



Unictron Technologies Corporation

# 2024 Annual Report

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Unictron's annual report: [http:// www.unictron.com](http://www.unictron.com)

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[www.unictron.com](http://www.unictron.com)

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.

**Spokesperson and Deputy Spokesperson**

Spokesperson: Lee, Ran-Rong

Position: Chief Strategy Officer

Contact number: (03)407-2728

E-mail: investor@unictron.com

Deputy Spokesperson: Cheng, Shih-Wei

Position: Finance director

Contact number: (03)407-2728

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**Address and telephone number of the company's headquarters, branch offices, and factories**

Headquarter and factory (Yung Rong): No. 41, Shuiken, Datung Village, Guanxi Township, Hsinchu County Tel: (03) 407-2728

Taoyuan Factory (Yung Chih): 4F, No. 83, Kewang Rd., Longtan Dist., Taoyuan City

Taoyuan Office: 5F, 83, Kewang Rd., Longtan Dist., Taoyuan City

Tainan Plant: 4F, No. 21, Phase 2, Gongye 2nd Rd, Annan District, Tainan City

**Name, address, e-mail address, and telephone number of the agency handling shares transfer**

Name: Stock Affair Agency Department, Taishin Securities Co. Ltd.

Address: B1, No. 96, Chienkuo N. Rd., Sec. 1, Zhongshan District.

Link: <https://stocktransfer.tssco.com.tw>

Tel: (02) 2504-8125

**Names of the certified public accountants who duly audited the annual financial report for the most recent fiscal year, and the name, address and telephone number of the accounting firm to which they belong**

Names of attesting CPAs: Hsu, Shi-Chun, CPA, and Tang, Tzu-Chieh, CPA

Name of accounting firm: KPMG Taiwan

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

Link: <https://kpmg.com.tw>

Tel: 02-8101-6666

**Name of any exchanges where the company's securities are traded offshore, and the method by which to access information on said offshore securities: none**

**Address of the company's website:** <http://www.unictron.com/>

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## One. Report to the shareholders

In 2024, due to the lack of recovery in the market and consumption power and the strict customer inventory management, the visibility of orders is more conservative, which affects the revenue and profit of the year. The full year revenue was NT\$1,229,947 thousand, net income after tax was NT\$98,632 thousand, and earnings per share after tax was NT\$2.1 in 2024.

### I. 2024 business results and business plan overview

The Company's consolidated operating revenue in 2024 was NT\$1,229,947 thousand, reducing by approximately 11% from 2023. After settlement, the after-tax net profit attributable to the owners of the parent company of the full year was NT\$98,632 thousand, reducing by approximately 50% from 2023.

The Company does not prepare financial forecast statements. However, the internal budget management is implemented in accordance with the regulations. The Company's net cash inflow from operating activities in 2024 was NT\$239,185 thousand, and the debt to asset ratio was 22%, the current ratio was 382%, the return on shareholders' equity was 6%, the net profit margin was 8%, and the basic earnings per share was NT\$2.1, which showed good financial income and expenditure and profitability.

Innovation and R&D design are the core competitiveness and the Company's business philosophy. With the efforts of the R&D team, the Company has constantly launched new products every year. In the past, the Company has obtained or applied for more than 100 patents in various countries. In the future, in addition to continuously launching new products from R&D design, the Company is also committed to improving product competitiveness. As for the protection of R&D results, the Company has continued to apply for patents in various countries to maintain intellectual property rights.

The R&D expenses invested in the current year were NT\$145,600 thousand, accounting for 12% of the total revenue. As the Company's core competitiveness is the material formula and process technology as well as technology of radio frequency circuit design, the Company, based on customers' needs and the future development direction of the electronics industry, is committed to researching and manufacturing key electronic components, and continues to develop new niche products.

### II. Future company development strategies, and effects from external competition environment, legal environment, and macro operating environment:

The Company will continue to promote the development and application of new products and new applications such as high-precision positioning antennas, low-rail satellites, 5G millimeter-wave antenna modules, smart underwater buoyancy, liquid level sensor and traffic flow measurement. Some of the products have been recognized by customers, and it is expected that they will be the main driving force for future sales growth.

Although the overall industry has improved, the political situation is still uncertain, particularly for Trump's impact on global economic policies. It is still to be seen whether the overall industry can recover. Nevertheless, the company will still keep track of customer conditions and adjust production capacity to the best possible state. The operating strategy will continue to be implemented gradually as originally planned. In the long run, the Company's core competitiveness and continuous growth in revenue will remain unchanged.

The Company will also place greater emphasis on the development and discussion of ESG sustainability-related issues, and continue to improve and refine, in order to achieve the goal of sustainable development through sound corporate governance, balanced interests between stakeholders, and environmental protection, etc. The Company will also commit to social participation, to fulfill its maximum responsibility as a corporate citizen. With the support of all shareholders, the Company hopes to continue to give encouragement and motivation to the management team, and create good results.

Very sincerely yours

Chairman:



President:



Accounting Manager:



## Two. Corporate Governance Report

### I. Information on the company's directors, supervisors, general manager, assistant general managers, deputy assistant general managers, and the supervisors of all the company's divisions and branch units

#### (I) Directors, supervisors, and independent directors

##### 1. Information on directors, supervisors, and independent directors

March 29, 2025

Job title	Nationality or place of registration	Name	Gender	Date of election / appointment to current term	Term of office	Commencement date of first term	Number of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shareholding by nominee arrangements		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship	
Chairman	Republic of China	Su, Kai-Chien	Male	June 15, 2023	3 years	November 27, 2018	900,000	1.88%	900,000	1.88%	-	-	-	-	MBA, National Chengchi University, Associate Vice President, Qisda Corporation (previously BenQ Corporation)	CEO, Unicton Technologies Corporation Chairman and CEO, Darfon Electronics Corp. Chairman, Darad Innovation Corporation Director, BenQ Foundation Chairman, Iron Ore Company Limited Chairman, Astro Tech Co., Ltd. Chairman, Darfon Energy Technology Corp.	-	-	-	Note
Republic of China	Darfon Electronics Corp.	-	-	June 15, 2023	3 years	November 27, 2018	17,551,081	36.66%	17,551,081	36.66%	-	-	4,361,375	9.11%	-	-	-	-	-	-
Vice Chairman	Republic of China	Representative: Lee, Ran-Rong	Male	June 15, 2023	3 years	June 30, 2017	290,000	0.61%	290,000	0.61%	-	-	-	-	Ph.D, Material Science, Case Western Reserve University EMBA, National Chiao Tung University R&D Manager, CPS Corp. (USA) Manager, Ceramic Laboratory, Material Research Laboratories, ITRI President, MAG. LAYERS Scientific-Technics Co., Ltd. President, Chilisin Electronics Corp. R&D Director, Littelfuse Special Assistant to Chairman, Ta I Technology Co., Ltd. President, Integrated Component Business Department, Darfon Electronics Corp.	Chief Strategy Officer, Unicton Technologies Corporation Legal representative of Unicton Technologies Vietnam Co.,LTD.	-	-	-	-
Director	Republic of China	Representative: Chang, Ming-Chu	Male	June 15, 2023	3 years	March 11, 2021	225,000	0.47%	225,000	0.47%	186,000	0.39%	-	-	Ph.D, Material Science, National Tsing Hua University Project Director, Material Laboratories, ITRI	President, Unicton Technologies Corporation Legal representative of Unicton Technologies(Shenzhen)Co. Ltd	-	-	-	-
	Republic of China	Representative: Wang, Wei-Chi	Male	January 3, 2024	3 years	January 3, 2024	-	-	-	-	-	-	-	-	EMBA, Chinese Culture University Vice President, Darfon Electronics Corp.	Vice President, Darfon Electronics Corp.	-	-	-	-

Job title	Nationality or place of registration	Name	Gender	Date of election / appointment to current term	Term of office	Commencement date of first term	Number of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shareholding by nominee arrangements		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship	
Independent director	Republic of China	Cheng, Wei-Shun	Male	June 15, 2023	3 years	October 8, 2020	-	-	-	-	-	-	-	-	Master, Accounting, North Illinois University Senior Special Assistant, AUO Corporation	Independent director, Daxin Materials Corporation Independent director, Raydium Semiconductor Corporation Independent director, Chenbro Micom Co., Ltd. Director, Shirre Lab Corp.	-	-	-	-
Independent director	Republic of China	Wang, Yung-Ho	Male	June 15, 2023	3 years	October 8, 2020	-	-	-	-	-	-	-	-	Ph.D, Department of Electronic Engineering, National Chengkung University Professor, National Chengkung University President, National Applied Research Laboratories	Professor, Department of Electronic Engineering, National Chengkung University Independent director, ChipMos Technologies Inc.	-	-	-	-
Independent director	Republic of China	Wang, Chien-Min	Male	June 15, 2023	3 years	October 8, 2020	-	-	-	-	-	-	-	-	Ph.D, Material Science of Engineering, University of Illinois Adjunct Professor, National Taipei University of Technology Adjunct Professor, National Tsing Hua University Adjunct Professor, National Taiwan University of Science and Technology Vice President, Young Bright Optical (SuZhou) Co.,Ltd. Vice President concurrently CTO, Coretronic Corporation President, Young Lighting Technology Inc.	Review Commissioner for Academic/Industrial/Corporate Technology R&D Projects, Department of Industrial Technology, Ministry of Economic Affairs Independent Director, Taimide Technology Inc.	-	-	-	-
Independent director	Republic of China	Shen, Hsi-Wen	Male	June 15, 2023	3 years	June 22, 2022	-	-	-	-	-	-	-	-	MBA , Tulane University, USA Manager, Motorola Electronics Taiwan Manufacturing Director, Amkor(Sampo)Semiconductor Sr. Manager, CTS (Chicago Telephone Supply) Taiwan President, Unictron Technologies Corp. Group Sr. VP, PTL	Independent Director, Favite Inc.	-	-	-	

Note: If the chairman and general manager or person of an equivalent post (the highest level managerial officer) and the chairperson of the board of directors of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto:

The chairman of the Company concurrently serves as the Chief Executive Officer; the considerations taken is that he has working experience in the fields of industrial knowledge, operational judgment, and corporate management, as well as professional experience in corporate governance, and he is able to implement operational supervision and management, improve decision-making capabilities, and enhance the Company's operations, apparently helpful to the Company. With his expertise, he provides timely supervision and professional advice to the Board of Directors when exercising the duties of the chairman. The Company has elected independent directors and established an audit committee on October 8, 2020 to supervise the Board of Directors duly. In addition, the Company has appointed one independent director in accordance with the requirements of Taiwan Stock Exchange Corporation on June 22, 2022, increasing the total number of independent directors to four, which has reached one half of the Board of Directors.

## 2. Major shareholder of the corporate shareholder

March 31, 2025

Name of corporate shareholder	Major shareholder of the corporate shareholder	Shareholding percentage (%)
Darfon Electronics Corp. (Note)	Qisda Corporation	20.72
	BenQ Corporation	5.01
	Dedicated trust account for the shareholdings of Darfon Electronics Corp. employees with Taishin International Commercial Bank	4.48
	Mega International Commercial Bank Co., Ltd.	1.62
	Su, Kai-Chien	1.45
	Unictron Technologies Corporation	1.43
	Standard Chartered Bank (Taiwan) Limited, banking department for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds.	1.06
	Standard Chartered Bank (Taiwan) Limited, banking department with the custody of the series fund of Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds investment account.	0.93
	HSBC Hosted Mitsubishi UFJ Morgan-Tripur Transaction	0.85
	JPMorgan Chase Bank N.A., Taipei Branch in custody for J.P. MORGAN SECURITIES LTD.	0.73

Note: For the major shareholders of Darfon Electronics Corp., the shareholder roster at the date of book closing base date, March 31, 2025 shall prevail.

## 3. Major shareholders of the corporate shareholders that are major shareholders of corporate shareholders

March 31, 2025

Name of corporate shareholder	Major shareholder of the corporate shareholder	Shareholding percentage (%)
Qisda Corporation (Note 1)	AUO Corporation	12.2
	Acer Incorporated	4.2
	Dedicated trust account for the shareholdings of Qisda Corporation employees with Taishin International Commercial Bank	3.9
	Kangli Investment Co., Ltd.	2.6
	Darfon Electronics Corp.	2.1
	Chunghwa Post Co., Ltd.	1.4
	Standard Chartered Bank (Taiwan) Limited, banking department for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds.	1.0
	Citi Bank (Taiwan) in custody for the investment account of Poluning Development National Fund Co., Ltd	1.0
	Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds	0.9
	Dongmu Association	0.9
BenQ Corporation (Note 2)	Qisda Corporation	100
Mega International Commercial Bank Co., Ltd. (Note 3)	Mega Financial Holding Co., Ltd.	100
Unictron Technologies Corporation (Note 4)	Darfon Electronics Corp.	36.66
	Chengli Investment Co., Ltd.	9.11
	Su, Kai-Chien	1.88
	Hung Hsiang Investment Co., Ltd.	1.68
	Chen, Li-Fei	1.09
	Hsia, Li-Lian	1.05
	Liao, Chih-Kun	0.79
	He Feng United Co., Ltd.	0.73
	Yang, Chia-Chin	0.61
	Yang, Tzu-Di	0.61

Note 1: For the major shareholders of Qisda Corporation, the shareholder roster on the date of book closing base date, March 31, 2025 shall prevail.

Note 2: Based on the disclosure in the Information about Companies or Businesses in Taiwan, MOEA

Note 3: Based on the disclosure in the Information about Companies or Businesses in Taiwan, MOEA

Note 4: For the major shareholders of Unictron Technologies Corporation, the shareholder roster on the date of book closing base date, March 29, 2025 shall prevail.



4. The professional qualifications of the directors and the independence of the independent directors, and the disclosure of information on independence.

Qualification Name	Professional Qualification and Experience	Independence	Number of other public companies at which the person concurrently serves as an independent director
Su, Kai-Chien	He has served as the President of Darfon Electronics since 1999 and has been the Chairman of the Board of Directors of Darfon Electronics since 2015. He took over the position of Chairman and Chief Executive Officer of the Company in 2007. He specializes in innovative research and development and integration of technologies, and continues to create profits and enhance the sustainable competitiveness of the Company through a multi-faceted product strategy. He led the Company to be officially listed on the Taiwan Stock Exchange (TWSE) on December 8, 2021.	Mr. Su is now the CEO of Unictron Technologies Corporation	None
Representative of Darfon Electronics Corp.: Lee, Ran-Rong	1. He received a Ph.D. in Material Science and Engineering from Case Western Reserve University. 2. Since joining the Company in 2016, he has served as the president of the Company as well as for a number of passive components companies. He possesses excellent management capabilities and professional knowledge, which is necessary for the long-term operation and development of the Company.	Mr. Lee is now the Chief Strategy Officer of Unictron Technologies Corporation	None
Representative of Darfon Electronics Corp.: Chang, Ming-Chu	1. He obtained a Ph.D. in Materials Science and Engineering from National Tsing Hua University. 2. He was a project leader of the Materials Research Institute of the Industrial Technology Research Institute (ITRI). He joined the Company in 2000 and has served as the Vice President of Research and Development and a director of the Company since then, and has extensive experience in research and development as well as corporate governance.	Mr. Chang is now the President of Unictron Technologies Corporation	None
Representative of Darfon Electronics Corp.: Wang, Wei-Chi	1. He obtained a master's degree from the Department of International Business Administration at the Chinese Culture University. 2. With over 25 years of service at Darfon Electronics Corp. and extensive experience in electronics marketing, he currently holds the position of Vice President of the Darfon IT Product Division.	Mr. Wang is now the Vice President of Darfon Electronics Corp.	None

Qualification Name	Professional Qualification and Experience	Independence	Number of other public companies at which the person concurrently serves as an independent director
Independent Director Cheng Wei-Shun	<ol style="list-style-type: none"> <li>1. He holds a master's degree in accounting from Northern Illinois University and is a certified public accountant in the Republic of China</li> <li>2. (Taiwan).</li> <li>3. He has worked at AUO Corporation for over 20 years, during which time he served as AUO's Chief Financial Officer, and has complete industry experience. Mr. Cheng is now the Independent Director of Chenbro Micom Co., Ltd., Daxin Materials Corp., and Raydium Semiconductor Corp., all of which are listed companies.</li> </ol>	<ol style="list-style-type: none"> <li>1. Directors shall be elected through the candidate nomination system in accordance with the provisions of the Articles of Incorporation and the Corporate Governance Principles. During the nomination and selection process of Board members, the Company has obtained written statements, employment history, and proof of current employment from each director, as well as the relative relationship forms, for the purpose verifying and confirming the independence of the directors, their spouses and their relatives within their second degree of kinship with respect to the Company.</li> </ol>	3
Independent Director Wang, Yung-Ho	<ol style="list-style-type: none"> <li>1. He obtained a Ph.D. in Electric Engineering from National Cheng Kung University.</li> <li>2. He is a currently a professor in the Department of Electrical Engineering at National Cheng Kung University, the Chairperson of the National Applied Research Laboratories, and an independent director of the publicly listed company ChipMOS Technology Inc.</li> </ol>	<ol style="list-style-type: none"> <li>2. The items have been verified in accordance with the independence requirements set forth in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies promulgated by the Financial Supervisory Commission as well as the qualifications stipulated in Article 14-2 of Securities and Exchange Act two years before being elected and during their tenures. The independent directors have also been given the authority to participate in the decision-making process and express opinions in accordance with Article 14-3 of the Securities and Exchange Act, so that they can perform their duties and responsibilities independently</li> </ol>	1
Independent Director, Wang, Chien-Min	<ol style="list-style-type: none"> <li>1. He obtained a Ph.D. in Material Science and Engineering from University of Illinois Urbana-Champaign.</li> <li>2. Formerly served as an adjunct professor at National Taipei University of Technology, National Tsing Hua University, and National Taiwan University of Science and Technology. He is a current member of the evaluation committee of TDP for Academia/Industry/Nonprofit Research Organizations of the Department of Industrial Technology, Ministry of Economic Affairs, and an independent director of the listed company, Taimide Tech. Inc.</li> </ol>		1
Independent Director Shen, Hsi-Wen	<ol style="list-style-type: none"> <li>1. He obtained the MBA from Tulane University.</li> <li>2. Formerly served as the Senior Vice President of Powertech Technology Inc. and currently serve as an independent director of the TWSE-listed company Favite, Inc.</li> </ol>		1

Note : None of the above directors and independent directors have any matters listed in Article 30 of the Company Act.

## 5. Diversification policy and independence of the Board of Directors

### (1) Diversity of the Board of Directors

Pursuant to the “Corporate Governance Best-Practice Principles”, the composition of the board of directors shall be determined by taking diversity into consideration. It is advisable that directors concurrently serving as company’s managerial officers not exceed one-third of the total number of the board members, and that an appropriate policy on diversity based on the company’s business operations, operating dynamics, and development needs be formulated and include, without being limited to, the following two general standards:

- I. Basic requirements and values: Gender, age, nationality, and culture.
- II. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience. For detailed management objectives and implementation status, please refer to page 24 of the annual report.

Job title	Chairman	Director			Independent director			
Name	Su, Kai-Chien	Lee, Ran-Rong	Wang, Wei-Chi	Chang, Ming-Chu	Cheng, Wei-Shun	Wang, Yung-Ho	Wang, Chien-Min	Shen, Hsi-Wen
Gender	Male	Male	Male	Male	Male	Male	Male	Male
Age	66-70	66-70	56-60	61-65	61-65	66-70	76-80	61-65
Nationality	Republic of China							
Holding concurrent position as an employee of the Company	✓	✓		✓				
The term of office of the independent directors exceeds three terms								
Professional background								
Industry	✓	✓	✓	✓	✓	✓	✓	✓
Technology	✓	✓	✓	✓	✓	✓	✓	✓
Accounting and finance					✓			
Marketing	✓	✓	✓	✓			✓	✓
Professional knowledge and skills								
Business management and operational judgment	✓	✓	✓	✓	✓	✓	✓	✓
Accounting and financial analysis	✓	✓	✓		✓		✓	✓
Crisis management	✓	✓	✓	✓	✓	✓	✓	✓
Knowledge of the industry	✓	✓	✓	✓	✓	✓	✓	✓
International market perspective	✓	✓	✓	✓	✓	✓	✓	✓
Leadership decision-making	✓	✓	✓	✓	✓	✓	✓	✓

### (2) Independence of the Board of Directors

In the 2023 annual shareholders' meeting, the Company conducted a re-election of directors. Out of the 8 directors, 4 are independent directors, making up 50% of the board. The board of directors ensures independence by not having any directors who are spouses or relatives within the second degree of kinship.

II. Information on the company's general manager, assistant general managers, deputy assistant general managers, and the supervisors of all the company's divisions and branch units

March 29, 2025

Job title	Nationality	Name	Gender	Date of appointment to position	Number of shares held		Shares held by spouse and minor children		Shareholding by nominee arrangements		Principal work experience and academic qualifications	Positions concurrently held in other companies at present	Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job title	Name	Relationship	
Chief executive officer	Republic of China	Su, Kai-Chien	Male	November 27, 2018	900,000	1.88%	-	-	-	-	MBA, National Chengchi University Associate Vice President, Qisda Corporation (previously BenQ Corporation)	CEO, Unictron Technologies Corporation Chairman and CEO, Darfon Electronics Corp. Chairman, Darad Innovation Corporation Director, BenQ Foundation Chairman, Iron Ore Company Limited Chairman, Astro Tech Co., Ltd. Chairman, Darfon Energy Technology Corp.	-	-	-	Note 1
Chief Strategy Officer	Republic of China	Lee, Ran-Rong	Male	November 23, 2016	290,000	0.61%	-	-	-	-	Ph.D, Material Science, Case Western Reserve University EMBA, National Chiao Tung University R&D Manager, CPS Corp. (USA) Manager, Ceramic Laboratory, Material Research Laboratories, ITRI President, MAG. LAYERS Scientific-Technics Co., Ltd. President, Chilisin Electronics Corp. R&D Director, Littelfuse Special Assistant to Chairman, Ta I Technology Co., Ltd. President, Integrated Component Business Department, Darfon Electronics Corp.	Legal representative of Unictron Technologies Vietnam Co.,LTD.	-	-	-	-
President	Republic of China	Chang, Ming-Chu	Male	September 1, 2000	225,000	0.47%	186000	0.39%	-	-	Ph.D, Material Science, National Tsing Hua University Project Manager, Material Laboratories, ITRI	Legal representative of Unictron Technologies(Shenzhen)Co. Ltd	-	-	-	-
Vice President	Republic of China	Chou, Chih-Sheng	Male	May 19, 2005	164,000	0.34%	-	-	-	-	Master, Chemical Engineering, National Chengkung University Vice Manager, R&D/ Production Technology, INPAQ Technology Co., Ltd.	-	-	-	-	-
Vice President	Republic of China	Ruan, Yue-Chang	Female	February 24, 2015	220,000	0.46%	-	-	-	-	Ph. D, Management Science, National Chiao Tung University Associate Vice President of Sales, QPL (Hongkong) Associate Vice President of Operation, Etron Technology, Inc.	-	-	-	-	-
Director	Republic of China	Cheng, Shih-Wei	Male	August 16, 2017	64,019	0.13%	-	-	-	-	Department of Accounting, Tamkang University Master, Institute of Finance, National Central University Vice Manager of Audit, Deloitte Taiwan Audit Director, Yageo Corp. Finance Manager, Arima Optoelectronics Corp. Associate Vice President of Finance, Century Iron and Steel Industrial Co., Ltd.	Supervisor, Unictron Technologies Corporation (Shenzhen) Co. Ltd	-	-	-	-

Note 1: If the chairman and general manager or person of an equivalent post (the highest level managerial officer) and the chairperson of the board of directors of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto:

The chairman of the Company concurrently serves as the Chief Executive Officer; the considerations taken is that he has working experience in the fields of industrial knowledge, operational judgment, and corporate management, as well as professional experience in corporate governance, and he is able to implement operational supervision and management, improve decision-making capabilities, and enhance the Company's operations, apparently helpful to the Company. With his expertise, he provides timely supervision and professional advice to the Board of Directors when exercising the duties of the chairman. The Company has elected independent directors and established an audit committee on October 8, 2020 to supervise the Board of Directors duly. In addition, the Company has appointed one independent director in accordance with the requirements of Taiwan Stock Exchange Corporation on June 22, 2022, increasing the total number of independent directors to four, which has reached one half of the Board of Directors.

II. Remuneration paid during the most recent fiscal year to directors, supervisors, the general manager, and assistant general managers

(I) Remuneration to Ordinary Directors and Supervisors

Unit: NT\$ Thousand

Job title		Name	Directors' Remuneration								Sum of A+B+C+D and ratio to net income		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income		Remuneration received from investee enterprises other than subsidiaries or from the parent company
			Base compensation (A)		Retirement pay and pension (B)		Director profit-sharing compensation (C)		Business implementation Costs (D)				Salary, reward and special disbursements (E)		Retirement pay and pension (F)		Employee profit-sharing compensation (G)						
			The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities		The Company	All consolidated entities	
																	Amount in cash	Amount in stock	Amount in cash	Amount in stock			
Ordinary director	Chairman	Su, Kai-Chien	1,500	1,500	-	-	-	-	184	184	1,684 1.71%	1,684 1.71%	17,106	17,106	-	-	2,226	-	2,226	-	21,016 21.31%	21,016 21.31%	55,405
	Director	Darfon Electronics Corp. Representative: Lee, Ran-Rong																					
	Director	Darfon Electronics Corp. Representative: Chang, Ming-Chu																					
	Director	Darfon Electronics Corp. Representative: Wang, Wei-Chi																					
Independent director	Independent director	Cheng, Wei-Shun	2,700	2,700	-	-	506	506	176	176	3,382 3.43%	3,382 3.43%	-	-	-	-	-	-	-	-	3,382 3.43%	3,382 3.43%	-
	Independent director	Wang, Yung-Ho																					
	Independent director	Wang, Chien-Min																					
	Independent director	Shen, Hsi-Wen																					
Corporate director		Darfon Electronics Corp.	1,500	1,500	-	-	379	379	-	-	1,879 1.91%	1,879 1.91%	-	-	-	-	-	-	-	-	1,879 1.91%	1,879 1.91%	-

1. Please describe the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid; please refer to the description of remunerations to directors and independent directors on Page 14

2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / invested enterprises): none

### 1. Remuneration Range Table

Remuneration Range Paid to Each Director	Names of Directors			
	Sum of A+B+C+D		Total of the first seven types of remuneration A+B+C+D+E+F+G	
	The Company	All consolidated entities	The Company	Parent company and all reinvestees
Less than NT\$1,000,000	Wang, Wei-Chi Lee, Ran-Rong Chang, Ming-Chu Shen, Hsi-Wen Wang, Yung-Ho Wang, Chien-Min Cheng, Wei-Shun	Wang, Wei-Chi Lee, Ran-Rong Chang, Ming-Chu Shen, Hsi-Wen Wang, Yung-Ho Wang, Chien-Min Cheng, Wei-Shun	Wang, Wei-Chi Shen, Hsi-Wen Wang, Yung-Ho Wang, Chien-Min Cheng, Wei-Shun	Wang, Yung-Ho, Wang, Chien-Min, Shen, Hsi-Wen, Cheng, Wei-Shun
NT\$1,000,000 (incl.)~NT\$2,000,000 (excl.)	Su, Kai-Chien Darfon Electronics Corp.	Su, Kai-Chien Darfon Electronics Corp.	Darfon Electronics Corp.	Darfon Electronics Corp.
NT\$2,000,000 (incl.)~NT\$3,500,000 (excl.)				
NT\$3,500,000 (incl.)~NT\$5,000,000 (excl.)				
NT\$5,000,000 (incl.)~NT\$10,000,000 (excl.)			Chang, Ming-Chu Lee, Ran-Rong	Chang, Ming-Chu Lee, Ran-Rong
NT\$10,000,000 (incl.)~NT\$15,000,000 (excl.)			Su, Kai-Chien	Wang, Wei-Chi
NT\$15,000,000 (incl.)~NT\$30,000,000 (excl.)				
NT\$30,000,000 (incl.)~NT\$50,000,000 (excl.)				
NT\$50,000,000 (incl.)~NT\$100,000,000 (excl.)				Su, Kai-Chien
NT\$100,000,000 or above				
Total	9 (one corporate included)	9 (one corporate included)	9 (one corporate included)	9 (one corporate included)

(II) Remuneration to Supervisors: the Company adopts the Audit Committee and no supervisor is established.

### (III) Remuneration to Presidents and Vice Presidents

Unit: NT\$ Thousand;%

Job title	Name	Salary (A)		Retirement pay and pension (B)		Rewards and special disbursements (C)		Employee profit-sharing compensation (D)				Sum of A+B+C+D and ratio to net income		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities		The Company	All consolidated entities	
								Amount in cash	Amount in stock	Amount in cash	Amount in stock			
Chief executive officer	Su, Kai-Chien	15,157	15,559	265	265	9,610	9,610	3,173	-	3,173	-	28,205 28.60%	28,607 29.00%	42,164
Chief Strategy Officer	Lee, Ran-Rong													
President	Chang, Ming-Chu													
Vice President	Chou, Chih-Sheng													
	Ruan, Yue-Chang													
	Chuang, Rong-Hua (Note)													

Note: Chuang, Rong-Hua, the Vice President, retired on June 30, 2024.

### 1. Remuneration Range Table

Remuneration Range Paid to Each Presidents and Vice Presidents	Name of Presidents and Vice Presidents	
	The Company	Parent company and all reinvestees
Less than NT\$1,000,000	Chuang, Rong-Hua	
NT\$1,000,000 (incl.)~NT\$2,000,000 (excl.)		Chuang, Rong-Hua
NT\$2,000,000 (incl.)~NT\$3,500,000 (excl.)		
NT\$3,500,000 (incl.)~NT\$5,000,000 (excl.)	Chou, Chih-Sheng; Ruan, Yue-Chang	Chou, Chih-Sheng; Ruan, Yue-Chang
NT\$5,000,000 (incl.)~NT\$10,000,000 (excl.)	Su, Kai-Chien ; Lee, Ran-Rong; Chang, Ming-Chu	Su, Kai-Chien ; Lee, Ran-Rong; Chang, Ming-Chu
NT\$10,000,000 (incl.)~NT\$15,000,000 (excl.)		
NT\$15,000,000 (incl.)~NT\$30,000,000 (excl.)		
NT\$30,000,000 (incl.)~NT\$50,000,000 (excl.)		
NT\$50,000,000 (incl.)~NT\$100,000,000 (excl.)		
NT\$100,000,000 or more		
Total	6	6

(IV) Remuneration to the Five Highest Remunerated Management Personnel of a TWSE or TPEx listed Company (Individual Disclosure of Names and Remuneration Items): not applicable

(V) Names of Managerial Officer Received Employee Remuneration and the Distribution

Unit: NT\$ Thousand:%

(Note 1)	Job title	Name	Amount in stock	Amount in cash	Total	Ratio of total amount to net income after tax
Managerial officer	Chairman and Chief Executive Officer	Su, Kai-Chien	-	3,457 (Note 2)	3,457	3.50%
	Chief Strategy Officer	Lee, Ran-Rong				
	President	Chang, Ming-Chu				
	Vice President	Chou, Chih-Sheng				
	Vice President	Ruan, Yue-Chang				
	Vice President	Chuang, Rong-Hua (Note 3)				
	Director	Cheng, Shih-Wei				

Note 1: The applicable scope of managerial officers complies with the provision of Order Letter Tai-Cai-Zheng-San No. 0920001301 dated March 27, 2003 of the Commission.

Note 2: The amount of employee remuneration distribution approved in the Board of Directors on February 27, 2025 while referencing the amount expected to be distributed calculated on the actual distributed ratio.

Note 3: Chuang, Rong-Hua, the Vice President, retired on June 30, 2024.

(VI) Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, general managers, and assistant general managers, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

1. Analysis of total remuneration paid to directors, supervisors, general managers, and assistant general managers as a percentage of net income:

Unit: NT\$ Thousand; %

Job title \ Year	2023		2024	
	The Company	All consolidated entities	The Company	All consolidated entities
Director	4.02%	4.02%	7.05%	7.05%
Presidents and Vice Presidents	22.06%	22.46%	28.60%	29.00%

2. Remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

A. Description of remunerations to directors and independent directors

The Company regularly evaluates the performance of directors in accordance with the "Regulations Governing the Board Performance Evaluation", which covers the mastery of the Company's goals and missions, awareness of the directors' responsibilities, participation in the Company's operations, internal relationship management and communication, the directors' professionalism and continuing education, and internal control, etc. The remuneration to directors is determined based on the directors' participation in the Company's operations and their contributions, the results of the performance evaluation, and the Company's profitability and the industry standard. Where the Company makes a profit in a year, the Board of Directors shall, pursuant to Article 21 of the Company's Articles of Incorporation, determine on the amount of directors' remuneration within 3% of the profit for the year, and submit the report to the regular shareholders' meeting upon the resolution of the Board of Directors.

B. Description of remunerations to presidents and vice presidents

The remuneration of the president(s) and vice president(s) is granted by the Remuneration Committee, based on their positions and duties, pursuant to the relevant provisions of the "Remuneration Committee Charter" and the "Principles of Managerial Officers' Remuneration Policy" promulgated by the Remuneration Committee, while referring to the general level of peers, the Company's operating revenue, profit situation and performance of individual managerial officer.

C. The Company's main principle for remuneration is to link duties and performance results, and provide market-competitive remuneration to attract, retain and cultivate talents for a long time. The Company's Remuneration Committee has adopted the annual profit as the primary performance indicator for managers, and has also taken into consideration the operating revenue, profit, and individual performance of managers, and the principle of reasonable remuneration for managers is to link their responsibilities and performance results. The principle of reasonable remuneration for managers is to link their responsibilities and performance results. The performance evaluation of managers is divided into: 1. Financial indicators: The Company's management income statement shows the distribution of profit of each business group, and the achievement rate of the objectives of managers. 2. Non-financial indicators: The Company's core value and operational management ability, and participation in sustainable operation, are the two main parts, and reasonable remuneration is given. The relevant performance evaluation and the reasonableness of the remuneration are reviewed by the Remuneration Committee and the Board of Directors from time to time, and the remuneration system is reviewed in a timely manner depending on the actual operating situation and relevant laws and regulations, in order to achieve the balance between the Company's sustainable operation and risk control. Short-term profit is not used as the only indicator for performance evaluation and is linked to shareholders' long-term value.



### III. Operation of corporate governance

#### (I) Operation of the Board of Directors

The number of Board of Directors held in the most recent fiscal year was five (A). The attendance by the directors was as follows:

Job title	Name	Number of meetings attended in person (B)	Number of meetings attended by proxy	In-person attendance rate (%) 【B/A】 (Note)
Chairman	Su, Kai-Chien	5	0	100.0
Director	Darfon Electronics Corp. Representative: Lee, Ran-Rong	5	0	100.0
Director	Darfon Electronics Corp. Representative: Chang, Ming-Chu	5	0	100.0
Director	Darfon Electronics Corp. Representative: Wang, Wei-Chi	5	0	100.0
Independent director	Cheng, Wei-Shun	5	0	100.0
Independent director	Wang, Yung-Ho	5	0	100.0
Independent director	Wang, Chien-Min	5	0	100.0
Independent director	Shen, Hsi-Wen	5	0	100.0

Other information required to be disclosed:

- I. If any of the following circumstances exists, specify the date, meeting session number, and content of the motion(s) of Board of Directors, the opinions of all the independent directors, and the measures taken by the Company based on the opinions of the independent directors:
  - (I) Any matter under Article 14-3 of the Securities and Exchange Act: please refer to the key resolutions of the shareholders' meeting and Board of Directors in the annual report (page 46-48); approval of all attending independent directors and directors were received and no dissent or qualified opinion from independent directors.
  - (II) In addition to the matters referred to above, any dissenting or qualified opinion of an independent director that is on record or stated in writing with respect to any resolution of Board of Directors: none.
- II. The status of implementation of recusals of directors with respect to any motions with which they may have a conflict of interest: specify the director's name, the content of the motion, the cause for recusal, and whether and how the director voted.

Date of Board of Directors	Names of Directors	Content of the motion(s)	Reason of recusal	Voting participation
27 Feb 2024	Su, Kai-Chien Chang, Ming-Chu Lee, Ran-Rong	Approved the proposal to distribute remunerations to employees and directors for 2023 Approved the proposal to determine the principles of distributing remunerations to directors and employees' remunerations to managerial officers for 2023	Su, Kai-Chien; Chang, Ming-Chu and Lee, Ran-Rong are the managerial officers of the Company	For the proposal, other than Directors Su, Kai-Chien; Chang, Ming-Chu and Lee, Ran-Rong recused themselves from participation for the proposal, the acting chair, Cheng, Wei-Shun inquired all attended independent directors and directors, and approved as proposed without dissent.

- III. For a TWSE or TPEX listed company, disclose information including the evaluation cycle and period(s) of the Board of Directors' self-evaluations (or peer evaluations) and the evaluation method and content.

### Implementation of Evaluations of the Board of Directors

Evaluation cycle	Evaluation period	Scope of evaluation	Method of evaluation	Evaluation content
Once a year	January 1, 2024 to December 31, 2024	The performance evaluation of the board of directors, individual board member, and functional committees (including the audit committee and remuneration committee)	The internal self-evaluation of the board of directors, individual board member, and functional committees (including the audit committee and remuneration committee)	Note

Note :According to the "Regulations Governing the Board Performance Evaluation", the Board of Directors of the Company shall evaluate the "Board of Directors as a whole" and individual directors and the "functional committees" at the end of each year.

- (I) Evaluation of the performance of the board should include at least the following: Covers five major aspects, including degree of the board's participation in the operation of the company; the quality of the board's decision making; composition and structure of the board; election and continuing education of the directors; internal control, for total 45 evaluation indicators.
  - (II) Evaluation of the performance of individual directors should include at least the following: Covers six major aspects, including familiarity with the goals and missions of the company; awareness of the duties of a director; participation in the operation of the company; management of internal relationships and communication; the director's professionalism and continuing education; internal control, for total 23 evaluation indicators.
  - (III) Evaluation of the performance of the functional committees (including the audit committee and remuneration committee): Covers five major aspects, including degree of participation in the operation of the company; awareness of the duties of the functional committee; quality of decisions made by the functional committee; makeup of the functional committee and election of its members; internal control, for total 26 evaluation indicators.
- IV. Give an evaluation of the targets that were adopted for strengthening of the functions of the board during the current and immediately preceding fiscal years (e.g., establishing an audit committee, increasing information transparency, etc.) and the measures taken toward achievement thereof.
- (I) Strengthening of the functions of the board
    1. The "Rules of Procedure for Board of Directors Meetings" were established upon the resolution of the Board, and the operation of the board complies with the Rules of Procedure for Board of Directors Meetings.
    2. To improve the corporate governance system, improve the supervisory function and strengthen the management function, the Company officially adopted the Audit Committee system upon full election of directors (including three independent directors) in the regular shareholders' meeting on October 8, 2020; the Committee is responsible for exercising the powers of the supervisor. Another independent director was elected by the regular shareholders' meeting on June 22, 2022. Please refer to pages 17~23 of the annual report for the operations.
    3. The Company established the Remuneration Committee on October 8, 2020 to regularly evaluate and determine the remuneration of directors and managerial officers, with the regular reviews of the policies, systems, standards and structures of performance evaluation and remuneration for directors and managerial officers. Please refer to pages 30-31 of the annual report for the operation of the Remuneration Committee.
    4. The board of directors approved the "Rules for Performance Evaluation of Board of Directors" on March 11, 2021, stipulating that the board implement the performance evaluation of the board and the functional committees (including the audit committee and remuneration committee) once per year. The average achievement rate of the self-evaluation of the entire Board of Directors in 2024 was 95%, the average achievement rate of individual directors was 98%, the average achievement rate of the Audit Committee was 97%, the average achievement rate of the Remuneration Committee was 96% (the average achievement rate of the internal self-evaluation of the functional

committees was 97%), and the evaluation results were "Excellent". It is sufficient to show that the functions and operating efficiency of the directors, the Board of Directors, and all functional committees of the Company are good. The evaluation results were reported by the Board of Directors on February 27, 2025.

5. The Board of Directors of the Company passed the "Rules for Performance Evaluation of Board of Directors" on March 11, 2021. According to the regulations, the performance evaluation of the Board of Directors of the Company shall be performed by external professional independent institutions or external expert teams at least once every three years.

The Company commissioned the Taiwan Investor Relations Institute (hereinafter referred to as the "Evaluation Agency") to perform the external organization evaluation on December 19, 2023. The evaluation period is 2023 (January 1, 2023~ December 31, 2023). The Evaluation Agency refers to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and the "Board of Directors Performance Evaluation Regulations" and integrates it into the "Corporate Governance 3.0 - Sustainable Development Blueprint" to plan and design an evaluation questionnaire for the Board of Directors' operations. The questionnaire for the performance evaluation of the Board of Directors covers five major aspects, including the composition of the Board of Directors and professional development, the quality of the Board of Directors' decision making, the effectiveness of the Board of Directors' operations, internal control and risk management, and the level of the Board of Directors' participation in corporate social responsibility.

The evaluation agency has evaluated the Board of Directors' meeting minutes, internal current administration policy, other supporting documents and public information provided by the Company, and combined the aforementioned self-evaluation questionnaire of directors and on-site and online evaluations, and concluded that the Board of Directors' operations are in compliance with the procedures, and the evaluation report was issued on January 29, 2024, and the Board of Directors' report was made on February 27, 2024.

The other optimization suggestions provided by the evaluation agency are: the Sustainable Development Committee is upgraded to the functional committee, the GRI guidelines published by the Global Reporting Initiative (GRI) is used to prepare the sustainable report, the number of employees in the Board of Directors is less than 1/3 of the number of directors, it is recommended that female directors be established, the successor cultivation planning of the Board of Directors and key management personnel be established, the single corporate organization and its subsidiaries account for less than 1/3 of the number of directors, the short, medium and long-term goals of improvement are determined based on the analysis of the strength and weakness of the annual corporate governance evaluation.

Future improvement plan: The Company plans to prepare a sustainable report in accordance with the GRI Standards in 2025 to improve information transparency. When the Board of Directors was re-elected in 2026, female directors will be added to strengthen the diversity of governance. In the future, the Company will continue to promote the above-mentioned optimization suggestions to ensure the Company's steady development.

(II) Increasing information transparency

The Company commissioned KPMG Taiwan to audit and certify the financial statements. All information disclosures required by laws and regulations are completed correctly and in a timely manner, and the dedicated personnel are designated to be responsible for the collection and disclosure of Company information; the spokesperson system is established to ensure that all material information is disclosed in a timely and adequate manner, for shareholders and stakeholders as the reference of the Company's finance and business related information.

(II) The state of operations of the audit committee or the state of participation in board meetings by the supervisors

The Company established the Audit Committee on October 8, 2020 pursuant to Article 14-4 of the Securities and Exchange Act; the operation and its main duties are as following:

1. The operation of the Audit Committee focuses on the supervision of the following matters as the annual tasks
  - (1) Fair presentation of the financial reports of the Company.
  - (2) The hiring (and dismissal), independence, and performance of certificated public accountants

of the Company.

- (3) The effective implementation of the internal control system of the Company.
  - (4) Compliance with relevant laws and regulations by the Company.
  - (5) Management of the existing or potential risks of the Company.
2. Main duties of the Audit Committee are as following:
- (1) The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
  - (2) Assessment of the effectiveness of the internal control system.
  - (3) The procedures for the acquisition or disposal of assets, derivative transactions, loaning of funds, endorsements and guarantees, and other significant financial business in accordance with Article 36-1 of the Securities and Exchange Act.
  - (4) Matters in which a director is an interested party.
  - (5) Asset transactions or derivatives trading of a material nature.
  - (6) Loans of funds, endorsements, or provision of guarantees of a material nature.
  - (7) The offering, issuance, or private placement of equity-type securities.
  - (8) The hiring or dismissal of a certified public accountant, or their compensation.
  - (9) The appointment or discharge of a financial, accounting, or internal audit officer.
  - (10) Annual financial reports signed or sealed by the chairman, managerial officer and accounting officer, and the Q2 financial report audited by the CPAs.
  - (11) Other material matters as may be required by this Corporation or by the competent authority.
3. The number of audit committee meetings held in 2024 was five. The attendance by the independent directors was as follows:

Job title	Name	Number of meetings attended in person (B)	Number of meetings attended by proxy	In-person attendance rate (%) 【B/A】	Remarks
Independent director	Cheng, Wei-Shun	5	0	100.0	None
Independent director	Wang, Yung-Ho	5	0	100.0	
Independent director	Wang, Chien-Min	5	0	100.0	
Independent director	Shen, Hsi-Wen	5	0	100.0	

Note: The in-person attendance rate (%) should be calculated based on the number of board meetings held and the number attended in person during the period of each such person's actual time in office.

#### 4. Resolutions adopted for the key proposals by the Audit Committee

Date	Meeting name	Content	Resolution and implementation	Measures taken by the Company based on the opinions of the audit committee:
February 27, 2024	1st Audit Committee meeting, 2024	Approved the proposal of the Company's "Statement of Internal Control System" and the report of "Self-Evaluation Execution Results"	Approved unanimously by all attended members of the Audit Committee, and submitted to the Board of Directors for resolution	Submitted to the Board for resolution and approved as proposed by all attending independent directors and directors without dissent
		Approved the 2024 business plans and budgets		
		Approved the proposal to appoint the 2024 attesting CPAs		
		Approved the proposal to distribute remunerations to employees and directors for 2023	All the audit committee members approved unanimously to provide NT\$24,922,313 for employees' remuneration and NT\$1,869,173 for directors' remuneration, all paid in cash and submitted to the board of directors for discussion and resolution.	Other than Directors Su, Kai-Chien; Chang, Ming-Chu and Lee, Ran-Rong recused themselves from participation, the acting chair, Cheng, Wei-Shun inquired all attended independent directors and directors, and approved as proposed without dissent.
		Approved the proposal to determine the principles of distributing remunerations to directors and employees' remunerations to managerial officers for 2023	Approved unanimously by all attended members of the Audit Committee, and submitted to the Board of Directors for resolution	Submitted to the Board for resolution and approved as proposed by all attending independent directors and directors without dissent
		Approved the proposal of 2023 business report and financial statements		
		Approved the proposal of 2023 earnings distribution statement		
		Approved the proposal to amend partial provisions of the "Rules of Procedure for Board of Directors' Meeting"		
April 29, 2024	2nd Audit Committee meeting, 2024	Proposal to ratify the Q1 2024 financial statements	Approved unanimously by all attended members of the Audit Committee, and submitted to the Board of Directors for resolution	Submitted to the Board for resolution and approved as proposed by all attending independent directors and directors without dissent
		Approved the motion for the subsidiary, Unictron Technologies Vietnam Co., Ltd. to acquire real estate right-of-use assets from a related party.		
		Approved the motion for the subsidiary, Unictron Technologies Vietnam Co., Ltd. to acquire machinery equipment from the Company.		
July 30, 2024	3rd Audit Committee meeting, 2024	Proposal to approve the Q2 2024 financial statements	Approved unanimously by all attended members of the Audit Committee, and submitted to the Board of Directors for resolution	Submitted to the Board for resolution and approved as proposed by all attending independent directors and directors without dissent
		Approved the proposal of professional fees for the 2024 attesting CPAs		

Date	Meeting name	Content	Resolution and implementation	Measures taken by the Company based on the opinions of the audit committee:
September 6, 2024	4th Audit Committee meeting, 2024 (video conference)	Approved the plan to sell the real estate located in Tucheng District, New Taipei City	Approved unanimously by all attended members of the Audit Committee, and submitted to the Board of Directors for resolution	Submitted to the Board for resolution and approved as proposed by all attending independent directors and directors without dissent
October 30, 2024	5th Audit Committee meeting, 2024	Approved the proposal of the 2025 audit plan	Approved unanimously by all attended members of the Audit Committee, and submitted to the Board of Directors for resolution	Submitted to the Board for resolution and approved as proposed by all attending independent directors and directors without dissent
		Approved the motion to amend the Company's "Internal Control System Principles" and "Enforcement Rules of Internal Audit		
		Proposal to ratify the Q3 2024 financial statements		
		Approved the proposal to amend partial provisions of the "Audit Committee Charter"		
		Approved the proposal to establish the "Sustainable Information Management Procedures"		
		Approved the proposal to establish the "Sustainable Reporting and Assurance Procedures"		

Other information required to be disclosed:

1. If any of the following circumstances exists, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the audit committee:

(I) Any matter under Article 14-5 of the Securities and Exchange Act:

Please refer to the resolutions of key proposals adopted by the Audit Committee (Pages 19~20) and key resolutions of the shareholders' meeting and the Board (Pages 46~48) in the annual report. All of these were submitted to the Board for resolutions and approval, without any proposal not approved by the audit committee but was approved by a two-thirds or greater majority resolution of the board of directors.

(II) In addition to the matters referred to above, any matter that was not approved by the audit committee but was approved by a two-thirds or greater majority resolution of the board of directors: none.

2. Implementation of recusals of independent directors with respect to any motions with which they may have a conflict of interest: specify the independent director's name, the content of the motion, the cause for recusal, and whether and how the independent director voted: The Company's Audit Committee meeting in the most recent year did not have a conflict of interest with the independent director.
3. Communication between the independent directors (Audit Committee members) and the chief internal audit officer and the CPAs that serve as external auditor (including any significant matters communicated about with respect to the state of the company's finances and business and the method(s) and outcomes of the communication.):

(I) Communication between the independent directors (Audit Committee members) and the chief internal audit officer:

1. Complying with Article 3 of the "Corporate Governance Best Practice Principles".
2. The members of the Audit Committee are composed of independent directors of the Company. The audit unit regularly provides internal audit reports to the independent directors, and the latest audit status are reported through the board of directors. The independent directors may also

check the implementation of the Company's finances and business at any time. For any doubt about the Company's related operations, the independent directors may immediately communicate with the heads of the relevant unit and conduct review and improvement.

3. The latest major communications are as below:

Communication method	Matters communicated	Communication result
February 26, 2024 Independent communication meeting	Communication of the content information in internal audit execution audit procedures	After discussions and communications, independent directors had no dissent
February 27, 2024 The Audit Committee	Q4 2023 audit report	Independent directors had no dissent and reported to the Board of Directors after the deliberation was approved
	Report on "Statement of Internal Control System" and the report of "Self-Evaluation Execution Results"	Independent directors had no dissent and reported to the Board of Directors for discussion after the deliberation was approved
April 29, 2024 The Audit Committee meeting	Q1 2024 audit report	Independent directors had no dissent and reported to the Board of Directors after the deliberation was approved
July 30, 2024 The Audit Committee meeting	Q2 2024 audit report	Independent directors had no dissent and reported to the Board of Directors after the deliberation was approved
October 30, 2024 The Audit Committee meeting	Q3 2024 audit report	Independent directors had no dissent and reported to the Board of Directors after the deliberation was approved
	2025 Audit Plan	
February 26, 2025 Independent communication meeting	Communication of the content information in internal audit execution audit procedures	After discussions and communications, independent directors had no dissent
February 27, 2025 The Audit Committee	Q4 2024 audit report	Independent directors had no dissent and reported to the Board of Directors after the deliberation was approved
	Report on "Statement of Internal Control System" and the report of "Self-Evaluation Execution Results"	Independent directors had no dissent and reported to the Board of Directors for discussion after the deliberation was approved

(II) Communications between the independent directors and the CPAs

1. In addition to inviting CPAs to participate in Board of Directors, the independent directors may also communicate with the CPAs at any time for any doubts about the Company's financial and business conditions, and instruct the relevant units of the Company to review and improve.

2. The latest major communications are as below:

Communication method	Matters communicated	Communication content	Communication result
February 26, 2024 Independent communication meeting	2023 financial statements and analysis of key financial ratios	Responsibilities, independence, scope of audit, and explanation of audit findings for auditors auditing financial statements Explained the changes in key financial ratios (based on consolidated statements)	The CPAs explained the financial position, cash flow and financial performance for the years 2023 and 2022, and discussed and communicated, and the independent directors had no objections.
	Other matters to be paid attention to	Description of the deficiencies and deficiencies in the internal control system of the listed companies (OTC) and the deficiencies and deficiencies in the internal control system of the emerging stock market companies as inspected by the competent authority in the recent period	The CPAs explained the deficiencies listed by the competent authorities and the cases, and discussed and communicated, and the independent directors had no objections.

Communication method	Matters communicated	Communication content	Communication result
	Independent matters communicated	It is assessed that independence-regulated personnel of auditors' firm, accounting firm and alliance firm have complied with the independence-regulated statement, and the firm or between the alliance firm and the Company may be considered not to affect independence and other matters, as well as matters that need to be communicated in accordance with the revised code of the International Ethics Standards Board for Accountants (IESBA)	After discussions and communications, independent directors had no dissent
	Update of important accounting standards or interpretations, securities regulations, and tax laws	Amendment to the "Regulations Governing the Audit Committee's Exercise of Powers", "Rules of Procedure for Board of Directors Meetings" and the annual report and prospectus on the disclosure of carbon reduction targets.	After discussions and communications, independent directors had no dissent
February 27, 2024 The Audit Committee	2023 financial report audit status	Participated in the manner of telephone voice for the inquiries	After discussions and communications, independent directors had no dissent
April 29, 2024 The Audit Committee	Review of the Q1 2024 financial statements	Participated in the manner of telephone voice for the inquiries	After discussions and communications, independent directors had no dissent
July 30, 2024 Independent communication meeting	Review of the Q2 2024 financial statements	Responsibilities, independence, review approach and scope, and explanation of review findings for reviewers reviewing interim financial statements	The CPAs explained, discussed and communicated regarding the Q2 2024 financial and profit and loss situation, with no dissent from the independent directors.
	Planning of annual audit	Scope and period of audit, and description of key audit matters	Based the professional judgment of the CPAs, regarding the key audit matters of the 2024 financial statements, the independent directors had no dissent.
	Other matters to be paid attention to	Implementation of IFRS Sustainability Disclosure Standards	After discussions and communications, independent directors had no dissent
	Updates of key regulations	Amendments to the "Regulations Governing Establishment of Internal Control Systems by Public Companies", the Declaration of Affiliation by Enterprises, Article 14 of the Securities and Exchange Act, and the Act for Development of Small and Medium Enterprises.	After discussions and communications, independent directors had no dissent
July 30, 2024 The Audit Committee	Review of the Q2 2024 financial statements	Participated in the manner of telephone voice for the inquiries	After discussions and communications, independent directors had no dissent
October 30, 2024 The Audit Committee	Review of the Q3 2024 financial statements	Participated in the manner of telephone voice for the inquiries	After discussions and communications, independent directors had no dissent
February 26, 2025 Independent communication meeting	2024 financial statements and analysis of key financial ratios	Responsibilities, independence, scope of audit, and explanation of audit findings for auditors auditing financial statements Explained the changes in key financial ratios (based on consolidated statements)	The CPAs explained the financial position, cash flow and financial performance for the year 2024, and discussed and communicated, and the independent directors had no objections.
	Independent matters communicated	It is assessed that independence-regulated personnel of auditors' firm, accounting firm and alliance firm have complied with the independence-regulated statement, and the firm or between the alliance firm and the Company may be considered not to affect independence and other matters, as well as matters that need to be communicated in accordance with the revised code of the International Ethics Standards Board for Accountants (IESBA)	After discussions and communications, independent directors had no dissent



Communication method	Matters communicated	Communication content	Communication result
	Update of important accounting standards or interpretations, securities regulations, and tax laws	Summary of the Audit Standards Update Description of the main changes in IFRS 18 and their impact on the Company Description of the amendment to Paragraph 6, Article 14 of the Securities and Exchange Act	After discussions and communications, independent directors had no dissent
	Corporate Governance	Description of the amendments to the indicators of the 2025 Corporate Governance Evaluation (12th Term)	After discussions and communications, independent directors had no dissent
February 27, 2025 The Audit Committee	2024 financial report audit status	Participated in the manner of telephone voice for the inquiries	After discussions and communications, independent directors had no dissent

(III) Corporate Governance – Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons

1. Corporate Governance – Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation item	Status of operation			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary	
I. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	V		The Company has established the “Corporate Governance Best-Practice Principles,” specifying the regulations for protecting the rights and interests of shareholders, strengthening the functions of the board of directors, respecting the rights and interests of stakeholders, and improving information transparency. Meanwhile, the Company's Rules of Procedure for Shareholders' Meetings, the Rules of Procedure for Board Meetings, the Remuneration Committee Charter and the Audit Committee Charter are all established and implemented based on the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies,” and available on the corporate governance section of the Company's website for review by stakeholders.	No significant deviation
II. Shareholding Structure and Shareholders' Rights				
(I) Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	V		1. To effectively handle shareholders' suggestions, doubts, disputes and litigations, the Company has established internal processing procedures. In addition to implementing the spokesperson system by setting up spokespersons and deputy spokespersons, to ensure that information that may affect shareholders' decision-making to be disclosed in a timely and adequate manner, an investor mailbox (Investor@unictron.com) is established as a communication channel for shareholder suggestions or disputes.	No significant deviation
(II) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	V		2. In addition to mastering the list of the major shareholders who substantially control the Company and the ultimate controllers of the major shareholders, the Company also regularly announces the information on changes in the stake and pledges of insiders such as directors and major shareholders holding 10% or of the stake on the “Market Observation Posting System” every month, with the disclosure of the information on the top ten shareholders in the annual report and the official website every year.	No significant deviation
(III) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	V		3. To establish a risk control and firewall mechanism with affiliates, the Company has formulated the “Operation Procedures for Transactions with Specific Companies, Group Enterprises and Related Persons” and the “Supervisory and Management Procedures for Subsidiaries.” All affiliates of the Company have dedicated financial, sales and engineering service departments with clear managerial responsibilities. And the Company conducts communication regarding related businesses and reconciliation any time every month to reduce operational risks.	No significant deviation
(IV) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	V		4. The Company has established the “Code of Ethical Conduct” and “Ethical Corporate Management Best Practice Principles” to regulate members to recuse from conflicts of interest related to their duties, and they are not allowed to use unpublished information known to them and disclose such to others. The well-rounded mechanism for handling and disclosing material information was established to prevent improper leakage of information, ensure the consistency and correctness of externally released information. The “Management and Operating Procedures for Handling Material Information and	No significant deviation

Evaluation item	Status of operation			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons												
	Yes	No	Summary													
			Preventing Insider Trading” are established as the internal rules, prohibiting the insiders from using unpublished information in the market to trade securities, as a prevention of the insider trading.													
III. Composition and responsibilities of the board of directors  (I) Does the Board of Directors have a diversified policy, specific management goals, and implement them?	V		<p>1. In order to ensure the diversity of board members, when electing board members, director candidates must not only have the professional knowledge and skills required to perform their duties, but also leadership decision-making, industrial knowledge and professional ability are the keys to the review. to enhance the structure of the board of directors. Via various operational expertise of the directors, the operational supervision and management are implemented, decision-making capability is improved, and the Company's operating system is strengthened while achieving the goal of strengthening corporate governance and operational synergy through diversified board operations. Please refer to page 9 of this annual report for the achievement of the objectives:</p> <table><tr><th>Management targets</th><th>Achievement</th></tr><tr><td>Set more seats for independent directors than those required by laws and regulations</td><td>Achieved</td></tr><tr><td>At least one has financial accounting professional background</td><td>Achieved</td></tr><tr><td>At least one has industry-related academic background</td><td>Achieved</td></tr><tr><td>At least one has industry-related practice management background</td><td>Achieved</td></tr><tr><td>At least one female director</td><td>It is expected that at least one female director will be elected when the Board of Directors is fully re-elected in 2026.</td></tr></table> <p>The Board of Directors currently consists of eight members, and no members of different genders have yet been appointed. In the future, the Company will continue to pay attention to the diversification of the Board of Directors, and will evaluate and consider the diversification factors in a timely manner upon the expiration of the term of office of the directors in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and the Company's relevant policies. The appointment of representatives for corporate directors will be adjusted in a timely manner depending on the actual situation to strengthen the structure of the Board of Directors and promote the Company's stable operation and sustainable development.</p>	Management targets	Achievement	Set more seats for independent directors than those required by laws and regulations	Achieved	At least one has financial accounting professional background	Achieved	At least one has industry-related academic background	Achieved	At least one has industry-related practice management background	Achieved	At least one female director	It is expected that at least one female director will be elected when the Board of Directors is fully re-elected in 2026.	No significant deviation
Management targets	Achievement															
Set more seats for independent directors than those required by laws and regulations	Achieved															
At least one has financial accounting professional background	Achieved															
At least one has industry-related academic background	Achieved															
At least one has industry-related practice management background	Achieved															
At least one female director	It is expected that at least one female director will be elected when the Board of Directors is fully re-elected in 2026.															
(II) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?	V		2. The Company has established the Audit Committee and Remuneration Committee, both are operating well. The Board of Directors of the Company approved the establishment of the Sustainable Development Committee and the Risk Management Committee on May 2, 2023.	No significant deviation												
(III) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance	V		3. The Company passed the "Rules for Performance Evaluation of Board of Directors"on March 11, 2021, specifying that the Company's board of directors conducts the internal performance evaluation every year, and the evaluation by an external independent organization or a team of external experts and scholars at least once every three years. The Company specifies that the board members, the agenda unit of the board of directors, and the functional committees t conduct the internal self-evaluation on the overall board of directors and the overall functional committees on a regular basis	No significant deviation												

Evaluation item	Status of operation			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEX Listed Companies and the reasons																											
	Yes	No	Summary																												
evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?			<p>every year. The time for the internal evaluation should be at the end of each year, and complete the evaluation before the earliest board meeting of the coming year. The self-evaluation includes five aspects: the participation in the operation of the company, improvement of the quality of the board of directors' decision making, composition and structure of the board of directors, election and continuing education of the directors, and internal control. The evaluation is taken charge by the Finance Department in the manner of internal questionnaires. The evaluation is done by the directors regarding the operation of the Board, the participation of directors themselves, and the evaluation of the committee members to the functional committees. The evaluation results are reported to the Board with the improvement advice to the items requiring enhancement. The results of the Board's performance evaluation will be referred to when electing or nominating directors. Pursuant to Article 21 of the Company's Articles of Incorporation, the directors' remuneration shall not exceed 3% of the annual profit. The Remuneration Committee and the Board shall determine the remuneration to each director based on the Company's operating results and the "Remuneration Procedures for Directors and Functional Committee Members" while referring to the performance evaluation results of individual director.</p> <p>The Company has completed the performance evaluation of the board of directors and functional committees after the end of 2024, and reported the evaluation results to the first board meeting in 2025. For the performance evaluation method and implementation, please refer to this annual report (Page 16-17).</p>																												
(IV) Does the Company regularly evaluate its external auditors' independence?	V		<p>4. Before the Company elects a CPA by resolution of the Audit Committee and the Board of Directors, the Company shall review and assess the independence of the CPA, and the CPA shall provide a declaration of independence. The Company has also reviewed the information of the Auditing Quality Index (AQI) to ensure that the CPAs and the firm are better than the average level of the industry in terms of audit experience, professional support and case quality control. In recent years, the Company will also continue to introduce digital audit tools to improve the audit quality.</p> <p>The independence evaluation of the CPAs is as follows:</p> <table><tr><th>Evaluation item</th><th>Assessment results</th><th>Whether the transaction meets the criteria of independence</th></tr><tr><td>1. Are the CPAs have direct or material indirect financial interest with the Company?</td><td>No</td><td>Yes</td></tr><tr><td>2. Are the CPAs involved in financing or guarantee with the Company or the Company's directors?</td><td>No</td><td>Yes</td></tr><tr><td>3. Are the CPAs close business partners and potential employment related parties of the Company?</td><td>No</td><td>Yes</td></tr><tr><td>4. Are the CPAs and their audit team members currently directors, managers, or positions that have significant influence on the audit now or in the last two years?</td><td>No</td><td>Yes</td></tr><tr><td>5. Are the CPAs providing any non-audit services that may directly affect the audit work to the Company?</td><td>No</td><td>Yes</td></tr><tr><td>6. Are the CPAs acting as the agents for the shares issued by the Company or other securities issued by the Company?</td><td>No</td><td>Yes</td></tr><tr><td>7. Are the CPAs assumed the role of the Company's defense or representative to coordinate with other third parties in the event of conflict?</td><td>No</td><td>Yes</td></tr><tr><td>8. Are the CPAs related to the Company's directors, managers, or personnel with significant influence on the audit cases?</td><td>No</td><td>Yes</td></tr></table> <p>The Company's first Audit Committee meeting and first Board of Directors meeting in</p>	Evaluation item	Assessment results	Whether the transaction meets the criteria of independence	1. Are the CPAs have direct or material indirect financial interest with the Company?	No	Yes	2. Are the CPAs involved in financing or guarantee with the Company or the Company's directors?	No	Yes	3. Are the CPAs close business partners and potential employment related parties of the Company?	No	Yes	4. Are the CPAs and their audit team members currently directors, managers, or positions that have significant influence on the audit now or in the last two years?	No	Yes	5. Are the CPAs providing any non-audit services that may directly affect the audit work to the Company?	No	Yes	6. Are the CPAs acting as the agents for the shares issued by the Company or other securities issued by the Company?	No	Yes	7. Are the CPAs assumed the role of the Company's defense or representative to coordinate with other third parties in the event of conflict?	No	Yes	8. Are the CPAs related to the Company's directors, managers, or personnel with significant influence on the audit cases?	No	Yes	No significant deviation
Evaluation item	Assessment results	Whether the transaction meets the criteria of independence																													
1. Are the CPAs have direct or material indirect financial interest with the Company?	No	Yes																													
2. Are the CPAs involved in financing or guarantee with the Company or the Company's directors?	No	Yes																													
3. Are the CPAs close business partners and potential employment related parties of the Company?	No	Yes																													
4. Are the CPAs and their audit team members currently directors, managers, or positions that have significant influence on the audit now or in the last two years?	No	Yes																													
5. Are the CPAs providing any non-audit services that may directly affect the audit work to the Company?	No	Yes																													
6. Are the CPAs acting as the agents for the shares issued by the Company or other securities issued by the Company?	No	Yes																													
7. Are the CPAs assumed the role of the Company's defense or representative to coordinate with other third parties in the event of conflict?	No	Yes																													
8. Are the CPAs related to the Company's directors, managers, or personnel with significant influence on the audit cases?	No	Yes																													

Evaluation item	Status of operation			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary	
			2025 reviewed and approved the appointment of the 2025 CPAs, and the Declaration of Independence of the CPAs was obtained.	
IV. Are the listed companies equipped with competent and appropriate number of corporate governance personnel, and have the corporate governance officers designated to be responsible for corporate governance affairs (including but not limited to providing directors and supervisors with the information needed to perform their business, assisting directors and supervisors to comply with laws and regulations, handling matters related to Board of Directors and shareholders' meetings according to the law, and preparing minutes of Board of Directors and shareholders' meetings)?	V		The Company's Board of Directors approved the establishment of the position of Corporate Governance Officer on May 2, 2023, responsible for the affairs of corporate governance, including: handling matters related to the board and shareholders' meetings pursuant to laws, assisting the Company to comply with relevant laws and regulations regarding the board and shareholders' meetings, making minutes of the board and shareholders' meetings, providing directors and independent directors Information necessary to conduct business, and the latest regulatory developments related to operating companies. For the continuing education status of the corporate governance officer for 2024, please refer to this annual report (Page 29).	No significant deviation
V. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	V		Based on the five principles including dependence, responsibility, influence, multiple perspectives, and concerns and claims, the Company has identified five major stakeholders: employees, shareholders, customers, suppliers, and government/competent authorities. The Company regularly reports to the board of directors every year (at least once a year) on the communications with related parties. The report items include: stakeholders, issues of concern, communication channels and communication status. The communication situation with each stakeholder in 2024 was reported to the board of directors on February 27, 2025. Relevant content is also announced in the stakeholder section of the Company's website.	No significant deviation
VI. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	V		The Company has commissioned the Stock Affair Agency Department of Taishin Securities Co., Ltd. to take care of this.	No significant deviation
VII. Information Disclosure (I) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status?	V		1. The Company gradually establishes and improves the investor service section on the Company's website pursuant the regulations, disclosing corporate governance, material resolutions of the board of directors, shareholder meeting information, and financial and business conditions. The Company complies with the regulations of the competent authority, and discloses various business, financial and corporate governance related information on the MOPS for stakeholders to inquire.	No significant deviation
(II) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	V		2. The Company has the dedicated personnel in place, responsible for the collection and disclosure of the Company's information, and discloses the latest and correct information to the MOPS and the Company's website. The information disclosure methods adopted by the Company include: implementing the spokesperson system, regularly disclosing financial, business and corporate governance information on the Company website, and setting up the investor mailbox (Investor@unictron.com), and being invited to participate in investor conferences and upload relevant information of the conferences to the Company's official website to answer investors' questions instantly.	No significant deviation

Evaluation item	Status of operation			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary	
(III) Does the Company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	V		3. The Company has completed the announcement and declaration of the annual financial report on February 27, 2025. The first, second, and third quarter financial reports and the monthly operating status are all announced on the MOPS earlier than the prescribed deadline.	No significant deviation
VIII. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	V		<p>1. Employee interests and employee care: the Company's operating philosophy is respecting human nature and caring for employees. To ensure the employee interests and employee care, the Employee Welfare Committee is established composed of representatives of employees from various departments. The Employee Welfare Committee meetings are held regularly every quarter to determine various benefit plans, such as organizing club activities, employee family days and sports courses, while conducting regular employee health checks, employee gathering meals, and holding employee education and trainings from time to time.</p> <p>2. Investor relations: the Company has set up the investor service mailbox (Investor@unictron.com) on the Company website with dedicated personnel to answer investors' calls, and reply shareholders' questions in detail. Various announcements are completed in real time, such as financial statements, corporate governance regulations and measures, disclosed on the Company's website, seeking to achieve openness and transparency of information, so that investors understand how the Company's operating.</p> <p>3. Supplier relationship: the Company regards suppliers as co-existing and co-prosperous partners, and generally adopts long-term cooperation. The Company invests in raw materials and is responsible for creating and maintaining product channels, while suppliers are responsible for providing qualified raw material products, to construct a good cycle with interdependent relationships.</p> <p>4. Stakeholders' interests: Pursuant the Rules of Procedure of Board Meetings, when the board of directors makes a resolution, any director interested in the proposal recuses from voting, to avoid the conflict of interest; in addition, the Company website has a dedicated area for stakeholders, providing stakeholders (shareholders and investors, employees, customers, suppliers, government and competent authorities) communication channels to properly respond to issues of concern to stakeholders, as well as the financial and business-related information availed on the Company website to protect legitimate interests of both parties.</p> <p>5. Directors' and supervisors' continuing education: the Company's directors have their own professional knowledge. The Company provides the continuing education courses to directors by cooperating the related units pursuant to the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies. For the situation of directors' continuing education as of the publication date of the annual report, please refer to 2024 directors' continuing education.</p> <p>6. Implementation of risk management policies and risk assessment standards: The Company's Board of Directors approved the "Risk Management Policy and Procedures" on November 2, 2022, to establish the organizational structure and implement the management procedures according to the policy, and the Risk Management Committee (RMC) was established on May 2, 2023, to regularly identify, assess, handle, report and monitor the risks that may negatively affect the Company's operational objectives. The General Manager is the Chairperson, the Corporate Governance Officer is the Director General, and the Level 1 managers are the members. They are responsible for communicating with the management, holding meetings every quarter, and reporting the implementation to the Audit Committee and the Board of Directors every year. The Company takes out the product liability insurance every year to provide multiple product protection to the global consumers, and adopts appropriate management policies and improvement methods to reduce corporate risks.</p> <p>7. Implementation of client policies: the contracts, agreements, and matters that are reasonably required to be complied with signed with customers are fully cooperated with by fulfilling the Company's responsibility, and strive to manage and maintain long-term relationships, seeking to achieve a win-win situation.</p> <p>8. Liability insurance the Company purchases for directors and supervisors: Article 13 of the Company's Articles of Incorporation specifies that "the Company may purchase the</p>	No significant deviation

Evaluation item	Status of operation			Deviations from the Corporate Governance Best- Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary	
			liability insurance for directors during their term of office in respect of the indemnity liabilities assumed by them pursuant to laws in the scope of their business.” The Company has purchased directors' liability insurance, and reports to the board of directors every year regarding the key matters including the coverage amount, insurance period, coverage, insurance premium rate. The 2024 liability insurance covering all directors was disclosed in the MOPS.	
<p>IX. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement: The Company participated in the top 36% - 50% of all listed companies in the 2023 corporate governance appraisal, and ranked top 36% - 50% in the 2024 corporate governance appraisal.</p> <p>1. The goals for improvement in 2025 for items not yet scoring are set: In order to promote sustainable development, the Company is expected to issue the 2024 Chinese and English version of the sustainable report in August 2025 in accordance with the GRI Standards, and the Board of Directors will approve and approve it.</p> <p>2. The items that have not been completed in 2023 have been improved in 2024 as follows: (1) In order to protect the rights and interests of shareholders and improve information transparency, the Company has announced and reported its annual financial report within two months after the end of the fiscal year, and held a general shareholders' meeting before the end of May. (2) In order to promote sustainable development, the Company has completed the establishment and verification of the 2023 greenhouse gas quantitative and verification standards. (3) In order to strengthen the structure and operation of the Board of Directors, the Company has adopted the ISO27001 information security management system and has obtained third-party verification.</p>				

## 2. Continuing education of the Directors

Serial no.	Job title	Name	Course date	Course organizer	Course name	Course hour
1	Chairman	Su, Kai-Chien	April 10, 2024	Taiwan Stock Exchange	Sustainability Knowledge and Ability to Promote Course - Electronic Industry - Sustainability Knowledge to Create a New Carbon Era Seminar	6
			July 3, 2024	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	3
2	Director	Chang, Ming-Chu	June 13, 2024	Taiwan Independent Directors Association	Introduction to IFRS Sustainability Disclosure Standards and Domestic and Foreign Carbon Emission Reduction Trends	3
			July 3, 2024	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
3	Director	Lee, Ran-Rong	June 13, 2024	Taiwan Independent Directors Association	Introduction to IFRS Sustainability Disclosure Standards and Domestic and Foreign Carbon Emission Reduction Trends	3
			July 3, 2024	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
4	Director	Wang, Wei-Chi	June 13, 2024	Taiwan Independent Directors Association	Introduction to IFRS Sustainability Disclosure Standards and Domestic and Foreign Carbon Emission Reduction Trends	3
			July 3, 2024	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	3
			September 20, 2024	Securities & Futures Institute	2024 Insider Trading Prevention Seminar	3
			October 8, 2024	Taiwan Stock Exchange	2024 WIW Forum "Digital Banking and Sustainable Banking under the AI Trend" Seminar	3
5	Independent director	Cheng, Wei-Shun	June 13, 2024	Taiwan Independent Directors Association	Introduction to IFRS Sustainability Disclosure Standards and Domestic and Foreign Carbon Emission Reduction Trends	3
			June 19, 2024	Taiwan Directors Association	Uncover the international competitiveness of Taiwanese enterprises in the competition of the world	3
			June 21, 2024	Taiwan Corporate Governance	Inheritance plan - employee bonus plan and	3

Serial no.	Job title	Name	Course date	Course organizer	Course name	Course hour
6	Independent director	Wang, Yung-Ho		Association	equity inheritance	
			July 3, 2024	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
			July 3, 2024	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
			August 13, 2024	Taiwan Corporate Governance Association	Obligations and Responsibilities of the Company and Directors Under the Tax Act and Securities and Exchange Act	3
7	Independent director	Wang, Chien-Min	September 6, 2024	Securities & Futures Institute	2024 Insider Trading Prevention Seminar	3
			October 15, 2024	Taiwan Corporate Governance Association	Disclosure of sustainable information and green power trends	3
			March 22, 2024	Taiwan Stock Exchange	CD P Taiwan Announcement - New Carbon Era Seminar for Sustainable Knowledge	3
			June 13, 2024	Taiwan Independent Directors Association	Introduction to IFRS Sustainability Disclosure Standards and Domestic and Foreign Carbon Emission Reduction Trends	3
8	Independent director	Shen, Hsi-Wen	July 3, 2024	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
			July 3, 2024	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
			August 8, 2024	Taiwan Corporate Governance Association	Trend and risk management of digital technology and artificial intelligence	3
			July 3, 2024	Taiwan Corporate Governance Association	2024 Insider Trading Prevention Seminar	3

### 3. Continuing education of the Corporate Governance Officer

Serial no.	Job title	Name	Course date	Course organizer	Course name	Course hour
1	Corporate Governance Officer	Cheng, Shih-Wei	June 13, 2024	Taiwan Independent Directors Association	Introduction to IFRS Sustainability Disclosure Standards and Domestic and Foreign Carbon Emission Reduction Trends	3
			July 3, 2024	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
			September 20, 2024	Securities & Futures Institute	2024 Insider Trading Prevention Seminar	3

(IV) If the company has a remuneration committee or nomination committee in place, the composition and operation of such committee shall be disclosed

- The “Remuneration Committee Charter” was established by the board of directors on August 28, 2020. For the Remuneration Committee members, number of members and term of office, powers, rules of procedure, and resources that the Company should provide when exercising powers and other matters, unless otherwise specified by laws or the Company's “Articles of Incorporation,” the Charter shall be complied with.
- Composition: the members of the Remuneration Committee are appointed upon the resolution of the board of directors. The Company approved upon the resolution of the board on June 15, 2023, and appointed three independent directors as members of the second Remuneration Committee. The Remuneration Committee member elected Cheng, Wei-Shun as the convener of the Committee without dissent. Remuneration Committee The term of office of the committee members is the same as that of the board of directors appointing them.
- Duties: The Committee shall exercise the care of a good administrator to faithfully perform the following duties and present its recommendations to the board of directors for discussion:
  - Establishing and periodically reviewing the performance assessment standards, annual and long-term performance goals, and the policies, systems, standards, and structure for the remuneration of the directors and managerial officers.
  - Establishing periodically the remuneration of the directors and managerial officers.
- Information on Remuneration Committee Members

Capacity	Qualification Name	Professional Qualification and Experience	Independence	Number of other public companies at which the person concurrently serves as remuneration committee member
Independent Director (Convenor)	Cheng, Wei-Shun	Please refer to the "Professional qualifications of the directors and the independence of the independent directors, and the disclosure of information on independence". (page 7~8) of this annual report.		3
Independent director	Wang, Yung-Ho			1
Independent director	Wang, Chien-Min			1

## 5. Operation of the Remuneration Committee

- (1) The Company's remuneration committee has a total of three members.
- (2) Current term of office: from June 15, 2023 to June 14, 2026, and will be fully re-elected whenever the board's term of office expired. During the most recent fiscal year, the number of remuneration committee meetings held in the most recent fiscal year was two (A). The attendance by the members was as follows:

Job title	Name	Number of meetings attended in person (B)	Number of meetings attended by proxy	In-person attendance rate (%) (B / A)	Remarks
Convenor	Cheng, Wei-Shun	2	0	100.00	
Member	Wang, Yung-Ho	2	0	100.00	
Member	Wang, Chien-Min	2	0	100.00	
Other information required to be disclosed:					
I. If the board of directors does not accept, or amends, any recommendation of the remuneration committee, specify the board meeting date, meeting session number, content of the recommendation(s), the outcome of the resolution(s) of the board of directors, and the measures taken by the Company with respect to the opinions given by of the remuneration committee (e.g., if the salary/compensation approved by the board is higher than the recommendation of the remuneration committee, specify the difference(s) and the reasons): none.					
II. With respect to any matter for resolution by the remuneration committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the remuneration committee meeting date, meeting session number, content of the motion, the opinions of all members, and the measures taken by the Company with respect to the members' opinion: none.					

## 6. Resolutions adopted by the Remuneration Committee, and the measures taken by the Company with respect to the members' opinion

Date	Meeting name	Content	Resolution and implementation	The measures taken by the Company with respect to the members' opinion
February 27, 2024	1st Remuneration Committee meeting, 2024	Approved the proposal to distribute remunerations to employees and directors for 2023	All the remuneration committee members approved unanimously to provide NT\$24,922,313 for employees' remuneration and NT\$1,869,173 for directors' remuneration, all paid in cash and submitted to the Audit Committee for discussion and resolution.	Other than Directors Su, Kai-Chien; Chang, Ming-Chu and Lee, Ran-Rong recused themselves from participation, the acting chair, Cheng, Wei-Shun inquired all attended independent directors and directors, and approved as proposed without dissent; the employees remuneration of NT\$24,922,313 and directors' remuneration of NT\$1,869,173 were provided, all paid in cash, and to be reported in the 2023 regular shareholders' meeting.
		Approved the proposal to determine the principles of distributing remunerations to directors and employees' remunerations to	Approved unanimously by all attended members of the Remuneration Committee, and submitted to the Audit Committee for resolution.	Other than Directors Su, Kai-Chien; Chang, Ming-Chu and Lee, Ran-Rong recused themselves from participation, the acting chair, Cheng, Wei-Shun inquired all attended independent directors and directors, and approved as proposed without dissent.



Date	Meeting name	Content	Resolution and implementation	The measures taken by the Company with respect to the members' opinion
		managerial officers for 2023		
October 30, 2024	2nd Remuneration Committee meeting, 2024	Report on the implementation of the 2023 managerial officers' remuneration distribution	Approved unanimously by all attended members of the Remuneration Committee.	Non
		2024 managers' remuneration report	Approved unanimously by all attended members of the Remuneration Committee.	None

(V) Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation item	Status of operation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the Board of Directors?	V		On May 2, 2023, the Board of Directors of the Company approved the establishment of the Sustainable Development Committee, with the Chairperson of the Board of Directors as the Committee Chairperson, the General Manager as the Director General Manager, and the Deputy General Manager and Level 1 managers as the members of the Committee. It is the highest internal unit of the Company for making sustainable development decisions, and promotes the Company's sustainable development plan. The Risk Management Committee (RMC) regularly evaluates relevant issues and reports to the Sustainable Development Committee and the Board of Directors on a quarterly basis. The implementation status of 2024 has been reported to the Board of Directors on February 27, 2025. Please refer to the supplementary information in "VII. Other important information to help the implementation of sustainable development" (Page 35-42). The Board of Directors regularly listens to the reports of the management team, to supervise whether the team implements the promotion of sustainable development strategies according to the plan, and gives related suggestions.	No significant deviation
II. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	V		The Company has established the "Corporate Governance Best Practice Principles", "Sustainable Development Best Practice Principles" and "Risk Management Policy and Procedures" to gradually establish the organizational structure and implement management procedures according to the policies, and has established the Risk Management Committee on May 2, 2023, which was approved by the Board of Directors. The Company is identified, evaluated, handled, reported and monitored regularly for possible negative risks that may affect the Company's operational objectives. The General Manager is the Chairperson, the Corporate Governance Officer is the Director General, and the Level 1 managers are the members of the committee. The committee is responsible for communicating with the management. The committee convenes meetings every quarter to report the implementation of ESG. The implementation status is reported to the Sustainable Development Committee. According to the implementation management procedures, the implementation status is reported to the Audit Committee and the Board of Directors every year. The sustainability performance for the year 2024 is detailed in this annual report under "VII. Other important information to help the implementation of sustainable development" (Page. 35-42). The disclosed information covers the period from January to December 2024. In accordance with the principle of materiality, the scope of assessment primarily focuses on the risks and strategies related to environmental, social, and corporate governance (ESG) issues at the Company's operational sites in Taiwan.	No significant deviation

Evaluation item		Status of operation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons												
		Yes	No	Summary													
III. Environmental Issues																	
(I) Has the Company set an environmental management system designed to industry characteristics?	V		1. The Company actively cooperates with environmental protection such as greening, energy saving, waste reduction and garbage classification, and formulates various management procedures, such as management procedure for environmental regulations, and procedures for the environmental goals and target management. The Company's Taoyuan and Hsinchu plants have obtained the ISO 14001 environmental management system certification (valid period: 2024.11.20 - 2027.11.19), and conduct internal and external audits every year to ensure compliance with relevant regulations. The Company has completed the carbon inventory in 2022 and 2023, and has passed the certification of ISO 14064-1 by external third parties. The relevant data is disclosed on the Company's website and the sustainable report.		No significant deviation												
(II) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	V		2. The Company strives to classify waste and promote resource recycling, while signing a clearing and transportation contract with the qualified waste treatment manufacturer to reduce the impact of process waste on the overall environment. VOC and dust generated during the production process are all recycled during the production line processes. The Company has made improvements and purchases for the old wastewater equipment, and obtained the approval from the competent authority in January 2024 for changing the water measure documents, in order to reduce and eliminate the damage to the environment. The new CWMS system (wastewater automatic monitoring system) was established in 2024. The new system is connected to the Environmental Protection Bureau, Hsinchu County Government, to monitor water quality such as PH value, conductivity and temperature, and enables users to report and explain the water quality monitoring status to the Environmental Protection Bureau at any time.		No significant deviation												
(III) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	V		3. Climate change is a critical and urgent global issue. Our company is committed to promoting sustainable development strategies. The Risk Management Committee conducts an annual assessment of the potential risks and opportunities associated with climate change and other risks to the company's present and future. This evaluation follows the company's risk management procedures, identifying, addressing, reporting, and monitoring such risks. For more detailed information on the implementation of these efforts, please refer to the section "VII. Other important information to help the implementation of sustainable development" (Page. 35-42) in this annual report.		No significant deviation												
(IV) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	V		4.1 Greenhouse Gas 4.1.1. The Company has started to conduct greenhouse gas emission statistics in accordance with the ISO14064-1 greenhouse gas inventory method in 2022, and has obtained external verification for 2022 and 2023. The 2024 data is based on the Company's internal data, and will be verified by a third-party verification agency in the future. Please refer to page 40 of this annual report for the implementation status. 4.1.2 Through technological improvement and new material development, the yield rate has decreased and the proportion of waste output has decreased. 4.1.3 Equipment replacement to improve equipment efficiency and reduce total carbon emissions. 4.1.4 Implement energy-saving solutions from air-conditioning, power lighting, and other electricity consumption, and regularly review energy-consuming equipment and replace them. 4.2 Water consumption 4.2.1 The Company's main production location is located in Taiwan. The water withdrawal intensity of the Taiwan factory area in 2024 is 24% higher than that in 2023.		No significant deviation												
				<table><tr><td>Year</td><td>2023</td><td>2024</td></tr><tr><td>Water consumption (in million liters)</td><td>6.1090</td><td>6.7427</td></tr><tr><td>Sales volume (NT\$ million)</td><td>1,380.88</td><td>1,229.95</td></tr><tr><td>Unit water withdrawal intensity (million liters/NT\$ million)</td><td>0.00442</td><td>0.00548</td></tr></table>	Year	2023	2024	Water consumption (in million liters)	6.1090	6.7427	Sales volume (NT\$ million)	1,380.88	1,229.95	Unit water withdrawal intensity (million liters/NT\$ million)	0.00442	0.00548	
Year	2023	2024															
Water consumption (in million liters)	6.1090	6.7427															
Sales volume (NT\$ million)	1,380.88	1,229.95															
Unit water withdrawal intensity (million liters/NT\$ million)	0.00442	0.00548															

Evaluation item	Status of operation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons																		
	Yes	No	Summary																			
			<p>4.2.2 The Company plans to improve air-conditioning cooling equipment in 2025, and discuss the feasibility of recycling process wastewater to reduce the water withdrawal intensity.</p> <p>4.3 Waste:</p> <p>4.3.1 The Company's main production location is located in Taiwan. The unit waste density of Taiwan's factory area in 2024 is lower than that in 2023 by 37%.</p> <table><tr><td>Year</td><td>2023</td><td>2024</td></tr><tr><td>Hazardous Waste (Tones)</td><td>272.82</td><td>158.55</td></tr><tr><td>No hazardous waste (Tones)</td><td>108.63</td><td>11.16</td></tr><tr><td>Recycling and Reusing Waste (Tones)</td><td>35.98</td><td>64.66</td></tr><tr><td>Sales volume (NT\$ million)</td><td>1,380.88</td><td>1,229.95</td></tr><tr><td>Unit Waste Concentration (Tones/NT\$ million)</td><td>0.30</td><td>0.19</td></tr></table> <p>4.3.2 The Company's waste is entrusted to qualified clearance contractors and reuse contractors to legally dispose of, and the Company is responsible for monitoring the contractors' handling of waste. The Company also irregularly inspects the legality of waste disposal processes.</p>	Year	2023	2024	Hazardous Waste (Tones)	272.82	158.55	No hazardous waste (Tones)	108.63	11.16	Recycling and Reusing Waste (Tones)	35.98	64.66	Sales volume (NT\$ million)	1,380.88	1,229.95	Unit Waste Concentration (Tones/NT\$ million)	0.30	0.19	
Year	2023	2024																				
Hazardous Waste (Tones)	272.82	158.55																				
No hazardous waste (Tones)	108.63	11.16																				
Recycling and Reusing Waste (Tones)	35.98	64.66																				
Sales volume (NT\$ million)	1,380.88	1,229.95																				
Unit Waste Concentration (Tones/NT\$ million)	0.30	0.19																				
VI. Social Issues																						
(I) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions??	V		<p>1. The Company formulates work rules pursuant to laws and regulations, and complies with RBA Code of Conduct. The RBA Code of Conduct is in line with the UN Guiding Principles on Business and Human Rights, wherein the rules are derived from various key international human rights standards, including the ILO Declaration on Fundamental Principles and Rights at Work and the Universal Declaration of Human Rights, with the goal of protecting employees' working rights and basic human rights. Respect for human rights is an important aspect of sustainable business, so the Company adopts RBA management in operation and supply chain, and promotes cooperation and implementation of corporate social responsibility and environmental safety &amp; health policies to all cooperative suppliers. In addition to requiring suppliers to fill in questionnaires and evaluate projects including environmental protection, safety &amp; health management policies, human rights policies and business ethics policies, the Company carries out internal audit of the plant annually in accordance with the RBA audit procedures, and accepts the regularly or irregularly audit from the customer or third party fair units in accordance with contents of the latest version of RBA provisions. In the pre-employment training for new employees, the Company also provides information on compliance with regulations, including prohibition of forced labor, prohibition of child labor, anti-discrimination, anti-harassment, management of working hours, and protection of humane treatment. In 2024, the implementation rate of human rights protection education and training for new employees reached 100%.</p>	No significant deviation																		
(II) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation??	V		<p>2. The Company determines the salaries by referring to the employee's academic background and working experience, and subsequently combines the employee's contributions and the performance appraisal twice a year, while giving the leave entitled pursuant to the Labor Standards Act. The Company provides remuneration and various employee welfare measures that are market-competitive. Please refer to the disclosure of labor-management relations in this annual report (Page 74-76). The Company values the diversity and equality of the workplace, and applies the principle of being suitable for the job. In the "Corporate Social Responsibility Best Practice Principles", the Company specifies that the Company will not engage or support discrimination based on race, social class, nationality, religion, physical disability, gender, sexual orientation, union membership, political affiliation, age, and other personal conditions in the hiring, remuneration, training opportunities, promotion, discharge, or retirement. At the end of 2024, female employees accounted for 46.89% of the total workforce, and female executives accounted for 19.12% of the total workforce.</p>	No significant deviation																		

Evaluation item	Status of operation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
(III) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees??	V		<p>3. The Company's factories and office space are well-lit and bright, with the green designed balconies, and there is a specific dining space. According to the Occupational Safety and Health Act, the Company has established the Occupational Safety Committee to plan, promote and supervise occupational safety and health business. The Company also conducts 1 hazard identification and risk assessment operation per year according to the requirements of ISO 45001. The management is conducted based on the identification and assessment results. The Company also provides safety training and education for all employees, and organizes regular health checkups. The Company has obtained the ISO 45001 Occupational Safety and Health Management System certification, and the certificate is valid from November 7, 2024, to November 6, 2027.</p> <p>In 2024, the Company will organize safety and health training courses for a total of 961 people for a total of 3,173 hours. A total of 161 people will undergo special hazardous work health examination, and a total of 107 people will undergo physician interviews.</p> <p>The Company conducts occupational hazard statistics based on the disability injury statistics published by the Ministry of Labor, and establishes an accident investigation mechanism. Corrective and preventive measures are carried out based on the results of the investigation to reduce the probability of recurrence of accidents and improve workplace safety. In 2024, the Company had one occupational injury for one employee (accounting for 0.2% of the total workforce at the end of 2024). A comprehensive survey of the work environment was conducted, and the number of employees' seats and work platforms were increased. Old and dangerous objects were replaced. Employees were also given enhanced training to raise their safety awareness.</p> <p>The Company had 0 fire accidents and 0 deaths in 2024 (accounting for 0% of the total number of employees at the end of 2024).</p>	No significant deviation
(IV) Has the Company established effective career development training programs for employees?	V		4. The employees may propose necessary internal (external) trainings or on-the-job continuing education based on the job requirements, and proceed to such with the consent of the responsible officers.	No significant deviation
(V) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	V		5. The Company's products are labeled pursuant to relevant regulations when leaving factories. In addition, no policy or complaint channels related to the protection of consumers' rights and interests has been established due to the product attributes. However, for the ethical conducts within the Company's business scope and the prevention of illegal activities, the due complaint and reporting channels are provided.	No significant deviation
(VI) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	V		6. The Company has established the "Supplier Management Procedures" with certain requirements and standards for environmental protection, and occupational safety. Before dealing with any supplier, not only comparing prices but also credit check is conducted by collecting peer evaluations, to understand whether there is any major poor records of the supplier's source and quality of goods. Visit factories when necessary.	No significant deviation
V. Does the Company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the Company obtain third party assurance or certification for the reports above?		V	The Company will issue the 2024 Sustainability Report in accordance with the GRI Standards by August 31, 2025 in accordance with the 2024 "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies".	A gradual promotion will be conducted pursuant to regulations
<p>VI. If the Company has established its own sustainable development principles in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe its current practices and any deviations from the Best Practice Principles: The Company's Board of Directors resolved to establish the "Corporate Social Responsibility Best Practice Principles" on March 11, 2021. There is no significant difference between the operation and the Best Practice Principles. The Board of Directors, in conjunction with the amendment of the Act, amended the "Corporate Social Responsibility Best Practice Principles" into "Sustainable Development Best Practice Principles" on November 2, 2022.</p>				

- VII. Other important information to facilitate better understanding of the company's promotion of sustainable development:
- (I) The Company discloses all information to the MOPS pursuant to the regulations, and insists on the consistent professional and ethical operating principles, valuing the corporate image and risk control.
  - (II) The Company supports disadvantaged families and promotes community development through charity activities every year.
  - (III) During the production process of the Company's products, the discharge of air and water pollutions and sewage, meets the requirements of environmental protection and is friendly to the environment
  - (IV) Risk assessment items and strategies/actions for the Company's material issues:

Material Issue	Risk category	Risk Identification	Adopt strategy/action
Environmental protection	Climate change and environmental protection	Climate change impacts	<p>1. Organize the greenhouse gas inventory and compile the energy consumption, water consumption, and total weight of energy waste.</p> <p>2. In accordance with planning of "Sustainable Development Roadmap for TWSE/TPEX Listed Companies", carry out the inventory and verification schedule plans of greenhouse gases and track them quarterly. The 2024 ISO14064-1:2018 Greenhouse Gas Inventory is expected to be completed in April 2025, and the third-party verification is expected in June. Subsequent disclosure will be made in the annual report and the sustainability report. In the future, the Company will plan short-, medium- and long-term goals to reduce the proportion of carbon emissions.</p> <p>3. The Company has been preparing the sustainable report in 2024. In the future, the Company will plan to report to the Board of Directors on a regular basis on the formulation of response measures, implementation results and related plans for climate change, including the Company's carbon reduction planning, measures and results.</p> <p>4. In the future, the Company will refer to the TCFD framework to discuss climate change issues, identify the Company's main risks and opportunities, and formulate response strategies and goals.</p>
		Environmental protection regulations and pollution prevention and control work of the Company	<p>1. The Company has obtained the water permit from the Hsinchu Environmental Protection Bureau on January 26, 2024, and the certificate expires on January 17, 2029.</p> <p>2. The Company's waste is entrusted to qualified clearance contractors and reuse contractors to legally dispose of, and the Company is responsible for monitoring the contractors' handling of waste. The Company also irregularly audits the legality of waste disposal processes.</p> <p>3. The Company's wastewater plant is currently operating steadily, and is able to effectively control and classify the source of wastewater. In the future, the feasibility and effectiveness of the recycling and reuse of effluents (zero discharge) will be further evaluated, in order to reduce the impact on the environmental water body to zero and reduce the frequency of external government agencies to conduct in-plant audits.</p>
Social	Health and safety	Infectious Disease	4. The Company has implemented the epidemic

Material Issue	Risk category	Risk Identification	Adopt strategy/action
Responsibility	incidents/Social Care		prevention policy in accordance with the government regulations and the parent company's epidemic prevention policy for high-risk infectious diseases.
		Safe and healthy work environment for employees	<p>Convene the labor safety and health management committee meeting every quarter.</p> <p>40 sessions of general education and training on occupational safety and health were conducted in 2024 (75 people sessions).</p> <p>In 2024, 15 hazardous chemical label and control education and training sessions were conducted (648 people sessions).</p> <p>2 emergency response training sessions were conducted in 2024 (212 people sessions).</p> <p>4 contractor safety management training sessions were conducted in 2024 (for 26 people).</p> <p>4 general education training sessions were conducted for new employees in 2024 (65 people).</p> <p>The Company has already implemented the operation in accordance with the RBA regulations, and obtained the ISO45001:2018 Occupational Health and Safety Management System (OHSMS) certificate in April 2023.</p>
		Social Care	<p>1. Due to the lack of blood storage in the region, the Company has been working with the Hsinchu Blood Donation Center since July 9, 2024 to send personnel to donate blood for the sake of saving lives. The event hopes to convey the love and social concern of the employees.</p> <p>2. The Company has always encouraged and assisted employees to participate in public welfare and community development, and to give back to the community with practical actions and contributions, and to fulfill corporate social responsibility. The Company donated NT\$15,000 in September 2024 to help the office of Datong Village, Xizhi Township, Hsinchu County, promote the growth of the local community where the Company is located, and increase the care services for the village.</p> <p>3. The Company donated NT\$10,000 in December 2024 to help the office of Datong Village, Guanxi Township, Hsinchu County, to handle scholarships and encourage outstanding children with excellent academic performance, or special abilities to study, to pass the exams, and pass on the love and social concern.</p>
Corporate Governance	Operation risk	Cybersecurity of Internet	<p>1. 2024/2 Acquisition of ISO27001:2022 information security management system</p> <p>2. 2024/8 Introduce the Neithnet Viewer flow management system to prevent hackers' abnormal access and vulnerable attacks on corporate resources, and provide the management with a dynamic adjustment of access control mechanism.</p> <p>3. 2024/9 All employees completed the information security online training.</p> <p>4. 2024/10 KPMG information security internal audit completed.</p>

Material Issue	Risk category	Risk Identification	Adopt strategy/action
			<p>5. 2024/12 Completed information security attack and internal audit.</p> <p>6. 2025/02 The third-party organization, TAF, was audited and the ISO27001:2022 information security management system was certified.</p> <p>7. The new MDR system (ITSec) and new business secret protection system (Trustview DMR) are expected to be certified and tested in 2025.</p>
		ESG Report	<p>1. The Company has established the "Sustainable Reporting and Assurance Procedures" in accordance with the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies"; also, the Company has established the "Sustainable Information Management Operating Procedure" in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies" of the Financial Supervisory Commission. These procedures were approved by the Board of Directors on October 30, 2024.</p> <p>2. The Company has appointed C.C.Sustain ESG Solution Co., Ltd. as a consultant for the preparation of the sustainability report, and the preparation is in progress. Please refer to the report on the implementation of the sustainability report.</p> <p>3. The Company is required by regulations to issue a sustainable report for 2024 by August 31, 2025, in accordance with the GRI Standards.</p>

(V) Implementation of climate-related information

Item	Implementation Status
(I) Describe the supervision and governance of the Board of Directors and management on climate-related risks and opportunities.	<p>1. (1) Supervision and governance of the Board of Directors on climate-related risks and opportunities</p> <ul style="list-style-type: none"> <li>The Company has been preparing the sustainable report in 2024. In the future, the Company plan to report to the Board of Directors on a regular basis on the formulation of response measures, implementation results and related plans for climate change, including the Company's carbon reduction planning, measures and results.</li> </ul> <p>(2) Supervision and governance of the management on the climate-related risks and opportunities</p> <ul style="list-style-type: none"> <li>The Sustainable Development Committee regularly reports to the management on the identification of risks and opportunities for climate change issues and countermeasures, and discloses them in the annual sustainability report.</li> <li>Through the operation of the Risk Management Committee, the Environmental Safety and Health Department is responsible for assessing, planning, setting goals and responding to other issues such as energy, water resources and waste, and regularly reports to the General Manager about the implementation of climate change related plans and measures for sustainable development.</li> </ul>
(II) Describe how the identified climate risks and opportunities affect the business, strategy and finance of the enterprise (short-term, mid-term, and long-term).	<p>2. The Company's relevant departments discuss various possible climate risks and opportunities based on their business scope, and discuss the impact issues on the Company. The climate change risks and opportunities assessment process scores the possibility and impact level of each topic, and draws a risk and opportunity matrix. The risk matrix is calculated based on the climate change risks and opportunities assessment, to identify climate risks and climate change opportunities. Please refer to 1-3 "Climate Risks and Opportunities and Response Strategies" for details.</p>
(III) Describe the impacts of extreme weather and transformation actions on the financial position.	<p>3. (1) In response to the possible impact of global warming and extreme weather on the Company's operations, the Company has adopted the "Climate-related Financial Disclosures (Recommendations of the Task Force on Climate-related Financial Disclosures, TCFD)" published by the Financial Stability Board (FSB), to specifically evaluate and participate in climate change mitigation and adaptation.</p> <p>(2) For the impacts of extreme climate events (such as operation interruption, production schedule, delivery time and product damage caused by extreme climate events) and transformation actions (such as carbon reduction policies and tightening of laws and regulations, which lead to an increase in operating costs) on the finance, the Company will plan to promote the TCFD risk and opportunity inventory promotion plan, in order to mitigate and adapt to the possible risks of the Company's sustainable operation caused by climate change, and disclose the information of the year in the sustainable report. Please refer to 1-3 "Climate Risks and Opportunities and Response Strategies" for details of the implementation of transformation.</p>
(IV) Describe how the identification, assessment and management procedures of climate risk can be integrated into the overall risk management system.	<p>4. (1) In order to improve operation and strengthen corporate governance, the Company has established "Risk Management Policy and Procedures" and established a Risk Management Committee to identify, assess, handle, report and monitor possible risks that may negatively affect the Company's operational goals. In the future, climate change risks will be included in the scope of the Company's hazard events, and through relevant management strategies and countermeasures, the Company may minimize possible risks and even turn them into business opportunities.</p> <p>(2) In the future, the Company will refer to the TCFD framework to discuss climate change issues, identify the Company's main risks and opportunities, and formulate response strategies and goals.</p>



Item	Implementation Status
(V) If the scenario analysis is used to assess the resilience to the climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts shall be stated.	5. The Company has not yet actually conducted scenario analysis and assessment, and will plan and execute it in accordance with the sustainable report.
(VI) If there is any transformation plan responding to the management of climate-related risks, please describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.	6. The Company has not yet formulated a transformation plan for managing climate-related risks, and will plan and implement it in accordance with the sustainable report.
(VII) If the internal carbon pricing is used as the planning tool, the basis of price determination should be explained.	7. The Company currently does not have internal carbon pricing.
(VIII) If climate-related goals are set, the scope of activities covered, the scope of greenhouse gas emissions, the planning schedule, and the progress of each year should be explained. If carbon reduction limits are set by using carbon credits or renewable energy certificates (RECs) to achieve the relevant goals, the source and amount of carbon reduction limits or the number of RECs should be explained.	8. In order to reduce the impact of climate change on the Company's operations, the Company has set management targets for greenhouse gas emissions, water consumption, energy consumption, and waste reduction, and regularly reviews and assess the achievement of the goals to formulate corresponding improvement plans, and continuously optimizes the effectiveness of sustainable management. The Company has completed the greenhouse gas inventory and verification operations for its Taiwan operations and Shenzhen subsidiary, and will disclose the results in the future in accordance with the laws and regulations, and further evaluate the feasibility of actual reduction to set a more appropriate carbon reduction route, and formulate corresponding measures to establish a comprehensive carbon reduction strategy to ensure that it fully meets the Group's sustainable development direction.
(IX) Greenhouse gas inventory and assurance, reduction targets, strategies and concrete action plans (see 1-1 and 1-2).	9. Please refer to 1-1 and 1-2 for the greenhouse gas inventory data and assurance.

## 1-1 Greenhouse gas inventory and assurance status of the Company in the last two years

### 1-1-1 Greenhouse gas inventory

Describe the greenhouse gas emissions in the last two years (tCO<sub>2</sub>e), intensity (tCO<sub>2</sub>e/NT\$million), and data coverage.

#### 1. Greenhouse gas emission volume

Item \ Year	Greenhouse gas emission volume	
	2023	2024
Scope 1 (tCO <sub>2</sub> e / year)	196.1788	134.6966
Scope 2 (tCO <sub>2</sub> e / year)	5,091.2806	4,782.5
Scope 3 (tCO <sub>2</sub> e / year)	1,529.7694	1,380.0382
Sales volume (NT\$ million)	1,380.88	1,229.95
GHG emission intensity (tCO <sub>2</sub> e / NT\$ million)	4.94	5.12

2. Scope of data: To effectively manage the sources of greenhouse gas emissions, the Company has established the report boundaries according to the ISO 14064-1:2018 standard, including direct greenhouse gas emissions sources (Category 1) and indirect greenhouse gas emissions sources (Category 2 - 6). The types of greenhouse gas include seven types of greenhouse gas, namely CO<sub>2</sub>, Alkyd (CH<sub>4</sub>), Nitrogen Oxide (N<sub>2</sub>O), Hydrofluoric Carbon (HFCs), Partial Hydrofluoric Carbon (PFCs), Sulfur Hexafluoride (SF<sub>6</sub>) and Nitrogen Fadobook (NF<sub>3</sub>).

### 1-1-2 Greenhouse Gas Assurance Information

Describe the assurance status in the last two years up to the date of publication of the annual report, including the scope of assurance, the assurance organization, the assurance standards and the assurance opinions.

	2022	2023
Data period	January 1 - December 31, 2022	January 1 - December 31, 2023
Assurance interval	Unictron Technology Corp. Yung Rong Plant, Yung Chih Plant, Unictron Technologies(Shenzhen)Co. Ltd	Unictron Technology Corp. Yung Rong Plant, Yung Chih Plant, Tainan Plant, Unictron Technologies(Shenzhen)Co. Ltd
Assurance Institution	AFNOR ASIA	AFNOR ASIA
Assurance Standards	ISO14064-1:2018	ISO14064-1:2018
Assurance opinion	Excluding Qualified Opinion (Unqualified)	Excluding Qualified Opinion (Unqualified)

Note: As of the publication date of the annual report, the inventory operation in 2024 is still ongoing. The preliminary information is disclosed in 1-1 Greenhouse Gas Inventory Information (the actual data is mainly based on the assurance data). The complete assurance information will be disclosed on the MOPS, and the complete assurance information will be disclosed in the next year's annual report.

### 1-2 Greenhouse gas reduction targets, strategies and concrete action plans: Please refer to the table below for the Company's climate-related indicators targets.

Indicator	Goals
Reduction of greenhouse gas emissions	2024 is the baseline year, and the greenhouse gas emission intensity will decrease by 3% in 2026, and the greenhouse gas emission intensity will decrease by 10% in 2030.
Energy consumption	2024 is the baseline year. The power consumption intensity will decrease by 1% in 2026, and by 2% in 2030.
Water consumption	2024 is the baseline year. The water intensity will decrease by 3% in 2026, and by 10% in 2030.
Waste reduction	<ul style="list-style-type: none"> <li>Waste recycling rate reached 30% in 2026</li> <li>Waste recycling rate reaching 40% by 2030</li> <li>Waste recycling rate reached 55% by 2035</li> </ul>

### 1-3 Climate risks and opportunities and corresponding strategies

Risk/ Opportunity Category	Risk/ Opportunity Topic	Schedule of expected events	Scenario description	Response strategy
Policies/Regulations	Mid-risk Other environmental agreements/policies/legations	Short-term	<p>With the promotion of the global plastic convention, governments of various countries have strengthened control over plastic products, including the plastic limit policy, recycling specifications and the use of sustainable materials, which has a significant impact on the upstream and downstream supply chain.</p> <p>The customers in the EU and UK may request further use of environmental protection packaging materials or prefer suppliers that meet environmental protection requirements. If the Company fails to find suitable substitute materials in time, it may weaken its market competitiveness, lose some orders, and reduce operating revenues.</p>	<p>Short-term:</p> <ol style="list-style-type: none"> <li>1. The Company will improve the existing packaging materials and gradually replace them with recyclable materials, expand the use of low-carbon alternative packaging materials, and seek environmentally characteristic packaging materials. The initial cost of purchase may rise, but the forward-looking layout can ensure the steady development of the Company in the environmental protection trend.</li> <li>2. The introduction of alternative packaging materials will require an increase in equipment or R&amp;D resources, which will increase operating costs in the short term. However, in the long term, it will satisfy customer needs, create orders and increase revenue.</li> <li>3. The Company will actively seek out suppliers that are experienced in environmental protection packaging materials and establish long-term cooperation relationships to jointly develop customer-friendly packaging materials with stable quality and cost control.</li> <li>4. Through the internal reduction design of the packaging, the use of packaging materials is reduced, and the internal space utilization rate is optimized, to improve the transportation and storage efficiency. It is expected that the cost will be gradually invested over 3 to 5 years.</li> </ol> <p>Mid- and long-term</p> <ol style="list-style-type: none"> <li>1. Use innovative packaging materials and actively research environmentally friendly materials such as biodegradable plastics, paper-based packaging, etc. to build a long-term and sustainable supply chain, strengthen customer loyalty, promote long-term cooperation, and bring revenue growth.</li> <li>2. The Company has established a recycling mechanism for the packaging materials, and reduced the cost of purchasing the packaging materials through the collaborative recycling model with the customers.</li> <li>3. The Company will present its commitment and results in environmental protection and sustainable development, improve its brand image, attract customers who value ESG, and explore opportunities for cooperation.</li> </ol>
Market	Mid-risk Changes in customer demand	Mid-term		

Risk/ Opportunity Category	Risk/ Opportunity Topic	Schedule of expected events	Scenario description	Response strategy
Technology	Mid-risk Demand for low-carbon products and technology transformation	Short-term	The accelerated market demand for climate change around the world has made customers more and more demanding of low-carbon products. If we fail to respond to the trend, we may lose our market competitiveness and develop products that meet environmental protection and carbon reduction standards, which will gradually shrink our market share and affect our operating revenue. In addition, the fluctuation of prices of environmental protection materials and short-term R&D investment will increase operating costs.	<ol style="list-style-type: none"> <li>1. The Company promotes low energy consumption processes, continues to optimize the efficiency of production processes and equipment, reduces energy consumption, improves environmental protection benefits and energy efficiency, which helps to prevent additional expenses or fines due to not meeting the carbon emission-related standards.</li> <li>2. The Company will gradually introduce energy sources with lower carbon emissions to replace traditional fuels, increase the proportion of renewable energy used in the production process, reduce the reliance on traditional energy sources, and further reduce the total carbon emissions to meet the global carbon reduction trend and requirements.</li> <li>3. Invest in the development of lead-free products to effectively reduce carbon emissions during the manufacturing process, and the lead-free products are easier to recover, which can promote the circular economy benefits, reduce environmental pollution caused by lead, and comply with international standards (such as RoHS, REACH).</li> <li>4. Through advanced heat dissipation technology, the Company effectively reduces energy consumption during product operation, and improves environmental protection benefits. The equipment and R&amp;D expenses in the development stage will increase operating costs. As the technology is mature, the product competitiveness will be enhanced, to meet the market demand for low-carbon products, increase product service opportunities, and bring operating revenue.</li> <li>5. The introduction of alternative materials will require an increase in equipment or R&amp;D resources, which will increase operating costs in the short term. However, in the long term, it will satisfy customer needs and create order opportunities.</li> </ol>
Products and services	High Opportunity Increase product service opportunities	Short-term		
Market	High Opportunity Venture into new markets	Mid-term	The Company stays in tune with the industry trends and new market opportunities, actively develops new products and new markets, and lays out the electric vehicle market. The Company develops the automotive chip antenna for electric vehicles, and has been certified by the Chinese OEMs, to strengthen the Company's competitive advantage in the electric vehicle supply chain, further enhance the product competitiveness, to meet the needs of the new market, to promote the sales growth, and to increase the operating revenue.	<p>Short-term:</p> <ol style="list-style-type: none"> <li>1. The previous stage of research and development will require an increase in equipment or investment in research and development, resulting in an increase in operating costs in the short term.</li> <li>2. The development of new products requires relevant certifications and tests, such as: Hazardous substance testing, equipment testing, and introduction of management systems, which lead to an increase in short-term operating costs.</li> </ol> <p>Mid- and long-term</p> <ol style="list-style-type: none"> <li>1. To satisfy customers' needs and create order opportunities.</li> <li>2. The increase in market penetration rate is expected to drive the growth of sales.</li> </ol>

(VI) Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

Evaluation item	Status of operation			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary	
I. Establishment of ethical corporate management policies and programs				
(I) Does the Company have the ethical corporate management policy approved by the Board of Directors, and have the policies and practices of ethical corporate management stated in the regulations and external documents, and have the Board of Directors and senior management committed to actively implement the business policies?	V		1. The Company established the “Code of Conduct,” “Ethical Corporate Management Best Practice Principles,” and “Procedures for Ethical Management and Guidelines for Conduct” on August 28, 2020, and amend the contents pursuant to laws in a timely manner.	No significant deviation
(II) Whether the Company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?	V		2. Articles 10 to 16 of the Company’s “Ethical Corporate Management Best Practice Principles regulate and prevent the operating activities with higher risks of unethical conducts specified in each subparagraph of paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies” or within other business scope.	No significant deviation
(III) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	V		3. Articles 6 and 7 of the Company’s “Ethical Corporate Management Best Practice Principles specifies the prevention programs and scopes; Article 21 is the operating procedures and guidelines of conducts, and Article 24 is the disciplinary actions for violations and appealing system. The possible amendments are regularly reviewed.	No significant deviation
II. Ethical Management Practice				
(I) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	V		1. The Company has the principle of integrity and honesty in the procurement contract and has signed the letter of undertaking for integrity. The Company may terminate the contract if there is any violation.	No significant deviation
(II) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	V		2. The promotion of the Company's ethical management is divided into the following units: formulation of rules and regulations, education and promotion, and complaint mechanisms, as well as the review of ethical risks. The Company's ethical management policy and prevention of unethical conduct plans and the supervision of implementation are regularly reported to the Board of Directors (at least once a year): 2.1 The Human Resources and Administration Department is responsible for the establishment of the bylaws of ethics management and the planning of educational promotions, to formulate the Ethical Corporate Management Best Practice Principles emphasizing the culture of ethical management, and the Procedures for Ethical Management and Guidelines for Conduct, the Code of Ethical Conducts, and various standards handling disciplinary violations while establishing the human resource mailbox and the stakeholder mailbox to provide channels for internal and external complaints. Every employee must participate in the "Ethics Promotional Course" and sign th Commitment Note to the Code of Ethical Conduct. Every year, the announcements and posters are adopted to remind the employees how the Company values the ethical management. 2.2 The assessment and inspection of the ethical risk is the responsibility of the auditing unit under the board of directors, to strengthen various operating procedures, implement the division of works and responsibilities, and reduce the occurrence of fraud through the assistance of the system.	No significant deviation

Evaluation item	Status of operation			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary	
(III) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	V		<p>2.3 For any violation of ethics, Article 23 of the Ethical Corporate Management Best Practice Principles shall be complied with. The violation shall be reviewed by the Personnel Evaluation Committee composed of senior executives and legal personnel of different departments. For the material unethical violation, the Audit Committee and the Board must be reported to for proceeding pursuant to the related regulations and operating procedures. The implementation of ethical management in 2024 was reported to the Board of Directors on February 27, 2025.</p> <p>3. The Company adopts the Ethical Corporate Management Best Practice Principles to identify, monitor, and manage risks possibly resulting from unethical conduct, and also offer appropriate means for directors, managerial officers, and other stakeholders attending or present at board meetings to voluntarily explain whether their interests would potentially conflict with those of the company. When a proposal at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, managerial officers, and other stakeholders attending or present at board meetings of the Company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings. The Company's directors, managerial officers, employees, mandataries, and substantial controllers shall not take advantage of their positions or influence in the companies to obtain improper benefits for themselves, their spouses, parents, children or any other person.</p>	No significant deviation
(IV) Is the Company equipped with an effective accounting system and internal control system for the purpose of implementing ethical corporate management, and has the internal audit unit established relevant audit plans based on the assessment results of the risk of unethical conduct, and audited the compliance with the prevention of unethical conduct programs, or commissioned a CPA to perform the audit?	V		<p>4. The Company complies with the regulatory requirements, continuously amending the internal control system, and inspects and evaluates the effectiveness of the internal control system implementation. The internal audit unit evaluates risks and prepares the annual audit plans pursuant to the internal control system. When conducting relevant audits according to the plans, any violation of the Company's Ethical Corporate Management Best Practice Principles would be checked, and regularly report on the inspection results is made to the Audit Committee and the Board, so that the management understands the implementation status of the Company's internal control.</p> <p>The Company's accounting system is established pursuant to the requirements of the laws. The attesting CPAs audit or review the Company's financial statements on a quarterly basis and present reports; every six months, they regularly report the results of the audit or review to the Audit Committee and the Board and communicate about the corporate governance.</p>	No significant deviation
(V) Does the company provide internal and external ethical corporate management training programs on a regular basis?	V		<p>5. The Company's enterprise spirit takes the "ethics" as its core value. The Company organizes internal and external training and education activities on</p>	No significant deviation

Evaluation item	Status of operation			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary	
			ethical management periodically. To implement the ethical management policy, the Company requires all new employees to participate in the "Ethics Course" and sign the declaration of ethics when they take office. In 2024, the Company and its subsidiaries have completed the training and signed the declaration of ethics for 100% of the employees. Subsequently, through public broadcasting, announcements and posters are regularly adopted every year to remind employees that the Company values the ethical management, and employees' recognition with the concept of ethics is developed via the corporate culture courses, thereby strengthening employees' self-disciplined conducts.	
III. Implementation of Complaint Procedures				
(I) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle-blowers?	V		1. The Company established "Measures for the Administration of Whistle-blowing & Complaint" and "Ethical Corporate Management Best Practice Principles". Any employee violating the ethical management regulations will be audited by the Human Resource Review Board, which is composed of senior executives from different departments. If the case is a major violation of integrity management, the Company will report it to the Audit Committee or the Board of Directors in accordance with the relevant regulations and operating procedures.	No significant deviation
(II) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?	V		2. The Company's complaint and reporting channels are smooth and diverse; the HR Department cooperates with the department heads to understand the cases in-depth. Cases cannot be established without specific evidence and will not be made public to protect the parties concerned.	No significant deviation
(III) Has the company adopted proper measures to protect whistle-blowers from retaliation for filing complaints?	V		3. The Company conducts private interviews with whistleblowers, and those who have specific evidence will not be improperly treated due to whistleblowing.	No significant deviation
IV. Strengthening Information Disclosure				
Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	V		The Company has disclosed the "Ethical Corporate Management Best Practice Principles" and "Ethical Corporate Management Best Practice Principles" in the "Corporate Governance" section of the Company's website and the MOPS.	No significant deviation
V. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation:				
VI. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies				
(I) The Company complies with the Company Act, the Securities and Exchange Act and other relevant laws and regulations as the basis for implementing ethical management.				
(II) In the "Rules of Procedures for Board Meetings," it is specified where a proposal in a board meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, managerial officers, and other stakeholders attending or present at board meetings of the Company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director.				
(III) The company has established "Material information processing and insider trading prevention procedures", which clearly stipulates that directors, managerial officers and employees must not disclose the internal material information they know to others, and must not inquire or collect from people who know the company's internal material information Undisclosed important internal information of the company that is not related to the personal position, and the undisclosed important internal information of the company that is not known through business should not be disclosed to others.				

(VII) Other significant information that will provide a better understanding of the state of the Company's implementation of corporate governance may also be disclosed:

1. To effectively manage the internal material information of the Company, the "Management and Operating Procedures for Handling Material Information and Preventing Insider Trading" are established and disclosed in the Company website for the compliance of all employees, and

preventing any violation or occurrence of insider trading.

2. The Company has four independent directors in place, and the independent directors form the Audit Committee and the Remuneration Committee to strengthen the corporate governance operations.
3. The Company's corporate governance related information is disclosed on the Company's website [www.unictron.com](http://www.unictron.com).

(VIII) The section on the state of implementation of the company's internal control system shall furnish the following:

1. Statement of Internal Control: For detailed information on the statement of internal control, please refer to the MOPS/Corporate Governance/Internal Control Statement Announcement (<https://mops.twse.com.tw>).
2. Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: nor applicable.

(IX) Material resolutions of a shareholders meeting or a board of directors meeting during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report.

Date	Meeting name	Content	Resolution and implementation
February 27, 2024	1st Board meeting, 2024	Approved the proposal of the Company's "Statement of Internal Control System" and the report of "Self-Evaluation Execution Results"	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the 2024 business plans and budgets	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the proposal to appoint the 2024 attesting CPAs	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the proposal to distribute remunerations to employees and directors for 2023	For the proposal, other than Directors Su, Kai-Chien; Chang, Ming-Chu and Lee, Ran-Rong recused themselves from participation, the acting chair, Cheng, Wei-Shun inquired all attended independent directors and directors, and approved as proposed without dissent; the employees remuneration of NT\$24,922,313 and directors' remuneration of NT\$1,869,173 were provided, all paid in cash, and to be reported in the 2024 regular shareholders' meeting.
		Approved the proposal to determine the principles of distributing remunerations to directors and employees' remunerations to managerial officers for 2023	For the proposal, other than Directors Su, Kai-Chien; Chang, Ming-Chu and Lee, Ran-Rong recused themselves from participation for the proposal, the acting chair, Cheng, Wei-Shun inquired all attended independent directors and directors, and approved as proposed without dissent.
		Approved the proposal of 2023 business report and financial statements	All attended independent directors and directors, and approved as proposed without dissent, to be ratified in the 2024 regular shareholders' meeting.
		Approved the proposal for the distribution of cash dividends from earnings for 2023	All the attending independent directors and directors approved unanimously that the cash dividend of ordinary shares would be distributed as NT\$3.6 per share, and submitted to the regular 2024 shareholders' meeting for report.
		Approved the proposal of 2023 earnings distribution statement	All attended independent directors and directors, and approved as proposed without dissent, to be ratified in the 2024 regular shareholders' meeting.
		Approved the proposal to amend partial provisions of the "Rules of Procedure for Board of Directors' Meeting"	All attended independent directors and directors and approved as proposed without dissent, to be submitted in the 2024 regular shareholders' meeting for report.
		Approved the proposal of renewal applications for the bank credit facility	All attended independent directors and directors, and approved as proposed without dissent.
April 29, 2024	2nd Board meeting, 2024	Approved the proposal of the matters related to the convention of 2024 regular shareholders' meeting	All attended independent directors and directors approved as proposed without dissent, to hold the 2024 regular shareholders' meeting on May 31, 2024.
		Proposal to ratify the Q1 2024 financial statements	All attended independent directors and directors, and approved as proposed without dissent, to be uploaded to the MOPS.
		Approved the motion for the subsidiary, Unicton Technologies Vietnam Co., Ltd. to acquire real estate right-of-use assets from a related party.	All attended independent directors and directors, and approved as proposed without dissent.



Date	Meeting name	Content	Resolution and implementation
		Approved the motion for the subsidiary, Unictron Technologies Vietnam Co., Ltd. to acquire machinery equipment from the Company.	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the proposal of renewal applications for the bank credit facility	All attended independent directors and directors, and approved as proposed without dissent.
May 31, 2024	2024 General Shareholders' Meeting	Ratify the proposal of 2023 business report and financial statements	Number of attending shareholders' voting rights when casting votes (electronic voting included): 25,684,202 rights Number of rights in favor of the proposal: 25,320,151 rights, accounted for 98.58% of the voting rights. Number of rights against the proposal: 20,891 rights, accounted for 0.08 % of the voting rights. Invalid rights: 0, accounted for 0.00% of the voting rights; Abstained and un-casted voting rights: 343,160 rights, accounted for 1.33 % of the voting rights. The proposal was approved as proposed by voting.
		Ratify the proposal of 2023 earning distribution	Number of attending shareholders' voting rights when casting votes (electronic voting included): 25,684,202 rights Number of rights in favor of the proposal: 25,321,890 rights, accounted for 98.58% of the voting rights. Number of rights against the proposal: 19,152 rights, accounted for 0.07 % of the voting rights. Invalid rights: 0, accounted for 0.00% of the voting rights; Abstained and un-casted voting rights: 343,160 rights, accounted for 1.33 % of the voting rights. The proposal was approved as proposed by voting. The cash dividends of ordinary shares would be distributed as NTS\$3.6 per share, the distribution base date was established on July 10, 2024 and all cash dividends were distributed on August 5, 2024.
July 30, 2024	3rd Board meeting, 2024	Proposal to ratify the Q2 2024 financial statements	All attended independent directors and directors, and approved as proposed without dissent, to be uploaded to the MOPS.
		Approved the proposal of professional fees for the 2024 attesting CPAs	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the proposal of renewal applications for the SinoPac bank credit facility	All attended independent directors and directors, and approved as proposed without dissent.
September 6, 2024	4th Board meeting, 2024 (video conference)	Approved the plan to sell the real estate located in Tucheng District, New Taipei City	All attended independent directors and directors approved as proposed without dissent, and the parties signed a trading contract on September 6, 2024, and the transfer registration was completed on November 8, 2024.
October 30, 2024	5th Board meeting, 2024	Approved the proposal of the 2025 audit plan	All attended independent directors and directors, and approved as proposed without dissent, to be uploaded to the MOPS.
		Approved the motion to amend the Company's "Internal Control System Principles" and "Enforcement Rules of Internal Audit	All attended independent directors and directors, and approved as proposed without dissent.
		Proposal to ratify the Q3 2024 financial statements	All attended independent directors and directors, and approved as proposed without dissent, to be uploaded to the MOPS.
		Approved the proposal to amend partial provisions of the "Audit Committee Charter"	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the proposal to establish the "Sustainable Information Management Procedures"	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the proposal to establish the "Sustainable Reporting and Assurance Procedures"	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the proposal of renewal applications for the bank credit facility	All attended independent directors and directors, and approved as proposed without dissent.

Date	Meeting name	Content	Resolution and implementation
		Approved the motion for increasing the bank limit	All attended independent directors and directors, and approved as proposed without dissent.
February 27, 2025	1st Board meeting, 2025	Approved the proposal of the Company's "Statement of Internal Control System" and the report of "Self-Evaluation Execution Results"	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the 2025 business plans and budgets	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the proposal to appoint the 2025 attesting CPAs	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the amendment of the non-conviction Service Policy by the Company	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the proposal to distribute remunerations to employees and directors for 2024	For the proposal, other than Directors Su, Kai-Chien; Chang, Ming-Chu and Lee, Ran-Rong recused themselves from participation, the acting chair, Cheng, Wei-Shun inquired all attended independent directors and directors, and approved as proposed without dissent; the employees remuneration of NT\$11,801,681 and directors' remuneration of NT\$885,125 were provided, all paid in cash, and to be reported in the 2025 regular shareholders' meeting.
		Approved the proposal to determine the principles of distributing remunerations to directors and employees' remunerations to managerial officers for 2024	For the proposal, other than Directors Su, Kai-Chien; Chang, Ming-Chu and Lee, Ran-Rong recused themselves from participation for the proposal, the acting chair, Cheng, Wei-Shun inquired all attended independent directors and directors, and approved as proposed without dissent.
		Approved the proposal of 2024 business report and financial statements	All attended independent directors and directors, and approved as proposed without dissent, to be ratified in the 2025 regular shareholders' meeting.
		Approved the proposal for the distribution of cash dividends from earnings for 2024	All the attending independent directors and directors approved unanimously that the cash dividend of ordinary shares would be distributed as NT\$1.85 per share, and submitted to the regular 2025 shareholders' meeting for report.
		Approved the distribution of cash from capital reserve	The proposal was approved by all present independent directors and directors unanimously, to distribute NT\$0.65 per share of capital reserve, and submit it to the 2025 annual general meeting.
		Approved the proposal of 2024 earnings distribution statement	All attended independent directors and directors, and approved as proposed without dissent, to be ratified in the 2025 regular shareholders' meeting.
		Approved the proposal of renewal applications for the bank credit facility	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the definition of basic employees of the Company	All attended independent directors and directors, and approved as proposed without dissent.
		Approved the proposal to amend partial provisions of the "Articles of Incorporation"	All attended independent directors and directors and approved as proposed without dissent, to be submitted in the 2025 regular shareholders' meeting for report.
		Approved the proposal of the matters related to the convention of 2025 regular shareholders' meeting	All attended independent directors and directors approved as proposed without dissent, to hold the 2025 regular shareholders' meeting on May 27, 2025.

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

IV. Information on the professional fees of the attesting CPAs:

Unit: NT\$ thousand

Name of accounting firm	Names of CPAs	Audit Period of the CPAs	Audit fees (Note 1)	Non-audit fees (Note 2)	Total
KPMG CPA firm	Hsu, Shi-Chun Tang, Tzu-Chieh	January 1 – December 31, 2024	1,800	300	2,100

Note 1: The fees paid to the CPAs by the Company for the audit and review of the financial statements.

Note 2: Mainly refers to tax certification and CFC service fees.

- (I) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: not applicable.
- (II) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed: not applicable.

V. Information on replacement of certified public accountant:

If the company has replaced its certified public accountant within the last 2 fiscal years or any subsequent interim period, it shall disclose the following information:

- (I) About the predecessor CPA

Date of replacement	January 1, 2024		
Reasons for replacement and description	Internal organizational adjustment of the CPA firm		
Whether the termination was initiated by the client or by the CPA	<div style="display: flex; align-items: center; justify-content: center;"> <div style="transform: rotate(-45deg);">The concerned party</div> <div style="margin-left: 10px;">Status</div> </div>	CPAs	Principal of the Company
	The appointment was terminated voluntarily	Not applicable	Not applicable
	No longer accepted (continued) the appointment	Not applicable	Not applicable
Opinions and reasons for the audit report issued in the last two years that are not unqualified opinions	Unqualified opinion for 2023 Unqualified opinion for 2024		
If there is any disagreement with the issuer	None		
(Disclosures required by Article 10, Paragraph 6, Item 1-4 to 1-7 of the Guidelines)	None		

- (II) About the succeeding CPA

Name of accounting firm	KPMG Taiwan
Names of CPAs	Hsu, Shi-Chun, Tzu-Chieh Tang
Date of appointment	January 1, 2024
Before the appointment, the accounting treatment method or accounting principles for specific transactions, and the possible opinions and results of the consultation on the financial statements:	None
The written opinion of the succeeding CPA to the matters disagreed by the former CPA	None

- (III) The reply of the former CPA to the sub-paragraphs 1 and 2-3, Paragraph 6, Article 10 of the Principles: The former CPA has no dissenting opinion to the matters specified in Subparagraph 1 and Subparagraph 2-3, Paragraph 6, Article 10 of the Principles.

VI. Where the company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed: none.

VII. Any transfer of equity interests and/or pledge of or change in equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report. Where the counterparty in any such transfer or pledge of equity interests is a related party, disclose the counterparty's name, its relationship between that party and the company as well as the company's directors, supervisors, managerial officers, and ten-percent shareholders, and the number of shares transferred or pledged.

(I) Changes in equity interests of director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent

Unit: shares

Job Title	Name	2024		2025 As of March 29	
		Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)	Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)
Chairman concurrently Chief executive officer	Su, Kai-Chien	-	-	-	-
Director concurrently major shareholder	Darfon Electronics Corp.	-	-	-	-
Director concurrently President	Darfon Electronics Corp.: Chang, Ming-Chu	-	-	-	-
Director concurrently Chief Strategy Officer	Representative of Darfon Electronics Corp.: Lee, Ran-Rong	-	-	-	-
Director	Darfon Electronics Corp.: Lin, Hsian-Chang (Note 1)	-	-	N/A	N/A
Director	Darfon Electronics Corp.: Wang, Wei-Chi (Note 1)	-	-	-	-
Independent director	Cheng, Wei-Shun	-	-	-	-
Independent director	Wang, Yung-Ho	-	-	-	-
Independent director	Wang, Chien-Min	-	-	-	-
Independent director	Shen, Hsi-Wen	-	-	-	-
Vice President	Chou, Chih-Sheng	-	-	-	-
Vice President	Chuang, Rong-Hua (Note 2)	(156,000)	-	N/A	N/A
Vice President	Ruan, Yue-Chang	-	-	-	-
Director	Cheng, Shih-Wei	(16,000)	-	-	-

Note 1: The representative of the corporate director, DARFON ELECTRONICS CORP, was changed to Wang, Wei-Chi on January 3, 2024.

Note 2: Chuang, Rong-Hua, the Vice President, retired on June 30, 2024.

(II) Shareholding transferred to related party: none

(III) Shareholding pledge to related party: none

VIII. Relationship information, if among the company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another.

March 29, 2025, Unit: share; %

Name	Shareholding		Shares held by spouse and minor children		Total shareholding by nominee arrangements		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree.		Remarks
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name (or full name)	Relationship	
Darfon Electronics Corp.	17,551,081	36.66%	-	-	4,361,375	9.11%	Chengli Investment Co., Ltd.	Subsidiary of Darfon Electronics Corp., replaced its representative	-
							Su, Kai-Chien	Its chairman	
Representative of Darfon Electronics Corp.: Su, Kai-Chien	900,000	1.88%	-	-	-	-	Darfon Electronics Corp.	Chairman of Darfon Electronics Corp.	-
							Chengli Investment Co., Ltd.	Chairman of Chengli Investment Co., Ltd	-
Chengli Investment Co., Ltd.	4,361,375	9.11%	-	-	-	-	Darfon Electronics Corp.	Parent company of Chengli Investment Co., Ltd.	-
							Su, Kai-Chien	Its chairman	
Representative of Chengli Investment Co., Ltd.: Su, Kai-Chien	900,000	1.88%	-	-	-	-	Darfon Electronics Corp.	Chairman of Darfon Electronics Corp.	-
							Chengli Investment Co., Ltd.	Chairman of Chengli Investment Co., Ltd.	-
Su, Kai-Chien	900,000	1.88%	-	-	-	-	Darfon Electronics Corp.	Chairman of Darfon Electronics Corp.	-
							Chengli Investment Co., Ltd.	Chairman of Chengli Investment Co., Ltd	
Hung Hsiang Investment Co., Ltd.	804,065	1.68%	-	-	-	-	-	-	-
Chen, Li-Fei	524,000	1.09%							
Hsia, Li-Lian	504,570	1.05%	-	-	-	-	-	-	-
Liao Chi-Kun	378,000	0.79%	-	-	-	-	-	-	-
He Feng United Co., Ltd.	350,000	0.73%					-	-	
Yang, Chia-Chin	294,000	0.61%	-	-	-	-	-	-	-
Yang, Tzu-Di	294,000	0.61%	-	-	-	-	-	-	-

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

December 31, 2024; Unit: Thousand shares;%

Investee enterprise	Company's investment		Investment by the Directors, Supervisors, Managerial Officers and Directly or Indirectly Controlled Entities of the Company		Integrated investment	
	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage
Unicom Technologies, Inc.	1,535	100%	-	-	1,535	100%
Unictron Technologies(Shenzhen)Co. Ltd	-	100%	-	-	-	100%
Unitron Technologies Vietnam Co., Ltd.	-	100%	-	-	-	100%

**Three. Capital Raising: capital and shares; issuance of corporate bonds, preferred shares, global depository receipts, employee share subscription warrants, new restricted employee shares, and merger and acquisition (including mergers, acquisitions, and split), as well as the implementation of the company's capital allocation plans**

**I. Capital and shares**

**(I) Source of share capital**

Share/ NT\$

Month/year	Issued price	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Sources of capita	Capital paid in by assets other than cash	Others
August 2015	10	36,000,000	360,000,000	35,979,645	359,796,450	The capital increase of \$20,840,000 by conversion of employee stock options and \$5,407,260 by capitalization of employee remuneration was reported to the Board of Directors.	None	Note 1
January 2016	10	50,000,000	500,000,000	37,075,645	370,756,450	NT\$10,960,000 increased by conversion of employee share subscription warrants	None	Note 2
August 2016	10	50,000,000	500,000,000	38,830,971	388,309,710	NT\$17,553,260 increased by conversion of employees' remuneration	None	Note 3
October 2017	10	50,000,000	500,000,000	40,030,971	400,309,710	NT\$12,000,000 increased by conversion of employees' remuneration	None	Note 4
June 2018	10	80,000,000	800,000,000	40,030,971	400,309,710	Authorized capital increased by NT\$30,000,000	None	Note 5
January 2020	20	80,000,000	800,000,000	41,630,971	416,309,710	NT\$16,000,000 increased by conversion of employee share subscription warrants	None	Note 6
June 2020	10	80,000,000	800,000,000	43,025,325	430,253,250	New share issuance of NT\$13,943,540 by conversion of shares	New share issuance by conversion of shares	Note 7
July 2020	20	80,000,000	800,000,000	43,775,325	437,753,250	NT\$7,500,000 increased by conversion of employee share subscription warrants	None	Note 8
December 2021	98	80,000,000	800,000,000	47,875,325	478,753,250	NT\$41,000,000 increased by cash capital increase	None	Note 9

Note 1: Approved with Jing-Shou-Zhong No. 10433635080 by Department of Commerce, MOEA on August 12, 2015.

Note 2: Approved with Jing-Shou-Zhong No. 10533098750 by Department of Commerce, MOEA on January 30, 2016.

Note 3: Approved with Jing-Shou-Zhong No. 10534317150 by Department of Commerce, MOEA on September 7, 2016.

Note 4: Approved with Jing-Shou-Zhong No. 10633669030 by Department of Commerce, MOEA on November 15, 2017.

Note 5: Approved with Jing-Shou-Zhong No. 10833352860 by Department of Commerce, MOEA on June 12, 2019.

Note 6: Approved with Jing-Shou-Zhong No. 10933115870 by Department of Commerce, MOEA on March 10, 2020.  
 Note 7: Approved with Jing-Shou-Zhong No. 10933355050 by Department of Commerce, MOEA on June 29, 2020.  
 Note 8: Approved with Jing-Shou-Zhong No. 10933390090 by Department of Commerce, MOEA on July 13, 2020.  
 Note 9: Approved with Jing-Shou-Zhong No. 11033820460 by Department of Commerce, MOEA on December 29, 2021.

Unit: shares

Type of share	Authorized capital			Remarks
	Outstanding shares	Unissued shares	Total	
Ordinary shares	47,875,325	32,124,675	80,000,000	Shares of TWSE-listed companies

Information Relating to the Shelf Registration System: not applicable

## (II) List of Major Shareholders

Names of major shareholders	Shares	Shareholding (shares)	Shareholding percentage
Darfon Electronics Corp.		17,551,081	36.66%
Chengli Investment Co., Ltd.		4,361,375	9.11%
Su, Kai-Chien		900,000	1.88%
Hung Hsiang Investment Co., Ltd.		804,065	1.68%
Chen, Li-Fei		524,000	1.09%
Hsia, Li-Lian		504,570	1.05%
Liao, Chih-Kun		378,000	0.79%
He Feng United Co., Ltd.		350,000	0.73%
Yang, Chia-Chin		294,000	0.61%
Yang, Tzu-Di		294,000	0.61%

## (III) Company's dividend policy and implementation thereof

### 1. The Company's dividend policy:

For any earning in the Company's annual final accounts, it shall be distributed in the following order:

- (1) Tax payment.
- (2) Deficit compensation:
- (3) 10% of the earning is provided as the legal reserve; however, where the legal reserve reaches the paid-up capital of the Company, this is not required.
- (4) Provide or reverse the special reserve pursuant to laws and regulations if necessary.
- (5) The rest is shareholders' bonus, and with the accumulated undistributed earnings from previous years, for the Board to draft a distribution proposal

The Company's dividend policy will depend on factors such as current and future development plans, investment environment, capital needs, domestic and foreign competition conditions, and capital budgets, while taking the interests of shareholders and the Company's long-term financial planning into account. The Board drafts a profit distribution proposal for the distributable earnings above; of which, the distribution of shareholders' dividend bonuses of each year should not be less than 10% of distributable earnings for the year; however, where the accumulated distributable earnings are less than 10% of the paid-in share capital, the distribution may be exempted; when distributing the shareholders' dividend bonuses, such may be distributed in the form of cash or shares, and the cash dividends shall not be less than 10% of the total dividends; provided that the actual distribution percentage shall be handled pursuant to the resolution of the shareholders' meeting.

If the Company is to distribute all or part of the dividends and bonuses, it intends to distribute such in cash. The resolution shall be adopted in a board meeting attended by two-third or more of the directors with the majority of the attending directors in favor, then reported to the shareholders' meeting.

If the Company distributes cash from the legal reserve or capital reserve pursuant to Article 241 of the Company Act, the resolution shall be adopted in a board meeting attended by two-third or more of the directors with the majority of the attending directors in favor, then reported to the shareholders' meeting.

2. Proposal of dividend distribution to the shareholders' meeting:

The Company's 2024 earnings distribution proposal has been approved by the Board of Directors on February 27, 2025 to distribute cash dividends of NT\$86,719 thousand (NT\$1.85 per share) and cash distribution from capital surplus of NT\$30,469 thousand (NT\$0.65 per share) to shareholders, and is still pending for the resolution of the 2025 general shareholders' meeting.

3. Expected changes in the dividend policy:

The Company's dividend policy will depend on factors such as current and future development plans, investment environment, capital needs, domestic and foreign competition conditions, and capital budgets, while taking the interests of shareholders and the Company's long-term financial planning into account. The Board drafts a profit distribution proposal for the distributable earnings above; of which, the distribution of shareholders' dividend bonuses of each year should not be less than 10% of distributable earnings for the year; however, where the accumulated distributable earnings are less than 10% of the paid-in share capital, the distribution may be exempted. No material change is expected for the Company's future dividend policy.

(IV) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting: none.

(V) Remunerations of employees, directors, and supervisors:

1. The percentages or ranges with respect to employee, director, and supervisor compensation, as set forth in the Company's articles of incorporation.

If the Company makes profits in a year, 10% to 15% should be provided as employees' remuneration and no more than 3% should be provided as directors' remuneration. However, where the Company has accumulated losses, the amount for compensation shall be set aside first. The remuneration to the entry-level employees shall not be less than 10% of the total remuneration to the employees.

The recipients of stock or cash distribution for employees' remuneration in the preceding paragraph, may include the employees of the controlling or subordinate companies meeting the conditions set by the board of directors or its authorized persons.

2. The basis for estimating the amount of employee, director, and supervisor compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

The amounts that the Company estimates of employees, directors and supervisors' remuneration are based on the Company's net profit before tax before deducting the amount remuneration of employees, directors and supervisors, multiplied by the distribution percentage of the intended remuneration of employees, directors and supervisors, to be recognized as salary costs. Where, after the end of the year, any material change in the distribution amount resolved by the board of directors, the change will adjust the original provided expense of the year; where the change occurs after the financial report is released in the next year, it will be treated as a change in accounting estimate, and the effect of the change will be recognized as profit or loss for the following year.

3. Information on any approval by the board of directors of distribution of remuneration:

A. The amount of any employee compensation distributed in cash or stocks and remuneration for employees and directors If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed:

The Company's Board of Directors approved the 2024 remuneration to employees and directors on February 27, 2025. The remuneration to directors is NT\$885 thousand, and the remuneration to employees is NT\$11,802 thousand. There is no difference from the estimated amount of expenses recognized in the year.

B. The amount of any employee remuneration distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial



reports or individual financial reports for the current period and total employee remuneration:

The Company's employee remuneration for 2024 was distributed in cash, so the amount of stock distribution as employee remuneration was 0, accounting for 0% of the net income after tax in the individual financial reports of the current period.

4. The actual distribution of employee, director, and supervisor compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor compensation, additionally the discrepancy, cause, and how it is treated:

The actual distribution of employees' and directors' remunerations for 2023 is as follows:

Employees' remuneration: NT\$24,922 thousand; directors' remuneration: NT\$1,869 thousand, all paid in cash. There is no difference between the remuneration of employees and directors recognized in 2023.

(VI) Status of a Company repurchasing its own shares: as of April 15, 2025, the issuance is as follows.

Date of board resolution	June 21, 2022
Repurchase issuance	1
Purpose of repurchase	Transferring shares to employees
Repurchase period	July 8, 2022 - August 19, 2022
The repurchase range price (NT\$)	79.00~92.00
Types and number of shares repurchased (shares)	1,000,000 common shares
Amount of repurchase (NT\$)	85,925,409
The percentage of repurchased shares to the expected shares to be repurchased (%)	100
The number of diluted and transferred shares (shares)	0
Number of shares held cumulatively (shares)	1,000,000
Number of shares held cumulatively as a percentage of total outstanding shares:	2.09%

II. Issuance of corporate bonds: none.

III. Issuance of preferred shares: none.

IV. Issuance of global depository receipts: none.

V. Issuance of employee share subscription warrants:

(I) The annual report shall disclose unexpired employee subscription warrants issued by the Company in existence as of the date of publication of the annual report, and shall explain the effect of such warrants upon shareholders' equity: None.

(II) Names of managerial officers holding employee share subscription warrants and the cumulative number of such warrants exercised by said officers as of the date of publication of the annual report, and names of the top-ten employees holding employee subscription warrants authorizing purchase of the most shares, along with the cumulative number of warrants exercised by these ten employees: none.

VI. Issuance of new restricted employee shares: none.

VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies: none.

VIII. Implementation of the Company's capital allocation plans: none.

#### Four. Operation overview

##### I. Description of the business

###### (I) Scope of business:

###### (1) Major lines of business:

CC01080	Electronic Parts and Components Manufacturing
F113020	Wholesale of Household Appliance
F119010	Wholesale of Electronic Materials
F213010	Retail Sale of Household Appliance
F219010	Retail Sale of Electronic Materials
I301010	Software Design Services
I501010	Product Designing

###### (2) Weight by business

Unit: NT\$ Thousand;%

By Product \ Year	2023		2024	
	Amount	%	Amount	%
Electronic ceramic components	875,519	63.40	743,369	60.44
Module and system products	384,152	27.82	362,624	29.48
Other electronic parts and components	121,205	8.78	123,954	10.08
Total	1,380,876	100.00	1,229,947	100.00

###### (3) Current product items

The Company's current electronic ceramic components, modules and system products, and other electronic components are mainly adopted in wireless communication components, piezoelectric components and ultrasonic transducers, and circuit protection components. The product descriptions of the three major application areas are as follows:

###### A. Parts and components of wireless communication

###### (A) Build-in antenna

- Chip Antenna
- Ceramic patch antenna
- PCB/FPC antenna
- LDS antenna
- Build-in antenna modules
- Array antenna
- Millimeter wave phase array antenna modules

###### (B) External antenna

- Single external antenna modules
- Multiple-in-one external antenna modules
- Automotive antenna modules
- High precision positioning antenna modules
- Chip array active antenna

###### (C) Tracker & receiver

B. Piezoelectric devices and ultrasonic transducer

- (A) Piezoelectric ceramic material components and modules
- (B) Ultrasonic transducer
- (C) Piezoelectric actuator

C. Wiring protection components

- (A) Overvoltage protection components
- (B) Overcurrent protection components

(4) New products planned to be developed

A. Parts and components of wireless communication

- (A) Antennas for various frequency band of the new communication protocols.
- (B) RF microwave components for various specific field applications.
- (C) RF integrated products.
- (D) LTCC 5G/low-rank satellite millimeter-wave antenna module
- (E) High-precision positioning receiver

B. Piezoelectric devices and ultrasonic transducer

- (A) Water-surface communication pressure-ceramic components and sensors
- (B) Piezoelectric ceramic actuators for autofocus
- (C) Piezoelectric ceramic sheets for ultrasonic processing machine
- (D) Piezoelectric ceramic actuators for tactile feedback
- (E) Piezoelectric ceramic transducer for ultrasonic cutting machine
- (F) Water/Gas flow rate measurement ultraviolet sensor
- (G) Ultrasonic transducers for various frequency bands

II. Industry overview:

(1) Current status and development of the industry

The Group focuses on the R&D, manufacturing and marketing of various wireless communication components and modules, piezoelectric components and ultrasonic transducers, while providing integrated solutions for circuit protection components.

The scope of wireless communication components is quite wide. The Group's operation focuses on the tracking of personnel or assets related to Location-based Services, and the receipt of GNSS satellite signals, which can be applied to wireless regional networks, high-precision positioning systems (GNSS/UWB), 5G/low-frequency satellite antenna modules, and various applications of IoT and wearable devices.

Piezoelectricity is a electrical property of material with great industrial value. Piezoelectric material has the function of conversion between mechanical energy and electrical energy. By using such material properties, piezoelectric materials and components with a wide range of uses can be produced. The Group is the largest supplier of piezoelectric materials and components in Taiwan, and has developed a series of complete piezoelectric ceramic formulas. The products with characteristics and specs meeting customers' needs may be made by selecting specific formulas based on customers' usages. The Group has also established a complete precision process technologies for piezoelectric ceramics, whether it is large block or slender rods up to 200mm long with round, square, hemispherical, tubular shape, or the thin sheets with a thickness of less than 100 microns, the Group has established mass production technology. The Group has also

established sophisticated multilayer piezoelectric ceramic process technologies, significantly reducing the driving voltage of piezoelectric components and producing better piezoelectric characteristics. Be it to produce piezoelectric ceramic materials or components based on customers' specifications and providing them to customers, for customers to assemble the required modules by themselves, or to providing complete services of customization based on customers' terminal needs, from simulation and design of the materials and structure, to the production of the piezoelectric or ultrasonic modules required by customers, the Group has the complete team and technical capabilities. The terminal applications of piezoelectric materials and components can be mainly divided into two categories. One category is transducer, possessing the two-way signal conversion for transmission and reception at the same time, and can be used for water area detection, distance detection of vehicle reversing radar, and sensing applications such as liquid level and gas detection. Another category is the actuator. With the control capability of high-speed vibration displacement or precision size change, it can be used in various precision machines such as ultrasonic processing machines for masks or other components, and the application fields include consumer products, industrial machinery, medical equipment, etc. It is extremely wide. In addition, the Group also provides various wire protection components and integrated solutions for the use of various electronic products. The current status and development of the industry are explained as below:

#### A. Wireless communication industry

With the diversification of the wireless communication industry, the design of antennas is also becoming diversified. The Group focuses on the development of antenna products for various applications in the wireless communication field. As technology advances and various smart applications emerge, wireless communication technology has become the mainstream design for the communication between different products or systems due to the maturity of market technology and the decline in cost. The main applications include 3C, consumer electronics, computer networks, and the Internet of Things. Currently, the Company is actively building 5G mobile communication, which not only changes the life of people, but also brings significant reforms to various industries, especially in the new applications of the Internet of Things, such as the Internet of Vehicles, smart manufacturing, remote medicine, smart reading, smart street lights, and large-scale connections of sensors, which will become the growth momentum for the increase in demand for communication-related equipment and applications in the future. In the development process of all wireless communication technologies, antenna technology and products play a crucial role.

#### (A) Internet of Things (IoT)

As the various network technologies mature and become popular, they accelerate the realization of the Internet of Things. According to GII estimates (Jan 2024), the market scale of the Internet of Things will grow from US\$1.17 trillion in 2024 to US\$2.37 trillion in 2029, and the compound annual growth rate from 2024 to 2029 will reach 15.12%. The demand for IoT applications is diverse, such as the Internet of Vehicles, consumer electronics, personal health applications, industrial IoT, smart cities, smart finance, etc. In many fields, the growth of the automotive market will be most significant. The market scale in 2025 is US\$17.807 billion.

#### (B) Automotive electronics

The global auto industry is moving towards the development direction of network (Connected), autonomous driving (Autonomous), sharing (Shared) and electrification (Electrified). The development trend of new energy vehicles or smart vehicles, autonomous driving, and sharing (Shared) will drive the growth of various

automotive antenna markets. In response to this trend, the automotive GNSS antenna will gradually upgrade from the single-frequency GNSS antenna to the dual-frequency GNSS antenna, and improve the satellite precision positioning to meet the market's expectations for self-driving. According to GII forecast (2024/03), the global market scale of smart antennas for cars in 2023 will reach US\$2.6754 billion, and the expansion will be US\$5.5499 billion by 2030, with compound annual growth rate of 11.1%.

#### (C) Location-based service

According to the estimates of Fortune Business Insight, (2024/12) the market scale of the position-related services (referred to as LBS) is expected to be USD 20.56 billion in 2023, and is expected to reach USD 23.7 billion in 2024, with a compound annual growth rate of 15.90%, and is expected to reach USD 57.8 billion by 2030. With the advancement of science and technologies, through the collection, storage and statistical analysis of big data that translate data into information required for various industrial operations, thereby creating more operational added value for enterprises and enhancing their competitiveness, it is expected that there will be more and more industries adopt LBS, for the applications such as understanding fuel consumption patterns, tracking fleets of cars/ships and commodity transportation status, or applying to safety and pandemic containment medical care, to grasp the location of patients and their family members; these areas are where LBS can play a role in the future. The products or systems that can provide LBS services need to be equipped with antennas and receivers (receivables) that can receive satellite signals with the GNSS. Therefore, the market of satellite positioning antenna and receiver is expected to grow in accordance with the LBS market.

#### (D) High precision positioning industry

The high-precision positioning industry will be widely used in self-driving vehicles and drone-related fields in the future. According to the forecast of Boston Consulting Group (BCG), the global self-driving car market would reach US\$42 billion in 2025, accounting for about 12.4% of the overall auto market, and the market size will be doubled by 2035.

According to the GII report (2024/12), the commercial unmanned market is expected to grow from US\$41.894 billion in 2025 to US\$84.26 billion in 2030, with a compound annual growth rate of 15.00%. The monitoring and management in construction, cameras, defense, and agriculture can be widely used in the unmanned market. Transportation service providers such as Amazon/DHL/FedEx/UPS, delivery food platforms, and e-commerce service providers are all investing considerable funds in the research and development of unmanned transportation services. To meet the high-precision positioning needs, applications in the above fields need to be equipped with high-precision positioning antennas. The demand for small-scale unmanned transportation services is expected to be quite optimistic in the future.

### B. Sensor Industry

For the ultrasonic transducer focused by the Group, they mainly adopt piezoelectric ceramic components. In factory manufacturing, ultrasonic transducers are used in various key production processes, such as: roller diameter measurement, loop control, height measurement, water level measurement, gas flow measurement and distance measurement, especially for smart factories have increasing demand for these transducers; additionally, transducers can be used in various applications in automobiles, such as: object detection and identification, fuel tank level detection, parking assistance systems, collision avoidance and blind spot detection so on. In the next few years, scientific and technological progress will promote the global development of applications including intelligent vehicles, smart factories, medical electronic assistance,

AI robots, aerospace, defense industries and other applications, and will also promote the increase in the application of ultrasonic transducers. According to the report (Jan 2025) by Sky Quest Technology Group, a survey organization, the global market value of ultra-sonar sensors will increase from US\$57.8 billion in 2024 to US\$13.41 billion in 2032.

#### C. Other piezoelectric application industries

Piezoelectric components mainly use the characteristics of piezoelectric materials to convert electrical energy into mechanical kinetic energy or thermal energy. Its applications include various precision displacement actuator applications, such as bending actuators, piezoelectric speakers/tone generators, and piezoelectric tactile sensing devices, feeding/oscillating machines, vibration damping devices, micro-precision pumps, and low-power ultrasonic transducers, such as ultrasonic beauty/body massagers, tooth cleaners, flow meters, sprayers/atomizers/humidifiers devices, surface acoustic wave (SAW) touch panels, and high-power ultrasonic transducers, such as ultrasonic cleansing machines, ultrasonic processing machines, and ultrasonic welding machines. Other piezoelectric devices, including piezoelectric transformers and electromechanical filter igniters, battery-less remote controllers, energy harvesting devices, are used in a wide range of fields, especially in automotive, medical care, and aerospace and defense, various new applications are constantly increasing. According to the survey of Markets and Markets (Dec 2024) Research Institute, the global piezoelectric device market is estimated to grow from about US\$35.59 billion in 2024, at the compound annual growth rate of 5.9%, and the market size in 2030 is estimated to be approximately US\$55.49 billion.

#### D. Circuit protection component industry

Depending on the sizes and functional complexities of electronic products, the number of wiring protection components used internally may be as many as dozens. Therefore, while the role of wiring protection components in electronic products is not as important as that of active components, it is still an essential component. According to the data of The Business Research Company (Jan 2024), the global market of circuit protection parts will grow by 10.6% per year from 2024 to USD 83 billion in 2028. Due to the rapid development of the mobile communication industry, telecom operators are actively deploying 5G mobile networks and devices, driving the vigorous development of the Netcom industry, and the required protection components and devices will be the beneficiaries relatively. As integrated circuits are becoming more and more sophisticated, the demand for circuit protection in electronic products and equipment will continue to increase, and will not decrease. The future outlook is promising.

#### (2) Links between the upstream, midstream, and downstream segments of the industry

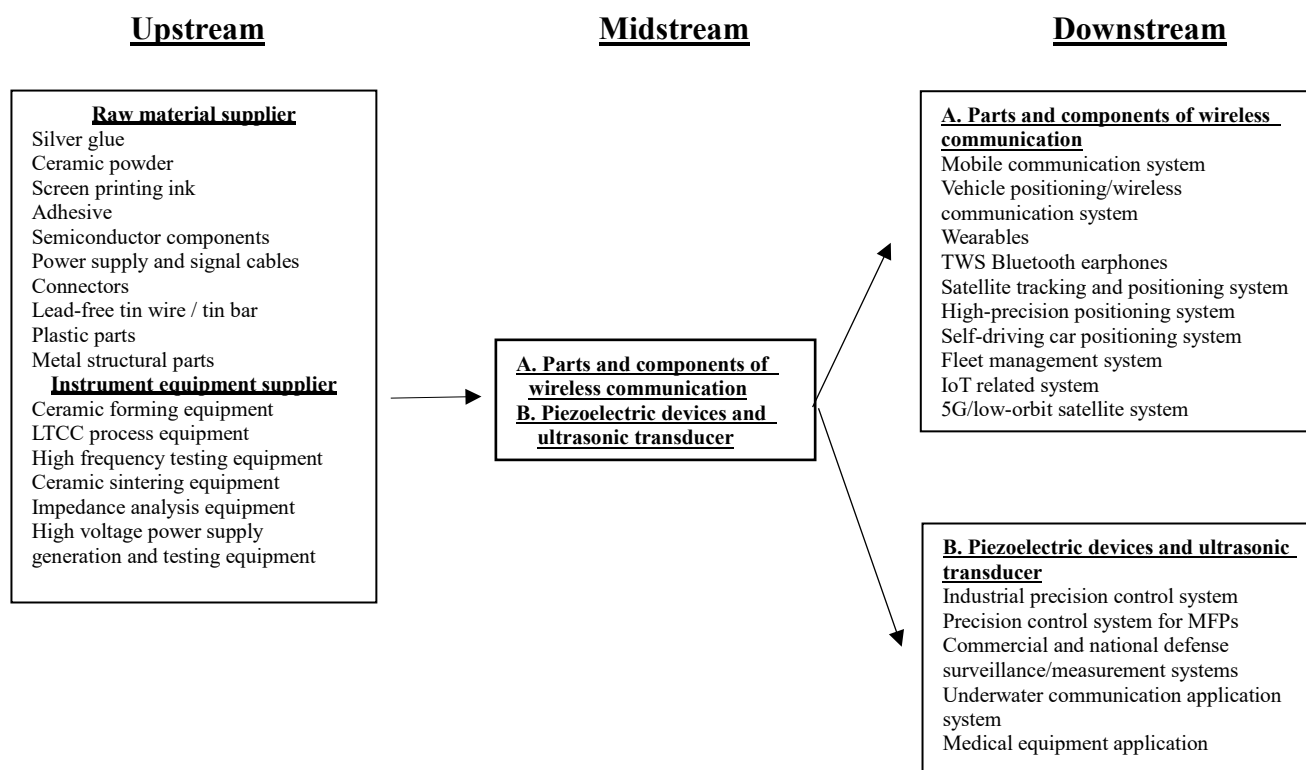
The Group is a mid-stream manufacturer in the wireless communication industry, mainly providing the high-frequency communication products such as chip antennas, ceramic patch antennas, antenna modules and array antennas. The main upstream raw materials used are silver glue and ceramic powder. Relevant process technologies include the LTCC process technology and thick film process technology, available to downstream industries, such as IoT applications, Netcom manufacturers, wearable products including Bluetooth earphones, and automotive electronic system manufacturers.

Another product line of the Group is piezoelectric ceramics and ultrasonic components, such as products including piezoelectric ceramics, brakes and transducers. The main raw material used from the upstream include ceramic powder, conductive silver, screen printing inks, metal accessories and adhesive. The relevant process technologies include impedance analysis testing, ceramic sintering and high-voltage power generation and testing, which can be used in downstream industries such as industrial precision control, measurement instruments, automobiles, aerospace and medicine.

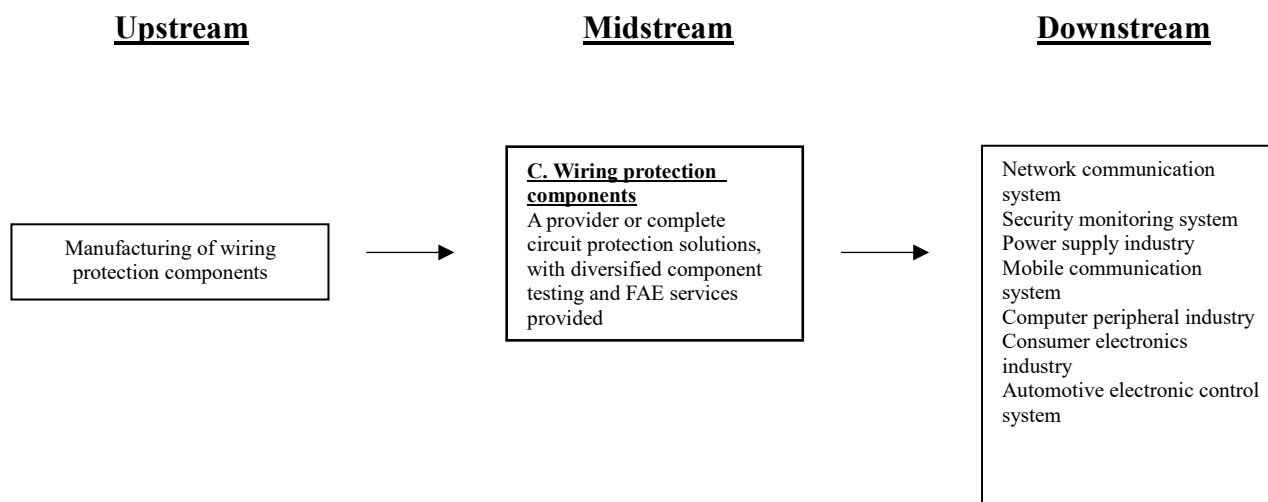
The industrial relationship diagram including the up-, mid- and downstream of the

Group's wireless communication components, piezoelectric components, ultrasonic components, and circuit protection components is as follows:

#### A. Wireless communication components, piezoelectric components and ultrasonic components



#### B. Circuit protection components



### (3) Product development trends

#### A. Parts and components of wireless communication

With the rapid development of the wireless communication industry, the application of miniaturized and multi-functional integrated antennas, and multi-band and all-in-one antennas has become the market trend. High bandwidth, high frequency and modularization are the main current development directions.

(A) Chip antenna

Due to the characteristics of miniaturization and high-efficiency for the chip antennas, they can be widely used in wearable products or handheld electronic products, especially in the application of TWS Bluetooth earphones. Because they meet the main demands of wireless transmission, the market demand has greatly increased.

(B) Vertical multi-polarization antenna:

With the ability to receive or transmit multi-directional signals, the convenience of end-customer applications is greatly improved, especially in Wi-Fi AP router, repeater, set-top box and other product applications, the mass production is easier to be introduced than other antennas available in the market.

(C) Ceramic patch antenna:

It is mainly applied in the market of automotive satellite positioning. The current mainstream in the market is single-frequency systems such as GPS, BeiDou, Galileo, and GLONASS. In the future, it will develop into dual-frequency or multi-frequency satellite positioning, and the positioning accuracy will be improved from the range of five to ten meters to the precision of sub-meter ( $< 1$  meter) positioning.

In addition, the demand for high-precision millimeter grade positioning and the rising demand for satellite communication, the Group has developed high-precision positioning ceramic flat antenna (Castle Antenna) to meet the application needs of the market with its high-precision, flexible design and low-cost advantages.

(D) External antenna modules:

With the rapid development of communication technology and the march towards 5G, the growth of related terminal products and communication equipment further drives the demand for wireless communication. The end application range of wireless communication is very wide, such as mobile phone, wireless local area network (WLAN), Bluetooth, global positioning system (GPS), wireless PC, wireless phone, wireless walkie-talkie, pager, Home RF, digital broadcasting, wireless modem, wireless fax, among other things. Due to the rapid increase in the demand for wireless communication applications in the global market, the frequency bands of wireless communication have surged significantly, and due to the trend of miniaturization, multiple functions and high transmission speed of wireless portable products, the elevated demand for high-frequency integrated components and modules has been triggered in the market.

(E) Trackers and receivers:

In the future, tracking devices will be widely used in mobile communication technology. As the construction of the 5G base stations is not complete, 4G technology will still exist for at least 2 to 3 years. The tracking device will take a while to upgrade from 4G to 5G. The bright spot in this field is due to the increasing demand for high-precision positioning in the market. The customers of buses and agricultural machines cooperating with the Group for many years also demand precision positioning. It is expected that products combining multi-frequency and multi-satellite will gradually become the mainstream of the market in the future.

(F) Millimeter wave phase array antenna modules:

The use of the millimeter wave frequency band can greatly increase the data transmission volume and transmission bandwidth, so the millimeter wave frequency band is bound to be the main use of future mobile communications. The higher the



frequency, the greater the attenuation. Therefore, the phase array antenna is designed to overcome this problem and Unictron Technologies Corporation has continued to develop this technology.

## B. Piezoelectric devices and ultrasonic transducer

### (A) Piezoelectric materials and modules

#### a. Piezoelectric materials and components:

Part of the crystal materials have piezoelectric properties. Currently, the piezoelectric ceramic components produced by the Group have the conversion function between mechanical energy and electrical energy (direct piezoelectric and inverse piezoelectric effects), and are high-efficiency electromechanical transducers. They are not only applied in many cutting-edge technological fields, but also often appear in people's daily life. We have a solid background of the formulation and process capabilities for piezoelectric ceramics. As the leading supplier of piezoelectric ceramic materials in Taiwan, the Group not only provides various shapes (rounded, ring, patch, tubular, spherical...) and piezoelectric ceramic materials with various functions are available for customers to choose, or customized piezoelectric ceramic components may also be developed and produced depending on customers' specifications and needs.

#### b. Piezoelectric module:

The applications of some products require the combination of different objects on the piezoelectric ceramic components to be user friendly, such as adding specific wiring and connectors, packaging the piezoelectric ceramic components in a waterproof and pollution-proof shell, and fitting and matching different materials. With different design and combinations, the scope of product applications is expanded, thereby improving customer satisfaction and increasing product sales amount.

### (B) Ultrasonic transducer

#### a. Air transducer

Air transducers consist of piezoceramic elements mounted in metal or plastic housings and materials that match air and ceramics. These piezoelectric air transducers feature high sensitivity, outstanding sound pressure level (SPL), and stable electrical and mechanical characteristics at their resonant frequency. The air transducer can be used as both a transmitter and a receiver; or the applications serving as transmitter or receiver only. It is widely used in object interface detection, distance sensing and other applications.

#### b. Liquid transducer:

A use scenario for liquid transducers is in liquids, resulting in a function similar to air transducers. Liquid transducer have a better waterproof effect and are widely used in applications such as underwater wireless communication, underwater object sensing, and detection of underwater landscapes such as seabeds, lake beds, and river beds.

#### c. Transducer for flow meter:

The ultrasonic flow meter is used to measure the flow rate of liquid or gas passing through a fixed point in the pipeline. It is a measuring device that will not affect or destroy the flow of fluid. Piezoelectric transducers are placed on the pipe wall, sending out ultrasonic waves, and calculate the time difference between the trip back and forth between sending and receiving, and then the flow speed of the fluid in the pipe is obtained. With the popularization of smart water/gas meters, ultrasonic flowmeters are gradually attracting the attentions of the market because they provide more precise measurement results.

### (C) Piezoelectric actuator

Piezoelectric actuators are transducers that convert electrical energy into mechanical displacement or stress based on the piezoelectric effect. Because the precise mechanical displacement may be controlled at high speed, it has been widely used in high-precision positioning mechanisms, and featured with the advantages of large thrust, stable displacement and user-friendly.

### C. Wiring protection components

The Group's circuit protection components are mainly overvoltage and overcurrent protection components. The main function is to protect the circuits, main components and ICs of electronic products by automatically cutting the power supply or automatically reducing excessive voltage to a safe value when the current or voltage is abnormal, to prevent damage to parts of the product.

Depending on the sizes and functional complexities of electronic products, the number of wiring protection components used internally may be as many as dozens. Therefore, while the role of wiring protection components in electronic products is not as important as that of active components, it is still an essential component.

The development trend of circuit protection components will gradually develop into the following three major categories:

#### (A) High frequency/thin film:

Develop the protective components required for the high-speed signal equipment with 1G/2.5G to 40G transmission speed; the protective components of the traditional film process cannot satisfy the requirements of miniaturization of components and low-arc voltage; the protective components produced with the CMOS process have the arc voltage and temperature coefficient characteristics that are not comparable to the products produced with the traditional film process.

#### (B) Modularization:

Based on the considerations of the convenience and miniaturization of electronic circuit design, the development of protection components has shifted from the development of a single component to the direction of integration. Array components are products under the concept of integration.

#### (C) Chip/miniaturization and multi-functional compounding:

By using semiconductor manufacturing process to make the internal circuit of the protection element, the size of the circuit can be miniaturized, and the adoption of lithography technology reduces the circuit to 10um, with the error value of the circuit as low as lower than 1%, to effectively miniaturize the size of the component; the semiconductor process can integrated capacitors, resistors, inductors, and protection components into one chip, with customized development and design to be carried out based on customers' needs, which will make it easier to introduce the products mass production.

### (4) Product competition

#### A. Parts and components of wireless communication

The wireless communication industry is developing rapidly. Be it the applications in the IoT, 5G communication, mobile phones, Bluetooth earphones, wireless communication networks, and wearable devices, the demands will grow significantly. The Group has development experience accumulated for many years, and independent R&D and design capabilities, while the products developed are forward-looking and unique, standing out in the highly competitive domestic wireless communication antenna market.

There are many suppliers of wireless communication components. The main domestic competitors include INPAQ, Cirocomm, Wha Yu, Wistron NeWeb and Grandtek. Currently, the Group is the main supplier of Bluetooth chip antennas required by TWS wireless Bluetooth earphones. It has a leading position in the global Bluetooth chip antennas market, and is also a major supplier of ceramic patch antennas for car navigation.

#### B. Piezoelectric devices and ultrasonic transducer

The Group is already the largest supplier of piezoelectric ceramic products in Taiwan. It has a piezoelectric ceramic formula developed in house, complete production process and equipment, and complete sales channels. With excellent product characteristics, technical services and mass production capabilities, the Company has been recognized and adopted by internationally renowned manufacturers.

Foreign competitors are represented by Murata of Japan, CeramTec of Germany and CTS of the United States. The Group emphasizes the provision of a full range of technical services to customers, and has gradually increased the market share of piezoelectric ceramic products.

#### C. Wiring protection components

The Group's protection parts products are mainly overvoltage protection parts and overcurrent protection parts. Other than the strong FAE team and lab to provide the validation service to customers, the rapid delivery with good quality and competitive prices will make the Group unique in the sales of protection part products and to become the benchmark in the industry.

The main domestic competitors are INPAQ, Amazing, Panjit, Thinking, and Yageo; the foreign competitors include Bourns, Littelfuse, and TDK.

### (III) Overview of the company's technologies and its research and development work:

R&D expenditures as well as technologies and/or products successfully developed during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report

Unit: NT\$ Thousand

Year	R&D expenditures	Technologies and/or products successfully developed
2024	145,600	Lead-free ceramic materials, ultraviolet sensor, capacitive touch key, Bluetooth integrated antenna, chip array active antenna, and satellite communication Castle antenna.
As of April 15, 2025	35,882	

### (IV) Long- and short-term business development plans

#### (1) Short-term plans

##### A. Parts and components of wireless communication

- (A) Antennas for various frequency band of the new communication protocols.
- (B) Destructive innovative antennas to replace traditional antennas.
- (C) RF microwave components for various specific field applications.
- (D) Multi-frequency and multi-satellite sub-meter positioning antennas.
- (E) High-precision Antenna Positioning Module/All-in-1 External Antenna

- (F) Fully customized on-demand antenna ordering platform.
  - (G) Sub meter multi-frequency positioning receiver modules.
  - (H) 5G millimeter wave/low-orbit satellite phase array antenna modules
  - B. Piezoelectric devices and ultrasonic transducer
    - (A) Deeply cultivate the piezoelectric ceramic technologies.
    - (B) Continue to expand customers in emerging markets.
    - (C) Optimize the capability of precision mass production.
  - C. Wiring protection components
    - (A) Development of new products with the CMOS process as the main focus.
    - (B) Develop high-frequency protection components and multi-functional miniaturized parts.
    - (C) Build the competitive mass production capability.
- (2) Long -term plans
- A. Parts and components of wireless communication
    - (A) 5G Antenna Solution.
    - (B) Integrated products of various RF components.
    - (C) Wi-Fi 6E Antenna Solution.
    - (D) Millimeter-level high-precision positioning antennas.
    - (E) 5G/millimeter wave RF antenna modules.
    - (F) Automotive integrated antenna module products.
    - (G) IoT antenna solutions.
    - (H) 5G IoT tracking devices.
    - (I) Millimeter grade multi-frequency high-precision high-frequency position receiver
  - B. Piezoelectric devices and ultrasonic transducer
    - (A) Module products Market development of air/ liquid Transducer
    - (B) Actuator product development.
    - (C) Development of various piezoelectric compounded materials.
    - (D) Actively cultivate excellent professional marketing and management talents to enhance operation and sales capabilities in overseas markets.
  - C. Wiring protection components
    - (A) Cope with the international sales strategies and cultivate professional talents.
    - (B) Research and develop multi-functional protection components.
    - (C) Establish long-term partnerships with customers.

## II. Analysis of the market as well as the production and marketing situation:

### (I) Market analysis

#### (1) Geographic areas where the main products (services) of the company are provided (supplied)

Unit: NT\$ Thousand; %

Sales area \ Year		2023		2024	
		Net sales	Percentage of annual net sales %	Net sales	Percentage of annual net sales %
Domestic sales		568,447	41.16	504,834	41.05
Export	The U.S.	294,844	21.35	220,626	17.94
	China	337,486	24.44	309,310	25.15
	Others	180,099	13.05	195,177	15.86
	Subtotal	812,429	58.84	725,113	58.95
Total		1,380,876	100.00	1,229,947	100.00

#### (2) Market share

The Group's antenna revenue comes from micro-chip antennas, car navigation antennas and high-precision positioning antennas. Due to its commitment to innovative technologies and development of patented products, the Company is the domestic leader in terms of product design and process technologies. Yageo, Walsin Technology, and INPAQ are also the companies developing antenna-related products, but the Group has a pivotal market position in the micro-chip antennas for TWS Bluetooth earphones and car navigation antennas; the revenue of piezoelectric ceramic products is mostly from customization, and currently the Company is the domestic leader, with the largest revenue and production capacity. There is no other company of the identical type, so it is difficult to estimate the market share.

#### (3) Demand and supply conditions for the market in the future and the market's growth potential

##### A. Parts and components of wireless communication

The fifth-generation communication system (5G) is booming, especially in 5G/millimeter wave communication fields. Due to the high frequency and attenuation of antennas, it results in a large number of antenna demands, and has even developed into Beyond 5G and low-orbit satellites. Such a variety of new applications has brought high demand for antennas.

The positioning system with multi-frequency and multi-satellite improves the precision of satellite positioning from an error of 10 meters to an error of tens of centimeters. The frequency band of satellite positioning has also developed from L1 to L1+L2/L1+L5. The Group's innovative ceramic patch antenna (Castle Antenna) has a unique patent, being able to evolve the mainstream antenna in the market, a double-layered ceramic patch antenna, into a single ceramic layer structure achieving the performance of a double-layered structure; this structure leads a significant reduction in production costs, and it is easier for customers to place antennas because of the reduced size of the antenna when designing.

Trackers and antenna products become the market winner with their quality. The products are mainly concentrated in the niche market for industrial use, and are widely accepted by customers. The Group's product strategy is not to sink in the red sea market of price competition, but to enter the blue ocean market of niche products with higher gross profit. In terms of the global market scale, the market share is not high, but the Group has a certain market share in different niche markets. The Internet of Things technology has gradually become popular in various application fields, and the demand

for tracking devices is increasing. The demand for tracking devices for vehicles, people, and animals is also increasing. We will launch a new generation of 5G IoT tracking device based on the 4G tracking device designed in the past to capture this market.

Due to the miniaturization of the chip antenna, the Company's chip antenna has been able to be placed in wearable products with its numerous chip antenna patents. Although the market of TWS wireless Bluetooth earphones has reached a mature stage, Counterpoint still expects the growth of TWS will continue in 2023/10 to 2026, and the Group will continue to secure its main position in the market.

The Group has now gained a firm foothold in the above markets, with continuous expansion of the market share, and provided high-performance antenna solutions in the market.

#### B. Piezoelectric devices and ultrasonic transducer

Underwater communication applications: the market for transducer products made of piezoelectric ceramic components continues to grow well with the need for exploration of water areas.

Smart meter application: ultrasonic transducers can accurately detect the flow rate of water/air (and gas), to replace fragile old mechanical meters. Since most households have installed water meters and gas meters, the future market will be promising.

Smart factory management application: in unmanned factories, a large number of ultrasonic transducers are required to detect the movements and distances of objects, and piezoelectric actuators are also required to accurately control positioning, with piezoelectric ceramic components for processing, cutting and fusion. The future market is promising.

Human-machine interface application: In the development trend of consumer electronics products, mechanical buttons will be replaced by ultrasonic transducers to improve the user experience of consumers. In addition, tactile feedback products made of piezoelectric ceramics have low power consumption and quick response, while the efficiency of the penetration rate in the application of related products being continuously improved.

#### C. Wiring protection components

The circuit protection component market continues to grow. With the development of wireless communication products such as automotive electronics, smart phones, wearable devices, and 5G, a large quantity of circuit protection components are required, with very promising future growth.

Currently, not only the International Electronic Technology Association, but also the safety standard laboratories of various countries, such as UL, VDE, and FCC, have strict controls. To address the static electricity interruption and overvoltage and overcurrent issue, the circuit protection components becomes the best solution.

### (4) Competitive edges

#### A. Parts and components of wireless communication

The Group's antenna products have more than 55 patents of various countries, and with the unique inventions and technologies, the Company continues to provide innovative and high-efficiency high-frequency antenna products.

The Company masters three core technologies, and be one of the few in the industry who has three core experiences in RF circuit design, antenna design and microwave ceramic material design simultaneously. By using the three major technologies, the customers are provided with high-quality products and technical service capabilities.

The Group's product positioning is in line with market demands. For different application aspects, it is backed by unique technologies, such as miniaturization design, functional improvement and low cost. Be it TWS Bluetooth earphones, car navigation antennas, high-precision positioning antennas, the antenna of the IoT, or millimeter wave phase array antenna, the Company leads at the forefront of the market, providing high-performance products to the market.

The Group's trackers and antennas can be used in extreme environments, especially in special applications such as suspects tracking that require high reliability. With the 25 years of experience of the Company in the GPS industry, the Company has an absolute advantage in the technology-oriented ODM market with its deep technologies of RF and antenna integration technology, as well as close cooperation with customers. As electronic products tend to be compact, the Group's wireless technology integration capability will be able to underscore the value of such products.

#### B. Piezoelectric devices and ultrasonic transducer

The Group develops and manufactures piezoelectric components required for high-tech products such as ultrasonic transducers, actuators, and sensors. In addition to having complete mass production capabilities, the Group also provides customized services, and it is currently the largest supplier of piezoelectric ceramics in Taiwan.

The Group's piezoelectric ceramic products have its own formula and are not limited by raw material suppliers. The Company has actively applied for and already owned various international patents, and continuously provides high-efficiency innovative products.

#### C. Wiring protection components

As the functions of electronic products become more and more complicated, circuit protection components also need to update the development speed along with the electronic products, to establish circuit protection components meeting new needs. The Group has a complete range of products, and emphasizes the R&D of circuit protection components, with a service team and FAE team responding quickly, while providing customers with free laboratory for verification services. The Group has always been a leading brand in the circuit protection component market. With the increasing demands for circuit protection components in network communication and consumer electronics products, the possibilities for future development of the Company are unlimited.

### (5) Positive and negative factors for future development, and the company's response to such factors

#### A. Positive factors

The Group's wireless communication components and products already have dozens of antenna patents, as the cornerstone of success in the current and future markets. The R&D team has rich experience in radio frequency and provides a full range of products and problem-solving capability. The existing destructive innovative antenna has been certified by major international manufacturers and is expected to gradually replace traditional antennas. And it is expected that in the future, the market demand for antenna-related applications in 5G, high-precision positioning, the IoT and V2X and other markets will explode.

The piezoelectric component and ultrasonic transducer product team has a formula recognized by the piezoelectric market, with the ability to develop new formula. The R&D team has rich experience in piezoelectric component development and provides a full-range capabilities of product customization design and technical service. Domestically, the Group's R&D team has absolute advantages in both quality and quantity. The application of piezoelectric components will play an essential role in smart products, and the market is expected to continue to grow.

The product R&D team of circuit protection components is strong and quickly responds

to customer needs. Currently, the demands for related industries are increasing day by day, and the demand for circuit protection components continuously grows rapidly. In addition, the increasingly stringent regulatory requirements are also conducive to the development of the industry.

## B. Negative factors and the response to such factors

### (A) Negative factors

- a. The competition among domestic and foreign peers tends lead the cycle of price-cutting competition.
- b. High-end products require special shapes and precise dimensional specifications, resulting in continuous updating of process equipment, which in turns may lead to increased production costs.
- c. There is a lack of the domestic piezoelectric-specific technology education cultivation system, and it is not easy to develop relevant talents.

### (B) Response to such factors

- a. Continuously developing innovative products and applying for patent protection to widen the technological gap with competitors.
- b. Investing in automated production equipment to reduce production costs.
- c. Combining complementary competitors to provide end customers with the best solutions and create a win-win situation.
- d. The in-depth market risk assessment fully understands customers' needs, obtains information on future product trends, and introduces appropriate equipment for the mass production processes to increase production capacity and reduce costs.
- e. Actively participating in industrial-governmental-academic activities and programs, striving for domestic and foreign opportunities of technology exchange and transfer, and properly developing and cooperating with peers, to stimulate the breadth of R&D and enhance technical capabilities.
- f. Strengthening the R&D capabilities and product breadth, developing more diversified products, and establishing better relationships with customers; improving the service quality and providing comprehensive solutions.

## (II) Key usage and manufacturing processes for the company's main products

### (1) Key usage of main products

Product type	Product usage
Electronic ceramic components	Global Navigation Satellite System (GNSS), Satellite Communication, Wireless local area network (Wireless LAN), Wi-Fi, Bluetooth, ZigBee, Internet of Things (IoT), wearable devices, MIMO (multiple input multiple output), mobile communication (3G/4G/5G), high-definition multimedia interface (HDMI), base station/equipment at client ends, ISM frequency band, various trackers, high-precision positioning of various vehicles or devices. Ultrasonic beauty/body massager, tooth cleaner, ultrasonic cleansing/ welding/ processing machine, vehicle reversing radar sensor, gas flow meter, liquid flow meter, liquid level sensor, near object/ distance sensor, surface wave touch panel, acoustic pulse identifying touch panel, sprayer/ atomizer/ humidifier, bending actuator, piezoelectric speaker /tone generator, piezoelectric tactile sensing device, feeder/oscillator, vibration damping devices, energy harvesting devices, piezoelectric transformers, micro precision pumps.
Module and system products	
Other electronic parts and components	It is mainly used in overcurrent, overvoltage and lightning protection of consumer electronics, network communications, mobile communications, industrial computers, security monitoring, automotive electronics, power supplies and other related products.



(2) Manufacturing processes for the main products

A. Electronic ceramic components

(A) Antenna

Antenna design → Antenna characteristic simulation analysis → Dielectric material base material production → Metal conductive layer production → Testing → Stock-in

(B) Piezoelectric ceramic components

Ceramic powder formula preparation → Forming → Sintering → Conductive electrode Production → Polarization → Testing → Storage

B. Module and system products

(A) External antenna module/tracker/receiver

Product design → Characteristic simulation analysis →

Material preparation
Metal mechanical parts of connector, signal wire (cable) and connector for connecting plastic and antenna components

→ Assembly → Test → Stock-in

(B) Piezoelectric module and ultrasonic transducer

Product design → Characteristic simulation analysis →

Material preparation
Plastic shells or structures, piezoelectric components, connecting/signal cables, adhesive materials, metal structures, printed circuit boards/flexible boards

→ Assembly → Test → Stock-in

C. Other electronic parts and components

Product specification determination and product design → In-house manufacturing/outsourcing → Product verification and testing → Stock-in

(III) Supplies of the main raw materials

The main raw materials in the production process of the Group are silver glue, ceramic powder, screen printing ink, metal accessories and adhesive materials. Each raw material is mainly supplied domestically, and the domestic supply sources are sufficient and stable; meanwhile, the Company has the multiple year foundation of business dealings with various suppliers, and raw materials are obtained stably, without shortage or interruption of supply.

(IV) Any suppliers and clients accounting for 10 percent or more of the company's total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each, and an explanation of the reason for increases or decreases in the above figures

1. Suppliers accounting for 10 percent or more of the company's total procurement amount in

either of the 2 most recent fiscal years, the amounts bought from, and percentage

Unit: NT\$ Thousand; %

Item	2023				2024				Up to the preceding quarter of 2025 (Note 2)			
	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer
1	B	39,997	12.52	None	A	42,420	12.73	None	-	-	-	-
2	-	-	-	-	B	40,988	12.30	-	-	-	-	-
	Others	279,404	87.48	-	Others	249,906	74.97	-	Others	-	-	-
	Net purchases	319,401	100.00		Net purchases	333,314	100.00		Net purchases	-	-	

Note 1: Reason of the change in procurement: as the relevant sales delay, the response to inventory reduction management, the related material procured from Supplier A decreased, and the related material procured from Supplier B also decreased. However, the full-year net procurement reached 10%.

Note 2: Up to the date of publication of the annual report, the financial report attested by a CPA for the most recent period is the financial data of 2024.

2. Clients accounting for 10 percent or more of the company's total sales amount in either of the 2 most recent fiscal years, the amounts sold to each, the percentage of total sales accounted for by each, and an explanation of the reason for increases or decreases in the above figures.

Unit: NT\$ Thousand; %

Item	2023				2024				Up to the preceding quarter of 2025 (Note 2)			
	Name	Amount	Percentage of annual net sales	Relationship with the issuer	Name	Amount	Percentage of annual net sales	Relationship with the issuer	Name	Amount	Percentage of annual net sales	Relationship with the issuer
1	A	259,552	18.80	None	A	239,958	19.51	None	-	-	-	-
2	B	170,600	12.35	None	B	153,541	12.48	None	-	-	-	-
	Others	950,724	68.85	-	Others	836,448	68.01	-	Others	-	-	-
	Net sales	1,380,876	100.00		Net sales	1,229,947	100.00		Net sales	-	-	

Note 1: Reason of the change in sales: In 2024, the overall revenue declined, but the sales to Client A and B were still top two.

Note 2: Up to the date of publication of the annual report, the financial report attested by a CPA for the most recent period is the financial data of 2024.

III. The number of employees employed for the 2 most recent fiscal years, and during the current fiscal year up to the date of publication of the annual report, their average years of service, average age, and education levels.

April 15, 2025

Year		2023	2024	April 15, 2025
Number of employees	Direct and indirect employees	371	366	361
	Salespersons	19	19	18
	Management	47	46	45
	R&D staff	73	68	66
	Total	510	499	490
Average age (years)		38.68	41.5	41.68
Average years of service (years)		5.68	5.7	5.63
Education distribution percentage (%)	Ph.D.	1.37	1.2	1.2
	Master's degree	10.00	11.4	11.4
	College	55.10	56.5	59.6
	Senior high school	29.61	27.8	25.1
	Below senior high school	3.92	3.2	2.7

#### IV. Disbursements for environmental protection:

Any losses suffered by the company in the most recent fiscal year or most recent fiscal year up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

- (I) Hsinchu County Government Environmental Protection Bureau sent inspectors on July 14, 2023. During the inspection, it was found that the washing tower flow rate of the prevention equipment for microwave components was broken. The writing was not readable and the number of pollution sources in the onsite forming area, deflation area, and incineration area was different from the approved number. This violated Article 24, paragraph 2 of the Air Pollution Control Act. A fine of NT\$100,000 was imposed according to the Order Fu-Jou-Ye-Zi No. 1128659064 on November 1, 2023, which violated Article 24, paragraph 2 of the Air Pollution Control Act.

Improvement measures are as following

- (1) The Company has submitted the opinion to the Environmental Protection Bureau, Hsinchu County Government before September 4, 2023, the deadline for improvement. The main reason for the malfunctioning of the traffic flow meter is that the traffic flow meter used in the equipment is a battery-based type. During the inspection on 7/14, the lack of power was observed and it was sent back to the original plant for repair immediately. The replacement was completed on 7/20 to prevent the defect from occurring again. The quantity of pollution source for the machine is different from the approved quantity because the production capacity adjustment and process upgrade in recent years have been pursued to reduce pollution. The equipment reduction has caused the quantity of permits to be inconsistent with the quantity of permits. The company has commissioned an environmental consulting company to conduct an environmental inspection of air pollution actively and submit the permit change.
  - (2) The Company has paid all fines and participated in the environmental seminar on February 29, 2024.
- (II) Hsinchu County Government's Environmental Protection Bureau sent inspectors on July 18, 2023. The violations found are as follows: On-site E-0217 (waste electronic parts and components, scraps and defective goods) and D-0499 (other waste glass, porcelain, brick, clay and soil) were not stored at the designated location in accordance with the Waste Disposal Plan. According to the data of the Waste Disposal Plan and the Business Waste Report and Management Information System of the Environmental Protection Administration, the Company's D-1801 (general waste from business activities) communication microwave component manufacturing procedure has exceeded 10% of the maximum monthly output volume of the Waste Disposal Plan from January 2023 to May 2023. A fine of NT\$6 thousand was imposed according to the first paragraph, Subparagraph 1, Article 31 of the Waste Disposal Act on September 1, 2023, in violation of the Order of the Environmental Protection Administration, Huan-Ye-Zi No. 1123402112.

Improvement measures are as following

- (1) The Company has submitted the opinion to the Environmental Protection Bureau, Hsinchu County Government before the deadline of August 27, 2023, on the date of improvement. Waste E-0217 and D-0499 were placed in the correct location on the audit date (July 19). Due to the recent scale growth of the Company's production capacity, the output of waste D-1801 exceeded 10% of the maximum monthly output of the waste disposal plan. However, the Company has continued to report waste in accordance with the relevant regulations of the Waste Disposal Act. Currently, the Company has filed a proposal to change the plan with the Environmental Protection Administration.
- (2) The Company has paid all fines and participated in the environmental seminar on March 21, 2024.

#### V. Labor relations:

- (I) List any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests.

##### 1. Employee benefit plans

The Company regards employees as an important asset, and believes the operating philosophy of respecting human nature and caring for employees. To sufficiently take care of the physical and mental health of employees or their families, and establish various guarantees for their lives, for them to work hard for the Company without distraction, the Company provides or sponsor various welfare programs, and the employees form the Employee Welfare Committee responsible for the planning and implementation of employee welfare matters. The Company's benefit plans are as follows:

##### (1) Well-rounded insurance plans

In addition to participating in labor insurance and national health insurance as required by laws, all employees are also provided with the Group insurance for employees, and the premium is paid by the Company.

(2) Considerate benefits

The company has an employee canteen serving lunch, and provides meal subsidies to employees. The Company holds festival special sales from time to time to provide employees with healthy and affordable consumption for the daily needs. In addition to statutory special leave, paternity leave, and menstrual leave, the marriage, funeral and maternity subsidies are provided and the comprehensive health care to ensure the physical and mental health of employees.

(3) Company environment with sound facilities

The stationed medical care team composed of professional specialist physicians and nurses, keeps the health of employees in check through the handling of various activities, such as health checks, medical health lectures, cancer screening activities, physical therapy, health information, among other things, to create a comprehensive health care mechanism for body, mind and soul.

(4) Diversified welfare committee activities

To balance the work and life of employees, the Welfare Committee has launched various activities under the themes of vitality, humanities and arts, green public welfare, and club activities, matching festivals, parent-child interactions, year-end parties, and family days, for employees to relieve their physical and mental stress and enjoy the work and life.

(5) Remuneration policy

Employees are the most important asset of the Company. The Company values employees' work performance and career development, and formulates a competitive incentive system through market salary survey every year. Pursuant to the Articles of Incorporation, where the Company makes profits in a year, 10% to 15% should be provided as employees' remuneration and no more than 3% should be provided as directors' remuneration. However, where the Company has accumulated losses, the amount for compensation shall be set aside first. Annual performance bonuses are distributed based on the operating conditions and the individual performance of employees, to satisfy the needs of employees in work, life and achievement.

2. Continuing education and training of employees

(1) Talents are the most important competitive advantage of the Company, and the cultivation and development of talents is an important element of the Company's long-term development. The Company has established a sound mechanism to select and incubate talents to allow employees to exert their potential and motivate their performance. The long-term goal is to cultivate globalized talents, deeply root the corporate culture and values in employee work conducts, and establish the unique competitive advantages that are difficult to replace. The workforce investment of the Company and individuals is emphasized, both the short-term quick results and long-term training are valued, to integrate with practical applications, and stimulate employees' potential for autonomous learning.

(2) Depending on the Company's internal and external training management and employee's on-the-job training, the Company's organizational strategies, personal performance development and work needs are considered to plan the overall company training courses to establish three major training systems by functions, levels and self-development courses, such as orientations, management skill training for officers, professional function training, general education courses, and government-subsidized courses.

(3) The corporate culture is an important key to the continuous growth of an enterprise. Therefore, the development of employees' awareness for corporate culture and the thorough implementation are the focus of the Company's talent development.

3. Employee retirement systems, and the status of their implementation

(1) The Company's labor pension system complies with the Labor Standards Act, the Labor Pension Act and other relevant regulations. For those applicable to the pension provisions of the Labor Standards Act, 2% to 15% of the total monthly salary is contributed monthly pursuant to the Labor Standards Act, and deposited to Bank of Taiwan in the name of the Labor Retirement Reserve Supervision Committee. The Committee is responsible for

handling income and expenditure, custody, utilization and supervision.

- (2) For those applicable to the pension system under the Labor Pension Act, the labor pension contribution at the rate no less than 6% is made monthly pursuant to the Labor Pension Act, and deposited personal dedicated account of labor pension established with the Labor Insurance Bureau of the employee based on the monthly contributed salary grading table approved by the Executive Yuan.

4. Status of labor-management agreements and measures for preserving employees' rights and interests

The Company values the rights and interests of employees and two-way communications. Other than setting up appealing channels, it has also established diverse communication channels for employees, including labor-management meetings, the human resources mailbox, and the Employee Welfare Committees. The personal information of employees who file complain or reflect incidents are carefully kept confidential and handled, for employees to fully reflect their opinions and communicate and exchange, to promote the harmony between labor and the management, while creating a win-win situation for the Company and employees. Since its establishment, the labor-management relationship has been harmonious.

5. Working environment and protection of employees' physical safety

The Company has long been committed to environmental protection, energy saving and employee care, seeking to fulfill its social responsibilities and operate sustainably while the Company grows. The Company provides pre-employment physical checks for new employees, organizes physical checks for specific items and annual physical checks from time to time, and provides labor safety and health education and trainings pursuant to the Labor Safety and Health Act. To prevent occupational diseases and occupational hazards, the Company has established occupational safety and health management personnel and occupational first-aid personnel in accordance with the regulations of the Labor Safety and Health Act to maintain employee health, and regularly conducts environmental inspections to maintain the safety of the work environment.

6. Employees' code of conduct

The Company's employees adopt the "Work Rules" and "Code of Ethical Conduct" as the compliance basis for their daily work and the guidance of their development direction. The Company's employees shall comply with the Code of Ethical Conduct as follows: (1) Work hard and maintain proper work discipline. (2) Comply with the Company's regulations. (3) Keep the Company's secrets confidential. (4) Maintain the Company's reputation. (5) Work on time. (6) Implement environmental protection actions.

- (II) List the losses suffered due to labor disputes in the most recent year and up to the date of publication of the annual report (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and countermeasures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts why it cannot be made shall be provided: None.

## VI. Information Security Management:

- (I) Describe the information security risk management structure, information security policy, specific management plan and resources devoted to information security management, etc.

1. The Company has established the Information Security Committee in 2022 Q3, and holds regular meeting. In 2024, the company convened two meetings and reported the status of information security implementation to the Board of Directors on February 27, 2025. Except the members in committee, the Company also arranges the dedicated personnel who cooperate with committee to control information security, promote each information security policy, formulate and import information security system, and audit information security. The Company's information security management structure is divided as follows:

- (1) Management unit: The president serves as the Information Security Committee Chairman, there are several members, The convener is the manager in IT, who is in charge of

organizational management and convocation. Under the unit, it includes:

- a. Controlling Technology team: IT is responsible for information security technical work, interface integration and solutions to problems in information security.
- b. Education and training team: HR is responsible for enhancing the risk awareness in information security, training in information security and holding the related lectures.
- c. Audit team: auditing department is responsible for audit information security, abnormal evidence investigation, investigation and handling.
- d. Document management team: Quality department is responsible for classification of confidential documents, class definition, control and examination.

(2) Other unit: Covering all business units and factories of the Company, the main responsibilities include daily operation planning related to information security, regular self-inspection of information security risks, and implementation of information security risk improvement projects.

## 2. Information security risk policy

- 2.1 The Ministry of Information Affairs (hereinafter referred to as the Department) has formulated this policy in order to strengthen information security management, enhance the awareness of information security among colleagues, and ensure the security of data, systems, equipment and networks.
- 2.2. The coordination and promotion of information security management and other matters, and the establishment of the information security promotion management team.
- 2.3. According to the following division of labor principles, the responsibilities and responsibilities of related units and personnel are assigned:
  - 2.3.1 Discussion, establishment and evaluation of information security management policies, plans and specifications, and the application system and document management staff shall be responsible for the implementation.
  - 2.3.2 Security requirements, management and protection of data and information systems, etc., shall be handled by the application system and document management personnel.
  - 2.3.3 Information security and confidentiality and security audit, etc. The members of the information security audit team and related units are responsible for handling.
  - 2.3.4 The policy is stipulated as follows for the compliance of all employees:
    - (1) The Company has implemented information security management system and passed the certification of a third-party impartiality.
    - (2) Effective management of information assets, continuous execution of risk assessments, and adoption of appropriate protection measures.
    - (3) Protect information and information and communication systems from unauthorized access to maintain the confidentiality of information and information and communication systems.
    - (4) Prevent unauthorized modification to protect the integrity of information and communication systems.
    - (5) The user authorized to use the information and the information and communication system when necessary.
    - (6) Compliance with laws and regulations.
    - (7) Assess the impact of various man-made or natural disasters, and formulate a recovery plan for the core information and communication system to ensure the continuation of core operations.
    - (8) Implement information security education and training and information security promotion for new employees to enhance the information security awareness of employees.
    - (9) Implement a reward and discipline mechanism for employees involved in information security business.
    - (10) Implement outsourced vendor management to ensure the security of information and communication services.

- (11) Implement audit execution and management review procedures to achieve continuous improvement of the information security management system.
- (12) Promote the integration of information security protection, strengthen the integration of information security defense and information sharing.

### 3. Report on implementation

The following are inspected and audited on a regular basis each year: Calculation control items

Item	Measurement items		Target level	Measuring value	Description of actual measurement	Supporting information
1	Formulation and evaluation of information security policy	(1) Number of information security policy reviews	>2 times a year	2 times a year	2 meetings were held in 2024 (June 28, December 31).	All the random inspections were completed
		(2) Information security policy advocacy frequency	>1 time a year	once a year	1 time in 2024 (3/7)	All the random inspections were completed
2	Information security organization	(1) Whether the confidentiality agreement is signed	<2 cases do not conform	0 case do not conform	0 case do not conform during the inspection on November 29, 2024	All the random inspections were completed
		(2) Number of management meetings convened	>1 time a year	2 times a year	1 management meeting was held in 2024 (11/29)	All the random inspections were completed
3	Information asset management	(1) Update of information asset inventory	<=2 cases do not conform	0 case do not conform	The 2024 information asset inventory has been updated.	All the random inspections were completed
		(2) The information asset list is in compliance with the classification and labeling requirements.	<=2 cases do not conform	0 case do not conform	The latest information asset catalog for 2024 has been checked and verified.	All the random inspections were completed
4	Human Resource Security	(1) Training hours for information security	Information security officer for at least 6 hours	Information security officer for at least 6 hours	The number of hours of information security training in 2024 was greater than 6 hours	All the random inspections were completed
			Technical staff for at least 18 hours	Technical staff for at least 18 hours	The number of hours of information security training in 2024 was greater than 18 hours	All the random inspections were completed
			General personnel for more than 3 hours	General personnel for more than 3 hours	The number of hours of information security training in 2024 was greater than 3 hours	All the random inspections were completed
		(2) The account number of the departing employee is deleted.	<1 cases do not conform	1 case do not conform	A delay caused by HR's departure after leaving the Company in 2024 was reported after a random inspection.	All the random inspections were completed
5	Physical and environmental safety	(1) Check if the access control is complied with.	<=2 cases do not conform	0 case do not conform	The access control data of the computer room in 2024 has been verified and found to be correct.	All the random inspections were completed
		(2) Check if the fire-fighting equipment and UPS are maintained regularly.	>=4 times a year	4 times a year	4 random inspections of the fire-fighting equipment and UPS in 2024 showed that all were maintained regularly.	All the random inspections were completed
6	Communication and operation management	(1) Regularly monitor the system capacity of important servers (e.g. CPUs, RAMs, hard-disk drives) that execute operations on the network.	<=2 cases do not conform	0 case do not conform	The system capacity (e.g. CPU, RAM, hard-disk drive) of the key servers that run the system in the 2024 server room was monitored and inspected.	All the random inspections were completed
		(2) Regularly monitor the network resource utilization rate of the network	<=2 cases do not conform	0 case do not conform	The network resource utilization rate of the monitoring network is monitored every month in 2024.	All the random inspections were completed
		(3) Number of internal virus outbreak (more than 5 computers with the same virus) (year)	<= 3 times/year	once a year	The sampling inspection was only recorded on November 27, 2024, and the number of 5 units exceeded the limit.	All the random inspections were completed



Item	Measurement items		Target level	Measuring value	Description of actual measurement	Supporting information
		(4) Number of internal network interruptions (year)	<= 3 times/year	once a year	1 Round of power shutdown internal network interruption occurred on April 29, 2024	All the random inspections were completed
		(5) Check if the virus code is updated immediately	<=2 cases do not conform	0 case do not conform	The 2024 computer virus code was updated immediately during the sampling inspection.	All the random inspections were completed
		(6) Check if the important system time is synchronized	<=2 cases do not conform	0 case do not conform	The sampling inspection of the computer system time checklist in 2024 found that it is synchronized.	All the random inspections were completed
		(7) Check if the firewall settings are consistent with the firewall access rules application form.	<=2 cases do not conform	0 case do not conform	4 random inspections were conducted on the firewalls in 2024 to check that the firewalls were properly configured and that all the data in the application form for the firewall access rules were correct.	All the random inspections were completed
		(8) Frequency of weakness scanning	>1 time a year	3 times a year	The sampling inspection revealed that the weakness was found in 3 times in 2024.	All the random inspections were completed
7	Access control security	(1) Regularly review the access rights of important systems	<1 cases do not conform	0 case do not conform	The 2024 TIPTOP ERP system has been reviewed regularly for access permissions of key systems.	All the random inspections were completed
		(2) Number of times the user is not authorized to access sensitive system information	<=0 case	0 case do not conform	The 2024 system permissions were all authorized in the sampling inspection. No unauthorized system permissions were found.	All the random inspections were completed
8	Response and handling of information security incidents	(1) The number of incidents of information security incidents not reported in accordance with the regulations	<1 cases do not conform	0 case do not conform	4 random inspections were conducted on the firewalls in 2024 to check that the firewalls were properly configured and that all the data in the application form for the firewall access rules were correct.	All the random inspections were completed
		(2) Check the number of information security incidents recorded and whether the same information security incidents are repeated.	Repeated <=1 case	Repeated 0 case	No information security incident record form was found and no information security incident was found in 2024.	All the random inspections were completed
9	Management of sustainable operation	(1) Review the implementation of the continuous operation plan	>1 time a year	once a year	The sampling inspection on the 2024 operation continuity plan showed that all the exercises were completed.	All the random inspections were completed
		(2) Execution of risk assessment and analysis of operational impact	>1 time a year	2 times a year	The 2 sampling inspections of the 2024 risk assessment and operation impact analysis report both showed complete implementation.	All the random inspections were completed
		(3) Regularly back up important system data	<=2 cases do not conform	0 case do not conform	The Company has conducted sampling inspections on the important systems that are backed up monthly in 2024.	All the random inspections were completed
10	Related laws and regulations and implementation units	(1) Installation of legal software.	<=0 case do not conform	0 case do not conform	The 2024 software sampling inspection results showed that all were compliant with the law, and no illegal software were found.	All the random inspections were completed
	Compliance with the policy	(2) Corrective/preventive measures are changed within the prescribed time limit	overdue <=2 cases	0 overdue	The time for improvement of the corrective/preventive measures in 2024 was completed within the prescribed time.	All the random inspections were completed

Note: The audit results of 2024 have reached the target level

#### 4. Specific management programs of information security

To strengthen the overall information security, the Company promotes relevant information security enhancement policies, for the following scope:

System Dimension	Items of processing	Itemized processing	Content of the application
Management spect	Classification of information and communication systems and protection standards		For the self-developed or commissioned information and communication systems, complete the information and communication system classification according to Table 9, and complete the control measures in Table 10. After that, the information and communication system classification adequacy should be reviewed at least once a year.
	The introduction of information security management system and the certification of the system by a third party		The Company has adopted the ISO 27001 information security management system for all core information and communication systems, and has completed the third-party verification within three years, and continues to maintain the validity of the verification.
	Designated personnel for Cyber Security		Staffed by full-time personnel.
	Internal information security audit		Two times a year
	Business Continuity Drills		The entire core information and communication system is conducted once a year.
	Assessment of the maturity of information security governance		Once a year
	Restricting the use of hazardous information security products		Except for business needs and without other alternatives, it is prohibited to purchase and use the products produced, researched and developed, manufactured or provided by the manufacturers approved by the competent authorities, which are hazardous to the information security products of the Company.
Technology aspect	Safety inspection	Website security weakness test	The entire core information and communication system is re-arranged every year.
		System penetration test	The entire core information and communication system is conducted once a year.
	Cyber Security Health Consulting	Review of network architecture	Once a year
		Internet malicious live inspection	
		User computer malicious activity review	
		Review of malicious activities on the server, review of server settings and firewall connections	
	Cybersecurity threat detection and management mechanism		The threat detection mechanism has been established, and the Company continues to maintain and operate the system, and submits monitoring management data in the manner designated by the competent authority.
	Cybersecurity protection	Anti-virus software	The Company has completed the implementation of information security protection measures and continues to use and update or upgrade hardware and software when necessary.
		Internet Firewalls	
		If the mail server is equipped with an email filtering system, it is required to provide the email filtering mechanism.	
		Infiltration detection and defense mechanism	
		If the core system is equipped with a core telecommunication system that is capable of external services, it shall be equipped with an application program firewall.	
		Advanced and continuous threat attack prevention measures	
Awareness and training	Cybersecurity Security Education and Training	Full-time staff for Cyber Security	At least 12 hours of information security professional courses or training or information security competency training must be received by each person per year. Training and education.
		Information personnel other	The Company accepts more than 3 hours of information security general education and training every year.

System Dimension	Items of processing	Itemized processing	Content of the application
		than information security specialists	
		General user and owner Pipelines and pipes	Each person is required to undergo more than 3 hours of information security training each year.
	Professional information security certification and competency training certificate	Professional Information Security Certification	The total number of full-time personnel in information security should be more than one, and the validity of the license should be maintained continuously.
		Cybersecurity Security Assessment Certificate	The total number of full-time personnel in information security should be more than one, and the validity of the certificate should be maintained continuously.

Note: The content of the 2024 plan has been executed.

- (II) List the losses, possible impacts and countermeasures suffered from major information security incidents in the most recent year or most recent fiscal year up to the date of publication of the annual report. If it cannot be reasonably estimated, state the facts that it cannot be reasonably estimated: none.

#### VII. Important contracts:

Contractual nature	The concerned party	Beginning and end dates of contract	Major content	Restrictive clauses of contract
Zhizun Building house lease contract	Aspire Park corporation Longtan branch	May 1, 2024 to April 30, 2027	Lease of offices and plants	None
Lease contract	Darfon Electronics Corp.	July 1, 2022 to June 30, 2027	Plant lease	None
Lease contract	Darfon Vietnam Co.,Ltd.	May 1, 2024 to April 30, 2029	Plant lease	None
Real estate trading contract	SHIN YA ELECTRONIC CO., LTD.	September 6, 2024	Plant sale	None

## Five. Review and analysis of financial position and financial performance, and risks

### I. Financial position:

List the main reasons for any material change in the company's assets, liabilities, or equity during the past 2 fiscal years, and describe the effect thereof. Where the effect is of material significance, the measures to be taken in response shall be described

Unit: NT\$ Thousand;%

Item \ Year	2023	2024	Difference	
			Amount	%
Current assets	1,460,206	1,566,608	106,402	7.29
Property, plant and equipment	541,882	314,083	(227,799)	(42.04)
Right-of-use asset	30,426	73,552	43,126	141.74
Intangible asset	6,321	18,092	11,771	186.22
Other non-current assets	44,955	76,262	31,307	69.64
Total assets	2,083,790	2,048,597	(35,193)	(1.69)
Current liabilities	337,601	410,205	72,604	21.51
Non-current liabilities	21,845	47,905	26,060	119.30
Total liabilities	359,446	458,110	98,664	27.45
Equity attributed to owners of parent	1,724,344	1,590,487	(133,857)	(7.76)
Share capital	478,753	478,753	-	-
Capital reserve	690,174	690,174	-	-
Retained earnings	578,842	517,271	(61,571)	(10.64)
Other equity	62,500	(9,786)	(72,286)	(115.66)
Treasury shares	(85,925)	(85,925)	-	-
Total equity	1,724,344	1,590,487	(133,857)	(7.76)
The changes for 20% or more, and the amounts of changes for NT\$10,000 thousand are described below:				
1. Property, Plant and Equipment: The decrease was mainly due to the disposal of plant facilities during the year.				
2. Right-of-Use Assets: The change was primarily due to the renewal of the lease contract for the Yongzhi plant upon its expiration this year.				
3. Intangible Assets: The increase was mainly due to the acquisition of computer software required for R&D activities during the year.				
4. Other Non-Current Assets: The increase was primarily attributable to higher prepaid equipment amounts this year.				
5. Current Liabilities, Non-Current Liabilities, and Total Liabilities: The increase was mainly due to a rise in lease liabilities arising from contract renewal.				
6. Other Equity: The decrease was primarily due to an increase in unrealized losses on financial assets measured at fair value through other comprehensive income.				

### II. Financial performance:

1. List the main reasons for any material change in operating revenues, operating income, or income before tax during the past 2 fiscal years, provide a sales volume forecast and the basis therefor, and describe the effect upon the company's financial operations as well as measures to be taken in response.

Unit: NT\$ Thousand;%

Item \ Year	2023	2024	Amount increased (decreased)	Percentage of change %
Operating revenue	1,380,876	1,229,947	(150,929)	(10.93)
Operating costs	882,660	879,362	(3,298)	(0.37)
Gross operating profit	498,216	350,585	(147,631)	(29.63)
Operating expenses	292,415	321,695	29,280	10.01
Net operating profit	205,801	28,890	(176,911)	(85.96)

Item \ Year	2023	2024	Amount increased (decreased)	Percentage of change %
Non-operating income and expenses	16,482	76,130	59,648	361.90
Net profit before tax	222,283	105,020	(117,263)	(52.75)
Income tax expense	26,310	6,388	(19,922)	(75.72)
Net profit of the period	195,973	98,632	(97,341)	(49.67)
Other comprehensive income of the period (net amount after tax)	72,728	(63,738)	(136,466)	(187.64)
Total comprehensive income of the period	268,701	34,894	(233,807)	(87.01)
The changes for 20% or more, and the amounts of changes for NT\$10,000 thousand are described below:				
1. Gross Profit, Operating Profit, and Profit Before Tax: Mainly due to a decrease in operating revenue for the year.				
2. Non-operating Income and Expenses: Primarily attributable to the disposal of real estate and plant facilities during the year.				
3. Income Tax Expense and Net Profit for the Period: Mainly due to the decrease in profit before tax.				
4. Other Comprehensive Income for the Period and Total Comprehensive Income: Primarily due to an increase in unrealized losses on financial assets measured at fair value through other comprehensive income during the year.				

2. Sales volume forecast and the basis therefor, and describe the effect upon the company's financial operations as well as measures to be taken in response: the Company has not prepared nor disclose the financial forecast, and this is not applicable.

### III. Cash flow:

Describe and analyze any cash flow changes during the most recent fiscal year, describe corrective measures to be taken in response to illiquidity, and provide a liquidity analysis for the coming year

1. Description and analysis of any cash flow changes during the most recent fiscal year

Unit: NT\$ Thousand

Item \ Year	2023	2024	Amount of difference	Percentage increased (decreased) %
Operating activities	279,319	239,185	(40,134)	(14.37)
Investing activities	(156,641)	121,209	277,850	(177.38)
Financing activities	(343,321)	(171,220)	172,101	(50.13)
Analysis of changes in cash flows:				
Operating Activities: The decrease was primarily due to a decline in profit before tax for the year.				
Investing Activities: The increase was mainly attributable to the disposal of real estate and plant facilities during the year.				
Financing Activities: The increase was primarily due to lower short-term loan repayments compared to the prior year and a reduction in dividend payments during the current year.				

2. Corrective measures to be taken in response to illiquidity: not applicable as the Company has no such circumstance.

3. Liquidity analysis for the coming year

Unit: NT\$ Thousand

Beginning cash balance	Expected net cash flow from operating activities for the whole year	Expected net cash flow from investing activities for the whole year	Expected net cash flow from financing activities for the whole year	Expected amount of cash balance (deficit)	Remedial measure of expected cash deficit	
					Investment plans	Treasury plans
573,584	255,922	(118,846)	(147,015)	563,645	-	-

	<p>Analysis of changes in cash flows in the coming year:</p> <p>Operating Activities: Primarily resulted in net cash inflows, as the company expects stable revenue performance.</p> <p>Investing Activities: Resulted in net cash outflows, mainly due to the acquisition of property, plant, and equipment, as well as the construction plan in Vietnam.</p> <p>Financing Activities: Resulted in net cash outflows, primarily due to the payment of cash dividends and the repayment of lease principal.</p> <p>No cash deficit is expected in the coming year.</p>
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IV. Effect upon financial operations of any major capital expenditures during the most recent fiscal year:  
none

V. The reinvestment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year

Unit: NT\$ Thousand

Re-investees	Investment policy	Gain (loss) on investment recognized for 2024	Main reasons for the profits/losses	Improvement plan	Investment plans for the coming year.
Unicom Technologies, Inc.	Investment holdings	(1,055)	Recognize the loss of the subsidiary, Unictron Technologies Corporation (Shenzhen)	-	-
Unictron Technologies(Shenzhen)Co. Ltd	Promote the Chinese and overseas markets	(895)	The decline in revenue was due to low-price competition in the Mainland China market	-	-
Unitron Technologies Vietnam Co., Ltd.	Antenna manufacturing and trading for wireless communication applications	(6,311)	The upfront costs for plant construction have been incurred, but mass production has not yet commenced.	-	-

VI. The section on risks shall analyze and assess:

(I) The effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future:

1. The effect upon the company's profits (losses) of interest rate fluctuations in the most recent year, and response measures to be taken in the future:  
Based on sound and conservative financial management, the Company always monitor the development and movements of the overall economic situation, with references to the research reports from various financial institutions, and keeps close contacts with banks all the time to grasp the information of interest rate fluctuations in real time. The utilization of internal funds is strictly controlled to reduce capital costs. The Company's interest expenses as a percentage of operating revenues were 0.17% and 0.18% in 2024 and 2023, respectively. The Company has been able to maintain steady profits each year, which is sufficient to cover the cost of borrowing. The changes in interest rates do not have a significant impact on the Company. Obviously, the Company's risk of interest rate fluctuation is under control; however, the collection of accounts receivable and fund management will still be further enhanced to lower the impact of interest rate fluctuations on the Company's profit and loss.
2. The effect upon the Company's profits (losses) of exchange rate fluctuations in the most recent year, and response measures to be taken in the future:  
Ratio of exchange profits (losses) to revenue and net income before tax for 2024:

Unit: NT\$ Thousand

Analysis Item/Year	2024
Exchange profits (losses)	9,927
Net revenue	1,229,947
Ratio of exchange profits (losses) to net revenue	0.81
Net income before tax	105,020
Ratio of exchange profits (losses) to net income before tax	9.45

The Company adopts the following response measures for exchange rates:

The Group's hedging strategy, in addition to the natural hedging, is supplemented by the signing forward foreign exchange contracts to manage the exchange rate risk of net foreign currency positions arising from occurred sales and purchase transactions. By using such derivative instruments, Group is helped to reduce the impact of foreign currency exchange rate fluctuation to a certain extent.

3. The effect upon the company's profits (losses) of inflation in the most recent year, and response measures to be taken in the future:

The Group's quotations to suppliers and customers are adjusted dynamically with reference to fluctuations in market prices of raw materials. Therefore, inflation has not has a major adverse impact on the Group's operations. In addition, the Group will always monitor market price fluctuations, and maintain good interactive relationships with suppliers and customers to reduce the impact of inflation on the Company's operating profits.

- (II) The policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future.

The Company adopts the conservative and robust approach regarding the financial policies. During the most recent years or most recent fiscal year up to the publication date of the annual report, no loaning of fund and endorsement/guarantee was provided to others. Meanwhile, the Company has established the "Operating Procedures for Loaning of Funds to Others", "Operating Procedures for Making of Endorsements/Guarantees," and "Operating Procedures for the Acquisition and Disposal of Assets," as the basis for engaging in related transactions. Where the Group intends to engaging loaning of fund, making endorsement/guarantee, or trading derivatives, the related regulations shall be complied with, and full disclosure shall be made in the financial statements.

- (III) Research and development work to be carried out in the future, and further expenditures expected for research and development work.

The Group is oriented to active research and development of new products and commission to innovative technologies; based on core technologies such as ceramic material formula and process technologies, the development of products corresponding wireless communication components, piezoelectric components and ultrasonic transducers is conducted. With the trend of electronic products getting ever-changing, compacter, efficient, and penetrating, the wireless communication industry seeks now the miniaturization, high performance, anti-interference, and multi-functional integration. In the past decade, the Group's antenna R&D team has successively developed the compact TELA (Tuning Element Loop Antenna) chip antennas, which are the important R&D achievement to meet the needs of industrial development. The Group has obtained dozens of multinational patents. The Group's other key product is the Castle Antenna, which is similar to the appearance of a medieval city, with a simple structure and a flat and simple design. It can also execute multi-frequency signals, and can receive more high-frequency satellite. The Group's Castle Antenna is especially suitable for applications of RTK high-precision positioning technology, and has been patented in multiple countries. Based on the above-mentioned R&D foundation, the Group will continue to work hard in the high-

efficiency micro antenna, hoping to launch new products in other wireless communication products, such as Bluetooth handrails, Bluetooth tail, and in-vehicle detection, among other things, in the UWB application. The demand for high-precision positioning is increasingly urgent, and the Group also has the R&D energy for the miniaturized high-precision positioning antennas. In addition, the 5G communication with high frequency band and low delay can increase the data transmission and transmission bandwidth significantly with the frequency band of millimeter wave. Therefore, the frequency band of millimeter wave is the main frequency band for future mobile communication. As the higher frequency, the bigger the decline, the design of phase array antenna is a technology to overcome this problem. The Group's important R&D direction is to continue developing this technology.

The Group also continues to observe market trends and requirements of customers' product specification, while proactively being committed to innovative product development. In response to the growing variety of sensors and electrostatic products, it is increasingly common for different product applications to require different electrostatic components. The development of different electrostatic component material formulations is one of the Group's efforts. With the trend of AI technology and product intelligence, the development of Sensors/Transmitters and motors based on electrostatic components will play a greater role, particularly in the application of various Internet of Things such as environmental monitoring and human-machine interface. While RoHS currently still lists piezoelectric ceramics in an exclusive clause, the Group started to develop new lead-free piezoelectric ceramic formulas based on environmental protection and precautions, to meet the product needs in different markets; moreover, with market development direction including industrial upgrading and industrial 4.0 intelligent control automated production control, piezoelectric ceramic actuators have the advantages of ultra-low power consumption, rapid response speed and precision, and are also widely adopted in industrial automation precision control (such as CNC-digital control machine tools).

The main research and development situation in the future is listed in the table below:

Item	Product name and main specs	Development time
1	Lead-free piezoelectric ceramic material: To be eco-friendly, lead-containing substances may be prohibited in piezoelectric materials, and thus the development of lead-free piezoelectric ceramic materials is the future development trend.	Q1 2021 - Q4 2026
2	Piezo actuator: By utilizing the characteristic of piezoelectric ceramics to deform when voltage is applied, it is made into piezo actuators, and widely used in precision displacement control equipment in smart industries. Utilizing the core technology to make piezo actuators with various types of tactile feedback functions.	Q1 2022 - Q4 2027
3	5G/millimeter wave RF antenna modules. The Company uses high-frequency substrates, with smart array antenna and circuit design capabilities, as well as a complete measurement system to meet customers' needs.	Q4 2022 - Q4 2025
4	Dielectric ceramic composite material To meet the customized needs of different customers, the Company develops different parameters of press-dried ceramic composite materials for different applications, such as Buoy transducer, medical probe card, etc.	Q1 2023 - continued
5	Narrowband photoelectricity converter in water The Company extends its core technology, improves the analysis of products and the scope of application, provides solutions for user's problems, and satisfies the needs of the mid-to-high-end market.	Q4, 2023 - Q4, 2027



Item	Product name and main specs	Development time
6	Technology monitoring equipment: The Company integrates LTE mobile communication and GNSS satellite positioning, RF positioning technology, and uses it in monitoring and tracking for special personnel, and develops Vo LTE communication function to meet customer needs.	Q1, 2024-Q1 2025
7	Industrial high-pressure ultra-sonar gas flow sensor The sensor products that are highly resistant to high-pressure when transporting air and liquid in the long-term pipelines.	Q1, 2024- Q4 2026
8	Industrial ultraviolet liquid flow sensor (block-type): The market demand for the products of the external defibrillators for liquid flow.	Q2 2024 - Q4 2026
9	High-precision Antenna for Vehicle Satellite Navigation The patented Castle Antenna, equipped with good radiation performance and excellent low-angle receiving and transmitting efficiency, can improve the stability and quality of the stable reception of satellite signals during vehicle driving.	Q4 2024 - Q4 2025

The products developed in the above-mentioned plan will be launched to the market in line with the product development progress and future market demand. The Group's estimated investment in research and development expenses in 2025 is NT\$160 million, to accelerate the research and development process and gradually increase the research and development expenses to support future research and development plans. Other than purchasing R&D-related hardware and software equipment, R&D talents with rich experience and creativity are continuously recruited, to enhance R&D capabilities and increase the Group's competitive advantage.

- (IV) Effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response.

The execution of all businesses of the Group complies with the laws and regulations of the competent authorities, while always monitoring changes in important policies and laws at home and abroad, with evaluations of impacts thereof on the Company. During the most recent years up to the publication date of the annual report, no material effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad.

- (V) Effect on the company's financial operations of developments in science and technology as well as industrial change, and measures to be taken in response.

The Group always monitors scientific changes and technological developments related to the industry where it operates, to launch products meeting market trends. Currently, there is no technological change or industrial change materially affecting the Group's finance and business.

- (VI) Effect on the Company's crisis management of changes in the Company's corporate image, and measures to be taken in response.

Since its incorporation, the Group has complied with the relevant laws and regulations, actively strengthened internal management, cultivated the strength of the management team, and fulfilled corporate social responsibilities. During the most recent years or most recent fiscal year up to the publication date of the annual report, the Group has not had any circumstance affecting crisis management by changes in corporate image.

- (VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken: none.

- (VIII) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken.

During the most recent year up to the publication date of the annual report, there was no such situation and thus not applicable.

- (IX) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken.

- (1) Risk associated with consolidation of purchasing

The Group has no concentration of purchase during the most recent 2 years and up to the publication date of the annual report. Moreover, the Group maintains good and stable cooperative relationships with various suppliers to ensure the supply of main raw materials without concerns, while preparing an appropriate inventory to avoid the risk of supply shortage or interruption.

- (2) Risk associated with consolidation of sales:

The Group has no consolidation of sales during the most recent 2 years and up to the publication date of the annual report. In addition, the Group develops new customers through the global positioning, to reduce the risk of consolidated sales on some customers. The Group's sales areas are all over Americas, Europe, and Asia, focusing on the balanced development of each sales area, without dependence on a single market.

- (X) Effect upon and risk to the Company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the Company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken.

During the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, no massive transfer of equity interests was made by director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent.

- (XI) Effect upon and risk to Company associated with any change in governance personnel or top management, and mitigation measures being or to be taken.

During the most recent year up to the publication date of the annual report, there was no change in governance personnel or top management.

- (XII) List major litigious, non-litigious or administrative disputes that: (1) involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment, or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report.

1. Litigious, non-litigious or administrative disputes that have been concluded during the most recent fiscal year or most recent fiscal year up to the publication date of the annual report by means of a final and unappealable judgment, or are still under litigation, where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute:

On December 22, 2022, the Hsinchu District Inspection Agency and the 7th Team of the Police Department of the Ministry of the Interior conducted a water pollution prevention and control law search and investigation. The case was eventually disposed of in violation of the Water Pollution Prevention and Control Act, and the violation was reduced. The period of the reduction was 1 year, and the Company was liable to pay NT\$7 million to the public warehouse. The case was confirmed on December 16, 2024, and the case was closed.

2. Litigious, non-litigious or administrative disputes that have been concluded during the most recent fiscal year or most recent fiscal year up to the publication date of the annual report by means of a final and unappealable judgment, or are still under litigation, where

the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company are involved, with material effect on the shareholders' equity or the prices of the company's securities: none.

(XIII) Other important risks, and mitigation measures being or to be taken: none.

VII. Other important matters: none.

**Six. Special items to be included:**

- I. Information on affiliates: Please refer to the MOPS/Basic Information/Electronic Book/Information on Affiliates (<https://mops.twse.com.tw>) for the details of the affiliates' consolidated business report, consolidated financial statements, and reports.
- II. Any private placement of securities during the most recent fiscal year or most recent fiscal year up to the publication date of the annual report: none.
- III. Other matters required to be supplemented for description: none.
- IV. During the current fiscal year up to the date of publication of the annual report, any matter materially affecting the shareholders' equity or securities prices as specified in Subparagraph 2, Paragraph 3, Article 36 of the Act: none.

Unictron Technologies Corporation



Chairman: Su, Kai-Chien

