

Stock Code : 6284



INPAQ TECHNOLOGY CO., LTD.

2024 Annual Report  
(Translation)

*(This English translation is prepared in accordance with the Chinese version and is for reference only. If there is any inconsistency between the Chinese version and this translation, the Chinese version shall prevail.)*

Printed on May 2, 2025

Taiwan Stock Exchange Market Observation Post System :

<http://mops.twse.com.tw>

Company Website : <http://www.inpaq.com.tw>

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**Auditors**

Name : Hai-Ning Huang and Chi-Lung Yu.

Firm : KPMG

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

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**Name of Any Exchanges Where the Company's Securities Are Traded Offshore and Information** : N/A

**Corporate Website** : <http://www.inpaq.com.tw>

# Table of Contents

	Page
<b>1. Letter to Shareholders</b>	1
<b>2. Corporate Governance Report</b>	
2.1 Directors, Supervisors, General Manager, Deputy General Manager, Associates, Departments and Branches Officer Information	4
2.2 Remuneration to Directors, Supervisors, General Manager, and Deputy General Manager	16
2.3 Corporate Governance Status	21
2.4 Accountant Fees for Certified Public Accountants	61
2.5 Information on replacement of CPAs	61
2.6 The Employment of the Company's Chairman, General Manager, Financial or Accounting Manager with the Firm of the Auditing CPA or its Affiliated Businesses in the Past Year, shall disclose the job title, name, and the accounting firm of the CPA or its affiliated companies	62
2.7 Particulars about Changes in Shareholding and Equity Pledge of Directors, Supervisors, Managers and Shareholders Holding More Than 10% of the Company's Shares in the Past Year and as of the Date of Publication of the Annual Report	62
2.8 The shareholding ratio accounts for the top ten shareholders, and they are relatives or spouses, information on the relationship within the second degree of relatives	63
2.9 The company, its directors, supervisors, managers, and businesses controlled directly or indirectly by the company must disclose their respective shareholdings in the Re-invested businesses and calculate the total shareholding percentage through consolidation.	64
<b>3. Capital Overview</b>	
3.1 Capital and Shares	65
3.2 Issuance of Corporate Bonds	69
3.3 Issuance of Preferred Shares	70
3.4 Overseas Depositary Receipts	70
3.5 Status of Employee Stock Options Plan	70
3.6 Status of Employee Restricted Stock	70
3.7 Status of New Shares Issuance in Connection with Mergers and Acquisitions	70
3.8 Financing Plans and Implementation	70
<b>4. Operations Profile</b>	
4.1 Business Scope	71
4.2 Market and Sales Overview	78
4.3 Employee Information	82
4.4 Environmental Expenditure Information	82
4.5 Labor Relations	83
4.6 Cyber Security Management	86
4.7 Important Contracts	89
4.8 Codes of Ethical Conduct for Directors and Managers	90
<b>5. Review and Analysis of Financial Status and Business Results and Risk Issues</b>	
5.1 Financial Status	92
5.2 Financial Performance	93
5.3 Cash Flow	93
5.4 Impact of Major Capital Expenditure in the Past Year on the Financial Status	94
5.5 Re-investment Policy in the Past Year, the Main Reason for Its Profit or Loss, the Improvement Plan and Investment Plan in the Next Year	94
5.6 Risk Management and Assessment	95
5.7 Other important matters	99
<b>6. Special notes</b>	
6.1 Information about the company's Affiliates	100
6.2 Private Securities in the Past Year and as of the Date of Publication of the Annual Report	100
6.3 Other Necessary Supplementary Notes	100

**7. Matters in the Past Year and as of the Date of Publication of the Annual Report Which Have a Substantial Impact on Owner's Equity or Share Price as Stipulated in Item 2, Paragraph 2 of Article 36 of the Securities Exchange Law** 100

## 1. Letter to Shareholders

In 2024, Inpaq Technology achieved a record-high monthly revenue and drove strong annual profit growth. The company reported an annual revenue of NT\$7.366 billion, reflecting a 12% increase from the previous year, while operating net profit reached NT\$949 million, marking a 24% growth. Despite ongoing geopolitical challenges in the global economic environment, Inpaq Technology leveraged technological innovation, differentiated competitive strategies, and the relentless efforts of all employees to achieve outstanding results.

Inpaq Technology currently operates four major product lines: protection components, high-frequency components, power inductors, and antennas. In 2025, the company will continue expanding applications across high-growth markets, including 5G, AI switches, IoT, low-earth orbit satellites, and the emerging low-altitude economy. With efficient supply chain management and automated production lines, Inpaq Technology maintains its leading position across diverse applications. Additionally, in 2024, Inpaq Technology invested in the establishment of a Wi-Fi 7 standard testing laboratory, successfully building Taiwan's first fully compliant facility under the IEEE 802.11be standard, further strengthening its global competitiveness in wireless technology. Beyond its existing operations in Taiwan, Suzhou, and Wuxi, the company is also expanding into Japan and Malaysia to meet customer demands.

The following is the company's 2024 business performance report:

### A. 2024 Business Report

#### 1. Implementation results of the business plan

The implementation results of the parent company's business plan for 2024 are as follows:

Unit: NT\$ thousands

Item	2024	2023	Growth
Net consolidated operating revenue	7,366,410	6,604,062	12%
Consolidated realized gross profit	2,030,378	1,845,954	10%
Consolidated operating expenses	1,080,750	1,081,117	0%
Consolidated net operating profit	949,628	764,837	24%
Consolidated net non-operating income and expenses	321,516	74,403	332%
Consolidated profit before income tax	1,277,144	839,240	52%

#### 2. Budget implementation: Not applicable.

#### 3. Parent company's financial revenue and expenditure and analysis of profitability

Item	2024	2023
Liabilities to Assets Ratio (%)	39.33	37.60
Long-term funds to fixed assets ratio (%)	367.21	349.05
Return on assets (%)	8.75	7.27
Return on shareholders' equity (%)	13.66	11.29
Net profit ratio (%)	21.98	18.18
Earnings per share (NT\$)	6.61	5.01

## Research and Development Status:

Inpaq Technology leverages its core expertise in material development, component design, and process integration to research and manufacture key components, including system protection devices, high-frequency antennas, power inductors, and high-frequency inductors. By aligning with customer applications and future component trends, the company is dedicated to technological innovation and patent development, positioning itself as a world-class leader in protection components and antenna modules.

In recent years, Inpaq Technology has advanced its antenna technology by developing outdoor multi-band directional antenna modules and millimeter-wave communication sensing modules. In the component sector, the company has also introduced integrated power inductors tailored for server applications. These innovations are widely adopted across the 3C electronics, telecommunications, and automotive industries, with applications in smartphones, computers, displays, broadband networking equipment, electric vehicles, autonomous driving, satellite communications, and wearable digital devices.

## Research and Development Technical Focus:

- (1) Application of Thin-Film Packaging Technology
- (2) Miniaturized High-Current and Integrated Power Inductors for Servers, Industrial, and Automotive Applications
- (3) High-Frequency Precision Inductors for 5G
- (4) Low-Temperature Co-Fired Ceramic (LTCC) Packaging and Manufacturing Technology
- (5) Ultra-Low Capacitance Surge Protection Components for High-Frequency Signal Applications
- (6) Ultra-Miniature CSP Thin-Film Packaging Technology Applications
- (7) Ultra-High Surge Protection Varistor Technology Applications
- (8) Design and Manufacturing of RFID/NFC Antennas, Wireless Charging Modules, and Antennas for 3C, Automotive, and Networking Applications
- (9) Design and Manufacturing of Low-Earth Orbit (LEO) Satellite (Ku/Ka Band) LTCC Array Antenna Modules
- (10) Design and Manufacturing of 5G Millimeter-Wave Communication LTCC Bandpass Filters
- (11) High-Precision, Dual-Band, Lightweight GPS Antenna Modules
- (12) Design and Manufacturing of Millimeter-Wave Radar Modules and Antenna Products
- (13) Indoor High-Precision Positioning (UWB) Modules and Ceramic Antennas
- (14) 5G FWA Outdoor/Indoor Antenna Modules
- (15) Outdoor Directional High-Gain Multi-Band Antenna Modules
- (16) Millimeter-Wave Communication Sensing Modules

## **B. Summary of the Business Plan for 2025, Future Company Development Strategy, and Future Impact from External Competitive, Regulatory, and Macroeconomic Environments**

The global electronics industry is evolving towards areas such as 5G, the Internet of Things (IoT), smart homes, industrial automation, and automotive electronics. These trends align closely with Inpaq Technology's product market positioning and business direction. Moving forward, we will continue to focus on selecting the right product mix, maintaining excellent product quality, and enhancing organizational effectiveness. In 2025, Inpaq Technology will continue to strengthen the following initiatives:

### (1) Enhance Competitive Advantage of Core Products:

We will continue to improve product design, material selection, and process innovation to strengthen the value of core products, aiming for high-margin revenue growth and increased market share.

### (2) Optimize Company Structure:

- (a) Actively cultivate and recruit talented individuals, enhance employees' professional skills, and build a strong talent pool.
- (b) Integrate internal departments and external resources while strengthening professional management.
- (c) Actively control costs to improve operational management efficiency.
- (d) Invest in automation processes to enhance productivity and product quality.
- (e) Strengthen the application of the "KPI Performance Management System" to improve the company's core competitiveness and ensure sound business operations.

(3) Expand New Market Applications:

- (a) Focus on emerging markets such as IoT, smart positioning systems, AR/VR, antenna modules, automotive electronics, 6G communication, AI applications, and low-earth orbit satellites, while continuing to develop related products and technologies.
- (b) Enhance ODM cooperation with key customers and establish strategic alliances with international companies.
- (c) In line with the rise of new industries such as electric vehicles, charging stations, and energy storage equipment, focus on the development and production of magnetic components, antenna modules, and sensing radars in the fields of power, electronics, and signals.

(4) Build an Internationally Recognized Brand:

- (a) Recruit and train multilingual international talent to expand overseas channels.
- (b) Establish overseas locations and specialized FAE technical service teams.
- (c) Continue to collaborate with international IC manufacturers and increase involvement in industry-leading projects as IC reference circuit designs.

**Outlook:**

In the future, Inpaq Technology will continue to leverage the spirit of teamwork and adapt our business strategies flexibly. With outstanding technology, high-quality products, and market insight, we aim to strengthen our competitive advantage. We will continue to deepen our partnerships with customers, enhance operational efficiency, expand market influence, and ultimately create greater value for our shareholders. At the same time, Inpaq Technology will continuously optimize the talent development environment to attract and cultivate international professional talents, creating a healthy, fair, and competitive corporate culture.

Furthermore, the company adheres to corporate social responsibility, promoting sustainable development through ESG initiatives, including strengthening environmental protection measures, improving energy efficiency, developing green products, and actively participating in public welfare activities to fulfill our corporate citizenship responsibilities.

We sincerely thank all our customers, suppliers, shareholders, and the general public for their long-term support and trust in Inpaq Technology. We also extend our gratitude to all employees for their wholehearted dedication to the company's operations. Together, we will continue to create greater value and build an excellent future..

Wishing everyone good health and all the best!

Chairman	Pei-Cheng Chen
President	Chih-Mou Hung
Accounting Manager	Kuo-Shu Huang

## 2. Corporate Governance Report

### 2.1 Directors, Supervisors, President, Vice President, Associates, Departments and Branches Officer Information

#### 1. Information on Directors (1)

April 22, 2025

Unit: shares

Title	Nationality / Place of Registration	Name	Gender Age	Date of election/ appointment to current term	Term of office	Commencement date of first term	No. of shares held at the time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shareholdings through nominees		Principal work experience and academic qualifications	Positions held concurrently in the Company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Note
							No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%			Title	Name	Relation-ship	
Chairperson	Taiwan	Walsin Technology Corp.	-	2023.06.16	3 Years	2018.08.24	47,848,650	34.13	55,975,658	37.89	-	-	-	-	None	None	None	None	None	
	Taiwan	Walsin Technology Corp. Representative: Pei-Cheng Chen	Female 51~60 years old	2023.06.16	3 Years	2018.08.24	45,000	0.03	98,259	0.07	-	-	-	-	Academic Qualifications: George Washington University MBA	CSO of Passive System Alliance, Vice President of Global Brands Manufacture Ltd., Director of Inpaq Technology Japan Co., Ltd., Director of Inpaq (BVI) Ltd., Director of Inpaq (Cayman Islands) Ltd., Director of Inpaq Technology USA, Inc., Director of Kamaya Electric Co., Ltd., Director of Matsuo Electric Co., Ltd.	None	None	None	
Director	Taiwan	Walsin Technology Corp.	-	2023.06.16	3 Years	2018.08.24	47,848,650	34.13	55,975,658	37.89	-	-	-	-	None	None	None	None	None	
	Taiwan	Walsin Technology Corp. Representative: Yu-Heng Chiao	Male 61~70 years old	2023.06.16	3 Years	2018.08.24	-	-	20,000	0.01	-	-	-	-	Academic Qualifications: Golden Gate University MBA Work Experience: Vice Chairman, Walsin Technology Corp.	Vice Chairperson and CSO of Career Technology (MFG.) Co., Ltd., Chairperson of Walsin Technology Corp., Chairperson of Silitech Technology Corporation, Chairperson of Walton Advanced Engineering, Inc., Chairperson of HannStar Board International Holdings Ltd., Chairperson of Global Brands Manufacture Ltd., Chairperson of Prosperity Dielectric Co., Ltd., Chairperson of Info-Tek Corporation, Director of Walsin Lihwa. Corp.	None	None	None	
Director	Taiwan	Walsin Technology Corp.	-	2023.06.16	3 Years	2018.08.24	47,848,650	34.13	55,975,658	37.89	-	-	-	-	None	None	None	None	None	



Title	Nationality / Place of Registration	Name	Gender Age	Date of election/ appointment to current term	Term of office	Commencement date of first term	No. of shares held at the time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shareholdings through nominees		Principal work experience and academic qualifications	Positions held concurrently in the Company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Note
							No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%			Title	Name	Relation-ship	
	Taiwan	Walsin Technology Corp. Representative: Ming-Tsan Tseng	Male 51~60 years old	2023.06.16	3 Years	2018.08.24	555,650	0.42	55,899	0.04	-	-	-	-	Academic Qualifications: Ph.D., Chemical Engineering, National Taiwan University Work Experience: COO, Inpaq Technology Co., Ltd.; Corporate Director Representative, Joyin Co., Ltd.; Corporate Director Representative, APAQ Technology Co., Ltd.	President of Walsin Technology Corporation Director of Walsin International Management (HK) Limited, Director of Pan Overseas (B.V.I.) Investments Co., Ltd., Director of Walsin Technology Corporation U.S.A, Director of Walsin Technology Corporation (HK) Limited, Director of Walsin Passive Component (H.K.) Limited, Director of Suzhou Walsin Technology Electronics Co., Ltd., Director of Fine Bright Technology Limited, Director of Pan Overseas (Guangzhou) Electronic Co., Ltd., Representative of Kamaya Electric Co., Ltd., Director of Kamaya, Inc., Director of Kamaya Electric (M) Sdn. Bhd., Director of Nitsuko Electronics Corporation, Director of Kamaya Electric (HK) Limited, Chairperson of Eleceram Technology Co., Ltd., Director of Gallatown Developments Limited, Director of Walsin Technology Holding Corporation (HK) Limited, Director of Walsin Singapore Pte. Ltd., Director of Dongguan Walsin Technology Electronics Co., Ltd., Director of Soshin Electric Co., Ltd.	None	None	None	

Title	Nationality / Place of Registration	Name	Gender Age	Date of election/ appointment to current term	Term of office	Commencement date of first term	No. of shares held at the time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shareholdings through nominees		Principal work experience and academic qualifications	Positions held concurrently in the Company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Note
							No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%			Title	Name	Relation-ship	
Director	Taiwan	Dun-Ren Cheng	Male 61~70 years old	2023.06.16	3 Years	1998.06.15	1,496,606	1.07	1,090,606	0.74	57,462	0.04	-	-	Academic Qualifications: Ph.D., Material Science, National Cheng Kung University Work Experience: Research Fellow, ITRI Material and Chemical Laboratory	Chairperson and Technical Director of APAQ Technology Co., Ltd., Corporate Director Representative of Phoenix Innovation Venture Capital Co., Ltd, Corporate Director Representative of Phoenix Innovation Entrepreneurship Investment II Co., Ltd., Director of Biopitk Technology, Inc., Corporate Supervisor Representative of Imat Corporation, Director of Jin Jia Wang Financial Management Co., Ltd., Director of Inpaq Technology (Suzhou) Co., Ltd., Representative of APAQ Technology (Wuxi) Co., Ltd., Representative of APAQ Technology (Hubei) Co., Ltd., Director of Cheng Gong Innovation Management Consulting Co., Ltd., Corporate Chairperson Representative of Bei Ke Zhi Xing Entrepreneurship Investment Co., Ltd., Director of Syntec Technology Co., Ltd., Corporate Supervisor Representative of Leantec Intelligence Co., Ltd., Corporate Chairperson Representative of SteadyBeat Technology Corporation, Chairperson of I-SEE Vision Technology Inc., Chairperson of K Kingdom Inc.	None	None	None	
Independent Director	Taiwan	Ji-Zu Gao	Male 61~70 years old	2023.06.16	3 Years	2008.06.13	6	-	6	-	-	-	-	-	Academic Qualifications: Ph.D. in Chemistry, University of California, Berkeley; Bachelor of Chemistry, National Taiwan University Work Experience: Co-founder of ITEQ Corporation; Founding Chairperson, Taiwan ITRI New Venture Association; Independent Director, Joyin Co., Ltd.	President of Taiwan ITRI New Venture Association, Independent Director of FuSheng Precision Co., Ltd, Independent Director of Taliang Technology Company Limited, Director of Academy of Promoting Economic Legislation, Director of Yuan T. Lee Foundation Science Education, Director of Taiwan- Japan Cooperation on Industrial Technology, Director of Taipei Independent Director Association	None	None	None	

Title	Nationality / Place of Registration	Name	Gender Age	Date of election/ appointment to current term	Term of office	Commencement date of first term	No. of shares held at the time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shareholdings through nominees		Principal work experience and academic qualifications	Positions held concurrently in the Company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Note
							No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%			Title	Name	Relation-ship	
Independent Director	Taiwan	Teh-Fu Huang	Male 61~70 years old	2023.06.16	3 Years	2020.06.15	-	-	-	-	-	-	-	-	Academic Qualifications: Ph.D. in Political Science, Northwestern University Work Experience: Professor, Department of Social and Public Affairs, University of Taipei; Professor, Department of Political Science, National Chengchi University; Legislator of the Fifth and Sixth Legislative Yuan	None	None	None	None	
Independent Director	Taiwan	Po-Wei Chu	Male 41~50 years old	2023.06.16	3 Years	2023.06.16	-	-	-	-	-	-	-	-	Academic Qualifications: China Europe International Business School EMBA Feng Chia University, Master's degree in Insurance Work Experience: President of H&D ASSET MANAGEMENT CO., LTD. Chairperson of Longbon International Co., LTD Director of China Chun-Long Life Insurance Co., Ltd., Xiamen International Trade and Financial Center Development Co., Ltd., Taiwan Life Insurance Co., Ltd., and Reiju Construction Co., Ltd	Chairperson of H&T Asset Management Co., Ltd. Chairperson of Wenxiang Education Foundation.	None	None	None	

Table 1: Directors and Supervisors who are representatives of corporate shareholders, should identify the name of the corporate shareholder and the names of the top ten shareholders of that corporation, as well as their respective shareholding ratios.

April 19, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder	Shareholding ratio
Walsin Technology Corp.	WALSIN LIHWA CORPORATION	18.30%
	HannStar Board Corporation	8.71%
	Global Brands Manufacture Ltd.	4.36%
	Walton Advanced Engineering, Inc.	2.75%
	Yu-Heng Chiao	2.65%
	Citigroup (Taiwan) Commercial Bank entrusted with the custody of Maybank Kim Eng Securities Sdn Bhd investment account	2.33%
	Giga Investment Co.	1.37%
	Chin-Xin Investment Co., Ltd	1.28%
	TSAI YI CORPORATION	1.11%
	Winbond Electronics Corporation	1.09%

Table 2: For each of the top ten shareholders that are corporate shareholders listed in Table 1, the name of the corporate shareholder and the shareholder's ownership percentage of that corporation should be disclosed, as well as the names and ownership percentages of the top ten shareholders

March 18, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder	Shareholding ratio
WALSIN LIHWA CORPORATION	Chin Xin Investment Corp.	6.15%
	Winbond Electronics Corp.	6.14%
	TECO Electric and Machinery Co., Ltd.	5.22%
	Rong Chiang International Ltd.	4.95%
	The Business Department of Standard Chartered International Commercial Bank Custody of LGT Royal Bank (Singapore) Co., Ltd. Investment Account	4.54%
	Walli Investment Co., Ltd.	2.65%
	Yu-Hui Chiao	1.74%
	Citibank (Taiwan) is entrusted with the custody of the Norwegian Central Bank's investment account	1.67%
	Yu-Heng Chiao	1.62%
	Chunghwa Post Co., Ltd.	1.49%

April 20, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder	Shareholding ratio
HannStar Board International Holdings Ltd.	Walsin Technology Corp.	20.32%
	WALSIN LIHWA CORPORATION	12.06%
	Career Technology (Mfg.) Co., Ltd.	5.44%
	Chin-Xin Investment Co. Ltd.	3.55%
	Yu-Heng Chiao	2.19%
	Xing Xing Investment C. Ltd.	2.15%
	Pai-Yung Hong	1.91%
	PROSPERITY DIELECTRICS CO., LTD.	1.07%
	TSAI YI CORPORATION	0.96%
	YUYUE CO., LTD.	0.89%

April 20, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder	Shareholding ratio
Global Brands Manufacture Ltd.	HannStar Board Corp.	40.65%
	Fuh Hwa Taiwan Technology Dividend Highlight ETF Securities Investment Trust Fund Special Account under the custody of Taipei Fubon Commercial Bank Co., Ltd.	3.48%
	Yu-Heng Chiao	1.18%
	JP Morgan Securities Ltd. Segregated Account under the custody of J.P. Morgan	1.01%
	Allianz Taiwan Daba Fund Segregated Account	0.80%
	Min-Hui Liao	0.80%
	Uni-President Black Horse Fund Segregated Account	0.72%
	Ensign Peak Advisors Investment Segregated Account under the custody of HSBC Bank (Taiwan) Ltd.	0.71%
	Mitsubishi UFJ Morgan Stanley Securities Trading Account under the custody of HSBC Bank	0.69%
	Société Générale European Options Investment Segregated Account under the custody of HSBC Bank	0.65%

April 13, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder	Shareholding ratio
Walton Advanced Engineering, Inc.	WALSIN LIHWA CORPORATION	21.17%
	Winbond Electronics Corp.	9.67%
	Prosperity Dielectrics Co., Ltd.	6.16%
	Walsin Technology Corp.	6.16%
	HannStar Board Co., Ltd.	2.85%
	Yu-Heng Chiao	1.97%
	Yu-Lon Chiao	0.94%
	ACWI Fund Investment Account under the Custody of Standard Chartered International Commercial Bank Business Department	0.70%
	Chun-Fen Lee	0.49%
	Erh-Yun Liang	0.43%

March 31, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder	Shareholding ratio
Giga Investment Co.	GIGABYTE Technology Co., Ltd.	100.00%

March 31, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder	Shareholding ratio
Chin-Xin Investment Co., Ltd	Winbond Electronics Corp.	37.69%
	WALSIN LIHWA CORPORATION	36.99%
	Huali Investment Corp.	4.43%
	Yu-Cheng Chiao	3.14%
	Yu-Lon Chiao	3.14%
	Yu-Heng Chiao	3.14%
	Yu-Chi Chiao	3.14%
	Walsin Technology Corp.	1.86%
	HannStar Board Corporation	1.34%
	Prosperity Dielectrics Co., Ltd.	0.72%

March 31, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder	Shareholding ratio
TSAI YI CORPORATION	WALSIN LIHWA CORPORATION	33.97%
	Walsin Technology Corp.	26.62%
	Jin Shin Investment Corporation	8.23%
	GLOBAL BRANDS MANUFACTURE LTD	6.83%
	Ching An Investment Corporation	3.95%
	Jung Yang Investment Corporation	3.85%
	PROSPERITY DIELECTRICS CO., LTD.	3.36%
	WALTON ADVANCED ENGINEERING, INC.	3.35%
	HANNSTAR BOARD CORPORATION	2.91%
	HannStar Display Corporation	2.00%

March 16, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder	Shareholding ratio
Winbond Electronics Corporation	WALSIN LIHWA CORPORATION	22.11%
	Chin Xin Investment Corp.	6.31%
	LGT Bank (Singapore) Ltd. Investment Fund held by the Standard Chartered Bank (Taiwan), Main Branch	1.72%
	Yu-Cheng Chiao	1.53%
	New Labor Pension Fund	1.44%
	Cathay Life Insurance Co., Ltd.	1.37%
	Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds held by JPMorgan Chase Bank, N.A., Taipei Branch	1.00%
	Pai-Yung Hong	0.97%
	Vanguard Emerging Markets Stock Index Fund held by JP Morgan Chase Bank, N.A., Taipei Branch	0.96%
	Yu-Heng Chiao	0.58%

## 2. Information on Directors (2)

### (1) Information Disclosure of Directors and Independent Director's Qualification and Independence

April 22, 2025

<div>Qualification</div> <div>Name</div>	Professional Qualifications and Experience (Note 1)	Independence Analysis (Note 2)	No. of other public companies at which the person concurrently serves as an independent director
Walsin Technology Corp. Representative: Pei-Cheng Chen	Please refer to section 2, 1. Information on Directors (1) for the main educational and professional experience of the director. The director has accounting or financial expertise and experience in corporate management, which serves as specific management objectives. There are no violations of any provisions of Article 30 of the Company Act.	<ul style="list-style-type: none"> <li>The individual served as the chairman of the Company's board of directors and as a director of its affiliated companies for two years prior to and during the term of appointment. Prior to execution, all significant matters were reported to the Board of Directors for resolution, but this did not compromise the individual's independence.</li> <li>The individual's spouse, parents up to the second degree of kinship, and direct blood relatives up to the third degree of kinship are not employed by the Company or its affiliated companies as employees, directors, supervisors, or managers.</li> <li>The individual, their spouse, their minor children, or those holding shares in the Company under another name hold 98,259 shares, representing 0.07% of the issued shares.</li> <li>The individual serves as the representative of a corporate shareholder under Article 27-2 of the Company Act and holds three seats on the Board of Directors. The individual has no ability to control a majority of seats on the Board of Directors or the voting rights of other directors.</li> <li>The individual is not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the Company.</li> <li>The individual is not a professional, sole proprietor, partner, corporate owner, partner, director (supervisor), supervisor (auditor), or manager, and their spouse who provides business, legal, financial, accounting, or other related services to the Company or its affiliated companies, with a cumulative remuneration of less than NT\$500,000 in the last two years.</li> <li>The individual does not have a marital relationship, or a relative within the second degree of kinship to any other director of the Company and has not violated any provisions of Article 30 of the Company Law.</li> </ul>	-
Walsin Technology Corp. Representative: Yu-Heng Chiao	Please refer to section 2, 1. Information on Directors (1) for the main educational and professional experience of the director. The director has experience in various areas of electronic components and has accounting or financial expertise as well as experience in corporate management, which serves as specific management objectives. There are no violations of any provisions of Article 30 of the Company Act.	<ul style="list-style-type: none"> <li>The individual served as the chairman of the parent company for two years prior to and during the term of appointment. Prior to execution, all significant matters were reported to the Board of Directors for resolution, but this did not compromise the individual's independence.</li> <li>The individual's spouse, parents up to the second degree of kinship, and direct blood relatives up to the third degree of kinship are not employed by the Company or its affiliated companies as employees, directors, supervisors, or managers.</li> <li>The individual, their spouse, their minor children, or those holding shares in the Company under another name hold 20,000 shares, representing 0.01% of the issued shares.</li> <li>The individual serves as the representative of a corporate shareholder under Article 27-2 of the Company Act and holds three seats on the Board of Directors. The individual has no ability to control a majority of seats on the Board of Directors or the voting rights of other directors.</li> <li>The individual is not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the Company.</li> <li>The individual is not a professional, sole proprietor, partner, corporate owner, partner, director (supervisor), supervisor (auditor), or manager, and their spouse who provides business, legal, financial, accounting, or other related services to the Company or its affiliated companies, with a cumulative remuneration of less than NT\$500,000 in the last two years.</li> <li>The individual does not have a marital relationship, or a relative within the second degree of kinship to any other director of the Company and has not violated any provisions of Article 30 of the Company Law.</li> </ul>	-
Walsin Technology Corp. Representative: Ming-Tsan Tseng	Please refer to section 2, 1. Information on Directors (1) for the main educational and professional experience of the director. The director has experience in various areas of electronic components and has experience in corporate management, which serves as specific management objectives. There are no violations of any provisions of Article 30 of the Company Act.	<ul style="list-style-type: none"> <li>The individual served as the President of the Company and as a Director and President of its affiliated companies for two years prior to and during the term of appointment. Prior to execution, all significant matters were reported to the Board of Directors for resolution, but this did not compromise the individual's independence.</li> <li>The individual's spouse, parents up to the second degree of kinship, and direct blood relatives up to the third degree of kinship are not employed by the Company or its affiliated companies as employees, directors, supervisors, or managers.</li> <li>The individual, their spouse, their minor children, or those holding shares in the Company under another name hold 55,899 shares, representing 0.04% of the issued shares.</li> <li>The individual serves as the representative of a corporate shareholder under Article 27-2 of the Company Act and holds three seats on the Board of Directors. The individual has no ability to control a majority of seats on the Board of Directors or the voting rights of other directors.</li> <li>The individual is not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the Company.</li> <li>The individual is not a professional, sole proprietor, partner, corporate owner, partner, director (supervisor), supervisor (auditor), or manager, and their spouse who provides business, legal, financial, accounting, or other related services to the Company or its affiliated companies, with a cumulative remuneration of less than NT\$500,000 in the last two years.</li> <li>The individual does not have a marital relationship, or a relative within the second degree of kinship to any other director of the Company and has not violated any provisions of Article 30 of the Company Law.</li> </ul>	-



Dun-Ren Cheng	Please refer to section 2, 1. Information on Directors (1) for the main educational and professional experience of the director. The director has experience in various areas of electronic components and has experience in corporate management, which serves as specific management objectives. There are no violations of any provisions of Article 30 of the Company Act.	<ul style="list-style-type: none"> <li>The individual served as the CEO of the Company for two years prior to and during the term of appointment. Prior to execution, all significant matters were reported to the Board of Directors for resolution, but this did not compromise the individual's independence.</li> <li>The individual's spouse, parents up to the second degree of kinship, and direct blood relatives up to the third degree of kinship are not employed by the Company or its affiliated companies as employees, directors, supervisors, or managers.</li> <li>The individual, their spouse, their minor children, or those holding shares in the Company under another name hold 1,148,068 shares, representing 0.78% of the issued shares.</li> <li>The individual is not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the Company.</li> <li>The individual is not a professional, sole proprietor, partner, corporate owner, partner, director (supervisor), supervisor (auditor), or manager, and their spouse who provides business, legal, financial, accounting, or other related services to the Company or its affiliated companies, with a cumulative remuneration of less than NT\$500,000 in the last two years.</li> <li>The individual does not have a marital relationship, or a relative within the second degree of kinship to any other director of the Company and has not violated any provisions of Article 30 of the Company Law.</li> </ul>	-
Ji-Zu Gao	Please refer to section 2, 1. Information on Directors (1) for the main educational and professional experience of the director. The director has experience in various areas of electronic components and has experience in corporate management, which serves as specific management objectives. There are no violations of any provisions of Article 30 of the Company Act.	<p>As an independent director, the independence criteria are met.</p> <ul style="list-style-type: none"> <li>Including but not limited to the individual, their spouse, or relatives up to the second degree of kinship have not served as directors, supervisors, or employees of the Company or its affiliated enterprises: None;</li> <li>Whether the individual, their spouse, or relatives up to the second degree of kinship do not hold any shares (or shares held through nominees) in the Company: The individual, their spouse, their minor children, or those holding shares in the Company under another name hold 6 shares, representing 0.00% of the issued shares;</li> <li>Whether the person served as a director, supervisor, or employee of a company that has a specific relationship with the Company (as defined in Article 3, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies): No;</li> <li>Whether the person received any compensation for providing business, legal, financial, accounting, or any other services to the Company or its affiliates in the past 2 years: None.</li> </ul>	2
Teh-Fu Huang	Please refer to section 2, 1. Information on Directors (1) for the main educational and professional experience of the director. The director has long-term experience in academia and corporate management capabilities. There are no violations of any provisions of Article 30 of the Company Act.	<p>As an independent director, the independence criteria are met.</p> <ul style="list-style-type: none"> <li>Including but not limited to the individual, their spouse, or relatives up to the second degree of kinship have not served as directors, supervisors, or employees of the Company or its affiliated enterprises: None;</li> <li>Whether the individual, their spouse, or relatives up to the second degree of kinship hold any shares (or shares held through nominees) in the Company: None;</li> <li>Whether the person served as a director, supervisor, or employee of a company that has a specific relationship with the Company (as defined in Article 3, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies): No;</li> <li>Whether the person received any compensation for providing business, legal, financial, accounting, or any other services to the Company or its affiliates in the past 2 years: None.</li> </ul>	-
Po-Wei Chu	Please refer to section 2, 1. Information on Directors (1) for the main educational and professional experience of the director. The director has relevant experience covering various sectors of finance and insurance, along with corporate management experience that serves as a basis for setting concrete managerial objectives. There are no violations of any provisions of Article 30 of the Company Act.	<p>As an independent director, the independence criteria are met.</p> <ul style="list-style-type: none"> <li>Including but not limited to the individual, their spouse, or relatives up to the second degree of kinship have not served as directors, supervisors, or employees of the Company or its affiliated enterprises: None;</li> <li>Whether the individual, their spouse, or relatives up to the second degree of kinship hold any shares (or shares held through nominees) in the Company: None;</li> <li>Whether the person served as a director, supervisor, or employee of a company that has a specific relationship with the Company (as defined in Article 3, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies): No;</li> <li>Whether the person received any compensation for providing business, legal, financial, accounting, or any other services to the Company or its affiliates in the past 2 years: None.</li> </ul>	-

## (2) The diversity and independence of the board of directors.

### (a) The diversity of the board of directors

Describe the board diversity policy, its objectives, and the extent to which they have been achieved. The diversity policy includes, but is not limited to, the selection criteria for directors, the professional qualifications and experience required of the board, as well as the composition or ratio in terms of gender, age, nationality, and culture. The company should also specify the concrete goals of the aforementioned policy and the extent to which these goals have been accomplished.

### (b) Independence of the Board

Specify the number and proportion of independent directors, and explain whether the board of directors possesses independence, providing reasons to clarify whether any of the circumstances stipulated in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act are absent. This includes disclosing whether there are spousal or second-degree kinship relationships among directors, among supervisors, or between directors and supervisors. The Company's "Corporate Governance Guidelines" stipulate that the composition of the board of directors should consider diversity, without limiting gender, race, and nationality. In addition to possessing the knowledge, skills, and qualities necessary to perform their duties, the overall abilities that the

board of directors should have to achieve the ideal goal of corporate governance include 1. Operational Judgment Ability; 2. Accounting and financial analysis capability; 3. Business management capability; 4. Crisis Management; 5. Industry knowledge; 6. Global Market Insights; 7. Leadership capability; 8. Decision-making ability and other diversified professional backgrounds. The current board of directors consists of seven members, including three independent directors, and one female director, accounting for 42.85% and 14.28% of the total board members, respectively. In addition, the Company fully acknowledges and recognizes the importance of gender diversity in the board of directors. Due to the demands of the Company's industry, international development, and sustainable operations, the Company has been actively sourcing female talent through various channels both domestically and internationally. Currently, the board consists of one female director. Moving forward, the Company will continue to expand its talent acquisition channels to further enhance the talent pool and promote gender diversity within the board. As of the end of 2024, one director was aged between 41-50, two were aged between 51-60, and the other directors were aged over 60. All independent directors comply with the regulations of the Financial Supervisory Commission regarding independent directors. For relevant information on each director's education, gender, professional qualifications, work experience, and diversity, please refer to section 2, 1. Information on Directors (1).

Note 1: Professional qualifications and experience: Specify the professional qualifications and experience of each director and supervisor. If a member of the Audit Committee, specify their accounting or finance background and work experience. Additionally, specify whether any circumstance under any subparagraph of Article 30 of the Company Act exists with respect to a director or supervisor.

Note 2: Describe the status of independence of each independent director, including but not limited to the following: did they or their spouse or any relative within the second degree serve as a director, supervisor, or employee of the Company or any of its affiliates? ; specify the number and ratio of shares of the Company held by the independent director and their spouse and relatives within the second degree (or through nominees); do they serve as a director, supervisor, or employee of any company having a specified relationship with the Company (see Article 3, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies)?; specify the amount(s) of any pay received by the independent director for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.

### 3. President, Vice President, Associates, Departments and Branches Officer Information:

April 22, 2025 Unit: Shares

Title	Nationality	Name	Gender	Date of Inauguration	Shareholding		Shareholdings of the spouse and minor children		Shareholdings through nominees		Principal work experience and academic qualifications	Positions concurrently held in other companies at present	Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
President	Taiwan	Chih-Mou Hung	Male	2023.07.01	30,000	0.02	-	-	-	-	Master of Chemical Engineering, National Cheng Kung University	Chairperson of Inpaq Technology USA, Inc., Director of Inpaq Europe GmbH, Corporate Director Representative of INPAQ Technology (Suzhou) Co., Ltd., Corporate Director Representative of Inpaq Technology (China) Co., Ltd., Director of Inpaq Trading (Suzhou) Co., Ltd., Corporate Director Representative of Hunan Hongdian Electronic Co., Ltd., Corporate Director Representative of Taiwan Inpaq Electronic Co., Ltd., Director of Prosperity Dielectrics Co., Ltd., Director of Joyin Co., Ltd., Chairperson of Falcon Automation Equipment Corporation Director of INPAQ Technology Japan Co., LTD. Director of INPAQ MALAYSIA SDN. BHD Director of Elecceram Technology Co., Ltd. Corporate Director Representative of Phoenix Venture Capital Co., Ltd.	-	-	-	-
Assistant Vice President (Note 1)	Taiwan	Zhi-Wei Chen	Male	2024.11.01	61,780	0.04	10,212	0.01	-	-	Master of Telecommunications, Da-Yeh University	Director of Inpaq(Cayman Islands)Ltd., Corporate Director Representative of INPAQ Technology (Suzhou) Co., Ltd.	-	-	-	-
Assistant Vice President (Note 1)	Taiwan	Kai-Ming Hsu	Male	2024.11.01	40,000	0.03	42,000	0.03	-	-	Master of Electrical Engineering, National Central University	Director of Inpaq Technology (China) Co., Ltd.;	-	-	-	-
Assistant Vice President (Note 1)	Taiwan	Jun-Hong Chen	Male	2024.11.01	174,900	0.12	14,650	0.01	-	-	Bachelor of Materials, National Taipei University of Technology	Director of Hunan Hongdian Electronic Co., Ltd., Director of Inpaq Korea Co., Ltd., Director of INPAQ MALAYSIA SDN. BHD, Director of Holypaq (HK) Co., Limited	-	-	-	-
Financial and Accounting Manager	Taiwan	Kuo-Shu Huang	Male	2018.10.08	24,301	0.02	-	-	-	-	Master of Accounting, Chung Yuan Christian University Department of Accounting, Fu Jen Catholic University	Supervisor, Inpaq Technology (Suzhou) Co., Ltd.; Supervisor, Inpaq Technology (China) Co., Ltd.; Supervisor, Inpaq Trading (Suzhou) Co., Ltd.; Supervisor, Inpaq Trading (Suzhou) Co., Ltd.; Supervisor, Hunan Hongdian Electronic Co., Ltd. Supervisor, Elecceram Technology Co., Ltd.	-	-	-	-

Note 1: Zhi-Wei Chen、Kai-Ming Hsu and Jun-Hong Chen was promoted to Assistant Vice President on November 1, 2024.

## 2.2 Remuneration to Directors, Supervisors, President, and Vice President

### 1. Remuneration to Directors and Independent Directors

2024 Unit: NT\$ thousands; thousand shares

2024 CHN-110-1000																						
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Remuneration Range Table

Ranges of remuneration paid to each of the Company's directors	Name of Directors			
	Sum of A+B+C+D		Sum of A+B+C+D+E+F+G	
	The Company	Companies in the consolidated financial statements H	The Company	Parent company and Re-invested businesses I
Less than NT\$1,000,000				
NT\$1,000,000 (incl.) ~ NT\$2,000,000 (excl.)				
NT\$2,000,000 (incl.) ~ NT\$3,500,000 (excl.)	Dun-Ren Cheng 、 Ji-Zu Gao 、 Teh-Fu Huang 、 Po-Wei Chu	Dun-Ren Cheng 、 Ji-Zu Gao 、 Teh-Fu Huang 、 Po-Wei Chu	Dun-Ren Cheng 、 Ji-Zu Gao 、 Teh-Fu Huang 、 Po-Wei Chu	Dun-Ren Cheng 、 Ji-Zu Gao 、 Teh-Fu Huang 、 Po-Wei Chu
NT\$3,500,000 (incl.) ~ NT\$5,000,000 (excl.)				
NT\$5,000,000 (incl.) ~ NT\$10,000,000 (excl.)				
NT\$10,000,000 (incl.) ~ NT\$15,000,000 (excl.)	Walsin Technology Corp.	Walsin Technology Corp.	Walsin Technology Corp.	Walsin Technology Corp.
NT\$15,000,000 (incl.) ~ NT\$30,000,000 (excl.)				
NT\$30,000,000 (incl.) ~ NT\$50,000,000 (excl.)				
NT\$50,000,000 (incl.) ~ NT\$100,000,000 (excl.)				
NT\$100,000,000 or above				
Total	7	7	7	7

## 2. Remuneration of the President and Vice President

### Remuneration of the President and Vice President

2024;Unit: NT\$ thousands; thousand shares

Title	Name	Salary (A)		Retirement pay and pension (B) (Note 1)		Rewards and special disbursements (C)		Employee remuneration (D)				Sum of A+B+C+D and ratio to net profit after-tax (%)		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
President	Chih-Mou Hung	4,487	4,487	1,450	1,450	7,711	7,711	2,000	0	2,000	0	1.59	1.59	0
Vice President (Note 2)	Chi-Lung Chang,													
Vice President (Note 3)	Jen-Chieh Hsu													

Note 1: It is the amount withheld for retirement pension expenses.

Note 2: Vice President Chi-Lung Chang retired on May 31, 2024.

Note 3: Vice President Jen-Chieh Hsu resigned on September 6, 2024.

### Remuneration Range Table

Ranges of remuneration paid to each of the Company's President (s) and Vice President (s)	Names of President (s) and Vice President (s)	
	The Company	Parent company and Re-invested businesses E
Less than NT\$1,000,000		
NT\$1,000,000 (incl.) ~ NT\$2,000,000 (excl.)	Jen-Chieh Hsu(Note 3)	Jen-Chieh Hsu(Note 3)
NT\$2,000,000 (incl.) ~ NT\$3,500,000 (excl.)	Chi-Lung Chang(Note 2)	Chi-Lung Chang, (Note 2)
NT\$3,500,000 (incl.) ~ NT\$5,000,000 (excl.)		
NT\$5,000,000 (incl.) ~ NT\$10,000,000 (excl.)		
NT\$10,000,000 (incl.) ~ NT\$15,000,000 (excl.)	Chih-Mou Hung	Chih-Mou Hung
NT\$15,000,000 (incl.) ~ NT\$30,000,000 (excl.)		
NT\$30,000,000 (incl.) ~ NT\$50,000,000 (excl.)		
NT\$50,000,000 (incl.) ~ NT\$100,000,000 (excl.)		
NT\$100,000,000 or above		
Total	3	3

### 3. Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officers

March 31, 2025; Unit: NT\$ thousands

	Title	Name	Stock	Cash	Total	Total amount to net profit after-tax ratio (%)
Managerial officers	President	Chih-Mou Hung	0	7,500	7,500	0.76
	Vice President (Note 1)	Chi-Lung Chang,				
	Vice President (Note 2)	Jen-Chieh Hsu				
	Assistant Vice President(Note 3)	Zhi-Wei Chen				
	Assistant Vice President(Note 3)	Kai-Ming Hsu				
	Assistant Vice President(Note 3)	Jun-Hong Chen				
	Chief Financial and Accounting Officer	Guo-Shu Huang				

Note 1: Vice President Chi-Lung Chang retired on May 31, 2024.

Note 2: Vice President Jen-Chieh Hsu resigned on September 6, 2024.

Note 3: Zhi-Wei Chen 、Kai-Ming Hsu and Jun-Hong Chen was promoted to Associate General Manager on November 1, 2024.

4. Compare and explain the total remuneration paid to Directors, Supervisors, President and Vice Presidents of the Company and all companies included in the consolidated financial statements in the past two fiscal years as a percentage of the tax-after net income of the individual or separate financial reports, and analyze and explain the policies, standards, and composition of remuneration, the process of setting remuneration, and the relationship with operating performance and future risks:

Item	Total amount to net profit after-tax (%)			
	2024		2023	
	The Company	Companies in the consolidated financial report	The Company	Companies in the consolidated financial report
Directors	2.58	2.58	3.81	3.94
President and Vice President	1.59	1.59	2.75	2.89

(1) Policy, Standards, and Composition of Remuneration, and Procedures for Determining Remuneration:

Item	Description
Directors	The director's remuneration consists primarily of director's fees and transportation costs. The director's fees are paid in cash and are based on Article 27 of the Company's articles of association, which states that no more than 3% of the annual profit can be allocated for director remuneration. The factors taken into account include the practical implementation of the Company's core values and operational management capabilities, financial and business performance indicators, comprehensive management indicators, continuous learning, and participation in sustainable management. Special contributions and significant negative events are also considered. The transportation expenses for attending board meetings are paid regardless of profit or loss, and a fixed amount of transportation allowance is given for each board meeting attended.
President and Vice President	In accordance with industry standards and company regulations, the Company pays fixed salaries for managerial compensation, as well as performance bonuses based on performance evaluations. The bonus is based on the manager's performance evaluation items, which include financial indicators (such as the Company's revenue achievement rate, pre-tax net profit, and after-tax net profit) and non-financial indicators (such as serving as a mentor or evaluator for innovative incubation programs, significant deficiencies in compliance with laws and regulations, or operational risks in the subordinate department). The authorized person that the board of directors appoints or the board of directors themselves determine the value of their participation in and contribution to the Company's operations.

(2) Correlation between risks and business performance:

Regarding the payment of remuneration, the remuneration committee considers the actual business performance and evaluates future risks to propose a resolution each year. The board of directors then endorses and puts the resolution into action.



## 2.3 Corporate Governance Status

### 1. Implementation Status of the Board of Directors:

In 2024, the Board of Directors held 7(A) meetings, and the attendance of directors was as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings with entrusted attendees	In-person attendance rate (%) 【B/A】	Note
Chairman	Walsin Technology Corp. Corporate Representative: Pei-Cheng Chen	7	0	100%	
Director	Walsin Technology Corp. Corporate Representative: Yu-Heng Chiao	2	5	29%	
Director	Walsin Technology Corp. Corporate Representative: Ming-Tsan Tseng	7	0	100%	
Director	Dun-Ren Cheng	7	0	100%	
Independent Director	Ji-Zu Gao	7	0	100%	
Independent Director	Teh-Fu Huang	7	0	100%	
Independent Director	Po-Wei Chu	5	2	71%	

Attendance of independent directors at each board meeting is as follows:

○: Attended in person ▲: Attended with entrusted attendance X: Absent

10th Board of Directors	6th Session (2024.01.26)	7th Session (2024.02.22)	8th Session (2024.03.27)	9th Session (2024.04.29)	10th Session (2024.08.01)	11th Session (2024.10.29)	12th Session (2024.11.14)
Ji-Zu Gao	○	○	○	○	○	○	○
Teh-Fu Huang	○	○	○	○	○	○	○
Po-Wei Chu	○	○	▲	○	○	○	▲

Other mentionable items:

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

- (1) Matters referred to in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee, which does not apply to Article 14-3 of the Securities and Exchange Act. For relevant information, please refer to "Audit Committee Implementation Status" in this annual report.
- (2) Other matters involving objections or reserved opinions recorded or stated in writing by Independent Directors that require a resolution by the board of directors: None.

- 2、Specify the date of the board meeting, the meeting session number, the content of the motion, the outcome of the board's resolution, and the actions taken by the Company based on the supervisor's stance if he or she recused from a board meeting due to a conflict of interest:

Date and Session of Board Meeting	Agenda	Names of Directors	Reasons of recusal due to conflicts of interest	Participation in voting
January 26, 2024, 6th Meeting of the Tenth Board of Directors	Donation to the related party "PSA Charitable Foundation" and "Career Foundation"	Director Yu-Heng Chiao	Conflict of interest with Directors	Recused from participation
March 27, 2024, 8th Meeting of the Tenth Board of Directors	Discussion on the Allocation of Individual Director Remuneration for the Fiscal Year 2023	Chairman Pei-Cheng Chen Director Yu-Heng Chiao Director Ming-Tsan Tseng Director Dun-Ren Cheng Independent Director Ji-Zu Gao Independent Director Teh-Fu Huang Independent Director Po-Wei Chu	Conflict of interest with Directors	Recused from participation
April 29, 2024, 9th Meeting of the Tenth Board of Directors	Proposal of release the prohibition on directors from participation in competitive business	Director Yu-Heng Chiao Director Ming-Tsan Tseng Director Dun-Ren Cheng Independent Director Ji-Zu Gao Independent Director Po-Wei Chu	Conflict of interest with Directors	Recused from participation

- 3、Implementation Status of Board Evaluations:

The Company established the "Rules for Performance Evaluation of the Board of Directors" in January 2020 and planned to conduct a self-evaluation once a year starting this year. The evaluation result for 2024 was reported to the board on February 20, 2025.

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation items
The Board of Directors of the Company conducts an annual internal performance evaluation of the Board of Directors and Functional Committees.	January 1, 2024 to December 31, 2024	Performance evaluation of Board of Directors and Functional Committees	The evaluation is conducted using an internal questionnaire, which includes the organization and operation of the board of directors, the participation of directors, their understanding and awareness of the Company's responsibilities, and their continuous education, etc.	<p>The Board of Directors' and Functional Committee's performance evaluation indicators will at least include aspects listed below:</p> <ol style="list-style-type: none"> <li>1. Level of participation in company operations</li> <li>2. The quality of the Board of Directors and Functional Committee's decisions</li> <li>3. Board and Functional Committee's composition and structure</li> <li>4. Appointment of directors and their continued development</li> <li>5. Internal control</li> </ol> <p>The board members' performance evaluation indicators include aspects listed below:</p> <ol style="list-style-type: none"> <li>1. Grasp of company targets and missions</li> <li>2. Understanding of roles and responsibilities</li> <li>3. Level of participation in company operations</li> <li>4. Internal relationship management and communication</li> <li>5. Director's specialty and continued development</li> <li>6. Internal control</li> </ol>

4、Evaluations of the current and previous years' objectives for strengthening the board of directors' functions (such as establishing an Audit Committee, enhancing information transparency, etc.) and their status of implementation:

- The Company has revised and implemented its board of directors' rules of procedure in accordance with regulations and has established three independent directors. Since 2011, the Company has set up a Remuneration Committee in accordance with regulatory requirements. The Audit Committee has been established since 2020.
- After each board of directors' meeting, the legal and regulatory requirements for the disclosure of resolutions must be announced in a timely manner, enhancing information transparency.
- The Company has also established and revised various related codes and procedures in accordance with regulations and through board of directors' resolutions, focusing on shareholder rights and making operations more transparent. These include the "Procedure for Meetings of Board of Directors," "Rules for Performance Evaluation of Board of Directors" "Procedures for Handling Material Inside Information and the Prevention of Insider Trading," "Corporate Governance Best Practice Principles," "Procedures for Ethical Management and Guidelines for Conduct," "Codes of Ethical Conduct for Directors and Managers," "Sustainable Development Best Practice Principles," among others.

## 2. Implementation Status of the Audit Committee or Participation of Supervisors in Board Operations:

### (1) Audit Committee Implementation Status:

#### (a) The Audit Committee's deliberations mainly include:

- Establishing or amending the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
- Assessment of the effectiveness of the Internal Control System.
- Establishing or amending the procedures for significant financial transactions such as the Acquisition and Disposal of Assets, engaging in derivative trading, loaning of funds, endorsements or guarantees in accordance with Article 36-1 of the Securities and Exchange Act.
- Matters related to directors' conflicts of interest.
- Significant asset or derivative transactions.
- Significant lending of funds, endorsements, or guarantees.
- Issuance, offering, or private placement of equity securities.
- Appointment, removal, or remuneration of the signing accountant.
- Appointment and removal of financial, accounting, or internal audit executives.
- Annual and semi-annual financial reports.
- Other significant matters required by the Company or regulatory authorities.

#### (b) The Audit Committee's annual work priorities include:

- Arranging meetings (Audit Committee and communication meetings).
- Handling meeting-related matters of the Audit Committee in accordance with the law (meeting notices and minutes).
- Tracking and executing improvement items requested by the Audit Committee.
- Providing the independent directors with the necessary company information to assist them in fully exercising their duties.
- Establishing and revising organizational regulations and related operating procedures.
- Identifying related party transactions and potential conflicts of interest involving all employees, managers, and directors.
- Reviewing financial reports.

- Supervising the effective implementation of the Company's internal control.
- Compliance with relevant laws and regulations.

(2) In 2024, the Audit Committee held 7 (A) meetings, and the attendance was as follows:

Title	Name	No. of meetings attended in Person (B)	No. of meetings with entrusted attendance	In-person attendance rate (%) 【B/A】	Note
Independent Director	Ji-Zu Gao	7	0	100%	
Independent Director	Teh-Fu Huang	7	0	100%	
Independent Director	Po-Wei Chu	5	2	71%	

(3) Professional Qualifications and Experience of the Audit Committee Members

Identity	Name	Professional Qualifications and Experience
Convener, Independent Director	Ji-Zu Gao	The main educational and work experience and concurrent positions in this company and other companies can be found in section 2, 1. Information on Directors (1). The relevant experience covers various fields of electronic components and has experience in corporate management, serving as a specific management target.
Independent Director	Teh-Fu Huang	The main educational and work experience and concurrent positions in this company and other companies can be found in section 2, 1. Information on Directors (1). The individual have long-term experience in academia and abilities in corporate management.
Independent Director	Po-Wei Chu	The main educational and work experience and concurrent positions in this company and other companies can be found in section 2, 1. Information on Directors (1). The relevant experience covers various fields of financial insurance and has experience in corporate management, serving as a specific management target.

(4) Other mentionable items:

- (a) The dates of meetings, sessions, the contents of motions, independent directors' objections, reservations, or major proposals, the Audit Committee's resolutions, and the Company's response to the Audit Committee's opinion must be specified if any of the following events occur.

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

Date and Session of Meeting	Agenda	Independent Directors' opinions or major proposals	Audit Committee Resolution	The Company's response to the Audit Committee's opinion
January 26, 2024 5th Session of 2nd Audit Committee	Discussion on the Proposal for the Company to Loan Funds to Subsidiaries	None	Independent directors voted unanimously to approve the resolution.	All directors present at the board meeting agreed and passed the resolution.
	Donation to the related party "PSA Charitable Foundation" and "Career Foundation"			
February 22, 2024 6th Session of 2nd Audit Committee	Discussion on the Company's 2023 Annual Business Report and Financial Statements	None	Independent directors voted unanimously to approve the resolution.	All directors present at the board meeting agreed and passed the resolution.
	Discussion on the Rotation and Replacement of the Certified Public Accountant (CPA) for Audit Engagement, the Professional Service Fees for the CPA in 2024, and the Evaluation of Independence			
	Discussion on the Company's 2023 "Assessment of the Effectiveness of the Internal Control System" and "Internal Control System Statement"			
March 27, 2024 7th Session of 2nd Audit Committee	Discussion on the Proposal for the Distribution of the Company's 2023 Earnings	None	Independent directors voted unanimously to approve the resolution.	All directors present at the board meeting agreed and passed the resolution.
April 29, 2024 8th Session of 2nd Audit Committee	Discussion on the Company's Q1 2024 Financial Report	None	Independent directors voted unanimously to approve the resolution.	All directors present at the board meeting agreed and passed the resolution.
	Proposal for the Amendment of the Company's "Audit Committee Charter"			
	Discussion on the Proposal for the Company to Loan Funds to Subsidiaries			
	Proposal for Lifting the Non-Compete Restriction on Directors			
August 1, 2024 9th Session of 2nd Audit Committee	Discussion on the Company's Q2 2024 Financial Report	None	Independent directors voted unanimously to approve the resolution.	All directors present at the board meeting agreed and passed the resolution.
	Discussion on the Proposal for the Company to Provide Endorsements and Guarantees for Subsidiaries			
October 29, 2024 10th Session of 2nd Audit Committee	Discussion on the Company's Q3 2024 Financial Report	None	Independent directors voted unanimously to approve the resolution.	All directors present at the board meeting agreed and passed the resolution.
	Proposal for Establishing the "Procedures for the Preparation and Assurance of the Sustainability Report"			
	Proposal to Amend Certain Provisions of the "Internal Control System" and the "Implementation Rules for Internal Audit"			
	Discussion on the Company's 2025 Audit Plan			
	Proposal to Invest in the Malaysian Subsidiary (INPAQ Malaysia Sdn. Bhd.)			
November 14, 2024 11th Session of 2nd Audit Committee	Proposal for Repurchase of Common Shares	None	Independent directors voted unanimously to approve the resolution.	All directors present at the board meeting agreed and passed the resolution.

- (c) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.
- (d) If there are independent directors' recusals due to conflicts of interest, the directors' names, contents of motions, causes for avoidance and voting should be specified: None.
- (e) Communications between the independent directors, the Company's chief internal auditor and CPAs (e.g., the material items, methods and results of audits of corporate finance or operations, etc.).

➤ Communications Between Independent Directors and Accountants

Date of meeting	Nature of meeting	Content of communication	Independent directors' suggestions and results
2024.10.29	10th Session of 2nd Audit Committee	1. Report on the reviewed results of the financial statements for the third quarter of 2024. 2. Communication of major audit matters related to the 2024 financial statements. 3. Update on the latest regulations. 4. Exchange of opinions.	Independent directors express no opinion

➤ Communications Between Independent Directors and Internal Audit Supervisors

Date of meeting	Nature of meeting	Content of communication	Independent directors' suggestions and results
2024.02.22	6th Session of 2nd Audit Committee	1. Report on the implementation status of the audit plan for the fourth quarter of 2023. 2. Discussion of the Company's "Effectiveness Assessment of Internal Control System" and "Declaration of Internal Control System" in 2023.	Independent directors express no opinion
2024.04.29	8th Session of 2nd Audit Committee	Report on the implementation status of the audit plan for the first quarter of 2024.	Independent directors express no opinion
2024.08.01	9th Session of 2nd Audit Committee	Report on the implementation status of the audit plan for the second quarter of 2024.	Independent directors express no opinion
2024.10.29	10th Session of 2nd Audit Committee	1. Report on the implementation status of the audit plan for the third quarter of 2024. 2. Discussion on the audit plan for the year 2025. 3. Discussion on amending some provisions of the company's "Internal Control System" and "Internal Audit Implementation Rules".	Independent directors express no opinion

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
	Yes	No	Abstract Illustration	
1. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	V		In order to establish an effective corporate governance system, the Company's board of directors approved its "Corporate Governance Best Practice Principles" in 2020 for compliance with the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies." This guideline has also been uploaded to the Taiwan Stock Exchange Market Observation Post System as well as the Company's official website for public access. ( <a href="https://www.inpaq.com.tw/upload/file/20240111081923599579176.pdf">https://www.inpaq.com.tw/upload/file/20240111081923599579176.pdf</a> )	Complied with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
2. The Company's shareholding structure & shareholders' rights				
(1) Does the Company develop and implement an internal operating procedure for handling shareholder suggestions, questions, disputes, and litigation?	V		(1) The Company has established a spokesperson system to handle related matters in accordance with regulations. In order to ensure shareholders' rights and interests, the spokesperson may assign personnel to handle shareholder proposals, doubts, and disputes as needed. The Company also provides relevant contact information and stakeholder mailbox on its website and annual report to collect inquiries or suggestions.	Complied with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
(2) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		(2) The Company effectively monitors the shareholding status of directors, executives, and major shareholders holding more than 10% of the Company's shares and reports the relevant personnel in a timely manner.	
(3) Does the Company establish and execute a risk management and firewall system within its conglomerate structure?	V		(3) The Company's affiliated companies are all subsidiaries directly or indirectly held by the Company with more than 50% of the shares. For handling matters related to investment companies, the Company follows the "Related Party Transaction Management Operation", "Internal Control System", "Internal Audit System", and relevant laws and regulations to implement necessary control mechanisms.	
(4) Does the Company establish internal rules against insiders trading with undisclosed information?	V		(4) In order to prevent improper disclosure of information and ensure the consistency and accuracy of the Company's external information, and to prevent insider trading, the Company has established the "Procedures for Handling Material Inside Information and the Prevention of Insider Trading" to be followed. This written operating procedure has been sent to	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			the Company's directors and is placed on the Company's website for managers and all employees to consult at any time. In addition, the Company's board of directors passed the "Procedures for Ethical Management and Guidelines for Conduct" and "Codes of Ethical Conduct for Directors and Managers" in 2020, which require compliance with relevant regulations prohibiting insider trading under the Company's internal regulations and Securities and Exchange Act, and are also available on the Company's website for relevant personnel to consult at any time.	
<p>3. Composition and Responsibilities of the Board of Directors</p> <p>(1) Does the Board develop and implement a diversified policy for the composition of its members?</p>	V		(1) The board of directors of the Company is responsible to the shareholders' meeting for the various operations and arrangements of the corporate governance system, ensuring that the board of directors exercises its powers in accordance with the regulations, Articles of Incorporation, or resolutions of the shareholders' meeting. The Company has strengthened the functions of the board of directors in Chapter 3 of its "Corporate Governance Best Practice Principles" and formulated a diversified policy. The nomination and selection of the members of the board of directors of the Company follow the provisions of the Articles of Incorporation. Independent directors are nominated through a candidate nomination system and are evaluated based on their qualifications, knowledge, skills, and qualities necessary to perform their duties. The education, experience, and diversity of concurrent positions of the Company's seven directors (including three independent directors) are also disclosed in the "Information on Directors and Supervisors" section of this year's annual report. The Company's corporate governance practice guidelines disclose the policy of diversifying the composition of the members on the Company's website and in Note 1.	No major deviation with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
(2) Does the Company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?		V	(2) The Company has established a Remuneration Committee and an Audit Committee, and will evaluate the need to establish other functional committees in the future.	
(3) Does the Company establish "Rules for Performance Evaluation of Board of Directors" and implement it annually, and are performance	V		(3) The Company regularly reviews the effectiveness of the board of directors, and on August 3, 2020, it established the "Rules for Performance Evaluation of Board of Directors" and its evaluation method,	



Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?</p> <p>(4) Does the Company regularly evaluate the independence of Certified Public Accountant?</p>	V		<p>which can be referred to on page 22.</p> <p>The latest (2024) performance evaluation results of the board of directors are as follows:</p> <p>The overall average score of the self-evaluation summary of the 2024 performance evaluation was 4.890 points (out of 5 points). The details of the above-mentioned performance evaluation have been reported to the board of directors on February 20, 2025.</p> <p>(4) The Audit Committee annually evaluates the independence and suitability of the Company's appointed accountants. In addition to requesting that the accountants provide a "Statement of Independence" and "Audit Quality Indicators (AQIs)", the evaluation is based on the criteria and 13 AQIs. It has been confirmed that the accountants and their firms have no financial interests or business relationships other than the fees for auditing and taxation services provided to the Company. The independence requirements are also not violated by the accountants' family members. Furthermore, based on the information from AQI indicators, it has been verified that the accountants and their firms have superior auditing experience and training hours compared to the industry average. Additionally, in the past three years, they have continuously adopted digital audit tools to enhance audit quality. The most recent annual evaluation results were discussed and approved by the Audit Committee on February 20, 2025, and subsequently submitted to the Board of Directors for resolution on the same date. This process included an assessment of the independence and suitability of the auditors. Please refer to Note 2 for details on the Certified Public Accountant's Independence Evaluation:</p>	
<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)?</p>	V		<p>On November 2, 2020, the Board of Directors of the Company resolved to appoint Division Director Kuo-Shu Huang as the corporate governance officer to safeguard shareholder rights and strengthen the functions of the Board. Division Director Huang has more than three years of experience as a financial executive in a publicly traded company. The main responsibilities of the corporate governance officer are to handle matters related to Board and shareholder meetings in accordance with the law, prepare Board and shareholder meeting minutes, assist directors in appointment and continuing education, provide necessary information for directors to carry out their</p>	<p>No major deviation with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies</p>

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>duties, and assist them in complying with laws and regulations. For the corporate governance officer's continuing education status in 2024, please refer to Section 3, 7(2) of the Manager's Continuing Education.</p> <p>The business implementation status for the year 2024 is as follows:</p> <ol style="list-style-type: none"> <li>(1) Handle shareholder meeting registration prior to the meeting date in accordance with the law, prepare meeting notices, meeting handbooks, and meeting records within the statutory deadline, and handle registration matters for amendments to the Company's articles of incorporation or director elections.</li> <li>(2) Draft the agenda for the Board of Directors meeting and notify the directors seven days in advance, convene the meeting, provide meeting materials, and complete the minutes of the meeting within 20 days after the meeting.</li> <li>(3) Responsible for the disclosure of important information regarding major resolutions of the Board of Directors and shareholders' meetings, ensuring the legality and accuracy of the information to ensure equal access to information for investors.</li> <li>(4) Provide independent directors and general directors with information on continuing education courses and assist them in completing their continuing education plans. For the education status in 2024, please refer to Note 3.</li> <li>(5) Regular communication with independent directors and certified public accountants to understand the Company's financial operations.</li> <li>(6) Evaluate and purchase appropriate directors' and managers' liability insurance.</li> </ol>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
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?	V		<p>(1) The Company has established a spokesperson and proxy spokesperson in accordance with regulations to communicate with stakeholders. Relevant major information has been disclosed in compliance with regulations on the Taiwan Stock Exchange Market Observation Post System.</p> <p>(2) All relevant financial and equity-related information of the Company is disclosed on its website and the Taiwan Stock Exchange Market Observation Post System. Dedicated personnel are responsible for updating the information and responding to related questions to establish a communication channel with investors.</p> <p>(3) The Company has established a "stakeholder's area" on its website to maintain smooth communication channels with stakeholders, including customers, shareholders, banks, employees, suppliers, communities, regulatory authorities, or other parties related to the Company's interests. The Company's internal and external websites and annual reports have relevant contact points to respond appropriately to the issues of concern to stakeholders.</p>	No major deviation with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
6. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The Company has appointed a professional shareholder services agency, Stock Agency Department of Yuanta Securities Co., Ltd., to handle shareholder meeting affairs and other related matters.	Complied with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>7. Information Disclosure</p> <p>(1) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance?</p> <p>(2) Does the Company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?</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>V</p> <p>V</p>	<p>V</p>	<p>(1) The Company has established a corporate website where financial and corporate governance-related information is disclosed. The Company's website: <a href="http://www.inpaq.com.tw">http://www.inpaq.com.tw</a>.</p> <p>(2) The Company has dedicated personnel responsible for regularly updating financial and corporate governance information and responding to related inquiries, with spokespersons and acting spokespersons responsible for communicating with stakeholders. The Company also has an "Procedures for Handling Material Inside Information and the Prevention of Insider Trading" requiring management and employees to keep business and financial confidential information.</p> <p>(3) The Company's monthly operating results have been fully disclosed on the Taiwan Stock Exchange Market Observation Post System and the corporate website ahead of the statutory deadline; however, early announcements and reporting of financial reports for each period have yet to be evaluated for implementation as needed in the future.</p>	<p>No major deviation with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies</p>
<p>8. Is there any other important information to facilitate a better understanding of the Company’s corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors’ training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?</p>	<p>V</p>		<p>(1) Employee benefits and employee care: The Company has established work rules in compliance with relevant labor laws and publicly disclosed them. The Company has also set up an internal website for company information dissemination, employee feedback, and to enhance employee loyalty and cohesion towards the organization. In addition, the Company has a Welfare Committee dedicated to handling various employee welfare matters.</p> <p>(2) Investor relations, supplier relationships, and stakeholder rights: Based on the concept of co-prosperity, the Company has maintained good and long-term interactive cooperative relationships with investors, suppliers, and other stakeholders. It provides effective communication channels and information dissemination to maintain long-term cooperation and economic operational models as the development direction.</p> <p>(3) Risk management policies and implementation of risk assessment standards: Various internal rules have been established in accordance with the law for various risk management and evaluation.</p> <p>(4) Execution of customer policies: The Company maintains stable and good relationships with customers in order to create company profits.</p> <p>(5) The Company's purchase of liability insurance for directors: The</p>	<p>No major deviation with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies</p>

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			Company adopted a resolution to purchase liability insurance for its directors in a shareholder meeting held on June 14, 2005, and a coverage limit of US\$5 million was set for the year 2024.	
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. (If the Company was not included among the companies evaluated for the given recent year, this item does not need to be completed.) Strengthen the disclosure of corporate governance information, including the early release of corporate governance information; strengthen the governance structure and set up a company with a dedicated unit.				

#### Note 1: Policy and Implementation of Board Diversity

To strengthen corporate governance and promote the sound development of the board of directors' composition and structure, in accordance with the Company's Corporate Governance Best Practice Principles, the composition of the board of directors should take into account various needs such as the Company's operational structure, business development direction, and future trends, and should evaluate various dimensions of diversity. Board members should generally possess the knowledge, skills, and qualities necessary to perform their duties, and the Company has established eight overall capabilities that board members should possess, all of which are taken into consideration when selecting board members.

The current board of directors of the Company is composed of seven members, including four directors and three independent directors, who possess rich experience and expertise in industries, technology, finance, and management. In addition, the Company fully acknowledges and recognizes the importance of gender diversity in the board of directors. Due to the demands of the Company's industry, international development, and sustainable operations, the Company has been actively sourcing female talent through various channels both domestically and internationally. Currently, the board consists of one female director. Moving forward, the Company will continue to expand its talent acquisition channels to further enhance the talent pool and promote gender diversity within the board.

The specific management goals and achievements of its policy for diversified board composition are as follows:

Management Objectives	Status of Accomplishment
The number of independent board members exceeds one-third of the total number of board members.	Achieved
No more than one-third of the board seats should be held by directors who concurrently serve as company executives	Achieved
Sufficient diversity in professional knowledge and skills	Achieved

### Policy and Implementation of Board Diversity:

Diversity Policy:  Names of Directors	Board composition and structure									Professional Qualifications and Experience					Competency Status								
	Nationality	Gender	Employee of the Company	Age				Independent directors' term of office			Industry	Technology	Finance	Accounting	Marketing	Operational Judgment Ability	Accounting and financial analysis	Business management	Crisis Management	Industrial knowledge	Global Market Insights	Leadership	Decision-making
				41to50	51to60	61to70	71to80	Under 3 years	3-9 Years	Over 9 years													
Walsin Technology Corp. Representative: Pei-Cheng Chen	Taiwan	Female			V						V	V	V	V	V	V	V	V	V	V	V	V	V
Walsin Technology Corp. Representative: Yu-Heng Chiao	Taiwan	Male				V					V	V	V	V	V	V	V	V	V	V	V	V	V
Walsin Technology Corp. Representative: Ming-Tsan Tseng	Taiwan	Male			V						V	V		V	V	V	V	V	V	V	V	V	V
Dun-Ren Cheng	Taiwan	Male				V					V	V		V	V	V	V	V	V	V	V	V	V
Ji-Zu Gao	Taiwan	Male				V				V	V	V	V	V	V	V	V	V	V	V	V	V	V
Teh-Fu Huang	Taiwan	Male				V			V		V	V			V	V	V	V	V	V	V	V	V
Po-Wei Chu	Taiwan	Male		V				V			V	V	V	V	V	V	V	V	V	V	V	V	V

Note 2: Certified Public Accountant's Independence Evaluation:

**INPAQ Technology Co., Ltd.**  
**Certified Public Accountant's Independence Evaluation**  
**2024**

**Evaluation of the Certified Public Accountant: Accountants Hai-Ning Huang, Chi-Lung Yu of KPMG Taiwan**

**Evaluation items are developed in accordance with Article 47 of the "Certified Public Accountant Act" and Article 10 of the "Code of Ethics for Certified Public Accountants," "Integrity, Objectivity, Independence, and Professional Behavior."**

<b>Independence Evaluation Item</b>	<b>No (Normal)</b>	<b>Yes (Abnormal)</b>	<b>Note</b>
<b>1. Currently employed by the Company for regular work, receiving a fixed salary, or serving as a director or supervisor.</b>	<b>V</b>		
<b>2. Previously served as a director, supervisor, executive, or held a position with significant influence on audit matters in the Company, and have not been separated from such position for less than two years.</b>	<b>V</b>		
<b>3. Have a relationship of spouse, direct blood relation, direct in-law relation, or second-degree blood relation with the Company's responsible person or executive.</b>	<b>V</b>		
<b>4. Have an investment or financial interest sharing relationship with the Company, either personally or through their spouse or minor children.</b>	<b>V</b>		
<b>5. Have a financial borrowing or lending relationship with the Company, either personally or through their spouse or minor children.</b>	<b>V</b>		
<b>6. Engage in management consulting or other non-audit activities that may affect independence.</b>	<b>V</b>		
<b>7. Violate regulations that prohibit accounting firms from rotating, handling accounting matters on behalf of others, or engaging in other activities that may affect independence as stipulated by the competent authority for business events.</b>	<b>V</b>		

**Conclusion: After evaluating the independence assessment criteria, it is determined that both accountants Hai-Ning Huang, Chi-Lung Yu from KPMG Taiwan meet the Company's independence assessment standards and are suitable to serve as the auditors for the Company's financial statements.**

Note 3: Continuing Education and Training for Directors in 2024:

Title	Name	Period of Study	Organizer	Course Name	Course Hours
Corporate Director Representative	Pei-Cheng Chen	2024.04.15	Taiwan Academy of Banking and Finance	Corporate Governance Forum	3
		2024.11.06	Securities and Futures Institute	NVIDIA's Trillion-Dollar Miracle: New Thinking Behind the Semiconductor Industry Revolution in Artificial Intelligence	3
		2024.11.06	Securities and Futures Institute	Carbon Credit Trading Mechanisms and Carbon Management Applications	3
Corporate Director Representative	Yu-Heng Chiao	2024.11.06	Securities and Futures Institute	NVIDIA's Trillion-Dollar Miracle: New Thinking Behind the Semiconductor Industry Revolution in Artificial Intelligence	3
		2024.11.06	Securities and Futures Institute	Carbon Credit Trading Mechanisms and Carbon Management Applications	3
Corporate Director Representative	Ming-Tsan Tseng	2024.12.14	Accounting Research and Development Foundation	Preparation of Corporate Financial Information and Internal Control Regulations	3
		2024.12.17	Accounting Research and Development Foundation	Preparation and Supervision of the Sustainability Report	3
Director	Dun-Ren Cheng	2024.05.06	Securities and Futures Institute	Corporate Governance and Securities Regulations	3
		2024.11.04	Securities and Futures Institute	Key Fiscal and Tax Issues for 2024	3
		2024.11.04	Securities and Futures Institute	Development and Challenges of the Precision Care Industry in the Era of Sustainability	3
		2024.11.06	Securities and Futures Institute	NVIDIA's Trillion-Dollar Miracle: New Thinking Behind the Semiconductor Industry Revolution in Artificial Intelligence	3
		2024.11.06	Securities and Futures Institute	Carbon Credit Trading Mechanisms and Carbon Management Applications	3
Independent Director	Ji-Zu Gao	2024.11.06	Securities and Futures Institute	NVIDIA's Trillion-Dollar Miracle: New Thinking Behind the Semiconductor Industry Revolution in Artificial Intelligence	3
		2024.11.06	Securities and Futures Institute	Carbon Credit Trading Mechanisms and Carbon Management Applications	3
Independent Director	Teh-Fu Huang	2024.11.06	Securities and Futures Institute	NVIDIA's Trillion-Dollar Miracle: New Thinking Behind the Semiconductor Industry Revolution in Artificial Intelligence	3
		2024.11.06	Securities and Futures Institute	Carbon Credit Trading Mechanisms and Carbon Management Applications	3
Independent Director	Po-Wei Chu	2024.11.06	Securities and Futures Institute	NVIDIA's Trillion-Dollar Miracle: New Thinking Behind the Semiconductor Industry Revolution in Artificial Intelligence	3
		2024.11.06	Securities and Futures Institute	Carbon Credit Trading Mechanisms and Carbon Management Applications	3



#### 4. Composition, Responsibilities and Operations of the Remuneration Committee:

##### (1) Information on Remuneration Committee Members

Identity (Note 1)	Qualification  Name	Professional Qualifications and Experience (Note 2)	Independence Analysis (Note 3)	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member	Remarks
Independent Director	Ji-Zu Gao	Please refer to section 2, 1. Information on Directors (1) for the main educational and professional experience of the director. The director has experience in various areas of electronic components and has experience in corporate management, which serves as specific management objectives. There are no violations of any provisions of Article 30 of the Company Act.	As an independent director, the independence criteria are met 1. Including but not limited to the individual, their spouse, or relatives up to the second degree of kinship who have not served as directors, supervisors, or employees of the Company or its affiliated enterprises: None; 2. Does the individual, their spouse, or relatives up to the second degree of kinship hold any shares (or shares held through nominees) in the Company: The individual, their spouse, their minor children, or those holding shares in the Company under another name hold 6 shares, representing 0.00% of the issued shares; 3. Has the individual served as a director, supervisor, or employee of the Company or its affiliates: None. 4. Whether the person received any compensation for providing business, legal, financial, accounting, or any other services to the Company or its affiliates in the past 2 years: None.	2	
Convener, Independent Director	Teh-Fu Huang	Please refer to section 2, 1. Information on Directors (1) for the main educational and professional experience of the director. The director has long-term experience in academia and corporate management capabilities. There are no violations of any provisions of Article 30 of the Company Act.	As an independent director, the independence criteria are met 1. Including but not limited to the individual, their spouse, or relatives up to the second degree of kinship have not served as directors, supervisors, or employees of the Company or its affiliated enterprises: None; 2. Does the individual, their spouse, or relatives up to the second degree of kinship hold any shares (or shares held through nominees) in the Company: None; 3. Has the individual served as a director, supervisor, or employee of the Company or its affiliates: None. 4. Whether the individual received any compensation for providing business, legal, financial, accounting, or any other services to the Company or its affiliates in the past 2 years: None.	0	
Independent Director	Po-Wei Chu	Please refer to section 2, 1. Information on Directors (1) for the main educational and professional experience of the director. The director has relevant experience covering various sectors of finance and insurance, along with corporate management experience that serves as a basis for setting concrete managerial objectives. There are no violations of any provisions of Article 30 of the Company Act.	As an independent director, the independence criteria are met 1. Including but not limited to the individual, their spouse, or relatives up to the second degree of kinship have not served as directors, supervisors, or employees of the Company or its affiliated enterprises: None; 2. Does the individual, their spouse, or relatives up to the second degree of kinship hold any shares (or shares held through nominees) in the Company: None; 3. Has the individual served as a director, supervisor, or employee of the Company or its affiliates: None. 4. Whether the individual received any compensation for providing business, legal, financial, accounting, or any other services to the Company or its affiliates in the past 2 years: None.	0	

Note 1: Please specify in the table the relevant work experience, professional qualifications, and independence status of each member of the remuneration committee. If it is an independent director, please note that the

information can be referred to section 2, 1. Information on Directors (1). Please indicate whether the identity is an independent director or others (if the convener, please annotate).

Note 2: Professional qualifications and experience: Specify the professional qualifications and experience of individual members of the remuneration committee.

Note 3: Independent criteria: stating that the members of the compensation committee meet the independence criteria, including but not limited to whether the member, spouse, or second-degree relative holds a position as a director, supervisor, or employee of the Company or its affiliated enterprises; whether the member, spouse, or second-degree relative (or by using someone else's name) holds shares of the Company and their proportion; whether the member holds a position as a director, supervisor, or employee of a company with a specific relationship to the Company (referring to the provisions of Article 6, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange) or has provided commercial, legal, financial, accounting or other services to the Company or its affiliated enterprises in the past two years and received remuneration for it.

(2) Implementation Status of the Remuneration Committee

(a) The Company's Remuneration Committee consists of three members.

(b) In 2024, the Remuneration Committee held 6 (A) meetings, with the attendance of the three committee members as follows:

Title	Name	No. of meetings attended in Person (B)	No. of meetings with entrusted attendance	In-person attendance rate (%) 【B/A】	Remarks
Convener	Teh-Fu Huang	6	0	100%	
Member	Ji-Zu Gao	6	0	100%	
Member	Po-Wei Chu	4	2	67%	

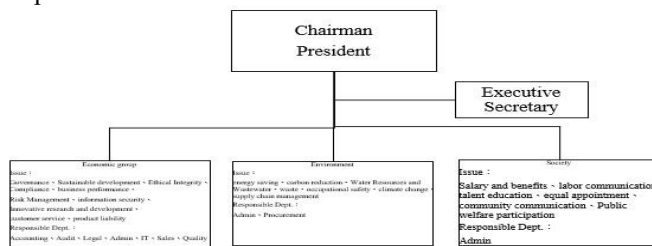
Discussion and Resolutions of the Remuneration Committee

Remuneration Committee	Agenda	Resolution	The Company's response to the Remuneration Committee's opinion
January 26, 2024 5th Meeting of the 5th Remuneration Committee	(1) Proposal for the Disbursement of the President's Bonus for the Second Half of 2023 and the Year-End Bonuses for Managers. (2) Discussion on the Distribution Ratios of Employee and Director Remuneration for the Fiscal Year 2023.	1. Members voted unanimously to approve the resolution. 2. Additionally, the statement on the approval of the General Manager's bonus and the annual bonuses for managerial officers is provided for the committee's review.	All directors present at the board meeting agreed and passed the resolution.
February 22, 2024 6th Meeting of the 5th Remuneration Committee	Discussion on the Disbursement of GK Bonuses for Managers for the Second Half of 2023.	Members voted unanimously to approve the resolution.	All directors present at the board meeting agreed and passed the resolution.
March 27, 2024 7th Meeting of the 5th Remuneration Committee	(1) Discussion on the Allocation of Individual Director Remuneration for the Fiscal Year 2023. (2) Discussion on the allocation of manager's employee remuneration for 2023.	Members voted unanimously to approve the resolution.	All directors present at the board meeting agreed and passed the resolution.
August 1, 2024 8th Meeting of the 5th Remuneration Committee	(1) Discussion on the Disbursement of the President's Bonus for the First Half of 2024. (2) Discussion on the Disbursement of GK Bonuses for Managers for the First Half of 2024. (3) Proposal for the adjustment of the President's fixed monthly salary for review and approval.	Members voted unanimously to approve the resolution.	All directors present at the board meeting agreed and passed the resolution.
October 29, 2024 9th Meeting of the 5th Remuneration Committee	Proposal for the adjustment of managerial remuneration.	Members voted unanimously to approve the resolution.	All directors present at the board meeting agreed and passed the resolution.
November 14, 2024 10th Meeting of the 5th Remuneration Committee	(1) Discussion on the distribution of profit sharing for managerial personnel for the fiscal year 2023. (2) Proposal for the adjustment of the monthly fixed salary for employees promoted to Associate Vice President, submitted for review.	Members voted unanimously to approve the resolution.	All directors present at the board meeting agreed and passed the resolution.

Other mentionable items:

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

## 5. Implementation Status of Sustainable Development Promotion:

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	V		<p>1. The Company's board of directors has approved the Sustainable Development Best Practice Principles and established the Sustainable Development Committee in October 2021, with the President as the chairman. The Sustainable Development Committee develops sustainable development policies, which are implemented and gradually integrated into the Inpaq corporate culture.</p>  <pre> graph TD     CP[Chairman President] --- ES[Executive Secretary]     CP --- SD[ ]     SD --- EG[Economic group]     SD --- Env[Environment]     SD --- Soc[Society]     EG --- EG_I[Issue: Governance, Sustainable development, Ethical Integrity, Compliance, Business performance, Risk Management, Information security, Innovative research and development, Customer service, Product liability]     EG --- EG_RD[Responsible Dept.: Accounting, Audit, Legal, Admin, IT, Sales, Quality]     Env --- Env_I[Issue: Energy saving, Carbon reduction, Water Resources and Environment, Waste, Occupational safety, Climate change, Supply chain management]     Env --- Env_RD[Responsible Dept.: Admin, Procurement]     Soc --- Soc_I[Issue: Salary and benefits, Labor communication, Talent education, Equal appointment, Community communication, Public welfare participation]     Soc --- Soc_RD[Responsible Dept.: Admin]           </pre> <p>2. In response to the various dimensions of sustainable development, including environmental, social, and corporate governance, the Sustainable Implementation Committee has established specialized teams to collect stakeholder concerns on environmental protection, occupational safety, supply chain management, labor rights, operational performance, and corporate governance, with respective departments in charge. In line with respecting the rights and interests of stakeholders, the Company has set up a "stakeholder's area" on the corporate website to appropriately respond to important sustainable issues. A report on the implementation status and future direction of sustainable development for 2024 was presented to the Board of Directors on January 17, 2025. Additionally, quarterly reports on the greenhouse gas inventory plan and implementation status will be provided to the Board of Directors. The Company reports its implementation results to the board of directors at least once a year to enhance the board's participation in the Company's sustainable development.</p> <p>3. The board of directors reviews the management team's report,</p>	No major deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
			and the management team must present the board with company strategies. The board of directors must evaluate the potential success of these strategies, monitor their progress on a regular basis, and urge the management team to make necessary adjustments.	
2. Does the Company conduct a risk evaluation of environmental, social, and corporate governance (ESG) issues related to the Company's operations in accordance with the materiality principle and formulate relevant risk management policies or strategies?	V		<ol style="list-style-type: none"> <li>1. This disclosure covers the sustainability performance of the Company's major locations from January 2024 to December 2024. The risk assessment boundary primarily focuses on the company itself, including Taiwan, mainland China, and existing sites. Additionally, based on relevance to core business operations and the impact on material topics, the scope includes the subsidiaries INPAQ Technology (Suzhou) Co., Ltd., INPAQ Technology (China) Co., Ltd., Hanan Frontier Electronics Co., and Taiwan INPAQ Electronic Co., Ltd.</li> <li>2. The Sustainable Development Committee analyzed and communicated with internal and external stakeholders based on the principle of materiality, and evaluated ESG significance issues by reviewing domestic and international research reports and literature and integrating assessment data from different departments and subsidiaries. In addition, the organization developed effective risk management policies, implemented specific action plans to mitigate the impact of relevant risks, and standardized evaluations, monitoring, and control.</li> <li>3. Based on the assessed risks, relevant risk management policies or strategies have been developed. Please refer to Note 1 for more details.</li> </ol>	No major deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
3. Environmental Issues				
(1) Has the Company set an environmental management system designed for industrial characteristics?	V		(1) The Company's numerous factory locations, including those in Taiwan (Zhunan, Taichung), China (Suzhou, Wuxi, and Yongzhou), and China (Suzhou, Wuxi, and Yongzhou), complied with government regulations for environmental management and obtained certification for their environmental management system (ISO 14001:2015).	No major deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	V		(2) Each plant site has a dedicated personnel responsible for overall environmental resource planning to enhance resource utilization efficiency. The Company sets energy-saving goals at	

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future, and adopted relevant measures to address them?	V		<p>the beginning of each year and promotes energy-saving and carbon reduction efforts through water conservation, waste reduction, and increased energy usage efficiency. The Company also continuously educates its employees on relevant concepts.</p> <p>(3) The Company implements the following measures:</p> <ol style="list-style-type: none"> <li>1. Executing in accordance with the emergency response measures.</li> <li>2. Conducting regular drills, inspections, and disaster prevention training.</li> <li>3. Stationing personnel on duty during typhoons, earthquakes, heavy rain, and other severe weather conditions to inspect plant conditions, and providing security personnel to look after each other's safety.</li> <li>4. Before typhoon season, the environmental and safety department checks and prepares sandbags.</li> <li>5. The Company also pays attention to whether customers' companies or factories are affected by typhoons, hurricanes, earthquakes, heavy rains, etc. If there are any incidents, the business management unit checks their transaction volume and accounts receivable status and notifies the sales team immediately to understand their operational or disaster losses, further reducing bad debt risk.</li> <li>6. To reduce greenhouse effects and minimize the impact of climate change, the Company currently uses recycled paper for packaging boxes and other materials, with suppliers providing SGS inspection reports to reduce deforestation and achieve carbon reduction goals.</li> <li>7. The Company's board of directors has adopted Sustainable Development Best Practice Principles and established a Sustainable Development Committee in October 2021. The committee plans for sustainability and zero emissions under the environmental and safety department and reports directly to the President on the effectiveness of greenhouse gas management and climate change response results through regular work meetings.</li> </ol>	

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons																																					
	Yes	No	Abstract Illustration																																						
(4) Has the Company collected data for the past two years on greenhouse gas emissions, water consumption, and total waste weight, as well as formulated policies for greenhouse gas reduction, water consumption reduction, and waste management?	V		<div>(4)</div> <div>1. Greenhouse gas emissions in the last two years</div> <table><tr><th rowspan="2">Greenhouse Gas Emission</th><th colspan="3">Taiwan Plants</th></tr><tr><th>Direct Emission (metric tons CO2e)</th><th>Indirect Emissions (metric tons CO2e)</th><th>Intensity of CO2 Emission (metric tons/square meter)</th></tr><tr><td>2022</td><td>450.23</td><td>11,730.01</td><td>0.25</td></tr><tr><td>2023 (Note 1)</td><td>487.76</td><td>15,232.70</td><td>0.32</td></tr><tr><td>2024 (Note 2)</td><td>-</td><td>-</td><td>-</td></tr></table> <table><tr><th rowspan="2">Greenhouse Gas Emission</th><th colspan="3">China Plants</th></tr><tr><th>Direct Emission (metric tons CO2e)</th><th>Indirect Emissions (metric tons CO2e)</th><th>Intensity of CO2 Emission (metric tons/square meter)</th></tr><tr><td>2022</td><td>756.03</td><td>13,123.68</td><td>0.19</td></tr><tr><td>2023</td><td>928.35</td><td>16,060.44</td><td>0.23</td></tr><tr><td>2024</td><td>-</td><td>-</td><td>-</td></tr></table> <p>Our company actively responds to global issues and government policies by conducting an annual greenhouse gas emissions inventory. We adhere to the ISO 14064-1:2018 standard, categorizing GHG emissions into direct and indirect emissions (Scope 1 and Scope 2) based on their sources. Direct emissions originate from on-site utility equipment, including air-conditioning refrigerants, CO<sub>2</sub> fire extinguishers, emergency generators, diesel fuel for forklifts, fuel for company vehicles, and emissions from septic systems. Indirect emissions come from purchased electricity, all of which is supplied by power companies.</p> <p>Taiwan Plants : Zhunan factory has obtained the ISO 14064-1 certificate issued by TÜV Rheinland.</p>	Greenhouse Gas Emission	Taiwan Plants			Direct Emission (metric tons CO2e)	Indirect Emissions (metric tons CO2e)	Intensity of CO2 Emission (metric tons/square meter)	2022	450.23	11,730.01	0.25	2023 (Note 1)	487.76	15,232.70	0.32	2024 (Note 2)	-	-	-	Greenhouse Gas Emission	China Plants			Direct Emission (metric tons CO2e)	Indirect Emissions (metric tons CO2e)	Intensity of CO2 Emission (metric tons/square meter)	2022	756.03	13,123.68	0.19	2023	928.35	16,060.44	0.23	2024	-	-	-
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	Yes	No	Abstract Illustration	
			<p>Taichung factory has received the ISO 14064-1 limited assurance level verification statement issued by Underwriters Laboratories Taiwan Co., Ltd. (UL).</p> <p>China Plants :</p> <p>Suzhou and Wuxi factory have obtained the ISO 14064-1 certificate issued by China Inspection Company (CIC).</p> <p>Yongzhou factory has received the ISO 14064-1 limited assurance level verification statement issued by Underwriters Laboratories Taiwan Co., Ltd. (UL).</p> <p>The Company also sets energy-saving goals and implementation plans in accordance with the Bureau of Energy, MOEA and sets an annual energy-saving target. From 2015 to 2024, the average energy-saving rate was 2.15%, meeting the regulatory requirement of an average energy-saving rate of at least 1%. In terms of reducing carbon emissions, the focus is currently on reducing indirect emissions (Scope 2) of greenhouse gasses, primarily by reducing emissions from electricity use.</p> <p>The Taiwan Plants invested NT\$17,230 thousand on energy-saving and carbon-reducing equipment in 2024. Including the replacement of the old chiller system in Plant 1, the upgrade of the adsorption air dryer in Plant 1 to a heated air dryer, and the installation of a variable frequency drive (VFD) for the air conditioning system on the 5th floor of Plant 2, etc.</p> <p>The overall advantages resulted in a savings of 696,938 kWh/year, which equates to a decrease of 348 metric tons of CO<sub>2</sub>e/year in carbon emissions. From 2015 through 2024, the average rate of energy savings was 2.15%. In 2025, due to production and other operational planning considerations, the energy-saving strategy has been slightly adjusted. As the implementation of relevant energy-saving measures at the Zhunan factory in the Taiwan Plants has been well optimized, future efforts will focus on expanding these measures to other plants based on energy-saving performance.</p> <p>The Suzhou factory replaced a batch of old high-energy-consuming equipment, including air conditioning systems and exhaust gas</p>	



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			<p>adsorption towers. The total benefit has been to save 509,300 degrees of electricity per year, which is equivalent to reducing carbon emissions by 328.59 metric tons of CO2e per year.</p> <p>2. Water consumption in the last two years</p> <table><tr><th colspan="4">Taiwan Plants</th></tr><tr><th>Water intake</th><th>Total water intake (million liters)</th><th>Total water discharge (million liters)</th><th>Water Consumption (million liters)</th></tr><tr><td>2023</td><td>152.75</td><td>131.68</td><td>21.07</td></tr><tr><td>2024</td><td>182.07</td><td>158.66</td><td>23.42</td></tr></table> <table><tr><th colspan="4">China Plants (Note 5)</th></tr><tr><th>Water intake</th><th>Total water intake (million liters)</th><th>Total water discharge (million liters)</th><th>Water Consumption (million liters)</th></tr><tr><td>2023</td><td>135.09</td><td>101.26</td><td>33.83</td></tr><tr><td>2024</td><td>115.45</td><td>63.54</td><td>51.92</td></tr></table> <p>In terms of water conservation and storage measures, some of the factories have water storage tanks and water towers available for emergency use. The Zhunan factory has also been working hard to improve its production lines. However, because the Taiwan Plants 's production in 2024 will increase compared with 2023, and therefore the total water consumption will increase compared with 2023, the water-saving plan will continue to be maintained in the future. In December,the Wuxi factory reduced wastewater discharge by replacing the RO membranes in the purified water production equipment and adding precision filters. As a result, the total water consumption was reduced by 1,000 metric tons compared to previous levels.</p> <p>In 2024, the Suzhou factory conducted a thorough inspection and maintenance of old leaking valves throughout the facility and replaced the underground leaking firewater pipeline network, resulting in a total water savings of 1,800 metric tons compared to 2023.</p>	Taiwan Plants				Water intake	Total water intake (million liters)	Total water discharge (million liters)	Water Consumption (million liters)	2023	152.75	131.68	21.07	2024	182.07	158.66	23.42	China Plants (Note 5)				Water intake	Total water intake (million liters)	Total water discharge (million liters)	Water Consumption (million liters)	2023	135.09	101.26	33.83	2024	115.45	63.54	51.92	
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Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons																				
	Yes	No	Abstract Illustration																					
			<div>3. Total weight of waste in the last two years</div> <table><tr><td rowspan="3">Waste Output</td><td colspan="2">Taiwan Plants</td></tr><tr><td>General industrial waste (metric tons)</td><td>Hazardous industrial waste (metric tons)</td></tr><tr><td>2023</td><td>211.6</td></tr><tr><td>2024</td><td>238.46</td><td></td></tr><tr><td rowspan="3">Waste Output</td><td colspan="2">China Plants</td></tr><tr><td>General industrial waste (metric tons)</td><td>Hazardous industrial waste (metric tons)</td></tr><tr><td>2023</td><td>114.16</td></tr><tr><td>2024</td><td>118.76</td><td></td></tr></table> <p>Regarding waste management, INPAQ adheres to the principle of waste reduction and consistently enhances production processes in order to reduce waste generation. Using the Zhunan factory as an example, in addition to improving the process to extend the batch replacement cycle of waste liquid from the power inductor electroplating line—significantly reducing the generation of waste liquid and electroplating sludge—the plant also introduced a solvent recovery machine in 2024, reducing hazardous waste by 6 metric tons per year. However, due to increased production at the Taiwan facility in 2024 compared to 2023, the total waste generation also increased. Nevertheless, waste reduction initiatives will continue to be maintained.</p> <p>In 2024, the Wuxi factory implemented waste classification, reclassifying some materials, such as cardboard and silver paste cloth, as valuable waste. The cardboard was collected by vendors for recycling, achieving cost reduction while also decreasing waste generation. As a result, the total general waste volume was reduced from 317.6 metric tons to 25.7 metric tons, with the initiative still ongoing. Additionally, hazardous waste has also been reduced, as wastewater reuse led to a decrease in wastewater sludge, lowering the total hazardous waste volume by 20 metric tons.</p>	Waste Output	Taiwan Plants		General industrial waste (metric tons)	Hazardous industrial waste (metric tons)	2023	211.6	2024	238.46		Waste Output	China Plants		General industrial waste (metric tons)	Hazardous industrial waste (metric tons)	2023	114.16	2024	118.76		
Waste Output	Taiwan Plants																							
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Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Abstract Illustration	
4. Social Issues				
(1) Has the organization formulated relevant management policies and procedures in accordance with applicable laws and international human rights conventions?	V		(1) The Company adheres to local regulations at each operational site and is committed to upholding basic human rights and protecting the legitimate rights and interests of its employees. The Company has established an employee code of conduct in accordance with relevant labor laws and provides channels for employees to express their opinions and fully understand the Company's business activities. The "Code of Ethics and Social Responsibility" is also established to protect the health and safety of employees' working environment, working conditions, workplace, and labor rights and powers, as well as work safety and compensation. In addition, the Company also provides a whistleblowing channel for employees to use. The Company has a designated person responsible for receiving reports and conducting responsible investigations, and promises to keep the whistleblower's personal information confidential. If the report is verified to be true, the Company promises not to retaliate against the whistleblower. In 2024, the Company had no records of human rights violations.	No major deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
(2) Has the Company established and implemented reasonable employee welfare measures (including salary and compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary and compensation?	V		(2) The Company has established employee work rules and performance evaluation management methods, clearly defining the compensation and reward and punishment methods and implementing employee profit sharing, which conforms to corporate social responsibility. The Company conducts regular market salary surveys to ensure that the Company's overall salaries are competitive in the market. Performance bonuses are also provided based on the Company's operational performance, team goal achievement, and individual employee performance, with a minimum of 5% of profits given to employees as remuneration to motivate employees with excellent job performance. The Company is committed to achieving equal pay for equal work between men and women and promoting equal promotion opportunities, promoting sustainable and inclusive economic growth. In 2024, female employees accounted for 53%.	

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons						
	Yes	No	Abstract Illustration							
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	V		(3) The Company has established a welfare committee for employees and management personnel. INPAQ Technology has introduced the ISO 45001 occupational health and safety management system to strengthen its management performance in occupational health and safety. The Company regularly holds labor safety education and training, conducts employee health checks, and cares for employees' physical and mental health to ensure their health and safety. The Company has also established an "Environment/Safety and Health Committee" to formulate safety and health work guidelines, implement safety and health management, conduct equipment safety inspections and maintenance, and hold disaster prevention drills. 1. In 2024, the disabling injury frequency of the Company was 2.23, and the disabling injury severity rate was 7.79. 2. The number of people and hours of industrial safety education and training publicity for 2023 <table><tr><td>Year</td><td>No. of trainees</td><td>Training hours</td></tr><tr><td>2024</td><td>1,174</td><td>2,579</td></tr></table> 3. All factories and subsidiaries of the Company have obtained ISO 45001 certification. 4. The number of fires and deaths and injuries in 2024 will be 0. In accordance with the provisions of the Labor Safety and Health Law and the Fire Protection Law, the company will conduct more than one fire prevention publicity and emergency response drill in the first and second half of 2024.	Year	No. of trainees	Training hours	2024	1,174	2,579	
Year	No. of trainees	Training hours								
2024	1,174	2,579								
(4) Has the Company established effective employee career development training programs?	V		(4) The human resources department has established an education and training policy to enhance the quality of human resources and develop strengths, and it implements it according to the training plan. In addition, supervisors understand the potential, expertise, and areas for improvement of their subordinates based on their job performance, and jointly develop training, rotation, and project development plans. The following are the education and training hours implemented in 2024:							

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons									
	Yes	No	Abstract Illustration										
(5) Does the Company comply with the relevant laws and international standards regarding customer health and safety, customer privacy, the marketing and labeling of products and services, and the implementation of consumer protection and grievance policies?	V		<table> <tr> <td>Category of training</td> <td>No. of trainees</td> <td>Training hours</td> </tr> <tr> <td>New Employees</td> <td>142</td> <td>1,207</td> </tr> <tr> <td>Professional Skills</td> <td>2,741</td> <td>6,490.5</td> </tr> </table>	Category of training	No. of trainees	Training hours	New Employees	142	1,207	Professional Skills	2,741	6,490.5	
			Category of training	No. of trainees	Training hours								
New Employees	142	1,207											
Professional Skills	2,741	6,490.5											
(5) The Company adheres to relevant regulations and international standards when it comes to marketing and labeling its products and services. All marketing and labeling of products and services are in compliance with national and international regulations or according to customer requirements. To protect business information and customer privacy, the Company has established guidelines to prevent unauthorized access, alteration, or improper disclosure, thereby safeguarding customer privacy and rights.													
(6) Has the Company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	V		(6) The Company has established a supplier management policy and requires suppliers to comply with environmental, occupational health and safety, or labor rights regulations on purchase orders and contracts. When initially collaborating with a supplier, the supplier is required to sign and return the "Declaration of Non-Use of Environmental Management Substances" and the "Environmental Safety Communication Record" to ensure compliance with REACH and RoHS regulations prohibiting hazardous substances. Additionally, the supplier must adhere to restrictions on conflict minerals and comply with environmental and occupational safety and health regulations, ensuring the supply chain's commitment to sustainable development.. INPAQ Technology conducts regular evaluations of suppliers each year, including on-site evaluations of local manufacturing suppliers that cover quality, products, technology, environment, and other areas. If the evaluation score falls below the standard, the supplier is given a three-month deadline for improvement. Failure to complete the improvements within the deadline will result in disqualification as a supplier. Furthermore, risk analysis data is developed based on the importance of the products provided by the supplier, delivery performance, and previous audit deficiencies to strengthen annual audit items and improve supplier performance.										

Item	Implementation Status					Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons																																															
	Yes	No	Abstract Illustration																																																		
				<table><tr><th rowspan="2">Supplier</th><th colspan="2">Taiwan Factory</th><th colspan="2">Suzhou Factory</th></tr><tr><th>New Supplier</th><th>Qualified Suppliers</th><th>New Supplier</th><th>Qualified Suppliers</th></tr><tr><td>2022</td><td>17</td><td>169</td><td>22</td><td>382</td></tr><tr><td>2023</td><td>5</td><td>159</td><td>21</td><td>403</td></tr><tr><td>2024</td><td>8</td><td>157</td><td>32</td><td>242</td></tr><tr><th rowspan="2">Supplier</th><th colspan="2">Wuxi Factory</th><th colspan="2">Yongzhou Factory</th></tr><tr><th>New Supplier</th><th>Qualified Suppliers</th><th>New Supplier</th><th>Qualified Suppliers</th></tr><tr><td>2022</td><td>2</td><td>40</td><td>1</td><td>93</td></tr><tr><td>2023</td><td>16</td><td>56</td><td>1</td><td>93</td></tr><tr><td>2024</td><td>2</td><td>56</td><td>0</td><td>93</td></tr></table>	Supplier	Taiwan Factory		Suzhou Factory		New Supplier	Qualified Suppliers	New Supplier	Qualified Suppliers	2022	17	169	22	382	2023	5	159	21	403	2024	8	157	32	242	Supplier	Wuxi Factory		Yongzhou Factory		New Supplier	Qualified Suppliers	New Supplier	Qualified Suppliers	2022	2	40	1	93	2023	16	56	1	93	2024	2	56	0	93	
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2024	2	56	0	93																																																	
Note: The above statistics refer only to qualified raw material suppliers.																																																					
5. Does the Company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the Company obtain third party assurance or certification for the reports above?		V	The company released the "Sustainability Report" for the first time in 2021, which was prepared in accordance with the GRI preparation standards. In addition to disclosing the company's financial information, it also discloses the company's non-financial information and obtains a guarantee statement from a third-party verification unit, GREAT Certification. The company's 2024 sustainability report will be published on the company's website by the end of August 2025..			No major deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies																																															
6. If the Company has adopted its own sustainable development best practice principles based on the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe any deviation from the principles in the Company’s operations: The board of directors approved and issued the "Sustainable Development Best Practice Principles" on March 23, 2022, to assist the Company in practicing good corporate citizenship and social responsibility during its operations, and to follow the spirit of responsible business alliance codes of conduct. The organization attempts to fulfill its responsibilities by adhering to ecologically and morally acceptable principles for its impact on the natural environment, people, and society.																																																					
7. Other important information to facilitate better understanding of the Company’s promotion of sustainable development: The Company firmly believes in the impact of corporate social responsibility on the country and society. With the spirit of "Take from society, give back to society," the Company actively practices social responsibility while engaging in business operations. (1) The Company participates in the Kuan Yuan Technology Park wastewater recycling campaign and invests in the construction of cost-effective recycling equipment, in accordance with the government's policy on wastewater recycling. (2) Recyclable waste such as beverage bottles/cans and cardboard boxes are donated to Tzu Chi Foundation. (3) Donations to the PSA Charitable Foundation and New Taipei City Private Career Social Welfare Charitable Foundation. (4) The Company has established cooperative relationships with LeeMing Institute of Technology, providing job positions for students from these schools.																																																					

Note 1: Based on the assessed risks, developed relevant risk management policies or strategies

Risk Category	Risk Illustration	Risk Management Strategy
Sustainable Environment	Greenhouse gas emissions continue to increase	<ul style="list-style-type: none"> <li>In accordance with the Energy Management Act, from 2015 to 2024, an average annual energy saving of 2.15% is required to reduce energy consumption and greenhouse gas emissions.</li> </ul>
	Wastewater discharge continues to increase	<ul style="list-style-type: none"> <li>Each factory implements water-saving measures, such as cutting water recycling and reuse, as part of the public water supply.</li> </ul>
	Increased waste disposal/decreased recycling rates	<ul style="list-style-type: none"> <li>Continuously promoting waste reduction (e.g., extending the batch replacement cycle of waste electrolyte from power inductor electroplating wires through process improvements, significantly reducing the generation of waste liquid and electroplating sludge). Additionally, in 2024, the plant introduced a solvent recycling machine to recover and reuse acetone, reducing waste generation by approximately 6 metric tons of hazardous industrial waste annually.</li> </ul>
	Water/ electricity outages	<ul style="list-style-type: none"> <li>Water shortage: The Zhunan plant in Taiwan has a water storage capacity of 800 cubic meters, which can supply production for about two days. If the water supply is not sufficient, water trucks will be purchased for replenishment.</li> <li>Power outage: In case of a power outage, the plant has two generators to temporarily supply power to some areas.</li> </ul>
	Violations of environmental regulations	<ul style="list-style-type: none"> <li>Risk of violating environmental regulations is reduced through monthly self-checks and annual external audits.</li> </ul>
Employee Care	Workplace accidents	<ul style="list-style-type: none"> <li>When workplace accidents occur, internal investigations are immediately conducted and improvements are made.</li> <li>Various contingency measures are implemented according to the COVID-19 emergency response plan.</li> </ul>
	Long working hours	<ul style="list-style-type: none"> <li>Abnormal workloads are continuously monitored to prevent disease, and employees are regularly checked for signs of overwork. The workload is appropriately adjusted in accordance with the diagnosis of the occupational physician. The current manpower allocation is examined, and more staff is recruited to share the workload.</li> </ul>
	High turnover rate/labor shortage	<ul style="list-style-type: none"> <li>Competitive salaries and benefits are provided in a timely manner, and employees are cared for. Understanding colleagues' thoughts on the Company, achieving a balance between corporate operating costs and improving employees' loyalty to the Company.</li> <li>Increasing automation equipment to reduce labor demand and improve efficiency; using international division of labor to reduce production costs and supply local customers with timely delivery.</li> </ul>
Operation Performance	Decrease in market competitiveness	<ul style="list-style-type: none"> <li>Strengthen research and development capabilities and production capacity, develop differentiated products, expand the complete product line, improve product stability, establish trusted partner relationships with customers, expand market share, and widen the gap with competitors.</li> <li>Expansion of economies of scale, cost reduction, and active introduction of automated production equipment.</li> <li>Improving quality standards, introducing rigorous testing and inspection, and entering the international market of major companies.</li> </ul>

Risk Category	Risk Illustration	Risk Management Strategy
	Information security incidents	<ul style="list-style-type: none"> <li>• Conduct security testing, information security health checkups, social security and information security incident drills annually.</li> <li>• Strengthen the awareness of information security crises among company colleagues and the ability of information security personnel to respond effectively in the first place, to prevent and effectively detect and prevent dissemination.</li> <li>• The Company publicly announces its information security policy every year and trains colleagues with information security certificates.</li> <li>• Information security education and training are provided to all colleagues, with at least 2 hours per person per year.</li> <li>• Report to the Board of Directors at least once a year, summarizing and consolidating the annual implementation status of information security risks.</li> </ul>
	Customer complaints	<ul style="list-style-type: none"> <li>• Obtain feedback from customers related to products and services (including HSF feedback).</li> <li>• Establish specific requirements for emergency action (including HSF requirements), including production emergencies, unintentional shipment of defective products, product recalls, and other mechanisms.</li> </ul>
	Rising raw material prices/supply chain disruption	<ul style="list-style-type: none"> <li>• Maintain good interaction with suppliers and maintain close relationships to ensure a stable supply of existing sources. INPAQ Technology also actively develops new material formulations and alternative raw materials through cooperation with academic institutions to reduce dependence on high-priced raw materials.</li> <li>• Supplier management: when developing materials, new material sources should be carefully evaluated, and excellent suppliers should be actively developed to avoid monopoly situations.</li> <li>• Inventory management: establish a safety stock mechanism to adjust the operation of flexible production needs.</li> </ul>
	Research and development bottleneck	<ul style="list-style-type: none"> <li>• Deeply understand and grasp customer and end application needs, accelerate the development of product materials, production processes, and product applications, and strengthen technical capabilities to cope with rapid external environmental changes.</li> <li>• Promote smart manufacturing, use the Internet of Things and big data analysis to improve efficiency and quality and reduce costs.</li> <li>• Pay close attention to and grasp changes and dynamics in the industry, market, and customers, and respond accordingly as a reference for production, technology, and product development directions.</li> <li>• Develop high-value/high-quality products, strengthen customer service, and shift from manufacturing to manufacturing services.</li> </ul>

Note 1: The Taiwan facilities include the Zhunan headquarters and the Taichung factory. The Taoyuan factory is not included in the disclosed data in this report.

Note 2: The greenhouse gas inventory for 2024 is scheduled to be conducted in the first half of 2025.

Note 3: The Suzhou and Yongzhou plants in Mainland China only discharge domestic sewage, and therefore, flow meters were not installed at the discharge outlets.  
The total discharge volume was calculated using the total water intake value.



6. Statement of implementation for the performance of ethical corporate management and measures taken:

Evaluation Items	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Does the Company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?</p> <p>(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?</p> <p>(3) Does the Company clearly provide the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the Company</p>	V		<p>(1) The Company has established "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" as its policy for ethical business practices based on the "Procedures for Ethical Management and Guidelines for Conduct". This is available for the board of directors, managers, and employees to access at any time. The Company upholds the principle of integrity in its operations, and strictly prohibits bribery and other improper gains, insider trading, conflicts of interest among directors and supervisors, and regularly conducts audits to ensure compliance. The Company's website also discloses the implementation status of the integrity management policy and reports it regularly at the board of directors meeting every year.</p> <p>(2) The Company has established "Procedures for Ethical Management and Guidelines for Conduct" and "Complaint and Reporting Management Regulations" for compliance. The Company conducts its operations in a fair and transparent manner, and shall not unfairly obtain benefits from stakeholders such as customers and suppliers through improper means. The Company has established a good risk management and auditing system to prevent dishonest behavior. In 2024, the Company had 320 new suppliers sign an integrity commitment agreement and 190 new employees sign a statement of commitment.</p> <p>(3) The Company has established the "Code of Conduct and Operating Procedures for Ethical Management" and "Employee Work Rules" to explicitly regulate</p>	No major deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies

Evaluation Items	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
enforce the programs above effectively and perform regular reviews and amendments?			<p>unethical behavior. It has also established a reporting system, violation penalties, and complaint procedures through the "Complaint and Reporting Management Regulations." The importance of integrity is emphasized during the training of new employees.</p> <p>The Company has established a "Code of Ethical Conduct for Directors and Senior Managers" to regulate the conduct of stakeholders, who must abide by ethical and honest behavior in order to maintain sound corporate governance.</p>	
<p>2. Implement Ethical Corporate Management</p> <p>(1) Does the Company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?</p> <p>(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?</p> <p>(3) Does the Company establish policies to prevent conflicts of interest, provide appropriate communication channels, and implement them?</p>	<p>V</p> <p>V</p> <p>V</p>		<p>(1) Before engaging in any business transactions, the Company will conduct credit checks to avoid doing business with individuals who have a history of unlawful or dishonest conduct.</p> <p>(2) The Company's Human Resources Center is responsible for promoting the Company's ethical corporate management policies, and the Audit Department is responsible for auditing and supervising the Company's ethical corporate management and prevention plans. In accordance with the law, the Company has established an Audit Committee and a Remuneration Committee. Relevant meetings and audit reports have been presented to the Board of Directors for review. The Company's implementation of integrity management in 2024 was reported to the Board of Directors on January 17, 2025. The Company is constantly aware of the development of domestic and international regulations pertaining to integrity in order to enhance the efficacy of its integrity operations.</p> <p>(3) The Company has established "Procedures for Ethical Management and Guidelines for Conduct," "Codes of Ethical Conduct for Directors and Managers," and "Procedures for Handling Material</p>	No major deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies

Evaluation Items	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>(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> <p>(5) Does the Company regularly hold internal and external educational training on ethical corporate management?</p>	V		<p>Inside Information and the Prevention of Insider Trading," which regulate the obligations of directors, managers, and employees to the Company. The Company strictly prohibits incidents of interest transfer between itself, related parties, and shareholders, and has established policies to prevent conflicts of interest and provide appropriate reporting channels that are implemented and enforced.</p> <p>(4) The Company actively implements integrity operations, and the Audit Department regularly audits compliance with accounting systems, internal control systems, and relevant regulations, reporting audit results to the Board of Directors.</p> <p>(5) When training new employees, the Company emphasizes the importance of ethical corporate management and holds regular training courses on the subject. The procurement department of the Company also regularly promotes to suppliers the principles of the Company's ethical corporate management in order to eliminate dishonest business practices.</p> <p>In 2024, the Company conducted ethical corporate management-related training (including the Procedures for Ethical Management and Guidelines for Conduct, trade secrets, anti-trust, commercial bribery, confidentiality responsibilities, anti-monopoly laws, basic concepts of signing contracts, and information security) for a total of 465 individuals, with a total of 1,554 hours of training.</p>	
<p>3. Implementation status of the whistle-blowing system</p> <p>(1) Does the Company establish both a reward/punishment system and an integrity hotline? Can a suitable person get in touch with the accused for follow-up?</p>	V		<p>(1) The Company's "Procedures for Ethical Management and Guidelines for Conduct" include a complaint reporting mailbox and in-depth</p>	No major deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed

Evaluation Items	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>(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?</p> <p>(3) Does the Company provide proper informant protection?</p>	<p>V</p> <p>V</p>		<p>investigations based on the nature of the complaints. The Company provides both online and physical reporting mailboxes for internal and external personnel to report integrity regulation violations. The Audit Department is responsible for handling and supervising the content of incidents, which, if proven true, will be punished in accordance with the regulations.</p> <p>(2) The Company has established "Complaint and Reporting Management Regulations", which includes standard operating procedures for investigating reported incidents, follow-up measures to be taken after investigation, and related confidentiality mechanisms. Relevant managers of the Company have the responsibility to protect the confidentiality of the parties involved when accepting reported incidents.</p> <p>(3) The Company handles complaints and reports in accordance with the "Procedures for Ethical Management and Guidelines for Conduct" and the "Complaint and Reporting Management Regulations," and promises to protect whistleblowers from retaliation as a result of reporting incidents.</p>	Companies
<p>4. Strengthening information disclosure</p> <p>Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?</p>	V		The Company's website has a corporate governance section that discloses information related to ethical corporate management and discloses the content and effectiveness of the Ethical Corporate Management Best Practice Principles on the website.	No major deviations from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies
<p>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: The Company has established "Procedures for Ethical Management and Guidelines for Conduct," and there is no deviation between the operation and the established code.</p>				

Evaluation Items	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
6. Other important information to facilitate a better understanding of the Company’s ethical corporate management policies (e.g., review and amend its policies): The Company has established the "Procedures for Ethical Management and Guidelines for Conduct" and added the "Complaint and Reporting Management Regulations" . These regulations are disclosed on the Company website for managers and employees to consult at any time. The Company strictly adheres to the concept of business integrity, prohibits bribery, insider trading, and requires Directors recusal due to conflicts of interest. The Company also ensures regular audits by audit personnel.				

7. Other important information regarding Corporate Governance Status:

(1) The Company has a set of employee work rules as a code of conduct and ethics for employees. For other regulations, please refer to the Company's corporate governance section on the Taiwan Stock Exchange Market Observation Post System or the Company's corporate website.

(2) Manager's continuing education:

Title	Name	Date of Course	Organizer	Course Name	Hour
President	Chih-Mou Hung	2024.11.06	Securities and Futures Institute	NVIDIA's Trillion-Dollar Miracle: New Thinking Behind the Semiconductor Industry Revolution in Artificial Intelligence	3
		2024.11.06	Securities and Futures Institute	Carbon Credit Trading Mechanisms and Carbon Management Applications	3
Governance Manager	Kuo-Shu Huang	2024.04.15	Taiwan Academy of Banking and Finance	Corporate Governance Forum	3
		2024.11.06	Securities and Futures Institute	NVIDIA's Trillion-Dollar Miracle: New Thinking Behind the Semiconductor Industry Revolution in Artificial Intelligence	3
		2024.11.06	Securities and Futures Institute	Carbon Credit Trading Mechanisms and Carbon Management Applications	3
		2024.11.19	Accounting Research and Development Foundation	Sustainability Committee and Chief Sustainability Officer Symposium	3
		2024.11.23	Accounting Research and Development Foundation	Effective Internal Controls for Sustainability Reporting	3
Accounting Manager	Kuo-Shu Huang	2024.12.09 - 2024.12.10	Accounting Research and Development Foundation	Continuing Education for Issuers, Securities Dealers, Stock Exchanges, and Accounting Executives	12
Acting Accounting Manager	Yi-Fan Wu	2025.01.20 - 2025.01.21	Accounting Research and Development Foundation	Continuing Education for Issuers, Securities Dealers, Stock Exchanges, and Accounting Executives	12
Auditing Manager	Si-Hua Huang	2024.08.13	The Institute of Internal Auditors-Chinese Taiwan	Analysis of Sustainable Information Disclosure Policies and Key Internal Control and Audit Discussion	6
		2024.10.24	Accounting Research and Development Foundatio	How Internal Auditors Can Apply Digital Forensics in Trade Secret Protection and Investigation	6

(3) The individual related to financial information transparency has obtained the relevant licenses designated by the competent authority:

The Company's internal audit manager has obtained the Internal Audit Certificate of the Republic of China, License No. 9420094, as well as the Certified Public Accountant Certificate, License No. (104)CGA-000019.

8. Implementation Status of Internal Control System:

(1) Statement of the Internal Control System) :

Please refer to the Market Observation Post System (MOPS)

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

Enter the company code and year to search.

(2) If CPAs are engaged to review the internal control system, their report shall be disclosed: None.

9. Major Resolutions of the Shareholders' Meeting and the Board of Directors during the most recent fiscal year or during the current fiscal year up to the publication date of the annual report:

Item	Date of Meeting	Major Resolutions
Board of Directors	2024.01.26	(1) Approved the General Manager's Bonus and Managerial Year-End Bonus for the Second Half of 2023. (2) Approved the Allocation Proportion of Employee and Director Compensation for 2023. (3) Approved the Company's Proposal to Lend Funds to Its Subsidiaries. (4) Approved the Company's Proposal to Use Retained Earnings from 2022 for Substantive Investments. (5) Approved the Company's 2024 Operational Plan. (6) Approved the Donations to Related Parties, "PSA Charitable Foundation" and the "Career Foundation".
Board of Directors	2024.02.22	(1) Approved the 2023 Business Report and Financial Statements of the Company. (2) Approved the Change of Certifying CPA Due to Internal Rotation by the CPA Firm, the Proposed Professional Service Fee for the 2024 Certification, and the Independence Assessment. (3) Approved the 2023 Assessment of the Effectiveness of the Internal Control System and the Internal Control System Statement. (4) Approved the 2023 Allocation of Employee and Director Remuneration. (5) Approved the Distribution of Performance Bonuses to Managerial Officers for the Second Half of 2023. (6) Approved Matters Relating to the Convening of the 2024 Annual General Shareholders' Meeting. (7) Approved the Proposal Acceptance Rights of Shareholders for the 2024 Annual General Shareholders' Meeting.
Board of Directors	2024.03.27	(1) Approved the Application for Credit Lines from the Company's Banks. (2) Approved the 2023 Earnings Distribution Proposal. (3) Approved the Remuneration Amounts Allocated to Individual Directors for 2023. (4) Approved the Distribution of Managerial's Employee Compensation for 2023.
Board of Directors	2024.04.29	(1) Approved the Company's Financial Statements for the First Quarter of 2024. (2) Approved the Amendment to the "Rules of Procedure for Board of Directors Meetings." (3) Approved the Amendment to the "Organizational Charter of the Audit Committee." (4) Approved the Application for Credit Lines from the Company's Banks. (5) Approved the Provision of Intercompany Loans to Subsidiaries. (6) Approved the Release of the Non-Competition Restrictions on Managerial Officers. (7) Approved the Release of the Non-Competition Restrictions on Directors.
Board of Directors	2024.08.01	(1) Approved the Company's Financial Statements for the Second Quarter of 2024. (2) Approved the Application for Credit Lines from the Company's Banks. (3) Approved the Provision of Endorsements and Guarantees for Subsidiaries. (4) Approved the Distribution of Bonuses to the General Manager for the First Half of 2024. (5) Approved the Distribution of Performance Bonuses to Managerial Officers for the First Half of 2024. (6) Approved the Adjustment of the Monthly Fixed Salary for the General Manager.
Board of Directors	2024.10.29	(1) Approved the Company's Financial Statements for the Third Quarter of 2024. (2) Approved the Application for Credit Lines from the Company's Banks. (3) Approved the Establishment of the Procedures for the Preparation and Assurance of the Sustainability Report. (4) Approved the Amendments to Certain Provisions of the Company's Internal Control System and Internal Audit Implementation Rules. (5) Approved the Audit Plan for 2025. (6) Approved the Investment in the Malaysian Subsidiary, INPAQ Malaysia Sdn. Bhd. (7) Approved the Adjustment of the Monthly Fixed Salary for Managerial Officers.
Board of Directors	2024.11.14	(1) Approved the Application for Credit Lines from the Company's Banks. (2) Approved the Repurchase of the Company's Shares. (3) Approved the Distribution of 2023 Profit Sharing to Managerial Officers. (4) Approved the Adjustment of Monthly Fixed Salary Following the Promotion of Employee to Assistant Vice President.
Board of Directors	2025.01.17	(1) Approved the Loan of Funds to the Company's Subsidiary. (2) Approved the Use of 2023 Undistributed Earnings for Substantive Investment. (3) Approved the 2025 Annual Business Plan. (4) Approved the Repurchase of the Company's Shares. (5) Approved the Distribution of the Second Half 2024 Bonus for the President and Year-End Bonus for Managerial Officers. (6) Approved the Allocation Ratio of 2024 Employees' and Directors' Remuneration.
Board of Directors	2025.02.20	(1) Approved the 2024 Business Report and Financial Statements. (2) Approved the Professional Service Fees and Independence Assessment of the Certifying CPA for 2025. (3) Approved the 2024 Assessment of the Effectiveness of the Internal Control System and the Internal Control System Statement. (4) Approved the Appropriation of 2024 Employees' and Directors' Remuneration. (5) Approved the Application for Credit Lines from Financial Institutions. (6) Approved the Loan of Funds to the Company's Subsidiary. (7) Approved the Donations to Related Parties, "PSA Charitable Foundation" and the "New Taipei City Private Career Social Welfare Charitable Foundation".

Item	Date of Meeting	Major Resolutions
		(8) Approved the Distribution of the Second Half 2024 Performance Bonus for Managerial Officers.
Board of Directors	2025.03.28	(1) Approved the application for credit lines from financial institutions. (2) Approved the proposal for the distribution of 2024 earnings. (3) Approved the amendments to certain articles of the Company's Articles of Incorporation. (4) Approved matters relating to the convening of the 2025 Annual General Shareholders' Meeting. (5) Approved the acceptance of shareholder proposals for the 2025 Annual General Shareholders' Meeting. (6) Approved the allocation of 2024 directors' remuneration on an individual basis. (7) Approved the distribution of 2024 employees' compensation to managerial officers on an individual basis. (8) Approved the definition of scope for grassroots employees of the Company.
Shareholders meeting	2024.06.14	1. Matters for Ratification: (1) Approval of the 2023 business report and financial statements. (2) Distribution of earnings for 2023. 2. Matters for Discussion: Proposal of release the prohibition on directors from participation in competitive business.

Review of the Implementation Status of the Resolution of the Shareholders' Meeting in 2024:

- (1) Approval of the operating report and financial statements for the year 2023.  
Implementation status: Resolution passed.
- (2) Approval of profit distribution for the year 2023.  
Implementation status: Resolution passed.
- (3) Discussion of the removal of restrictions on competition for directors and their representatives.  
Implementation status: Resolution passed and executed in accordance with the shareholders' meeting resolution.

10. If any directors or supervisors expressed disagreement with important resolutions passed by the Board of Directors during the most recent fiscal year and up to the date of printing of the annual reports and made any records or written statements regarding their disagreement, the following are the main contents of such records or statements: None.



## 2.4 Accountant Fees for Certified Public Accountants:

Unit: NT\$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non-audit Fee	Total	Note
KPMG Taiwan	Hai-Ning Huang Chi-Lung Yu	2024/01/01- 2024/12/31	3,851	1,517	5,368	

1. If the audit fees paid for the current year after changing the accounting firm and changing the annual audit fees are less than the previous year, the before-and-after audit fees and the reasons for the change should be disclosed: None.
2. If the audit fees have decreased by more than 10% compared to the previous year, the amount, proportion, and reasons for the decrease in audit fees should be disclosed: None.
3. The non-audit fees mainly consist of transfer pricing report NT\$597 thousand and a business tax certification fee of NT\$570 thousand, and other fees amounting to NT\$350 thousand.

## 2.5 Information on replacement of CPAs:

1. Information regarding the former CPAs

Date of replacement	Approved by the board of directors on February 22, 2024			
Reason for replacement and explanation	The original CPAs of the Company were Huang, Hai-Ning and Yu, Wan-Yuan from KPMG Taiwan. Due to internal adjustment at KPMG Taiwan, the Company’s CPAs were changed to Huang, Hai-Ning and Yu, Chi-Lung, beginning in the first quarter of 2024.			
Describe whether the Company terminated or the CPAs did not accept the appointment	<div>Parties</div> <div>Status</div>		CPA	The Company
	Termination of appointment		Not applicable	Not applicable
	No longer accepted (continued) appointment		Not applicable	Not applicable
Other issues (except for unqualified issues) in the audit reports within the last two years	None			
Differences with the company	Yes		Accounting principles or practices	
			Disclosure of Financial Statements	
			Audit scope or steps	
			Others	
	None	V		
	Remarks/specify details: None			
Other Revealed Matters	None			

## 2. Information Regarding the Successor CPAs

Name of accounting firm	KPMG Taiwan
Name of CPAs	Hai-Ning Huang and Chi-Lung Yu
Date of appointment	Approved by the board of directors on February 22, 2024
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None

3. The reply letter from the former CPA regarding the Company's disclosures regarding the matters under Article 10.6.A and 10.6.B(c) of the Regulations: Not applicable.

### **2.6 The Employment of the Company's Chairman, President, Financial or Accounting Manager with the Firm of the Auditing CPA or its Affiliated Businesses in the Past Year, shall disclose the job title, name, and the accounting firm of the CPA or its affiliated companies: None.**

### **2.7 Particulars about Changes in Shareholding and Equity Pledge of Directors, Supervisors, Managers and Shareholders Holding More Than 10% of the Company's Shares in the Past Year and as of the Date of Publication of the Annual Report:**

1. Shareholding Changes of Directors, Managers and Major Shareholders :

Please refer to the Market Observation Post System (MOPS)

[https://mops.twse.com.tw/mops/#/web/query6\\_1](https://mops.twse.com.tw/mops/#/web/query6_1)

Enter the company code to search.

2. Equity pledged of Directors, Managers and Major Shareholders :

Please refer to the Market Observation Post System (MOPS)

[https://mopsov.twse.com.tw/mops/web/STAMAK03\\_1](https://mopsov.twse.com.tw/mops/web/STAMAK03_1)

Enter the company code to search.

3. Shares Trading with Related Parties: None.

## 2.8 Information on Relationships amongst the Top Ten Shareholders and Their Relationships with Spouses or Relatives within the Second Degree of Kinship:

April 22, 2025; Unit: Shares

Name	Current Shareholding		Shareholdings of the spouse and minor children		Shares held through nominees		The shareholding ratio accounts for the top ten shareholders, and they are relatives or spouses, information on the relationship within the second degree of relatives		Note
	Shares	%	Shares	%	Shares	%	Name	Relation-ship	
Walsin Technology Corp.	55,975,658	37.89	-	-	-	-	None	None	
Walsin Technology Corp. Representative: Yu-Heng Chiao	20,000	0.01	-	-	-	-	None	None	
Tai Feng Shi Co., Ltd.	6,000,000	4.06	-	-	-	-	None	None	
Tai Feng Shi Co., Ltd. Representative: Cheng-Han Tao	-	-	-	-	-	-	None	None	
Inpaq Technology Co., Ltd.	1,250,000	0.74	-	-	-	-	None	None	Repurchase of Treasury Shares
Inpaq Technology Co., Ltd. Representative: Pei-Cheng Chen	98,259	0.07	-	-	-	-	None	None	
Dun-Ren Cheng	1,090,606	0.68	57,462	0.04	-	-	None	None	
Jin-Chi Chen	1,000,000	0.56	-	-	-	-	None	None	
Standard Chartered Bank International Commercial Banking Division, Custodian of Mizuho Securities Co., Ltd. Investment Account	823,000	0.55	-	-	-	-	None	None	
Guan-Chou Lai	814,001	0.46	-	-	-	-	None	None	
Rong Cheng	681,000	0.41	-	-	-	-	None	None	
Wei-Chieh Hsu	604,058	0.41	-	-	-	-	None	None	
Hongtai Life Insurance Co., Ltd.	600,000	0.39	-	-	-	-	None	None	
Hongtai Life Insurance Co., Ltd. Representative: Qi-Xian Li	-	-	-	-	-	-	None	None	

**2.9 The Company, its directors, supervisors, managers, and businesses controlled directly or indirectly by the Company must disclose their respective shareholdings in the Re-invested businesses and calculate the total shareholding percentage through consolidation.**

March 31, 2025; Unit: shares

Affiliated Enterprises (Note)	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/ Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
Inpaq (BVI) Ltd.	39,908,842	100.00%	-	-	39,908,842	100.00%
Inpaq Korea Co., Ltd.	76,828	44.77%	-	-	76,828	44.77%
Inpaq USA	5,000,000	100.00%	-	-	5,000,000	100.00%
Inpaq Europe GmbH	38,000	19.00%	-	-	38,000	19.00%
Inpaq Japan	20,000	100.00%	-	-	20,000	100.00%
Inpaq Malaysia	5,002,000	100.00%	-	-	5,002,000	100.00%
Yangtze Energy Technologies, Inc.	311,097	19.89%	-	-	311,097	19.89%
Eleceram Technology Co., Ltd.	8,747,750	72.90%	-	-	8,747,750	72.90%

Note: It is a long-term investment of the Company.

### 3. Capital Overview

#### 3.1 Capital and Shares

##### 1. Source of Capital

April 22, 2025 Unit: shares; NT\$

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Sources of Capital	Remarks	
		Shares	Amount	Shares	Amount		Capital Increased by Assets Other than Cash	Others
06/1998	10	24,000,000	240,000,000	6,000,000	60,000,000	Capital Establishment	None	
09/1998	10	24,000,000	240,000,000	18,000,000	180,000,000	Capital Increase	None	September 28, 1998, No. (87) Certificate No. 130354
10/1999	10	50,000,000	500,000,000	30,500,000	305,000,000	Capital Increase	None	October 2, 1999, No. (87) Certificate No. 135831
09/2000	10	50,000,000	500,000,000	40,000,000	400,000,000	Capital Increase	None	July 18, 2000, No.: (89) Tai-Cai- Certificate(1) No.60064
04/2001	10	70,000,000	700,000,000	47,845,748	478,457,480	Increase in capital through retained earnings and capital surplus	None	May 22, 2001, No.: (90) Tai-Cai- Certificate(1) No.131764
08/2004	10	70,000,000	700,000,000	53,586,748	535,867,480	Capital Increase	None	April 30, 2004, No.: (93) Tai-Cai- Certificate(1) No.0930116127
10/2005	10	70,000,000	700,000,000	56,486,748	564,867,480	Consolidated capital increase	None	September 19, 2005, No.: Jin- Guan-Certificate-1 No.0940139268
02/2006	10	70,000,000	700,000,000	60,586,748	605,867,480	Capital Increase	None	December 07, 2005, No.: Jin- Guan-Certificate-1 No.0940005753
09/2006	10	100,000,000	1,000,000,000	65,257,821	652,578,210	Increase in capital through retained earnings and capital surplus	None	June 30, 2006, No.: Jin-Guan- Certificate-1 No.0950127708
11/2006	10	100,000,000	1,000,000,000	67,164,021	671,640,210	Issuance of new shares via employee stock options and unsecured convertible corporate bonds.	None	November 17, 2006, Yuan-Shang- Certificate No. 0950030361
04/2007	10	100,000,000	1,000,000,000	67,951,021	679,510,210	Issuance of employee stock option for common stock	None	April 23, 2007, Yuan-Shang- Certificate No. 0960009696
10/2007	10	150,000,000	1,500,000,000	73,549,084	735,490,840	Capital increase via retained earnings and capital surplus, issuance of new shares through employee stock option conversions.	None	October 12, 2007, Yuan-Shang- Certificate No. 0960026923
10/2007	10	150,000,000	1,500,000,000	74,850,147	748,501,470	Issuance of new shares through the conversion of employee stock options and unsecured convertible corporate bonds.	None	November 29, 2007, Yuan-Shang- Certificate No. 0960031817
01/2008	10	150,000,000	1,500,000,000	94,850,147	948,501,470	Private placement of new shares	None	January 3, 2008, Yuan-Shang- Certificate No. 0960035261
03/2008	10	150,000,000	1,500,000,000	95,063,118	950,631,180	Issuance of new shares through the conversion of employee stock options and unsecured convertible corporate bonds.	None	March 17, 2008, Yuan-Shang- Certificate No. 0970006561
05/2008	10	150,000,000	1,500,000,000	95,152,118	951,521,180	Issuance of employee stock option for common stock	None	May 22, 2008, Yuan-Shang- Certificate No. 0970013217
07/2008	10	150,000,000	1,500,000,000	95,280,118	952,801,180	Issuance of employee stock option for common stock	None	July 25, 2008, Yuan-Shang- Certificate No. 0970020159
08/2008	10	150,000,000	1,500,000,000	94,177,118	941,771,180	Reverse stock split via treasury stock retirement	None	August 27, 2008, Yuan-Shang- Certificate No. 0970024055
10/2008	10	150,000,000	1,500,000,000	101,552,025	1,015,520,250	Increase in capital through retained earnings and capital surplus	None	October 8, 2008, Yuan-Shang- Certificate No. 0970027894
11/2008	10	150,000,000	1,500,000,000	98,246,025	982,460,250	Reverse stock split via treasury stock retirement	None	November 18, 2008, Yuan-Shang- Certificate No. 0970031196
12/2008	10	150,000,000	1,500,000,000	98,259,025	982,590,250	Issuance of employee stock option for common stock	None	December 9, 2008, Yuan-Shang- Certificate No. 0970034263
10/2009	10	150,000,000	1,500,000,000	102,989,727	1,029,897,270	Capital increase through capital surplus via new share issuance	None	October 13, 2009, Commercial Affairs Bureau Document No. 09801236190
06/2011	10	150,000,000	1,500,000,000	99,344,727	993,447,270	Reverse stock split via treasury stock retirement	None	June 1, 2011, Commercial Affairs Bureau Document No. 1000113170
04/2014	10	150,000,000	1,500,000,000	100,003,922	1,000,039,220	Conversion of convertible corporate bonds into new share issuance	None	April 3, 2014, Commercial Affairs Bureau Document No. 10301056180
08/2014	10	150,000,000	1,500,000,000	101,493,678	1,014,936,780	Conversion of convertible corporate bonds into new share issuance	None	August 27, 2014, Commercial Affairs Bureau Document No. 10301173380
11/2014	10	150,000,000	1,500,000,000	102,439,606	1,024,396,060	Conversion of convertible corporate bonds into new share issuance	None	November 21, 2014, Commercial Affairs Bureau Document No. 10301243050
04/2015	10	150,000,000	1,500,000,000	102,482,450	1,024,824,500	Conversion of convertible corporate bonds into new share issuance	None	April 13, 2015, Commercial Affairs Bureau Document No. 10401061370
08/2015	10	150,000,000	1,500,000,000	102,558,254	1,025,582,540	Conversion of convertible corporate bonds into new share issuance	None	August 20, 2015, Commercial Affairs Bureau Document No. 10401176110
06/2018	10	150,000,000	1,500,000,000	147,558,254	1,475,582,540	Private placement cash capital increase	None	June 28, 2018, Commercial Affairs Bureau Document No. 10701071240
10/2019	10	300,000,000	3,000,000,000	140,180,341	1,401,803,410	Cash capital decrease	None	October 9, 2019, Commercial Affairs Bureau Document No. 10801136820
10/2023	10	300,000,000	3,000,000,000	148,980,341	1,489,803,410	Cash capital increase	None	October 23, 2023, Commercial Affairs Bureau Document No. 11230190370

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total	
Nominal Common Stock	148,980,341	151,019,659	300,000,000	

Information for Shelf Registration: None.

## 2. List of Major Shareholders

List all shareholders with a stake of 5% or greater, and if those are fewer than 10 shareholders, also list all shareholders who rank in the top 10 in shareholding percentage, and specify the number of shares and stake held by each shareholder on the list:

April 22, 2025 Unit: shares

Name of Major Shareholders	Shares	Shareholdings	Shareholding Ratio (%)
Walsin Technology Corp.		55,975,658	37.89
Tai Feng Shi Co., Ltd.		6,000,000	4.06
Inpaq Technology Co., Ltd.		1,250,000	0.74
Dun-Ren Cheng		1,090,606	0.68
Jin-Chi Chen		1,000,000	0.56
Standard Chartered Bank International Commercial Banking Division, Custodian of Mizuho Securities Co., Ltd. Investment Account		823,000	0.55
Guan-Chou Lai		814,001	0.46
Rong Cheng		681,000	0.41
Wei-Chieh Hsu		604,058	0.41
Hongtai Life Insurance Co., Ltd.		600,000	0.39

## 3. Dividend Policy and Implementation Status:

Item	Description
Dividend Policy of the Company	<p>If the Company has a surplus in its annual financial statements, it should first pay taxes and offset accumulated losses. Then, it should set aside 10% of the surplus as legal reserve until the legal reserve reaches the paid-up capital of the Company. Any remaining surplus should be allocated according to relevant laws and regulations or converted into a special surplus reserve. If there is still a balance, the board of directors will propose a surplus distribution plan to the shareholders' meeting for approval of shareholder dividends.</p> <p>Given the Company's presence in an industry characterized by constant changes, being capital and technology-intensive, and being at a stage of stable growth in its business lifecycle, it is necessary to retain earnings to meet the funding requirements for operational growth and investments. Therefore, the Company currently adopts a residual dividend policy. Cash dividends distributed to shareholders shall not be less than 10% of the total distribution amount mentioned in the previous paragraph.</p>
Proposed Dividend Distribution for Shareholders' Meeting	<p>As approved by the Board of Directors on March 28, 2025 the following proposal will be submitted to the shareholders' meeting:</p> <p>It is proposed to distribute a cash dividend of NT\$398,871,921 from 2024's undistributed earnings, with each share receiving NT\$2.7 in cash.</p>
When there are significant changes expected in the dividend policy, it should be explained.	No significant changes.

## 4. The impact of the bonus shares proposed at this shareholders' meeting on the Company's operating performance and earnings per share: None.

## 5. Bonuses of Employees, Directors:

Item	Description
(1) Percentage or range of employee compensation and director remuneration specified in the Articles of Incorporation:	<p>If the Company earns profits in a fiscal year, it should allocate no less than 5% for employee remuneration. The board of directors will decide whether to make the distribution in the form of stock or cash. The recipients of such distributions may include employees of subsidiary companies who meet certain conditions. The Company should allocate no more than 3% of the aforementioned profit amount for director remuneration, as determined by the board of directors. However, if the Company has accumulated losses, an amount should be reserved in advance for offsetting those losses, and the remaining amount should be allocated according to the aforementioned proportions.</p> <p>The distribution of employee remuneration and director remuneration should be subject to a special resolution by the board of directors and presented to the shareholders' meeting for approval.</p>
(2) Accounting treatment of differences between the estimated amount of employee and director remuneration for the current period, the calculation basis for employee compensation paid in stocks, and the actual amount of distribution:	<p>In 2024, the Company generated a pre-tax profit of NT\$1,196,839,893. After deducting the reserved amount for offsetting accumulated losses, the decision was made to allocate 5% for employee remuneration, amounting to NT\$61,692,778, and to allocate 2% for director remuneration, amounting to NT\$24,677,111.</p> <p>The calculation basis for distributing shares is determined based on the closing price of the trading day preceding the shareholders' meeting, taking into account the impact of ex-dividend and ex-rights dates. However, the Board of Directors decided not to distribute shares in the current period on February 20, 2025. If there are differences between the actual distribution amount and the estimated amount, it will be considered a change in accounting estimate and included in the income statement of the following fiscal year.</p>
(3) Board resolution on the distribution of remuneration: 1. The amount of employee compensation and director remuneration distributed in cash or stocks (if there is a difference between the estimated amount of recognized expenses and the actual amount of distribution, the difference, reasons and treatment shall be disclosed):	<p>On February 20, 2025, the Board of Directors passed a resolution to allocate 5% for employee remuneration, amounting to NT\$61,692,778, and to allocate 2% for director remuneration, amounting to NT\$24,677,111. The actual distribution amounts for both employee and director remuneration are consistent with the estimated amounts. All the aforementioned employee and director remuneration were disbursed in cash.</p>
2. Ratio of employee compensation paid in stocks to the post-tax net income and total employee compensation in the current individual financial report:	None.
(4) The previous year's actual distribution of employee, director, and supervisor remuneration (including the number of shares allocated, amount, and stock price), as well as any variances from the recognition of employee, director, and supervisor remuneration, should be described. Any differences in the deviation, causes, and handling procedures must be specified.	<p>On February 22, 2024, as per the resolution of the Board of Directors, the Company distributed employee remuneration in cash amounting to NT\$40,753,515 and director remuneration in cash amounting to NT\$16,301,406. The actual distribution amounts are consistent with the proposed distribution that the Board of Directors approved.</p>

6. Buyback of Treasury Stock:

April 22, 2025

Buyback Period	11th	12th
Board Meeting Date	2024/11/14	2025/01/17
Purpose of Buyback	Transfer of Shares to Employees	Transfer of Shares to Employees
Planned Buyback Period	2024/11/15~2025/01/14	2025/01/20~2025/03/19
Planned Buyback Quantity	250,000 Common Shares	1,000,000 Common Shares
Buyback Price Range	NT\$77 ~ NT\$87	NT\$74 ~ NT\$84
Actual Buyback Period	2024/11/18~2024/11/22	2025/01/21~2025/02/26
Types and Quantities of Shares Repurchased	250,000 Common Shares	1,000,000 Common Shares
Average Buyback Price Per Share	NT\$78	NT\$82.56
Total Amount of Shares Repurchased	NT\$19,499,122	NT\$82,561,090
Ratio of Repurchased Quantity to Planned Buyback Quantity (%)	100%	100%
Number of Shares Cancelled or Transferred	0 Shares	0 Shares
Cumulative Number of Shares Held by the Company	250,000 Shares	1,250,000 Shares
Ratio of Cumulative Shares Held to Total Issued Shares (%)	0.17%	0.84%



### 3.2 Issuance of Corporate Bonds:

#### 1. Corporate Bonds

Corporate Bond Type		3rd Unsecured Corporate Bonds
Issue date		December 14, 2023
Denomination		NT\$100,000
Issuing and transaction location		R.O.C
Issue price		Issue by denomination
Total price		NT\$700,000,000
Coupon rate		0%
Tenor		3 years ; Maturity: December 14, 2026
Guarantee agency		None
Consignee		Taishin International Bank Co., Ltd
Underwriting institution		Taishin Securities Co., Ltd.
Certified lawyer		Handsome Attorneys-at-Law Ya-Wen Chiu
CPA		Hai-Ning Huang CPA and Wan-Yuan Yu CPA
Repayment method		Except for bondholders who convert to the Company's common stock in accordance with Article 10 of the conversion plan, or bonds redeemed early by the Company in accordance with Article 18 of the conversion plan, or bonds repurchased early by bondholders in accordance with Article 19 of the conversion plan, or bonds repurchased and cancelled by the Company from the securities firm's business premises, the Company will repay the principal amount of the convertible bonds in cash in a lump sum upon the maturity of the bonds.
Outstanding principal		NT\$700,000,000
Terms of redemption or advance repayment		Please refer to the conversion method of our company's 3rd unsecured corporate bond with Article 18
Restrictive clause		None
Name of credit rating agency, rating date, rating of corporate bonds		None
Other rights attached	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	As of the printing date of the annual report, no conversion has been made.
	Issuance and conversion (exchange or subscription) method	Please refer to the issue and conversion method of our company's 3rd unsecured corporate bond
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		No significant impact
Transfer agent		N/A

#### 2. Convertible Bonds

Corporate bond type		3rd Unsecured Corporate Bonds	
Item	Year	2024	As of the printing date of this annual report (May 2, 2025)
Market price of the convertible bond	Highest	133.50	120.05
	Lowest	110.10	100.05
	Average	118.68	112.16
Convertible Price		90	
Issue date and conversion price at issuance		Issue Date: December 14, 2023 Conversion price at issuance : NT\$92	
Conversion methods		Issuing of new stocks	

**3.3 Issuance of Preferred Shares:** None.

**3.4 Issuance of Global Depositary Receipts:** None.

**3.5 Status of Employee Stock Option Plan:** None.

**3.6 Status of Employee Restricted Stock:** None.

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

**3.8 Financing Plans and Implementation:**

1. Contents of Plan :

(1) Fundraising Plan : In December 2023, the Company conducted its third domestic issuance of unsecured convertible bonds, raising NT\$700 million, with each bond having a face value of NT\$100,000. The bonds have a three-year term and a 0% interest rate. This issuance was approved by the Financial Supervisory Commission of the Republic of China (Taiwan) via letter No. 11203495421 dated August 4, 2023. Additionally, the issuance was approved for extension by the Financial Supervisory Commission via letter No. 1120359125 dated October 26, 2023, and the fundraising was completed on December 14, 2023.

(2) Planned project and progress of funds :

Please refer to the Market Observation Post System (MOPS)

[https://mopsov.twse.com.tw/mops/web/bfhtm\\_q2](https://mopsov.twse.com.tw/mops/web/bfhtm_q2)

Enter the company code to search.

## 4. Operations Profile

### 4.1 Business Scope

#### 1. Main areas of business operations

##### (1) Main Business Scope

The main areas of the business:

CC01080 Electronics Components Manufacturing

Research, development, production, manufacturing, and sales of the following products:

- (a) Protection Components and Magnetic Components: Electromagnetic shielding components, overvoltage protection components, overcurrent protection components, high-frequency inductors, power inductors.
- (b) High Frequency Component: Multi-band Miniaturized Automotive Antennas, GPS Satellite Antennas and Modules, Bluetooth Antennas, WiFi/WiFi 6E Antennas, 2G/3G/4G/5G Antennas, DMB Antennas, DVB Antennas, UWB Antennas, SDARS/XM Antennas, NFC Antennas, FR1/FR2 Antennas, Chip Antennas, External Antennas, Customized Antennas, Tuner Antennas, Wireless Charging and its application modules.

##### (2) Current product (service) of the Company:

- (a) High Frequency Component
- (b) Protection Components and Magnetic Components

##### (3) Operating ratio (consolidated):

Product Type \ Year	2024
High Frequency Component	57.01%
Protection Component and Magnetic Components	42.99%

##### (4) New products (services) planned to be developed:

- (a) High-precision Multi-band Positioning Antenna
- (b) 5G Array Antenna Module
- (c) 5G FR1-CPE Antenna Module
- (d) Inductive Smart Adjustable Antenna
- (e) Diplexer/Triplexer Antenna
- (f) 5G IDU/ODU Antenna
- (g) ESD Guard™
- (h) Next-Generation Ultra-Compact Alloy Power Inductor
- (i) Miniaturized Multilayer Electromagnetic Components
- (j) WPC Qi 1.3 Version TX Module

#### 2. Industry overview

##### (1) Industry Status and Development

The Company's primary business is the research, development, and manufacture of protective components such as electromagnetic protection (EMI), overvoltage protection (OVP), and overcurrent protection (OCP), as well as power inductors, common-mode filters, and high-frequency components. The products primarily apply to mobile phones, laptops, tablets, GPS, wearable devices, WLAN, wireless charging, and Bluetooth modules in the consumer electronics, information and communication industries, and niche automotive electronics industries. Current

industry status, industry characteristics, and future growth trends are analyzed below:

(a) High Frequency Component

Antennas are conductors that act as an intermediate conductor between wireless radio waves propagating over space and electric currents flowing through metallic conductors. They convert voltage and current, transmit and receive electromagnetic energy, and change the dispersion of electromagnetic waves in space.

In contrast to traditional antennas, which are more concerned with hardware performance, the antenna business has increasingly entered an era in which performance is boosted through software and algorithm frameworks. It primarily evolves in response to technological and product improvements. In recent years, various testing requirements prior to the commercialization of 5G networks, widespread adoption of Internet of Things (IoT) and artificial intelligence (AI) applications, and the rise of highly automated vehicles have increased emphasis on high-frequency and smart antennas that can improve signal transmission speed, capacity, and coverage. These applications are regarded as critical components of commercialization. As a result, the future of the antenna industry will continue to focus on developing intelligent products, with major demand coming from fields such as IoT, automotive electronics, and 5G mobile communications:

– **IoT (Internet of Things):** According to an article on "RF Technology for IoT" published by the Taiwan Electromagnetic Industry-Academia Alliance, antenna technologies such as RFID (Radio Frequency Identification), NFC (Near Field Communication), sensors, and sensor networks, which are required for IoT, have become increasingly mature. Combined with the maturity and ongoing development of mobile communication and internet services towards cloud-based and optimized services, IoT has become one of the hot topics in antenna applications. Its application scope includes: industrial applications (Industrial IoT), consumer electronic products, remote healthcare, smart homes, etc. The market demand for related wireless communication devices and modules is steadily growing.

– **Automotive Electronics and connected cars:** The global automotive industry has entered an era of information-based competition. Vehicle bodies and in-vehicle electronics, which previously relied on industrial technology and mechanical structures, have now shifted towards intelligent applications. In this trend, the market for automotive electronics related to autonomous vehicles and connected cars is rapidly expanding, driving opportunities in the antenna market. Taoglas Limited, an antenna technology supplier based in Ireland, has pointed out that the number of antennas in automobiles is exponentially increasing. With the advent of the 5G network era, next-generation vehicles will require at least 18 antennas to possess safe and reliable autonomous driving capabilities.

In addition to smart vehicles equipped with the latest automotive electronics, the "systems" and "platforms" behind the vehicles have become major focal points. The utilization of IoT technology in the transportation sector, the integration of vehicle information and mobile networks, and the provision of intelligent management services such as traffic safety, city management, logistics, and smart tolling through backend platforms have become key development focuses of the concept of "connected cars." Due to the booming development of connected cars, the proportion of new vehicles on the market with connectivity capabilities continues to increase. Furthermore, with the finalization of the 5G Release 16 standard's third phase, more comprehensive support for various industries is being planned for the future. Autonomous driving is one of the objectives, indicating that the

applications of connected cars will expand further. According to research by the international research and advisory firm Gartner, connected cars will not only be one of the top ten wireless technology trends in the future but are also predicted to become the largest market for 5G by 2023, reaching a 94% share by 2028. This trend has prompted industry players to accelerate their investments in connected car devices and the development of new products that integrate navigation, safety, entertainment, and other integrated in-vehicle communication systems. The demand for automotive antennas is expected to grow alongside these developments.

– **5G Mobile Communications:** 5G Mobile Communications: Since the advent of smartphones, the number of smartphone users has grown significantly, driving rapid growth in mobile network traffic. According to Ericsson's "Mobility Report" in November 2021, mobile network traffic has grown nearly 300 times in the past decade. With the introduction of 5G, it is estimated that by 2027, the number of 5G users worldwide will surpass that of 4G users, reaching 4.4 billion. Various distance applications, cloud gaming, the virtual worlds of the metaverse, and other innovative services will further drive a fourfold increase in global monthly data traffic.

The 5G network is set to become the fastest-deployed mobile communication technology in global history. With the high demand for 5G infrastructure construction in mainland China and North America surpassing expectations and the rapid decline in prices of 5G terminal devices, Ericsson's report indicates that by the end of 2021, the global coverage of 5G networks will reach over 2 billion people, and the number of global 5G users will reach 660 million.

The report also suggests that by 2027, 5G is expected to dominate global mobile network technology. At that time, the number of 5G users will reach 4.4 billion, surpassing the number of 4G users and accounting for approximately 50% of global mobile users. It is projected to cover around 75% of the global population and carry 62% of global smartphone traffic.

Mobile manufacturers and telecommunications operators worldwide have been launching 5G services one after another. Considering the strong demand from users for faster transmission speeds and better connectivity quality, as well as the increased reliance on data, global 5G usage is expected to increase significantly. The popularity of 5G also drives the accelerated growth of connected devices in IoT applications, with a compound annual growth rate of 28%. According to estimates by the Global Mobile Communications System Association, the introduction of 5G technology is projected to contribute US\$2.2 trillion to the global economy over the next 15 years.

#### (b) Protection Components and Magnetic Components

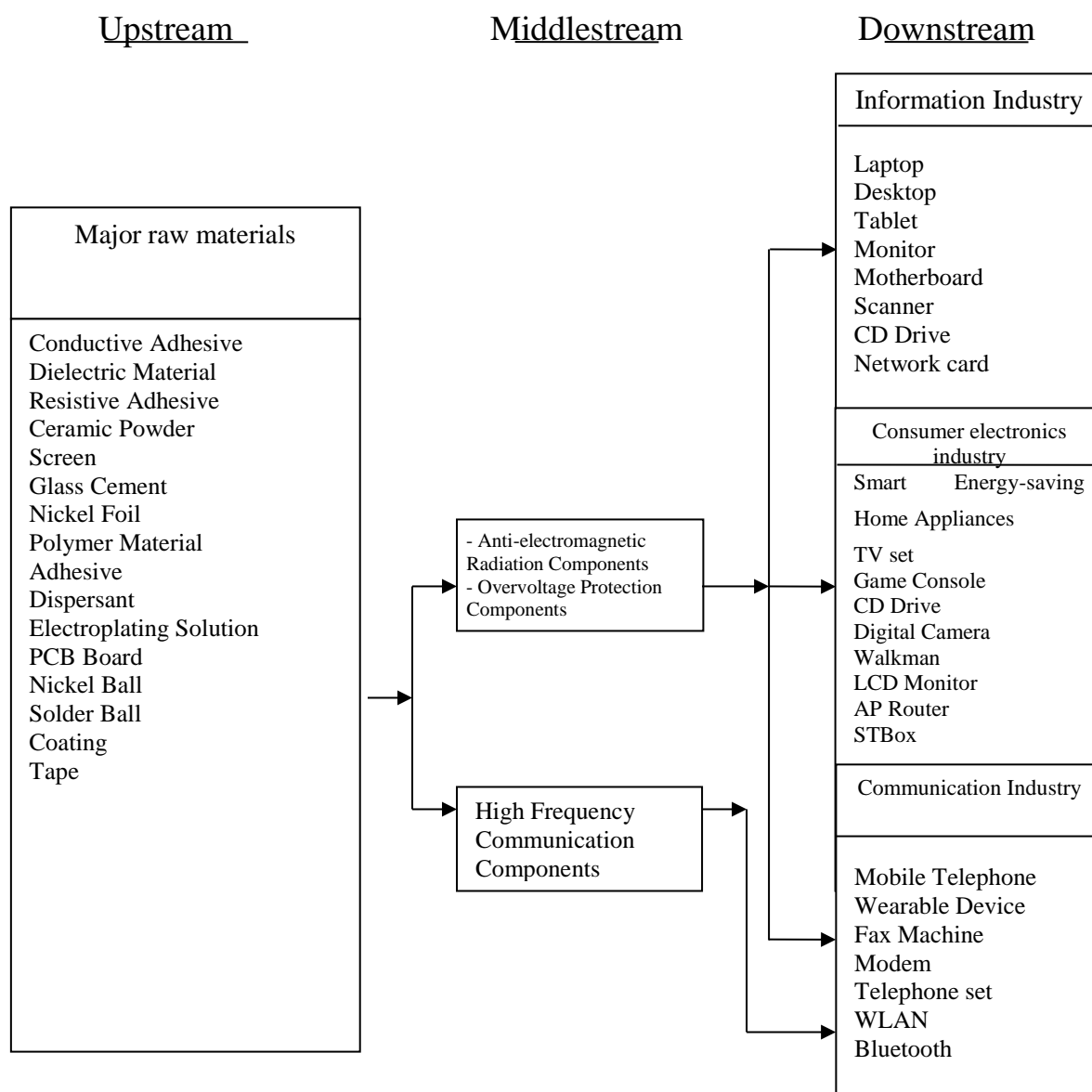
With the advancement of technology and the flourishing development of the information industry, electronic products have become essential tools in modern life. The main directions of evolution in electronic products include faster information processing speeds, increased storage capacity, and larger screen sizes. In terms of product size and appearance, lightweight, thin, short, and small designs that demand multifunctionality with low power consumption have become the mainstream in today's electronic products. To meet these development requirements, various components inside electronic products also face the challenge of miniaturization. Special components such as electromagnetic radiation suppression, current protection, overvoltage protection, temperature sensing, miniaturized high-Q high-frequency inductors, and low-loss miniaturized high-current power inductors

have gradually gained attention to maintain the reliability and energy efficiency of electronic products. Protective and magnetic components primarily belong to the passive components in electronic devices and are widely used in various sectors such as information, communication, consumer electronics, appliances, automotive electronics, and aerospace. Depending on the size and complexity of electronic products, the number of components used inside can range from a dozen to dozens. There will be a lot of integrated circuits (ICs) used, and passive components will act as peripheral components to active components as a result of trends in continuous intelligence and wireless technology. Due to the high demand for ICs, the demand for passive components is expected to increase significantly.

As major mobile phone brands continue to improve product specifications, including multi-camera designs, 3D sensing, wireless charging, voice assistants, and other features, the number of ICs and passive components required per smartphone continues to increase. Smartphones are also continuously moving towards lighter and thinner designs, leading to a trend of miniaturization for passive components. Additionally, with the increasing market share of 5G mobile communications, the demand for passive components is also growing. The Company has positioned itself in the market for automotive electronics, high-end 5G communication, and smartphones, aiming to enter the niche market of high-unit-priced passive components in line with global trends.

(2) Relationship with Upstream, Middlestream, and Downstream Companies:

The main business of the Company is the research, development, and manufacturing of protective components and high-frequency antenna modules. Here is the analysis of the upstream, midstream, and downstream industry relationships of the Company:



### (3) Product Development Trend

#### (a) Protection Components and Magnetic Components

- i. Production Equipment Automation
- ii. Development towards High Frequency and Thin Film
- iii. Chip Integration, Miniaturization, and Functional Integration
- iv. Product Endurance for High Voltage and High Current

#### (b) High Frequency Components

- i. Integration of GPS and other Multiple Antennas and Components
- ii. Towards Chip Antenna Design
- iii. FR1/FR2 Array Antenna Design
- iv. IDU/ODU Antenna Design
- v. Designing Compact, Integrated, and Functionally Composite Antenna Modules
- vi. Combining Antennas with Casings to Reduce Required Space for Antennas

### (4) Status of Competition

The company's products mainly focus on noise suppression components, overvoltage protection components, overcurrent protection components, and high-frequency communication components, which make its product line highly comprehensive compared to competitors. In terms of protective components, the main domestic competitors include Chilisin, Thinking Electronic, King Core, Yageo, Tai-Tech, and Amazing Microelectronic, among others. As for international competitors, Panasonic, TDK, Murata, Amotech, Littelfuse, CET, Semtech, Raychem, and Bourns are the major companies. In the field of high-frequency components, the main domestic competitors are Cirotech, Wha Yu, Yageo, and Advanced-Connectek, while foreign manufacturers primarily include Toko, Moteco, and Anpheno.

### 3. Research and Development Overview

- (1) R&D expenses during the most recent fiscal year or during the current fiscal year up to the publication date of the annual report:

Unit: NT\$ thousands

Item	2023	2024	As of March 31, 2025
Development Cost	385,814	382,038	97,329

- (2) Successful technology or product development:

No.	Item
1	Overvoltage/Overcurrent Combination Components
2	Resettable Overcurrent Protection Components
3	Low Resistance Current Sensing Components
4	High-Precision Global Positioning System (GPS) Receivers and Modules
5	Application in Automotive and Consumer 3C 2G/3G/4G/5G
6	WiFi/WLAN/FM/DAB/DVB/FM Antennas
7	Miniature Chip Antennas
8	WiFi 6e Array-Type CPE Antenna Modules
9	UWB Indoor Positioning Built-in Antennas



No.	Item
10	Chip Inductors/Magnetic Bead Components with Compact, High Q, and High Frequency
11	Multilayer Type Common mode filter, Thin Film Common-Mode Filters
12	0402 / 0201 SMD Type TVS
13	Miniature High Current Power Inductors
14	Multi-Layer Spiral Structure Common Mode Filters
15	Plastic Enclosure Antenna Plating Technology
16	Wire-Wound Power Inductors
17	Next-Generation 1412 Miniature High Current Power Inductors
18	Closed-Loop Chip-Type Wire-Wound Power Inductors
19	High-Efficiency Wearable Wireless Transmitter Charging Docks
20	QI Certified EPP Subsystem Wireless Transmitter Modules
21	Ultra-Low Capacitance ESD Protection Components
22	Automotive 155°C High-Temperature High-Power Density Integrated Forming Power Inductors
23	5G Array Antenna Modules
24	High-Precision Multi-Band Positioning Antennas
25	Low-Temperature Sintered Surge Protection Varistors
26	Ultra-Low Capacitance Protective Components
27	Next-Generation Ultra-miniature Alloy Power Inductors
28	High-Precision Multi-Band Positioning Circuit Module
29	Miniature UWB Antenna
30	mmWave Sensing Radar
31	WiFi 7 High-Efficiency Reconfigurable Planar Antenna

#### 4. Long and Short-Term Business Development Plans

##### (1) Short-Term Development Plans

The Company is the global marketing center of INPAQ Technology in Taiwan, with marketing units established in China, the United States, Japan, South Korea, Europe, and India. With the establishment of an international marketing system and the integration of a complete product line, the Company can fully leverage its advantages in market marketing and provide customer service in close proximity.

The product line of the Company includes protective components as well as high-frequency communication components that can be combined with information and communication technology and consumer electronics devices. Customers will appreciate the ease of one-stop shopping.

The Company's short-term development plans are as follows:

- (a) Establishing thin-film mass production technology and continuously developing high-speed protection components required for future products. Establishing cooperative partnerships with customers to jointly develop components needed for future system products.
- (b) Continuously striving for orders from important domestic and international

manufacturers in the notebook, tablet, motherboard, mobile phone, automotive, and 3C industries. Seeking OEM opportunities with international manufacturers to enhance overall market share. Actively supporting the marketing capabilities of distributors and agents to expand domestic and international markets through their channels.

- (c) Developing next-generation high-frequency electrostatic discharge protection components and conducting research on miniaturization to increase the breadth of the Company's voltage protection component product line. Using existing GPS planar antennas, GSM antennas, Bluetooth antennas, and FM chip antennas as a foundation to develop WiFi, UWB, WiMAX, DVB, and composite single, dual, and multi-band antennas.
- (d) Establishing competitive production capabilities to meet market and customer demands.

(2) Medium to long-term development plans:

- (a) Aligning with international sales strategies, actively recruiting and cultivating professional sales talents to enhance overseas marketing capabilities.
- (b) Actively researching and developing multi-functional components for electromagnetic interference and electrostatic protection to improve product performance and simplify designs, in line with the future trend of continuously increasing data transmission speed and capacity.
- (c) Strengthening research and development capabilities to quickly develop antennas and components required for customer products, and establishing long-term cooperative partnerships with customers.
- (d) Continuously investing to meet the sustained growth of various end applications and expand into markets such as automotive electronics, the Internet of Things (IoT), connected cars, and smart homes.

## 4.2 Market and Sales Overview:

### 1. Market Analysis

#### (1) Main Sales Region (Consolidated)

Unit: NT\$ thousands

Year Region	2023		2024	
	Amount	%	Amount	%
Domestic sales	534,322	8.09	1,138,888	15.46
Export	6,069,739	91.91	6,227,522	84.54
Total	6,604,061	100.00	7,366,410	100.00

#### (2) Market Share

The Company's revenue primarily comes from protection components and high-frequency components. Currently, among the listed and OTC companies in Taiwan, there is no company that produces identical products to the Company. However, Thinking Electronic, Yageo, Amazing Microelectronic, Wha Yu, Chilisin, Cirocomm, and Tai-Tech, among others, produce products with similar functionalities. Therefore, it is difficult to estimate the market share.

#### (3) Future supply and demand situations and growth of the market

##### (a) Protection Components and Magnetic Components

The global passive components market continues to demonstrate steady and robust growth, particularly in product lines such as noise suppression components, power inductors,

and high-frequency inductors. The market is driven by a variety of factors, including the trend toward higher frequencies in electronic products, increasing demands for power management efficiency, accelerated digital transformation, and heightened requirements for electromagnetic compatibility solutions across various vertical industries. From high-end smartphones and laptops to electric vehicles, renewable energy systems, and industrial automation, the critical value of high-performance passive components in ensuring system stability, optimizing energy efficiency, and enhancing overall performance is becoming increasingly evident

(b) High-Frequency Components

The rapid development of the Internet of Things (IoT) is significantly boosting the demand for compact, high-performance chip antennas. From smart homes to industrial applications, the connectivity of billions of devices relies on their exceptional integration capabilities. The rise of the Internet of Vehicles (IoV) is also opening up a new blue ocean market. Advancements in autonomous driving technology are driving enormous demand for high-frequency, highly reliable antennas for in-vehicle communication systems. With the widespread adoption of 5G mobile communications, antenna design and manufacturing face increasingly stringent technical requirements.

Our company has been deeply engaged in 5G-related antenna technologies, such as Wi-Fi 7, and is well-positioned to capture the massive business opportunities presented by smartphones and other 5G devices. With GPS antennas as the core, we have proactively developed technologies including NFC and Wi-Fi 7. Our product portfolio covers key applications in IoT, IoV, and 5G, and we are fully prepared to embrace the vast potential of the high-frequency communication component market.

(4) Competitive Niche

- (a) Strong management team and a solid financial structure.
- (b) Strong research and development capabilities, leading to highly competitive products.
- (c) Clear positioning and differentiated products.
- (d) Superior manufacturing processes with high product quality standards.
- (e) Well-established sales and international division systems.
- (f) Expanding the group's component business cluster.

(5) Favorable and Unfavorable Factors and Countermeasures in the Long Term

(a) Favorable Factors

- i. Strong research and development team.

Leveraging years of experience in the research, development, and manufacturing of passive components and antennas, the Company has established numerous patented technologies and proprietary material formulations. It continues to maintain a leading market share in Taiwan and has built a solid foothold in the Asia-Pacific regional market.

- ii. Enhancement of regulations and standards.

International standards organizations such as IEC, UL, VDE, JIS, and FCC are continuously tightening restrictions on electromagnetic interference and energy efficiency requirements for electronic devices. The new energy efficiency standards and automotive electronic EMC regulations, set to take effect in 2025, impose stricter demands on the low-loss characteristics of power inductors and the protective capabilities of noise suppression components, further driving the need for product technology upgrades.

iii. Expansion of application fields.

The rapid adoption of electric and hybrid vehicles is driving increased demand for automotive DC-DC converters, significantly boosting the usage of high-current, low-DCR power inductors. At the same time, the optimization of power architectures in data center servers, 5G base stations, and renewable energy management systems is generating strong demand for power inductors made of metal alloys, metal composites, and ferrite materials. Antennas are also benefiting from the expansion of high-growth applications such as 5G, AI switches, the Internet of Things (IoT), and low Earth orbit (LEO) satellites, with products widely applied in communications, automotive, and consumer electronics sectors.

iv. Differentiated advantages.

The Company is committed to the development of advanced magnetic materials and processing technologies, offering power components with high saturation current and low loss characteristics. By integrating high-precision winding and packaging technologies, the Company ensures product consistency and reliability. It also provides customized design services and rapid sample delivery capabilities. In the antenna segment, the Company actively engages in high-frequency technology development, including Wi-Fi 7, millimeter wave, GPS, and UWB. Through advanced manufacturing processes such as low-temperature co-fired ceramics (LTCC) and thin-film packaging, product performance is further enhanced to meet customers' specific application requirements. Furthermore, the Company has established a comprehensive certification system and quality management framework to ensure stable and reliable product quality.

(b) Unfavorable Factors and Countermeasures

i. Raw material supply and challenges.

Countermeasures:

The prices of core materials for power inductors, such as ferrite, metal alloy powders, and copper wire, are subject to fluctuations. In addition, the cost variations of special ceramic materials and precious metals (such as palladium and silver), which are essential for high-frequency inductors and noise suppression components, exert pressure on production costs. Supply chain restructuring caused by geopolitical factors also introduces uncertainty into the industry. To mitigate these risks, the Company has established a multi-regional procurement strategy and developed in-house capabilities for core material technologies. Furthermore, through collaborations with academic institutions, the Company is actively developing new material formulations and alternative raw materials to reduce dependence on high-cost materials.

ii. Development of domestic and foreign competitors

Countermeasures:

The Company will continue to strengthen R&D investment and technological innovation, actively expanding into high value-added application markets with a strategic focus on three key areas: power management systems for electric and smart vehicles, 5G/6G high-frequency communication infrastructure, and power solutions for AI computing platforms and industrial IoT. Through product portfolio optimization and enhanced manufacturing efficiency, the Company expects to maintain its market leadership and achieve steady growth. In the antenna segment, the Company is leveraging automated production and a global site deployment strategy to reinforce ODM collaborations and strategic alliances with major international partners, further solidifying

its competitive advantage in the high-end antenna module market.

iii. Increasing labor costs and difficulty in recruitment at mainland production sites

Countermeasures:

Increase automation equipment to reduce labor demand and improve efficiency. Establish production lines in other regions, utilize international division of labor to lower production costs, and enable timely supply and proximity to customers.

## 2. Main uses and production processes of main products

### (1) Main Products and Important Applications:

#### (a) Protection Components and Magnetic Components

- i. Used for ESD and EMI protection in various electrical products, effectively filtering out electromagnetic waves.
- ii. Used in personal portable electronic devices (such as smartphones, tablets, wearables, laptops/desktops) to prevent damage caused by static electricity, voltage surges, and electromagnetic waves.
- iii. Overcurrent protection for 3C products (smartphones, tablets, wearables, laptops/desktops).
- iv. High-efficiency miniaturized power inductors required for power circuits in portable electronic devices like smartphones.

#### (b) High-Frequency Components

- i. Used for receiving signals in global satellite systems for position determination.
- ii. Used as communication components for receiving GSM, Bluetooth, WiFi, and other system signals in smartphones and tablets.
- iii. Used for receiving/transmitting RF signals such as FM, XM, etc.

### (2) Manufacturing Process:

#### (a) Protection Components and Magnetic Components

Substrate Printing → Granulation → Terminal Electrode Coating → Electroplating → Intermediate Inspection → Electrical Testing → Tape Packaging → Finished Product Quality Control → Warehousing

#### (b) High-Frequency Components

Ceramic Powder Formulation → Molding → Sintering → Electrode Printing → Baking → Sintering → PIN Foot Installation → Testing → Packaging

## 3. Supply Status of Major Raw Materials

Major Raw Materials	Supplier	Supply Status
Substrate, Chip	Taiwan, China	Good
Joint wire	China	Good
Glue	Japan	Good
Powder	Taiwan	Good

4. Provide the names of customers who accounted for more than 10% of the total sales in either of the past two years, along with their corresponding sales amounts and proportions, and explain the reasons for any changes in their levels of contribution:

(1) Major supplier information in the past two fiscal years:

Unit: NT\$ thousands

Item	2024				2023			
	Company Name	Amount	Net Procurement Percentage for a Company (%)	Relation to the Company	Company Name	Amount	Net Procurement Percentage for a Company (%)	Relation to the Company
1	A	418,692	11%	-	A	125,180	4%	-
2	Other	3,245,275	89%	-	Other	2,778,724	96%	-
	Total	3,663,967	100%		Total	2,903,904	100%	

(2) Major customer information in the past two fiscal years:

There were no customers who contributed more than 10% of the total sales revenue in the past two years.

#### 4.3 Employee information for the last two years and up to the date of printing of the annual report, including the number of employees, average years of service, average age, and distribution of educational qualifications (consolidated)

Year		2023	2024	As of March 31, 2025
No. of Employees	Direct Labor	1,825	1,506	1,484
	Indirect Labor	781	802	797
	Total	2,606	2,308	2,281
Average age		35.24	36.37	36.46
Average years of service		5.42	6.04	6.21
Education distribution percentage (%)	Ph.D.	0%	0%	0%
	Master's degree	4%	5%	5%
	College	27%	31%	31%
	Senior high school	19%	29%	28%
	Below senior high school	50%	35%	36%
	Total	100%	100%	100%

#### 4.4 Environmental Expenditure Information

1. Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions):

Unit : NT\$ thousands

Annual Pollution types	2024	Before the end of April 2025
Fail to follow Water Pollution Control Act.	10	-
Fail to follow Toxic and Concerned Chemical Substances Control Act.	60	-
Total	70	-

(1) The company received letter No. 1130033478 from the Miaoli County Government in March 2024. Regarding domestic sewage water meters failing to be calibrated at least once a year in accordance with the prescribed frequency, it violates Article 18 of the Water Pollution Prevention and Control Law and is subject to a fine of NT \$10,000.

(2) In March 2024, our company received a letter from the Miaoli County Government Environmental Protection Letter No. 1130045707 regarding the purchase of toxic substances without reporting operation records, which violated the provisions of Article 9, Item 2 of the Toxic and Chemical Substances of Concern Management Law and Article 4, Item 1 of the Management Measures for the Management of Toxic and Concerned Chemical Substances Operation and Release Volume Records, and was fined NT \$60,000.

## 2. Future response measures and possible expenses:

- (1) Complete the payment of fines and the purchase of additional sewage meters in accordance with legal provisions and outsource corrections in accordance with the law.
- (2) Completed the payment of fines and strengthened education and training on toxic substances in accordance with legal requirements, and controlled the purchase of materials from the source through the system.

## 4.5 Labor Relations

### 1. Employee Welfare Measures, Training, Retirement System, and Implementation Status Important Current Labor-Management Agreements and Implementation Status:

#### (1) Employee Welfare Measures:

To improve employee welfare and promote labor-management harmony in various aspects of work, life, and health, our company implements a variety of welfare measures based on the philosophy "Revere Heaven Love Man."

- (a) Employees receive annual year-end bonuses, and salary adjustments are made on a timely and appropriate basis.
- (b) Regular health check-ups for employees.
- (c) Employees enjoy labor insurance, national health insurance, and group insurance. These benefits not only cover employees themselves but also extend to their spouses and children, ensuring comprehensive protection for employees and their families.
- (d) Subsidies for employee marriages, bereavements, celebrations, and birthday gatherings.
- (e) The company has a cafeteria where subsidized buffet meals are served. Employees can enjoy a diverse and plentiful selection of meals for a small fee.
- (f) To provide accommodation solutions for employees from other counties, the Company provides comfortable dormitories for their convenient stay.
- (g) Regular employee trips, family day activities, and year-end party events are organized to

foster emotional connections among employees, enhance their loyalty to the Company and boost morale.

- (h) Employee ownership of company stock and participation in profit sharing. Individual and team performance, as well as the operational performance of the company, determine the distribution of performance bonuses. Employees are motivated to perform well by receiving a bonus equal to or greater than 5% of annual profits.

(2) Measures to Protect Employee Rights and Interests:

- (a) Establishment of the "Code of Ethics and Social Responsibility" to protect employees' labor environment, working conditions, workplace health and safety, and fair compensation. This code is strictly followed.
- (b) To prevent occupational hazards and ensure the health and safety of employees, the company has set up an "Environment/Safety and Health Committee" to implement safety and health management and conduct regular inspections.
- (c) The Company holds labor-management meetings every three months to facilitate labor-management relations, promote labor-management cooperation, and increase work productivity.

(3) Implementation of the Retirement Pension System:

- (a) The retirement system of our company fully complies with the regulations of the Labor Standards Act. Employees who have completed 15 years of service and are over 55 years of age or have completed 25 years of service can apply for retirement. The retirement benefits are provided based on the employee's years of service, with two times the base salary for each completed year. For service exceeding 15 years, one time the base salary is provided for each completed year, for a maximum total of 45 times the base salary. The Company has established a supervisory committee and a dedicated account. As of December 31, 2024, the balance in the Taiwan Bank Labor Retirement Reserve Account was NT\$42,241 thousand.
- (b) Since July 1, 2005, the Company has been contributing retirement benefits to the Labor Retirement Reserve Account according to the provisions of the Enforcement Rules of the Labor Pension Act. The monthly contribution is not less than 6% of the monthly salary, and the funds are stored in the Labor Retirement Reserve Account. As of 2024, the retirement pension expenses amounted to NT\$26,399 thousand, which has been allocated to the Bureau of Labor Insurance, MOL.

(4) Employee Training Status:

In order to enhance the quality of human resources and promote development advantages, the Company has established an education and training policy. The education and training program is divided into internal training and external training. In 2024, the following training activities were conducted:

Training Category	No. of Trainees	Training Hours
New Employees	142	1,207
Safety and Health	1,174	2,579
Professional Skills	2,741	6,490.5



(5) Work Environment and Employee Personal Safety Measures:

Item	Content
Access Control Security	Contracted with a security company to maintain the security of the premises, with a strict access control surveillance system in place day and night.
Maintenance and Inspection of Equipment	1. Conduct public safety inspections every 2 years in accordance with building safety regulations. 2. Outsource annual fire safety inspections in accordance with fire regulations. 3. Regular inspections and maintenance of high- and low-voltage electrical equipment, elevators, air conditioning systems, water dispensers, company vehicles, and firefighting equipment.
Physical Hygiene	Physical Examinations: New employees should undergo a physical examination, and existing employees should undergo periodic health checks.
Insurance and Medical Support	Legally insured for labor insurance (including occupational accident insurance) and health insurance. Additional insurance coverage includes accident insurance and accident medical insurance.
Workplace Safety	Employees must undergo comprehensive training before operating machinery and equipment to prevent injuries.

2. Disclosure of losses incurred due to labor disputes in the current and previous fiscal years until the printing date of this annual report (including violations of labor laws resulting from labor inspections, and should state the date of punishment, punishment number, the content of the violation, the content of the violation of the law, and the punishment content). The estimated amount of potential future losses and corresponding measures should also be disclosed:

(1) In the latest period and as of the publication date of the annual report, the company has suffered losses due to labor disputes (including violations of the Labor Standards Act as a result of labor inspections): A fine of NT\$50,000 was imposed for violating Article 24 of the Labor Standards Act as stated in Official Letter No. 1130088670 issued by the Labor Affairs Department in March 2024, and a fine of NT\$150,000 was imposed for violating Paragraph 1, Article 57 of the Employment Services Act as stated in Official Letter No. 1140014781 issued in January 2025.

(2) Estimated amounts and countermeasures that may occur at present and in the future: All the company's systems comply with legal regulations, so the risk of labor disputes is extremely low. If disputes occur in the future, they will be coordinated through the Labor Bureau or other units to prevent the company from suffering losses.

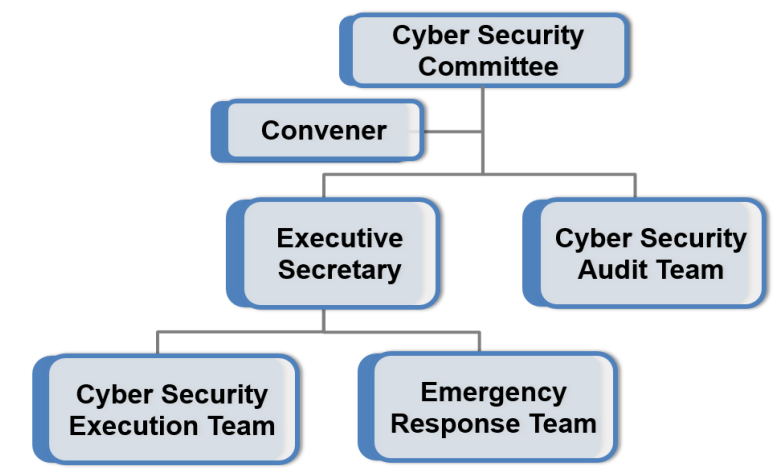
## 4.6 Cyber Security Management

1. This section outlines the cyber security risk management framework, cyber security policies, specific management plans, and resources invested in cyber security management.

### (1) Management Structure

To enhance cyber security management, the company established the 「 Cyber Security Management Committee 」 in February 2022 (Republic of China Year 111). This committee is responsible for reviewing the cyber security governance policies of the company and its subsidiaries, overseeing the operations of cyber security management, and holding regular "ISMS Management Review Meetings" to address cyber security governance issues and promote continuous improvement. The goal is to establish and ensure the applicability of cyber security policies. The Chairperson of the 「 Cyber Security Management Committee 」 is the General Manager, and the Convener is the highest-ranking officer of the IT department. They are responsible for cyber security governance, planning, supervision, and driving execution to build a comprehensive cyber security defense capability and foster strong cyber security awareness among employees. The core focus of the cyber security strategy revolves around three areas: cyber security governance, legal compliance, and technological application. The approach spans from systems to technology, and from personnel to organization, with a comprehensive effort to enhance cyber security protection capabilities.

In accordance with the regulations outlined in the cyber security control guidelines for publicly listed companies, an IT manager and several professional IT personnel have been assigned to execute cyber security operations, ensure the implementation of cyber security policies, and handle emergency cyber security incidents. All relevant personnel receive professional training in cyber security every year. To strengthen the ability to monitor cyber security intelligence and respond to cyber security incidents, the company has joined the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC). Through this collaborative defense organization, the company enhances its security protection plans and ensures that skilled emergency response procedures are in place to properly handle unforeseen cyber security incidents.



#### Chairperson

The General Manager of the company serves as the Chairperson of the Cyber Security Committee, responsible for reviewing the cyber security policies and objectives.

#### Convener

The highest-ranking officer of the IT department serves as the Convener, ensuring that the cyber security policies and objectives align with the organization's strategic direction, driving continuous improvement, and tracking and compiling reports on cyber security activities.

#### Executive Secretary

Appointed by the Convener, a member of the IT department serves as the Executive Secretary, coordinating cyber security-related operations carried out by the Cyber Security Implementation Team and the Incident Response Team.

#### Cyber Security Execution Team

Formed on a task-based basis, the team leader and members are appointed by the Executive Secretary. The team is responsible for executing various cyber security activities.

#### Emergency Response Team

Also formed on a task-based basis, the team leader is appointed by the Executive Secretary, and team members are designated from key business process owners. The team is responsible for resolving cyber security issues and improving preventive measures.

#### Cyber Security Audit Team

Appointed by the Chairperson of the Cyber Security Committee, the team is responsible for evaluating the implementation status of the cyber security management system.

#### (2) The cyber security policies:

- Invoke the awareness of cyber security
- Highly regard the data access control
- Enhance the data security protection
- Ensure the business continuity

The cyber security objectives :

- Conduct regular training to invoke employees' awareness upon cyber security

- Execute regular permission reviews and realize network segmentation
- Perform backup routine jobs to keep the high data availability
- Implement disaster recovery drills to ensure business continuity

(3) Cyber security management include:

In light of current emerging cyber security trends such as DDoS (Distributed Denial of Service) attacks, ransomware, social engineering attacks, and phishing websites, the company regularly monitors cyber security issues and develops response plans. These plans include conducting drills for various cyber security scenarios to strengthen the response capabilities of personnel, ensuring that any threats can be detected and blocked promptly. Additionally, regular security audits, such as vulnerability scans or penetration testing, are conducted to ensure that the cyber security systems and network environments comply with security implementation standards.

To address the challenges posed by cyber security threats such as APT (Advanced Persistent Threat) attacks, DDoS attacks, ransomware, social engineering, and data theft, the company has planned the following strategies:

- Conduct annual security assessments, cyber security health checks, social security evaluations, and cyber security incident drills.
- Strengthen the cyber security crisis awareness of employees and the response capabilities of cyber security personnel to prevent, detect, and effectively block threats in a timely manner.
- Annually announce and promote cyber security policies, and cultivate employees with cyber security certifications.
- Provide cyber security education and training for all employees, with each person receiving at least 2 hours of training per year.
- Report to the board of directors at least once a year, summarizing the annual cyber security risk status and actions taken.

(4) Investing resources in information security management

The IT department currently has 20 personnel in Taiwan and 5 in Mainland China, totaling 25 team members responsible for executing cyber security operations, conducting cyber risk management, ensuring the implementation of cyber security policies, and responding to cyber security emergencies.

- Completed structural enhancement of the cyber security system, including updating the system password policy to a minimum of 12 characters.
- Completed comprehensive security management of all computer devices across the facilities, preventing virus intrusions and sensitive data leakage, reducing the spread of cyber threats, and fulfilling cyber security governance and compliance requirements.
- Cyber security policy announcements : 6
- Cyber security awareness announcements : 5
- Professional education and training for cyber security team : 3 hours
- Cyber security education and training for indirect personnel : 2 hours
- Social engineering drills: 1 time, 738 participants
- Number of cyber security incidents that impacted company operations or violated customer privacy : 0 times

2. List of losses, potential impacts, and response measures suffered due to significant cyber security incidents up until the date of publication of the latest annual report. If unable to estimate reasonably, it should be explained that such estimation is not possible: None.

#### 4.7 Important Contracts

Contract Type	Counterparty	Contract Period	Major Contents	Restrictions
Financing	CTBC Bank	2021/12/24-2026/12/15	Total credit line of NT\$394.92 million and promissory note guarantee.	5-year term, 3-year grace period, monthly equal installment repayment upon maturity.
Financing	Chang Hwa Bank	2020/08/24-2027/08/15	Total credit line of NT\$583.2 million.	7-year term, 3-year grace period, monthly equal installment repayment upon maturity.
Financing	Chang Hwa Bank	2021/05/03-2031/04/15	Total credit line of NT\$384 million.	10-year term, 3-year grace period, monthly equal installment repayment upon maturity.
Financing	Chang Hwa Bank	2023/07/31-2029/06/13	Total credit line of NT\$500 million.	5-year term, 2-year grace period, monthly equal installment repayment upon maturity.
Financing	Mega International Commercial Bank	2021/09/23-2026/09/23	Total credit line of NT\$100 million and promissory note guarantee.	5-year term, 2-year grace period, monthly equal installment repayment upon maturity.
Financing	Cathay United Bank	2024/05/26-2026/05/26	Total credit line of NT\$300 million and promissory note guarantee.	2-year term, repayment within 180 days.
Financing	Far Eastern International Bank	2024/11/27-2027/11/27	Total credit line of NT\$ 600 million and promissory note guarantee	3-year period, principal repayment at maturity.

## **4.8 Codes of Ethical Conduct for Directors and Managers**

### **Codes of Ethical Conduct for Directors and Managers**

#### **Article 1 Purpose and Scope of Application**

This code of conduct is intended to ensure that the directors and managers of the Company (including the general manager and equivalent positions, deputy general manager and equivalent positions, assistant manager and equivalent positions, head of the finance department, head of the accounting department, and other individuals with management responsibilities and signing authority for the Company) conduct themselves ethically when conducting business on behalf of the Company. This code of conduct is established to prevent unethical behavior and actions that may harm the Company and shareholders' interests.

Directors who also serve as executives of the Company shall apply the relevant provisions of this code of conduct to the Company's employees. The term "directors" in this code of conduct refers to all directors of the Company (including independent directors).

#### **Article 2 Obligations to be Followed**

##### **(1) Prevention of Conflicts of Interest**

Directors and managers should avoid personal interests that may conflict with or have the potential to conflict with the Company's overall interests. This includes situations in which these individuals are unable to manage company affairs objectively and efficiently, or in which they or their spouse, parents, children, or second-degree relatives may receive improper benefits as a result of their positions with the Company. Any financial loans or significant asset transactions between the Company and the aforementioned individuals or their affiliated entities must be reviewed and approved in advance by the superintendent and the board of directors in order to prevent conflicts of interest. When a director has a personal interest that could jeopardize the Company's interests, he or she must comply with the director's recusal system outlined in the Company's board meeting rules, refrain from participating in discussions and voting, and not exercise the voting rights of other directors. Sales and purchases should be conducted with the best interests of the Company in mind.

##### **(2) Avoidance of Opportunities for Personal Gain**

The company should prevent directors or managers from engaging in the following activities:

1. Using company assets, information, or taking advantage of one's position to seek personal gain;
2. Using company assets, information, or taking advantage of one's position to obtain personal benefits;
3. Competing with the Company.

When the Company has opportunities for profit, its directors or managers are obligated to increase the Company's legitimate and legal benefits.

##### **(3) Duty of Confidentiality:**

Unless authorized or required by law to disclose such information, directors or managers have a duty to maintain the confidentiality of information regarding the Company itself or its sales and purchases with customers. Confidential information consists of all non-public information that could be utilized or disclosed by competitors to the detriment of the Company or its customers.

##### **(4) Fair Trades:**

Directors or managers must regard the Company's sales and purchasing customers, rivals, and employees with fairness. They should not gain undue advantages through manipulation,

concealment, abuse of information obtained through their positions, making fraudulent statements about crucial matters, or engaging in other unfair transaction practices.

(5) Protection and Proper Use of Company Assets:

Directors or managers are responsible for protecting company assets and ensuring their effective and legal use for business purposes, avoiding theft, negligence, or waste that could have a negative impact on the profitability of the business.

(6) Compliance with Laws and Regulations:

Compliance with securities and other laws and regulations should be strengthened by the Company.

Directors and managers must adhere to a variety of laws and regulations, as well as the organization's internal rules and regulations.

(7) Encouragement to Report Unethical or Illegal Conduct:

The Company shall promote ethical awareness internally, establish a specific reporting system, and encourage employees to report any actions that violate laws, regulations, or ethical standards to their supervisor, immediate manager, HR supervisor, or internal audit supervisor. Additionally, the Company provides a complaint mechanism to assure confidentiality, as well as a fair and impartial investigation and resolution.

(8) Disciplinary Measures:

Directors and managers who violate the Codes of Ethical Conduct are subject to criminal and civil liabilities as well as compensation in accordance with applicable laws and regulations upon confirmation. Managers must adhere to the rules of the employee code of conduct and the system of rewards and punishments. The Company must promptly disclose the date of the violation, the reasons for the violation, the applicable provisions, and the disposition of the violating personnel on the Taiwan Stock Exchange Market Observation Post System. The Company should also establish a complaint system to provide those who violate the code of conduct with a channel for corrective action.

### Article 3 Procedures for Exemption

When circumstances in the Company's established code of conduct warrant an exemption for directors or managers, the exemption must be approved by the board of directors and promptly disclosed on the Taiwan Stock Exchange Market Observation Post System website, including the date of approval for the exemption, any opposition or reservations from independent directors, the duration of exemption, the reasons for the exemption, and the provisions under which the exemption is granted, in or with respect to the exemption.

### Article 4 Disclosure Methods

This code of conduct must be disclosed on the company's website, annual reports, prospectuses, and the website of the Taiwan Stock Exchange Market Observation Post System website, as well as any amendments.

### Article 5 Other Provisions

In the event that the Company in the future establishes an Audit Committee, the provisions governing supervisors shall also apply to the Audit Committee.

### Article 6 Implementation

This code of conduct will be implemented after approval by the board of directors and presentation to the shareholders' meeting. The same applies to amendments.

The board of directors approved this code of conduct on January 20, 2020.

## 5. Review and Analysis of Financial Status and Business Results and Risk Issues

### 5.1 Financial Status (Consolidated)

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	5,584,031	6,642,229	(1,058,198)	(16)
Property, plant and equipment	4,066,779	4,146,655	(79,876)	(2)
Other assets	3,900,936	1,249,756	2,651,180	212
<b>Total assets</b>	<b>13,551,746</b>	<b>12,038,640</b>	<b>1,513,106</b>	<b>13</b>
Current liabilities	3,819,249	2,742,122	1,077,127	39
Non-current liabilities	2,116,398	2,409,482	(293,084)	(12)
<b>Total liabilities</b>	<b>5,935,647</b>	<b>5,151,604</b>	<b>784,043</b>	<b>15</b>
Capital stock	1,489,803	1,489,803	-	-
Capital reserve	3,244,157	3,244,157	-	-
Retained earnings	3,043,222	2,348,677	694,545	30
Other interests	(181,206)	(240,380)	59,174	(25)
Treasury shares	(19,499)	-	(19,499)	-
Non-controlling interests	39,622	44,779	(5,157)	(12)
<b>Total Stockholders' Equity</b>	<b>7,616,099</b>	<b>6,887,036</b>	<b>729,063</b>	<b>11</b>

Explanation of Significant Changes in Ratio Analysis (for changes of 20% or more and a change in amount of NT\$10 million or more between the current and prior periods):

1. Other assets: mainly due to the increase in non-current financial assets measured at amortized cost in 2024.
2. Current liabilities: mainly due to the increase in bonds payable due within one year in 2024.
3. Retained earnings: mainly due to the profit earned in 2024.
4. Other interests: mainly due to the increase in exchange differences on translation of foreign financial statements in 2024.



## 5.2 Financial Performance

### Analysis of the Financial Performance of the Last Two Years (Consolidated)

Unit: NT\$ thousands

Item \ Year	2024	2023	Amount change	Percentage change (%)
	Amount	Amount		
Net Operating Revenue	7,366,410	6,604,061	762,349	12
Operating costs	5,336,032	4,758,107	577,925	12
Operating margin	2,030,378	1,845,954	184,424	10
Operating expenses	1,080,750	1,081,117	(367)	(0)
Operating income	949,628	764,837	184,791	24
Non-operating income and expenses	321,516	74,403	247,113	332
Income before income tax	1,271,144	839,240	431,904	51
Decrease: Total income tax expense	(291,725)	(128,737)	(162,988)	127
Net income	979,419	710,503	268,916	38

#### Analysis of Changes in Increase/Decrease Ratios:

Explanation of Significant Changes in Ratio Analysis (for changes of 20% or more and a change in amount of NT\$10 million or more between the current and prior periods):

1. Operating profit and income before income tax and net income : mainly due to the increase in operating revenue and gross profit margin in the current period, leading to a increase in operating profit and income before income tax and net income.
2. Non-operating income and expenses: mainly due to the depreciation of the local currency during the period, resulting in an increase in foreign exchange gains.
3. Income tax expenses: mainly due to the increase in income before income tax in 2024.

## 5.3 Cash Flow

### 1. Analysis of cash flow changes during the year:

Unit: NT\$ thousands

Cash and Cash Equivalents, Beginning of Year (A)	Net Cash Flow from Operating Activities of the Year (B)	Cash Outflow (C)	Cash surplus (deficiency) (A)+(B)-(C)	Leverage of Cash Deficit	
				Investment plans	Financing plans
2,522,821	1,347,799	2,803,198	1,067,422	—	—
Analysis of cash flow changes during the year:					
(1) Cash inflows from operating activities: mainly due to continuous profitability.					
(2) Cash outflows from investing activities: mainly due to investment in financial products..					
(3) Cash inflows from financing activities: primarily due to the increase in long-term borrowings.					

2. Improvement plan for insufficient liquidity: Not applicable.
3. Analysis of cash flow liquidity for the next year:

Unit: NT\$ thousands

Cash and Cash Equivalents, Beginning of Year (A)	Net Cash Flow from Operating Activities of the Year (B)	Cash Outflow (C)	Cash surplus (deficiency) (A)+(B)-(C)	Leverage of Cash Deficit	
				Investment plans	Financing plans
1,067,422	1,184,275	1,457,153	794,544	—	—
Analysis of cash flow liquidity for the next year: (1) Cash inflows from operating activities: primarily generated from operational profits. (2) Cash outflows from investing activities: primarily due to the purchase of machinery. (3) Cash outflows from financing activities: primarily due to the repayment of long-term borrowings and the distribution of cash dividends.					

#### 5.4 Impact of Major Capital Expenditure in the Past Year on the Financial Status

1. The status of major capital expenditures and sources of capital:

In 2024 and 2023, the company and its subsidiaries invested a total of NT\$341,255 thousand and NT\$628,275 thousand, respectively, in the construction of factories and the purchase of machinery and equipment. Internal resources and bank loans helped fund these investments.

2. Possible benefits:

In response to the current market demand, the firm prioritizes the development of new products and the expansion of production capacity. It continues to invest in the construction of factories and the acquisition of apparatus and equipment in order to increase its competitive niche, revenue, and profitability.

#### 5.5 Re-investment Policy in the Past Year, the Main Reason for Its Profit or Loss, the Improvement Plan and Investment Plan in the Next Year

1. Investment Policy:

By staying abreast of customer and industry developments and aligning investment strategies, the Company optimizes high-performance production and services to meet customer needs and expand domestic and international markets. All the Company's investment activities are carried out by the relevant executing departments following procedures such as "Regulations Governing the Acquisition and Disposal of Assets."

2. The main reinvestment companies are as follows:

December 31, 2024

Item \ Description	Investment amount	Policy	Major reasons for profit or loss	Improvement plans	Other investment plans in the future
INPAQ BVI LTD.	NT\$1,258,296 thousand	Holding company	The net profit for 2024 was NT\$994,831 thousand, mainly due to the stable profitability of the investment activities.	None	Necessary increase in investment to match the scale of operations assessment

## 5.6 Risk Management and Assessment

### 1. Impact of interest rates, exchange rate fluctuations, and inflation on the Company's income and future response measures

(1) The effect of currency fluctuations on the Company's operating profit and the Company's specific measures in reaction to currency fluctuations

The Company's export amount as a percentage of total revenue in the past two fiscal years was 84.54% and 91.91%, respectively, indicating that exchange rate fluctuations have a certain impact on revenue. However, the Company also adopts the US dollar as the pricing currency for transactions with major suppliers and the purchase of machinery and equipment from overseas, resulting in offsetting effects and providing a certain degree of hedging against exchange rate fluctuations. Therefore, overall, the impact on profitability is not significant. The Company has actively explored foreign exchange hedging tools and will engage in hedging operations at appropriate times to reduce the impact of foreign exchange risks on Company profitability. The recent annual exchange profit or loss is as follows:

Unit: NT\$ thousands

Year/Item	2023	2024	As of March 31, 2025
Foreign exchange (loss) gain	16,539	200,551	36,152
Foreign exchange profit (loss) to operating revenue ratio	0.25%	2.72%	1.94%

The specific measures taken by the Company in response to exchange rate changes are as follows:

- (a) During the product pricing process, the sales personnel consider the risks arising from exchange rate fluctuations and adjust the selling prices accordingly to safeguard the expected profits.
  - (b) The Company establishes foreign currency deposit accounts and maintains close communication with key partner banks to gather timely information on exchange rate movements. This enables the Company to fully grasp exchange rate trends and determine the optimal timing for foreign currency purchases and conversions.
  - (c) A reasonable amount of foreign currency deposits is retained as a natural hedge against foreign currency payment liabilities. The Company actively seeks an understanding of foreign exchange hedging tools and engages in hedging operations at appropriate times to mitigate the impact of foreign exchange risks on profitability.
- (2) Regarding interest rates, net interest income in 2024 was approximately NT\$97,852 thousand, accounting for merely 1.33% of the Company's net operating revenues. The proportion of interest income and expenses to net revenue is not high, so the impact of interest rate fluctuations on the Company is still limited. However, the Company actively pursues other business expansion opportunities while striving to enhance deposit income in order to improve overall operational efficiency.
- (3) Recent two-year inflationary conditions' impact on the Company: The company constantly monitors market price fluctuations and maintains good interactive relationships with suppliers and customers.

2. Policies related to high-risk, high-leverage investments, lending funds to others, endorsement guarantees, and derivative trading, as well as the main reasons for profit or loss and future response measures.

(1) The Company is currently not engaged in high-risk, high-leverage investments.

(2) Endorsements and guarantees:

March 31, 2025

Unit: NT\$ thousands

No.	Endorsement guarantee company	Guaranteed party		Endorsement guarantee limit for a single company	Maximum endorsement guarantee balance for the current period	Endorsement guarantee balance at the end of the period	Actual disbursement amount	Endorsement guarantee amount secured by assets	Ratio of cumulative endorsement guarantee amount to the net value of the recent financial statements	Maximum limit for endorsement guarantees
		Company Name	Relationship							
0	The Company	Inpaq Technology (China)	The Company's subsidiary	1,554,104	132,728	132,728	-	-	1.71%	3,108,207
0	The Company	Taiwan Inpaq Electronic	The Company's subsidiary	1,554,104	650,000	650,000	-	-	8.36 %	3,108,207
0	The Company	Hunan Hongdian	The Company's subsidiary	1,554,104	66,364	66,364	-	-	0.85%	3,108,207

(3) The Company's endorsement and guarantee policy: The Company's endorsement guarantees shall not exceed 40% of the net value of its most recent audited financial statements as certified by the accountant. Any single entity's endorsement guarantee cannot exceed 20% of the Company's most recent audited financial statements' net value, as certified by the accountant. For endorsement guarantees related to business transactions with the Company, the individual endorsement guarantee amount shall not exceed the amount of the business transactions between the parties. "Business transactions" means the greater of the two parties' purchase or sales amounts.

(4) Company loan policy: Company loans cannot exceed 40% of net value. Short-term working capital loans for companies in which the company owns 50% or more cannot exceed 25% of the company's net value. The board of directors may approve loans up to 10% of the company's net value for other companies. Foreign companies in which the Company directly or indirectly holds 100% of the voting shares may borrow up to 40% of the lending company's net value for working capital. Loan details:

March 31, 2025

Unit: NT\$ thousands

No.	Lending company	Borrower	Transaction item	Whether it is a related party	Maximum amount for the period	Ending balance	Actual disbursement amount	Interest rate range	Nature of the loan	Amount of business transactions	Reasons for short-term capital needs	Provision for bad debt	Collateral		Loan limit for individual borrowers	Total loan limit
													Name	Value		
0	The Company	Taiwan Inpaq Electronic	Other Receivables - Related Parties	Y	450,000	450,000	420,000	1.8778%	2	-	Operating turnover	-	Promissory Note	450,000	1,942,630	3,108,207
0	The Company	INPAQ USA	Other Receivables - Related Parties	Y	99,546	99,546	33,182	3%	2	-	Operating turnover	-	Promissory Note	99,546	1,942,630	3,108,207

3. Future research and development plans and expected R&D expenses

The Company is committed to independent technological development and is constantly improving precision electronic manufacturing techniques. The focus in the field of protective components is on developing products with miniaturization, high reliability, high capacitance, high voltage resistance, and high temperature stability. To meet the demands of the 5G communication era, resources are continuously invested in antenna development as well as integrating technologies related to the Internet of Things, wireless charging, and connected vehicles. These technologies have already resulted in the development of antenna products.

Because high-frequency communication components and protective components are both important areas for future development, an estimated R&D expense of NT\$200,000 thousand is expected in the coming year. Future research and development plans and the projected R&D expenses are as follows:

Future R&D Project	Estimated Completion Time	Key Factors for Successful Research and Development
Low Earth Orbit Satellite Antenna Module	2026	1. Integration and application of antenna technology and materials 2. Circuit design capabilities
RTK GNSS Module	2025	1. Antenna-circuit integration capability 2. Module-system integration capability
GNSS Timing Module	2025	1. Antenna-circuit integration capability 2. Module-system integration capability
Next-generation ultra-miniature alloy power inductors	2025	1. Existing integrated molding inductor technology along with thin-film microcircuit capabilities. 2. Acquisition of composite material capabilities and development of high-precision equipment.
Development of ultra-high surge protection varistor components	2025	1. Ceramic material development 2. Special component structure design
Ultra-compact CSP transient voltage suppressor	2027	1. Chip design 2. High-precision miniaturized packaging technology 3. Composite material development
Automotive 180-degree high-temperature and high-voltage integrated molded power inductor	2025	1. Formulation design 2. Introduction of special processes 3. Special winding structure
Miniaturized multilayer common mode filter	2027	1. Circuit simulation capability 2. Acquisition of miniaturized materials and high-precision equipment development 3. Material co-firing matching degree
Ultra-compact multilayer chip inductor	2028	1. Circuit simulation capability 2. Acquisition of miniaturized materials and high-precision equipment development

4. The impact of important domestic and foreign policies and legal changes on the Company's financial business and response measures:

Regarding inbound and outbound investments, the Company's operations adhere to the applicable current laws and regulations of both domestic and foreign nations. The involved personnel also closely monitor changes in regulations, serving as a resource for management.

Therefore, the Company is able to quickly comprehend and effectively respond to significant domestic and international policy and legal changes.

5. The impact of technological changes (including cybersecurity risks) and industry changes on the Company's financial business and response measures

In February 2022, the Company established the "Cyber Security Committee" to improve cyber security management. The committee is in charge of reviewing the company's and its subsidiaries' information security governance policies, supervising the operation of information security management, and holding "ISMS Management Review Meetings" on a regular basis to examine information security governance-related issues and continuous improvement in order to establish information and communication security policy formulation and applicability. The cyber security strategy focuses on three aspects: security governance, legal compliance, and technological application. It aims to comprehensively enhance security protection capabilities, from systems to technology, from personnel to organizations.

The Company is one of the leaders in its industry, with technological innovation and research serving as its primary competitive advantages. Thus, technological advances have a proactive and positive effect on the Company's financial operations. The Company will continue to invest in R&D and strive to improve its technological capabilities in order to enhance product quality and develop new products that meet market demands.

6. The impact of changes in corporate image on crisis management and response measures:

The Company has a positive corporate image and is a leading manufacturer of protection components and antennas in the listed market. The Company has absorbed more talented individuals and technological expertise through mergers with industry peers, strengthened its management team, and delivered the results of its operations to shareholders and the public. The Company is dedicated to meeting its social responsibilities and has had no incidents that have jeopardized its corporate image. In the future, while pursuing shareholder value maximization, the Company will also fulfill its corporate social responsibilities, enhancing its corporate image.

7. Expected Benefits from, Risks Relating to, and Response to Merger and Acquisition Plans:

The Company has made no mergers or acquisitions in this period.

8. Expected benefits, possible risks, and response measures for expanding factories:

The Company's current capital expenditures are market-driven and involve moderate production line expansion and facility construction. After conducting feasibility assessments and financial analyses to identify potential risks, the relevant technical teams make these decisions. In addition to improving operational efficiency, the primary objective is to meet customers' medium- to long-term needs and incorporate research and development achievements. This expansion is intended to increase market share and diversify operational risks. The Company will continue to monitor market conditions and make timely adjustments to its plans in order to mitigate the potential negative effects of potential risks.

9. The impact of concentration of purchase or sales and counter measures: None.

(1) In 2024, due to increased customer demand, the annual purchase amount from the largest supplier accounted for 11% of total procurement. The company will continue to develop new

products and increase the number of qualified new suppliers to reduce the risk of procurement concentration.

(2) In 2024, the sales proportion for each customer was below 10%. The company's major clients are internationally renowned corporations with long-term partnerships, and the customer base remains diversified. Therefore, there is no significant risk of sales concentration.

10. The impact of mass share transfer of or change of Directors, Supervisors or shareholders holding more than 10% of the Company's shares, the risks and counter measures: None.
11. The impact of the change of management on the Company, the risks and counter measures: None.
12. Litigation or non-litigation : None.
13. Other important risks and counter measures: None.

**5.7 Other important matters:** None.

## **6. Special notes**

### **6.1 Information about the company's Affiliates:**

#### **1. Consolidated Financial Statements of Affiliates:**

Please refer to the Market Observation Post System (MOPS)

[https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

Enter the company code and year to search

#### **2. Affiliation Report:**

The entities that are required to be included in the consolidated financial statements of the Company for the year 2024, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared conforming with the International Financial Reporting Standard 10. In addition, the information required to be disclosed in the consolidated financial statements is included in the consolidated financial statements. Consequently, a separate set of consolidated financial statements will not be prepared.

#### **3. Related Party Disclosure:**

Please refer to the Market Observation Post System (MOPS)

[https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

Enter the company code and year to search.

### **6.2 Private Securities in the Past Year and as of the Date of Publication of the Annual Report: None.**

### **6.3 Other Necessary Supplementary Notes: None.**

### **7. Matters in the Past Year and as of the Date of Publication of the Annual Report Which Have a Substantial Impact on Owner's Equity or Share Price as Stipulated in Item 2, Paragraph 2 of Article 36 of the Securities Exchange Law: None.**