



FITIPOWER INTEGRATED TECHNOLOGY INC.
STOCK CODE : 4961

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Power your life*

2024 ANNUAL REPORT

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Taiwan Stock Exchange Market Observation Post System
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Fitipower annual report is available at
<https://mops.twse.com.tw/>

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Deputy Spokesperson

Name: TANG, HAO-YUN

Title: Senior Manager

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3. Name, address, website and phone number of the stock transfer agent

Name: Department of Stock Transfer Agency, Yuanta Securities Co., Ltd.

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4. Name of CPAs, name, address, website and phone number of the accounting firm for the financial statements of the most recent year

Names of CPAs: HSIAO, PEI-JU, LI, FANG-YI

Name of Accounting Firm: KPMG in Taiwan

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

Website: <http://www.kpmg.com.tw>

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5. The 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.

6. Official Website of the Company: <http://www.fitipower.com>

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I. Letter to Shareholders

Dear Shareholders,

In 2024, the global semiconductor industry faced numerous challenges. Although the global economy has been gradually recovering from the downturn caused by the pandemic, overall economic momentum remains weak. High inflation and sustained high interest rates have prolonged inventory adjustment cycles. Additionally, rising geopolitical risks have increased market uncertainty, reducing visibility into end-market demand. Customers have continued to strictly control their inventories, further suppressing demand for semiconductors. At the same time, the emergence of generative AI applications and the continued advancement of automotive and connectivity technologies are driving structural and long-term growth in semiconductor demand.

Fitipower Technology proactively responded to these market shifts by closely monitoring supply chain dynamics, consistently launching new products, and expanding its diversified product portfolio. Despite the overall market downturn affecting large-, medium-, and small-size driver ICs, annual shipment volumes still grew compared to the previous year. Performance in markets outside of China continued to improve, and better coordination in production and sales further optimized inventory management. As a result, revenue in 2024 significantly increased year over year, and the Company achieved the third-highest annual operating performance in its history.

Amid global turbulence caused by geopolitical developments, we strengthened collaboration with customers, expanded investment in technology and product lines, and ensured stable profitability in our core business. We also continued investing in R&D to support our customers' rapid growth. Backed by strong foundational technology development, Fitipower is advancing toward a new growth phase and will continue to allocate resources to capture future market opportunities.

Financial Performance

In 2024, Fitipower recorded consolidated revenue of NT\$19.199 billion, representing a 17.89% increase from NT\$16.287 billion in the previous year. Net income after tax reached NT\$2.492 billion, and earnings per share (EPS) were NT\$16.08, reflecting year-over-year growth of 5.25% and 20.99%, respectively, compared to NT\$2.367 billion and NT\$13.29 in 2023. Gross profit margin was 28.61% (compared to 32.43% in 2023), operating margin was

11.48% (previously 14.40%), and net profit margin after tax was 12.98%, down 1.55 percentage points from 14.53% in the previous year.

Technology Development

In 2024, we continued to increase R&D investment, reaching NT\$2.494 billion, an 11.09% increase compared to NT\$2.245 billion in 2023, accounting for 12.99% of annual revenue. In the field of display driver IC design, we provided competitive solutions for mass-market applications and also developed customized products for high-end display panels for leading global brands. Our technical innovations include expanded integrated Panel Power solutions, high-resolution and high-refresh-rate TV products, low-frequency and high-voltage power-saving driver ICs for notebooks and monitors, and further enhancement of industrial control, projector, and automotive product lines.

In the power management IC segment, we continued to optimize processes and supported the development of new products. We successfully mass-produced high-performance BLDC MCUs and high-PSRR LDOs. This product line now accounts for approximately 11% of total annual revenue, ranking first among all driver IC suppliers in this category.

In addition, we steadily expanded our other semiconductor product lines, including full-scale mass production of eDP timing controller ICs and extending e-paper IC applications to color e-books and electronic shelf labels. With prior efforts, our sensor ICs have also begun scaling in the smart home market. As AIoT (Artificial Intelligence of Things) applications enter a rapid growth phase, our edge computing deployment is expected to achieve a breakout in 2025.

Whether in display driver ICs, power management ICs, or other semiconductor solutions, we have invested heavily in developing products aligned with green, environmentally friendly, and ESG-compliant standards, while also providing robust platforms to empower customer innovation. Moving forward, Fitipower will continue to expand its logic and analog IC product offerings, aiming to deliver greater value to our customers.

Environment, Sustainability, and Corporate Governance

Fitipower Technology has consistently upheld sound corporate governance as one of its core corporate values. We firmly believe that only by respecting the interests of all stakeholders can we achieve our short-, medium-, and long-term sustainability goals. In 2024, we promoted sustainable development through multiple initiatives:

- The Fitipower Environmental Sustainability Foundation held the 2nd “Fitipower AI Green Technology Sustainability Innovation Competition,” in which professors from industry guided students in using Fitipower development systems to propose AI applications for green living—promoting AI R&D and cultivating innovation and sustainability awareness.
- On the systems and certification front, we continued to enhance our environmental, occupational health and safety, and information security management systems, maintaining certifications such as ISO 14001, ISO 45001, and ISO 27001. For suppliers, we updated our management procedures and established a code of conduct, with regular sustainability assessments.
- Looking ahead, we plan to strengthen carbon management efforts. Starting in 2024, we introduced the Task Force on Climate-Related Financial Disclosures (TCFD) framework and implemented a greenhouse gas inventory system (ISO 14064), with third-party verification scheduled for the first quarter of 2025. We will also conduct carbon footprint assessments for major products to quantify emissions and manage risks, advancing toward our 2050 net-zero carbon goal.

By developing high-efficiency, low-power chips and fostering a supportive workplace culture, we are committed to contributing to global energy conservation and environmental protection—delivering positive value to every corner of society. Our commitment to sustainable operations and sound governance will continue to drive greater operational performance for our shareholders.

Corporate Development

Talent is our most valuable asset. As a rapidly growing fabless semiconductor company, Fitipower Technology places great emphasis on talent development and career growth. In response to the evolving needs of customers and partners, we have launched comprehensive solutions across multiple domains, including edge computing, IoT, artificial intelligence, automotive electronics, and e-paper, aiming to deliver highly differentiated value and lay a solid foundation for future business growth.

In 2024, we received numerous recognitions in innovation, sustainability, corporate governance, and financial performance. These include being named one of Harvard Business Review’s “Top 100 Taiwan CEOs of Listed Companies” ranked among the top 20% in the Taiwan Corporate Governance Evaluation, and listed in the Taiwan Corporate Governance Association’s Top 100 Foreign Investment Picks.

Future Outlook

Looking ahead to 2025, while global economic and geopolitical uncertainties remain, semiconductors—being the foundational technology of the modern digital economy—will continue to grow in importance and value within the global supply chain. In response to U.S.-China tensions and export controls driving expanded investment in semiconductor industries and the acceleration of independent supply chains worldwide, we also face challenges such as low-price competition from Chinese supply chains and a shortage of IC design talent. We will actively leverage these market shifts to rebalance our presence in non-China markets and uphold our core values of technology- and talent-driven development. By working hand in hand with our customers and supply chain partners, we aim to co-develop forward-looking products and drive the next wave of growth.

Upholding sound corporate governance and delivering long-term profitability for shareholders remain our core responsibilities. We sincerely thank all our shareholders for your continued trust and support. Fitipower Technology will remain committed to sustainability and long-term value creation.

LIN, YUNG-CHIEH, Chair



II. Corporate Governance Report

1. Directors, President, Vice President, Assistant Managers and Heads of Departments and Branch Organizations

(1) Directors

1. Directors' information

March 28, 2025; Units: Shares; %

Title	Nationality / Country of Origin	Name	Gender/ Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Other officers, directors or supervisors who are spouses or within two degrees of kinship.			Remark (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairperson	ROC	LIN, YUNG-CHIEH	Male 51~60	2024.05.31	3	2011.06.30	521,415	0.43	571,415	0.47	249,208	0.21	-	-	Education and Qualifications PhD in electrical engineering, University of California, Santa Barbara (UCSB) Experience Engineer, ALi Corp Manager, Hon Hai Precision Industry Co	CEO of the Company, Chairman of the Sustainable Development Committee PUYU Investment Co.Chairman	-	-	-	-
Director	ROC	CHIU, SHU-HUI	Female 51~60	2024.05.31	3	1996.06.02	730,742	0.60	770,742	0.64	-	-	-	-	Education and Qualifications Institute of Electronics, National Chiao Tung University Experience Hualon Microelectronics Corp Director, Elan Microelectronics Corp	President of the Company, Vice Chairman of the Sustainable Development Committee	-	-	-	-
Independent Director	ROC	CHEN, BI-FENG	Female 61~70	2021.05.18	3	2012.05.25	-	-	-	-	-	-	-	-	Education and Qualifications MBA, Royal Roads University, Canada Experience Cost Accounting Officer, Integrated Circuit Solution Inc Accounting Officer, RiTdisplay Corp Finance Officer, Startek Engineering Inc Finance Officer, Art Analog, Inc	Members of the Company's Audit Committee, Remuneration Committee and Sustainable Development Committee	-	-	-	-

Title	Nationality / Country of Origin	Name	Gender/ Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Other officers, directors or supervisors who are spouses or within two degrees of kinship.			Remark (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	ROC	YAO, DE-CHANG	Male 61~70	2021.05.18	3	2014.06.26	-	-	-	-	-	-	-	-	Education and Qualifications M.S. in finance, National Taiwan University MSc in electrical engineering, University of Southern California, USA Experience Vice President, Hsu Pang Investment Consulting, Inc. President, Ta Ya Venture Capital Co	(Note 2)	-	-	-	-
Independent Director	ROC	LIU, HSUEH-YU	Male 61~70	2021.05.18	3	2021.05.18	-	-	-	-	-	-	-	-	Education and Qualifications M.S. in finance, National Taiwan University MSc in electrical engineering, University of Southern California, USA Experience Vice President, Hsu Pang Investment Consulting, Inc. President, Ta Ya Venture Capital Co	Member of the Audit Committee, Remuneration Committee, and Sustainability Committee of the Company President, NTU Innovation & Incubation Co., Ltd. Corporate Director Representative, P-DUKE Technology Co., Ltd. Corporate Director Representative, IPRMORE Co., Ltd. Director, ELTA Technology Co., Ltd. Independent Director, Wieson Technologies Co., Ltd.; Member of the Audit Committee and Remuneration Committee Independent Director, U.D. Electronic Corp.; Member of the Audit Committee and Remuneration	-	-	-	-

Title	Nationality / Country of Origin	Name	Gender/ Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Other officers, directors or supervisors who are spouses or within two degrees of kinship.			Remark (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
																Committee				
Independent Director	ROC	CHIN, LAN-FANG	Female 51~60	2023.05.31	3	2023.05.31	-	-	-	-	-	-	-	-	Education and Qualifications University of New Hampshire Master of Law-LLM Experience Senior Partner, Dentons Taiwan Legal Deputy Manager, Continental Engineering Corporation General Counsel, Presicarre Corporation General Counsel, SemiLEDs Corporation Associate Director of Legal Affairs, Quanta Display Inc. Legal Manager, Acer Incorporated Attorney, Ching Yang Legal Office	Member of the Audit Committee and Sustainability Committee of the Company FIH Mobile Limited General Counsel	-	-	-	-
Independent Director	ROC	WANG, TIEN-HAO	Male 51~60	2024.05.31	3	2024.05.31	-	-	-	-	-	-	-	-	Education and Qualifications Bachelor's degree in Electrical Engineering, National Tsing Hua University Master's degree in Electrical Engineering, University of Southern California, USA Experience Associate General Manager and Vice President, Pushing Venture Capital Co., Ltd. Special Assistant to the President, First International Computer, Inc. Vice President, Guang Peng Technology Co.,	Director, Partner, and Senior Vice President, Pushing Innovation Co., Ltd. Chairman, Foxfortune Technology III Ventures Limited Chairman, Foxfortune Technology II Ventures Limited Chairman, Honggao Venture Capital Co., Ltd. Chairman, Hongzhi Venture Capital Co., Ltd. Director, TAITIEN ELECTRONICS CO., LTD. Director, FETek Technology Corp. Representative of	-	-	-	

Title	Nationality / Country of Origin	Name	Gender/ Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Other officers, directors or supervisors who are spouses or within two degrees of kinship.			Remark (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
															Ltd. Division Director, Lite-On Technology Corp. Manager and Senior Manager, Technology Associates Corporation	Corporate Director, GENERAL LIFE BIOTECHNOLOGY CO., LTD. Independent Director, FOSITEK CORP. Independent Director, JET OPTOELECTRONICS CO., LTD. Supervisor, Corex Materials Corporation				
Independent Director	ROC	CHEN, CHUAN-NAN	Male 51~60	2024.05.31	3	2024.05.31	-	-	-	-	-	-	-	-	Education and Qualifications Bachelor's degree in Electrical Engineering, National Taiwan University Master's degree in Electrical Engineering, Stanford University, USA Experience President, Global Unichip Corp. USA Head of Operations, Techwell Inc., USA President, Goyatek Technology Inc. USA Marketing and Sales Manager, Taiwan Semiconductor Manufacturing Company Limited (TSMC) Senior ASIC Engineer, Texas Instruments Incorporated	President, RIVOS SYSTEMS TAIWAN INC.	-	-	-	

Note 1: If the chairman of the board of directors and the general manager or equivalent (top manager) are the same person, spouses or relatives of one another, the reasons, reasonableness, necessity and measures (such as increasing the number of independent directors and having a majority of directors who are not also employees or managers, etc.) should be explained: Due to operational needs, the chairman of the board of directors is also the chief executive officer and only 29% of the company's directors are also employees, and the Company added a seat for independent director in 2024, making the ratio of independent directors to be 71%, so the board of directors still retains objectivity and supervisory power.

Note 2: Members of the Audit Committee, Remuneration Committee and the Sustainable Development Committee of the Company, Hua Chen Investment INC. Chairperson, Yong Fu Investment

INC. Chairperson, Yong Chuan Investment INC. Chairperson, Cheng Gong Management INC. Chairperson, Feng Huang Management INC. Chairperson, Feng Huang Er Innovation INC. Chairperson, Feng Huang 3 Innovation INC. Chairperson, Feng Huang 4 Innovation INC. Chairperson, Feng Huang 5 Innovation INC. Director, YOUNGTEK ELECTRONICS CORP. Director, JENTECH PRECISION INDUSTRIAL CO., LTD. Independent Director, ASIX ELECTRONICS CORPORATION Director, TAITIEN ELECTRONICS CO., LTD. Director, NCKU Venture Capital Co., Ltd. Director, Gigastone Corporation director, LeDiamond opto corporation director, Sync-Tech System Corporation Director. YAO, DE-CHANG Director was removed from office upon re-election on May 31, 2024.

2. Professional qualifications and independence analysis of directors and supervisors:

Criteria Name /Title	Professional Qualifications and Experiences	Status of Independence	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
LIN, YUNG-CHIEH Chairperson	Please refer to the Annual Report - Directors' Information (pages 4-9) for the professional qualifications and experience of the Directors. None of the Directors are subject to the provisions of Article 30 of the Companies Act.	NA	-
CHIU, SHU-HUI Director			-
CHEN, BI-FENG Independent Director		The Company has five Independent Directors, accounting for 71% of the Board. All Independent Directors meet the criteria for independence (Note 1).	-
YAO, DE-CHANG (Note 2) Independent Director			-
LIU, HSUEH-YU Independent Director			2
CHIN, LAN-FANG Independent Director			-
WANG, TIEN-HAO Independent Director			2
CHEN, CHUAN-NAN Independent Director			-

Note 1: None of the Independent Directors, their spouses, or relatives within the second degree of kinship serve as Directors, Supervisors, or employees of the Company or its affiliates. Furthermore, none of the Independent Directors, their spouses, or relatives within the second degree of kinship (including holding shares under another person's name) hold any shares in the Company or serve as Directors, Supervisors, or employees in any companies having a specific relationship with the Company. Additionally, in the past two years, none of the Independent Directors, their spouses, or relatives within the second degree of kinship have received any remuneration for providing business, legal, financial, or accounting services to the Company or its affiliates.

Note 2: Director YAO, DE-CHANG was removed from office upon re-election on May 31, 2024.

3. Board Diversity and Independence:

The Company's Code of Corporate Governance Practices was approved by the Board of

Directors on March 10, 2015 and the diversity policy is set out in Chapter 3, "Strengthening the Functions of the Board". The nomination and selection of members of the Company's Board of Directors is based on a candidate nomination system in accordance with the Company's Articles of Incorporation and in compliance with the "Procedures for Election of Directors" and the "Code of Corporate Governance Practices". The Company has set a target of 25% female directors to ensure diversity in the Board of Directors, taking into account the operational and development needs of the Company.

All the 7 directors of the Company's current Board of Directors have diverse backgrounds, including different industries and financial accounting. The Company's board of directors is independent as 29% of the directors are employees and 71% are independent directors, and there are no spouses or relatives within the second degree of kinship among the directors. The Company also places emphasis on gender equality in the composition of its Board of Directors, of which 3 are female directors, representing 43%.

The diversity, complementarity and implementation of the Company's directorship policy comply with the standards set out in Rule 20 of the Code of Corporate Governance Practices. In the future, the diversity policy will be revised in accordance with the operation, business model and development needs of the Board, including but not limited to the two major orientations of basic requirements and values, and professional knowledge and skills, to ensure that Board members should generally possess the knowledge, skills and qualities necessary to perform their duties. The policy is implemented as follows. The implementation of the diversity policy for Board members is set out in the table below.

Implementation status of the diversification policy for Board members:

Title	Chairperson	Director	Independent Director	Independent Director (Note)	Independent Director	Independent Director	Independent Director	Independent Director
Name	LIN, YUNG-CHIEH	CHIU, SHU-HUI	CHEN, BI-FENG	YAO, DE-CHANG	LIU, HSUEH-YU	CHIN, LAN-FANG	WANG, TIEN-HAO	CHEN, CHUAN-NAN
Gender	Male	Female	Female	Male	Male	Female	Male	Male
Nationality	ROC	ROC	ROC	ROC	ROC	ROC	ROC	ROC
Age	51-60	51-60	61-70	51-60	61-70	51-60	51-60	51-60
Length of Service of Independent Directors			Over 9 years	3-9 years	3-9 years	Less than 3 years	Less than 3 years	Less than 3 years
Employee of the Company	V	V						
Commerce	V	V	V	V	V	V	V	V
Legal Affairs						V		
Technology	V	V		V	V		V	V
Finance/Accounting			V					
Ability to make operational	V	V	V	V	V	V	V	V

judgments								
Ability to perform accounting and financial analysis			V	V				
Ability to conduct management administration	V	V	V	V	V	V	V	V
Ability to conduct crisis management	V	V	V	V	V	V	V	V
Knowledge of the industry	V	V	V	V	V	V	V	V
International market perspective	V	V	V	V	V	V	V	V
Ability to lead	V	V		V	V	V	V	V
Ability to make policy decisions	V	V		V	V	V	V	V
Sustainability/social participation	V	V	V	V	V	V	V	V

Note: Director YAO, DE-CHANG was removed from office upon re-election on May 31, 2024.

(2) President, Vice President, Associate Managers, Heads of Departments and Branches

March 28, 2025 Units: Shares; %

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 1)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark (Note 2)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
CEO	ROC	LIN, YUNG-CHIEH	Male	2015.06.16	571,415	0.47	249,208	0.21	-	-	PhD in electrical engineering, University of California, Santa Barbara (UCSB) Engineer, ALi Corp Manager, Hon Hai Precision Industry Co	PUYU Investment Co. Chairman	-	-	-	-
President	ROC	CHIU, SHU-HUI	Female	2009.01.01	770,742	0.64	-	-	-	-	MS of Electronics, National Chiao Tung University Experience Hualon Microelectronics Corp Director, Elan Microelectronics Corp	-	-	-	-	-
Vice President	ROC	TSAI, KUN-HSIEN	Male	2014.07.01	399,568	0.33	10,619	0.01	-	-	NSYSU Dept. of Electrical Engineering UMC Engineer Novatek Manager	-	-	-	-	-
Vice President	ROC	CHANG, KUEI-KAI	Male	2017.05.01	89,500	0.07	769	-	-	-	NSYSU Dept. of Electrical Engineering MS SUNSHINE SPORTS TECH CO., LTD. Manager SUNPLUS TECHNOLOGY CO., LTD. Manager	-	-	-	-	-
Associate Managers	ROC	HSU, CHONG-MING	Male	2021.06.01	35,270	0.03	1,300	-	-	-	Chung Hua University Dept. of Foreign Language BA C SUN Manager DenMOS Technology Inc. Manager RECHI PRECISION CO., LTD. Manager	-	-	-	-	-
Accounting Manager	ROC	CHEN, PO-CAN	Male	2002.10.07	-	-	-	-	-	-	NSYSU Finance MA YUANTA Assistant Manager	Director, Jadard Technology Inc. Supervisor, VISUAL SENSING TECHNOLOGY CO., LTD.	-	-	-	-
Head of Corporate Governance (Note 3)	ROC	CHEN, YI-HUI	Female	2021.11.08	-	-	-	-	-	-	SCU Dept. of Law MA MingYe Law Firm Lawyer	-	-	-	-	-

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education) (Note 1)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark (Note 2)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Head of Corporate Governance	ROC	CHANG, JUI-LING	Female	2025.02.26	-	-	-	-	-	-	Graduate Institute of Business Administration, Yuan Ze University Director, CHAMPION MICROELECTRONIC CORP. Head of Audit, Grand Green Energy Co., Ltd.	-	-	-	-	-

Note 1: For experience in relation to the current position, if have worked for a firm of certified public accountants or a related company during the previous reporting period, you should state the title of the position and the duties for which one were responsible: none.

Note 2: If the President or equivalent (top manager) and the chairman of the board of directors are the same person, spouses or relatives of one another, the reasons, reasonableness, necessity and measures (such as increasing the number of independent directors and having a majority of directors who are not also employees or managers) should be disclosed: Due to operational needs, the chairman also serves as the CEO, and the ratio of directors who are also employees is only 29%. Additionally, the company increased the number of independent director seats, bringing the proportion of independent directors to 71%, thereby ensuring that the board maintains its objectivity and supervisory strength.

Note 3: Corporate Governance Officer CHEN, YI-HUI was removed from office on February 26, 2025.

2. Remuneration of Directors, President and Vice Presidents

(1) Compensation of Directors and Independent Directors (2024)

Unit : NT\$ thousands

Title	Name	Compensation to Directors								Ratio of Total Compensation (A+B+C+D) to Net Income (%)		Relevant Compensation Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Compensation from ventures other than subsidiaries or from the parent company		
		Compensation (A)		Severance Pay (B)		Directors Compensation (C)		Professional Practice (D)				Salary, Bonus, and Special Allowance (E)		Severance Pay (F)		Employee Compensation (G) (Note 1)								
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements			
Cash	Stock															Cash	Stock							
Chairperson	LIN, YUNG-CHIEH	-	-	-	-	6,900	6,900	-	-	0.50	0.50	35,061	35,061	108	108	-	-	-	-	44,819	2.30%	44,819	2.30%	None
Director	CHIU, SHU-HUI																							
Independent Director	CHEN, BI-FENG	2,750	2,750									-	-	-	-	-	-	-	-					

Independent Director (Note 2)	YAO, DE-CHANG																				
Independent Director	LIU, HSUEH-YU																				
Independent Director	CHIN, LAN-FANG																				
Independent Director	WANG, TIEN-HAO																				
Independent Director	CHEN, CHUAN-NAN																				
1. Please describe the policy, system, criteria and structure for the payment of remuneration to independent directors, and the relevance of the amount of remuneration to the responsibilities, risks and time commitment: please refer to P.15. 2. Other than as disclosed in the table above, remuneration received by the Company's directors for services rendered in the most recent year (e.g. as consultants to non-employees of the parent company/financial reporting company/reinvestment business): None.																					

Note 1: This refers to the employee compensation received by part-time employees in 2024. Based on the proposed 2024 employee compensation amount approved by the Board of Directors, the proposed allotment amount for this year is estimated based on historical experience.

Note 2: Director YAO, DE-CHANG was removed from office upon re-election on May 31, 2024.

Compensation Scale

Range of Compensation	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company	Companies in the financial statements	The Company	Companies in the financial statements
Less than NT\$1,000,000	CHEN, BI-FENG YAO, DE-CHANG (Note) LIU, HSUEH-YU CHIN, LAN-FANG WANG, TIEN-HAO CHEN, CHUAN-NAN	CHEN, BI-FENG YAO, DE-CHANG (Note) LIU, HSUEH-YU CHIN, LAN-FANG WANG, TIEN-HAO CHEN, CHUAN-NAN	CHEN, BI-FENG YAO, DE-CHANG (Note) LIU, HSUEH-YU CHIN, LAN-FANG WANG, TIEN-HAO CHEN, CHUAN-NAN	CHEN, BI-FENG YAO, DE-CHANG (Note) LIU, HSUEH-YU CHIN, LAN-FANG WANG, TIEN-HAO CHEN, CHUAN-NAN
NT\$1,000,000~NT\$1,999,999	-	-	-	-
NT\$2,000,000~NT\$3,499,999	-	-	-	-
NT\$3,500,000~NT\$4,999,999	-	-	-	-
NT\$5,000,000~NT\$9,999,999	-	-	-	-
NT\$10,000,000~NT\$14,999,999	-	-	-	-
NT\$15,000,000~NT\$29,999,999	-	-	LIN, YUNG-CHIEH CHIU, SHU-HUI	LIN, YUNG-CHIEH CHIU, SHU-HUI
NT\$30,000,000~NT\$49,999,999	-	-	-	-
NT\$50,000,000~NT\$99,999,999	-	-	-	-
More than NT\$100,000,000	-	-	-	-
Total	6	6	8	8

Note: Director YAO, DE-CHANG was removed from office upon re-election on May 31, 2024.

(2) Compensation to Presidents and Vice Presidents (2024)

Unit: NT\$ thousands

Title	Name	Salary (A)		Severance Pay (B)		Bonus and Special Allowance (C)		Employee Compensation (D) (Note)				Ratio of total compensation (A+B+C+D) to net income (%)		Compensation from ventures other than subsidiaries or from the parent company
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash	Stock	Cash	Stock			
CEO	LIN, YUNG - CHIEH	13,956	13,956	324	324	44,981	44,981	-	-	-	-	59,261 3.05%	59,261 3.05%	None
President	CHIU, SHU-HUI													

Vice President	CHANG, KUEI-KAI													
Vice President	TSAI, KUN-HSIEN													

Note: The proposed allotment for this year is estimated on the basis of historical experience based on the proposed allotment of 2024s' staff remuneration approved by the Board of Directors.

Compensation Scale

Range of Compensation	Names of Presidents and Vice Presidents	
	The Company	Companies in the financial statements
Less than NT\$1,000,000	-	-
NT\$1,000,000~NT\$1,999,999	-	-
NT\$2,000,000~NT\$3,499,999	-	-
NT\$3,500,000~NT\$4,999,999	-	-
NT\$5,000,000~NT\$9,999,999	-	-
NT\$10,000,000~NT\$14,999,999	CHANG, KUEI-KAI TSAI, KUN-HSIEN	CHANG, KUEI-KAI TSAI, KUN-HSIEN
NT\$15,000,000~NT\$29,999,999	LIN, YUNG-CHIEH CHIU, SHU-HUI	LIN, YUNG-CHIEH CHIU, SHU-HUI
NT\$30,000,000~NT\$49,999,999	-	-
NT\$50,000,000~NT\$99,999,999	-	-
More than NT\$100,000,000	-	-
Total	4	4

Name of the manager who distributes the employee's compensation and the distribution status:

Unit: NT\$ thousands

	Title	Name	Stock	Cash (Note 1)	Total	Ratio of Total Amount to Net Income (%)
Manager	CEO	LIN, YUNG-CHIEH	-	-	-	-
	President	CHIU, SHU-HUI				
	Vice President	TSAI, KUN-HSIEN				
	Vice President	CHANG, KUEI-KAI				
	Associate Manager	HSU, CHONG-MING				
	Accounting Manager	CHEN, PO-CAN				
	Head of Corporate Governance (Note 2)	CHEN, YI-HUI				

	Head of Corporate Governance (Note 2)	CHANG, JUI- LING				
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Note 1: The proposed distribution for this year is estimated based on historical experience, based on the proposed 2024 employee compensation amount approved by the Board of Directors.

Note 2: Corporate Governance Officer CHEN, YI-HUI was removed from office on February 26, 2025.

Note 3: Note 3: Corporate Governance Officer CHANG, JUI-LING assumed office on February 26, 2025; therefore, her 2024 employee compensation is not included.

- (3) Comparison and explanation of the analysis of total remuneration paid to the Company's directors, President and Vice President as a percentage of net income after tax for the most recent two years for the Company and all companies in the consolidated financial statements and the policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with business performance and future risks

1. Analysis of total remuneration paid to the Company's directors, President and Vice President as a percentage of net income after tax for the most recent two years for the Company and all companies in the consolidated financial statements

Unit: NT\$ thousands

Item \ Year	2023		2024	
	The Company	Companies included in the financial statements	The Company	Companies included in the financial statements
Total directors' remuneration	1,871	1,871	9,650	9,650
Directors' total remuneration as a percentage of net profit after tax	0.09%	0.09%	0.50%	0.50%
Total remuneration of President and Vice President	48,442	48,442	59,261	59,261
Total remuneration of President and Vice President as a percentage of net profit after tax	2.25%	2.25%	3.05%	3.05%

2. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with business performance and future risks:

The remuneration of the Company's employees is determined by the Board of Directors and reported to the shareholders in accordance with the profitability of the Company in the year in which it is allocated and the percentages set forth in the Articles. The manager's remuneration, including salaries and bonuses, is determined in accordance with the Company's personnel regulations and is based on the position held, education, professional ability and responsibilities, and is determined by reference to the standards of similar positions in the industry and approved by the Remuneration Committee. The performance evaluation of our managers includes financial indicators (such as the achievement of the Company's revenue, net profit before tax and net profit after tax) and non-financial indicators (such as significant deficiencies in compliance with laws and regulations and operational risks of the departments under their supervision).

3. Implementation of Corporate Governance

(1) Operation of the Board of Directors

The Board meeting in 2024 were held 7 times (A) and the attendance of the directors was as follows.

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) [B/A] (Note)	Remarks
Chairperson	LIN, YUNG-CHIEH	7	-	100%	
Director	CHIU, SHU-HUI	7	-	100%	
Independent Director	CHEN, BI-FENG	7	-	100%	
Independent Director	YAO, DE-CHANG	3	-	100%	May 31, 2024 – Removed upon re-election
Independent Director	LIU, HSUEH-YU	7	-	100%	
Independent Director	CHIN, LAN-FANG	7	-	100%	
Independent Director	WANG, TIEN-HAO	4	-	100%	May 31, 2024 – Appointed upon re-election
Independent Director	CHEN, CHUAN-NAN	4	-	100%	May 31, 2024 – Appointed upon re-election

Other mentionable items:

- I. The operation of the Board of Directors' Meeting shall state the date and period of the Board of Directors' Meeting, the content of the motion, the opinions of all independent directors and the Company's handling of the opinions of the independent directors, if any of the following circumstances apply.
 1. Matters listed in Article 14-3 of the Securities Transaction Act: The Company has established an Audit Committee, please refer to page 21-22 for the operation of the Audit Committee.
 2. Other than the matters listed above, other matters resolved by the Board of Directors at meetings of the Board of Directors at which the independent directors objected to or reserved their opinions and for which records or written statements are available: None.
- II. Enforcement of Directors' disqualification from interest motions:
 1. At the 18th meeting of the 8th Board of Directors, during the review of the 2023 employee and director remuneration distribution proposal, Directors LIN, YUNG-CHIEH and CHIU, SHU-HUI, who also serve as managerial officers, recused themselves from discussion and voting due to conflicts of interest. All other attending directors approved the proposal.
 2. At the 19th meeting of the 8th Board of Directors, during the review of the waiver of non-compete restrictions for newly appointed directors, Independent Directors LIU, HSUEH-YU and CHIN, LAN-FANG, being interested parties, recused themselves from discussion and voting. All other attending directors approved the proposal.
 3. At the 20th meeting of the 8th Board of Directors, during the review of the adjustment of 2024 compensation for the Company's managerial officers, Directors LIN, YUNG-CHIEH and CHIU, SHU-HUI, who also serve as managerial officers, recused themselves from discussion and voting. All other attending directors approved the proposal.

4. At the 2nd meeting of the 9th Board of Directors, during the review of the proposed first-half 2024 performance bonuses for the Company's managerial officers, Directors LIN, YUNG-CHIEH and CHIU, SHU-HUI, due to their concurrent managerial roles, recused themselves from discussion and voting. All other attending directors approved the proposal.
5. At the 4th meeting of the 9th Board of Directors, during the review of the proposed second-half 2024 performance bonuses for the Company's managerial officers, Directors LIN, YUNG-CHIEH and CHIU, SHU-HUI, due to their concurrent managerial roles, recused themselves from discussion and voting. All other attending directors approved the proposal.

III. Implementation of the Board of Directors' evaluation:

1. Assessment result: The overall average score for the board's performance was 4.95 out of 5, and the individual members' performance average score was 4.99 out of 5, indicating good overall operation of the board; the Audit Committee received an overall average score of 5 out of 5, the Remuneration Committee an average score of 5 out of 5, and the Sustainability Committee an average score of 5 out of 5, with 100% satisfaction across all measured aspects.

2. The above evaluation results were reported and approved at the 9th term, 5th board meeting.

Evaluation Frequency	Evaluation Period	Scope of Evaluation	Evaluation Method	Content of Evaluation
Once per year	2024/01/01 to 2024/12/31	Board of Directors, Board Members, Audit Committee, Remuneration Committee, and Sustainability Committee	Internal Self-Assessment by the Board and Board Members	<p>(1) Board Performance Evaluation: Includes participation in company operations, enhancement of board decision-making quality, board composition and structure, director selection and continuing education, and internal control.</p> <p>(2) Individual Director Performance Evaluation: Includes understanding of the company's goals and missions, awareness of director responsibilities, participation in operations, internal relationship management and communication, professional expertise and continuing education, and internal control.</p> <p>(3) Performance Evaluation of the Audit Committee, Remuneration Committee, and Sustainable Development Committee: Includes</p>

				participation in company operations, awareness of responsibilities, quality of decision-making, composition and member selection, and internal control.
<p>IV. Assessment of the objectives and implementation of the enhanced functions of the Board of Directors for the current and most recent years.</p> <p>1. Since 2015, the Company has established an Audit Committee to replace the Supervisors' duties and responsibilities, and its members are all independent directors.</p> <p>2. The Company has posted important resolutions on the Market Observation Post System immediately after the Board of Directors' meetings to protect shareholders' rights and interests, and has designated a person responsible for the collection and disclosure of corporate information and established a spokesperson system to ensure that all material information and information is properly disclosed for the reference of shareholders and interested parties.</p>				

Note: The actual attendance rate (%) is calculated on the basis of the number of Board meetings held and the actual attendance during the term of his employment.

(2) Operations of Audit Committee:

The Audit Committee held 6 meetings (A) in 2024 and the attendance of committee members is shown below:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) [B/A] (Note)	Remarks
Independent Director	CHEN, BI-FENG	6	-	100%	
Independent Director	YAO, DE-CHANG	3	-	100%	May 31, 2024 – Removed upon re-election
Independent Director	LIU, HSUEH-YU	6	-	100%	
Independent Director	CHIN, LAN-FANG	6	-	100%	
Independent Director	WANG, TIEN-HAO	3	-	100%	May 31, 2024 – Appointed upon re-election
Independent Director	CHEN, CHUAN-NAN	3	-	100%	May 31, 2024 – Appointed upon re-election
<p>Other mentionable items:</p> <p>(1). Annual Work Focus: The Audit Committee operates in accordance with the Company's Audit Committee Organizational Procedures and its annual review focuses on:</p> <ol style="list-style-type: none"> 1. Financial statements. 2. Selection (dismissal) and assessment of independence of CPAs. 3. Revision of the internal control system and implementation of internal audit. 4. Significant assets, derivatives, loans of funds and endorsement and guarantee transactions. 5. Matters involving the directors' own interests. 6. Significant matters required by the competent authorities. 					

(2). If the Audit Committee operates under any of the following circumstances, it shall state the date and period of the Audit Committee meeting, the content of the motion, the content of the objections, reservations or significant recommendations of the independent directors, the results of the Audit Committee resolution and the Company's handling of the Audit Committee's opinion.

1. Matters referred to in Article 14-5 of the Securities Transaction Act:

Audit Committee Term/Date	Motion Content	Audit Committee Resolution Result	The Company's handling of the Audit Committee's opinion
2024/02/27 Third Session, Seventeenth Meeting	<ul style="list-style-type: none"> ● Assessment of the effectiveness of the internal control system for 2023 and the Internal Control System Statement. ● 2023 Business Report and Financial Statements. ● Evaluation of the independence and competence of the certified public accountants for 2024. ● Appointment of the Company's certified public accountants. ● Proposal to increase investment in a subsidiary. 	The motion was passed from all audit committee members.	Submitted to the Board and approved by all the attending directors.
2024/04/18 Third Session, Eighteenth Meeting	<ul style="list-style-type: none"> ● Proposal for a private placement of common shares through capital increase. 		
2024/04/30 Third Session, Ninth Meeting	<ul style="list-style-type: none"> ● 2024 Q1 Financial Report. ● Proposal to increase investment in a subsidiary. 		
2024/07/24 Fourth Session, First Meeting	<ul style="list-style-type: none"> ● 2024 Q2 Financial Report. ● Proposal to increase investment in a subsidiary. 		
2024/10/28 Fourth Session, Second Meeting	<ul style="list-style-type: none"> ● 2024 Q3 Financial Report. 		
2024/12/30 Fourth Session, Third Meeting	<ul style="list-style-type: none"> ● Proposal to establish the 2025 audit plan of the Company. ● Proposal to establish the Company's "Sustainable Information Management Procedures." ● Proposal on the remuneration for the Company's certified public accountants. 		

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

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

(4). Communications between the independent directors, the Company's chief internal auditor and CPAs (including the material matters, manner and results of communication regarding the financial and business position of the Company):

1. The Head of Internal Audit of the Company provides audit reports to the independent directors on a regular basis, and the Audit Committee and the Board of Directors put forward proposals for internal audit reports, annual audit plans and amendments to the internal control system to enable the independent directors to have a full understanding of the implementation of internal control of the Company's business. The independent directors had no objection or reservation to the motions this year and their communication with the audit business was good.

2. At least one meeting per year is held exclusively between the independent directors and the accountant and audit supervisor. Before issuing financial reports, the independent directors and the accountant

engage in pre-meeting communications to reach a consensus. The most recent communication involved the accountant explaining the key audit matters for the 2024 financial report and regulatory compliance, ensuring smooth communication between the Company's independent directors and the certified public accountant.

Note: The actual attendance rate (%) is calculated on the basis of the number of Audit Committee meetings held and the actual attendance during his employment.

(3) Corporate Governance Implementation Status and Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons:

Evaluation Item	Implementation Status			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	N	Abstract Explanation	
1. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		The Code of Corporate Governance Practices was approved by the Board of Directors on March 10, 2015 and the exercise of powers and duties by the directors and the internal control system are governed by the Code of Corporate Governance Practices.	None
2. Shareholding structure & shareholders' rights				
(1) Does the Company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	✓		(1) The Company has established a spokesperson system, with dedicated personnel responsible for handling shareholders' proposals, doubtful disputes and litigation matters, and coordinating with relevant units of the Company for settlement.	None
(2) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		(2) The Company discloses the names of its major shareholders and the ultimate controllers of its major shareholders in accordance with the law, while maintaining communication channels with its major shareholders, and making disclosures in accordance with the law.	None
(3) Does the Company establish and execute the risk management and firewall system within its conglomerate structure?	✓		(3) The Company has established supervision system over its subsidiaries and clearly delineated the authority and responsibility for the management of personnel, assets and finances between the Company and its affiliates, and each affiliate has established its own independent financial and business systems.	None
(4) Does the Company establish internal rules against insiders trading with undisclosed information?	✓		(4) The Company has established a management system to prevent insider trading, to establish a internal mechanism for handling and disclosing material information, to avoid improper disclosure of information, and to ensure consistency and accuracy of information released by the Company to the outside world.	None
3. Composition and responsibilities of the Board of Directors				
(1) Does the Board develop and implement a diversified policy	✓		(1) Please refer to pages 9-10 of this annual report for more information.	None

Evaluation Item	Implementation Status			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	N	Abstract Explanation	
and specific objectives of management for the composition of its members?	✓		(2) In order to achieve the vision of sustainable corporate management, the Company has established a Sustainability Committee in accordance with the Company's Code of Practice on Sustainable Development to oversee and manage the environmental, social and governance aspects of the Company's sustainable development and promotion. The Committee is a functional committee under the Board of Directors. The Chairman is the Chairman of the Board of Directors, the Deputy Chairman is the President, and the four independent directors are members of the Committee, which meets at least twice a year and submits the implementation of sustainable development to the Board of Directors for review.	None
(2) Does the Company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	✓		(3) To implement sound corporate governance and enhance the functioning of the Board of Directors, the Company has established the “Regulations for Performance Evaluation of the Board of Directors” to set performance targets aimed at improving board efficiency. The Company conducts annual performance evaluations using questionnaires. The scope of the evaluation includes the overall Board of Directors, individual board members, the Audit Committee, the Remuneration Committee, and the Sustainable Development Committee. In 2024, self-evaluations of the overall Board, each committee, and individual directors were completed. The evaluation results were presented to the 5th meeting of the 9th Board of Directors and disclosed via the Market Observation Post System.	None
(3) Does the Company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the compensation of individual directors and nominations for reelection?	✓		(4) The Company conducts an annual assessment of the independence and competence of its certified public accountants. In addition to obtaining an “Independence Statement” and “Audit Quality Indicators (AQIs)” from the auditors, the Company uses the 2024 CPA Independence Evaluation Form (please refer to page 27 of this annual report) and 13 AQI metrics for evaluation. It has been confirmed that the auditors have no financial interests or business relationships	None
(4) Does the Company regularly evaluate the independence of CPAs?				

Evaluation Item	Implementation Status			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	N	Abstract Explanation	
			<p>with the Company beyond services related to attestation and tax matters. The auditors’ family members do not violate independence requirements. The AQI indicators further confirm that the auditors’ audit experience and training hours exceed the industry average. The audit firm also continues to adopt digital audit tools to enhance audit quality.</p> <p>The most recent evaluation results were approved at the 4th meeting of the 4th Audit Committee and subsequently ratified by resolution at the 5th meeting of the 9th Board of Directors.</p>	
4. Does the Company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders’ meetings, and producing minutes of board meetings and shareholders’ meetings)?	√		The Company has appointed a Corporate Governance Officer since 2020 and assigned one dedicated corporate governance personnel. Key responsibilities include handling matters related to meetings of the Board of Directors, the Audit Committee, the Remuneration Committee, and the Shareholders’ Meeting in accordance with the law; preparing meeting minutes; assisting directors with onboarding and ongoing education; providing directors with the necessary information for business execution; and supporting their compliance with applicable laws and regulations.	None
5. Does the Company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	√		The Company has established a spokesperson system as a channel for external communication. In addition, the Company announces important information on the Market Observation Post System for the reference of stakeholders in accordance with relevant laws and regulations, and sets up a stakeholder area on the Company’s website to respect and protect their legitimate rights and interests.	None
6. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?	√		The Company appointed the Department of Stock Transfer Agency, Yuanta Securities Co. to handle the Company’s stock affairs.	None
7. Information disclosure (1) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance? (2) Does the Company have other	√ √		<p>(1) The Company has established a website, which is maintained by a dedicated person and updated with important financial, business and corporate governance information from time to time for the reference of shareholders and stakeholders.</p> <p>(2) The Company’s finance department has</p>	<p>None</p> <p>None</p>

Evaluation Item	Implementation Status			Deviations from the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Y	N	Abstract Explanation	
<p>information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?</p> <p>(3) Does the Company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?</p>	✓		<p>designated a person responsible for the collection and disclosure of financial and business and corporate governance information, and has established an investment relations department according to the spokesperson system.</p> <p>(3) The company's annual financial reports have been announced and filed within two months after the end of the fiscal year, and the first, second, and third quarter financial reports and the operational status of each month have been completed before the filing deadline. For information disclosure regarding the above, please refer to the Public Information Observatory.</p>	None
<p>8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?</p>	✓		<p>(1) The directors of the Company pay close attention to the relevant legal and regulatory information and comply with the requirements of the Act.</p> <p>(2) All directors of the Company have relevant professional backgrounds and practical experience in management, and are well trained.</p> <p>(3) The Company upholds the concept of "Labour integration", emphasizes humane and rational management, and establishes smooth communication channels to maintain relations between employers and employees. For more details, please refer to the section of this report titled "Introduction to Operations - V. Labour Relations".</p> <p>(4) Rights of Stakeholders: Please refer to the Company's website - Sustainability Report https://www.fitipower.com/esg</p> <p>(5) Implementation of risk management policies and risk measurement standards: Please refer to the Company's Annual Report - Risk Management.</p> <p>(6) Implementation of customer policy: The Company maintains a smooth communication channel with customers in order to maintain a good relationship with them.</p> <p>(7) Liability insurance for directors: The Company continues to take out liability insurance (D&O) for its directors to</p>	None

Evaluation Item	Implementation Status			Deviations from the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	N	Abstract Explanation	
			enhance the protection of shareholders' interests.	
<p>9. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures.: To strengthen corporate governance, the Company continues to make improvements in response to the evaluation results of the Corporate Governance Evaluation System. In 2024, the Company commissioned an independent external evaluation agency—Chinese Corporate Governance Association—to conduct a performance evaluation of the Board of Directors. The relevant assessment results have been disclosed on the Company’s official website.</p>				

2025 CPA Independence Standards: 2024 CPA Independence Standards:

Evaluation Items	Evaluation Results	Independence Compliance
1.The CPA has a direct or material indirect financial interest in the Company.	No	Yes
2.The CPA has financing or assurance relationship with the Company or the Company's directors.	No	Yes
3.The CPA has a close business relationship and potential employment relationship with the Company.	No	Yes
4.The CPA and the members of his audit team are currently or have been in the last two years a director, manager or officer of the Company or have exercised significant influence over the audit	No	Yes
5.The CPA has provided any non-audit services to the Company that may directly affect the audit.	No	Yes
6.The CPA has acted as an intermediary in relation to any shares or other securities issued by the Company.	No	Yes
7.The CPA has acted as the Company's advocate or has acted on behalf of the Company in coordinating conflicts with third parties.	No	Yes
8. The CPA is related to a director, manager or person with significant influence over the audit.	No	Yes
9.The CPA has provided audit services to the Company for a continuous period of seven years.	No	Yes
10.The Company obtains an annual declaration of independence from the CPA.	Yes	Yes

(4) Operation of the Remuneration Committee

1. Committee Member Information

Position	Criteria Name	Professional Qualifications and Experiences	Independence	Number of members of other public companies' Remuneration Committees
Independent Director (Convenor)	CHEN, BI-FENG	The Company's Remuneration Committee is composed of three Independent Directors. For the professional qualifications and experience of the committee members, please refer to page 10 of this annual report under "Professional qualifications and independence analysis of directors and supervisors."		-
Independent Director (Note)	YAO, DE-CHANG			-
Independent Director	LIU, HSUEH-YU			2
Independent Director	WANG, TIEN-HAO			-

Note: Director YAO, DE-CHANG was removed from office upon re-election on May 31, 2024.

2. Duties of the Remuneration Committee.

Regular review of remuneration:

The function of the Company's Remuneration Committee is to evaluate, in a professional and objective manner, the remuneration policies and systems applicable for the Company's directors and managers, to meet at least twice a year, and to meet as often as necessary to make recommendations to the Board of Directors for its reference in making decisions.

(1) The responsibilities of the Remuneration Committee of the Company:

- A. To establish and regularly review the policies, systems, standards and structure of annual and long-term performance targets and remuneration for the Directors and managers of the Company.
- B. To regularly evaluate the achievement of the performance objectives of the Company's directors and managers and to determine the amount of their remuneration.

(2) In carrying out its duties, the Remuneration Committee is governed by the following criteria.

- A. To ensure that the remuneration arrangements of the Company are in accordance with the relevant laws and regulations and are sufficient to attract talented people.
- B. The performance and remuneration of directors, supervisors and managers shall be evaluated with reference to the usual level of remuneration in the industry, taking into account the time devoted by the individual, his or her responsibilities, the achievement of personal objectives, the performance of other positions held, the remuneration offered by the Company in recent years to persons in equivalent positions, and the achievement of the Company's short-term and long-term business objectives and the Company's financial position, etc., to assess the reasonableness of the relationship between the individual's performance and the Company's operating performance and future risks.
- C. Directors and managers should not be induced to engage in conduct that exceeds the Company's tolerance for risk in the pursuit of remuneration.
- D. The proportion of bonuses paid to directors and senior managers for short-term performance and the timing of payment of some variable remuneration shall be determined by taking into account the characteristic of the industry and the nature of the Company's business.
- E. Members of the Committee shall not be allowed to participate in the discussion and vote on decisions regarding their personal remuneration.

3. Information on the operation of the Remuneration Committee

(1) There are three 3 members of the Remuneration Committee of the Company.

(2) The term of office of the current members: from May 31, 2024 to May 30, 2027 (or until the 2027 Annual General Meeting for re-election), the 2024 Remuneration Committee met 4 times (A) with the following members present.

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance (B/A)	Remark
Convener	CHEN, BI-FENG	4	-	100%	
Member	YAO, DE-CHANG	2	-	100%	May 31, 2024 – Removed upon re-election
Member	LIU, HSUEH-YU	4	-	100%	
Member	WANG, TIEN-HAO	2	-	100%	May 31, 2024 – Appointed upon re-election

Date of the most recent annual meeting of the Remuneration Committee, content of the motion, outcome of the resolution and the Company's response to the views of the Remuneration Committee.

Remuneration Committee	Proposal	Result	The Company's Handling
2024/02/27 Fifth Session, 12 th Meeting	● Proposal for the distribution of employee and director compensation for 2023.	All members agreed to approve	Submitted to the Board and approved by all the attending directors.
2024/04/30 Fifth Session, 13 th Meeting	● Proposal for the adjustment of 2024 managerial position salaries.	All members agreed to approve	Submitted to the Board and approved by all the attending directors.
2024/07/24 Sixth Session, 1st Meeting	● Proposal for 2024 first-half performance bonuses for managerial officers.	All members agreed to approve	Submitted to the Board and approved by all the attending directors.
2024/12/30 Sixth Session, 2nd Meeting	● Proposal for 2024 second-half performance bonuses for managerial officers.	All members agreed to approve	Submitted to the Board and approved by all the attending directors.

Other mentionable items:

1. If the Board does not adopt or resolve to amend the recommendation of the Remuneration Committee, it shall state the date of the Board meeting, the session of the meeting, the content of the motion, the Board resolution and the Company's handling of the recommendation of the Committee (if the compensation approved by the Board is higher than the recommendation of the Committee, it shall state the difference and the reasons for the difference): None.
2. If the members of the Remuneration Committee have any objections or reservations to a resolution, and such objections or reservations are recorded or stated in writing, the date and date of the resolution, the content of the resolution, the opinions of all members of the Remuneration Committee and the treatment of the opinions of the members of the Remuneration Committee shall be stated: None.

Note: The actual attendance rate (%) is calculated based on the number of meetings of the Remuneration Committee and their actual attendance during their employment.

(5) Operation of the Sustainability Committee

1. In order to realise our vision of sustainable corporate management, the Company has established a Sustainability Committee in accordance with the Company's Code of Practice on Sustainable Development to oversee and manage the environmental, social and governance aspects of the Company's sustainable development and promotion. The Committee is a functional committee of the Board of Directors, chaired by the Chairman, with the Deputy Chairman being the President and four independent directors as members, and meets at least twice a year to review the implementation of sustainable development.

Title	Name	Expertise	Remark
Chairperson (Director)	LIN, YUNG-CHIEH	Corporate governance, ESG operation management, business, technology, operation management, etc.	
President (Vice Director)	CHIU, SHU-HUI	Corporate governance, business, technology, operation management, etc.	
Independent Director(Member)	CHEN, BI-FENG	Business, finance and accounting.	
Independent Director(Member)	YAO, DE-CHANG	ESG operation management, business, technology, operation management, etc.	May 31, 2024 – Removed upon re-election
Independent Director(Member)	LIU, HSUEH-YU	Business, technology, operation management, etc.	
Independent Director(Member)	CHIN, LAN-FANG	Legal affairs, business, operation management, etc.	
Independent Director(Member)	CHEN, CHUAN-NAN	ESG operations and management, business, technology, corporate management, etc.	May 31, 2024 – Appointed upon re-election

2. The responsibilities of the Committee shall include the followings for the purpose of sustainable management:

- (1) To oversee the Group's vision, policies and objectives for sustainable development, as well as the preparation and amendment of the charter, code of conduct, code of conduct and other rules and regulations relating to sustainability.
- (2) To identify risks and opportunities in relation to the Group's sustainable development and deciding on strategies and investments in response.
- (3) To oversee the planning and implementation of the Group's sustainable development strategy.
- (4) To oversee the performance and disclosure of information on the Group's sustainable development.
- (5) To report to the Board on the Group's sustainable development work plans and performance of implementation.
- (6) Other matters resolved by the Board of Directors and handled by the Committee.

3. Information on the operation of the Sustainability Committee.

The term of the current committee members is from May 31, 2024, to May 30, 2027 (or until the election of new members at the 2027 shareholder's meeting). In 2024, the committee met twice (A). Attendance details are as follows:

Title	Name	Actual attendance (B)	By Proxy	Actual attendance Rate (B/A)	Note
Chairperson (Director)	LIN, YUNG-CHIEH	2	-	100%	

President (Vice Director)	CHIU, SHU- HUI	2	-	100%	
Independent Director	CHEN, BI- FENG	2	-	100%	
Independent Director	YAO, DE- CHANG	0	-	-	May 31, 2024 – Removed upon re- election
Independent Director	LIU, HSUEH- YU	2	-	100%	
Independent Director	CHIN, LAN- FANG	2	-	100%	
Independent Director	CHEN, CHUAN- NAN	2	-	100%	May 31, 2024 – Appointed upon re- election

(6) Implementation of Sustainable Development and Deviations from the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons:

Promotional Items	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	N	Abstract Explanation	
1. Does the Company establish exclusively (or concurrently) dedicated first-line managers authorized by the board to be in charge of proposing the corporate social responsibility policies and reporting to the board?	✓		The Company has established a Sustainability Committee in 2021, with the Chairman of the Board of Directors as the Chairman, and established a Sustainable Development Task Force, with senior executives in each area responsible for the implementation of the task force. The Company has a short-, medium- and long-term sustainable development plan and reports annually to the Board on its implementation during the year. The Board oversees the formulation of management policies, strategies and objectives for the sustainable development of the Company and the review of measures. Please refer to page 25-26 of this annual report for the operation of the Sustainability Committee in 2024.	None
2. Does the Company assess ESG risks associated with its operations based on the principle of materiality, and establish related risk management policies or strategies?	✓		Please refer to page 83 of this Annual Report - Risk Management section. On March 10, 2015, the company's board of directors approved the establishment of the "Corporate Social Responsibility Practice Guidelines" to fulfill corporate social responsibility and implement the guidelines' regulations. In response to the trend of sustainable development and corporate governance 3.0, the company revised the guidelines	None

Promotional Items	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	N	Abstract Explanation	
			to "Sustainable Development Practice Guidelines" on May 31, 2021, as approved by the board of directors' resolution. On November 8, 2021, the board of directors resolved to issue the "Risk Management Policy and Procedures."	
3. Environmental issues				
(1) Does the Company establish proper environmental management systems based on the characteristic of its industry?	✓		(1) The Company is primarily engaged in IC research and design and does not engage in manufacturing activities, thus it is classified as a low-pollution industry. Nevertheless, to enhance resource efficiency and mitigate environmental impacts during operations, the Company has established environmental and energy policies and implemented various management programs through the Sustainable Development Committee. To further enforce green office management, the Company introduced ISO 14001 in 2022 and has maintained the validity of the certificate annually. The latest version of the certificate can be downloaded from the Company's official website.	None
(2) Does the Company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓		(2) The Company is committed to promoting environmental management. In terms of green office, such as the policy of e-documents, electronic signature system, use of recycled paper, use of environmentally friendly tableware, LED lighting, improvement of energy efficiency of equipment, implementation of centralized waste management and separate disposal, etc. For green products, the materials of the Company's products are 100% compliant with EU RoHS, REACH and HF requirements. The Company actively promotes green products and procurement, and reducing the use of hazardous substances.	None
(3) Does the Company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate	✓		(3) Every year, the Company assesses the risks and opportunities related to climate change on its current and	

Promotional Items	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons						
	Y	N	Abstract Explanation							
<div>change issues?</div> <div>(4) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?</div>	✓		<div>future operations, currently meeting the expectations of customers and stakeholders without being affected by related policy and legal changes (such as provisions for major domestic electricity users). We independently adopt the TCFD framework for disclosing relevant climate risk information, detailed in the "Environmental Coexistence" section of the sustainability report. In 2024, an external professional consultancy team will enhance the disclosure of financial impacts, and we plan to publish an independent report (TCFD) in April 2025. Furthermore, the Company continues to independently implement relevant response measures, such as replacing low-efficiency equipment, using LED energy-saving lighting, monitoring air conditioning systems, enhancing energy efficiency, turning off lights when idle for extended periods, implementing centralized waste management, recycling and sorting resources, paperless operations, and promoting related carbon reduction actions. In 2023, ISO 14064 was introduced to serve as a basis for future carbon reduction actions. (The ISO 14064-1 verification statement for 2024 is expected to be obtained in April 2025.)</div> <div>(4) The Company has established environmental, safety and health and energy policies, and regularly tracks water, electricity and waste production. Targets are set for each environmental indicator and the results are reviewed regularly. StatistIc on greenhouse gas emissions, water consumption and total weight of waste for the last two years are as follows. For more details, refer to the "Environmental Coexistence" section of the sustainability report.</div> <div>● Taiwan Plant</div> <table><tr><th>Item</th><th>2023</th><th>2024</th></tr><tr><td>Water consumption</td><td>4,890</td><td>5,017</td></tr></table>	Item	2023	2024	Water consumption	4,890	5,017	None
Item	2023	2024								
Water consumption	4,890	5,017								

Promotional Items	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons												
	Y	N	Abstract Explanation													
			<table><tr><td>(m3)</td><td></td><td></td></tr><tr><td>Use of electricity (kwh)</td><td>1,461</td><td>1,569</td></tr><tr><td>Amount of waste (tonnes)</td><td>37</td><td>22</td></tr><tr><td>Greenhouse gas emissions (tonnes of CO2) (Note)</td><td>723</td><td>775</td></tr></table> <p>Note: The company has no production capacity and related emission are indirect.</p>	(m3)			Use of electricity (kwh)	1,461	1,569	Amount of waste (tonnes)	37	22	Greenhouse gas emissions (tonnes of CO2) (Note)	723	775	
(m3)																
Use of electricity (kwh)	1,461	1,569														
Amount of waste (tonnes)	37	22														
Greenhouse gas emissions (tonnes of CO2) (Note)	723	775														
4. Social issues (1) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights? 																

Promotional Items	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	N	Abstract Explanation	
(4) Does the Company provide its employees with career development and training sessions?	✓		<p>certificate can be downloaded from the Company’s official website), providing a safe and healthy work environment for employees. Related initiatives include hazard identification for business activities, annual safety inspections for factory operations and fire equipment, biannual monitoring of the work environment (such as carbon dioxide, lead, lighting, noise levels), regular cleaning of office environments, weekly stationed professional nurses, quarterly medical consultations by doctors, annual health check-ups for employees, bi-weekly stress-relief massages, contractor management upon entering the factory, and providing relevant safety and health training. In 2024, health and safety training sessions totaled 1497 attendees with a cumulative 2026.5 hours. There were no fire incidents at the Company in 2024.</p>	None
(5) Do the Company’s products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?	✓		<p>(4) The Company offers comprehensive career capability development training programs, tailored according to aptitude, rank, and function. Please refer to the “Career Development” section on the Company’s website. The Company has established the iLEARN online learning platform, providing a range of online and offline courses for managerial staff, recording each employee’s training journey and constructing a robust career development blueprint; in 2024, a total of 282 practical courses were offered, with an average training duration of 16.1 hours per employee, marking a significant increase of 10% (14.6 hours) from the previous year.</p>	None
(6) Does the Company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection,	✓		<p>(5) The Company’s marketing and labelling of products and services are in accordance with relevant laws and regulations and international standards. An internal management system is in place</p>	None

Promotional Items	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	N	Abstract Explanation	
occupational health and safety, or labor and human rights? If so, describe the results.			<p>(ISO 45001, ISO 27001). External communications can be conducted directly through the official website and business representatives, and reports can also be made through the Company’s complaint mailbox (wb@fitipower.com).</p> <p>(6) The Company has established a supplier management policy and code of conduct. Before engaging in procurement activities with suppliers, besides requiring suppliers to understand Fitipower's sustainability requirements, a Fitipower Sustainability Commitment is also signed. The Company evaluates suppliers' sustainability management and considers the results in procurement decisions. Additionally, a conflict minerals policy is in place for raw material procurement to ensure that the materials provided by suppliers do not contain conflict minerals; the Company also adheres to international green standards, ensuring that product raw materials comply with RoHS, REACH, and HF requirements, working together to establish a sustainable supply chain of mutual prosperity.</p>	
5. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third party verification unit?	✓		<p>The Company's corporate social responsibility efforts are disclosed in the annual report and on the Company website. Furthermore, while Fitipower is not yet listed among the companies required to issue a sustainability report, we still voluntarily discloses sustainability information (sustainability report) following the latest GRI standards, SASB, and TCFD frameworks, and has obtained a third-party assurance statement (AA1000), published on the Company website and Market Observation Post System (MOPS).</p>	None
<p>6. Describe the difference, if any, between actual practice and the sustainable development principles, if the Company has implemented such principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies:</p> <p>The Company's Board of Directors approved a revised Code of Practice on Sustainable Development on May 31 2021. There are no significant differences between the Code of Practice on Sustainable Development and the Code of Practice on Sustainable Development for Listed Companies, please refer to the Company's website - Sustainability Report</p>				

Promotional Items	Implementation Status			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Y	N	Abstract Explanation	
https://www.fitipower.com/esg °				
7. Other important information to understand the implementation of sustainable development: (For more information, please refer to the sustainability section on the Company's website, URL: https://www.fitipower.com/esg).				

(7) Climate-Related Information for Exchange-Listed and OTC-Listed Companies

1. Implementation of Climate-Related Information

Items	Implementation Details
<ol style="list-style-type: none"> Describe the oversight and governance of climate-related risks and opportunities by the board of directors and management. Explain how identified climate risks and opportunities impact the company's business, strategy, and finances (short-term, medium-term, long-term). Describe the financial impact of extreme climate events and transition actions. Explain how the identification, assessment, and management processes for climate risks are integrated into the overall risk management system. If scenario analysis is used to assess resilience to climate change risks, explain the scenarios used, parameters, assumptions, analysis factors, and key financial impacts. If there is a transition plan in place to manage climate-related risks, describe the content of the plan and the metrics and targets used to identify and manage physical and transition risks. If internal carbon pricing is used as a planning tool, explain the basis for pricing. If climate-related targets are set, 	<ol style="list-style-type: none"> The Company has established a Sustainability Committee as a functional committee of the board, responsible for overseeing and managing climate-related issues, supervising climate change risks and opportunities, formulating corresponding policies, strategies, and setting short, medium, and long-term goals. The committee supervises departmental action plans, tracks performance regularly, and reports to the board. For more information, please refer to the Company's sustainability report. As a fabless semiconductor company, to effectively assess risks and maximize benefits, it is necessary to establish a comprehensive management system focused on "green products" and "green office" initiatives, with goals set for the short (2024-2026), medium (2027-2029), and long term (post-2030). For example, in line with the national 2050 net-zero policy, many brand clients have started assessing and reducing the carbon footprint of their products, prompting downstream suppliers to undertake lifecycle carbon assessments and corresponding reduction measures. In 2024, the Company collaborated with external expert teams to identify climate-related risks and opportunities. For details, please refer to the "Summary of Material Climate Risks and Response Measures" in the Company's 2024 Climate-Related Financial Disclosure Report. The Company has established a "Risk Management Policy and Procedures," integrating climate risks into these procedures to conduct financial impact assessments and disclosures. According to these guidelines, the company facilitates cross-departmental collaboration to collectively evaluate both internal and external risks. This involves consolidating a wide range of risk factors, including market fluctuations, operational challenges, investment risks, legal compliance, environmental concerns, operational hazards, and human resources considerations. Furthermore, the company formulates response strategies and implements regular monitoring and review mechanisms to proactively address these risks. These efforts include continuous monitoring and integration with internal audit and control functions. Additionally, annual results are reported to the board to ensure the effectiveness of risk management plans and related control operations. According to the International Energy Agency's (IEA) Net Zero Emissions (NZE) by 1.5°C scenario, the Company must reduce absolute emissions by 42% by 2030 and by 90% by 2050 to help limit the global average temperature increase to within 1.5°C and avoid severe impacts of climate change. Taking 2024 as the base year, the Company analyzed targets for 2030 and 2035. Compared to the Business-as-Usual (BAU) scenario without transition actions, the Company must conduct

<p>describe the activities covered, scopes of greenhouse gas emissions, planning timelines, and annual progress achieved; if carbon offsets or Renewable Energy Certificates (RECs) are used to meet these targets, explain the sources and amounts of carbon reduction or the number of RECs.</p> <p>9. Greenhouse gas inventory verification and assurance situation, reduction targets, strategies, and specific action plans (additional details in sections 1-1 and 1-2).</p>	<p>comprehensive emission inventory and management, and purchase renewable energy and carbon credits to offset emissions and meet target-related financial impacts. For detailed parameters and financial impact information, please refer to the “Scenario Analysis and Financial Impact Assessment” section of the Company’s 2024 Climate-Related Financial Disclosure Report.</p> <p>6. Effective climate-related risk management requires robust data for assessment. Thus, we plan to establish a comprehensive management system and database. Besides completing ISO 14001 this year, in the short term, we plan to establish ISO 14064-1 and a robust TCFD; in the medium to long term, we expect to implement product carbon footprint introduction and renewable energy usage planning. Goals are set based on data evaluations to continuously improve. For green products, a carbon reduction benefits platform has already been established as a reference for product design. For green products, a carbon reduction benefits platform has been established as a reference for product design.</p> <p>7. None.</p> <p>8. Short-term (2024-2026):</p> <ul style="list-style-type: none"> -Obtain ISO 14064 certification (2025~) -Publish independent TCFD report (2025) -Achieve carbon assessment reductions of 5%/10%/20% for major products <p>Medium-term (2027-2029):</p> <ul style="list-style-type: none"> -100% coverage with ISO 14064; 100% assessment of Scope 3 items -Adopt the IFRS S2 framework -Achieve 100% carbon assessment for major products <p>Long-term (2030~):</p> <ul style="list-style-type: none"> -Achieve 50% carbon neutrality for Scopes 1 and 2 (increase by 10% annually, reaching carbon neutrality by 2035) -Reduce Scope 3 carbon emissions by 5% compared to 2027 (reduce by 5% annually, achieving carbon neutrality by 2050) -Reduce carbon emissions of major products by 5% annually
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1-1 Greenhouse Gas Inventory and Assurance for the Past Two Years

1-1-1 Greenhouse Gas Inventory Information

Detail the greenhouse gas emissions for the last two years (in tonnes CO₂e), intensity (tonnes CO₂e per million NTD), and the data coverage scope:

Currently, the inventory is conducted internally and has not yet undergone third-party verification. The inventory data for 2024 is expected to be third-party verified, covering all Fitipower locations (including subsidiaries, with expected implementation by 2027).

Scopes	2024	2023
Scope 1	192	-
Scope 2	775	729 tonnes of CO ₂

The above inventory boundaries are limited to the data from the Hsinchu headquarters.

Note 1: Direct emissions (Scope 1, emissions directly from sources owned or controlled by the company), energy indirect emissions (Scope 2, emissions from imported electricity, heat, or steam causing indirect greenhouse gas emissions), and other indirect emissions (Scope 3, emissions from company activities that are not from energy sources but from sources owned or controlled by other companies).

Note 2: Data covering direct and energy indirect emissions should be managed according to the schedule stipulated in Article 10, paragraph 2 of these standards, while other indirect emissions information may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product/service or based on revenue, but at a minimum, it should detail the data calculated based on revenue (in million NTD).

1-1-2 Greenhouse Gas Assurance Information

Detail the assurance situation for the last two years as of the date the annual report was printed, including assurance scope, assurance institution, assurance standards, and assurance opinions: The above data is based on internal self-assessments. External assurance is expected to be completed in April 2025.

1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Detail the baseline year for greenhouse gas reduction and its data, reduction targets, strategies, and specific action plans, along with the status of achieving reduction targets: Please refer to point 8 of the Implementation of Climate-Related Information section (page 38 of this annual report).

(8) Fulfillment of Ethical Corporate Management and Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1. Establishment of ethical corporate management policies and programs 1) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the	✓		(1) On April 16, 2015, the Board of Directors of the Company approved the establishment of the Code of Conduct with Integrity to ensure that the conduct of the Company's directors and managers meets ethical standards and to	None

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
active commitment of the Board of Directors and management towards enforcement of such policy?	✓		enhance stakeholders' understanding of the Company's code of ethical conduct.	None
2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?	✓		(2) For business activities with a higher risk of dishonest conduct within the scope of Article 7(2) of the "Code of Conduct for Listed Companies with Integrity" or other business activities, the Company has formulated relevant rules and regulations in the "Code of Conduct for Integrity in Listed Companies" to facilitate compliance by relevant personnel, and to enforce the Company's disciplinary system in the event of non-compliance.	
3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce the programs above effectively and perform regular reviews and amendments?	✓		(3) The Board of Directors' Meeting on March 10, 2015 approved the "Procedures and Guidelines for Integrity Management", which specify the operating procedures, guidelines for conduct, disciplinary actions and complaint system for non-compliance, and are implemented and regularly reviewed and revised in accordance with the law.	None
2. Fulfill operations integrity policy				
1) Does the company evaluate business partners' ethical records and include ethIC-related clauses in business contracts?	✓		(1) Before entering into a business relationship with a counterparty, the Company evaluates the legitimacy of the counterparty and whether there is any record of dishonest behavior, and specifies the terms of honest behavior in the contract.	None
2) Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	✓		(2) To improve the management of honest management, the Company established the "Working Group for Promoting Honest Management" by the Management Center in 2024, which is responsible for the policy of honest management and preventive measures, and reports the implementation status to the Board of Directors once a year. In 2021, the Company	None

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	✓		<p>implemented the following plans to implement its policy of honest management.</p> <ol style="list-style-type: none"> 1. All staff (including new recruits) are required to complete a training course and pass a test (including the "Code of Conduct for Integrity" and the "Procedures and Behavioural Guidelines for Integrity"). 2. The Management Division will regularly promote compliance with the law to all staff. 3. Regular audits by internal auditors and annual internal control audits by accountants. 4. Complaints are handled and no breach of integrity has been received in 2024. <p>(3) The Company has established the "Operating Procedures and Conduct Guidelines for Integrity" as a guide for employees to follow when conducting business, and has set up a whistleblowing mailbox on the Company's website as a reporting channel.</p>	None
4) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire outside accountants to perform the audits?	✓		<p>(4) The Company has established an effective accounting system and internal control system, which is reviewed from time to time to ensure that the system is designed and implemented in an effective manner. Internal auditors regularly review the compliance of the former system and prepare audit reports to the Board of Directors</p>	None
5) Does the company regularly hold internal and external educational trainings on operational integrity?	✓		<p>(5) In order to establish an ethical corporate culture and strengthen the promotion of management, the Company has been conducting regular ethical management education and training since 2021. The course includes the Company's "Code of Conduct for Ethical Management" and "Ethical Management Procedures and Conduct Guidelines". In 2024,</p>	None

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			the cumulative number of newcomers attending classes was 99, with a total of 32.7 hours of study.	
3. Operation of the integrity channel				
1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	✓		(1) The Company has established a specific whistleblowing and reward system in the "Integrity Procedures and Practices Guide", a whistleblowing mailbox (wb@fitipower.com), and assigned appropriate staff to receive reports against the subject of the report.	None
2) Does the company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures?	✓		(2) The Company has established standard operating procedures for the investigation of whistleblowing matters and the related confidentiality mechanism in the "Procedures and Practices for Integrity Management".	None
3) Does the company provide proper whistleblower protection?	✓		(3) The Company's staff handling the report shall declare in writing that the identity of the whistleblower and the content of the report shall be kept confidential, and the Company shall undertake to protect the whistleblower from being improperly dealt with as a result of the report.	None
4. Strengthening information disclosure				
1) Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?	✓		(1) The Company has disclosed the contents of the Code of Conduct and the effectiveness of its promotion through the Company's website.	None
5. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation: On April 16, 2015, the Board of Directors of the Company established the "Code of Conduct with Integrity" and has been implemented the regulation since then.				
6. Other important information to facilitate a better understanding of the company's ethical corporate management policies: The Company will keep abreast of the development of domestic and international ethical practices and encourage its directors, managers and employees to make suggestions to review and improve the Company's ethical policies and measures to enhance the effectiveness of the implementation of the Company's ethical practices.				

(9) Other important information regarding corporate governance: None.

(10) Implementation Status of Internal Control System

1. Statement of Internal Control System: Please refer to the Market Observation Post System

(MOPS)>Company>Corporate Governance> Corporate Policies/ Statement of Internal Control > Statement of Internal Control System(Website: <https://mops.twse.com.tw/mops/#!/web/t06sg20>)

2. If an accountant is appointed to review the internal control system, the accountant's review report shall be disclosed: None.

(11) For the most recent year and as of the date of the annual report, major resolutions of shareholders' meeting and board meetings

On May 31, 2024, matters resolved by all shareholders present at ordinary general meetings and subsequent implementation.

Resolutions	Implementation
1. Approval of the 2023 Business Report and Financial Statements.	The resolution was passed.
2. Approval of the 2023 Earnings Distribution Proposal.	A cash dividend of NT\$10.64 per share was approved and distributed on July 29, 2024.
3. Approval of Certain Amendments to the Articles of Incorporation.	Implementation in accordance with the revised Articles of Incorporation.
4. Approval of the Proposal for a Private Placement of Common Shares through Capital Increase.	The Board of Directors resolved not to proceed with the private placement of common shares approved at the 2024 Annual Shareholders' Meeting.
5. Approval of the Full Re-election of Directors.	The proposal for full re-election was approved. A total of 7 directors were elected, including 5 Independent Directors. The term of office is three years, from May 31, 2024 to May 30, 2027 (or until the re-election at the 2027 Annual Shareholders' Meeting). Elected directors are as follows: Directors: LIN, YUNG-CHIEH、CHIU, SHU-HUI Independent Directors: CHEN, BI-FENG; LIU, HSUEH-YU; CHIN, LAN-FANG; WANG, TIEN-HAO; CHEN, CHUAN-NAN
6. Approval of the Proposal to Lift Non-Competition Restrictions for Newly Elected Directors.	The resolution was passed.

Date	Type of Meeting	Major Resolutions
2024/2/27	Board Meeting	<ol style="list-style-type: none"> 1. The distribution of employees and board directors' compensation of 2023 2. 2023 Business Report and Financial Statements 3. Amendment to the "Articles of Incorporation" 4. Re-election of Directors 5. Convening the 2024 Regular Meeting of Shareholders. 6. Proposal to increase capital in a subsidiary. 7. Assessment of the effectiveness of the internal control system for the year 2023 and the declaration of the internal control system.
2024/4/18	Board Meeting	<ol style="list-style-type: none"> 1. 2023 Earnings Distribution Plan 2. Proposal to conduct a private placement of common shares for cash capital increase. 3. Matters related to the nomination and vetting of director and independent director candidates. 4. Proposal for lifting of non-competition restrictions for newly elected directors. 5. Addition of items to the notice of reasons for the 2023 regular meeting of shareholders.
2024/4/30	Board Meeting	<ol style="list-style-type: none"> 1. Approval of the 2024 Q1 Financial Statements. 2. Proposal to increase investment in a subsidiary.
2024/5/31	Board Meeting	<ol style="list-style-type: none"> 1. Election of the Chairperson of the Board. 2. Appointment of Remuneration Committee members. 3. Appointment of Sustainable Development Committee members.
2024/7/24	Board Meeting	<ol style="list-style-type: none"> 1. Approval of the 2023 Sustainability Report. 2. Approval of the 2024 Q2 Financial Statements. 3. Proposal to increase investment in a subsidiary.
2024/10/28	Board Meeting	<ol style="list-style-type: none"> 1. Approval of the 2024 Q3 Financial Statements.
2024/12/30	Board Meeting	<ol style="list-style-type: none"> 1. 2025 activity plan and budget proposal of the Company's foundation.
2025/2/26	Board Meeting	<ol style="list-style-type: none"> 1. Proposal for the distribution of 2024 employee and director remuneration. 2. 2024 Business Report and Financial Statements. 3. Proposal to convene the 2025 Annual General Shareholders' Meeting. 4. Proposal to transfer treasury shares to employees. 5. Appointment of the Company's Corporate Governance Officer. 6. Assessment of the effectiveness of the internal control system for 2024 and approval of the Internal Control System Statement.

Date	Type of Meeting	Major Resolutions
2025/3/31	Board Meeting	1. Proposal for the distribution of 2024 earnings. 2. Proposal not to proceed with the private placement of common shares as approved at the 2024 Annual General Shareholders' Meeting. 3. Proposal for a private placement of common shares through capital increase in 2025. 4. Proposal for partial amendments to the Articles of Incorporation. 5. Supplementary proposal for matters to be discussed at the 2025 Annual General Shareholders' Meeting.

(12) Major Issues of Record or Written Statements Made by Any Director Dissenting to Important Resolutions Passed by the Board of Directors: None.

4. Information Regarding the Company's Audit Fee and Independence

Unit: NT\$ thousands

Name of Accounting Firm	Name of CPA	Period Covered by CPAs' Audit	Audit Fee	Non-audit Fee	Total	Note
KPMG in Taiwan	HSIAO, PEI-JU	2024/01/01~ 2024/12/31	3,590	360	3,950	(Note)
	LI, FANG-YI					

Note: The non-audit fees primarily consist of fees for certified corporate income tax filing services.

- (1) If the non-audit fees paid to the certifying accountant, the certifying accountant's firm and its affiliates amount to more than one-fourth of the audit fees, the amount of audit and non-audit fees and the content of non-audit services should be disclosed: See the table above.
- (2) If the audit fee paid in the year of change of accounting firm is less than the audit fee paid in the year before the change, the amount of audit fee before and after the change and the reasons for the change should be disclosed: None.
- (3) If the audit fee has decreased by 15% or more from the previous year, the amount, percentage and reason for the decrease should be disclosed: None.

5. Replacement of CPA: None.

6. Where the company's chairperson, president, 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 CPAs or at an affiliated enterprise of such accounting firm: None.

7. Any transfer of equity interests and pledge and change in equity interests by a director, managerial officer, or shareholder with a stake of more than 10 percent

- (1) Changes in the shareholding status of directors, managers and major shareholders

Units: Shares

Title	Name	2024 (Note 3)		By March 28, 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairperson and CEO	LIN, YUNG-CHIEH	-	-	50,000	-
Director and President	CHIU, SHU-HUI	-	-	40,000	-
Independent Director	YAO, DE-CHANG (Note 1)	-	-	-	-
Independent Director	CHEN, BI-FENG	-	-	-	-
Independent Director	LIU, HSUEH-YU	-	-	-	-
Independent Director	CHIN, LAN-FANG	-	-	-	-
Independent Director	WANG, TIEN-HAO	-	-	-	-
Independent Director	CHEN, CHUAN-NAN	-	-	-	-
Vice President	TSAI, KUN-HSIEN	(10,000)	-	33,000	-
Vice President	CHANG, KUEI-KAI	-	-	33,000	-
Associate Manager	HSU, CHONG-MING	(30,000)	-	(1,000)	-
Accounting Manager	CHEN, PO-CAN	-	-	-	-
Head of Corporate Governance	CHEN, YI-HUI (Note 2)	-	-	-	-
Head of Corporate Governance	CHANG, JUI-LING (Note 3)	-	-	-	-

Note 1: Director YAO, DE-CHANG was removed from office upon re-election on May 31, 2024..

Note 2: Corporate Governance Officer CHEN, YI-HUI was removed from office on February 26, 2025.

Note 3: Corporate Governance Officer CHANG, JUI-LING assumed office on February 26, 2025.

(2) Information on transfer of shareholdings: None.

(3) Information on pledge of equity interest: None.

8. Information on the shareholders among the top ten in terms of shareholding proportion who are related parties or have familial relationships within the second degree of kinship:

March 28, 2025 Units: Shares; %

Name	Current Shareholding		Spouse's/ minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remark
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Hong Yang Investment INC.	8,352,000	6.89	-	-	-	-	BAO XIN International Investment INC. Hong Chi International Investment INC.	Subsidiary of HON HAI PRECISION INDUSTRY CO., LTD.	
Rept.: HUANG, DE-TSAI	-	-	-	-	-	-	BAO XIN International Investment INC. Hong Chi International Investment INC.	Chairman of the company listed on the left Chairman of the company listed on the left	

Name	Current Shareholding		Spouse's/ minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remark
	Shares	%	Shares	%	Shares	%	Name	Relationship	
BAO XIN International Investment INC.	6,558,750	5.41	-	-	-	-	Hong Yang Investment INC. Hong Chi International Investment INC.	Subsidiary of HON HAI PRECISION INDUSTRY CO., LTD.	
Rept.: HUANG, DE- TSAI	-	-	-	-	-	-	Hong Yang Investment INC. Hong Chi International Investment INC.	Chairman of the company listed on the left Chairman of the company listed on the left	
Hong Chi International Investment INC.	6,184,000	5.10	-	-	-	-	Hong Yang Investment INC. BAO XIN International Investment INC.	Subsidiary of HON HAI PRECISION INDUSTRY CO., LTD.	
Rept.: HUANG, DE- TSAI	-	-	-	-	-	-	Hong Yang Investment INC. BAO XIN International Investment INC.	Chairman of the company listed on the left Chairman of the company listed on the left	
Qun Yi Investment INC.	5,850,000	4.82					-	-	
Rept.: HUNG, JIN- YANG	-	-	-	-	-	-	-	-	
Taipei Fubon Commercial Bank Co., Ltd. in custody for the Fuh Hwa Taiwan Technology Dividend Highlight ETF Securities Investment Trust Fund	4,351,000	3.59	-	-	-	-	-	-	
Hua Nan Commercial Bank in custody for the Yuanta Taiwan Value High Dividend ETF Securities Investment Trust Fund	3,692,000	3.04	-	-	-	-	-	-	
Chang Hwa Commercial Bank Limited in custody for the Yuanta Taiwan High-yield Leading Company Fund	2,908,450	2.40	-	-	-	-	-	-	
Citibank (Taiwan) Ltd. in custody for the investment account of Norges Bank	2,565,927	2.12	-	-	-	-	-	-	

Name	Current Shareholding		Spouse's/ minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remark
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Standard Chartered Bank International Commercial Banking Division in custody for Advanced Starlight Fund Corporation's series of funds Advanced Aggregate International Stock Index	1,655,121	1.36	-	-	-	-	-	-	
Cathay Life Insurance fully discretionary investment account managed by Cathay SITE (Taiwan Equity Portfolio 15)	1,654,000	1.36	-	-	-	-	-	-	

9. 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:

Dec. 31, 2024 Unit: 1,000 shares; %

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors, Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
Trade Logic Limited	30	100.00	-	-	30	100.00
VST	23,000	89.16	-	-	23,000	89.16
Ever Harvest Limited	10,000	100.00	-	-	10,000	100.00
JADARD (Shengzhen)	223,216	55.05	-	-	223,216	55.05
Hefei JADARD Microelectronics Co.	(註)	55.05	-	-	(Note)	55.05
JADARD Technology Inc.	9,200	55.05	-	-	9,200	55.05

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors, Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
PUYU Investment Co.	100,000	100.00	-	-	100,000	100.00

Note: Not in the form of a joint stock company, so there are no shares.

III. Capital Overview

1. Capital and Shares

(1) Source of Capital

1. Share Type

March 28, 2025 ; Unit: shares

Share Type	Authorized Capital			Remark
	Outstanding Shares (Note)	Unissued Shares	Total	
Ordinary shares	121,254,453	178,745,547	300,000,000	Belonging to the stock of a listed company

Note: Including 850 shares of treasury stock

2. Share capital formation

Unit: 1,000 shares; NT\$ thousands

Month/Year	Par-Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Date of Approval and Number of Approval
2018.04	10	150,000	1,500,000	141,497	1,414,968	Cancellation of Restricted Staff New Shares \$441,000	None	2018.04.10Chu-shan-tzu-20180010638
2018.08	10	150,000	1,500,000	141,402	1,414,020	Cancellation of Restricted Staff New Shares \$948,000	None	2018.08.21Chu-shan-tzu-20180024240
2018.11	330	200,000	2,000,000	160,426	1,604,260	Cash capital increase of NT\$189,000,000 and new shares with no compensation restriction on employee rights of NT\$1,240,000	None	2018.11.13Chu-shan-tzu-20180033451
2018.11	10	200,000	2,000,000	160,404	1,604,036	Cancellation of Restricted Staff New Shares \$224,000	None	2018.11.27Chu-shan-tzu-20180034309
2018.12	0	200,000	2,000,000	162,861	1,628,606	Issue of new shares with no compensation restriction on employee rights of \$24,570,000	None	2018.12.18 Chu-shan-tzu-1070036692
2019.04	10	200,000	2,000,000	162,839	1,628,389	Cancellation of Restricted Staff New Shares \$217,000	None	2019.04.08Chu-shan-tzu-20190009645
2019.08	10	200,000	2,000,000	162,736	1,627,365	Cancellation of Restricted Staff New Shares \$1,024,000	None	2019.08.21Chu-shan-tzu-20190024299
2019.12	2010	200,000	2,000,000	165,687	1,656,875	Issue of new shares with restricted employee rights to increase capital by \$30,000,000 and cancellation of new shares with restricted employee rights to reduce capital by \$490,000	None	2019.12.17Chu-shan-tzu-20190036185
2020.04	10	200,000	2,000,000	165,625	1,656,248	Cancellation of new shares with restricted staff rights reduces capital by \$627,000	None	2020.04.10Chu-shan-tzu-20200009456
2020.08	10	200,000	2,000,000	165,549	1,655,492	Cancellation of Restricted Employee Rights New Shares Capital Reduction of \$756,000	None	2020.08.18Chu-shan-tzu-20200023627
2020.12	3510	200,000	2,000,000	166,588	1,665,880	Issue of new shares with restricted employee rights to	None	2020.12.17Chu-shan-tzu-

Month/ Year	Par- Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Date of Approval and Number of Approval
						increase capital by \$10,570,000 and cancellation of new shares with restricted employee rights to reduce capital by \$182,000		20200035500
2021.05	10	300,000	3,000,000	166,558	1,665,579	Cancellation of Restricted Employee Rights New Shares Reduction of \$301,000	None	2021.05.26Chu-shan-tzu-20210014797
2021.08	255 10	300,000	3,000,000	186,545	1,865,453	Capital increase of \$200,000,000 in cash and capital reduction of \$126,000 by cancelling new shares with restricted employee rights	None	2021.08.20Chu-shan-tzu-20210023728
2023.08	10	300,000	3,000,000	121,254	1,212,545	Capital decrease of \$652,909 in cash	None	2023.08.09 Chu-shan-tzu-1120026210

(2) List of major shareholders

March 28, 2025

Shareholding's Name	Shareholding	Percentage
Hong Yang Investment INC.	8,352,000	6.89
Bao Xin Investment INC.	6,558,750	5.41
Hong Chi Investment INC.	6,184,000	5.10
Chun Yi Investment INC.	5,850,000	4.82
Taipei Fubon Commercial Bank Co., Ltd. in custody for the Fuh Hwa Taiwan Technology Dividend Highlight ETF Securities Investment Trust Fund	4,351,000	3.59
Hua Nan Commercial Bank in custody for the Yuanta Taiwan Value High Dividend ETF Securities Investment Trust Fund	3,692,000	3.04
Chang Hwa Commercial Bank Limited in custody for the Yuanta Taiwan High-yield Leading Company Fund	2,908,450	2.40
Citibank (Taiwan) Ltd. in custody for the investment account of Norges Bank	2,565,927	2.12
Standard Chartered Bank International Commercial Banking Division in custody for Advanced Starlight Fund Corporation's series of funds Advanced Aggregate International Stock Index	1,655,121	1.36
Cathay Life Insurance fully discretionary investment account managed by Cathay SITE (Taiwan Equity Portfolio 15)	1,654,000	1.36

(3) Dividend Policy and Implementation Status:

1. Dividend Policy in the Articles of Incorporation

The Company's dividend policy is established in accordance with its current and future development plans, while taking into account the investment environment, capital requirements, domestic and international competitiveness, and shareholders' interests. In principle, the Company shall distribute dividends each year at no less than 50% of the current year's distributable earnings. Of this amount, cash dividends shall be no less than 10% of the total dividends distributed.

2. Proposed Distribution of Dividends

For the 2024 fiscal year, the Board of Directors resolved on March 31, 2025, to propose a cash dividend distribution of NT\$12.87 per share, totaling NT\$1,560,534 thousand. This proposal will be submitted for approval at the Annual General Shareholders' Meeting scheduled for May 26, 2025, and will be implemented in accordance with applicable regulations thereafter.

3. Expected material change in dividend policy to be specified: None.

(4) The effect of the proposed gratis allotment of shares at the shareholders' meeting on the Company's operating results and earnings per share

There is no proposed nil-paid allotment of shares at the AGM and is therefore not applicable.

(5) Remuneration of Employees, Directors and Supervisors

1. Information Relating to Employee Bonus and Directors' Remuneration in the Articles of Incorporation:

Subject to the provisions of the Articles of Association of the Company, a sum not less than five percent shall be paid to the employees and not more than one percent shall be paid to the Directors in respect of any profit made in the year. Provided that in the event of accumulated losses the Company shall retain in advance an amount to cover such losses.

Such remuneration may be in the form of shares or cash and may be paid to employees of subordinate companies who satisfy certain conditions. The foregoing remuneration of directors shall be payable in cash only.

2. The basis for estimating the amount of compensation to employees and directors, the basis for calculating the number of shares distributed as compensation to employees, and the accounting treatment if the actual amount of distribution differs from the estimated amount

(1) The amount of remuneration to employees and directors is estimated on the basis of net profit after taxation, after taking into account factors such as legal reserve, and in accordance with the percentage set out in the Articles.

(2) The number of bonus shares allotted to employees is calculated based on the fair value per share as of the date of the shareholders' meeting in accordance with International Financial Reporting Standard No. 2 (IFRS 2), "Share-based Payment", using valuation techniques and other methods, in accordance with Jin-Guan-Zheng-Zheng-Zi No. 1010059296 on December 28, 2012. Staff bonus less than one share is paid in cash.

(3) If, after the end of a year, there is a material change in the amount approved by the Board of Directors, the change is adjusted against the amount originally provided for in the year. If there is still a change in the amount at the date of the shareholders' meeting, the change is treated as a change in accounting estimate and is adjusted in the year in which the shareholders' meeting resolves.

3. Profit Distribution for Employee Bonus and Directors' Remuneration Approved in Board of Directors Meeting

(1) Employees' and directors' remuneration distributed in cash or stock;

If the amount differs from the amount estimated in the year in which the expense is recognized, the amount of the difference, the reason for the difference and the treatment of the difference should be disclosed.

At the Board of Directors meeting held on February 26, 2025, the Company resolved to allocate NT\$115,876 thousand as employee remuneration and NT\$6,900 thousand as director remuneration. These distributions will be reported at the Annual General Shareholders' Meeting on May 26, 2025, and processed in accordance with relevant regulations thereafter.

The total amount of directors' and employees' emoluments shown above is consistent with the original estimate of fees for 2024 and there is no difference yet.

(2) The amount of employee compensation distributed in stock and its proportion to the aggregate amount of net income after tax and total employee compensation in the individual or individual financial statements for the period:

No resolution has been made to distribute employees' remuneration in shares and is therefore not applicable.

4. The actual allotment of employees' and directors' remuneration for the previous year (including the number, amount and price of shares distributed), the number of differences between them and the recognition of employees' and directors' remuneration, together with a description of the differences, the reasons for them and the circumstances in which they were dealt with:

Unit: NT\$ thousands

Item	2024 actual distribution	Recognized in 2023	Difference
Employee Cash Remuneration	136,132	136,132	-
Directors' remuneration	-	-	-

(6) The situation regarding the Company's repurchase of its own shares

Completed items:

March 31, 2024

Buyback Period	1 st
Purpose of Buyback	Transfer of shares to employees
Buyback Period	2020/03/30--2020/05/18
Buyback Interval Price	NT\$20 to NT\$40 per share
Type and number of shares bought back	369 thousand shares
Amount of shares bought back	NT\$ 9,449 thousands
Number of shares bought back as a percentage of the number of shares scheduled to be bought back (%)	7.38%
Number of shares cancelled and transferred	239,000 shares
Cumulative number of shares held by the Company	850 shares
Cumulative number of shares held by the Company as a percentage of the total number of issued shares	0%

Note: The Company originally repurchased 369,000 shares. After the cash capital reduction and share capital return

conducted in 2023, the remaining treasury stock balance is 240,000 shares. The total cost of the repurchase was adjusted from NT\$9,449,000 to NT\$8,158,000.

- 2. Corporate Bonds: None.**
- 3. Preferred Shares: None.**
- 4. Global Depositary Receipts: None.**
- 5. Employee Stock Options: None.**
- 6. Restricted Stock Awards:**
- 7. Status of New Shares Issuance in Connection with Mergers and Acquisitions: None.**
- 8. Financing Plans and Implementation: None.**

IV. Operations Overview

1. Business Activities

1) Scope of business

1. The principal elements of the Company's business

CC01080 Electronic Parts and Components Manufacturing

F401010 International Trade

Research, development, production, manufacture and sale of the following products:

- (1) Integrated circuits for total service digital network systems.
- (2) Memory ICs for communications.
- (3) Analog/digital hybrid ICs.
- (4) Customer-commissioned designs, consumer ICs, microcomputer peripheral ICs.
- (5) Import and export business related to the Company's business.

2. Business percentage

Unit: NT\$ thousand;%

Item \ Year	2024	
	Revenue	Revenue proportion
Display Driver IC	12,787,853	66.61
Power Management IC	2,152,687	11.21
Other related semiconductor	4,259,200	22.18
Total	19,199,740	100.00

3. Current products (services) of the Company

- (1) Display driver ICs: Mainly includes large-size source driver IC, large-size gate driver ICs, and medium-size driver IC.
- (2) Power management ICs: Mainly includes switching regulator ICs, linear regulator ICs, power management integrated components, various motor driver ICs, panel power management ICs, e-book power management ICs, and LED driver ICs, etc.
- (3) Other Related Semiconductors: Mainly include timing controller ICs (Tcon), e-book display driver ICs, and sensor ICs.

4. New products (services) to be developed

(1) Display driver IC

- A. Innovative intelligent charge recovery control technology power-saving driver IC
- B. 8-bit 2886ch panel driver IC with built-in timing control
- C. 6/8-bit high-speed interface 1452ch, 1926ch source driver IC
- D. Innovative multi-chip synchronous testing technology driver IC
- E. P2P 4Gbps large-size panel driver IC
- F. Heat sink-free, low surface temperature large-size panel driver IC
- G. AMOLED display source driver IC
- H. AMOLED display gate driver IC

(2) Power management ICs

- A. Brushless DC motor driver and control ICs based on M0+ MCU.
- B. DDR5 modules, power management ICs.
- C. High voltage LDO and step-down ICs for industrial and automotive applications.
- D. High voltage DC motor driver ICs.

- E. 40V high current DC step-down ICs.
- F. Wearable devices, integrated power management ICs.
- G. Color e-book power management ICs.
- H. Low-power laptop power management IC
- (3) Other related semiconductors
 - A. eDP 1.2 high refresh rate timing control IC
 - B. eDP 1.5 high-end timing control IC

2) Industry Overview

1. Industry Status and Development

The Company focuses on niche products such as display driver ICs, power management ICs, and other related semiconductors. These products are widely applied in various consumer and industrial electronic products. With a diversified product line, the Company has reached the scale of a mid-to-large-sized IC design house.

According to the 2023 White Paper on Taiwan's IC Design Industry Policy, the total revenue of Taiwan's semiconductor industry value chain reached USD 174.8 billion in 2022. Among this, the IC design industry ranked second in revenue contribution, accounting for approximately 23%, second only to the foundry sector, making it another key pillar of industry development. Since 1990, the production value of the IC design sector has grown by nearly 200 times. Overall, the combined revenue of IC design, foundry, and IC packaging and testing accounts for nearly 90% of Taiwan's total semiconductor revenue. In contrast, IP/EDA and semiconductor material and equipment sectors are mainly dominated by foreign companies, with relatively limited revenue scale for local Taiwanese firms.

In terms of product distribution in Taiwan's IC design industry, approximately 60% of design companies focus on digital ICs, with major products including mobile application processors (APs), TV system-on-chips (SoCs), display driver ICs (DDIs), and wireless communication chips. These digital ICs contribute about 80% of the IC design industry's total revenue in Taiwan and are the main driving force behind the country's role in global ICT product deployment. On the other hand, around 40% of companies are engaged in analog IC products such as power management and high-speed interface ICs, but these only account for about 11% of industry revenue. While some Taiwanese companies are involved in developing memory and sensor-related semiconductors, the number of players and revenue contribution in these segments remain relatively small compared to digital and analog ICs.

Looking at 2024, according to statistics from WSTS, total semiconductor market sales in the United States are projected to reach USD 194.6 billion, representing a 44.8% increase compared to 2023; Japan's semiconductor market sales are expected to reach USD 46.6 billion, reflecting a 0.4% decline from 2023; Europe's semiconductor market sales are expected to reach USD 51.3 billion,

down 8.1% from 2023; China's market sales are projected to reach USD 182.5 billion, an 18.3% increase from 2023; and the Asia-Pacific semiconductor market is expected to reach USD 152.7 billion, showing a 12.5% growth from 2023. In total, global semiconductor market sales in 2024 are projected to reach USD 627.6 billion, representing a 19.1% increase over 2023. According to the Industrial Technology Research Institute's IEK, the production value of Taiwan's IC industry is expected to reach NT\$5,315.1 billion in 2024, a 22.4% increase compared to 2023. Among this, the production value of the IC design industry is expected to reach NT\$1,272.1 billion, up 16.0% from 2023; IC manufacturing is expected to reach NT\$3,419.5 billion, a 28.4% increase, including wafer foundry production value of NT\$3,243.8 billion, up 30.1%, and memory and other manufacturing at NT\$175.7 billion, up 3.3%; IC packaging is expected to reach NT\$423.3 billion, up 7.7% from 2023; and IC testing is expected to reach NT\$200.2 billion, representing a 5.0% increase from 2023.

Taiwan has long played a vital role in the AI server supply chain, and its excellence in IC design has made it highly regarded in the global market. As edge computing technologies gradually integrate into various aspects of daily life, the importance of Taiwan's IC design industry will continue to rise. The Company plans to launch related products in 2025, which is expected to further enhance our influence on the industry and drive technological advancement.

(1) Display Driver IC

In 2024, although the global economy continues to recover, geopolitical risks persist and pose challenges to supply chain stability. While inflation has eased, the high-interest-rate environment has slowed the recovery of the end-consumer market. Demand for personal computers and laptops has yet to return to its pre-pandemic growth momentum. However, with adjustments in panel manufacturers' capacity and gradual stabilization of inventory in the supply chain, shipments of display driver ICs have gradually returned to seasonal cycle patterns in 2024.

Throughout the year, the Company has continued to focus on the development of low-power technologies and further optimized driver ICs for laptops, launching P2P driver ICs with built-in level shifters and support for dual-gate architecture. Given the high standards required for GSM, EMI, and ESD compliance, we specifically enhanced power efficiency and improved EMI/GSM noise immunity in the IC design to meet market demands. In addition, to address the high-end display market, the Company has introduced low-voltage, high-frequency mini-LVDS driver ICs supporting FHD/QHD 120Hz for high refresh rate monitor applications.

In the post-pandemic era, demand for enterprise-level high-performance

laptops and high refresh rate gaming displays has shown steady growth. The Company's product development strategy will continue to align with market trends, focusing on high-specification, customized solutions centered on high-resolution, high refresh rate, lightweight gaming, and touch-screen laptop products, aiming to expand into emerging application markets and enhance market penetration.

In the TV sector, 4K and 8K ultra-high-definition (UD) products are rapidly replacing traditional FHD models. Meanwhile, low-cost Tri-Gate technology has become increasingly common in HD and FHD applications, which in turn has raised thermal dissipation requirements for driver ICs, boosting demand in the COF heat spreader market. In response to this trend, we have developed and mass-produced low-heat TV driver ICs to enhance product performance. At the same time, considering the evolution of TV systems toward higher integration and lower cost (Tconless designs), we have strengthened IC-to-system compatibility to improve product reliability and yield, while maintaining strong cost-performance competitiveness.

In the medium-sized display market, the Company has achieved full-scale mass production of FHD, 2K, and 4K projection display driver ICs. We also plan to further expand into the automotive display application segment by launching driver ICs that comply with a broader range of automotive standards, thereby reinforcing our strategic position in the automotive display market. Through these efforts, the Company continues to increase its market share and competitiveness.

(2) Power Management IC

The importance of power management ICs continues to rise in modern electronic devices, especially in emerging applications such as smart homes, the Internet of Things (IoT), and smart cities, where demand is experiencing strong growth. Globally, the increasing emphasis on energy conservation and carbon reduction is driving power management ICs toward high performance, low power consumption, and high stability to meet the power management requirements of modern technologies.

The Company closely follows these trends, focusing on the development of high-performance and energy-efficient products while actively expanding their application range—particularly in various motor driver applications. As these fields grow rapidly, the demand for power management ICs is expected to continue increasing.

In smart home and smart city applications, the characteristics of low power consumption and high stability are especially critical. For various connected

devices and sensors, power management ICs play an increasingly vital role. Not only do they effectively extend battery life, but they also promote more efficient energy use, aligning with global energy-saving goals. As devices continue to become more intelligent, the demand for power management ICs will further grow, creating greater development opportunities for businesses.

In addition, with the widespread adoption of motor drive technology in industrial automation and smart devices, the demand for power management ICs is also expanding. These ICs can effectively control motor startup, operation, and shutdown, ensuring efficient operation and reducing energy waste—playing a key role in enhancing overall system performance. We are also actively promoting motor technologies in more emerging markets and countries, such as India, to continuously expand our reach.

These strategies and development directions will help the Company maintain competitiveness in a rapidly evolving market and seize growth opportunities in emerging sectors.

(3) Other Related Semiconductors

In recent years, eDP (Embedded DisplayPort) has rapidly replaced LVDS to become the main embedded video interface in laptops, tablets, and all-in-one PCs. As demand for high-resolution and high-refresh-rate display technologies continues to rise, eDP—offering faster image data transmission rates—also supports gaming and wide color gamut panels. At the same time, it continues to optimize low power consumption technologies to meet the market's demand for energy-efficient, high-performance displays.

In embedded display systems, LCD panels include a timing controller chip (Tcon), which receives signals from the GPU and controls the timing required by the LCD panel before transmitting pixel data to the LCD driver IC. The rise of AI PCs and high-end laptops has further driven demand for Tcon. In addition to improved image processing capabilities, Tcon now also requires intelligent functionality and lower power consumption, as well as the ability to meet the customized requirements of various brands. The Company remains committed to technological innovation to provide tailored solutions for diverse customer needs, and continues to follow eDP technology developments to expand market share. Our Tcon products are used not only in laptops but also in televisions and monitors.

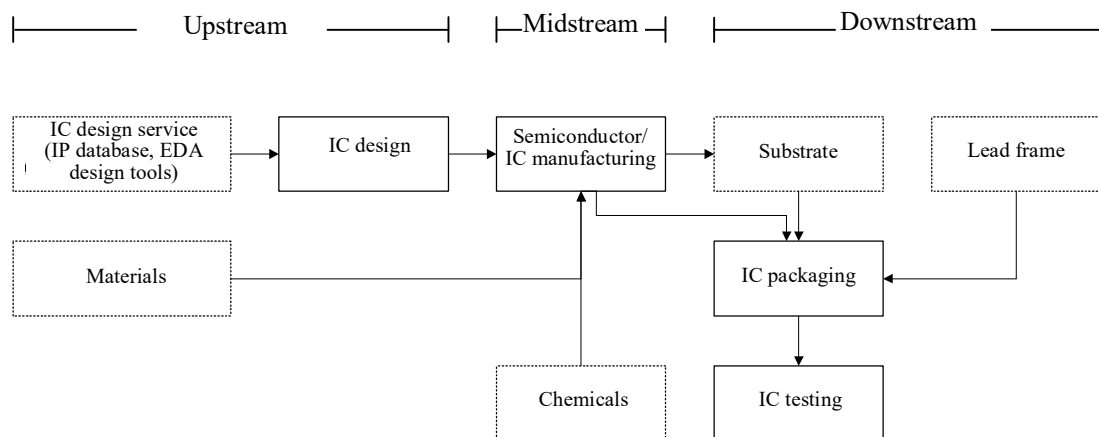
Furthermore, the global push for energy saving and carbon reduction has driven the expansion of e-paper applications, covering areas such as smart labels, industrial displays, and portable reading devices. In terms of e-book display driver ICs, the Company leverages its leading e-paper display

technology to continuously optimize color e-paper and, combined with power management ICs, offer high-performance, low-power complete solutions. As demand in the e-book market continues to grow steadily, we will continue to invest in R&D to further enhance our market competitiveness.

These efforts ensure that we maintain our competitiveness in a rapidly changing market and seize growth opportunities in emerging sectors.

2. The link between upstream, midstream and downstream industries

Since Taiwan has been vigorously pushing forward the semiconductor industry, the government, industry, academia and research institutes have worked together to establish, grow and strengthen the semiconductor sector in Taiwan, and now, through the professional division of labor, the IC industry in Taiwan has been able to build a complete division of work and cooperative system, and has successfully countered the previous dominance of the European, American and Japanese powers in the semiconductor IDM industry. The following diagram illustrates the links between the upstream, midstream and downstream of the IC industry.



Taiwan is a global stronghold for the information and communication technology (ICT) industry and supporting the development of the ICT industry supply chain is Taiwan's complete semiconductor ecosystem. Taiwan's IC design industry is one of the major sources of customers for wafer foundry and IC packaging and testing industries, indirectly driving demand for upstream semiconductor materials and equipment. On the other hand, it also enables the downstream ICT industry to continuously innovate, providing more cost-effective, high-performance, energy-saving, and innovative products. As the IC design industry plays a crucial role in linking the upstream, midstream, and downstream industries for co-prosperity, the development of Taiwan's IC design industry will also affect Taiwan's overall competitiveness in the technology field.

We are a fabless IC design company and an upstream company in the industry. The importance of IC design in the overall IC industry is extremely high. Compared to IC manufacturing and IC testing, fabless IC design companies are characterized by higher added value and lower capital investment, primarily responsible for specification development, layout design, sales and after-sales services, while photomask manufacturing, wafer fabrication, wafer dicing, IC packaging and final testing are outsourced to specialist manufacturers, such as photomask manufacturers, specialist wafer foundries and packaging and testing houses.

3. Product Development Trends

(1) Display Driver IC

According to market research reports, TV panel sizes will continue to increase in 2024, with shipment volumes of panels sized 65 inches and above expected to grow by 8% to 15% compared to 2023. Although the growth rate has slowed compared to previous years, the overall trend remains steady. The market share of OLED TV panels is also rising, particularly with increasing penetration in the high-end segment. In response to rising demands for higher resolution and larger screen sizes, the market requires faster and more stable P2P interface technology driver ICs to support high-quality image output. The Company already offers products across various P2P interfaces and plans to develop even higher-speed solutions to meet the needs of 8K resolution and high refresh rate applications.

At the same time, we are actively developing Mini LED backlight display driver ICs with a focus on high integration, offering features such as local dimming optimization, dynamic power-saving modes, low brightness uniformity, and variable refresh rate support. These features help TV brands create thinner, lower power-consuming, and high-quality displays, further accelerating the penetration of Mini LED backlight products in the TV and monitor markets.

In the PC monitor market, continued demand driven by remote work, online education, and gaming is fostering the growth of high-resolution, high refresh rate, and ultra-wide-screen products. AI-powered applications are also increasing demand for content creation and productivity tools, expanding the market need for low-voltage, high-frequency driver ICs and timing controller ICs.

In the notebook segment, we are not only continuing the trend of low power design but also actively developing energy-saving solutions to support market trends such as ultra-thin form factors, 16:10 slim-bezel displays, and extended battery life. In the post-pandemic era, demand remains strong for high-end QHD laptops and high-refresh-rate gaming models. IC design companies are accelerating the development of Tcon and low-power variable refresh rate display driver ICs for high-frequency applications, helping customers improve panel performance and reduce overall system costs.

Looking ahead to overall 2024 trends, the markets for OLED, Mini LED, high-resolution, and high refresh rate gaming laptops are set to grow rapidly. Although Mini LED display technology still faces challenges due to its relatively high cost and limited penetration, its applications are currently

focused on high-end laptop models. As technology matures, OLED panels are expected to see increased adoption in mid- to high-end consumer and commercial laptops, becoming one of the mainstream options.

(2) Power Management IC

The development trends for power management IC products are as follows:

1. High Performance and Low Power Consumption

As smart devices become more widespread, market demand for high-performance and low-power power management ICs continues to grow. These ICs effectively extend device battery life and minimize energy waste, meeting the high standards for energy efficiency.

2. Integration and Miniaturization

With the increasing demand for smaller devices, power management ICs are evolving toward greater integration, incorporating more functions into a single chip to reduce component count, shrink device size, and lower costs.

3. Intelligence and Adaptive Technology

Modern power management ICs are gradually evolving toward intelligent solutions, with adaptive regulation capabilities that automatically adjust power consumption and performance based on device operating conditions, enabling more efficient energy management.

4. High Stability and Long-Term Durability

As industrial automation and smart equipment become more common, higher expectations are placed on the stability and long-term durability of power management ICs. Future ICs will emphasize long-term stable operation and adaptability to harsh working environments.

5. Environmental Friendliness and Sustainability

With increasing environmental awareness, future power management ICs will emphasize the use of eco-friendly materials and improved recyclability to align with sustainability goals.

(3) Other related semiconductors

A. Timing Controller IC

The Company continues to deepen its presence in the eDP Tcon market, with both shipment volumes and the number of panel customers adopting its products expected to maintain a growth trend in 2024. In particular, the Company has entered a stable mass production phase in the notebook market. As high-resolution, narrow-bezel, and high-refresh-rate display technologies

become more widespread, demand for Tcon ICs will continue to increase. The Company offers both standardized and customized solutions to meet the diverse needs of system brand customers and panel makers in terms of performance, power consumption, and integration, and continues to expand its market share.

In addition, as generative AI applications (such as ChatGPT and AI image generation tools) drive demand for more powerful laptop and display specifications, technological upgrades in Tcon ICs—including support for high refresh rates, low power consumption, and HDR—will become key to competitive differentiation.

B. E-book Driver IC

The Company has been deeply engaged in the e-book driver IC field for many years. Driven by ESG sustainability trends, the e-paper market has evolved from niche applications into a stage of rapid growth, particularly with increasing penetration in emerging segments such as smart office, retail labeling, and wearable devices.

The Company continues to work with strategic partners to develop high-voltage, high-frequency driver ICs to enhance page-turn speed, display quality, and power performance of e-paper, and is actively promoting the application of color e-paper technology to accelerate its adoption in areas such as e-books, electronic labels, and industrial displays. As the supply chain matures and costs decrease, e-paper technology is expected to further expand into secondary laptop displays, in-vehicle displays, e-readers, large outdoor signage, and smartphones, driving overall market growth.

4. Competitive Landscape

(1) Display Driver IC

The demand in the driver IC market continues to grow steadily, with applications spanning a wide range of segments, including large-size panels (such as TVs, monitors, and notebooks), medium-size panels (such as automotive displays and industrial control systems), and small-size panels (such as smartphones and wearable devices).

With intensified U.S.-China tech competition and the advancement of supply chain de-risking strategies, China is actively promoting semiconductor localization. This has led to a continued increase in the adoption of domestically produced driver ICs by Chinese panel manufacturers, further intensifying market competition. Meanwhile, countries in Europe and the U.S. are gradually pushing for de-Sinicization, making product deployment strategies and supply chain management increasingly critical.

Looking ahead to 2024, key trends in market technology development include the continued penetration of OLED and Mini LED technologies, driving increased demand for high-end driver ICs. Variable refresh rate (VRR), low power consumption, and high resolution are becoming core areas of technological competition among IC design companies. With the rise of AI PCs and AI-powered display technologies, demand for the next generation of display controller ICs is also growing rapidly.

In response to these market dynamics, the Company must enhance supply chain management and diversify its product lines to strengthen competitiveness in high-end products, thereby reducing operational risk and increasing market share. Seizing opportunities in each industry cycle and effectively combining existing technological advantages with emerging applications will be key components of the Company's core competitive strategies in 2024.

(2) Power Management IC

The Company will accelerate the development of new products, continue generational upgrades, and expand into new sales markets and countries—all of which are central to its competitive strategy. As technology evolves rapidly, maintaining technological leadership, improving performance, reducing power consumption, and meeting a wide range of application needs will help strengthen market competitiveness.

In the future, the Company will focus more on close cooperation with major customers to uncover latent needs. Whether through supply assurance agreements or the development of custom ASICs tailored for key customers, these strategies are expected to create significant business opportunities. Customer-specific customization services will become a key method to enhance competitiveness.

In the power management IC market, the Company will rely on technological innovation, sensitivity to policy changes, and strong customer relationships to boost competitiveness. At the same time, the focus will remain on developing high-efficiency products that meet market needs and enable differentiated competition, which will be critical to future growth.

(3) Other Related Semiconductors

In the timing controller IC (Tcon) segment, the Company has established a solid market share in monitor and FHD TV applications by offering a diverse product portfolio and consistently keeping pace with evolving industry protocols. For notebook applications, the Company entered mass production in 2023 and further expanded product coverage in 2024, including high-

resolution (QHD, 4K), high-refresh-rate (above 120Hz), narrow-bezel, and low-power display technologies, with the goal of continuously increasing market share. Additionally, the Company is actively expanding into automotive displays, industrial displays, and high-end gaming monitors to increase overall shipment volumes.

In the e-book driver IC sector, the Company maintains a leading position in technology and works closely with strategic partners to deliver high value-added solutions to end customers. With the continued push for ESG sustainability, advancements in e-paper technology, and broader adoption of color e-paper applications, market penetration in the e-book segment is expanding further. The Company will continue to strengthen its competitive advantages in high-voltage driving, page-turn speed optimization, and low-power design to ensure a stable market share, while also expanding into emerging applications such as electronic shelf labels, smart offices, in-vehicle displays, outdoor signage, and smartphones.

(3) Technical and R&D status

1. R&D expenses invested in the most recent year and up to the date of the annual report printing.

Unit: NT\$ thousands

Item	2024	Up to Q1 2025
R&D expenses	2,494,331	644,465
Net revenue	19,199,740	4,661,262
Percentage of net	12.99%	13.83%

2. Successfully developed technologies or products

Our company maintains good cooperative relationships with customers and provides high-quality services, obtaining customer information at any time, providing timely and comprehensive solutions that meet customer needs, or jointly developing new technologies to meet market demand. Based on innovative and leading technology to serve customers, the development achievements in recent years are summarized as follows.

Year	R&D Results	Application Fields
2023	Developed a high-resolution and high-refresh-rate large display driver IC featuring innovative GAMMA stabilization technology.	TV Panel
	Ultra-low power large display driver IC with fast recovery and shared circuit technologies.	TV Panel
	Industry-first full-color e-paper multi-point non-sequential anti-flicker gate scan driver IC development project for color e-books.	E-Book
	Timing control IC for laptops with variable refresh rates and ESG features.	Laptop Panel

Year	R&D Results	Application Fields
	Development of a 165Hz high-refresh-rate timing control IC for 4K ultra-high-resolution large displays.	Monitor Panel
	Innovative dynamic energy-saving high-efficiency multi-channel UBRR power management IC.	Laptop Panel
	High-power multiphase output power control IC.	Display Card
	Power Mosfet driver IC for Dr.MOS	Display Card
	Power management IC for color e-paper.	E-book Reader
	DDR5 PMIC	Memory Module
2024	Low-power eDP 1.5 Timing Controller	Laptop Panel
	VividX Next-generation Color Processing eDP 1.2 Timing Control	Laptop Panel
	Color E-Paper Power Management IC	E-book Reader
	Development of Ultra-Large Size Display UD 165Hz High Refresh Rate Timing Controller IC	TV Panel
	FHD/QHD High Refresh Rate, Low Heat Generation Driver IC	Monitor Panel
	High PSRR LDO, Effectively Reduces Power Noise Impact on Image and Enhances Image Quality	Mobile CCM / AR / VR Applications
	Front Light LED Driver IC	E-book Reader
	High-Performance BLDC MCU Mass Production and Shipment	High-Speed Hair Dryer
	New COT Low Vin Buck 1A/2A/3A	Networking Devices, Mobile Phones, TVs
	Low Iq Boost converter	Remote Controls, Mice, Keyboards

(4) Long- and short-term business development plans

1. Short-term development plan

(1) Marketing strategy

- A. Focus on meeting the needs of customers, developing oligopolistic and niche products and entering the supply chain of international manufacturers to establish a win-win situation in terms of product reputation and rapid growth.
- B. Seek experienced agents and establish a comprehensive agent management system to stabilize the Company's revenue and increase product visibility in the market.

(2) Production strategy

- A. Strengthen strategic partnerships with existing major foundries, packaging houses, testing houses and other outsourcing companies to obtain stable and adequate production capacity and technical services.
- B. The ongoing US-China trade dispute has intensified global geopolitical tensions. US brands are most active in relocating equipment production and seeking alternative component supply sources; they will strengthen the development of domestic and foreign new wafer foundry capacities to increase wafer supply sources and flexibility and provide customers with more production location options.
- C. Establish information networks with our supply chain partners to enable timely control of production progress and volumes.

(3) Product development strategy

- A. Focus on and understand the needs of our customers and develop products that

B. Build up core product lines and a comprehensive database.

2. Long-term development plan

A. Consolidate and grow the business of our customers and agents to steadily increase our revenue and market share, and consistently roll out niche products to increase profits.

C. Strengthen customer service and develop sustainable business by aiming for the highest customer satisfaction.

A. Share the risk with suppliers to develop new processes and technologies.

B. Expand economic scale and reduce production costs.

C. Respond early to the industry's low and high season cycles to mitigate their impact.

A. Tailor our products to suit the needs of our customers' applications.

B. Develop niche and entry-level products with continuity and integrity of product lines.

C. Strengthen process development capabilities to raise product thresholds, quality and optimize costs.

D. Increase product core competitiveness.

1) Market analysis

Unit : NT\$ thousands; %

2. Market Share

- 68 -

investments, the Company believes these efforts will transform into key drivers of future growth.

3. Market supply and demand and growth prospects

(1) Display driver IC

With the advent of the AI PC and smart display technology era, consumer demand continues to rise for high-performance, high-resolution, and low-power 3C products. Brand manufacturers are actively launching innovative products to promote market upgrades and replacements. As AI computing increasingly penetrates personal computers and mobile devices, smart display technology, high refresh rates, HDR, variable refresh rate (VRR), and AI image enhancement have become key trends in the market.

In the notebook market, starting in 2024, inventory pressure has gradually eased and the market has entered a stable supply and demand phase. Growth momentum is driven by the emergence of AI PCs and high-performance notebooks, as well as replacement demand in enterprise IT, which is boosting the demand for business laptops, gaming laptops, and Chromebooks. In particular, the market share of high-resolution and high-refresh-rate laptops is expected to increase further.

Moreover, the rapid development of AI PCs is pushing the notebook market into a new wave of technological upgrades. Generative AI (such as Copilot+ and Apple's M-series AI chips) and edge AI computing have become core technologies in the PC market, driving simultaneous upgrades in display specifications, including high refresh rates (120Hz/144Hz and above), high resolution (QHD, 4K), narrow-bezel 16:10 aspect ratio displays, low-power OLED, and Mini LED backlight displays.

The Company maintains a cautiously optimistic outlook on the new demand generated by AI PCs and high-end display applications. It is accelerating the development of integrated solutions, including driver ICs, timing controller ICs (Tcons), and power management ICs (PMICs), to further enhance product competitiveness and market share. As AI image processing, dynamic HDR, and smart brightness adjustment technologies continue to mature, the Company will launch higher-performance solutions to meet the evolving needs of smart displays in the AI era.

(2) Power Management IC

With the rapid development of emerging application fields, demand for high-performance, low-power power management ICs continues to rise. These applications are placing increasingly higher demands on power stability and energy efficiency, further driving innovation and upgrades in power ICs. The global push for environmental protection and energy-saving policies has also increased the

market demand for green and sustainable products, encouraging ongoing advancements in power management technologies. The Company is committed to developing high-efficiency, low-power power management ICs in response to these trends, aiming to secure a competitive position in the market.

In particular, in areas such as chargers and wearable devices, the emergence of new technologies and user demands has led to growing demand for high-wattage, multi-port integrated solutions. The Company not only meets these needs but also leverages continuous technological innovation and mass production expansion to seize rapidly growing market opportunities. We have developed high-performance LDOs and power management IC solutions specifically designed for laptops, cameras, mobile phone CCMs, AR, and VR markets. These LDO products effectively reduce power noise interference with images, enhancing image quality, and are packaged in compact WLCSP form factors to reduce interference in camera modules, meeting the modern demand for both high performance and miniaturization.

In the field of USB fast charging and protocol ICs, the Company offers a range of innovative solutions to meet market demand for high-wattage, fast charging, and multi-port integrated designs. These products support various fast-charging protocols and control schemes, aimed at reducing design complexity and production costs. The hardware-based high-wattage fast-charging protocol ICs support both single-port and multi-port designs and are suitable for 65W to 100W fast charging applications, effectively simplifying the charger design process and reducing manufacturing costs. In addition, to meet the rapid growth of the Indian market, we have launched multi-protocol USB fast-charging control ICs in response to the increasing share of locally manufactured chargers.

With advancements in EPD (electronic paper display) technology—particularly as e-ink screens expand into color applications—there are growing opportunities for a new generation of EPD power management ICs (PMICs). The emergence of color EPD has significantly expanded its application scope beyond e-book readers, electronic shelf labels, and digital signage, into areas such as electronic canvases, smart wristbands, color e-labels, and smart home display panels. This expansion places higher demands on EPD PMICs and opens up new market opportunities.

(3) Other related semiconductors

The penetration rate of eDP Tcon in timing controller ICs continues to increase year by year, gradually expanding into various application fields. The Company will continue to integrate other product lines to further increase its market share in the timing controller IC sector. In addition, in the e-book driver IC segment, the e-paper market is entering a stage of accelerated industry growth. Having been deeply engaged in this field for many years, the Company is well-positioned to benefit from

the overall increase in industry penetration, thereby boosting shipment volumes.

4. Competitive niche

(1) Excellent and experienced professional team

Since our incorporation, we have been recruiting and training outstanding talents in the R&D and marketing of display driver ICs and power management ICs, based on the principles of in-depth technology research and in-house development. In addition to display driver ICs that have successfully entered the oversized panel and timing control IC markets, power management ICs have also been developed with excellent performance and various functions, such as PMUs for LCD TVs, LCD monitors and laptops, as well as high power DC motor driver ICs and high voltage DC/DC power conversion ICs for network communication products. Going forward, the Company will build on its existing foundation and integrate relevant technologies to advance towards market leadership.

(2) Maintaining a good partnership with customers

Our R&D and marketing teams offer immediate product needs and services to our customers and work closely with them to help them achieve their goals of shortening development time, stabilizing supply and keeping costs down. Our R&D team can provide customers with a total solution for display driver ICs and power management ICs. We are dedicated to customer satisfaction and continual improvement in terms of quality, yield, delivery and technical services, and look forward to growing together with our customers to maintain a good relationship and achieve sustainable management and development.

(3) Stable and efficient engineering and production management

We are constantly refining our engineering and production management in order to shorten the development time and improve quality, cost and delivery. We have our own R&D, testing and validation capabilities, and conduct complete and stringent environmental and service life reliability verification during the engineering stage to filter out potential instability factors and effectively provide engineering samples within the shortest possible time to shorten the time-to-market, so as to ensure the provision of quality IC products that meet product specifications.

Aiming to boost the overall operational performance, the Company has consolidated a comprehensive production and supply chain, maintained good cooperation with various vertically integrated manufacturers, and embraced the notion of strategic partnership to explore opportunities for joint development in the long term. To keep our manufacturing edge, we introduced an ERP system for electronic commerce at the early stage of our inception to keep track of our production schedule and to arrange the best delivery time for our customers. To comply with international standards and sustainable management, our Company has obtained the ISO9001:2015 international quality management system certification. In the use of raw materials for our products, we have fully demonstrated our determination to protect the environment by using green materials that conform to international requirements.

5. Positive and negative factors for future development and measures to address them

(1) Positive factors

A. Continued expansion of market size and steady increase in demand

As the world economy gradually picks up, global demand for LCD TVs, LCD

monitors and laptops is gradually climbing, and demand for TFT-LCD panels for various end-use applications is also on the rise.

Power management ICs are indispensable components for electronic products and their market growth trend is closely associated with the boom cycle of the electronics industry, with a wide range of applications and a long life-cycle, and the industry growth is still strong.

While Taiwan's power management IC design output still accounts for a low percentage of the global market and there is room for growth, Asia is still a manufacturing base for electronic products and the market for power management IC-related applications is expected to be growing. In addition, the price disadvantage of international manufacturers' ICs is not favorable to their customers, and the replacement wave is forming, which all constitute positive factors for the development of power management ICs in the coming years.

B. Strong and experienced R&D team

The Company's display driver IC and power management IC design and development team has extensive R&D experience and strong R&D capabilities, and is highly competitive in terms of technological innovation, responsiveness and satisfying customers' needs.

C. Well-established vertical integration

As a specialist IC design company, we have formed good partnerships with professional foundries and packaging and testing houses over the years, and have a strong industrial chain connection, enabling us to obtain stable and sufficient production capacity and technical services. On top of this, the performance of specialized foundries, testing and packaging in Taiwan has reached world standards, making us competitive for long-term development.

(2) Negative factors and measures to address them

A. Increasing complexity of the functions required by the product

The future of smart lifestyle trends will emphasize interaction and connectivity, personalization and ease of access to information, thus requiring displays that are thin, light, robust, portable, easy to read and integrated with multiple functions. With green energy conservation becoming a major issue in human life, IC product design must evolve along with it.

Response:

We keep abreast of the latest technical information and market demand, and through good interaction and communication with our customers, we stay informed of future development trends and the actual needs of our customers.

B. Longer talent cultivation period and risk of change

It takes more time to nurture the R&D talents for power management ICs since the nation got a late start, and the overall environment is still dominated by the cultivation of digital design R&D personnel. Compared to foreign countries, there are fewer engineers in Taiwan with practical experience in the design and manufacture of power management ICs for mass production.

Response:

We have a robust welfare and reward system in place to attract talented people and to raise staff morale in order to reduce staff turnover. Moreover, the Company

has been exchanging information with academic institutions and research institutes at home and abroad to build up a database of product development technologies.

C. Improvements to the semiconductor process

Semiconductor processes such as high voltage, BCD (Bipolar-CMOS-DMOS) and BiCMOS, which are required for high-end power management ICs in Taiwan, are not yet mature enough to be developed by domestic foundries to compete with foreign manufacturers.

Response:

We work closely with leading wafer fabricators to obtain first-hand technology and support. In addition to our excellent process development staff, we also assist our foundries to cooperate with us in new process development and process stability optimization, which will ultimately lead to competitive product specifications, stable production yields and vertically integrated front-end wafer and back-end production outsourcing, ensuring sufficient and stable production capacity to produce price-competitive power management ICs.

2) Main product applications and manufacturing processes

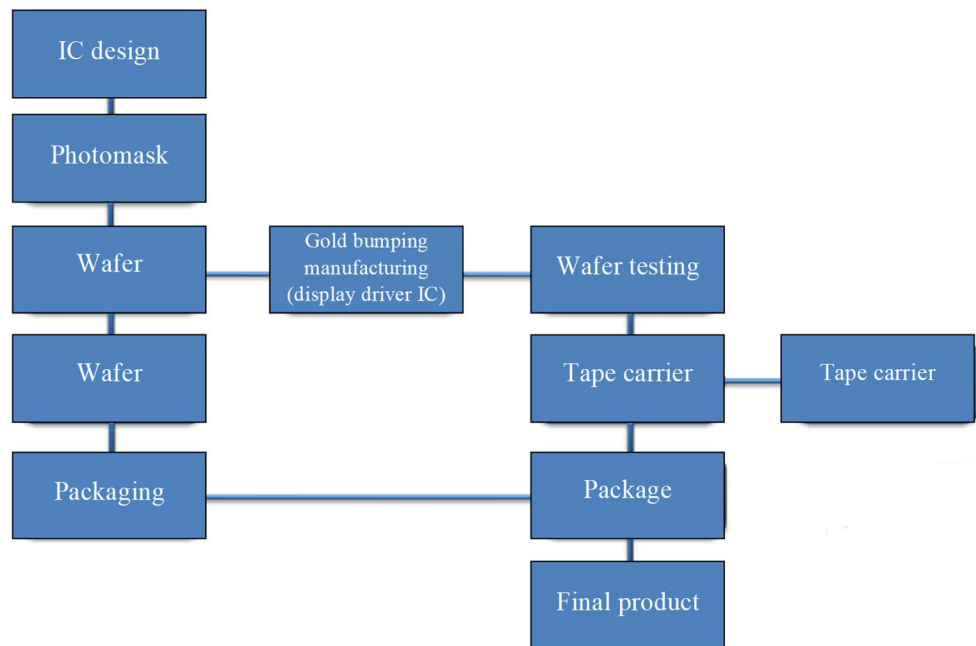
1. Main product applications

Main Products	Type	Important Uses and Functions
Display driver IC	Large Size Source Driver IC	Mainly applied in TVs, notebooks, computer monitors, and automotive and industrial control, medical products, etc.
	Large Size Gate Driver IC	
	Medium Size Driver IC	Mainly applied in industrial control, automotive, and projector.
Power Management IC	Switching Regulator IC	Mainly for power voltage/current conversion, detection, and protection, which can improve the efficiency of power supplies. Mainly applied in networking communication products, industrial, and automotive fields.
	Linear Regulator IC	Mainly for power voltage conversion and protection. Applicable to most electronic products, including networking communication products, lighting, industrial, and automotive fields.
	Power Management Integrated Components	Mainly for power voltage/current conversion management and protection. Mainly applied in networking communication products, electric meters, and industrial fields.
	Panel Power Management IC	Mainly applied in TVs, notebooks, computer monitors, and industrial control, medical products, etc.
Other Related Semiconductors	Timing Control IC	Mainly applied on various display screens.
	E-book Display Driver IC	Mainly applied in EPD e-books and electronic paper notebooks.

2. Main product manufacturing processes

A professional IC design company, our ICs are primarily manufactured by foundries, tested and delivered to packaging houses for packaging, and then sent to testing houses for complete functional testing of the ICs to produce finished products. The IC

manufacturing process includes in order IC circuit design, photomask fabrication, wafer fabrication, IC packaging and IC testing, etc. The IC manufacturing process is as follows:



3) Supply situation for major raw materials

Major Raw Materials	Suppliers	Supply Situation
Wafers	210058, 210115	Stable quality and supply, long term cooperation, good supply situation

4) A list of any suppliers and clients accounting for 10 percent or more of the Company's total purchase (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total purchase (sales) accounted for by each, and the reason for increases or decreases in the above figures.

1. A list of any suppliers accounting for 10 percent or more of the Company's total purchase amount in either of the 2 most recent fiscal years

Unit: NT\$ thousands

No.	2023				2024			
	Name	Amount	Percentage of full year net purchase amount (%)	Relation with issuer	Name	Amount	Percentage of full year net purchase amount (%)	Relation with issuer
1	210058	2,621,587	34.43	None	110117	2,667,032	25.45	None
2	210115	1,159,026	15.22	None	210058	1,787,717	17.06	None
					210115	1,306,212	12.47	None
					210105	1,080,446	10.31	None
	Others	3,834,303	50.35		Others	3,637,307	34.71	

Total	7,614,916	100.00			10,478,714	100.00	
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Note 1: The names of suppliers are indicated by codes as the Company has signed confidentiality agreements with them.

Reasons for changes in increase or decrease:

The main raw materials purchased by our company are wafers and thin films. The selection of suppliers mainly considers factors such as capacity acquisition, process technology, yield rate, stable delivery time, and price advantages for large-scale procurement. In 2024, the change in the procurement amount of suppliers accounting for more than 10% of the annual net procurement value was mainly due to the changes in the product portfolio of our company and the comprehensive consideration of the above-mentioned supplier selection criteria.

2. A list of any customers accounting for 10 percent or more of the Company's total sales amount in either of the most recent 2 years

Unit: NT\$ thousands

No.	2023				2024			
	Name	Amount	Percentage of full year net sales amount (%)	Relation with issuer	Name	Amount	Percentage of full year net sales amount (%)	Relation with issuer
1	D00490	2,056,323	12.63	None	100257	2,494,108	12.99	None
	Others	14,230,197	87.37		Others	16,705,632	87.01	
	Total	16,286,520	100.00			19,199,740	100.00	

Note: The name of the customer is indicated by a code as the Company has signed a confidentiality agreement with it.

Reasons for changes in increase or decrease:

Changes in the Company's customer base are primarily influenced by factors such as end-customer demand, shifts in the product market, development of product application fields, and customer procurement strategies. In 2024, due to increased demand for small-sized mobile phone panels from Chinese manufacturers and the adoption of ESL (Electronic Shelf Label) systems by large retail enterprises, sales performance rose by 18% compared to the previous year, resulting in changes in the sales amount and proportion attributable to certain customers.

3. Human Resources

Units: Persons

Year		2023	2024	April 1, 2025
Number of employees	Management staff	10	10	10
	R&D staff	580	599	604
	Other staff	234	233	229

	Total	824	842	843
	Average age	37.97	38.2	38.2
	Average years of service	5.01	6.02	5.05
Percentage of employees at each education level	PhD	1.46%	1.5%	1.4%
	Master	58.86%	59.1%	59.0%
	Bachelor	38.71%	38.6%	38.9%
	Senior high school	0.85%	0.48%	0.47%
	Below senior high school	0.12%	0.24%	0.24%

4. Environmental Protection

- 1) Describing any losses (including compensation) suffered by the Company in the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report as a result of environmental pollution incidents, and the total amount of penalties imposed: None.
- 2) Future responses (including improvement measures) and possible expenses, and disclosing an estimated amount thereof (including losses, penalties and compensation that may be incurred if no response is taken). If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

5. Labor Relations

- 1) 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. Staff benefit measures

To protect the rights and interests of our employees and to boost the Company's morale, we offer a comprehensive welfare system for our full-time employees. In addition to basic rights such as labor and health insurance, annual leave, maternity leave and parental leave as required by law, we also provide a wide range of benefit policies and systems, which are detailed in the table below.

Category	Content
Rewards & Benefits	<ul style="list-style-type: none"> ● 14-month basic salary: Besides 12 months of salary, there are festival bonuses of 0.5 month each for the Dragon Boat Festival and Mid-Autumn Festival and a year-end bonus of 1 month of basic salary. ● Besides the basic annual salary, there is a generous dividend and profit sharing system among employees, Employee Stock Ownership Trust ● Referral bonus: After the completion of the probationary period by new recruits referred by internal staff, a bonus will be paid to the fellow referrer by their job grade. ● Patent bonus: A bonus will be awarded once an employee's patent application has been given an application number by the competent authority
Health Promotion	<ul style="list-style-type: none"> ● Labor insurance, health insurance, group insurance and travel insurance: We take out labor insurance, national health insurance, group insurance (including life insurance, accident insurance, hospitalization insurance, accident medical insurance, cancer medical insurance, etc.) and travel insurance policies for every employee ● Health consultation service: Registered nurses visit the premises 4 times a month and doctors visit the premises once a quarter to provide one-to-one professional advice to staff ● Free medical check-ups: We provide free annual medical check-ups for our staff to take care of their health conditions ● Complimentary stress relief massage: 2 massage sessions per week to relieve staff from their busy schedules, with 2,366 massage appointments in 2024. ● Recreational club activities: We encourage staff to form their own sports and recreational clubs to help them to be physically and mentally healthy and to relieve stress through moderate exercise and hobby development. ● Special festive gatherings: Fitipower Family Day, Mid-Autumn Festival gala, Christmas event and year-end banquets, etc. to promote interaction and create a closer partnership

	<ul style="list-style-type: none"> • Departmental travel benefits, meal benefits, domestic and overseas travel benefits
Complete Care	<ul style="list-style-type: none"> • Thursday 08:30-09:30, and Friday 08:00-09:30, to implement a humane management system. • Advance annual leave: Up to 56 hours of advance annual leave per year • Midday and evening meal allowances: Staff are provided with meal allowances on working days to encourage them to have a balanced and healthy diet • Complimentary afternoon snacks: Fortnightly complimentary afternoon snacks are provided to allow staff to relax and enjoy a small treat at work • Holiday cash gifts • Wedding, funeral, maternity and hospitalization benefits • Paid sick leave/menstrual leave for female staff: 5 days per year • Staff dormitory Application • Maternal health protection: Please refer to our Sustainability Report - Occupational Safety and Health Promotion for details

2. Continuing education and training

The Company attaches great importance to career planning for its staff and strives to nurture talents. We encourage our staff to participate in various training courses and furnish them with good training opportunities by conducting internal training courses and allowing them to attend courses or seminars organized by external entities according to the needs of the Company's staff.

In addition to offering face-to-face interactive physical courses, to enhance the learning experience of supervisors and colleagues and enable them to enrich themselves anytime and anywhere using fragmented time, our company utilized the online learning platform (iLEARN). The platform provides online, offline, and blended learning modules, allowing employees to flexibly arrange their learning progress during their spare time. Course topics include research and engineering professional skills, quality and environmental safety, information security, leadership management, and work efficiency for colleagues to study independently. For new employees and R&D units, we have developed comprehensive professional blueprints and competency development strategies to cultivate key talents needed and establish a perfect talent echelon.

In addition, besides providing employees with a wealth of diverse internal education and training resources, we also encourage colleagues to actively participate in external training and maintain technical exchanges with the industry. Furthermore, for the management competency training of middle and senior executives, we regularly arrange for unit supervisors to participate in practical courses and exercises on senior executive performance management and leadership motivation, hoping to effectively assist unit supervisors in developing team leadership competencies and leading teams to demonstrate outstanding performance results, thereby strengthening team cohesion and innovation capabilities.

(1) New employee training

To help new employees quickly integrate and adapt to the organization and team, we use new employee training guidance, new employee training blueprints, department business and job descriptions, and new employee adaptation talks (New-Fitis Talk) to effectively help newcomers master the organizational management system, adapt to the team atmosphere, and become familiar with system tool applications, enabling every new partner to become the strongest combat force.

(2) Professional skills training

Using internal professional learning, external professional training courses, and other learning methods to increase self-professionalism and exchange opportunities with peers and practice the organizational training purpose of combining training and combat through project practice.

(3) Management competency training

Based on the five core management competencies - planning and organization,

analytical thinking, work guidance, performance management, and networking - we establish a comprehensive leadership echelon management competency. We create a common management language to improve organizational business management performance.

(4) Statutory Training

According to legal regulations and operational requirements, participate in various statutory certification training courses to ensure the safety of all operations.

3. Employee retirement system and its implementation

Starting July 1, 2005, all employees voluntarily choose to apply the new labor retirement system, and the Company will contribute 6% of their monthly salary to the employees' personal pension accounts. The Company also makes voluntary contributions to the employees' individual pension accounts. For the year ended December 31, 2024, the pension cost under the defined contribution pension plan was \$51,088 thousand.

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

The Company has always attached great importance to the welfare and care of its employees, and to harmonious labor-management relations. The views of employees are taken seriously, and employees can communicate with management through meetings and emails, so that they can fully express their opinions and identify problems, thus ensuring a good relationship.

To foster harmonious and sustainable labor relations and to facilitate smooth communication between employees and management, the Company has established more than one transparent and open communication channel to collect valuable opinions from all employees. Despite the fact that we have not set up a labor union, we still hold regular labor-management meetings under the Labor Standards Act and, when necessary, we may convene ad hoc meetings for two-way communication and consultation on issues such as promoting labor-management cooperation, harmonization of labor-management relations, improvement of labor conditions and labor welfare planning.

We hold quarterly labor-management meetings, yearly managers' meetings, and have an internal management system with an employee grievance box and a payroll suggestion channel to understand the needs and expectations of our employees and actively respond to their concerns. The Company strives to create an organizational environment with unhindered communication and is devoted to the management of labor relations. In the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report, the Company has achieved the objectives of protecting labour rights, including: no incidents of discrimination and related complaints, no violation of freedom of association and collective bargaining rights, no employment of child labor, no incidents of forced or compulsory labor, no major labor disputes, no delays in resolving or no backlog of employee opinions and grievances.

- 2) List any losses suffered by the Company due to labor disputes in the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report, 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: None.

6. IT SECURITY MANAGEMENT

- 1) Describe the cyber security risk management framework, cyber security policies, concrete

management programs, and investments in resources for cyber security management.

1. Cyber security risk management framework

The Company has a cyber security officer and 1 staff who is responsible for reviewing, formulating and promoting information security policies and reporting regularly to the board of directors on the overview and operation of cyber security management.

2. Cyber security policies

Security Aspects	Security Controls	Related Operations	Verification
External Defense	Network Security Management	<ul style="list-style-type: none"> ● Set up firewall partitions for internal, external, and DMZ networks ● Periodically review/adjust firewall policies ● Control internal and external web management access behavior and control (IPS, URL filter, sandbox) ● Remote connection HIP detection, 2FA identity verification ● Implement DNS Security, Advanced URL Filtering, and Advanced IPS for external network firewalls ● Deploy internal firewalls within the group network (DNS Security, Advanced URL Filtering, Advanced IPS) 	Strengthen the security of internal and external network access
	Computer Virus Protection	Complete protection mechanism from gateway to endpoint: <ul style="list-style-type: none"> ● MailSpam for mail filtering/virus scanning ● Server/computer regular vulnerability check and system update operation ● Virus protection and malware monitoring ● Internal environment detection through EDR technology ● Threat intelligence sharing and defense (synchronizing EDR threat intelligence with firewalls and antivirus software) 	Strengthen internal information environment and service security
Internal Control	Data protection and system/application access control	Manage controls according to ISO 27001 management processes: <ul style="list-style-type: none"> ● PI06 Personnel Security Management Process ● PI07 Physical Security Management Process ● PI08 Access Control Management Process ● PI09 Communications and Operations Management Process 	Ensure internal data protection mechanism and real-time alerts
	Information Record Protection	Build SOC & DLP system for the following control: <ul style="list-style-type: none"> ● Internal and external system access control/logging ● Operation behavior control/tracking record ● Abnormal event control/record/alarm ● Protect and save related records 	Ensure the validity of records and the ability to verify and comply with regulations
	Internal Network Control	IPAM system for internal network access control	Prevent access to external devices for internal access
	Information Security Incident Management	Information Security Incident Notification and Response Process	Enhance information security incident handling procedures

Information Security	Information Security Policy and Education and Training	<ul style="list-style-type: none"> ● Regular review, formulation, approval and publication of information security policies by management ● Enhance employee information security literacy through education and training, E-learning, and information security promotion 	Confirm the applicability and effectiveness of information security policies. Enhance the information security literacy of colleagues.
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3. Information Security Management

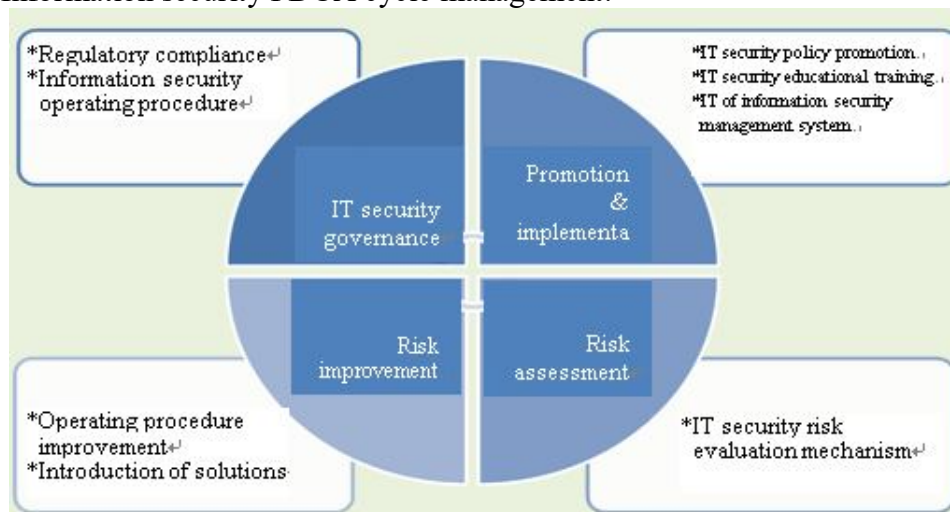
To enhance information security governance and ensure the continuity of operations, the company continues to invest in relevant software, hardware equipment, and cybersecurity control mechanisms. The Company acquired ISO27001: Certification of Information Security Management Systems. There were no incidents of customer privacy violations, information theft, leaks, loss, or related complaints in 2023-2024.

Major Issues	ISO/IEC 27001:2022 Revision, Software EOS Products, ChatGPT Security
Policy	Continuously improve and strengthen the Company's information security management to ensure the confidentiality, integrity, and availability of its information assets. The policy also ensures compliance with relevant laws, regulations, and contractual obligations, and aims to establish and maintain a secure, reliable, and business-continuity-ready information environment that is protected from intentional or accidental internal and external threats, thereby safeguarding the security of information assets.
Objective	<ul style="list-style-type: none"> ● All information operations shall comply with applicable legal and regulatory requirements. ● All personnel shall understand their responsibilities regarding information security, protect information assets, and reduce the risk of information security incidents. ● Ensure the confidentiality of information assets and implement strict access controls, allowing access only to authorized personnel. ● Maintain the integrity of information operations and the accuracy of data, preventing unauthorized modifications. ● Ensure the continuity of information operations and meet the required levels of business service performance.
Evaluation Indicator	The ISMS (Information Security Management System) is assessed based on ISO/IEC 27001:2013 standards.
Performance	<ul style="list-style-type: none"> ● Two Company-wide information security training sessions were completed in 2023. ● The ISO/IEC 27001:2013 recertification audit was completed in March 2024 to ensure continued validity. ● In November 2024, a threat intelligence collaborative defense mechanism was implemented to enhance the timeliness and effectiveness of internal and external system defenses. ● In 2024, a total of 263 EOS operating system upgrades were completed (Windows 7 to Windows 10) to ensure endpoint operational security.

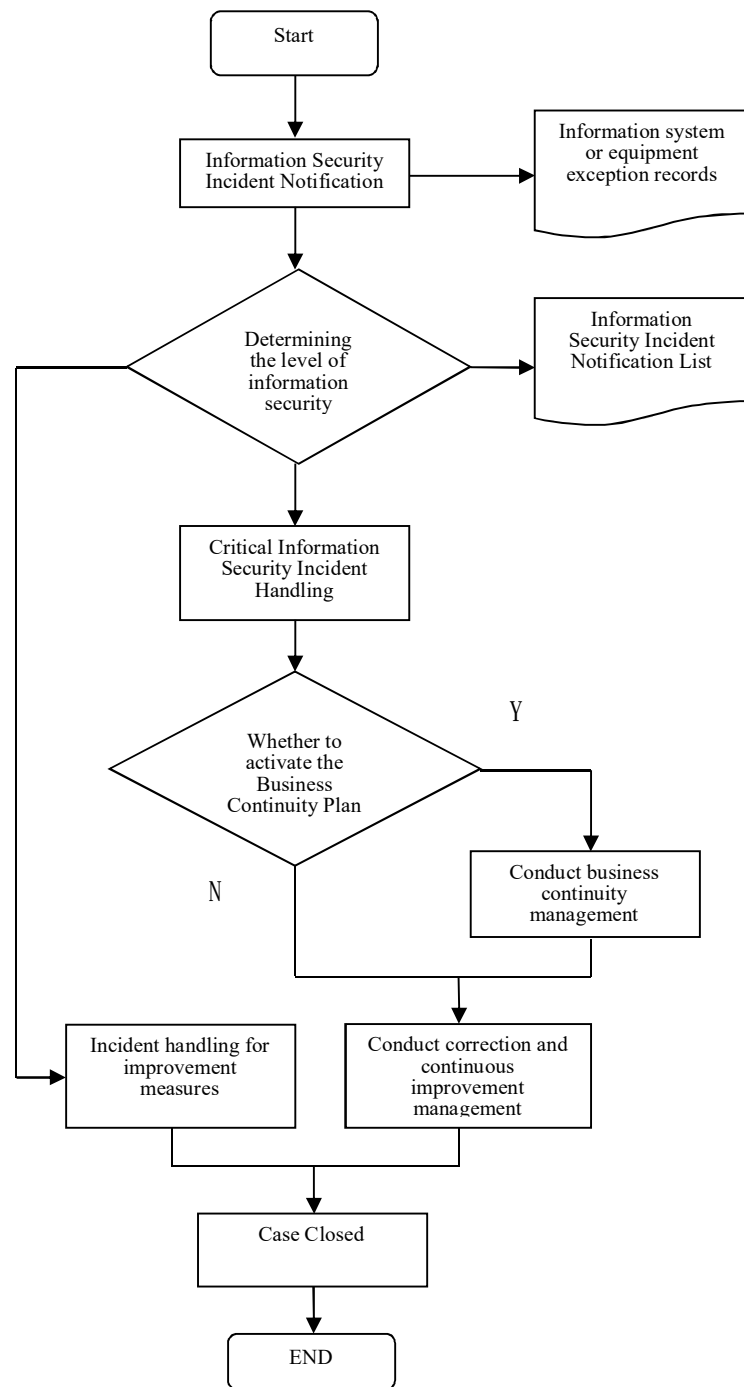
The Company adheres to the PDCA (Plan-Do-Check-Act) management principle to ensure the achievement of reliability targets and continuous

improvement.

Information security PDCA cycle management:



Cyber security incident handling procedures:



4. Investments in resources for cyber security management

The Company's 2024 information security implementation results:

- (1) Completed the ISO 27001:2013 recertification to ensure its continued effectiveness.
- (2) Implemented a threat intelligence sharing and defense mechanism to enhance the timeliness and effectiveness of internal and external system protection.
- (3) Completed the upgrade of the EOS operating system to ensure endpoint

operational security.

- 2) List any losses suffered by the Company due to significant cyber security incidents in the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report, the possible impacts therefrom, 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: None.

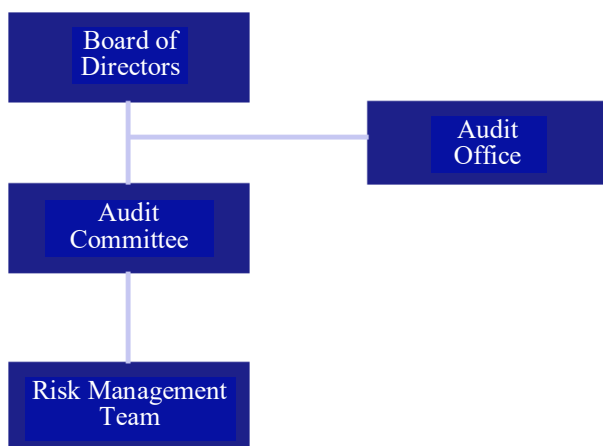
7. Risk Management

1) Risk management policies and procedures

The Company's Risk Management Policy and Procedures were formulated in 2021 and approved by the board of directors as the overarching guiding principle for risk management across all units. Risk management should be based on the Company's business strategies and objectives, taking into account factors such as business growth, risks and rewards, setting risk standards, regularly evaluating and monitoring various risk positions, establishing risk indicators and early warning mechanisms, and modelling future changes as far as possible to provide a basis for management response. In addition, the following principles must be observed:

1. Explicitly consider the uncertainties of risky items and obtain the best information to develop priority action plans.
2. Efficiently allocate and use resources.
3. Keep an eye on trends and changes to identify potential emerging risks.
4. Enhance stakeholder communication and trust.
5. Foster a risk management culture and raise awareness of risk management.

2) Risk management framework and operations



The Board of Directors serves as the primary oversight entity for risk management within the Company, tasked with approving risk management policies, frameworks, and organizational culture. Meanwhile, the Audit Committee acts as the principal guiding force for risk management, entrusted with the formulation of risk management policies, strategic planning, and oversight of significant risk-related matters. Additionally, it enhances risk monitoring and reports on the operation and efficacy of risk management to the Board of Directors at least annually. The Risk Management Team is responsible for the actual implementation of risk plans across units, including risk identification, analysis, assessment, mitigation, control, and self-monitoring. The Audit Office, an independent unit under the Board of Directors, assists the Board in supervising the implementation of risk management mechanisms, audits the execution of risk

response and control in various operational units, and communicates risk information with operational units while collecting and integrating their risk management reports.

8. Important Contracts: None.

V. Review of Financial Conditions, Operating Results, and Risk Management

1. Analysis of Financial Status

Unit : NT\$ thousands ; %

Item \ Year	2024.12.31	2023.12.31	Difference	
			Amount	%
Current Assets	18,950,721	17,308,248	1,642,473	9.49
Property, plant and equipment	1,060,944	1,028,598	32,346	3.14
Right-of-use assets	100,842	76,512	24,330	31.80
Intangible assets	193,169	63,003	130,166	206.60
Other Assets	6,364,475	6,395,920	(31,445)	(0.49)
Total Assets	26,670,151	24,872,281	1,797,870	7.23
Current liabilities	3,486,286	3,245,705	240,581	7.41
Non-current liabilities	767,023	430,108	336,915	78.33
Total liabilities	4,253,309	3,675,813	577,496	15.71
Share capital	1,212,545	1,212,545	0	0.00
Capital surplus	8,544,547	8,621,547	(77,000)	(0.89)
Retained earnings	8,177,979	7,520,032	657,947	8.75
Other equity	(14,272)	(26,923)	12,651	(46.99)
Treasury stock	(7,307)	(8,158)	851	(10.43)
Non-controlling interests	4,503,350	3,877,425	625,925	16.14
Total equity	22,416,842	21,196,468	1,220,374	5.76
(1) Changes in proportion analysis explanation (changes reaching 20% or more and the amount of change reaching 10 million or more): 1. Right-of-use Assets: The increase was primarily due to additional lease contracts. 2. Intangible Assets: The increase was mainly attributable to the purchase of computer software. 3. Non-current Liabilities: The increase was primarily due to an increase in deferred income tax liabilities and security deposits received. 4. Other Equity: The increase was mainly due to exchange differences arising from the translation of financial statements of foreign operations. (2) If the above changes have a significant impact, explain the future response plan: The above differences are part of normal business activities and have no significant impact on the financial condition.				

2. Analysis of Operation Results

Unit : NT\$ thousands

Item \ Year	2024	2023	Amount of increase or decrease	Variation (%)
Operating Income	19,199,740	16,286,520	2,913,220	17.89
Operating Costs	13,707,114	11,004,044	2,703,070	24.56
Gross profit	5,492,626	5,282,476	210,150	3.98
Operating Expenses	3,289,130	2,936,431	352,699	12.01
Net profit	2,203,496	2,346,045	(142,549)	(6.08)
Non-operating income and expenses	612,434	455,716	156,718	34.39
Net profit before tax	2,815,930	2,801,761	14,169	0.51
Less: Income tax expense	324,339	434,562	(110,223)	(25.36)
Net profit for the period	2,491,591	2,367,199	124,392	5.25
Other comprehensive income (net of tax)	154,337	(159,661)	313,998	(196.67)
Total comprehensive income or loss for the period	2,645,928	2,207,538	438,390	19.86
<p>(1) Changes in proportion analysis explanation (changes reaching 20% or more and the amount of change reaching 10 million or more):</p> <ol style="list-style-type: none"> 1. Operating Income and Operating Costs: The increase was primarily due to growing market demand, which led to higher revenue and costs. 2. Non-operating Income and Expenses: The increase was mainly attributable to higher government subsidy income, interest income, and foreign exchange gains. 3. Income Tax Expense: The decrease was primarily due to a reduction in surtax on undistributed earnings and a decrease in temporary differences. 4. Other Comprehensive Income: The increase was mainly due to a rise in exchange differences arising from the translation of financial statements of foreign operations. <p>(2) Expected sales volume and its basis, possible impact on the Company's future financial operations and contingency plans</p> <p>Based on the current customer progress, industry profile and market size growth, the Company expects to maintain a steady growth in sales volume in the coming year compared to the previous year. This will have a positive impact on the Company's future financial operations. In addition, the Company will continue to invest in research and development resources to maintain technological leadership, and continue to improve product quality and technology, satisfy customers and maintain a good relationship with suppliers, so that the products are more forward-looking and have a competitive cost advantage, which will help the Company to increase revenue and profitability in the future. This will help the Company to increase its revenue and profitability in the future.</p>				

3. Analysis of Cash Flow

(1) Analysis of recent annual cash flow movements

Item \ Year	2023	2024	Variation (%)
Cash flow ratio (%)	92.81	35.32	(61.94)
Cash flow allowance ratio (%)	169.59	143.27	(15.52)
Cash reinvestment ratio (%)	8.46	(0.31)	(103.66)
Changes in proportion analysis: 1. The cash flow ratio, cash flow allowance ratio, and cash reinvestment ratio decreased due to an increase in accounts receivable and inventory, which led to a reduction in net cash flows from operating activities.			

(2) Improvement plan for cash flow shortage in the recent year: No cash shortage.

(3) Cash flow analysis for the coming year

Unit: NT\$ thousands

Initial cash balance at the beginning of the period A	Estimated full year net cash flow from operating activities B	Projected annual cash outflow C	Estimated surplus (shortfall) of cash A + B + C	Remedial measures for cash shortfall	
				Investment Plan	Financial Planning
1,779,772	2,880,875	(2,403,105)	2,257,542	-	-
Cash flow changes analysis: 1. Operating activities: Mainly due to net cash inflows generated by operating revenue. 2. Investing activities: Mainly due to net cash outflows from capital expenditures for anticipated equipment purchases and increases in financial assets. 3. Financing activities: Mainly due to net cash outflows from the repurchase of treasury shares and the distribution of cash dividends.					

4. Major Capital Expenditure Items: None.

5. Investment Policy in Last Year, Main Causes for Profits or Losses, Improvement Plans and the Investment Plans for the Coming Year

The Company's reinvestments is for long-term strategic purposes. The Company's investment income under the equity method amounted to NT\$676,802 thousand in 2024. In the future, the Company will continue to carefully evaluate its investment plans based on the principle of long-term strategic investment.

6. Analysis of Risk Management

(1) Impact of changes in interest rates, exchange rates and inflation on the Company's profit and the response of the Company

1. Effect of changes in interest rates

The Company's interest expense for 2024 was \$8,047 thousand, accounting for only 0.042% of operating income for the year. The Company maintains interactions with banks to obtain more favorable interest rates and will adjust the use of funds in accordance with changes in financial interest rates in order to reduce the impact of changes in interest rates on the Company's profit and loss.

2. Effect of exchange rate changes

In the fiscal year 2024, the Company recorded an exchange gain of NT\$136,249

million. Given that the Company predominantly deals in transactions denominated in US dollars, it faces exchange rate risk in transactions conducted in currencies other than its functional currency. To mitigate this risk, the Company employs derivative financial instruments like forward foreign exchange and currency swap contracts. These instruments are utilized based on the principle that the net foreign currency position does not surpass the foreign currency net position resulting from operations, thus ensuring the fulfillment of financial hedging strategy objectives.

3. Effect of Inflation

The Company has not been significantly affected by inflation. The Company monitors the fluctuation of raw material market prices and maintains good interaction with suppliers and customers to reduce the impact of inflation.

(2) Policies on engaging in high-risk, highly leveraged investments, lending of funds to others, endorsement of guarantees and derivative transactions, the main reasons for profits or losses and the response of the Company

(1) The Company does not engage in high-risk, highly leveraged investments based on a conservative business philosophy.

(2) The Company has established the "Procedures for Lending and Endorsement of Funds" and "Procedures for the Acquisition or Disposal of Assets" as the basis for the Company and its subsidiaries to follow. As of the date of the annual report, the Company has not lent any funds to others except for endorsement of guarantees for operational needs of the Company.

(3) Future Research and Development Plans and Estimated R&D Expenditure

1. Future Research and Development Plans

(1) Display driver IC

- A. Innovative smart charge recovery control technology for energy-saving drive IC
- B. 8-bit 2886ch built-in timing control panel drive IC
- C. 6/8-bit high-speed interface 1452ch, 1926ch source driver IC
- D. Innovative multi-chip IC synchronous testing technology drive IC
- E. 40V high current DC step-down IC
- F. Wearable devices, integrated power management IC
- G. Colour e-book power management IC
- H. Low-power notebook power management IC.

(2) Power Management IC

- A. DC brushless motor driver and control IC based on M0+ MCU.
- B. DDR5 modules, power management IC.
- C. High voltage LDO and step-down IC for industrial and automotive applications.
- D. High voltage DC motor driver IC.
- E. 40V high current DC step-down IC.
- F. Wearable devices, integrated power management IC.
- G. Colour e-book power management IC.
- H. Low-power notebook power management IC

(3) Other related semiconductors

- A. eDP 1.2 high refresh rate timing control IC
- B. eDP 1.5 high-end timing control IC

2. Estimated Investment in Research and Development

As a professional IC design company, the Company adheres to the principles of in-depth technology development and independent development to continuously develop new products to strengthen the Company's competitive edge in the market. The Company expects to continue to invest in R&D manpower and funding in the coming year, which is expected to account for approximately 10% to 15% of revenue.

The Company will carefully assess the market risks and investment benefits before investing in any R&D expenditure.

- (4) Impact of important domestic and international Law and legal changes on the Company's financial operations and the response of the Company

The Company's operations are conducted in accordance with relevant domestic and overseas laws and regulations, and it keeps a close watch on domestic and overseas policy trends and changes in regulations to keep abreast of changes in the market environment and to propose timely and proactive measures in response. As at the date of this annual report, the Company has not been subject to any significant changes in domestic or overseas policies and laws that would have an impact on its financial operations.

- (5) Impact of technological changes (including information and communications security risks) and industry changes on the Company's financial operations and the response of the Company

The Company has accumulated considerable depth and breadth in technology research and development, and the quality of our products is well recognized by customers. The Company's management regularly monitors changes in the market and trends in technological changes and evaluates the risks and impact on product placement, with a view to reducing all risk factors and creating maximum benefits for shareholders. In addition, the Company will continue to invest in the research and development of new product projects, keep track of product development schedules, and maintain a sound financial structure to maintain flexibility in the deployment of funds to meet future market changes. For the most recent year and up to the date of printing of the annual report, technological changes and industry changes have not had a material impact on the Company's financial operations.

The Company has established network and computer security safeguards and continually reviews the appropriateness and effectiveness of its IT security policies and has signed mutual confidentiality agreements with all customers to protect confidential information. As at the date of this annual report, there have been no material breaches of information security requirements.

- (6) Impact of the change in corporate image due to corporate crisis management and the response of the Company

Since its establishment, the Company has complied with relevant laws and regulations, actively strengthened internal management and improved management quality and performance, while maintaining harmonious labour relations in order to continuously maintain an excellent corporate image. As at the date of publication of the annual report, there were no matters affecting the corporate image.

- (7) Expected benefits, possible risks and responses to mergers and acquisitions.

As at the date of printing of the annual report, the Company did not have any merger and acquisition plans.

- (8) Expected benefits, possible risks and contingency measures for plant expansion.

As at the date of the annual report, the Company had no plans to expand its plant.

- (9) Risks of concentration of imports or sales and the response of the Company

1. Risk of concentration of imports

The Company actively establishes long-term cooperative relationships with various OEMs, keeps a close contact with them and maintains close contact with them at all times to monitor the production status.

2. Risk of concentration of sales

The company's sales target changes are mainly due to the changes in end-customer demand, product market changes, product application field development, customer procurement strategies, and other factors. The company will continue to actively explore

new markets and new customers to reduce the proportion of shipments from a single customer. In 2024, only one customers accounted for more than 10% of total sales. Overall, the company has no significant risk of sales concentration.

- (10) Impact, risk and response to the substantial shift or change in shareholding of directors or substantial shareholders holding more than 10% of the shares of the Company

All transfers or replacements of shareholdings by directors or substantial shareholders holding more than 10% of the shares of the Company in the most recent year and up to the date of printing of the annual report have been reported in accordance with the pre-approval and post-approval requirements, and no material impact on the Company.

- (11) Impact of changes in operating rights on the Company, risks and the response of the Company

There has been no change in the Company's operating rights in the latest year and up to the date of printing of the annual report.

- (12) Litigation or non-litigation events

1. Significant litigation, non-litigation or administrative disputes that have been determined or are still pending as at the date of the latest annual report of the Company: None.

2. Significant litigation, non-litigation or administrative proceedings that have been determined or are still pending against the Company's directors, President, beneficial owners, substantial shareholders holding more than 10% of the shares and subsidiaries, the outcome of which may have a material impact on shareholders' equity or securities prices: None.

- (13) Other significant risks and the response of the Company: None.

7. Other Important Matters: None.

VI. SPECIAL DISCLOSURE

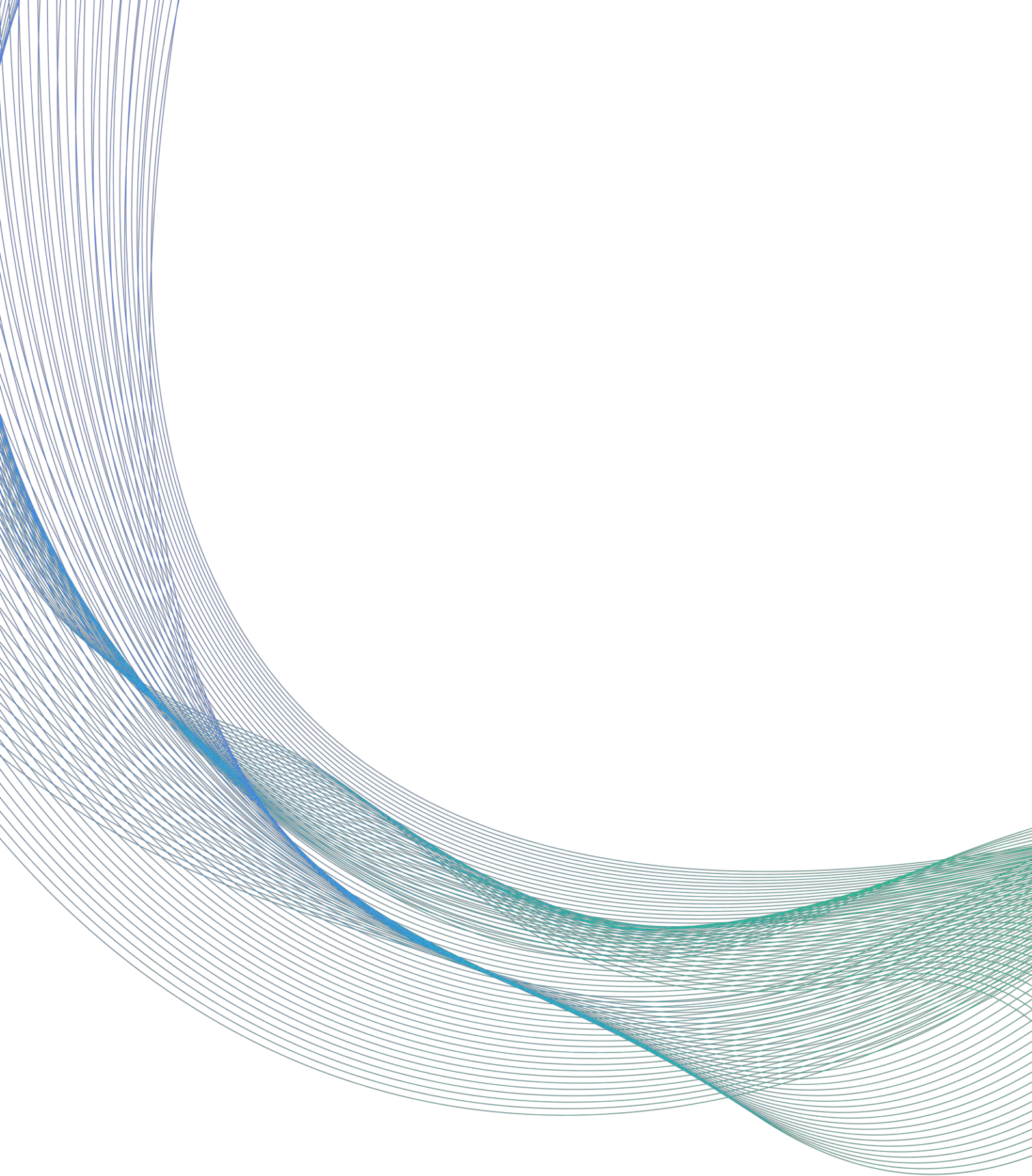
- 1. Summary of Affiliated Companies:** Please refer to the Market Observation Post System (MOPS) >Company>Download> Report on Consolidated Operations of Affiliated Companies °
Website : https://mopsov.twse.com.tw/mops/web/t57sb01_q10
- 2. Private Placement Securities in the Most Recent Years:** None.
- 3. The Shares in the Company Held or Disposed of by Subsidiaries in the Most Recent Years:** None.
- 4. Other items of description which needs to be supplemented:** None.
- 5. Any event that had a material impact on the rights of shareholders or the prices of securities provided in Item 2, Paragraph 3, Article 36 of the Securities and Exchange Act occurred:** None.

Fitipower Integrated Technology Inc.



LIN, YUNG-CHIEH, Chairman and CEO





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