. If the supplier fails to improve, the purchase contract will be reduced or cancelled.

Climate Information of Listed Companies

1. Information on climate-related implementations

- (1) Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.

The sustainable development group was established to develop and implement policies or practices pertaining to the implementation of corporate governance, a sustainable environment, and safeguarding public interest. The group performs its duties based on the P-D-C-A cycle. At the first quarter of each year, the group is reviewed for its effectiveness and a written inspection report to Board of Directors.

- (2) Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).

Climate Risk Aspect	Climate Risk Event	Strategic Plans	Potential Financial Impacts
Transition Risks (Medium and long term)	Laws and policies	<ul style="list-style-type: none"> • Evaluate the use of green electricity • Continue to pay attention to domestic and foreign regulations • Disclose climate information on websites and sustainability reports 	Increased costs
Physical Risks (Medium and long term)	<ul style="list-style-type: none"> • Increased frequency of extreme weather events • Rises in average temperatures 	<ul style="list-style-type: none"> • Capacity consolidation and energy efficiency improvement • Optimize enterprise risk management and emergency response • Insure company assets 	<ul style="list-style-type: none"> • Decreased production capacity or disruptions • Increased costs

- (3) Describe the financial impact of extreme weather events and transformative actions.

Climate Opportunity	Climate Risk Event	Strategic Plans	Potential Financial Impacts
Transition opportunity (Medium and long term)	Laws and policies	The increasing popularity of electric vehicles and the application of wireless products will increase operating income	Increased revenues

- (4) Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The board is responsible for developing and monitoring company's risk management policies. Internal auditors assist the Board of Directors to monitor and review the risk management control and internal procedures regularly and report them to the Board of Directors.

- (5) If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described : N/A
- (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 risks and transition risks : N/A
- (7) If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated : N/A
- (8) If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified : N/A
- (9) Greenhouse gas inventory and assurance status : Please refer to page 26 of this annual report.

2. Information on greenhouse gas inventory

(1) Greenhouse gas inventory and assurance status of the recent two years

Year	Scope	Total Emissions (ton CO ₂ e)	Intensity (ton CO ₂ e/ million NT\$)	Data Coverage
2024	Scope 1	45.22	0.02676	All factory
	Scope 2	13,009.49	7.69882	
	Total	13,054.71	7.72558	
2023	Scope 1	54.07	0.03634	
	Scope 2	13,259.07	8.91067	
	Total	13,313.14	8.94701	

- (2) Describe the assurance situation for the two most recent fiscal years up to the date of the annual report printing, including the scope of assurance, assurance body, assurance standards, and assurance opinions:
None.
- (3) Describe the greenhouse gas reduction base year and its data, reduction targets, strategies, specific action plans and achievement of reduction targets:
The company has set a five year long-term greenhouse gas reduction target. Taking 2022 as the base year, it is expected that each unit of revenue will reduce greenhouse gas emissions by 1% in 2027.
Achieve: Greenhouse gas emissions reduced by 17.56% per unit of revenue in 2024.

2.2.6 Fulfillment of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"

Evaluation Item	Implementation Status		Reason for Non-implementation
	Yes	No	
1. Establishment of ethical corporate management policies and programs			None
(1) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?	✓		The Board of Directors approved Ethical Corporate Management Best-Practice Principles on March 10, 2015. Ethical Corporate Management Policy is clearly stated in the internal policy and external documents. The Board of Directors and management team are fully committed to implement such policies rigorously and thoroughly on internal management and external business dealings.
(2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company's Ethical Corporate Management Best-Practice Principles have established preventive measures against the following: 1. Offering and accepting bribes. 2. Illegal political donations. 3. Improper charitable donations or sponsorship. 4. Offering or accepting unreasonable gifts or hospitality, or other inappropriate benefits. 5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights. 6. Engaging in unfair competitive practices. 7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services. The aforementioned related regulations were announced and disseminated to employees, managers and the Board of Directors.
(3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?	✓		The Company established "Ethical Corporate Management Best-Practice Principles", "Codes of Ethical Conduct" and "Employees for Code of Ethical Conduct", establish policies to prevent unethical conduct, integrity mailbox and hotline, punishment for violation and rules of appeal, and periodically review and revise.
2. Fulfill operations integrity policy			None
(1) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		Prior any business engagement, the Company checks the counterparty's legitimacy and record of unethical conduct. All suppliers and customer are required to sign "ethical clauses", When breach the ethical rule the companies is entitled to termination of business contract.
(2) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above	✓		To strengthen ethical corporate management, the Company had its president office enact, supervise and implement the execution of Ethical Corporate Management Policy and prevention solutions. The president reports to the Board of Directors as least once a year. The Company's implementations of ethical corporate management in 2024

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Illustration	
effectively and perform regular reviews and amendments??			1. New employees sign the “Code of Ethic Commitment” on their first day of work. 2. Participants of Code of Ethic training total 30 personnel. 3. The Company does not any matters about discipline of unethical conduct in 2024.	
(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	✓		The Company established “Ethical Corporate Management Best-Practice Principles”, “Codes of Ethical Conduct” and “Employees for Code of Ethical Conduct”, to policies to prevent conflicts of interest and provide appropriate communication channels, and implement it.	
(4) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	✓		The Company has built up an effective accounting system and internal control systems that is constantly under review and evaluation to ensure the system's design and execution remains effective. Internal audit personnel will regularly evaluate risks and propose audit plans and undertake audits accordingly. Special project-based audit will also be undertaken when necessary. Results of such audit are regularly reported to the Audit Committee and the Board of Directors, facilitating the management level to understand the operations of the Company's internal.	
(5) Does the company regularly hold internal and external educational trainings on operational integrity?	✓		The Company carries out regular training and propaganda of ethical for its directors and employee every year. For new employees, training on personnel rules, management systems, business ethics, and all other CSR-related subjects are carried out on their first day of work.	
3. Operation of the integrity channel				None
(1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	✓		The Company’s Ethical Corporate Management Best-Practice Principles have established whistle-blowing system the following: 1. Either internally established and publicly announced independent mailbox and hotline, to allow company insiders and outsiders to submit reports. 2. Dedicated personnel appointed to handle whistle-blowing system and establish standard operating procedures. 3. Documentation of case acceptance, investigation processes, investigation results, and relevant documents. 4. Follow-up measures to be adopted depending on the severity of the circumstances after investigations of cases reported are completed. 5. Confidentiality of the identity of whistle-blowers and the content of reported cases. 6. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing. 7. Whistle-blowing incentive measures.	
(2) Does the company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures?	✓			
(3) Does the company provide proper whistleblower protection?	✓		The Company encourages its employees to report to a company Audit Committee and chief internal auditor, upon discovery of any activity in violation of a law or regulation. The Company provides protection to whistleblower and personnel involved in the investigation against any unfair treatment or retaliation.	

Evaluation Item	Implementation Status			Reason for Non-implementation
	Yes	No	Abstract Illustration	
4. Strengthening information disclosure (1) Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?	✓		The Company's Ethical Corporate Management Best-Practice Principles and the results of our implementation have been posted on the Company's website and MOPS.	None
5. If the Company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies, please describe any discrepancy between the policies and their implementation: There have been no differences.				
6. Other important information to facilitate a better understanding of the Company's ethical corporate management policies (e.g., review and amend its policies): None.				

2.2.7 Other Important Information Regarding Corporate Governance:

Please refer to Company's website.

2.2.8 Internal Control Systems

A. Statement of Internal Control: Please refer to MOPS website.

(<https://mops.twse.com.tw/mops/#/web/t06sg20>)

B. A CPA Has Been Hired to Carry Out a Special Audit of the Internal Control System, Furnish the CPA Audit Report: None.

2.2.9 Major Resolutions of Shareholders Meeting and Board Meetings:

Please refer to page 53 of this annual report.

2.2.10 Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Important Resolutions Passed by the Board of Directors: None.**2.2.11 Certification Obtained by the Company and Its Personnel Related to Financial Information Transparency from Competent Authorities:**

As of 03/31/2025

Certification Name	Number of Employees
Certified Internal Auditor (CIA)	1
Enterprise Internal Control Basic Ability Exam by the Securities and Futures Institute	1
Stock Affair Specialist Professional Competency Exam by the Securities and Futures Institute	1

2.2.12 Continuing Education of Directors in 2024:

Title	Name	Host	Date	Class	Duration
Chairman	Shuang De Investment Corp. Rep.: Chien-Wen Kuo	Taiwan Corporate Governance Association	05/07/2024 07/30/2024	Competitiveness vs Survivability, ESG Trends and Strategies From CSR to ESG corporate management	6
Director	Kuo Chia Fu Investment Corp. Rep.: Cheng-Hsin Kuo	Taiwan Corporate Governance Association	05/07/2024 07/30/2024	Competitiveness vs Survivability, ESG Trends and Strategies From CSR to ESG corporate management	6
Director	Hsin Chang Construction Corp. Rep.: Chih-Chun Kuo	Taiwan Corporate Governance Association	05/07/2024 07/30/2024	Competitiveness vs Survivability, ESG Trends and Strategies From CSR to ESG corporate management	6
Director	Lin Li Construction Corp. Rep.: Te-Ti Han	Taiwan Corporate Governance Association	05/07/2024 07/30/2024	Competitiveness vs Survivability, ESG Trends and Strategies From CSR to ESG corporate management	6
Director	Johanson Technology Inc. Rep.: John Darko Petrinc	Taiwan Corporate Governance Association	05/07/2024 07/30/2024	Competitiveness vs Survivability, ESG Trends and Strategies From CSR to ESG corporate management	6
Director	Scientific Components Corp. Rep.: Theodore C. Heil	Taiwan Corporate Governance Association	05/07/2024 07/30/2024	Competitiveness vs Survivability, ESG Trends and Strategies From CSR to ESG corporate management	6
Independent Director	Shiuh-Kao Chiang	Taiwan Corporate Governance Association	05/07/2024 07/30/2024	Competitiveness vs Survivability, ESG Trends and Strategies From CSR to ESG corporate management	6
Independent Director	Shang-Ming Chin	Taiwan Corporate Governance Association	05/07/2024 07/30/2024	Competitiveness vs Survivability, ESG Trends and Strategies From CSR to ESG corporate management	6
Independent Director	Chiu-Feng Lien	Taiwan Corporate Governance Association	05/07/2024 07/30/2024	Competitiveness vs Survivability, ESG Trends and Strategies From CSR to ESG corporate management	6
Independent Director	Yu-Hui Ning	Taiwan Corporate Governance Association	05/07/2024 07/30/2024	Competitiveness vs Survivability, ESG Trends and Strategies From CSR to ESG corporate management	6

2.2.13 Continuing Education of Management Team in 2024:

Title	Name	Host	Date	Class	Duration
President	Chien-Wen Kuo	Taiwan Corporate Governance Association	05/07/2024 07/30/2024	Competitiveness vs Survivability, ESG Trends and Strategies From CSR to ESG corporate management	6
Financial officer Accounting officer & Corporate governance officer	Hsien-Liang Chou	Accounting Research and Development Foundation	03/18/2024 ~ 03/27/2024	Accounting supervisor training course	30
			08/13/2024 08/15/2024	Analysis of laws and regulations related to the preparation of annual reports/sustainability information/financial reports and internal control management practices Strengthening the internal control defense function and the board of directors' operating mechanism and analyzing fraud cases	12
		Taiwan Corporate Governance Association	05/07/2024	Competitiveness vs Survivability, ESG Trends and Strategies	3
		Taiwan Stock Exchange Corporation	07/03/2024	2024 Cathay sustainable finance and climate change summit	6
		Accounting Research and Development Foundation	09/11/2024	Insider equity promotion seminar	3

2.3 Audit Fees

Unit: NT\$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total	Remarks
KPMG	Chien-Hui Lu An-Chih Cheng	2024	1,720	410	2,130	Tax certification and disbursement fee

2.3.1 Change of Accounting Firms with Audit Fee Paid in the Year of Change Being Less than the Previous Year: None.

2.3.2 Over 10% Decrease in Audit Fee on a Year-to-year Basis: None.

2.4 Replacement of CPA:

2.4.1 Regarding the Former CPA

Replacement Date	May 07, 2024		
Replacement reasons and explanations	Due to internal organizational changes in KPMG.		
Describe whether the Company terminated or the CPA did not accept the appointment	Parties		CPA
	Status	The Company	
	Termination of appointment	N/A	
No longer accepted (continued) appointment			
Other issues (except for unqualified issues) in the audit reports within the last two years	None		
Differences with the Company	Yes	-	Accounting principles or practices
		-	Disclosure of Financial Statements
		-	Audit scope or steps
		-	Others
	None	✓	
	Remarks: None		
Other Revealed Matters	None		

2.4.2 Regarding the Successor CPA

Name of Accounting Firm	KPMG
Name of CPA	Chien-Hui Lu and An-Chih Cheng
Date of appointment	May 07, 2024
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the Company's financial reports that the CPA might issue prior to the engagement.	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None

2.4.3 Response by Mail from the Former CPA Regarding Items in Article 10-6-1 and 10-6-2-3: None.

2.5 Any of the Company's Chairman, President, or Managers in Charge of Finance or Accounting Held a Position in the CPA's Firm or Its Affiliates in 2024: None.

2.6 Changes in Shareholding and Shares Pledged by Directors, Supervisors, Managers and Shareholders with 10% Shareholdings or More in 2024 and as of the Date of this Annual Report

2.6.1 Changes in Shareholding of Directors, Supervisors, Managers and Major Shareholders:

Please refer to MOPS website. (https://mops.twse.com.tw/mops/#/web/query6_1)

2.6.2 Shares Trading with Related Parties: None.

2.6.3 Shares Pledge with Related Parties: None.

2.7 Relationship among the Top Ten Shareholders

As of 04/13/2025

Name	Current Shareholding		Spouse's/ Minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Kuo Chia Fu Investment Corp.	5,485,189	7.95%	0	0%	0	0%	None	None	
Kuo Chia Fu Investment Corp. Rep.: Chih-Chun Kuo	1,709,481	2.48%	365,017	0.53%	0	0%	Chien-Wen Kuo Ming-Shan Li	Brother Brother-in-law	
Scientific Components Corp.	3,068,477	4.45%	0	0%	0	0%	None	None	
Scientific Components Corp. Rep.: Theodore C. Heil	0	0%	0	0%	0	0%	None	None	
Johanson Technology Inc.	2,881,810	4.18%	0	0%	0	0%	None	None	
Johanson Technology Inc. Rep.: John Darko Petrincec	60,200	0.09%	0	0%	0	0%	None	None	
Chin Te Hsing Yeh Limited	2,485,000	3.60%	0	0%	0	0%	None	None	
Chin Te Hsing Yeh Limited Rep.: Ming-Shan Li	263,000	0.38%	0	0%	0	0%	Chih-Chun Kuo Chien-Wen Kuo	Brother-in-law Brother-in-law	
Ting Fu Investment Corp.	2,221,017	3.22%	0	0%	0	0%	None	None	
Ting Fu Investment Corp. Rep.: Chien-Wen Kuo	1,709,481	2.48%	365,017	0.53%	0	0%	Chih-Chun Kuo Ming-Shan Li	Brother Brother-in-law	
Kuang Tai Shih Yeh Corp.	2,000,000	2.90%	0	0%	0	0%	None	None	
Kuang Tai Shih Yeh Corp. Rep.: Hsueh Lai	1,000,000	1.45%	0	0%	0	0%	None	None	
Mei Erh Ku Construction Corp.	1,937,870	2.81%	0	0%	0	0%	None	None	
Mei Erh Ku Construction Corp. Rep.: Chih-Chun Kuo	1,709,481	2.48%	365,017	0.53%	0	0%	Chien-Wen Kuo Ming-Shan Li	Brother Brother-in-law	
Lin Li Construction Corp.	1,808,271	2.62%	0	0%	0	0%	None	None	
Lin Li Construction Corp. Rep.: Chien-Wen Kuo	1,709,481	2.48%	365,017	0.53%	0	0%	Chih-Chun Kuo Ming-Shan Li	Brother Brother-in-law	
Chih-Chun Kuo	1,709,481	2.48%	365,017	0.53%	0	0%	Chih-Chun Kuo Chien-Wen Kuo	Brother-in-law Brother-in-law	
Chien-Wen Kuo	1,709,481	2.48%	365,017	0.53%	0	0%	Chih-Chun Kuo Chien-Wen Kuo	Brother-in-law Brother-in-law	

2.8 Number of Shares Held and Shareholding Percentage of the Company, the Company's Directors, Supervisors, Managers and Directly or Indirectly Controlled Entities on the Same Investee: None.

III. Capital Overview

3.1 Capital and Shares

3.1.1 Source of Capital

A. Issued Shares

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NT\$ thousands)	Shares	Amount (NT\$ thousands)	Sources of Capital	Capital Increased by Assets Other than Cash	Other
Sep.2010	10	150,000,000	1,500,000	69,016,200	690,162	Capital surplus transferred	None	July 13, 2010 FSC No. 0990036222

B. Type of Stock

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Shares	69,016,200	80,983,800	150,000,000	Listed on Taipei Exchange

C. Information for Shelf Registration: None.

3.1.2 List of Major Shareholders

As of 04/13/2024

Shareholder's Name	Shareholding	
	Shares	Percentage
Kuo Chia Fu Investment Corp.	5,485,189	7.95%
Scientific Components Corp.	3,068,477	4.45%
Johanson Technology Inc.	2,881,810	4.18%
Chin Te Hsing Yeh Limited	2,485,000	3.60%
Ting Fu Investment Corp.	2,221,017	3.22%
Kuang Tai Shih YehCorp.	2,000,000	2.90%
Mei Erh Ku Construction Corp.	1,937,870	2.81%
Lin Li Construction Corp.	1,808,271	2.62%
Chih-Chun Kuo	1,709,481	2.48%
Chien-Wen Kuo	1,709,481	2.48%

3.1.3 Dividend Policy and Implementation Status

A. Dividend Policy

When allocating the net profits for each fiscal year, the following order shall be followed:

1. Reserve for tax payments.
2. Offset accumulated losses in previous years, if any.
3. Set aside 10% of said profits as legal reserve, except for when accumulated legal reserve has reached the total paid-in capital.
4. Allocation or reverse of special reserves as required by law or government authorities.
5. As to the earnings available for appropriation to shareholders including accumulated un-appropriated earnings and earnings available for appropriation of this year, the Board of Directors is authorized to draft an appropriation plan in accordance with the dividend policy in this Article Section 2.

Since the Company is in an industry in a growth phase, the dividend policy shall take into consideration factors such as the Company's current and future investment environment, needs for capital, domestic and overseas competition, capital budgeting plans, etc., to come out with a proposal that strike a balance among shareholders' benefits and the Company's long-term financial plans. Each year the Board of Directors shall prepare a profit distribution proposal and

report it at the shareholders' meeting. After considering financial, business and operational factors, the Company may distribute the entire distributable profits for the year; dividends to shareholders may be distributed in cash or in stock, and the cash dividends shall not be lower than 10% of total dividends to shareholders.

B. Proposed Distribution of Dividend

The proposal for distribution of 2024 profits was passed at the Board of Directors meeting on February 25, 2025. The proposed dividend to shareholders is a cash dividend of NT\$5.59 per common share, totaling NT\$385,800,558. The dividend rate is 100% of the distributable net profit for the year

C. Material Change in Dividend Policy Is Expected: None.

3.1.4 Effect upon Business Performance and Earnings per Share of Any Stock Dividend Distribution Proposed or Adopted at the Most Recent Shareholders' Meeting: None.

3.1.5 Compensation of Employees and Directors

A. Information Relating to Compensation of Employees, Directors and Supervisors in the Articles of Incorporation

Article 25 of the Articles of Incorporation stipulates that: The Company should distribute remuneration to employees and directors not less than 5% and not more than 1.5% of annual profits, respectively, after offsetting accumulated deficits, if any. The aforementioned profit is the net profit before income tax excluding the remuneration to employees and directors for each period. Only employees, including employees of affiliate companies that meet certain conditions are subject to the abovementioned remuneration which to be distributed in stock or cash.

B. The Estimated Basis for Calculating the Employee and Director Compensation

The Company accrued employees' and directors' compensation to base on a percentage of profit. If the estimated amounts differ from the actual distribution resolved by the Board of Directors, the Company will recognize the change as an adjustment to income of next year.

C. Distribution of Compensation of Employees and Directors for 2024 Approved in Board of Directors Meeting

(A) Distribution for employees' and directors' compensation for 2024 was passed by the Board of Directors' meeting on February 25, 2025, as follows:

Employees' compensation distributed in cash is NT\$28,649,876.

Directors' compensation is NT\$8,594,962.

There was no difference between the actual distributed amounts as determined by the Board of Directors and those estimated in the financial statements.

(B) Ratio of employees' profit sharing bonus distributed in stocks to capitalization of earnings: None.

D. Information of 2023 Distribution of Compensation of Employees and Directors

Items	Board of Directors Resolution	Estimate	Difference	Reason of Difference
Compensation of employee	NT\$19,066,437	NT\$19,066,437	0	None
Compensation of director	NT\$5,719,931	NT\$5,719,931	0	None

3.1.6 Buyback of Treasury Stock: None.

3.2 Corporate Bonds: None.

3.3 Preferred Stock: None.

3.4 Global Depositary Receipts: None.

3.5 Employee Stock Options: None.

3.6 New Restricted Employee Stocks: None.

3.7 Status of New Shares Issuance in Connection with Mergers and Acquisitions: None.

3.8 Financing Plans and Implementation: None.

IV. Operational Highlights

4.1 Business Activities

4.1.1 Business Scope

A. Main areas of business operations

1. F219010 Electronic materials retail sales
2. F113070 Wholesale of Telecom Instruments
3. F119010 Electronic materials wholesale trading
4. CC01050 Data storage and processing equipment manufacturing
5. CC01070 Wireless communication machinery and equipment manufacturing
6. CC01080 Electronic parts and components manufacturing
7. F213060 Retail Sale of Telecom Instruments
8. ZZ99999 In addition to licensed businesses, the Company may operate any other businesses that are not prohibited or restricted by law.

B. Revenue distribution

Unit ; NT\$ thousands

Products	2024	Percentage
RF Front-End devices and modules	1,689,803	100%

C. Main products

RF Front-End devices and modules, including

1. Filter
2. Balun
3. Balanced Filter
4. Diplexer
5. Triplexer
6. Coupler
7. Antenna
8. Antenna Module
9. Bluetooth Module
10. Front-end Module
11. Antenna Switch Module
12. RF Chip Ceramic Device, including passive inductors and capacitor etc.

4.1.2 Industry Overview

A. Current Status and Development of the Industry

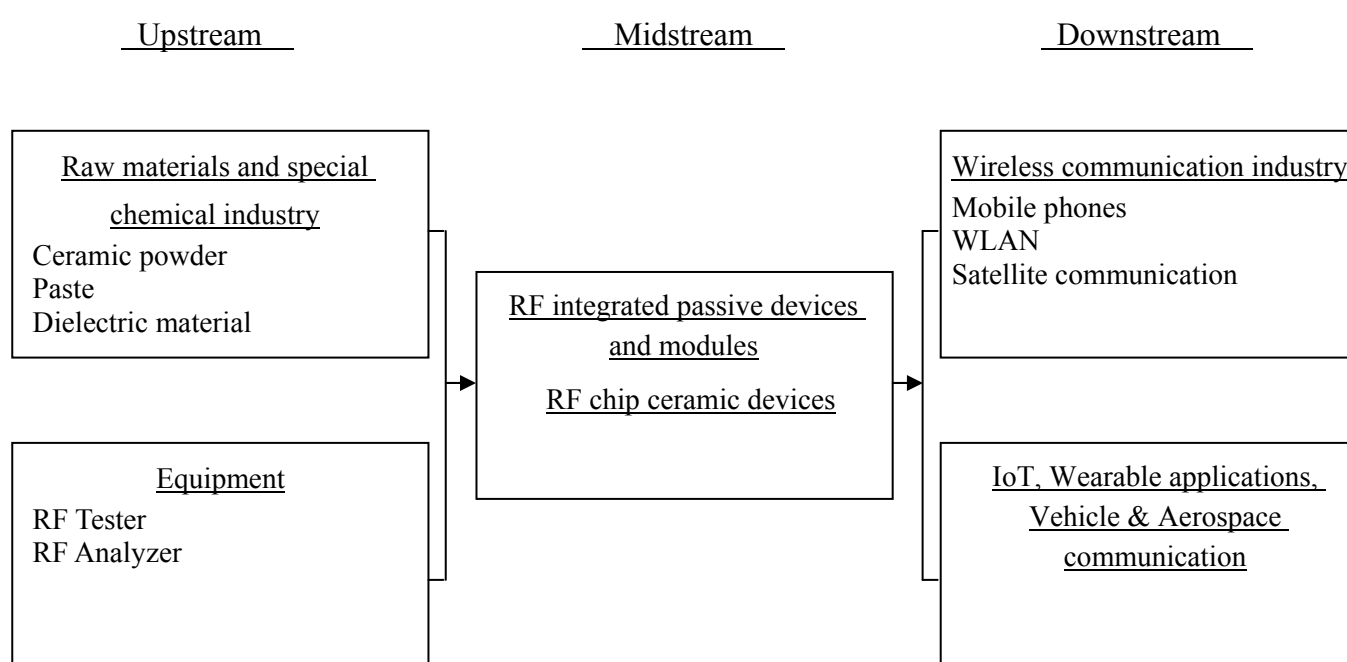
With the rapid development of mobile communication technology, the growth of related terminal products and communication equipment has further driven the demand for wireless communication. Wireless communication terminal applications such as smartphones, wireless local area networks (WLAN), Bluetooth, global positioning systems (GPS), laptop, tablet computer, wireless phones, walkie-talkies, pagers, home wireless (Home RF), digital broadcasting, wireless data machines, wireless fax machines, game console, automotive and emerging Internet of Things (IoT) and wearable applications, and more. Due to the rapid increase in the demand for wireless communication applications in the global market, the frequency band of wireless communication has risen sharply, and due to the trend of miniaturization, multi-function and high transmission speed of wireless portable products, this has triggered the market for high-frequency integrated components and the high demand for the modules.

Although the system is becoming more and more complex, the number of internal components actually used in various communication systems is increasingly integrated, which is mainly due to the integration of the lines. As for the integration of passive components, the goal is toward system-level packaging (System in a Package: SiP) or System on a Chip (SoC) development. Since the wireless communication applications built into the terminal products are the mainstream of future development, modularization will also become the future development trend of communication components, and the high-performance component modularization needs to utilize high-density packaging processes to the communication market. From the perspective of the supply chain, manufacturers with SiP high-density system architecture technology can provide upstream and downstream integrated services, and will become an active partner of chip design and terminal product companies in the future.

In recent years, smartphones, GPS, WLAN, and Bluetooth, which have grown dramatically in wireless communication applications, have different functions, features, or markets, but the same is high-density circuits, miniaturization, high-frequency for required components, that are highly integrated and modular. The high-frequency integrated components and modules and high-frequency chip ceramic components operated by the Company are used in the wireless communication market. The Company is the first design and manufacturing company in Taiwan that focuses on RF integrated components and modules. The developed products are in line with market expectations and the integrated terminal applications have high growth momentum. The Company has the highest growth and development in the domestic key component industry of RF communication.

B. The Interconnectivity of Upstream, Midstream, and Downstream Entities in the Industry

High-frequency integrated components and modules and high-frequency wafer ceramic components in the upstream raw material industry, and they mainly include ceramic powder, conductive ink and dielectric materials. The main process equipment includes laser drilling machine, end silver machine, continuous furnace, wire Machines, external inspection machines, RF testers and network analyzers. The downstream industries include the wireless communication industry, vehicle electronic systems and the aerospace communication industry. They are closely related to the supply and demand of the upstream, midstream and downstream industries. The relevant maps of the upstream, middle and downstream industries are listed as follows:



C. Product Trends and Competition

The multi-functionalization and miniaturization of wireless communication products have become a market trend, and the development of wireless communication components will be in the direction of high frequency, miniaturization and modularization.

In recent years, wireless communications in Taiwan have flourished, and mainstream applications such as smartphones, WLAN, GPS or Bluetooth have shown rapid growth. However, compared with international manufacturers, the development of wireless communication components and modular technology in Taiwan is still weak. At present, global integrated component manufacturers are headed by Japan, the United States and Europe, such as Murata, Kyocera, TDK, etc. in Japan; CTS in the US and Bosch, CMAC and other large manufacturers in Europe. In contrast, due to late start, the relative output of domestic manufacturers in the global market share is still very low.

As wireless communication applications will be at the heart of future market growth, the Company is actively developing forward-looking and innovative high-frequency components and modular cutting-edge technologies to capture the opportunities for future wireless communications growth.

4.1.3 Technology and R&D Status

A. R&D Expenses

In 2024, the Company invested NT\$104,122 thousand in R&D.

B. Successful R&D and Technologies Development

(a) Research and development

As the Company's R&D team has deep academic foundations and product development experience in RF communications and materials engineering, it can grasp the market pulse in both technical development and commercial applications. In terms of research and development, the integration of RF components and modular technology are two key directions. The main R&D projects can be roughly divided into technical analysis, new product development, process improvement, material formulation and quality analysis.

(b) Technology or product that has been successfully developed in recent years

Year	Successful Development of Technologies or Products
2024	<ol style="list-style-type: none">1. Low loss triplexer with package size of 2.0mmx1.25mm for GPS/WiFi-7 dual-band communication system2. Bandpass filter with 6-pins package size of 1.6mmx0.8mm for 5G N77 communication system3. High rejection bandpass filter with package size of 5.5mmx3.2mm for WiFi 6E 5.5/6.6GHz communication system4. High rejection diplexer with package size of 1.6mmx0.8mm for WiFi 6E dual-band communication system5. Differential complexed-impedance receiver diplexer with package size of 2.0mmx1.25mm for WiFi dual-band communication system6. Low loss and high rejection bandpass filter with package size of 0.8mmx0.5mm for 5G N77 communication system7. High isolation triplexer with package size of 2.5mmx2.0mm for 5G N77 mobile communication system8. High rejection bandpass filter with package size of 2.0mmx1.25mm for WiFi 6E communication system9. Low-profile patch antenna with package size of 4.0mmx4.0mm for UWB communication system10. Low loss bandpass filter with package size of 1.6mmx0.8mm for 5G N79 communication system11. Power divider with package size of 1.6mmx0.8mm for GPS application12. 1:2 Balanced filter with low temperature drift characteristic in the package size of 2.0mmx1.25mm for 6.7GHz communication system13. High rejection bandpass filter with package size of 1.6mmx0.8mm for UWB communication system14. Low loss bandpass filter with package size of 1.0mmx0.5mm for 5G N77 communication system15. Bandpass filter with package size of 3.2mmx1.6mm for n258 millimeter wave communication system16. Low loss and high rejection bandpass with package size of 1.0mmx0.5mm for 5G N79 communication system17. High rejection bandpass filter with package size of 3.2mmx2.5mm for n258 millimeter wave communication system18. Low loss and high rejection bandpass with package size of 1.0mmx0.5mm for 5G N77/N79 broadband communication system

Year	Successful Development of Technologies or Products
	19. High rejection bandpass filter with package size of 3.2mmx2.5mm for 28.5GHz millimeter wave communication system 20. Low loss bandpass filter with package size of 1.6mmx0.8mm for 5G N77 communication system 21. High rejection bandpass filter with package size of 3.2mmx2.5mm for 30GHz millimeter wave communication system 22. 20db coupler with package size of 1.6mmx0.8mm for 6.7GHz communication system 23. High rejection bandpass filter with package size of 2.0mmx1.25mm for GPS application 24. Low loss bandpass filter with low profile package size of 1.6mmx0.8mm for 5G N77 communication system 25. Patch antenna with package size of 4.0mmx4.0mm for UWB communication system 26. High rejection bandpass filter with package size of 2.0mmx1.25mm for UWB communication system 27. Composite-LTCC material bandpass filter with package size of 1.6mmx0.8mm for WiFi 5G communication system 28. Compact patch antenna with package size of 3.5mmx3.5mm for UWB communication system 29. High rejection diplexer with package size of 1.6mmx0.8mm for WiFi-7 dual-band communication system 30. High isolation diplexer with package size of 2.0mmx1.25mm for 5G/ UWB communication system 31. Low loss and high rejection bandpass filter with package size of 1.6mmx0.8mm for 5G N77 communication system 32. Low loss diplexer with package size of 2.0mmx1.25mm for 2.7GHz/3.3GHz communication system 33. Multi-Order high rejection diplexer with package size of 5.5mmx3.2mm for WiFi-7 communication system 34. High rejection bandpass filter with package size of 1.0mmx0.5mm for 5G N77 communication system 35. High rejection diplexer with package size of 1.6mmx0.8mm for 2.7GHz/5.5GHz communication system 36. Low cost and high rejection bandpass filter with package size of 5.5mmx3.2mm for WiFi 6E 5.5/6.6GHz communication system 37. High rejection bandpass filter with low profile package size of 1.0mmx0.5mm for 5G N77 communication system 38. Integrated complexed-impedance balanced diplexer with package size of 2.0mmx1.25mm for WiFi dual-band communication system 39. High rejection diplexer with package size of 4.5mmx3.2mm for WiFi-7 router communication system 40. Low loss bandpass filter with package size of 1.6mmx0.8mm for UWB communication system 41. Balanced diplexer with package size of 2.0mmx1.25mm for WiFi dual-band communication system

- (c) The current progress of the unfinished R&D plan, the need to re-invest in R&D expenses and the expected time of completion of mass production

2024 Unfinished R&D Plan	Current Status	Expected Finished Time	Additional Imputed R&D Expenses(NT\$ thousands)
Develop miniaturized integration components	75%	2025/Q1-Q2	25,000
Develop miniaturized multi-frequency, multi-mode integrated modules	80%	2025/Q3-Q4	35,000
High precision materials, process development	80%	2025/Q3-Q4	35,000

- (d) Main factors for future R&D success

- ① Proper R&D strategy and effective mastery of product development timelines to achieve product time to market
- ② Good product design capability, early effective Design-in with client product design
- ③ Excellent and stable R&D team, enabling R&D experience to effectively accumulate and boost product development capabilities

- (e) Future R&D plan and expected R&D expenses

Future R&D Plan	For Future Three Years R&D Expenses(NT\$ thousands)
Develop miniaturized integration components	80,000
Develop miniaturized multi-frequency, multi-mode integrated modules	120,000
High precision materials, process development	110,000
Total	310,000

4.1.4 Long-term and Short-term Development

A. Short-term Development

- (a) Develop the main products in module type
- (b) Product miniaturization and multi-functionality
- (c) Strengthen the demand development of China and emerging markets

B. Long-term Development

- (a) Develop new products in module type
- (b) System on Chip module technology development
- (c) Strategic alliance cooperation model

4.2 Market and Sales Overview

4.2.1 Market Analysis

A. Sales Region

Unit: NT\$ thousands					
Year \ Area		2023		2024	
		Amount	%	Amount	%
Domestic (Taiwan)		331,361	22.27	349,496	20.68
Oversea	Americas	341,012	22.91	518,695	30.70
	Asia	803,864	54.02	803,381	47.54
	Europe	11,958	0.80	18,231	1.08
	Total	1,156,834	77.73	1,340,307	79.32
Total		1,488,195	100.00	1,689,803	100.00

B. Market Share

In recent years, due to the booming wireless communication market, the low-temperature cofired ceramics (LTCC) component industry has shown a substantial growth. According to Market Research Future Report, the global annual output value of LTCC in 2023 is about 2.92 billion US dollars and will reach 5 billion US dollars by the end of 2032, and Japan is the largest supplier in the supply chain. The market share is as high as 50%, which dominates the global LTCC product market and technology, followed by Europe and the United States. Domestic manufacturers are still relatively low in global market share due to their late start.

The Company's high-frequency integrated components, modules and high-frequency chip ceramic components, including filters, balun, balanced filter, diplexers, triplexers, couplers, chip antenna, antenna modules, Bluetooth modules, RF front-end modules and antenna switch modules are commonly used in smartphones, WLAN, Bluetooth and GPS. Since the Company invested in the early domestic market and focuses on RF integration of components and modules, when the Company's products enter the market, they will obtain domestic and foreign customers with excellent quality and competitive price in a short time, and efficient service. At present, the Company is in a leading position in terms of domestic technology and market share. The Company's global market share is about 2%.

C. Future Market Supply, Demand, and Growth Status

With the globalization of telecommunications and the advancement of communication technologies, wireless communication has become the most dynamic industry in the 3C industry. Looking forward to the future, mobile phone penetration and portability are excellent when the terminal products are moving toward integration. The competitive advantage is to integrate other product features, of which smartphones are typical representatives. Smartphones have more and more powerful computing and multimedia features, with Internet access, download and sharing capabilities. This requires more transport channels, higher transmission bandwidth and better transmission efficiency. Therefore, it also triggers various communication functions that smartphones will combine now and in the future. From regional WLAN, short-range Bluetooth and ZigBee, to long-distance WiMAX, plus GPS and mobile TV capabilities, smartphones can be said to have combined voice, data, video and other versatility to create a comprehensive communications platform. DIGTIMES estimates that global smartphone shipments will reach 1.224 billion in 2025, with an annual growth rate of 3.6%. IDC estimates that global shipments of personal wearable devices will reach 559 million in 2025, with an annual growth rate of 3.9%. As for emerging IoT applications, the rapid development of smart applications, such as smart home, smart manufacturing, smart health and intelligence transportation. It is expected that the economic benefits brought by the Internet of Things in the future will be enormous. The RF components and modules operated by the Company are essential components for

wireless communication products. Communication products such as smartphones, computers, wireless networks, global satellite positioning systems, Internet of Things and wearable devices directly affect the future development of LTCC. As the current mainstream wireless communication applications are still growing at a high speed in the next few years, emerging communication products are also moving toward multi-functional integration, and the demand for integrated components and module products produced by the Company will be higher.

D. Competitive Advantage

(a) Combine four core technologies

The Company has four core technologies: advanced RF circuit design, material development, process design and product testing, which are rare in the industry. With independent control of key technologies in both RF and materials, the Company has the ability to deliver highly efficient custom products and services.

(b) Positioning products in line with market development

Wireless communication is the most dynamic industry in recent years. As the end product grows dramatically, it will directly drive the demand for our products. In addition, due to the diversified functions and miniaturization of mobile communications, the Company's SiP and LTCC process development of high-frequency integrated components and modules is in line with market expectations, which will further enhance market demand, so that the Company's growth prospects are full of potential.

(c) Quality product service

Combining the advantages of R&D and process, the Company can provide a full range of services that are more time-sensitive, highly customized, flexible and cost-competitive compared to international peers to win customers' high trust and recognition.

E. Favorable and Unfavorable Factors in the Long Term

(a) Favorable factors

- ① High growth in industry
- ② Leading LTCC technology in domestic market
- ③ Domestic market first and march straight into international
- ④ Highly competitive full service
- ⑤ Growing brand and OEM model

(b) Unfavorable factors

- ① Wireless communication products continue to introduce new products, with short product cycles and rapid price declines, so profit margins are squeezed

Related Countermeasures :

- Shorten the development schedule of new products, commit to high-end products, and avoid mature products that are in price wars.
- Participate in product development during the customer product design phase.
- Diversify products to spread the risk of price competition for a single product.
- Enhance material development and process improvement, increase product yield and equipment utilization, and reduce electricity and water consumption.

② Lack of R&D talent

Related Countermeasures :

- Actively participate in the leading new product plans of the Domestic Industrial Development Bureau, strive for foreign technology transfer or joint development opportunities, and promote R&D and technology upgrades.

- Establish a research and development knowledge management database to enable the effective development of research and development experience and results, and maximize the human resources efficiency of research and development.

4.2.2 Important Purpose and Production Process of the Main Products

A. Important Purpose of the Main Products

Products	Important Purpose
RF Front-End devices and modules	MSS, Cellular Phone, Cordless Phone, WLAN, GPS, Bluetooth, Ultra-wideband, WiMAX, ZigBee, MIMO, Wi-Fi, Power Amplifier, Low Noise Block (LNB), Home RF, IoT, Game Console and Wearable Applications

B. Manufacturing Process

Raw material → Slurry → Tape Casting → Via Punching → Via filling → Screen Printing → Laminating → Cutting → Co-firing → Upper electrode → Burning → Electroplating → Electrical Test → Packing → Shipping

4.2.3 Supply Status of Main Materials

Major Raw Materials	Source of Supply	Supply Situation
Powder	Celanese(Note 1), HERAEUS	Normal
Paste	Celanese(Note 1), SOJITZ, DAEJOO	Normal

Note 1 : "DuPont" company name changed to "Celanese"

4.2.4 Major Suppliers and Clients

A. Major Suppliers in the Last Two Calendar Years

Unit: NT\$ thousands

Item	2023				2024			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	A	46,114	18.51	None	B	60,301	21.48	None
2	B	45,409	18.23	None	A	42,451	15.12	None
3	C	33,576	13.48	None	C	36,352	12.95	None
4	Others	123,996	49.78		Others	141,621	50.45	
	Net Total Supplies	249,095	100.00		Net Total Supplies	280,725	100.00	

B. Major Clients in the Last Two Calendar Years

Unit: NT\$ thousands

Item	2023				2024			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	JOHANSON	253,732	17.05	The Company's director	JOHANSON	340,150	20.13	The Company's director
2	a	190,436	12.80	None	c	257,611	15.25	None
3	b (Note 1)	185,453	12.46	None	a	195,025	11.54	None
4	c (Note 1)	128,948	8.66	None	MINI-CKT	176,012	10.42	The Company's director
5	MINI-CKT (Note 2)	79,900	5.37	The Company's director	b	100,277	5.93	None
6	Others	649,726	43.66		Others	620,728	36.73	
	Net Sales	1,488,195	100.00		Net Sales	1,689,803	100.00	

Note 1: Due to the switch of end customer agents.

Note 2: Customer inventory liquidation is completed and demand increases.

4.3 Human Resources

Year		2023	2024	March 31, 2025
Number of Employees	Direct	162	167	163
	Indirect	43	43	42
	Management & Sales	37	37	37
	R & D	40	38	37
	Total	282	285	279
Average Age		39.0	39.7	39.8
Average Years of Service		9.0	9.5	9.6
Education	Ph.D.	3.2%	3.2%	3.2%
	Masters	14.9%	14.0%	14.0%
	Bachelor's Degree	48.2%	50.5%	50.5%
	Senior High School	24.8%	23.9%	23.7%
	Below Senior High School	8.9%	8.4%	8.6%

4.4 Environmental Protection Expenditure

4.4.1 Total Losses and Penalties

The loss or penalty caused by environmental pollution during the latest year and up to the printing date of this annual report: None.

4.4.2 Countermeasures and possible disbursements to be made in the future: N/A.

4.5 Labor Relations

4.5.1 Employees' Welfare, Education, Training and Pension, Employee Relations and Protection of Employees' Rights:

A. Employee Welfare

- (a) Profit sharing: Article 25 of the Articles of Incorporation: The Company should distribute remuneration to employees not less than 5% of annual profits.

- (b) Bonus system: Year-end bonus, performance bonus, operation bonus, etc.
- (c) Annual salary review system.
- (d) Periodic health checkup.
- (e) Group insurances.
- (f) Facilities: Parking lots, staff lounge, nursing room, cafeterias, etc.
- (g) Activities: Welfare committee would organize activities such as trips, year-end party, prize drawing and various fun contests, and cash gifts for important festivals, birthday, wedding and new babies, subsidies for hospitalization and education of employees' children.

B. Staff training and training situation

In accordance with the "Employee Education Training Management Procedures", the Company plans relevant training courses according to the professional functions and learning needs of employees.

(a) Training system

- ① Work-oriented training : The head of the unit is responsible for the work guidance of the subordinates or the training of the work.
- ② Centralized training : Consider developing human resources, organizing goals and employee education and propose annual education and training programs.
 - New recruit training : New recruits should receive pre-employment training
 - Functional training : Strengthen professional skills
 - General education course : Courses on ESG, information security, occupational safety and health, and self-Inspiration
- ③ Management training: Training courses for grassroots supervisors, middle managers and senior management.

(b) Summary of the implementation of education and development training this year

In 2024, ACX's internal and external training sessions total 2,726 hours.

On average, each employee attended about 9.6 hours of training, and ACX spends NT\$28 thousand on the education and development of employees.

C. Employee retirement system

- (a) The Company allocates pension funds in accordance with the legislation from the Ministry of Labor and managed by the Bureau of Labor Funds. The annual budget for the allocation of the minimum income cannot be lower than the income calculated based on the interest rate of the banks' two-year time deposits in accordance with the legislation "Management and Utilization of the Labor Pension Funds".

The Company's accumulated labor pension reserve fund is sufficient to cover labor pension pensions. With the approval of the relevant regulatory authorities, the company is allowed to suspend contributions to the labor pension reserve fund until January 2026.

- (b) The Company contributes at the rate of 6% of each employee's monthly wages to the Labor Pension personal account of the Bureau of the Labor Insurance in accordance with the provisions of the Labor Pension Act from July 1, 2005. Under this defined contribution plan, the Company's contribution to the Bureau of Labor Insurance requires no additional legal or constructive obligations thereafter.

D. Agreement between labor and management

The Company has an open management environment. Various forms of discussion and communication can be conducted at any time between management and employees. Any problem can be reached in a timely and interactive manner. The Company cares about the interaction and communication between colleagues, so that employees and employers can achieve common growth and development goals through communication and understanding. The Company has built a challenging and learning environment where the relationship between workers and employers is harmonious, so there are no labor disputes.

E. Various employee rights maintenance measures : Follow the Labor Standards Act to handle everything.

4.5.2 Any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to labor disputes (including labor inspection results found in violation of the Labor Standards Act, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions):
None.

4.6 Cyber security management:

4.6.1 Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.

A. Security risk management framework

The Corporate Social Responsibility group was established to develop and implement policies or practices pertaining to the implementation of corporate governance, a sustainable environment, and safeguarding public interest. The group chairperson is headed by the president and comprises the following promotion teams: Corporate Governance, Employee Development, Green Products, Service of Customer, Supplier Management, Environment Protection and Social Participation. They are responsible for formulating corporate social responsibility policies, and objectives and activities for implementing corporate social responsibility-related events. The leader of each promotion team is usually the head of division, and team's members are composed of relevant business departments. The group performs its duties based on the P-D-C-A cycle. At the end of each year, the group is reviewed for its effectiveness and a written inspection report is compiled of the Board of Directors.

B. Cyber security policies

Esteem the business secrets, personal privacy and information security

C. Concrete management programs

Personnel management and information security education and training	<ul style="list-style-type: none"> ◆ Cyber security personnel carefully evaluate their suitability. ◆ Cyber security personnel should separation of powers for checks and balances ◆ Regularly conduct cyber security education training and publicity.
Computer system security management	<ul style="list-style-type: none"> ◆ Personal computer or tablet use is prohibited. ◆ Antivirus software installed and regularly updated. ◆ Installation of non-operating use and unauthorized software is prohibited. ◆ The use authority of personal computer is strictly controlled to prevent improper access to data.
System access control	<ul style="list-style-type: none"> ◆ Establish use rights and responsibilities for database and file access. ◆ Resigned personnel immediately cancel all permissions; personnel transfer immediately adjust permissions. ◆ There are specifications for password length, complexity and regular replacement frequency. ◆ Personal USB is prohibited.
System development and maintenance	<ul style="list-style-type: none"> ◆ In the initial stage of the system life cycle, the security needs of cyber communication are taken into account. ◆ Sign cyber security and confidentiality clauses with outsourced manufacturers. ◆ ACX personnel will accompany outsourced manufacturers to build and maintain facilities.
Sustainable operation planning and management	<ul style="list-style-type: none"> ◆ Establish daily data backup and remote backup system. ◆ Conduct system recovery plan testing and drills every six months, and review relevant testing deficiencies. ◆ Internal auditors conduct cyber security operation audits every year and report the results to the board of directors.

D. Investments in resources for cyber security management

(a) All new employees have completed the cyber security training.

(b) Participants of ransomware prevention propaganda total 141 personnel.

- (c) Entrust external experts to perform 1 network and cyber security assessments.
- (d) Purchase cyber security software (one year).
- (e) Become a member of the TWCERT/CC.

4.6.2 Any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken: None.

4.7 Important Contracts: None.

V. Review of Financial Conditions, Financial Performance, and Risk Management

5.1 Financial Status

Analysis of Financial Status

Unit: NT\$ thousands

Item \ Year	2023	2024	Difference	
			Amount	%
Current assets	1,714,357	1,889,056	174,699	10.19
Investments	0	0	0	0
Property, plant and equipment	2,437,365	2,423,076	(14,289)	(0.59)
Other assets	35,615	26,239	(9,376)	(26.33)
Total assets	4,187,337	4,338,371	151,034	3.61
Current liabilities	513,615	544,187	30,572	5.95
Long-term liabilities	0	0	0	0
Other liabilities	84,676	29,759	(54,917)	(64.86)
Total liabilities	598,291	573,946	(24,345)	(4.07)
Capital stock	690,162	690,162	0	0
Capital surplus	573,532	573,532	0	0
Retained earnings	2,325,352	2,500,731	175,379	7.54
Other adjustments	0	0	0	0
Total stockholders' equity	3,589,046	3,764,425	175,379	4.89
Analysis of changes in financial ratios:				
1. Other assets: The decrease was mainly due to the decrease in deferred tax assets.				
2. Other liabilities: The decrease was mainly due to the decrease in current tax liabilities - noncurrent.				

- **Effect of Changes on the Company's Financial Condition:** The Company's business scope has not changed significantly.
- **Future Response Actions:** None.

5.2 Financial Performance

Analysis of Financial Performance

Unit: NT\$ thousands

Item \ Year	2023	2024	Difference	
			Amount	%
Net revenue	1,488,195	1,689,803	201,608	13.55
Cost of sales	909,757	924,136	14,379	1.58
Gross profit	578,438	765,667	187,229	32.37
Operating expenses	233,900	301,197	67,297	28.77
Operating income	344,538	464,470	119,932	34.81
Non-operating income and expenses	12,004	71,283	59,279	493.83
Net income before income tax	356,542	535,753	179,211	50.26
Income tax expense	74,103	107,151	33,048	44.60
Net income	282,439	428,602	146,163	51.75

Analysis of changes in financial ratios:

1. Gross profit, Operating expenses, Net income before income tax, Net income before income tax and Net income: The increase was mainly due to the increase in operating revenues.
2. Operating expenses: The increase was mainly due to the costs of factory relocation.
3. Non-operating income and expenses: The increase was mainly due to the increase in foreign exchange gain.

- **Effect of Change on the Company's Financial Condition:** The Company's business scope has not changed significantly.
- **Effect of Change on the Company's Future Business and Future Response Plans:**
The Company is not required to disclose its financial forecast but has set up its internal target based on industrial environment and market demand. The Company will also keep investing in new technologies and quality improvement and will cost-down to achieve the target of profitability.

5.3 Cash Flow

Cash Balance at the Beginning of Year	Net Cash Flow from Operating Activities	Net Cash Flow from Investment Activities	Net Cash Flow from Financing Activities	Cash Balance at the End of Year	Leverage of Cash Surplus	
					Investment Plans	Financing Plans
445,258	718,248	(748,442)	(253,980)	161,084	None	None

5.3.1 Cash Flow Analysis for the Current Year

- A. Operating Activities: Mainly from operating profit.
 B. Investment Activities: Mainly for acquisition of property, plant and equipment.
 C. Financing Activities: Mainly for cash dividends payment.

5.3.2 Remedy for Cash Deficit and Liquidity Analysis: As a result of positive operating cash flows and cash on-hand, remedial actions are not required.

5.3.3 Cash Flow Analysis for the Coming Year: N/A.

5.4 Major Capital Expenditure Items: None.

5.5 Investment Policy in the Last Year, Main Causes for Profits or Losses, Improvement Plans and Investment Plans for the Coming Year: None.

5.6 Risk Analysis and Management

5.6.1 Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures

A. Interest rate

The Company's exposure to interest rate risk arises from the bank deposit interest rates change. If the interest rate had increased (decreased) by 1%, the Company's net profit after tax would have increased (decreased) by NT\$11,568 thousand for the year ended December 31, 2024, all other variable factors that remain constant.

B. Foreign exchange rates

The Company's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, accounts payable, and other payable that are denominated in foreign currency. A strengthening (weakening) 1% of appreciation of NTD against USD and JPY for the years ended December 31, 2024 would have increased the net profit after tax by NT\$3,100 thousand.

Mitigation measures being or to be taken:

- (a) The Company reserves the foreign currency position arising from sales appropriately to remit the foreign currency expenditures to safeguard from foreign exchange risk.
- (b) The Company manages the currency risk and then determines the timing of exchanging the foreign currency through collecting the foreign currency information.
- (c) The Company uses foreign currency forward exchange contracts to hedge the remaining nature of currency risk arising from netting.

C. Inflation

The impact of inflation does not currently have a significant impact on the Company's profits and business operations.

5.6.2 Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions

The Company did not engage in any high-risk, high-leveraged investments, lending or endorsement guarantees, and derivatives transactions.

5.6.3 Future Research & Development Projects and Corresponding Budget

Please refer to the "4.1.3 Technology and R&D Status" on pages 38-40 of this annual report.

5.6.4 Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales

The Company consistently pays close attention to any changes in local and foreign policies and makes appropriate amendments to our systems when necessary. During 2024 and as of the date of publication of this annual report, changes in related laws have not had a significant impact on our operations.

5.6.5 Effects of and Response to Changes in Technology (including cyber security risk) and in Industry Relating to Corporate Finance and Sales

The Company pays attention to the changes in technologies and in industry at all time so as to be fully aware of the market trend and evaluate any potential impact on the operations of the Company. During 2024 and as of the date of publication of this annual report, the material changes of technologies have not had brought any adverse impact to the operations of the Company.

5.6.6 The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures

Since its inception, the Company has consistently maintained an ethical business philosophy and fulfilled its social responsibilities. During 2024 and as of the date of publication of this Annual Report, there were no such risks for the Company.

5.6.7 Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans

The Company has no ongoing merger and acquisition activities.

5.6.8 Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans

The Company has no ongoing factory expansion activities.

5.6.9 Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration

Sales of the Company are not concentrated on certain customers. The Company maintains more than two qualified raw material suppliers to ensure supply flexibility.

5.6.10 Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10%

There was no sale or transfer of significant number of shares by the Directors, Supervisors and shareholders with over 10% of shareholding.

5.6.11 Effects of, Risks Relating to and Response to the Changes in Control over the Company

During 2024 and as of the date of publication of this Annual Report, such risks were not identified by the Company.

5.6.12 Litigation or Non-litigation Matters

A. Major ongoing lawsuits, non-lawsuits or administrative lawsuit: None.

B. Major ongoing lawsuits, non-lawsuits or administrative lawsuits caused by directors, supervisors or shareholders with over 10% shareholdings: None.

5.6.13 Other Major Risks:

A. Risk management framework

The Company established risk management policies and effectively identify, measure, monitor, and control risk management mechanisms. The Board of Directors has the responsibility for the establishment and oversight of risk management framework. Through routine risk management, regular management meetings, and internal audit control monitor risk management effectiveness.

5.7 Other Important Matters: None.

VI. Special Disclosure

6.1 Information of Associated Enterprises: None.

6.2 Organization of the Latest Private Placement Securities as of the Date of Printing of the Annual Report: None.

6.3 Latest Matters with Important Impact on Shareholder Rights or Security Prices Indicated in Article 36 Paragraph 3 Subparagraph 2 of the Securities and Exchange Act as of the Date of Printing of Annual Report:

The company plans to dispose of the land, factory buildings and ancillary equipment at No. 16 Tzu Chiang Road, Hsinchu Industrial District, Hsinchu Hsien, Taiwan.

6.4 Other Matters Requiring Supplementary Information: None.

VII. Appendices

7.1 Major Resolutions of Shareholders' Meetings and Board Meetings are Summarized as Follows:

Date	Shareholders / Board Meetings	Major Resolutions
02/21/2024	Board of Directors Meeting	<ol style="list-style-type: none"> 1. Approved the change of financial officer, accounting officer and corporate governance officer. 2. Evaluated the independence and qualification of the independent auditors. 3. Approved the 2023 statement of the internal control system. 4. Approved the distribution of employees' and directors' compensations for the year of 2023. 5. Approved the 2023 business report and financial statements. 6. Approved the distribution of earnings for the year of 2023. 7. Approved to purchase of clean room and office projects for the new factory. 8. Approved the budget plan of the Company for the year of 2024. 9. Amendment to the Company's internal control system. 10. Convened of the 2024 annual general shareholders' meeting.
05/02/2024	Board of Directors Meeting	<ol style="list-style-type: none"> 1. Evaluated the independence and qualification of the independent auditors. 2. Approved the 2024 first quarter financial statements. 3. Approved the short-term loan with financial institutions.
06/14/2024	Shareholders Meeting	<ol style="list-style-type: none"> 1. To accept 2023 business report and financial statements. 2. To approve the proposal for distribution of 2023 earnings.
07/30/2024	Board of Directors Meeting	<ol style="list-style-type: none"> 1. Approved the ESG report of 2023. 2. Approved the 2024 second quarter financial statements. 3. Change the company's business address to No.165, Han Yang Road, Hsinchu Industrial District, Hsinchu Hsien, Taiwan.
11/05/2024	Board of Directors Meeting	<ol style="list-style-type: none"> 1. Approved the 2024 third quarter financial statements. 2. The distribution of employees' and directors' compensations for the year of 2024. 3. Establishment of "Management of Sustainability Information" internal control procedures and its internal audit procedures. 4. Approval of auditing plan for the year of 2025. 5. Approval of 2025 regular Board of Directors meeting.
02/25/2025	Board of Directors Meeting	<ol style="list-style-type: none"> 1. Approved the 2024 statement of the internal control system. 2. Approved the distribution of employees' and directors' compensations for the year of 2024. 3. Approved the 2024 business report and financial statements. 4. Evaluated the independence and qualification of the independent auditors. 5. Approved the distribution of earnings for the year of 2024. 6. Election of new directors. 7. Nomination and review of ten director candidates. 8. Propose to waive the claim of competitive activities against new elected board of directors. 9. Approved the budget plan of the Company for the year of 2025. 10. Convened of the 2025 annual general shareholders' meeting. 11. Propose to authorize the chairman to dispose of the real property, plant and equipment related matters.