Stock code: 3041

ALi Corporation
揚智科技股份有限公司

2025 Annual Report

Published on May 31, 2026
Annual report is available/Taiwan Stock Exchange Market
Observation Post System: http://mops.twse.com.tw
ALi Tech website: http://www.alitech.com

I. Name, Title, Telephone and Email of the Spokesperson of the Company

Spokesperson	Acting Spokesperson
Name: Lien, Chien-Chin	Name: Lin, Chen-Hsuan
Title: President	Title: Vice President
Telephone: (02) 8752-2000	Telephone: (02) 8752-2000
Email: ir@alitech.com	Email: ir@alitech.com

II. Address and Telephone of Headquarters, Plants and Taipei Office

Headquarters

6F, No.246 NeiHu Road, Sec. 1 Taipei 114, Taiwan

Telephone: (02) 8752-2000

Hsinchu Office

6F, No.1, Jinshan 8th St., Hsinchu 300, Taiwan

Telephone: (03) 578-0589

III. Stock transfer agency:

CTBC Bank Co., Ltd.

5F, No. 83, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei 110, Taiwan

Website: https://www.ctbcbank.com

Telephone: (02) 6636-5566

IV. Name of CPA and the name, address, website and contact number of the accounting firm for the latest financial report

Names of CPAs: Lin, Hsiu-Ching,；Lu, Chien-Wen

Name of CPA Firm: Ernst & Young Taiwan

Address: 9F, 333 Keelung Rd., Sec. 1, Xinyi District, Taipei City 110, Taiwan

Website: https:// www.ey.com

Telephone: (02) 2757-8888

V. Trading venue of overseas marketable securities listed for trading and method of searching overseas marketable securities information: Not applicable.

VI. The Company’s Website

Website: http://www.alitech.com

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One. Letter to Shareholders

I. 2025 Operating Results

The global economy and industrial environment in 2025 were full of challenges. The U.S. government implemented large-scale “reciprocal tariff” policies worldwide, which affected international trade and end-market demand, leading the global pay-tv and set-top box market to adopt a more conservative stance. Meanwhile, telecom operators in Africa continued to adjust their inventory following industry consolidation, and customers became more cautious in their procurement decisions. As a result, both the selling prices and shipment volumes of the Company’s products were affected.

Amid an increasingly conservative overall market environment, the Company’s operating performance in 2025 declined compared to 2024. Annual revenue amounted to NT$1.14 billion, representing a decrease of 30% from the previous year. In addition to the adverse market conditions that led to a downward trend in 2025, the recognition of operating losses from subsidiaries also resulted in a consolidated net loss of NT$600 million for 2025, with the loss increasing compared to the previous year. Despite the various challenges and changes encountered in 2025, the Company continued to strengthen its core technologies and product competitiveness, actively promote the development of its set-top box chip business, and deepen the deployment of its ASIC design services in order to enhance its overall technological capabilities and market competitiveness.

II. 2026 Business Plan

Looking ahead to 2026, the Company is committed to achieving a dual-engine growth strategy, namely, steadily expanding its core multimedia business while advancing ASIC design services and silicon intellectual property (IP) licensing. Through this two-pronged approach, the Company aims to further enhance its revenue and strengthen its market position.

First, in terms of our core multimedia business, our strategy will focus on further expanding our global market share, particularly through deeper penetration into emerging markets. Demand for efficient multimedia solutions in these regions continues to grow, such as the increasing need for satellite broadcasting and communication applications, especially in areas with insufficient network infrastructure. ALi’s technology is well positioned to bridge these market gaps and further expand market share through high-performance, low-power products.In addition, we will strengthen our collaboration with operators in emerging markets by providing customized solutions to meet local user needs, thereby reinforcing our leading position in the market. In 2026, as our STB product line is relatively more comprehensive compared to competitors, although DDR shortages have created uncertainty in the industry, they also present opportunities for us to reduce slow-moving inventory, improve gross margins, and increase market share. Starting from 2026, our product revenue is expected to achieve another strong performance.

Secondly, we will continue to advance the development of new products, with a particular focus on AI-driven innovative applications. The low-power satellite set-top box chipset (F6P) launched in 2024 has already set a new industry benchmark. We plan to further develop multimedia processors based on artificial intelligence and big data analytics, applying them across multiple scenarios such as smart homes, smart factories, and smart cities, to provide customers with more intelligent solutions. At the same time, ALi's global patent portfolio (with over 400 patents) will continue to provide strong legal protection and technical support for our product innovation.

Amid the ongoing trend in the semiconductor industry toward greater customization, system integration, and diversified applications, ASIC design service providers with cross-process capabilities, system-level design expertise, and global customer networks are gradually replacing standard chip suppliers as key partners in enabling product differentiation. Against this backdrop of industry transformation, ALi is simultaneously driving long-term upgrades in both revenue scale and value structure through three key dimensions: technological depth, application breadth, and international collaboration.

ASIC Design Services and IP Licensing: The Core Engine Driving Long-Term Growth

In the areas of ASIC design services and silicon intellectual property (IP) licensing, we focus on providing comprehensive turnkey solutions, covering the entire process from system architecture definition, chip design, and process selection to mass production implementation. By deeply engaging in the early stages of our customers' product development, we build highly sticky and long-term collaborative relationships.

Our services offer a high degree of flexibility and scalability, enabling us to adapt to diverse application requirements by optimally leveraging both mature and advanced process technologies. This allows us to help customers achieve the best balance among performance, power consumption, and cost. This cross-process capability not only enhances our flexibility in project engagement, but also enables the Company to maintain stable project momentum across different industry cycles, thereby establishing a sustainable and replicable long-term growth engine.

Vertical Market Strategy: Diverse Applications Driving Revenue Expansion

In terms of application deployment, ALi has successfully entered multiple vertical markets with strong growth potential and long product life cycles, including AI, smart mobile devices, commercial displays, projection equipment, and industrial control. These markets generally feature high customization requirements and entry barriers, which help enhance per-project value and improve gross margin structure.

By advancing multiple applications in parallel, the Company is able to effectively diversify the risks associated with fluctuations in any single market, while continuously expanding the application landscape of its ASIC design services. This provides a more resilient foundation for sustained revenue growth.

International Strategic Partnerships: Amplifying Scale Efficiency and Growth Visibility

In terms of market expansion, we are actively strengthening collaborations with leading global customers and strategic partners, including green energy EMS providers, national research institutions, major telecommunications groups in Southeast Asia, European IC design companies, and Japanese system integrators. These partnerships not only generate immediate project opportunities, but also help us gain early insights into industry trends and next-generation product requirements.

It is worth noting that we will be allocating more resources to our core technologies in multimedia display chip design. Our products have already gained strong market recognition in the high-end commercial display segment. These technologies not only deliver an outstanding user experience, but also create potential new drivers for revenue growth.

Geopolitical developments are also an important consideration in our strategy. We will closely monitor changes in the global semiconductor supply chain, particularly in the context of U.S.–China technological competition. Leveraging our technological and market advantages, we will accelerate our expansion into emerging markets to mitigate the impact of geopolitical risks.
At the same time, our product strategy will place greater emphasis on compliance and data security, ensuring sustained and steady growth in an evolving international environment.

In terms of ESG (Environmental, Social, and Governance), our technological innovation is not only focused on commercial value but also reflects ALi's commitment to social responsibility. The low-power chipset launched in 2024 is estimated to reduce carbon emissions by 4.8 million tons annually. We plan to further reduce the carbon footprint of our products in the future, contributing to global carbon neutrality goals.

Finally, we believe that through the steady growth of our core multimedia business and the continued expansion of our ASIC design services, we will not only achieve our expected revenue targets in 2026, but also further consolidate ALi Technology's position as a global leader in multimedia and IC design. We look forward to working together with our shareholders, partners, and all employees to create a prosperous and successful 2026.

We will continue to be committed to shareholders' interests, employee development, and social responsibility and strive for operational performance and technological breakthroughs. We thank all shareholders for your support of the company and wish everyone good health and success in all endeavors.

Chairman: Tu, Chun-Kuang

Manager: Lien, Chien-Chin

Chief account: Lin, Chen-Hsuan

Two. Corporate Governance Report

I. Information about directors, president, vice presidents, assistant vice presidents, and department and branch managers

(I) Director information

May 2, 2026

Title	Nationality or place of registration	Name	Gender and age	Date elected (onboard)	Term of office	Date first elected	Shares held when elected		Shares currently held		Shares currently held by spouse & minors		Shares held in the name of others	
							Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage
Chairman	Republic of China	Yuchuan Intelligence Co., Ltd.	Male 41–50	2025.6.30	3 years	2025.6.30	23,152,000	16.51%	23,152,000	16.51%	-	-	-	-
		Representative：Tu, Chun-Kuang					-	-	-	-	-	-	-	-
Director	Republic of China	Yuchuan Intelligence Co., Ltd.	Male 41–50	2025.6.30	3 years	2025.6.30	23,152,000	16.51%	23,152,000	16.51%	-	-	-	-
		Representative：Chuang, Jen-Chuan					-	-	-	-	-	-	-	-
Director	Republic of China	Yuchuan Intelligence Co., Ltd.	Male 51–60	2025.11.28	3 years	2025.11.28	23,152,000	16.51%	23,152,000	16.51%	-	-	-	-
		Representative：Lien, Chien-Chin					-	-	-	-	-	-	-	-
Director	Republic of China	Hsieh,Cheng-Hsueh	Male 51–60	2025.11.28	3 years	2025.11.28	-	-	-	-	-	-	-	-

Independent Director	Republic of China	Chiang, Nan-Hung	Male 61–70	2025.6.30	3 years	2025.6.30	-	-	-	-	-	-	-	-
Independent Director	Republic of China	Tsai, Kun-Chou	Male 41–50	2025.6.30	3 years	2025.6.30	-	-	-	-	-	-	-	-
Independent Director	Republic of China	Liu, Kuei-Yi	Male 41–50	2026.5.30	3 years	2025.6.30	-	-	-	-	-	-	-	-

(continued from the previous page)

Title	Name	Selected education and professional qualification	Selected current Positions at the Company and Other Companies	Other officers, directors or supervisors who are spouses or within a second-degree relative of consanguinity to each other		
				Title	Name	Relation
Chairman	Tu, Chun-Kuang	New York University, EMBA Peking University, EMBA Tamkang University, Department of Civil Engineering President of Autian Group, Hong Kong Vice President of Golden Harvest Group, Hong Kong Supervisor of VIE SHOW CINEMAS CO., LTD., Taiwan	None	None	None	None
			Note 3	None	None	None
Director	Chuang, Jen-Chuan	Tamkang University, Department of Accounting Audit Manager of Audit Department, KPMG Taiwan CFO of Neweb Technologies Co., Ltd. Vice President, Administration Division of TSG Newretail Co., Ltd.	None	None	None	None
			Note 4	None	None	None
Director	Lien, Chien-Chin	Yuan Ze University, Master of Science Chairman of Array Networks, Inc. COO & Executive Vice President of Star Fusion Group Co., Ltd. President of Ezmobile Technology Co., Ltd.	None	None	None	None
			Note 5	None	None	None
Director	Hsieh,Cheng-Hsueh	National Taipei University, Department of Law Former Investigator of the Investigation Bureau, Ministry of Justice Former Inspector at the Northern Region National Taxation Bureau, Ministry of Finance	Managing Attorney of Heng Law Firm	None	None	None

Independent Director	Chiang, Nan-Hung	Bradley University, Master of Manufacturing Engineering Partner and Chief Investment Officer (Taiwan), JC Capital Vice President of Global Marketing and Head of Corporate Strategy, Capella Microsystems (Taiwan), Inc. Associate Vice President of Global Sales and Marketing and Special Assistant to the General Manager, LITE-ON Technology Corporation	CEO of BIASENSINGTECH, Malaysia	None	None	None
Independent Director	Tsai, Kun-Chou	UC Berkeley & University College London, Master of Laws Partner Attorney of Zoomlaw Attorneys-at-Law Researcher, Financial Supervisory Commission	Attorney-at-Law, Partners of Enlighten Law Group	None	None	None
Independent Director	Liu, Kuei-Yi	Tunghai University, Department of Accounting Senior Associate of Crowe (TW) CPAs	Partner CPA of Favorable Business Partner CPAs Chairman of Sanctuary Consultants Co., Ltd.	None	None	None

Note 1: At the annual shareholders' meeting held on June 30, 2025, seven directors (including three independent directors) were re-elected for a term of three years, commencing on June 30, 2025 and ending on June 29, 2028.
Corporate shareholders of Ying-Chih Capital Co., Ltd. and Yi-Chih Investment Co., Ltd. have resigned on December 4, 2025.

Note 2: Two additional directors were elected at the extraordinary shareholders' meeting held on November 28, 2025.

Note 3: Chairman of ALi Corporation, Chairman & Investment Vice President of Star Fusion Group Co., Ltd., Chairman of Yuchuan Intelligence Co., Ltd., Chairman & Investment Vice President of Spectrum Electrics Corporation, Chairman of SAN JIANG ELECTRIC MFG. CO., LTD., Director of PLUSNINE International Co., Ltd, Chairman of Greenjoy Co., Ltd., Director of Oriental Golden Richness LTD., Director of Taiwan Angel Asset Investment Co., Ltd., Director of Global Angel Investments Limited, Director of Chih Wei Technology Co., Ltd., Director of Blue Horizon Limited, Director of Activision Entertainment Ltd., Director of Bakesi Wine Group Co., Ltd., Chairman of Jiuh Ho Yi Technology Co., Ltd., Director Of Double Edge Entertainment Corp., Chairman of Taiwan Mask Corporation, Chairman of LUMINOUS RISE INVESTMENT CO., LTD., Chairman of Kuang Ju Holdings Co., Ltd., Director of Yoshimotocho Co., Ltd., Director of Angel (Partners) Investments Limited, Director of Angel Fund (Asia) Investments Limited, Director of Array Holdings for APGFIII Fund LPs, Director of Array Networks,Inc.(Array US), Director of Channel First Investment Corp., Director of Cocoro International Japan Co., Ltd., Director of DineVita Group Co., Ltd., Director of JFN Investment Holding Corp., Director of Mega Media Group Limited, Director of New Profit Holding Ltd., Director of SOFTSTAR ANIMATION LIMITED, Director of TIME VISION INTERNATIONAL LIMITED, Director of ANGEL WINE & SPIRIT GROUP CO., LTD. (UK), Director of BACCHUS WINE GROUP CO., LTD. (UK), Director of Global Angel Investments Limited (UK)

Note 4: Director of Yu Chuan Intelligence Co., Ltd., Director of SOFTSTAR ENTERTAINMENT INC. (Formerly: Loftstar Interactive Entertainment Inc.), Director of RED SUNRISE CO., LTD., Director of SAN JIANG ELECTRIC MFG. CO., LTD, Director of Unitech Printed Circuit Board Corp., Vice President of Star Fusion Group Co., Ltd., Corporate Governance Officer of Array Networks, Inc., Director of LUMINOUS RISE INVESTMENT CO., LTD., Special Assistant to the Chairman of Taiwan Mask Corporation, Director of SOFTSTAR SINGAPORE PRIVATE LIMITED

Note 5: President & CEO of ALi Corporation, Chairman of Array Networks, Inc., Director of Yuchuan Intelligence Co., Ltd., Director of RED SUNRISE CO., LTD., Taiwan Representative of GALAXY POWER HOLDINGS LIMITED TAIWAN BRANCH

Annexed Table 1: Major Shareholders of Corporate Shareholders

May 2, 2026

Name of institutional shareholder	Major shareholders of institutional shareholders
Yuchuan Intelligence Co., Ltd.	Star Fusion Group Co., Ltd. (83.78%) (Formerly: SOFTSTAR ENTERTAINMENT INC.)
	Spectrum Electrics Corporation (16.22%) (Formerly: UNIPLUS ELECTRONICS CO., LTD.)

Annexed Table 2: Major Shareholders of Corporate Entities That Are Major Shareholders

May 2, 2026

Name of institutional shareholder	Major shareholders of institutional shareholders
Star Fusion Group Co., Ltd.	Oriental Golden Richness LTD. (8.90%)
	Spectrum Electrics Corporation (7.20%)
	Global Angel Investments Limited (5.71%)
	Angel Fund (Asia) Investments Limited (5.57%) (Note 1)
	Chander Electronics Corp. (3.86%)
	Special account for Yuanta Commercial Bank as Custodian of Investments of Angel Fund (Asia) Investments Limited (1.83%) (Note 1)
	Star Fusion Group Co., Ltd. (1.00%) (Note 2)
	Toptrend Technologies Corp. (0.75%)
	Chao, Jui-Hsing (0.70%)
	Li, Tsung-Ju (0.70%)

Note 1: The investment account held by Yuanta Commercial Bank as custodian for "Angel Fund (Asia) Investments Limited" is an account established by Angel Fund (Asia) Investments Limited. Accordingly, the total shareholding of the Company's director, Angel Fund (Asia) Investments Limited, is calculated on a consolidated basis to be 8,078,562 shares.

Note 2: The treasury stock dedicated account.

May 2, 2026

Name of institutional shareholder	Major shareholders of institutional shareholders
Spectrum Electrics Corporation	Star Fusion Group Co., Ltd. (42.24%)
	Yip Yun-Chio (3.11%)
	Wu Xiang-Mu (1.23%)
	CTBC Trust Property Account (0.64%)
	Chen,Chin-Tu (0.55%)
	Chander Electronics Corp. (0.46%)
	Lin, Chen-Hung (0.46%)
	Lee, Jui-Ting (0.42%)
	Wang, Chun-Jen (0.41%)
	Chung, Sheng-Hung (0.39%)

(II) Information disclosure on the professional qualifications of the directors, and state of independence of the independent directors:

Criteria / Name	Professional qualifications and experience	State of independence	Number of public companies that Independent Directors also hold positions
Yuchuan Intelligence Co., Ltd. Representative： Tu, Chun-Kuang	Possesses financial analysis, industry-related expertise, and business management capabilities; none of the circumstances set forth in Article 30 of the Company Act apply.	Not Applicable	0
Yuchuan Intelligence Co., Ltd. Representative： Chuang, Jen-Chuan	Possesses financial analysis, industry-related expertise, and business management capabilities; none of the circumstances set forth in Article 30 of the Company Act apply.	Not Applicable	0
Yuchuan Intelligence Co., Ltd. Representative： Lien, Chien-Chin	Possesses industry-related knowledge and business management capabilities; none of the circumstances specified in the subparagraphs of Article 30 of the Company Act apply.	Not Applicable	0
Hsieh,Cheng-Hsueh	Possesses legal expertise and a lawyer's license; none of the circumstances specified in the subparagraphs of Article 30 of the Company Act apply.	Not Applicable	0
Chiang, Nan-Hung	Possesses financial analysis, industry-related expertise, and business management capabilities; none of the circumstances set forth in Article 30 of the Company Act apply.	Complies with the independence requirements specified in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies	0
Tsai, Kun-Chou	Possesses legal expertise and a lawyer's license; none of the circumstances specified in the subparagraphs of Article 30 of the Company Act apply.	Complies with the independence requirements specified in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies	0
Liu, Kuei-Yi	Possesses accounting expertise and a CPA license; none of the circumstances specified in the subparagraphs of Article 30 of the Company Act apply.	Complies with the independence requirements specified in Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies	0

Note 1: None of the Company's seven directors are subject to any of the circumstances specified in the subparagraphs of Article 30 of the Company Act.

Note 2: Independent directors shall disclose their independence status, including but not limited to whether the individual, his/her spouse, or relatives within the second degree of kinship serve as directors, supervisors, or employees of the Company or its affiliated enterprises; the number and percentage of the Company's shares held by the individual, his/her spouse, or relatives within the second degree of kinship (or held in the name of another person); whether the individual serves as a director, supervisor, or employee of a company having a specific relationship with the Company (as referred to in Subparagraphs 5 to 8, Paragraph 1, Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); and the amount of remuneration received within the most recent two years for providing commercial, legal, financial, accounting, or other services to the Company or its affiliated enterprises.

(III) Diversity of the Board of Directors:

According to Article 19 of the Company's Corporate Governance Best-Practice Principles, diversity shall be considered for the composition of the Board of Directors. Apart from directors who are concurrently acting as the company's managers which should not exceed one-third of the seats of the board members, an appropriate diversity policy should be formulated for the operations, operation pattern, and development needs of the company. It is advisable that the policy include, without being limited to, the following two general standards:

1. Basic criteria and value: They are gender, age, nationality and culture. For the gender criteria, female directors account for one-third of the total director seats.
2. Professional knowledge and skills: Professional background (such as laws, accounting, industry, finance, marketing or technology), professional skills and industry experience.

The board members composition shall include members with background in the required knowledge, skills and competence for performing the duties. To achieve the ideal goals of corporate governance, the overall skills that the board shall possess are as below:

1. Operational Judgment Skills
2. Accounting and Financial Analysis Skills
3. Management Administration Skills
4. Crisis Handling Skills
5. Industry Knowledge
6. International Market Perspectives
7. Leadership Skills
8. Decision-Making Skills

The Company's Board of Directors consists of seven directors, including three independent directors, representing 43% of the Board. In line with the Company's policy objectives and strategic planning, the Board members possess extensive experience and professional expertise in business management, industry knowledge, finance, and accounting.

The specific management objectives and implementation status of the board diversity policy are as follows:

Management objectives	Status of achievement
Independent directors shall serve no more than three consecutive terms.	Achieved: All three independent directors are serving their first term as independent directors of the Company.
The number of directors concurrently serving as managerial officers should not exceed one-third of the total board seats.	Achieved: Directors concurrently holding employee positions account for 14% of the Board.
An independent director should not concurrently serve as a director (including independent director) or supervisor of more than five other companies.	Achieved: None of the three independent directors fall under the relevant circumstances.
Independent directors shall account for at least one-third of the Board.	Achieved: The Board consists of seven seats, including three independent directors.
The Board members possess diverse backgrounds and professional competencies.	The Board members possess diverse professional backgrounds, including semiconductors, technology, computer industry, financial services, accounting, and legal expertise.

Where the proportion of directors of either gender on the Board of Directors does not reach one-third, the reasons and measures to enhance board gender diversity are as follows:

1. Reason: A female director representing a corporate shareholder resigned on December 4, 2025. Due to industry-specific characteristics, it is difficult to identify a suitable replacement within a short period of time.
2. Measures: Prior to the next Board re-election upon the expiration of the current term, the Company will seek candidate recommendations through multiple industry channels to enhance corporate governance effectiveness and implement the policy of board diversity.

The implementation of Board diversity is as follows:

Title	Name	Gender	Individual director backgrounds				Diverse fields				Gender representation on the board		Proportion of independent directors on the board	Age distribution of all board members	
			Business management	Leardership	Industry knowledge	Financial accounting	Information	Environment	Economy	Gathering	Male	Female		Over 50 years old	Under 50 years old
Chairman	Tu, Chun-Kuang	Male	✓	✓	✓	✓	✓	✓	✓	✓	100%	0%	43%		✓
Director	Chuang, Jen-Chuan	Male	✓	✓	✓	✓	✓	✓	✓	✓	100%	0%	43%		✓
Director	Lien, Chien-Chin	Male	✓	✓		✓	✓	✓	✓	✓	100%	0%	43%	✓	
Director	Hsieh,Cheng-Hsueh	Male	✓	✓		✓	✓	✓	✓	✓	100%	0%	43%	✓	
Independent Director	Chiang, Nan-Hung	Male	✓	✓	✓	✓	✓	✓	✓	✓	100%	0%	43%	✓	
Independent Director	Tsai, Kun-Chou	Male	✓	✓	✓		✓	✓	✓	✓	100%	0%	43%		✓
Independent Director	Liu, Kuei-Yi	Male	✓	✓	✓	✓		✓	✓	✓	100%	0%	43%		✓

(IV) Board independence

The company’s board currently consists of five members, three of whom are independent directors, accounting for 60% of the board. Directors who are company employees represent 20% of the board, which does not exceed half of the total board seats (inclusive). There are no spousal relationships among the directors, nor any circumstances as described in Articles 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act.

(V) Information about president, vice presidents, assistant vice presidents, and department and branch managers

May 2, 2026

Title	Nationality	Name	Gender	Date elected (onboard)	Shares held		Shares held by spouse & minors		Shares held in the name of others		Selected education and professional qualification	Selected Current Positions at Other Companies	Managers of the Company who is a spouse or relative within the second degree of kinship		
					Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage			Title	Name	Relation
President	Republic of China	Lien, Chien-Chin	Male	2025.7.16	-	-	-	-	-	-	Yuan Ze University, Master of Science Chairman of Array Networks, Inc. COO & Executive Vice President of Star Fusion Group Co., Ltd. President of Ezmobile Technology Co., Ltd.	None 1	None	None	None
Vice President	Republic of China	Hung, Yua-Chung	Male	2026.4.1	-	-	-	-	-	-	Global Trade and Business Program, National Chengchi University, Executive MBA, Chief Strategy Officer, Lilin Technology Director, Marketing Division, ALi Corporation	None	None	None	None
Vice President	Republic of China	Tsai, Chung-Hsien	Male	2026.4.1	92,264	0.07%	-	-	-	-	National Cheng Kung University, Master's Degree, Institute of Engineering Science Senior Director, ASIC Business Unit	None	None	None	None
Financial Officer	Republic of China	Lin, Chen-Hsuan	Female	2025.7.21	-	-	-	-	-	-	National Taipei University, Master's Degree of Accounting Special Assistant to the Chairman of Chander Electronics Corp. Associate Vice President of TA YA VENTURE CAPITAL CO., LTD. Financial Analyst of Angel Fund (Asia) Investments Limited Assistant Manager, Audit Department of PwC Taiwan	None	None	None	None
Principal Accounting Officer	Republic of China	Lin, Chen-Hsuan	Female	2025.7.21	-	-	-	-	-	-	National Taipei University, Master's Degree of Accounting Special Assistant to the Chairman of Chander Electronics Corp. Associate Vice President of TA YA VENTURE CAPITAL CO., LTD. Financial Analyst of Angel Fund (Asia) Investments Limited Assistant Manager, Audit Department of PwC Taiwan	None	None	None	None

Note1：Chairman of Array Networks, Inc., Director of Yuchuan Intelligence Co., Ltd., Director of RED SUNRISE CO., LTD., Taiwan Representative of GALAXY POWER HOLDINGS LIMITED TAIWAN BRANCH

Note2：The President, Chen, Chia-Hsiou, resigned from his internal position due to job rotation on July 16, 2025. Chief Financial Officer, Corporate Governance Officer, and Accounting Officer, Hung, Ya-Ching, resigned from her internal positions due to job rotation on July 21, 2025.

(VI) The chairman and president or person holding equivalent post (the highest level managerial officer) are the same person, spouses, or relatives within the first degree of kinship, an explanation must be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto: Not applicable.

II. Remuneration for directors, presidents, and vice presidents in the most recent year

(I) Remuneration for directors and independent directors

Unit: NTD in thousand

Title	Name	Director remuneration								Sum of A, B, C and D as a percentage of net income	
		Remuneration (A)		Severance and pension (B)		Remuneration to directors (C)		Expenses for Execution of Business (D)			
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements
Chairman (Note 1)	Yuchuan Intelligence Co., Ltd. Representative： Tu, Chun-Kuang	0	0	0	0	0	0	272	272	272 (-0.06%)	272 (-0.05%)
Director (Note 1)	Yuchuan Intelligence Co., Ltd. Representative： Chuang, Jen-Chuan	0	0	0	0	0	0	118	118	118 (-0.03%)	118 (-0.02%)
Director (Note 1)	Yuchuan Intelligence Co., Ltd. Representative： Lien, Chien-Chin	0	0	0	0	0	0	8	8	8 (-0.002%)	8 (-0.001%)
Director (Note 1)	Hsieh,Cheng-Hsueh	0	0	0	0	0	0	8	8	8 (-0.002%)	8 (-0.001%)
Director (Note 2)	Ying-Chih Capital Co., Ltd. Representative： Liang, Hou-Yi	0	0	0	0	0	0	16	16	16 (-0.004%)	16 (-0.003%)
Director (Note 2)	Yi-Chih Investment Co., Ltd. Representative： Tsai, Jung-Tung	0	0	0	0	0	0	30	30	30 (-0.007%)	30 (-0.005%)
Director (Note 3)	Liang, Hou-Yi	0	0	0	0	0	0	40	40	40 (-0.01%)	40 (-0.007%)
Director (Note 3)	Su, Chih-Hung	0	0	0	0	0	0	150	150	150 (-0.03%)	150 (-0.02%)
Independent Director (Note 1)	Chiang, Nan-Hung	0	0	0	0	0	0	736	736	736 (-0.16%)	736 (-0.12%)
Independent Director (Note 1)	Tsai, Kun-Chou	0	0	0	0	0	0	736	736	736 (-0.16%)	736 (-0.12%)
Independent Director (Note 1)	Liu, Kuei-Yi	0	0	0	0	0	0	736	736	736 (-0.16%)	736 (-0.12%)
Independent Director (Note 3)	Tsai, Jung-Tung	0	0	0	0	0	0	330	330	330 (-0.07%)	330 (-0.05%)
Independent Director (Note 3)	Li, Chen-Fu	0	0	0	0	0	0	300	300	300 (-0.07%)	300 (-0.05%)
Independent Director (Note 3)	Jack Qi Shu	0	0	0	0	0	0	300	300	300 (-0.07%)	300 (-0.05%)

Title	Name	Remuneration for concurrent position as an employee								Sum of A, B, C, D, E, F, and G as a percentage of net income		Compensation received from reinvestment business or Parent Company
		Salary, bonuses, and special allowances (E)		Salary, bonuses, and special allowances (E)		Salary, bonuses, and special allowances (E)						
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
						Cash amount	Stock amount	Cash amount	Stock amount			
Chairman (Note 1)	Yuchuan Intelligence Co., Ltd. Representative： Tu, Chun-Kuang	0	0	0	0	0	0	0	0	272 (-0.06%)	272 (-0.05%)	None
Director (Note 1)	Yuchuan Intelligence Co., Ltd. Representative： Chuang, Jen-Chuan	0	0	0	0	0	0	0	0	118 (-0.03%)	118 (-0.02%)	None
Director (Note 1)	Yuchuan Intelligence Co., Ltd. Representative： Lien, Chien-Chin	0	0	0	0	0	0	0	0	8 (-0.002%)	8 (-0.001%)	None
Director (Note 1)	Hsieh,Cheng-Hsueh	0	0	0	0	0	0	0	0	8 (-0.002%)	8 (-0.001%)	None
Director (Note 2)	Ying-Chih Capital Co., Ltd. Representative： Liang, Hou-Yi	0	0	0	0	0	0	0	0	16 (-0.004%)	16 (-0.002%)	None
Director (Note 2)	Yi-Chih Investment Co., Ltd. Representative： Tsai, Jung-Tung	0	0	0	0	0	0	0	0	30 (-0.007%)	30 (-0.005%)	None
Director (Note 3)	Liang, Hou-Yi	3,241	3,241	0	0	0	0	0	0	3,281 (-0.72%)	3,281 (-0.54%)	None
Director (Note 3)	Su, Chih-Hung	0	0	0	0	0	0	0	0	150 (-0.03%)	150 (-0.02%)	None
Independent Director (Note 1)	Chiang, Nan-Hung	0	0	0	0	0	0	0	0	736 (-0.16%)	736 (-0.12%)	None
Independent Director (Note 1)	Tsai, Kun-Chou	0	0	0	0	0	0	0	0	736 (-0.16%)	736 (-0.12%)	None
Independent Director (Note 1)	Liu, Kuei-Yi	0	0	0	0	0	0	0	0	736 (-0.16%)	736 (-0.12%)	None
Independent Director (Note 3)	Tsai, Jung-Tung	0	0	0	0	0	0	0	0	330 (-0.07%)	330 (-0.05%)	None
Independent Director (Note 3)	Li, Chen-Fu	0	0	0	0	0	0	0	0	300 (-0.07%)	300 (-0.05%)	None
Independent Director (Note 3)	Jack Qi Shu	0	0	0	0	0	0	0	0	300 (-0.07%)	300 (-0.05%)	None

1. Please describe the policies, systems, standards, and structure governing the remuneration payment for independent directors, and explain the correlation between the remuneration amount and factors such as the duties assumed, risks undertaken, and time invested:
   The Company has established the "Regulations Governing Remuneration for Directors and Functional Committee Members" to govern the relevant policies, systems, standards, and structure for remuneration payments. If directors' remuneration is distributed, the amount shall be calculated based on the weighting assigned according to the responsibilities undertaken by each director.
2. Except as disclosed in the table above, remuneration received by directors in the most recent fiscal year for services provided to the Company (such as serving as non-employee consultants to the parent company / all companies included in the financial statements / investee companies): None.

Note 1: The directors of the Company were newly elected at the shareholders' meeting held on June 30, 2025. Accordingly, the term of office and the period for calculating directors' remuneration are from June 30, 2025 to December 31, 2025.

Note 2: The institutional shareholders, Yingzhi Capital Co., Ltd. and Yizhi Investment Co., Ltd., resigned on December 4, 2025. Accordingly, the term of office and the period for calculating directors' remuneration are from June 30, 2025 to December 4, 2025.

Note 3: The directors of the Company retired upon the completion of the directors' re-election at the shareholders' meeting held on June 30, 2025. Accordingly, the term of office and the period for calculating directors' remuneration are from January 1, 2025 to the date of retirement.

(II) President and Vice Presidents' remuneration

Unit: NTD in thousand / Thousand shares

Title	Name	Salaries (A)		Severance and pension (B)		Bonuses and special allowances (C)		Employee remuneration amount (D)				Sum of A, B, C and D as a percentage of net income (%)		Compensation received from reinvestment business or Parent Company
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Chen, Chia-Hsiou (Note 1)	5,944	5,944	58	58	3,739	3,739	0	0	0	0	9,741 (-2.14%)	9,741 (-1.61%)	None
	Lien, Chien-Chin (Note 2)													
Vice President	Lin, Chen-Hsua (Note 3)													

Note1:President Chen, Chia-Hsiou resigned from the position due to an internal job rotation on July 16, 2025 ; Note2:President Lien, Chien-Chin took office on July 16, 2025; Note3:VicePresident Lin, Chen-Hsua took office on July 21, 2025

Table of Remuneration Ranges for the President and Vice Presidents

Range of Remuneration	Name of the President and Vice Presidents	
	The company	All Companies in the Consolidated Financial Statements
Less than NT$1,000,000	-	-
NT$1,000,000 (inclusive) to 2,000,000 (exclusive)	Lin, Chen-Hsua	Lin, Chen-Hsua
NT$2,000,000 (inclusive) to 3,500,000 (exclusive)	Lien, Chien-Chin	Lien, Chien-Chin
NT$3,500,000 (inclusive) to 5,000,000 (exclusive)	-	-
NT$5,000,000 (inclusive) to 10,000,000 (exclusive)	Chen, Chia-Hsiou	Chen, Chia-Hsiou
NT$10,000,000 (inclusive) to 15,000,000 (exclusive)	-	-
NT$15,000,000 (inclusive) to 30,000,000 (exclusive)	-	-
NT$30,000,000 (inclusive) to 50,000,000 (exclusive)	-	-
NT$50,000,000 (inclusive) to 100,000,000 (exclusive)	-	-
More than NT$100,000,000	-	-
Total	3	3

Note: When calculating the compensation range, the remuneration received by general managers and deputy general managers from invested businesses other than subsidiaries is included in the calculation.

(III) Remuneration of the top five managerial officers of the TWSE/GTSM Listed Company

Title	Name	Salaries (A)		Severance and pension (B)		Bonuses and special allowances (C)		Employee remuneration amount (D)				Sum of A, B, C and D as a percentage of net income (%)		Compensation received from reinvestment business or Parent Company
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Lien, Chien-Chin (Note 1)	2,647	2,647	-	-	4,492	4,492	-	-	-	-	7,139	7,139	None
Vice President	Hung, Yua-Chung (Note 2)	2,636	2,636	108	108	2,650	2,650	-	-	-	-	5,394	5,394	None
Vice President	Tsai, Chung-Hsien (Note 3)	2,617	2,617	59	59	2,602	2,602	-	-	-	-	5,278	5,278	None
Director	Chuang, Yu-Chiao	2,087	2,087	63	63	2,924	2,924	-	-	-	-	5,074	5,074	None
	Lu, Chien-Yuan	2,110	2,110	-	-	2,930	2,930	-	-	-	-	5,040	5,040	None

Note1: President Lien, Chien-Chin took office on July 16, 2025; Note2：Vice President Hung, Yua-Chung took office on April 1, 2026; Note3：Vice President Tsai, Chung-Hsien took office on April 1, 2026.

Note 4: "Management personnel" in the "Five Highest Remunerated Management Personnel" means managerial officers of the Company. "Managerial officers" means those falling within the applicable scope defined in 27 March 2003 Order No. Tai-Cai-Zheng-III-0920001301 of the former Securities and Futures Commission, Ministry of Finance. The "five highest remunerated" is calculated as those ranked in the top five in remuneration based on the sum total of the amounts of salary, retirement pay and pension, rewards and special disbursements, and employee profit-sharing compensation (i.e., the sum of items A+B+C+D) received by each of the Company's managerial officers from all companies in the consolidated financial reports.

(IV) Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officers

	Title	Name	Stock	Cash	Total	Ratio of Total Amount to Net Income (%)
Managerial Officers	President	Chen, Chia-Hsiou (Note 1)	0	0	0	0
		Lien, Chien-Chin (Note 2)				
	Financial Officer	Lin, Chen-Hsua (Note 3)				
		Hung, Ya-Ching (Note 4)				
	Principal Accounting Officer	Lin, Chen-Hsua (Note 3)				
		Hung, Ya-Ching (Note 4)				

Note1: President Chen, Chia-Hsiou resigned from the position due to an internal job rotation on July 16, 2025; Note2: President Lien, Chien-Chin took office on July 16, 2025; Note3：Financial Officer & Principal Accounting Officer Lin, Chen-Hsua took office on July 21.2025 ; Note4：Financial Officer & Principal Accounting Officer Huang, Hsing-Hui resigned on July 21,2025.

(V) Amount of compensation paid in the last two years by the Company and all companies included in the consolidated financial statements to the Company's directors, president, and vice presidents and their respective percentages to net income, as well as the policies, standards and packages by which they were paid, the procedures through which compensations were determined, and their association with business performance.

1.The total remuneration paid to directors, the president, and the vice presidents in the most recent two years as a percentage of net loss

Title	Total remuneration as a percentage of net loss			
	2024		2025	
	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements
Director (Note)	-3.95%	-3.95%	-1.54%	-1.16%
President and Vice Presidents	-3.13%	-3.13%	-2.14%	-1.61%

Note : The total directors' remuneration as a percentage of net income includes the directors' remuneration for concurrent position as an employee.

2. Policy, Standards, and Composition of Remuneration, Procedures for Determining Remuneration, and Its Correlation with Operational Performance and Future Risks:

A. Policy, Standards, and Composition of Remuneration, and Procedures for Determining Remuneration

(a) Directors' Remuneration: Mainly includes directors' compensation and execution expenses.

Directors' Compensation:

According to Article 19 of the Company's Articles of Incorporation, if the Company has profits in a given year (profits refer to the pre-tax earnings before employee and director remuneration allocations), at least 5% shall be allocated as employee remuneration (of which 3% of profits should be distributed to grassroots employees) and up to 1.5% as directors' remuneration. However, if there is accumulated loss (including adjustments to undistributed earnings), it must be covered first. The Company periodically assesses directors' compensation based on the "Board of Directors Performance Evaluation Guidelines." The Chairman's performance is evaluated using key performance indicators related to operations, governance, and financial results. The assessment includes four indicators: pre-tax net profit, credit rating, customer satisfaction, and corporate governance evaluation. Performance reviews and compensation reasonableness are reviewed by the Compensation Committee and the Board of Directors. Since the Company did not report profits in 2024 and 2025, no directors' remuneration was allocated.

Execution Expenses:
Expenses such as transportation and related costs are determined based on resolutions passed by the Compensation Committee and the Board of Directors.

(b) Remuneration of General Managers and Deputy General Managers:
Primarily consists of fixed remuneration (salary) and variable remuneration (bonuses).

Fixed Remuneration (Salary):
According to Article 19 of the Company's Articles of Incorporation, if there is annual profit, at least 5% must be allocated as employee remuneration (of which 3% of profits should be distributed to grassroots employees).
Salaries are determined by the Compensation Committee based on industry standards for the role, position, title, education and experience, professional capabilities, and responsibilities. The Company also refers to internal job scope, leadership, and execution capabilities, and follows the procedures under the "Salary Management Guidelines."

Variable Remuneration (Bonuses):
Bonuses are based on the performance evaluation of the general managers and deputy general managers. Evaluation criteria include financial indicators (such as achievement rates for annual revenue targets and pre-tax net profit) and non-financial indicators (such as serving on the new product evaluation committee or major deficiencies in legal compliance and operational risks within their departments). Bonus allocation is proposed by the Compensation Committee and approved by the Board of Directors based on business performance.

B. Correlation with Operational Performance and Future Risks

The Company's procedure for determining remuneration takes into account both the overall operational performance and individual performance contributions to the Company. All remuneration matters are submitted to the Compensation Committee for review. The Company continuously monitors global economic conditions, the international financial environment, and changes in industry trends. It also forecasts future business development, profitability, operational risks, and regulatory changes to appropriately review and adjust the remuneration system, aiming to balance sustainable business operations with risk control.

III. Operations of Corporate Governance

(I) Board operations

1.Board meetings

The Company has held meetings for seventeen times (A) in the year 2025. The attendance of the directors is as below:

Title	Name	Actual Number of Attendances (Non-votingAttendances) (B)	Number of Entrusted Attendances	Percentage of Actual Number of Attendances (Non-voting Attendances) (%) (B/A)	Remarks
Chairman (Former)	Liang, Hou-Yi	5	0	100.00%	(Note 1)
Director (Former)	Su, Chih-Hung	5	0	100.00%	(Note 1)
Independent Director (Former)	Jack Qi Shu	5	0	100.00%	(Note 1)
Independent Director (Former)	Tsai, Jung-Tung	5	0	100.00%	(Note 1)
Independent Director (Former)	Li, Chen-Fu	5	0	100.00%	(Note 1)
Chairman (Newly)	Yuchuan Intelligence Co., Ltd. Representative： Tu, Chun-Kuang	11	1	91.67%	(Note 2)
Director (Newly)	Yuchuan Intelligence Co., Ltd. Representative： Chuang, Jen-Chuan	12	0	100.00%	(Note 2)
Director (Newly)	Yuchuan Intelligence Co., Ltd. Representative： Lien, Chien-Chin	1	0	100.00%	(Note 3)
Director (Newly)	Hsieh,Cheng-Hsueh	1	0	100.00%	(Note 3)
Director (Resigned)	Ying-Chih Capital Co., Ltd. Representative： Vacancy	2	0	16.67%	Resigned on December 4, 2025
Director (Resigned)	Yi-Chih Investment Co., Ltd. Representative： Vacancy	2	0	16.67%	Resigned on December 4, 2025
Independent Director (Newly)	Chiang, Nan-Hung	12	0	100.00%	(Note 2)
Independent Director (Newly)	Tsai, Kun-Chou	11	1	91.67%	(Note 2)
Independent Director (Newly)	Liu, Kuei-Yi	12	0	100.00%	(Note 2)

Note 1: The 12th Board of Directors consisted of five directors (including three independent directors), with a term of office from June 14, 2022 to June 13, 2025.

Note 2: The 13th Board of Directors was elected at the Annual Shareholders' Meeting held on June 30, 2025, with a term of office from June 30, 2025 to June 29, 2028.

Note3: Two additional directors of the 13th Board of Directors were elected at the Extraordinary Shareholders' Meeting held on November 28, 2025, with a term of office from November 28, 2025 to June 29, 2028.

2.Other matters that require reporting:

(1) Matters specified in Article 14-3 of the Taiwan Securities and Exchange Act and other board meeting decisions with dissenting or reserved opinions from independent directors, for which there is a record or declaration in writing:

A. Issues specified in Article 14-3 of the Securities and Exchange Act:

The Company has established an Audit Committee; therefore, the provisions of Article 14-3 of the Securities and Exchange Act are not applicable. For relevant information, please refer to the section entitled "Operation of the Audit Committee" in this Annual Report.

B. Other board meeting decisions with dissenting or reserved opinions from independent directors, for which there is a record or declaration in writing: None.

(2) According to Article 206 of the Company Act regarding directors' recusal from matters involving conflicts of interest, the report should specify the director's name, the content of the agenda item, the reason for the required recusal due to conflict of interest, and the director's voting participation status:

Term and date of the meeting	Content of proposal	Recused Director	Recused Reason	Voting Participation
2025, 2nd Time 2025.2.27	Payment of the FY2024 Regular Performance Bonus to Managerial Officers	Chairman: Liang, Hou-Yi	Concurrently serves as a managerial officer of the Company	Did not participate in the discussion or voting.
2025, 13th Time 2025.8.13	Proposal for the Compensation of Independent Directors of the Company	Independent Director: Chiang, Nan-Hung Tsai, Kun-Chou Liu, Kuei-Yi	Due to a personal interest in the compensation proposal	Did not participate in the discussion or voting.

(3) Implementation of the Board of Directors evaluation

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation contents
Once a year	January 1, 2025 to December 31, 2025	■Board of Directors ■Individual board member ■Functional committee (Audit Committee and Remuneration Committee)	Director self-evaluation	1.The overall performance self-evaluation of the board of directors covers the following five aspects: A. The degree of participation in the company's operations B. Enhancement in the quality of decision-making by the Board of Directors C. The composition and structure of the Board of Directors D. The election of the Directors and their continuing education E. Internal control The Board of Directors achieved the assessment level of 'Exceeds Standards' for2025 and has reported this to the Board meeting on March 31, 2026. 2.The overall performance self-evaluation of individual board member covers the following six aspects: A. Understanding of the Company's goals and missions B. Recognition of Director's duties C. The degree of participation in the company's operations D. Management of internal relationships and communication E. Director's specialization and continuing education F. Internal control The self-assessment of board members for 2025 has reached the performance level of 'Exceeds Standards' and was reported to the Board of Directors meeting on March 31, 2026. 3.The overall performance self-evaluation of functional committee covers the following five aspects: A. The degree of participation in the company's operations B. Recognition of Functional Committee's duties C. Enhancement in the quality of decision-making by the functional committee D. The composition and structure of the functional committees E. Internal control The self-assessment of functional committees for 2025 has reached the performance level of 'Exceeds Standards' and was reported to the Board of Directors meeting on March 31, 2026.

(4) The goals of enhancing the functions of the Board of Directors and its implementation

A. Number of seats for Independent Directors: There are seven seats for the Company's Directors, of which three are Independent Directors.

B. Appointment of the Audit Committee and Remuneration Committee: The Audit

Committee and Remuneration Committee were appointed under the Company's Board of Directors, supporting the board in the execution of its duties. The two committees are formed by independent directors. The chair of the committee regularly reports to the Board of Directors on its activities and resolutions. The Audit Committee holds meetings at least once a quarter; a total of thirteen meetings were held in 2025 and is responsible for the following: The fair presentation of the company's financial statements, the appointment or dismissal of CPAs and their independence and performance, the effective implementation of the company's internal control, legal compliance and the control of existing and potential risks of the company. The Remuneration Committee held third meetings in 2025 and is responsible for the establishment and regular review of the director and manager performance evaluation and the policy, system, standard, and structure of salaries and wages, and regular evaluation and establishment of the remuneration of directors and managers.

C. Enhancing corporate governance: This aspect is established by the Company and the various regulations are passed by the Board of Directors. The regulations passed are "Ethical Corporate Management Best-Practice Principles," "Employee Code of Ethics," "Risk Management Policy," "Procedures for Handling Material Inside Information," "Regulations for Regulating the Board of Directors' Self-Evaluation and Peer Evaluation," and "Rules of Procedure for Board of Directors Meetings." Each year, the board member will complete the performance evaluation through self-evaluation method.

D. The Company arranges annual training programs for its directors, covering topics related to corporate governance such as business, legal affairs, finance, and accounting. These programs comply with the guidelines for continuing education for directors and supervisors of listed and OTC companies. The directors' participation in these training programs is disclosed in the annual report and on the MOPS (http://mops.twse.com.tw).

(II) Work highlights and state of operations of the Audit Committee

The Company's Audit Committee is charged with the task for "building a sound company internal system, and support the board to enhance company's corporate performance." The Committee is formed by independent directors. Its work highlights include review the company's annual management and strategy plan, corporate governance related matters, financial statements, internal audit affairs and risk management matters. The matters the Audit Committee review include:

- The effective implementation of the internal control system
- The appointment, dismissal, independence, and performance of the certificated public accountants.
- Fair presentation of the company's financial statements.
- Compliance with relevant laws and regulations by the company.
- Management of the existing or potential risks of the company.

1.Meetings of Audit Committee

The Company has held meetings thirteen times (A) in the year 2025. The attendance of the independent directors is as below:

Title	Name	Actual Attendances (B)	Entrusted Attendances Number of Times	Actual Number of Attendances (B/A)	Remarks
Convener (Former)	Tsai, Jung-Tung	4	0	100.00%	(Note 1)
Committee member (Former)	Jack Qi Shu	4	0	100.00%	(Note 1)
Committee member (Former)	Li, Chen-Fu	4	0	100.00%	(Note 1)
Convener (Newly)	Chiang, Nan-Hung	9	0	100.00%	(Note 2)
Committee member (Newly)	Tsai, Kun-Chou	9	0	100.00%	(Note 2)
Committee member (Newly)	Liu, Kuei-Yi	9	0	100.00%	(Note 2)

Note 1：Term of the 5th Committee: June 14, 2022 to June 13, 2025; Li, Chen-Fu assumed office on January 29, 2024.

Note 2：Term of the 6th Committee: June 30, 2025 to June 29, 2028.

2.Audit Committee on other matters that require reporting:

(1) Where the Audit Committee's operation meets any of the following circumstances, the minutes concerned must clearly state the meeting date, term, contents of motions, opposing opinions of Independent Directors, reservations or major recommendations contents, results of the Audit Committee's resolutions, and the Company's handling of the Audit Committee's opinion:

A. Issues specified in Article 14-5 of the Securities and Exchange Act:

Term and date of the meeting	Content of proposal	All independent directors' opinions and the Company's response thereto
2025, 1st Time 2025.1.7	1.Ratification of the Conversion of Accounts Receivable from ALi Corporation to AIXlink Ltd. (Chengdu) into Equity Investment	
2025, 2nd Time 2025.2.27	1.Issuance of the FY2024 Internal Control System Statement	
	2.Review of the 2024 Business Report and the 2024 Parent Company Only and Consolidated Financial Statements, and submission to the Board of Directors for resolution, followed by issuance of the Audit Committee's Review Report based on the results of such review.	
	3.Review of the Proposal for the 2024 Loss Offset and submission to the Board of Directors for resolution, followed by issuance of the Audit Committee's Review Report based on the review results.	
	4.Amendment to the Articles of Incorporation.	
	5.Procedures for the Transfer of Treasury Shares under the "Employee Ownership 2.0 Equity	

	Plan" for Employees in China.	
	6.The Company proposes to utilize the remaining treasury shares repurchased in 2020 and to establish the relevant transfer and implementation procedures.	
2025, 3rd Time 2025.4.28	1.Proposal to determine the issuance price per share, number of shares to be issued, and subscribers and their respective subscription amounts for the Company's first private placement of common shares in 2024.	
2025, 4th Time 2025.5.13	1.Appointment of the Company's Chief Accounting Officer.	
	2.Proposal for the Issuance of Restricted Employee Shares and the Related Subscription Plan.	
	3.Proposal for the 2025 Q1 Consolidated Financial Statements.	
	4.Proposal for the 2025 Q1 Loss Offset.	
	5.Proposal for the Private Placement of Securities in 2025.	
	6.Proposal to Apply for Renewal of the Credit Facility (Funds Loaned to the Company) Provided by the Company's Subsidiary, ALi (China) Corporation	
	7.Proposal for Amendment to the Articles of Incorporation.	
	8.Proposal for Amendment to the Procedures for Acquisition or Disposal of Assets.	
	9.Proposal for Amendment to the Authorization Matrix.	
2025, 5th Time 2025.7.21	1.Proposal regarding changes in the Company's Chief Financial Officer, Chief Accounting Officer, and Corporate Governance Officer.	There have been no objections or reservations by all of the independent directors
2025, 6th Time 2025.7.22	1.Proposal for Investment in Taiwan Mask Corporation.	
	2.Proposal for Investment in Array Inc.	
2025, 7th Time 2025.7.29	1.Proposal to Participate in the Private Placement of Common Shares Issued by Taiwan Mask Corporation.	
2025, 8th Time 2025.7.30	1.Proposal to approve the Company's extension of a loan to Chih Wei Technology Co., Ltd.	
	2.Proposal to approve the loan from the Company's subsidiary, Chih Wei Technology Co., Ltd., to its subsidiary (grandchild company), Array Taiwan Inc.	
	3.Proposal to approve the loan from the Company's grandchild company, ARRAY HOLDINGS FOR APGFIII FUND LPS, to Array Taiwan Inc.	
2025, 9th Time 2025.7.31	1.Proposal for the Company to invest in the preferred shares issued in the cash capital increase of LOFTSTAR INTERACTIVE ENTERTAINMENT INC.(renamed as OFTSTAR ENTERTAINMENT INC. on March 5, 2026).	
2025, 10th Time 2025.8.13	1.Proposal for the 2025 Q2 Consolidated Financial Statements.	
2025, 11th Time 2025.9.25	1.Proposal for Amendment to the Procedures for Acquisition or Disposal of Assets of the Company.	
	2.Proposal for Amendment to the Procedures Governing Loaning of Funds to Others of the Company.	
	3.Proposal for Amendment to the Procedures for Endorsements and Guarantees of the Company.	
	4.Proposal for Amendment to the 2025 Restricted Employee Shares Issuance Rules of the Company.	
	5.Proposal to Add the List of Potential Insiders or Related Parties as Subscribers under the 2025 Private Placement of Securities.	
	6.Proposal to Change the Audit Firm and Signing CPA Starting from Q3 2025, and Assessment of the Independence and Suitability of the Signing CPAs.	
2025, 12th Time 2025.11.13	1.Proposal for the 2026 Internal Audit Plan of the Company.	
	2.Proposal for Amendment to Certain Provisions of the Company's Internal Control System and Internal Audit Implementation Rules.	
	3.Proposal to Change the Accounting Policy for Investment Property and to Adopt the Fair Value Model for Subsequent Measurement	
	4. Restatement of the 2025 Q1 Consolidated Financial Statements.	
	5.Restatement of the 2025 Q2 Consolidated Financial Statements.	
	6.Proposal for the 2025 Q3 Consolidated Financial Statements.	
2025, 13th Time 2025.12.23	1.Proposal for the Company to participate in the private placement of common shares issued by Array Inc. in its cash capital increase.	

B. In addition to the aforementioned motions, other motions without the approval of the Audit Committee but approved by the Board with more than two-thirds of the Directors: None.

(2) With respect to the avoidance of conflicting interest agendas, describe the names of

independent directors, details of the relevant agendas, reasons for avoiding conflicting interest, and the voting decisions: None.

(3) The communication between the Independent Directors and the Chief Internal Auditor and the certified public accountants (including the communications related to the financial position and state of operation of the Company, in materiality, the means of communications, and the result):

A. The Company's independent directors regularly communicate with the internal chief audit officer during the Audit Committee meetings. The internal chief audit officer regularly reports on the audit plan execution and improvement situations during the meeting. Communications and exchange of opinions were made on the effectiveness of the Company's internal control execution. Communications have gone well.

B. The Company's independent directors regularly communicate with the accounting officer during the Audit Committee meeting. Communications were made on finance, taxation, internal control and business topics relating to the financial statements and the communication proceeded effectively.

C. Summary of individual communications between independent directors, the chief internal auditor, and the external auditors:

(1) Summary of one-on-one communication between independent directors and the chief internal auditor.

Date of the meeting	Key Discussion Points	Independent Directors' Recommendations and Outcomes
2025.2.27	Q4 2024 Internal Audit Report and Follow-up Report on Improvement of Deficiencies for Q3 2024.	All independent directors raised no objections.
2025.5.13	Q1 2025 Internal Audit Report and Follow-up Report on Corrective Actions for Q4 2024 Audit Findings.	All independent directors raised no objections.
2025.8.13	Q2 2025 Internal Audit Report and Follow-up Report on Corrective Actions for Q1 2025 Audit Findings.	All independent directors raised no objections.
2025.11.13	Q3 2025 Internal Audit Report and Follow-up Report on Corrective Actions.	All independent directors raised no objections. The matter is hereby submitted to the Board of Directors for resolution.
	Proposal for the 2026 Internal Audit Plan.	

(2) Summary of discussions between Independent Directors and the Signing Auditor.

Date	Attendees	Communication Items	Communication Results
2025.2.27	Independent Director： Tsai, Jung-Tung Jack Qi Shu Li, Chen-Fu CPA： Hsu, Chieh-Ju	FY2024 Parent Company Only and Consolidated Financial Statements Explanation of Audit Results 1.Audit Scope and Materiality 2.Audit Report and Key Audit Matters 3.Other Communication Matters 4.Auditor Independence 5.Audit Quality Indicators Information	No objection
2025.5.13	Independent Director： Tsai, Jung-Tung Jack Qi Shu Li, Chen-Fu CPA： Hsu, Chieh-Ju	Review Results of the Q1 2025 Financial Statements 1.Review Scope and Materiality 2.Review Report and Key Review Matters 3.Other Communication Matters 4.Auditor Independence 5.Audit Quality Indicators Information	No objection
2025.8.13	Independent Director： Chiang, Nan-Hung Tsai, Kun-Chou Liu, Kuei-Yi CPA： Hsu, Chieh-Ju	Explanation of Review Results of the Q2 2025 Financial Statements 1.Review Scope and Materiality 2.Review Report and Key Review Matters 3.Other Communication Matters 4.Auditor Independence 5.Audit Quality Indicators Information	No objection

Date	Attendees	Communication Items	Communication Results
2025.11.13	Independent Director： Chiang, Nan-Hung Tsai, Kun-Chou Liu, Kuei-Yi CPA： Lin, Hsiu-Ching Lu, Chien-Wen	Explanation of Review Results of the Q3 2025 Financial Statements 1.Review Scope and Materiality 2.Review Report and Key Review Matters 2.Other Communication Matters 4.Auditor Independence 5.Audit Quality Indicators Information 6.Change in Accounting Policy: Measurement Model for Investment Property	No objection

(III) Status of Corporate Governance and its differences with TWSE/TPEx listed company in the code of governance practices, and reasons

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
I. Does the Company stipulate and disclose the corporate governance practice principles in accordance with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	✓		The Company established the Company's "Corporate Governance Best-Practice Principles" according to the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and has already disclosed contents of the Principles on the MOPS and the Company's website.	No significant differences.
II. The shareholding structure of the Company and shareholders' rights and interests (I) Does the company stipulate internal operating procedures to process matters in regard to the shareholders' recommendations, doubts, disputes and litigation, and conduct implementation based on these procedures?	✓		The Company already set up the spokesperson system according to the internal control. Dedicated sections, "Investor Q&A" and "Stakeholder Communications – Shareholders and Investors," have been created on the Company's official website. The Financial Manager concurrently acts as the investor relation service contact window and entrust a professional stock affairs agency to handle shareholders' recommendations, doubts, disputes and litigation matters.	No significant differences.
(II) Does the Company have a list of major shareholders who actually control the company and a list of shareholders who ultimately control these major shareholders?	✓		The Company refers to the shareholders name list and shareholding filing information for regular understanding of the company's major shareholders, shareholding changes, and the ultimate controller name list, which is assisted by the stock affairs agency.	No significant differences.
(III) Does the Company create and implement risk control and firewall mechanism with the related companies?	✓		Appropriate risk control mechanisms and firewall is established for the transactions and dealings between the Company and affiliated companies in accordance with related internal regulations of the Company. They are the "Rules of Governing Financial and Business Matters Between this Corporation and its Related Parties ," "Subsidiaries Management Regulations," "Procedures for Endorsements and Guarantees, "Procedures for Lending Funds to Other Parties" and "Procedures for Acquisition or Disposal of Assets."	No significant differences.
(IV) Does the Company stipulate internal regulations that prohibit insiders from buying and selling securities with the unpublished information on the market?	✓		1. The Company has established the "Procedures for Handling Material Inside Information" and "Enforcement Rules of Procedures for Handling Material Inside Information" which prohibit insiders from buying or selling the Company's shares during blackout periods. These periods include: • 30 days prior to the announcement of the annual financial statements, • 15 days prior to the announcement of each quarterly financial report until the end of the first business day following the announcement, and • Before the public disclosure of any material information or within 18 hours after such information has been made public. 2. The Company has also stipulated in the "Implementation Rules for Procedures for Handling Material Inside Information" that directors and managerial officers are prohibited from trading shares of the Company during the thirty (30) days prior to the announcement of annual financial reports and the fifteen (15) days prior to the announcement of quarterly financial reports (hereinafter referred to as the "closed period"). The Company had no instances of insider trading or any similar irregularities in 2025. 3. The unit responsible for managing material internal information provides briefings and training to directors before they assume office and to new employees during onboarding, covering the prohibition on trading company shares and the legal consequences of violating insider trading laws. In 2024, the Company organized an employee training session featuring a short video on "Practical Measures for Preventing Insider Trading" to enhance awareness of this issue among management and staff. The course covered key topics such as ethical business conduct, anti-money laundering, and prevention of insider trading. A total of 86 employees participated in the training.	No significant differences.

<table>
<tr><th rowspan="2">Evaluation items</th><th colspan="3">State of operation</th><th rowspan="2">The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td>III. Composition and responsibilities of the board of directors
(I) Has the Board of Directors established a diversity policy, set goals, and implemented them accordingly?</td><td>✓</td><td></td><td>1. In accordance with the Corporate Governance Best Practice Principles, the Company has established policies regarding the functions and diversity of the Board of Directors. All board members are selected from diverse professional backgrounds and fields of expertise, thereby strengthening the structure and functionality of the Board.
2. The Board of Directors is composed of seven members, each possessing professional experience and practical knowledge in areas such as semiconductor industry operations, financial auditing, capital market activities, corporate risk management, and investment strategy evaluation. Among them, three are independent directors, accounting for 43% of the total board seats.
3.In 2025, seven directors completed 3 hours of continuing education. The Company encourages directors to pursue ongoing education to stay updated with the latest developments and enhance their decision-making capabilities.

The specific objectives and implementation status of the Board Diversity Policy are as follows:
<table>
<tr><th>Management objectives</th><th>Status of achievement</th></tr>
<tr><td>Independent directors shall serve no more than three consecutive terms.</td><td>Achieved:
All three independent directors are serving their first term as independent directors of the Company.</td></tr>
<tr><td>The number of directors concurrently serving as managerial officers should not exceed one-third of the total board seats.</td><td>Achieved:
Directors concurrently holding employee positions account for 14% of the Board.</td></tr>
<tr><td>An independent director should not concurrently serve as a director (including independent director) or supervisor of more than five other companies.</td><td>Achieved:
None of the three independent directors fall under the relevant circumstances.</td></tr>
<tr><td>Independent directors shall account for at least one-third of the Board.</td><td>Achieved:
The Board consists of seven seats, including three independent directors.</td></tr>
<tr><td>The Board members possess diverse backgrounds and professional competencies.</td><td>The Board members possess diverse professional backgrounds, including semiconductors, technology, computer industry, financial services, accounting, and legal expertise.</td></tr>
</table></td><td>No significant differences.</td></tr>
<tr><td>(II) Other than the establishment of Remuneration Committee and Audit Committee which are required by law, does the Company plan to set up other functional committees?</td><td></td><td>✓</td><td>The Company has appointed the Remuneration Committee and Audit Committee and performed their operations according to laws. In the future, other functional committee will be appointed depending on the company operation situation and the updated legal requirements.</td><td>The Company will appoint other functional committees depending on the operation situation and the related legal requirements.</td></tr>
<tr><td>(III) Does the Company stipulate performance assessment regulations and assessment methods for the board of directors and conduct the performance assessment on a yearly basis, and was the result of performance assessment reported to the board of directors for the reference of individual directors' salary and nomination of reappointment?</td><td>✓</td><td></td><td>The Company's board has on March 18, 2020 approved the "Regulations Governing the Board Self-Evaluation or Peer Evaluation". The board of directors, functional committees, and individual directors shall conduct self-assessment or peer evaluation each year and complete the process by the end of the first quarter of the next year.
The Company completed the performance evaluation process in the first quarter of 2026 and reported the results to the 16th meeting of the 13th Board of Directors on March 31, 2026. The evaluation results for the Board of Directors, functional committees, and individual directors' self-evaluations and peer evaluations for 2025 all exceeded the prescribed performance standards. Please refer to pages 21–22 of the Annual Report for details of the evaluation results.
(Note)
The remuneration and nomination for reappointment of the Company's directors including independent directors are determined based on their level of participation to the Company's operations and the performance evaluation based on the "Regulations Governing the Board Self-Evaluation or Peer Evaluation."</td><td>No significant differences.</td></tr>
</table>

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
(IV) Does the company regularly evaluate its certified public accountant's independence?	✓		The Company conducts an annual assessment of the competence and independence of its signing Certified Public Accountants (CPAs). As part of this process, the Company obtains an Independence Declaration and Audit Quality Indicators (AQIs) issued by the accounting firm. The evaluation is based on applicable independence standards and 13 AQI metrics. It has been confirmed that the auditors have no financial interests or business relationships with the Company other than the audit and tax-related service fees. The auditors and the firm have also been confirmed to possess audit experience and training hours comparable to the industry average. Additionally, the firm continues to adopt digital audit tools to further enhance audit quality. The evaluation has been reported to the Audit Committee and the Board for review and approval on September 25, 2025. The CPAs Lin, Hsiu-Ching and Lu, Chien-Wen of Ernst & Young Taiwan meet the independence standard of the Company and are qualified to act as the Company's CPAs. Please refer to the table below for the CPA independence evaluation criteria (Note 1):	No significant differences.
IV. Does the company have qualified and sufficient corporate governance personnel, and does the company have a corporate governance officer to be responsible for matters regarding corporate governance (including but not limited to providing Directors and Supervisors with information required for the implementation of business operations, assisting Directors and Supervisors to comply with laws and regulations, preparing meeting-related matters and meeting minutes for the Board of Directors meeting, shareholders' meeting and so forth in accordance with the laws and regulations)?	✓		On July 21, 2025, the Board of Directors appointed Lin, Chen-Hsuan Head of the Finance Department, as the Chief Corporate Governance Officer, responsible for leading the Corporate Governance Working Group in managing corporate governance-related matters. The main duties include providing directors with the necessary information to perform their responsibilities, maintaining the Company's Articles of Incorporation and key internal regulations, assisting directors in complying with applicable laws and regulations, arranging director training programs, handling company registration matters, organizing meetings of the Board and Shareholders in accordance with the law, ensuring sufficient information disclosure, and protecting the rights and interests of shareholders and stakeholders. Corporate Governance Implementation in 2025: 1.The Board of Directors held 17 meetings, and the Audit Committee held 13 meetings in 2025. All directors were notified at least 7 days in advance, and sufficient meeting materials were provided to help them understand the agenda items. 2.After Board and Shareholders' meetings, the Company reviewed and published material resolutions to ensure the legality and accuracy of public disclosures, ensuring fair access to trading information for investors. 3.The minutes of the Annual Shareholders' Meeting held on June 30, 2025 accurately recorded all agenda items, from reporting matters to discussion items. The entire meeting was continuously audio- and video-recorded to ensure transparency and completeness of the proceedings. 4.All board members completed director training courses in 2025. Please refer to the table below (Note 2) for details. 5.The Company purchased Directors and Officers Liability Insurance, and the matter was reported to the Board on August 13, 2025. 6.The Company conducted performance evaluations for the Board and its functional committees. In 2025, all self-assessment results were rated as "Exceeds Standards", and the results were reported to the Board on March 31, 2026. 7.Four communication meetings were held between independent directors and the CPA/internal audit personnel on the following dates: • February 27, 2025 • .May 13, 2025 • August 13, 2025 • November 13, 2025	No significant differences.
V. Has the company established channels for communications with the stakeholders (including but not limiting to shareholders, employees, customers, and suppliers), and set up a section for stakeholders at the official website of the company with proper response to the concerns of the stakeholders on issues related to corporate social responsibility?	✓		The Company has established a spokesperson mechanism in accordance with its internal control system. The Finance Manager also serves as the contact point for investor relations, facilitating communication with stakeholders—namely shareholders and investors. A dedicated "Stakeholder Communication" section has been set up on the Company's official website. This section includes communication channels for shareholders and investors, customers, employees, and suppliers, providing dedicated contact phone numbers and email addresses. Designated personnel are responsible for responding to and addressing stakeholder inquiries in a timely and appropriate manner.	No significant differences.

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
VI. Has the company contracted a professional stock affairs agency to handle the shareholders' meeting related affairs?	✓		The company has entrusted a professional stock affairs agency, CTBC Bank Co., Ltd., to assist in the processing of the affairs of the shareholders' meeting.	No significant differences.
VII. Disclosure of Information (I) Does the Company create a website to disclose information regarding its finance, business operations and corporate governance?	✓		The Company has set up the website in Mandarin and English languages (www.alitech.com) for regular disclosure of important financial, business and corporate governance information.	No significant differences.
(II) Does the Company adopt other methodology of information disclosure (such as creating an English website, appointing a dedicated person to be responsible for the collection and disclosure of the Company's information, implementing the spokesperson system, and uploading videos of the investor conferences on the company's website)?	✓		The Company has set up the website in Mandarin and English languages (www.alitech.com) and has appointed dedicated personnel to be responsible for the collection and disclosure of the company information. There are also appointments made for the spokesperson and investor relation service contact window. Investors can browse the audios and videos and presentations information of the Investor Conference on the company website. The Company, whether invited to attend or independently hosting institutional investor conferences, makes related presentation materials and video recordings available in the Investor Conference section of its official website for public access. In addition, the Company discloses relevant information through the Market Observation Post System (MOPS) in accordance with the Securities and Exchange Act.	No significant differences.
(III) Does the Company announce and declare the annual financial statements within two months after the end of the fiscal year and announce and declare the financial reports of the first, second and third quarter as well as the monthly operating report before the deadline?	✓		The Company has conformed to the related laws and regulations and has announced and declared the financial statements and monthly operation status within the prescribed deadlines. (1) The Company's consolidated and standalone financial statements for fiscal year 2025 were approved by the Audit Committee and the Board of Directors on March 31, 2026, and subsequently announced and filed on the Market Observation Post System (MOPS) on March 31, 2026. (2) The Company's financial reports for Q1, Q2, and Q3 of 2025 were all announced and filed on MOPS within the required deadlines. (3) The Company's monthly operating results for 2025 were also announced and filed on MOPS in accordance with the prescribed timelines.	No significant differences.
VIII. Does the Company have other important information that can help in gaining a better understanding about the operations of corporate governance (including but not limited to the employees' rights, employee care, investor relations, supplier relation, rights of interested parties, training status of directors and supervisors, implementation status of risk management policies and standards of risk measurement, the implementation of customer policies, the purchase of liability insurance for directors and supervisors by the Company)?	✓		(I) The Company has established the personnel management charters according to the Labor Standard Act and has processed the labor insurance, health insurance and pension according to the laws, and has offered employees group insurance and public liability insurance on the work environment in order to secure the employees' safety. The Employee Welfare Committee has been appointed according to the laws. It regularly processes the employee welfare and alliance matters. Each year, various activities are included in the budget preparation, not limited to online shopping cash gift during festivals, wedding and funeral subsidies, birthday party, end-of-year party lottery, recreation, culture and arts related or travel subsidies.	No significant differences.
	✓		(II) The Company has appointed a service contact window to be responsible for the investor relation affairs, building communication bridge for the company and the investors, offering individual investors and domestic and overseas professional investing institutions immediate and good services, enabling investors to fully understand the outcomes of every company stage, and the short-, medium- and long-term management strategies and vision.	No significant differences.
	✓		(III) State of continuing education of the directors The Company's directors have attended relevant training programs offered by various professional institutions. Please refer to the table below (Note 2) for details on director training in 2025.	No significant differences.
	✓		(IV) Purchasing liability insurance for the directors: The Company has already purchased liability insurance for the directors each year on a regular basis. The Company has purchased Directors' Liability Insurance for all members of the Board, with a coverage amount of USD 5 million. The insurance period is from July 1, 2025 to July 1, 2026. Details of the insurance coverage amount, scope, and premium rate were reported to the Board of Directors on August 13, 2025.	No significant differences.

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	

IX. Please explain the improvement status of the corporate governance assessment results issued by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the most recent year and propose improvement measures for those matters that have not been improved. (Companies not listed to receive evaluation do not need to fill out this part)

(1) In the election of the 14th Board of Directors scheduled for 2028, the Company aims to increase the number of female directors to further enhance gender diversity on the Board.

(2) The Company will continue to support and improve its corporate governance practices in line with the corporate governance evaluation initiatives promoted by the competent authorities.

X. Succession Planning and Execution for the Board of Directors and Key Management

(1) Succession Planning for Board Members

The Company currently has seven directors, including three independent directors. The nomination and selection of directors are based on the overall capabilities required of the Board and a commitment to diversity in board composition. Adjustments to the board structure are made as needed based on performance evaluations and operational needs. Succession planning for board members includes internal promotion of senior management within the group, as well as external recruitment of professionals with expertise in business management, law, accounting, industry, technology, and marketing.

(2) Succession Planning for Key Management

The Company's succession planning for key management personnel is structured as follows:

a. Define future organizational roles and talent requirements based on business development strategies, with regular reviews in response to changes in operations and strategy.

b. Identify high-potential talent to include in the succession candidate pool, and provide structured training and talent development programs.

c. Promote mid-level managers as acting senior managers when appropriate, using performance evaluations to assess readiness and serve as a reference for succession decisions.

(3) Implementation Status

All employees at the Department Head level and above are regarded as key management personnel. The Company has established a succession delegation mechanism for management roles. On a regular basis, managerial knowledge, skills, and leadership capabilities are developed through participation in cross-functional projects, book clubs, and training programs. These efforts aim to enhance employee quality and cultivate versatile management talent to ensure organizational continuity and leadership succession. Additionally, the Company leverages its existing performance evaluation system and job rotation development programs to assess and review suitable successors for various functional roles, ensuring alignment with future organizational needs and growth strategies. Beyond internal talent retention, the Company also actively recruits external professionals to strengthen the succession pipeline. By integrating both internal and external talent pools, the Company enhances the breadth and depth of its succession candidates, ensuring long-term sustainability and leadership continuity.

Note 1:
Assessment Table of the Independence and Competency of the CPA for 2025
The Company has established evaluation criteria for the independence and competency of the certified public accountant (CPA) with reference to the ROC Statement of Professional Ethics No. 10 and the Audit Quality Indicators (AQIs).

Evaluation item	Evaluation result	Conformity to independence
(I) Self-interest		
1.The accountants and members of the audit service team have direct or significant indirect financial interest relationships with the company.	No	Yes
2.The accountants and members of the audit service team have financing or guarantee arrangements with the company or its directors.	No	Yes
3.The accountants and members of the audit service team have close business relationships with the company.	No	Yes
4.The accountants and members of the audit service team have potential employment relationships with the company.	No	Yes
(II) Self-assessment		
1.The accountants and members of the audit service team are currently, or have been within the past two years, serving as directors, managers, or holding positions with significant influence over the audit engagement at the company.	No	Yes
2.Non-audit services provided by the accountants to the company directly affect significant matters of the audit engagement.	No	Yes
(III) Defense		
1.The accountants and members of the audit service team have promoted or acted as intermediaries for the stocks or other securities issued by the company.	No	Yes
2.The accountants and members of the audit service team have acted as legal counsel for the company or represented the company in resolving conflicts with third parties.	No	Yes
(IV) Familiarity		
1.The accountants and members of the audit service team have familial relationships with the company's directors, managers, or individuals holding positions with significant influence over the audit engagement.	No	Yes
2.A former engagement partner, within one year of leaving the firm, holds a position at the company or with its directors, managers, or individuals with significant influence over the audit engagement.	No	Yes
3.The accountants and members of the audit service team have received significant gifts or offerings from the company or its directors or managers.	No	Yes
(V) Coercion		
1.The company has requested the accountants and members of the audit service team to accept inappropriate accounting policy choices or improper disclosures in the financial statements made by management.	No	Yes
2.In order to reduce audit fees, the company exerted pressure on the accountants and members of the audit service team to inappropriately reduce the scope of audit procedures.	No	Yes

Note 2:

The company’s directors have timely attended relevant continuing education courses organized by professional institutions. The directors’ continuing education status for 2025 is as follows:"

Title	Name	Training date	Organizer	Course name	Training hours
Chairman	Tu, Chun-Kuang	2025.11.26	Taiwan Academy of Banking and Finance	Measures for Preventing Personal Data Breaches and Enhancing Information Security	3 hours
Director	Chuang, Jen-Chuan	2025.11.26	Taiwan Academy of Banking and Finance	Measures for Preventing Personal Data Breaches and Enhancing Information Security	3 hours
Director	Lien, Chien-Chin	2025.11.26	Taiwan Academy of Banking and Finance	Measures for Preventing Personal Data Breaches and Enhancing Information Security	3 hours
Director	Hsieh,Cheng-Hsueh	2025.12.11	Business Council for Sustainable. Development, Taiwan	Corporate Governance and Securities Regulations – Analysis of Corporate Governance Risks from a Prosecutor's Perspective	3 hours
Independent Director	Chiang, Nan-Hung	2025.11.26	Taiwan Academy of Banking and Finance	Measures for Preventing Personal Data Breaches and Enhancing Information Security	3 hours
	Tsai, Kun-Chou	2025.11.26	Taiwan Academy of Banking and Finance	Measures for Preventing Personal Data Breaches and Enhancing Information Security	3 hours
	Liu, Kuei-Yi	2025.11.26	Taiwan Academy of Banking and Finance	Measures for Preventing Personal Data Breaches and Enhancing Information Security	3 hours

(IV) On the appointment of the Audit Committee, relevant information of members, function, and operation shall be disclosed.

1.Information on the Members of the 5th Remuneration Committee:

Identity	Criteria / Name	Professional Qualifications/Experience and Independence	Number of concurrent remuneration committee member posts to other public companies
Convener	Li, Chen-Fu (Note)	Please refer to Pages 5 to 7 on the experience and independence description.	0
Committee member	Tsai, Jung-Tung		0
Committee member	Jack Qi Shu		0

Note: The members of the 5th Remuneration Committee served a term from June 14, 2022, to June 13, 2025.; Li, Chen-Fu took office on January 29 , 2024.

2.Information on the Members of the 6th Remuneration Committee:

Identity	Criteria / Name	Professional Qualifications/Experience and Independence	Number of concurrent remuneration committee member posts to other public companies
Convener	Chiang, Nan-Hung (Note)	Explanation of Compliance with Directors' Qualifications, Experience, and Independence Requirements	0
Committee member	Tsai, Kun-Chou (Note)		0
Committee member	Liu, Kuei-Yi (Note)		0

Note: The term of office of the members of the 6th Remuneration Committee is from June 30, 2025, to June 29, 2028.

3.Operations of Remuneration Committee

(1) The Company's Remuneration Committee is composed of three persons.

(2) The term of office for current committee members: From June 30, 2025 to June 29, 2028. The Remuneration Committee held meetings three times (A) in 2025. The qualifications of the committee members and attendance are as follows:

Title	Name	Actual Attendances (B)	Number of Entrusted Attendances	Actual Number of Attendances (%) (B/A)	Remarks
Convener (Former)	Li, Chen-Fu	1	0	100.00%	(Note 1)
Committee member (Former)	Tsai, Jung-Tung	1	0	100.00%	(Note 1)
Committee member (Former)	Jack Qi Shu	1	0	100.00%	(Note 1)
Convener (Newly)	Chiang, Nan-Hung	2	0	100.00%	(Note 2)
Committee member (Newly)	Tsai, Kun-Chou	2	0	100.00%	(Note 2)
Committee member (Newly)	Liu, Kuei-Yi	2	0	100.00%	(Note 2)

Note 1: The members of the 5th Remuneration Committee served a term from June 14, 2022, to June 13, 2025.

Note 2: The members of the 6th Remuneration Committee, elected at the Company's Annual General Meeting held on June 30, 2025, serve a term from June 30, 2025, to June 29, 2028.

Other matters that require reporting:

I. When the Board of Directors rejects or modifies the recommendations made by the Remuneration Committee, please state the date and session of board meeting, the proposal, board resolutions, and settlement on the opinions of Remuneration Committee members (if the salary and compensation approved by board are superior to that recommended by the Remuneration Committee, please specify the differences and causes): None.

II. When there are objections or qualified opinions for the records or with written statements of Remuneration Committee members to committee resolutions, state the date and session of the committee meeting, the proposal, and the settlement of the opinions for and against the resolution: None.

(3) Resolutions and Implementation Status of the 2025 Compensation Committee, and the Company's Response to Members' Opinions:

Date of the meeting	Proposal Content	Resolution Status	The Company's Handling of Members' Opinions
2025.2.7	Proposal for the Payment of 2024 Performance Bonuses to Managers	The proposal was submitted to the Board of Directors for resolution with the unanimous approval of all attending committee members.	No
2025.7.16	Proposal for the Appointment of the Chief Executive Officer	The proposal was submitted to the Board of Directors for resolution with the unanimous approval of all attending committee members.	No
	Proposal for the Appointment of the Vice President of Finance		
2025.8.13	Proposal for the Ratification of the Appointment of the Company's New President	The proposal was submitted to the Board of Directors for resolution with the unanimous approval of all attending committee members.	No
	Proposal for the Amendment to the Regulations Governing the Remuneration of Directors, Independent Directors, and Members of Functional Committees of the Company		

(V) Implementation status of promoting sustainable development and discrepancies with the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and the reasons

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
I. Does the Company have a governance structure for sustainability development and a dedicated (or ad hoc) sustainable development unit with Board of Directors authorization for senior management, which is supervised by the Board of Directors?	✓		The Company established a part-time dedicated unit for sustainable development on September 30, 2024. This unit is responsible for the overall design of the sustainable development framework, the formulation of management policies, and the planning and execution of specific implementation programs. It also conducts regular performance reviews and continuous improvement initiatives. In addition, the unit is tasked with promoting corporate social responsibility and corporate governance, coordinating resources across departments to ensure that sustainability strategies are effectively integrated into all aspects of the Company's operations. Its primary responsibilities include setting sustainability directions and objectives, formulating and implementing relevant management plans, strengthening ethical management and risk management mechanisms, and continuously monitoring, evaluating, and refining sustainability performance. In terms of governance structure, the Company adopts a model in which the Board of Directors serves as the highest supervisory body. The Board is responsible for reviewing sustainability-related policies, objectives, and implementation results, while senior management is authorized to drive the execution of sustainability strategies throughout the organization. The preparation process of the Sustainability Report has also been incorporated into the Company's internal control system. Relevant information is provided by the responsible departments, consolidated and coordinated by the dedicated sustainability unit, and ultimately submitted to the Board of Directors for review and approval prior to public disclosure. This demonstrates the Board's substantive oversight of sustainability disclosure and governance quality. Furthermore, through a cross-functional collaboration mechanism, the Company integrates stakeholder engagement and materiality assessment processes into its core business decision-making framework. Key measures include conducting regular material topic identification meetings, applying internationally recognized standards such as GRI, SASB, and TCFD for sustainability issue assessments, involving middle and senior management in the analysis of sustainability-related risks and opportunities, and submitting materiality assessment results to the Board of Directors for approval. These results serve as the basis for strategic planning and sustainability disclosure, thereby strengthening the linkage between corporate governance and business operations.	No significant differences.
II. Does the Company conduct risk assessments on environmental, social, and corporate governance issues that are relevant to its operations and stipulate risk management policies or strategies based on principles of materiality?	✓		The Company integrates domestic and international research reports, industry publications, internal departmental assessments, and stakeholder engagement results to conduct systematic analyses based on the principle of materiality. A comprehensive risk management framework encompassing risk identification,	No significant differences.

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
			measurement, assessment, monitoring, and control has been established to formulate corresponding management policies and strategies, thereby mitigating the impact of sustainability-related risks on business operations. In addition, in accordance with the GRI Standards and the AA1000 Account Ability Principles, the Company conducts stakeholder engagement and materiality assessment processes. Through these processes, 24 sustainability topics were identified and further evaluated based on their positive and negative impacts on the economy, environment, and people, as well as their positive and negative impacts on the Company's operations. Five material topics were ultimately determined as the primary basis for risk assessment and management strategies, with the assessment results incorporated into operational decision-making and sustainability disclosure mechanisms. To address sustainability-related risks, the Company has established clear management strategies and implementation measures across the environmental, social, and governance (ESG) dimensions: I. Environmental Aspects The Company focuses on green product design and climate change response as its key environmental management priorities. During the product development stage, low-power consumption, high-efficiency, and waste-reduction design concepts are incorporated, while advanced manufacturing technologies are adopted to promote green production processes and reduce environmental impacts throughout the product life cycle. To address greenhouse gas emissions, the Company has established an annual carbon reduction target of 1% and has formulated medium- and long-term objectives, including the adoption of renewable energy sources (with green electricity planned to be introduced by 2030) and the achievement of net-zero emissions by 2050. These initiatives are intended to systematically respond to climate-related risks. In addition, the Company continues to strengthen operational resilience and environmental performance through the replacement of energy-efficient equipment, implementation of office energy-saving measures, and monitoring of energy consumption. II. Social Aspects With respect to talent development and human rights management, the Company has established comprehensive talent development and compensation systems aligned with its corporate strategy and core values. Through structured training programs and employee welfare initiatives, the Company seeks to attract, develop, and retain talented employees while reducing workforce-related risks. The Company has also adopted a Human Rights Policy and conducts relevant training programs to safeguard employee rights, promote workplace diversity and inclusion, and prevent human rights violations. Furthermore, the Company maintains ongoing communication with stakeholders, including employees, customers, and suppliers, to identify emerging concerns and incorporate them into risk assessment and management processes, thereby	

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
			enhancing organizational responsiveness and strengthening social trust. III. Governance Aspects The Company has established a sound corporate governance framework to manage operational risks. Key measures include the adoption of the Ethical Corporate Management Best Practice Principles, the Code of Ethical Conduct for Employees, and a whistleblowing mechanism to strengthen regulatory compliance and business ethics management. In supply chain management, the Company has implemented a Supplier Management Policy and Sustainability Assessment Mechanism, integrating ESG considerations into procurement decisions to mitigate supply chain risks. In the area of information security, the Company has established an Information Security Policy, conducts regular review meetings, and continuously implements information security systems to safeguard critical data and information assets. In addition, the Company has strengthened board functions and overall governance effectiveness through measures such as appointing a Corporate Governance Officer and maintaining directors' and officers' liability insurance coverage.	
III. Environmental issues (I) Has the Company set up an Environmental management system suitable to industry characteristics?	✓		The Company operates in the IC design industry, with its primary business focused on the research, development, and design of integrated circuit products. Manufacturing, packaging, and testing processes are outsourced to specialized domestic and international foundries and assembly and testing service providers. As the Company does not engage directly in high-pollution manufacturing activities, its overall operations are considered to have a relatively low environmental impact. According to the Company's Annual Report, there were no violations of environmental protection regulations during the most recent fiscal year and up to the date of publication of the Annual Report. Furthermore, the Company did not incur any material losses arising from environmental incidents and currently has no significant environmental capital expenditure plans in the short term, indicating that its environmental management practices are consistent with industry characteristics and regulatory requirements. In terms of systems and management mechanisms, the Company has gradually implemented systematic environmental management measures to strengthen its management of climate-related issues and resource consumption. For example, the Company has promoted the implementation of an ISO 14064-1 greenhouse gas inventory framework, established emissions baselines and data management systems, and set a specific annual carbon reduction target of 1%. In addition, medium- and long-term carbon reduction strategies have been formulated, including the adoption of renewable energy sources (with green electricity expected to be introduced by 2030) and the achievement of net-zero emissions by 2050. These initiatives demonstrate that climate change considerations have been incorporated into the Company's	No significant differences.

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
			operational management framework. Furthermore, the Company has extended environmental management practices into its daily operations and internal management processes. Specific measures include continuously optimizing air-conditioning system efficiency through the installation of inverter-based equipment to reduce energy consumption, implementing automatic lighting control systems to minimize unnecessary electricity usage, adjusting air-conditioning operating schedules, promoting lights-off practices during lunch breaks, adopting water-saving equipment, and continuously monitoring electricity and water consumption. Through these diversified energy-saving initiatives, the Company seeks to reduce overall energy intensity. At the same time, the Company promotes digitalization and paperless operations, implements waste segregation and recycling programs, and engages qualified service providers for the disposal of obsolete equipment and materials, thereby enhancing resource recycling and waste management efficiency. Further review of the Sustainability Report indicates that the Company has integrated environmental management considerations into both product development and supply chain management. The Company actively develops low-power, high-performance semiconductor products to reduce energy consumption by end-user devices and collaborates with supply chain partners to promote green manufacturing practices, thereby reducing the carbon footprint of the overall value chain. In addition, through internal environmental policies and initiatives—including optimization of air-conditioning and lighting systems, reduction of single-use items, resource recycling programs, and environmental awareness campaigns—the Company encourages employee participation and extends environmental management beyond formal systems into its corporate culture.	
(II) Is the Company committed to improving resource efficiency and to the use of renewable materials with low environmental impact?	✓		The Company has implemented an ISO 14064-1 greenhouse gas inventory and management framework and established a systematic energy and carbon emissions management system. Using 2025 as the baseline year, the Company plans to progressively implement carbon reduction initiatives and has set a target of reducing carbon emissions by 1% annually. The Company has also developed medium- and long-term energy transition strategies, including the gradual adoption of renewable energy (green electricity) beginning in 2030, with the ultimate goal of achieving net-zero emissions by 2050. These commitments demonstrate that enhancing energy efficiency and advancing a low-carbon transition have been incorporated into the core of the Company's long-term business strategy. In terms of practical energy conservation measures, the Company has comprehensively promoted energy efficiency improvements within its office environment. These measures include upgrading and optimizing air-conditioning systems to improve cooling efficiency, introducing inverter-based energy-saving equipment and timer control systems to reduce	No significant differences.

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
			unnecessary energy consumption, and installing automatic lighting sensors in common areas such as lobbies so that lighting is activated only when occupancy is detected. The Company has also implemented a lights-off policy during lunch breaks and adjusted air-conditioning operating schedules to reduce peak and non-essential electricity consumption. In addition, water-saving devices have been installed to reduce water usage, and a monthly monitoring mechanism for electricity and water consumption has been established to continuously review and improve resource utilization efficiency. Furthermore, the Company reduces energy consumption and environmental impacts through operational process optimization and resource management initiatives. These efforts include promoting digitalization and paperless operations to reduce paper usage and related resource consumption, implementing waste segregation and recycling programs, and engaging qualified service providers to handle the disposal of waste electronic equipment and materials, thereby improving resource recovery and reuse efficiency. Through internal awareness campaigns and energy-saving labeling initiatives, the Company also enhances employees' awareness of energy conservation and extends energy management from institutional practices to everyday behaviors. From the perspective of products and the value chain, the Company is committed to improving energy efficiency by focusing on the development of high-performance, low-power semiconductor products that help reduce energy consumption in end-user devices. The Company also collaborates with supply chain partners to promote green manufacturing practices and reduce the overall carbon footprint across the value chain. In addition, office sustainability initiatives—including optimization of air-conditioning and lighting systems, the use of reusable tableware, reduction of single-use products, resource recycling programs, and employee participation in environmental activities—have been implemented to further enhance the Company's overall environmental performance.	
(III) Does the Company assess potential risks and opportunities associated with climate change and undertake measures in response to climate issues?	✓		The Company formally adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework in 2024. In accordance with its four core pillars—Governance, Strategy, Risk Management, and Metrics and Targets—the Company identifies and assesses climate-related risks and opportunities and regularly evaluates their potential impacts on its operations and financial performance. Relevant information is continuously disclosed in a dedicated section of the Sustainability Report to enhance transparency and support informed decision-making. In addition, through internal and external information gathering, stakeholder engagement mechanisms, and the application of internationally recognized frameworks and standards, including TCFD, SASB, and the United Nations Sustainable Development Goals (SDGs), the Company conducts materiality analyses and risk assessments to ensure that climate-related issues	No significant differences.

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
			are effectively incorporated into its overall sustainability strategy and operational management. To address climate-related risks and opportunities, the Company has established a range of management measures and mitigation actions as follows: **I. Governance and Management Systems** The Company has implemented a greenhouse gas inventory and management system based on the ISO 14064-1 standard and has established an annual carbon reduction target of 1%. Carbon reduction initiatives are being implemented progressively, while medium- and long-term plans have been formulated to introduce renewable energy sources (green electricity) and ultimately achieve net-zero emissions. These efforts are intended to mitigate climate transition risks and strengthen the Company's long-term sustainability performance. **II. Operations and Product Strategy** The Company actively develops high-performance, low-power semiconductor products to reduce energy consumption in end-user devices through technological innovation. In addition, the Company collaborates with supply chain partners to promote green manufacturing and carbon reduction initiatives in response to global decarbonization trends and increasing market demand for low-carbon products. Through these efforts, the Company seeks to transform climate-related challenges into business opportunities and enhance its competitive advantage. **III. Operational Risk Management** The Company continuously monitors and analyzes international climate policies, industry developments, and external environmental trends. Combined with cross-functional internal assessment mechanisms, the Company has established processes for risk identification, measurement, assessment, and monitoring. Based on these assessments, relevant management policies and action plans are formulated and implemented to reduce the potential impacts of climate change on business operations and organizational performance. Furthermore, through sustainability disclosures, internal control mechanisms, and Board oversight, climate risk management has been incorporated into the Company's overall corporate governance framework. The Company also conducts periodic reviews and rolling adjustments of its climate strategies to enhance organizational resilience and strengthen its ability to respond effectively to climate-related challenges and opportunities.	
(IV) Does the Company maintain statistics on greenhouse gas emission, water usage and waste volume, as well as developing carbon reduction, water reduction or waste management policies?	✓		The Company has established an environmental data inventory and monitoring mechanism to regularly compile and analyze greenhouse gas (GHG) emissions, water consumption, and waste generation data for the most recent two fiscal years. According to the disclosures presented in the Annual Report, greenhouse gas emissions are	No significant differences.

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
			internally inventoried and quantified in accordance with the ISO 14064-1 standard. The inventory covers Scope 1, Scope 2, and Scope 3 emissions, providing a comprehensive basis for monitoring the Company's environmental performance and supporting the formulation of carbon reduction and sustainability management strategies. Greenhouse Gas Emissions (Unit: Metric Tons of CO_2e) **2025** **Scope 1**: 9.2714 **Scope 2**: 881.0514 **Scope 3**: 285.8952 Water Consumption and Carbon Emissions Statistics for 2024–2025 **2025** **Water Consumption**: 3480.5 **2024** **Water Consumption**: 4465 Total Waste Weight Statistics for Fiscal Years 2024–2025 **2025** **Total Waste Weight (KG)**: 11 **2024** **Total Waste Weight (KG)**: 29 These results demonstrate that the Company has gradually achieved improvements in resource utilization and waste management. The relevant data currently represent internal inventory results, and the Company plans to progressively implement third-party verification in accordance with the timeline set by the competent authorities to further enhance the reliability and completeness of its sustainability disclosures. In terms of reduction policies and management measures, the Company has established short-, medium-, and long-term targets and action plans. **Short-term:** The Company has set an annual target of reducing carbon emissions by 1% compared to the previous year and has implemented various energy-saving and carbon-reduction measures, including optimizing air-conditioning system efficiency through inverter-based controls and timer systems, adjusting operating schedules to improve energy efficiency, installing motion-sensor lighting systems and implementing lights-off policies during lunch breaks, promoting digitalization and paperless workflows to reduce resource consumption, and continuously monitoring electricity and water usage to strengthen energy management. In addition, water-saving devices have been adopted to avoid unnecessary consumption, and employee	

Greenhouse Gas Emissions (Unit: Metric Tons of CO_2e)

2025	
Scope 1	9.2714
Scope 2	881.0514
Scope 3	285.8952

Water Consumption and Carbon Emissions Statistics for 2024–2025

2025	**2024**
Water Consumption	**Water Consumption**
3480.5	4465

Total Waste Weight Statistics for Fiscal Years 2024–2025

2025	**2024**
Total Waste Weight (KG)	**Total Waste Weight (KG)**
11	29

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
			awareness programs have been conducted to promote energy conservation and carbon reduction practices in daily operations. In waste management, the Company has established a comprehensive waste classification and recycling system covering food waste, metal, glass, paper, and plastic waste, which is managed by dedicated personnel. Waste electronic equipment, OA equipment, and related materials are properly handled by qualified recycling contractors to ensure regulatory compliance and minimize environmental impact. Furthermore, as disclosed in the Sustainability Report, the Company promotes environmental initiatives such as energy saving, plastic reduction, and resource recycling, including the use of reusable tableware and reduction of paper and plastic consumption, thereby further reducing the environmental footprint of its operations. **Medium- and long-term:** The Company has established a continuous annual carbon reduction target of 1% and plans to introduce renewable energy (green electricity) starting in 2030, with the ultimate goal of achieving net-zero emissions by 2050. In addition, the Company plans to complete external verification of its GHG inventory by 2027 and progressively expand the scope of inventory to a consolidated financial reporting basis in accordance with regulatory requirements, thereby strengthening climate-related disclosure and management systems.	
IV. Social issues (I) Has the company established relevant management policies and procedures in accordance with applicable law and regulations and the “International Convention of Human Rights?”	✓		The Company complies with domestic labor-related regulations and explicitly commits to supporting international human rights standards, including the Universal Declaration of Human Rights, the United Nations Global Compact, and the International Labour Organization (ILO) Conventions, which serve as the core foundation of its human rights management. The Company ensures that, throughout its operations, the fundamental rights of employees and stakeholders are respected and protected. In addition, to institutionalize its commitment to human rights, the Company has established a Human Rights Policy, which is publicly disclosed both internally and externally. The policy requires all employees and business partners to comply, prohibits any form of human rights violations, and is intended to foster a fair, respectful, and dignified working environment. Specific Management Measures: The Company promotes human rights protection mechanisms from multiple dimensions. First, in occupational health and safety management, the Company continuously complies with applicable regulations to improve working conditions and occupational safety and health standards. Preventive management approaches are adopted to reduce occupational hazard risks, ensuring that employees work in a safe environment while promoting their physical and mental well-being. Second, in employee care and work-life balance, the Company provides reasonable working hours and rest arrangements (such as scheduled lunch breaks), and offers a comprehensive	No significant differences.

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
			compensation system, salary adjustment mechanism, and employee welfare programs to safeguard employees' basic living needs and career development rights. Furthermore, the Company places great emphasis on labor-management communication and employee participation mechanisms by establishing multiple and accessible communication channels, including regular employee meetings and labor-management conferences, as well as feedback and suggestion systems. Employees are encouraged to provide opinions and suggestions, which are incorporated into corporate decision-making and management improvements, thereby strengthening harmonious and stable labor relations. In terms of diversity, equity, and inclusion, the Company upholds workplace equality principles and does not discriminate on the basis of gender, sexual orientation, race, age, religion, or other background characteristics. The Company is committed to fostering a diverse and inclusive working environment. In addition, the Company strengthens awareness of human rights and corporate social responsibility through training and communication programs. Relevant courses and awareness activities are regularly conducted to enhance employees' understanding of human rights issues and ensure effective implementation of related policies in daily operations. Human rights risk management is also incorporated as one of the Company's material sustainability topics. Through institutional design and continuous monitoring, the Company seeks to prevent human rights violations.	
(II) Does the Company stipulate and implement reasonable employee welfare measures (including compensation, leave of absence and other benefits), and appropriately reflect business performance or outcome in employees' compensations?	✓		The Company complies with applicable labor regulations and internal management policies to establish a competitive compensation and benefits system. In alignment with its operational strategies and talent development objectives, the Company continuously enhances employee remuneration and benefits. With respect to the compensation system, the Company closely monitors industry salary levels and provides a competitive salary structure. A performance-based compensation mechanism has been implemented, supported by regular performance evaluations and appraisal interviews (conducted at least annually for each employee). Individual performance is linked to overall corporate operating results and serves as a key basis for salary adjustments, bonus distribution, and promotion decisions. This approach is designed to motivate employees to continuously improve their performance and contribute to the creation of corporate value. <u>Employee Welfare Measures:</u> In terms of employee benefits and working conditions, the Company provides comprehensive welfare programs to enhance employee satisfaction and retention. Relevant measures include the establishment of reasonable working hours and leave policies (such as scheduled lunch breaks), as well as flexible working arrangements, a competitive compensation and salary adjustment	No significant differences.

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
			system, and diversified welfare programs to support work-life balance. In addition, the Company continuously invests in talent development by providing diverse learning resources and career development opportunities, encouraging employees to pursue further education and enhance their professional competencies, thereby strengthening human capital competitiveness. Furthermore, the Company places great emphasis on employee communication and participation mechanisms. Through multiple communication channels, including regular employee meetings, performance appraisal interviews, and internal announcement platforms, the Company promotes two-way communication to ensure that employee feedback is effectively reflected in management decisions, and continuously improves the working environment and system design. At the same time, a sound compensation and benefits system is maintained to attract and retain high-quality talent, enabling employees to grow together with the Company. <u>Linkage Between Business Performance and Employee Compensation:</u> The Company regularly evaluates market salary levels and links corporate operating performance with employee remuneration. In addition, macroeconomic indicators are taken into consideration when formulating a reasonable compensation policy to ensure overall pay competitiveness. At the same time, the Company implements a structured performance appraisal and development mechanism that provides a two-way communication platform to support both organizational and individual development. Based on performance evaluation results, corresponding rewards and incentives are granted to employees, thereby encouraging shared growth between employees and the Company. Article 19 of the Company’s Articles of Incorporation stipulates that, if the Company records annual profits, no less than 5% shall be allocated as employee remuneration. However, where accumulated losses exist, an amount sufficient to offset such losses shall first be retained. Employee remuneration may be distributed in the form of cash or shares and may include employees of the Company’s subsidiaries who meet the criteria set by the Board of Directors. The Company has established a comprehensive human resources management system covering compensation policies, performance-linked mechanisms, employee welfare programs, and communication and participation systems. This framework not only provides competitive and reasonable employee compensation, but also ensures that business performance is appropriately reflected in employee remuneration through performance-based mechanisms. By balancing corporate performance with employee rights and interests, the Company is committed to achieving sustainable development and shared prosperity for both the Company and its employees	

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
(III) Does the Company provide employees with a safe and healthy working environment, with regular safety and health training?	✓		The Company complies with applicable occupational safety and health regulations and considers the provision of a safe and healthy working environment as a key policy priority in human rights and employee care. Through continuous improvement of workplace conditions and facilities, the Company seeks to mitigate potential occupational hazards. As disclosed in the Annual Report, the Company continuously reviews and enhances occupational safety and health conditions in the workplace. Preventive management measures are implemented to reduce the risk of occupational injuries and accidents, thereby safeguarding employee safety and promoting both physical and mental well-being. Specific Management Measures: The Company has established multiple employee health and safety promotion mechanisms. Through internal policies and operational procedures, the Company strengthens the safety of workplace facilities. New employee orientation programs include detailed explanations of the working environment and facilities, ensuring that employees fully understand relevant safety precautions at the time of onboarding. In addition, through internal communication platforms and ongoing educational campaigns, the Company continuously enhances employees' awareness of occupational safety and health issues, ensuring that a strong safety culture is embedded in daily operations. Furthermore, the Company places great emphasis on employees' physical and mental well-being and work-life balance. Through reasonable working hour arrangements (such as sufficient lunch break provisions), employee-friendly workplace measures, and employee care policies, the Company seeks to reduce risks of overwork and psychological stress, thereby improving overall occupational health standards. At the same time, through regular employee meetings, labor-management conferences, and multiple communication channels, employees are encouraged to provide feedback on workplace safety and health matters, which are incorporated into the management improvement mechanism to create a continuous cycle of enhancement. In terms of training and education, in addition to incorporating safety and health-related topics into new employee training, the Company also provides education programs on human rights, ethics, and corporate social responsibility. These initiatives enhance employees' overall understanding of workplace safety, health, and rights protection, while strengthening their self-protection awareness and risk prevention capabilities to ensure effective implementation of the safety management system. As of December 31, 2025, the Company had no occupational safety incidents in the workplace.	No significant differences.

<table>
<tr><th rowspan="2">Evaluation items</th><th colspan="3">State of operation</th><th rowspan="2">The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td>(IV) Has the Company established effective career development training plans?</td><td>✓</td><td></td><td>The Company regards “talent development” as one of its key sustainability strategies and continues to invest resources in building a comprehensive training and development system. In alignment with its corporate development strategy and core values, the Company designs training programs covering all job levels, including new employee orientation, on-the-job professional training, and management development programs, with the aim of enhancing overall organizational competitiveness.
As disclosed in the Sustainability Report, the Company is committed to providing employees with comprehensive career development opportunities and learning resources, while encouraging knowledge sharing and technological innovation to foster a corporate culture of continuous learning.
The training structure is designed on a tiered and competency-based framework, as outlined below:
<table><tr><td>New Employee Training</td><td>The Company provides comprehensive onboarding materials through its internal HR system (e.g., new employee training packages), covering company policies, working environment, and operational procedures. This helps new employees quickly integrate into the organization and develop foundational job competencies.</td></tr><tr><td>Professional Development Training</td><td>Based on job-specific requirements and industry development trends, the Company continuously offers training programs related to technology development, product development, and industry knowledge. These programs aim to strengthen employees’ professional capabilities and enhance innovation capacity.</td></tr><tr><td>Management Training</td><td>Through performance appraisal interviews and management competency development programs, the Company enhances leadership, supervisory, and decision-making capabilities of middle and senior management, thereby improving overall organizational management effectiveness.</td></tr></table>
<u>Training Scope:</u>
The Company’s training programs cover all employees, including general staff and managers at all levels. Through regular performance appraisal interviews, employee meetings, and internal communication platforms, the Company identifies employees’ development needs and adjusts training content and career development direction accordingly to ensure that training</td><td>No significant differences.</td></tr>
</table>

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
			resources effectively meet the requirements of different job levels and functions. In addition, the Company has established diverse learning channels and an internal knowledge-sharing mechanism to facilitate cross-departmental experience sharing and competency enhancement, thereby further strengthening talent development effectiveness. Implementation Status: The Company has incorporated its training system into the overall human resources management framework and continues to promote it through structured mechanisms, including the establishment of a comprehensive training system, integration with performance management, planning of employee career development paths, and provision of competitive compensation and benefits to attract and retain high-quality talent. This forms a complete talent development cycle of "recruitment – development – growth – retention."	
(V) Does the Company comply with relevant laws and international principles with regards to issues of customers' health, safety and privacy and marketing and labeling of products and services and stipulate relevant consumer or customer protection policies and complaint procedures?	✓		The Company addresses issues related to customer health and safety, customer privacy, marketing, and product labeling in accordance with applicable laws and international standards by establishing comprehensive management systems. Through standardized processes and dedicated functional units, the Company ensures continuous implementation of relevant controls to safeguard the rights and interests of customers and consumers. In terms of customer privacy and information security, the Company complies with the Personal Data Protection Act and relevant regulations, and has established personal data protection policies and operational procedures. The Information Technology and Information Security units are responsible for centralized management to ensure that all customer data collected, processed, and used during business operations complies with regulatory requirements. In addition, information security and confidential data management are incorporated into both new employee orientation and regular training programs to enhance employees' awareness and execution capability in data protection, while continuously improving related management mechanisms to mitigate risks of data breaches and cybersecurity incidents. In 2025, a total of 56 employees participated in relevant training programs, and no personal data breaches, complaints, or related incidents occurred during the year, demonstrating the effectiveness of the Company's customer privacy and information security management. With regard to product and service quality and customer rights protection, the Company places strong emphasis on customer feedback and quality management by establishing a comprehensive customer service and complaint handling mechanism. Upon receiving customer feedback or complaints, dedicated personnel handle case intake, and relevant technical and quality departments conduct root cause analysis and develop corrective and preventive actions. Business representatives then respond promptly to customers and provide necessary remedies (such	No significant differences.

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
			as product replacement or technical support), ensuring that customer rights are properly protected while continuously improving product and service quality. In addition, the Company has established multiple accessible customer communication and complaint channels, including a stakeholder section on the corporate website, dedicated contact persons, and email channels. Through regular business meetings and customer engagement activities, the Company proactively collects customer needs and market feedback, which serve as important inputs for product optimization and service improvement. Through these mechanisms, the Company continuously strengthens customer relationship management, enhances customer satisfaction, and mitigates potential operational risks. In terms of marketing and product information disclosure, the Company upholds the principle of integrity management by ensuring that all externally disclosed product and service information is accurate, transparent, and compliant with applicable regulations, thereby safeguarding fair market competition and consumer rights.	
(VI) Does the Company implement a supplier management policy that requires suppliers to comply with policies with respect to environmental protection, occupational safety and health or workers'/human rights issues, and what is the implementation status?		✓	The Company has established a supplier management policy and incorporates sustainability issues, including environmental protection, occupational health and safety, and labor and human rights, into its supply chain management framework. Through standardized management procedures and evaluation mechanisms, suppliers are required to comply with relevant laws and regulations as well as international standards, thereby integrating corporate social responsibility into the overall value chain. The Company's "Supplier Management Policy" serves as the highest guiding principle for sustainable supply chain management. In addition, through the "Supplier Sustainability Evaluation Procedures," ESG-related requirements are integrated into supplier selection and management processes, serving as a basis for procurement decisions and business cooperation. Suppliers are required to comply with environmental regulations, implement occupational health and safety management, and safeguard labor and human rights in their operations, while continuously enhancing their sustainability capabilities to mitigate supply chain risks and strengthen overall operational resilience. <u>Implementation Status:</u> 1. The Company strengthens supplier management through multiple mechanisms, including the establishment of supplier evaluation and audit systems, requiring suppliers to sign relevant commitment documents (such as supplier declarations or undertakings), and conducting regular or ad hoc sustainability assessments and communications. These measures are	No significant differences.

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
			designed to monitor supplier performance in areas such as quality management, information security, and sustainability. 2. In 2024, a total of seven suppliers were subject to annual evaluation and audit. Through continuous communication and collaboration, the Company encourages suppliers to jointly enhance their sustainability management performance. 3. Supply chain management has been identified as one of the Company's material sustainability topics. The Company has established appropriate supplier screening criteria (including environmental and social indicators) and audit mechanisms to strengthen supplier oversight and influence, thereby encouraging suppliers to implement corporate social responsibility practices. A dedicated contact window has also been established to maintain timely communication with suppliers. Supplier evaluation results are used as an important reference for subsequent cooperation and procurement strategies, ensuring supply chain stability and sustainability.	
V. Does the Company refer to international reporting rules or guidelines to publish Sustainability Report to disclose non-financial information of the Company? Have the aforesaid reports been assured or certified by a third-party verification agency?		✓	The Company has referenced internationally recognized sustainability reporting standards and relevant regulations in preparing its Sustainability Report to disclose non-financial information. A structured preparation process and quality management mechanism have been progressively established to enhance transparency and disclosure quality. The Company prepares its Sustainability Report primarily in accordance with the Global Reporting Initiative (GRI Standards), adopting the 2021 Universal Standards, and complies with the Taiwan Stock Exchange "Regulations Governing the Preparation and Filing of Sustainability Reports by Listed Companies." Industry-specific indicators for the semiconductor sector as well as climate-related information are disclosed to ensure international comparability and regulatory compliance. In addition, the Company adopts the AA1000 Accountability Principles (including inclusivity, materiality, responsiveness, and impact) for material topic identification, and references international frameworks and initiatives such as SASB, TCFD, the Sustainable Development Goals (SDGs), and IFRS S1 and S2 as key guidance for issue identification and disclosure, thereby strengthening the completeness and decision-usefulness of sustainability information. In terms of reporting governance and preparation procedures, the Company has established a formalized operating process. A dedicated unit is responsible for overall planning and preparation of the report, while relevant departments provide necessary data and performance information. The content is reviewed through an internal verification mechanism to ensure completeness and accuracy. The final report is approved by	No significant differences.

Evaluation items	State of operation			The differences with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
			senior management and submitted to the Board of Directors for review before public disclosure, ensuring consistency and reliability of the information. The Sustainability Report preparation process has also been incorporated into the internal control system and is subject to periodic review and optimization to continuously enhance reporting quality and management maturity. Regarding external assurance, the Company has not yet obtained third-party assurance or verification for the Sustainability Report as a whole. However, to enhance the credibility of disclosed information, financial data included in the report is audited and certified by external auditors in accordance with International Financial Reporting Standards (IFRS), and internal audit and control mechanisms are in place to ensure data accuracy. This approach supports the gradual establishment of a foundation for future external assurance. Furthermore, the Company plans to progressively implement relevant inventory and third-party verification processes in accordance with regulatory timelines to further strengthen the reliability and transparency of sustainability disclosures.	
VI If the Company has established its sustainable development code of practice according to "Listed Companies Sustainable Development Code of Practice," please describe the operational status and differences: The Company adopted the "Ali Corporation Sustainability Development Best Practice Principles" on December 18, 2024, in accordance with the "Corporate Governance Best Practice Principles for Listed and OTC Companies." There are no material differences between the two sets of provisions in terms of content and implementation.				
VII. Other important information that helps in understanding the implementation status of promoting sustainable development: The Company's sustainability-related operations can be found on Ali Corporation's official website (https://www.alitech.com/index.php/tw/), press releases, and relevant publications, including business profiles and annual sustainability reports. In terms of environmental protection, the Company not only complies with applicable domestic laws and regulations but also actively implements various initiatives to reduce the environmental impact of its operations and improve resource efficiency. The Company continuously encourages the use of eco-friendly packaging materials to reduce waste generation and enhance resource recycling efficiency. At the same time, internal communication mechanisms are used to strengthen employees' awareness of environmental protection, recycling, and energy conservation responsibilities. In daily operations, the Company continues to promote energy-saving measures and resource recycling practices, including turning off office lighting for one hour during lunch breaks, adjusting air-conditioning operating schedules to reduce electricity consumption, and implementing standardized management procedures to improve energy efficiency. In addition, the Company encourages employee participation in environmental initiatives such as "Vegetarian Day" and Earth Hour, integrating energy conservation and carbon reduction concepts into corporate culture and enhancing overall environmental sustainability awareness. In terms of community engagement and social responsibility practices, the Company upholds the spirit of corporate citizenship by continuously participating in public welfare activities and employee care initiatives. The Company complies with legal requirements for employing persons with disabilities and provides diverse and inclusive employment opportunities. In addition, through its employee welfare system, the Company offers professional massage and relaxation services within the workplace, which not only supports employee physical and mental well-being but also contributes to social welfare value, demonstrating the Company's commitment to diversity, inclusion, and social responsibility. Through the above measures, the Company continues to fulfill its dual objectives of environmental protection and social care, thereby strengthening the foundation for sustainable corporate development.				

(VI) Climate-Related Information for Listed and OTC Companies

1. Implementation Status of Climate-Related Information

Item	Implementation Status
1.Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	The Board of Directors serves as the highest supervisory body for climate-related risks and opportunities. It is responsible for reviewing climate change-related policies, targets, and implementation progress, and oversees management's execution of relevant strategies and action plans through a structured governance framework. As disclosed in the Sustainability Report, the Company has incorporated sustainability and climate-related issues into its corporate governance and internal control systems, including the Sustainability Report preparation process, materiality assessment, and related management mechanisms. These matters are reviewed and approved by the Board to ensure the completeness and effectiveness of climate governance. At the management level, the Company has established a dedicated (or concurrent) sustainability unit responsible for the planning, promotion, and execution of climate change-related initiatives, including greenhouse gas management, carbon reduction strategy development, and climate risk assessment. The unit regularly consolidates implementation results and improvement proposals and reports them to the Board for oversight and decision-making. It also integrates cross-functional resources to implement climate-related initiatives and continuously reviews and updates relevant strategies in response to changes in the external environment and regulatory developments. In addition, the Company adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework in 2024. Based on its four core pillars—Governance, Strategy, Risk Management, and Metrics and Targets—the Company systematically identifies and assesses the potential impacts of climate change on its operations and financial performance. The assessment results are disclosed in the Sustainability Report and serve as an important reference for strategic adjustments and risk management, thereby enhancing the Company's resilience and adaptability to climate-related challenges. Regarding specific initiatives, the Company has established a greenhouse gas management mechanism and progressively implements carbon reduction actions, including an annual 1% reduction target. The Company also plans to introduce renewable energy starting in 2030 and aims to achieve net-zero emissions by 2050. In addition, through energy efficiency improvements, energy management practices, and the development of low-power products, the Company seeks to mitigate climate-related impacts while capturing opportunities arising from the transition to a low-carbon economy. Climate-related issues are also incorporated into the Company's overall sustainability strategy and decision-making framework through stakeholder engagement and materiality analysis, thereby strengthening the linkage between governance and operations. The Company has established a Board-centered climate governance structure, supported by dedicated execution units and management-level implementation. By integrating the TCFD framework, risk management mechanisms, and concrete carbon reduction initiatives, the Company has formed a top-down governance system

	to ensure that climate-related risks and opportunities are effectively embedded into operational decision-making and sustainability strategy. The overall operation is in compliance with regulatory requirements and is not materially different from the "Corporate Sustainability Best Practice Principles for TWSE/TPEx Listed Companies."
2.Describe how the identified climate-related risks and opportunities impact the company's business, strategy, and financial planning in the short, medium, and long term.	The Company has adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework to systematically identify climate-related transition risks and physical risks, as well as corresponding market and technological opportunities. The Company also assesses their impacts on business operations, operational strategies, and financial performance, with analysis and management conducted over short-, medium-, and long-term horizons. Overall, climate-related risks and opportunities have been progressively integrated into the Company's operational decision-making and development strategy, supported by concrete action plans.
	Short-term (1–3 years) Impacts： In the short term, key climate-related risks include rising energy costs, increasing pressure on carbon emissions management, and stricter energy conservation and carbon reduction regulations, which may lead to higher operating costs and administrative burdens. Energy efficiency at office sites may also affect operational expense structures. Corresponding opportunities include improved energy efficiency and low-carbon operations, which can directly reduce costs and enhance corporate image. To address these impacts, the Company has implemented various immediate measures, including optimization of air-conditioning systems (installation of inverter-driven equipment and timer controls), motion-sensor lighting systems, office energy-saving initiatives (such as lights-off during lunch breaks), water conservation mechanisms, and continuous monitoring of electricity and water consumption. In addition, process digitalization and paperless operations have been promoted to reduce resource consumption. A short-term carbon reduction target of a 1% annual emissions reduction has also been established to mitigate the impact of climate risks on operating costs. Financial impacts in the short term include： • Energy-efficient equipment replacement expenditure: NT$221,150 • Greenhouse gas disclosure-related costs: NT$220,000 per year • Increased water and electricity costs due to extreme weather conditions: NT$308,044 • Incentive income from energy-saving equipment replacement: NT$25,000 • Carbon offset-related expenditures (afforestation / biodiversity initiatives): NT$320,000
	Medium-term (3–7 years) Impacts： In the medium term, climate change may affect supply chain stability, energy procurement costs, and increasing customer demand for low-carbon products, thereby reshaping market conditions and product strategies. Under

	global net-zero trends, demand for low-power and high-efficiency semiconductor products continues to grow, creating significant business opportunities. The Company's response strategy is to strengthen research and development of green and low-power semiconductor products and leverage its technological capabilities to promote green manufacturing and product design, thereby reducing energy consumption during product use and enhancing product value and competitiveness. The Company also plans to introduce renewable energy (starting from 2030) and gradually establish a comprehensive greenhouse gas management system and external verification mechanism to strengthen resilience and regulatory compliance during the low-carbon transition. Financial impacts in the medium term include: • Energy-efficient equipment replacement expenditure: NT$221,150 • Purchase of electric vehicles and energy-efficient equipment: NT$1,500,000 • GHG disclosure-related costs: NT$220,000 per year • Increased costs due to reduced water availability: NT$2,905 • Incentive income from energy-efficient equipment replacement: NT$25,000 • Subsidy income from electric vehicles and energy-efficient equipment: NT$13,000 • Carbon offset-related expenditures (afforestation / biodiversity initiatives): NT$180,000
	Long-term (7+ years) Impacts： In the long term, climate change will significantly reshape global industrial structures and energy consumption patterns. Failure to transition in a timely manner may expose the Company to carbon costs, regulatory constraints, and market displacement risks. However, it also presents significant opportunities in net-zero transformation and sustainable technology innovation. The Company's long-term strategy is to achieve net-zero emissions (targeting 2050) and continuously strengthen low-carbon technology development, improve product energy efficiency, and expand collaboration across a green supply chain to capture opportunities arising from industry transformation. In addition, through continued adoption of the TCFD framework, the Company systematically identifies the financial impacts of climate-related risks and integrates risk management into overall business strategy and investment decisions, ensuring long-term financial stability and sustainable growth. Financial impacts in the long term include: • Energy-efficient equipment replacement expenditure: NT$221,150 • GHG disclosure-related costs: NT$220,000 per year • Increased costs due to reduced water availability: NT$2,993 • Incentive income from energy-efficient equipment replacement: NT$25,000

	Overall, the Company integrates the impacts of climate-related risks and opportunities across different time horizons into its business development and operational strategy. Through energy-saving and carbon-reduction initiatives, green product innovation, renewable energy adoption, and net-zero pathway planning, the Company effectively mitigates potential risks while enhancing competitive advantages. Climate change is thereby transformed from a risk factor into a key driver of long-term corporate growth. These practices are in compliance with regulatory disclosure requirements and are reflected in the Company's strategy and financial planning.
3.Describe the financial impacts of extreme weather events and transition actions.	The Company has adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework to assess the potential financial impacts arising from extreme weather events (physical risks) and low-carbon transition initiatives (transition risks and opportunities). The related impacts have been incorporated into the Company's operational decision-making and risk management mechanisms, with a range of mitigation measures implemented to reduce financial exposure and enhance corporate resilience. In terms of extreme weather events, although the Company operates in the IC design industry without direct manufacturing activities and its operations are primarily office-based—thereby exposing it to relatively low physical climate risk—indirect impacts may still arise from extreme weather events such as high temperatures, heavy rainfall, or typhoons. These events may affect office operations, electricity supply stability, and supply chain continuity, thereby impacting operational continuity and related short-, medium-, and long-term costs amounting to NT$313,942. For example, extreme weather conditions may lead to power instability or increased energy costs, resulting in higher operating expenses. They may also disrupt upstream wafer fabrication and packaging and testing supply chains, potentially affecting product delivery schedules and revenue recognition. To mitigate such potential financial impacts, the Company has implemented multiple energy-saving and operational resilience measures, including improving air-conditioning efficiency through inverter-driven systems and timer controls, optimizing lighting systems with motion-sensor switches, implementing office energy-saving practices (such as lights-off during lunch breaks), installing water-saving equipment, and continuously monitoring electricity and water consumption. These measures help reduce energy dependency and stabilize operating costs. In addition, process digitalization and resource management initiatives have been adopted to enhance overall operational efficiency and reduce additional costs arising from extreme weather events. Regarding transition risks and opportunities, with the global advancement of net-zero policies and increasingly stringent carbon-related regulations, enterprises face rising carbon costs, energy transition requirements, and enhanced disclosure obligations, which may affect operating costs, capital expenditures, and financial planning. For instance, the introduction of renewable energy and the establishment of greenhouse gas inventory and verification mechanisms may increase short-term

	investment and compliance costs. However, failure to adapt effectively to the low-carbon transition may result in reduced competitiveness or loss of customers in the long term. To address these challenges, the Company has established clear decarbonization strategies, including an annual carbon reduction target of 1%, plans to introduce renewable energy starting in 2030, and a long-term goal of achieving net-zero emissions by 2050. The Company has also implemented greenhouse gas inventory systems and external verification processes to strengthen carbon management capabilities and enhance information transparency. In addition, the Company actively regards the low-carbon transition as a growth opportunity by continuously investing in the development of low-power, high-performance semiconductor products that help reduce energy consumption in end-user devices. This enhances product value and market competitiveness. Such green products not only expand market demand and revenue sources but also improve corporate brand image and attract ESG-oriented investment, thereby contributing positively to long-term financial performance. Extreme weather events primarily affect financial performance through operational disruptions and cost fluctuations, while transition initiatives increase short-term investment and compliance costs but are expected to improve energy efficiency, strengthen low-carbon product competitiveness, and reduce carbon-related risks in the medium to long term, thereby supporting revenue growth and cost optimization. Through energy-saving and carbon reduction initiatives, renewable energy adoption planning, carbon management system implementation, and green product development, the Company effectively manages climate-related financial risks while capturing emerging opportunities from the transition, thereby maintaining financial stability and sustainable development.
4.Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management framework.	The Company has systematically integrated climate-related risk identification, assessment, and management processes into its existing enterprise risk management framework and corporate governance structure in accordance with its overall risk management system. Through institutionalized procedures and cross-functional collaboration mechanisms, climate-related risks are promptly incorporated into operational decision-making and strategic planning, thereby strengthening the Company’s long-term resilience and risk management capability. In terms of risk identification and assessment, the Company applies a materiality-based approach by collecting domestic and international research reports, industry trends, and international frameworks such as TCFD and SASB, while also incorporating operational data from 各 departments and stakeholder engagement results. This enables systematic identification of potential risks and opportunities across environmental, social, and governance dimensions. Climate-related issues, including greenhouse gas management, are evaluated through internal meetings and cross-departmental discussions, and are assessed based on likelihood and impact severity. The results are prioritized and incorporated into annual

	material topic management, serving as a key basis for strategic planning and resource allocation. Regarding governance and management integration, the Board of Directors serves as the highest supervisory body for risk management. A dedicated (part-time) sustainability function has been established to oversee climate-related policy formulation, implementation of management plans, and tracking of execution effectiveness. This ensures that climate issues are incorporated into the Company’s governance and risk management system from a top-down perspective. The unit is also responsible for consolidating cross-functional information, periodically reviewing implementation progress of climate-related risks and mitigation measures, and continuously refining strategies to enhance effectiveness and responsiveness. In addition, the Company has adopted the TCFD framework to institutionalize climate risk identification, assessment, and management processes. Annual review mechanisms are in place to evaluate the potential financial and operational impacts of climate change, based on which corresponding mitigation policies and preventive measures are formulated and disclosed in the sustainability report to enhance transparency and stakeholder confidence. Key implementation measures are summarized as follows: 1. Environmental aspect: The Company has established greenhouse gas reduction mechanisms with a target of 1% annual emissions reduction. It has also developed long-term plans to introduce renewable energy (green electricity) and achieve net-zero emissions. Energy-saving initiatives such as air-conditioning optimization, motion-sensor lighting control, office energy management, and water usage monitoring are continuously implemented to reduce energy consumption risks and cost volatility. 2. Operational aspect: Through process digitalization, resource optimization, and waste management systems, the Company reduces environmental impact while improving operational efficiency and mitigating regulatory and cost-related risks. 3. Supply chain aspect: A supplier management policy and sustainability evaluation mechanism have been established to incorporate environmental and climate-related risks into supplier assessments, thereby reducing risks associated with supply disruptions or non-compliance with sustainability requirements. 4. Governance aspect: Information security management and integrity governance systems have been strengthened. Regular review meetings and internal control mechanisms ensure consistency, reliability, and integrity in climate-related risk disclosure and management.

	5. Product and strategy aspect: Leveraging its technological capabilities, the Company continues to develop low-power and high-efficiency products to reduce lifecycle carbon emissions, transforming climate risks into opportunities for green innovation and market competitiveness. In conclusion, the Company has established a comprehensive climate risk management process covering identification, assessment, decision-making, and oversight. This system is fully integrated into its enterprise risk management framework and corporate governance structure. Through institutionalized management, cross-functional collaboration, and continuous improvement mechanisms, the Company effectively mitigates potential impacts arising from climate change while capturing opportunities associated with the low-carbon transition, thereby ensuring stable operations and long-term sustainable development.
5. If scenario analysis is used to assess resilience to climate-related risks, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts employed.	The Company has referenced the climate scenario framework adopted in the Sixth Assessment Report (AR6) issued by the Intergovernmental Panel on Climate Change (IPCC) in 2021, integrating the Shared Socioeconomic Pathways (SSPs) and Representative Concentration Pathways (RCPs) to conduct scenario analysis for evaluating its operational resilience under climate change. Under the Shared Socioeconomic Pathways (SSPs), SSP1 represents a sustainability-oriented pathway characterized by low-carbon development, inclusiveness, and high resource efficiency; SSP2 represents a middle-of-the-road scenario where socioeconomic development continues along historical trends; SSP3 reflects a fragmented world with increasing geopolitical tensions, reduced international cooperation, and heightened adaptation and mitigation challenges; SSP4 represents increasing inequality with widening disparities in resource access and adaptive capacity across regions and populations; and SSP5 represents a fossil-fuel-intensive development pathway driven by rapid economic growth and continued reliance on fossil energy, resulting in the highest decarbonization pressure. These pathways serve as the socioeconomic foundation for assessing future climate risks and transition challenges. In terms of climate scenarios, the Company further adopts the definitions of RCP scenarios provided by TCCIP, using RCP2.6, RCP4.5, and RCP8.5 as the basis for low-, medium-, and high-risk climate scenarios. Given that the Company operates in the IC design and R&D sector without in-house manufacturing activities, and therefore has relatively limited direct emissions, water consumption, and pollution risks, the assessment focuses primarily on operational continuity of its Neihu office, energy usage, IT system stability, employee health and safety, supply chain delivery, and uninterrupted customer service. Key risk drivers include rising temperatures, increased extreme precipitation, and more frequent extreme weather events. The Company’s office is located in the Neihu District of Taipei City, a northern metropolitan area affected not only by regional warming but also by the urban heat island effect. According to publicly available TCCIP data, under

	the RCP4.5 scenario, Taiwan is expected to experience an average temperature increase of approximately 1.3°C to 1.8°C by the end of the 21st century relative to the baseline period, while under RCP8.5, the increase is projected at approximately 3.0°C to 3.6°C, with northern Taiwan experiencing relatively higher warming. Academic studies on urban heat risks further indicate that Neihu is among areas with comparatively higher heat exposure risk, underscoring the need for continuous strengthening of heat management and operational resilience at the Company's office site. Under the RCP2.6 scenario, assuming effective global mitigation policies, the Company expects a moderate temperature increase. The primary risks to the Neihu office include higher air-conditioning loads, increased peak electricity demand during summer, employee heat discomfort, and short-duration heavy rainfall causing minor commuting disruptions. Financial impacts under this scenario are considered manageable, primarily reflected in increased electricity and maintenance costs and minor administrative efficiency losses due to short-term disruptions. Under the RCP4.5 scenario, where mitigation progresses but temperature control targets are not fully achieved, the Company may face increased heatwave days, higher precipitation intensity, and more frequent extreme weather events in the medium to long term. Operational impacts may include higher energy consumption for cooling, increased electricity costs, greater equipment failure risk, reduced commuting stability, and temporary disruptions caused by heavy rainfall affecting meetings, operations, or IT maintenance. Financial impacts are expected to include higher operating expenses, increased equipment replacement and maintenance costs, and efficiency losses due to operational interruptions. Nevertheless, simultaneous development of low-power products and green operations may enhance customer demand and competitiveness, partially offsetting these impacts. Under the RCP8.5 scenario, assuming continued high emissions globally, the frequency and severity of extreme heat and rainfall events would increase significantly. Risks to the Neihu office would include substantial increases in cooling demand, higher peak electricity costs, elevated risk of IT equipment overheating or failure, transportation disruptions affecting employee attendance, and potential impacts from flooding or heavy rainfall affecting supply chain logistics and project delivery timelines. Financial impacts under this stress scenario may include sustained increases in operating costs, deferred revenue recognition due to supply chain delays, increased investment in facility resilience and backup systems, and higher disaster recovery and insurance-related costs. The key parameters and assumptions of this scenario analysis include AR6-aligned short-, medium-, and long-term horizons; RCP2.6, RCP4.5, and RCP8.5 as low-, medium-, and high-risk climate scenarios; and the Neihu office as the primary exposure location. Risk factors considered include temperature rise, increased heatwave

	days, intensified rainfall, short-term operational disruptions, increased energy consumption, supply chain delays, and customer delivery impacts. Financial impact categories include electricity and maintenance costs, capital expenditures for equipment upgrades, operational efficiency losses due to disruptions, revenue deferrals due to delayed deliveries, and transition-related investments and management costs. Overall, the Company, as a research and design-oriented enterprise, is exposed to relatively lower physical climate risks compared to asset-intensive manufacturing industries. However, it remains more sensitive to office environment stability, IT infrastructure reliability, employee attendance, supply chain continuity, and project delivery schedules. Accordingly, heatwaves and heavy rainfall are identified as the most material physical risks requiring priority management, while low-power semiconductor design, green product innovation, and energy-efficient solutions represent key transition opportunities. In response, the Company has implemented and disclosed multiple mitigation measures, including the adoption of the TCFD framework for climate risk identification and disclosure, establishment of a dedicated sustainability function to coordinate climate-related initiatives, annual carbon reduction targets of 1%, plans to introduce renewable energy from 2030 onward, and a long-term net-zero target by 2050. Additional measures include air-conditioning efficiency improvements, inverter-driven energy-saving systems, motion-sensor lighting, lunch-hour energy conservation practices, optimized HVAC scheduling, water-saving devices, monthly utility monitoring, digitalization and paperless operations, waste segregation and recycling, and the development of low-power high-performance products. These initiatives collectively aim to reduce the potential operational and financial impacts of climate change while enhancing the Company's medium- to long-term climate resilience.
6. If there are transition plans to manage climate-related risks, describe the content of these plans, as well as the indicators and targets used to identify and manage physical and transition risks.	The Company has not yet established a climate-related risk management transition plan formally approved by the Board of Directors. However, in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework, the Company has progressively developed the foundational elements of climate risk management. A dedicated (part-time) sustainability function has been established to coordinate related initiatives and continuously strengthen the mechanisms for climate risk identification, assessment, and management. This function is responsible for formulating sustainability direction and objectives, promoting management initiatives, tracking implementation progress, and conducting periodic reviews. It also regularly evaluates the potential operational and financial impacts of climate-related risks, thereby supporting the gradual development of a comprehensive climate governance and transition management framework. In terms of physical risk management, the Company operates in the IC design and R&D sector, with manufacturing activities fully outsourced. As a result, direct environmental impacts are relatively limited.

	Nevertheless, the Company continues to monitor climate-related physical risks such as extreme heat, heavy rainfall, unstable energy supply, and operational disruptions. Mitigation measures are implemented at office sites through energy efficiency and resource management initiatives, including air-conditioning system efficiency improvements, adoption of inverter-driven energy-saving equipment, timed air-conditioning control, motion-sensor lighting systems, office energy conservation practices (such as lights-off during lunch breaks and optimized HVAC scheduling), installation of water-saving devices, and monthly monitoring of electricity and water consumption. These measures aim to reduce energy intensity and enhance operational resilience. In terms of transition risk management, the Company considers global trends including tightening climate regulations, increasing carbon management requirements, energy transition developments, and growing customer demand for low-carbon products. In response, the Company has progressively implemented greenhouse gas management systems and low-carbon transition initiatives. These include the adoption of the ISO 14064-1 greenhouse gas inventory standard, planning for external verification timelines, developing a decarbonization pathway, and formulating renewable energy adoption plans. The Company also continues to invest in the development of low-power, high-performance semiconductor products and green product design to reduce lifecycle energy consumption and carbon emissions, thereby enhancing competitiveness in a low-carbon economy. Regarding metrics and targets, the Company has established environmental performance indicators to support climate risk identification and management, including greenhouse gas emissions (Scope 1, Scope 2, and Scope 3), water consumption, total waste generation, and electricity usage. Data collection and internal monitoring mechanisms are continuously maintained. In terms of target setting, the Company has outlined phased decarbonization goals, including short-term annual carbon reduction targets, medium- to long-term plans for continuous emissions reduction, introduction of renewable energy (expected from 2030 onward), and a long-term goal of achieving net-zero emissions by 2050. In addition, the Company plans to implement external verification of greenhouse gas inventories by 2027 to enhance the completeness and credibility of its disclosures. Although a comprehensive climate transition plan has not yet been formally established, the Company has progressively developed its climate risk management and low-carbon transition foundation through institutional development, emissions inventory management, energy-saving initiatives, and product innovation. Quantitative indicators and phased targets are used to continuously monitor and improve performance. Moving forward, the Company will continue to enhance its climate transition strategy and management mechanisms in accordance with regulatory requirements and operational needs, thereby strengthening its long-term sustainability and resilience.

7. If internal carbon pricing is used as a planning tool, explain the basis for setting the price.	The Company has not yet implemented an internal carbon pricing mechanism as an operational planning tool, nor has it established a specific internal carbon price level. However, in alignment with domestic and international climate change trends and regulatory directions, the Company has progressively developed greenhouse gas management systems and decarbonization strategies. Carbon-related cost considerations have been incorporated into operational decision-making and sustainability planning, serving as a foundational basis for future evaluation of the adoption of an internal carbon pricing mechanism. At the current stage, the Company indirectly reflects the impact of carbon costs on its operations through greenhouse gas inventory management and emissions reduction targets. Based on the ISO 14064-1 greenhouse gas inventory system, the Company continuously collects and analyzes emissions data to support the development of decarbonization pathways and related investment decisions. The Company has set an annual carbon reduction direction of 1% and plans to introduce renewable energy starting in 2030, with a long-term goal of achieving net-zero emissions by 2050. These initiatives demonstrate that carbon emissions management has been incorporated as an important component of the Company's medium- to long-term operational strategy. In terms of cost and pricing considerations, the Company currently takes into account external policy trends (such as proposed carbon fee mechanisms), fluctuations in energy prices, and the cost-benefit analysis of energy-saving investments as references for resource allocation and decarbonization initiatives. For example, the Company has implemented energy efficiency measures including inverter-based air-conditioning systems, motion-sensor lighting controls, optimized HVAC scheduling, office energy-saving practices, and continuous monitoring of electricity and water consumption, thereby reducing energy usage and related operating costs. In addition, the development of low-power semiconductor products reduces energy consumption during the product use phase, indirectly addressing market demand for low-carbon solutions while enhancing product value. Furthermore, the Company has adopted the TCFD framework to continuously assess the impacts of climate change on its operations and financial performance. Carbon emissions, energy consumption, and decarbonization investment considerations are gradually being integrated into risk management and strategic planning processes, serving as a reference for the future establishment of an internal carbon pricing system. Through these measures, the Company has preliminarily established a foundation for carbon-related decision-making and is preparing for potential future adoption of internal carbon pricing mechanisms. Although an internal carbon pricing system has not yet been implemented, the Company has progressively developed the concept of carbon cost management through greenhouse gas inventorying, emissions reduction target setting, energy efficiency investment evaluation, and climate risk management mechanisms. Energy

	efficiency and decarbonization benefits are increasingly incorporated into operational decision-making. Going forward, the Company will assess the feasibility of introducing an internal carbon pricing mechanism in accordance with regulatory developments, industry trends, and operational needs, in order to further strengthen its climate risk management capabilities and low-carbon transition readiness.
8.If climate-related targets have been set, the activities covered, scopes of greenhouse gas emissions, planning timeline, and annual progress toward achieving the targets should be described. If carbon offsets or Renewable Energy Certificates (RECs) are used to meet the targets, the sources and quantities of the offsets or the number of RECs should be explained.	The Company's climate-related targets primarily cover energy use and greenhouse gas (GHG) emissions associated with office operations. The inventory boundary includes Scope 1 (direct emissions), Scope 2 (energy indirect emissions), and Scope 3 (other indirect emissions). A preliminary GHG inventory has been completed, and the Company continues to enhance data quality and disclosure completeness. Based on the internal inventory results for fiscal year 2025 (FY114), emissions for Scope 1, Scope 2, and Scope 3 are 9.2714, 881.0514, and 285.8952 metric tons of CO_2e, respectively. The inventory covers the Taipei and Hsinchu office sites, and the Company plans to progressively expand the disclosure boundary and implement third-party verification in accordance with regulatory timelines. Regarding decarbonization targets and timelines, the Company has established a short-, medium-, and long-term climate target framework: 1. **Short-term:** Focus on annual emissions reduction, with a target of a 1% reduction in total carbon emissions in FY114 compared to the previous year. 2. **Medium- to long-term:** Adopt a continuous reduction strategy, gradually lowering emissions intensity each year. The Company plans to introduce renewable energy (green electricity) starting in 2030 and aims to achieve net-zero emissions by 2050 as its long-term target, demonstrating that climate transition has been integrated into its long-term business strategy. In terms of progress and implementation, the Company is gradually achieving its targets through multiple energy-saving and emissions-reduction initiatives. These include upgrading air-conditioning systems and adopting inverter-based energy-efficient equipment, optimizing HVAC operating schedules (delayed start-up and earlier shutdown), installing motion-sensor lighting systems, implementing lunch-hour energy conservation practices, installing water-saving devices, and continuously monitoring electricity and water consumption. In addition, the Company promotes paperless operations and a structured recycling system covering paper, plastics, metals, and electronic waste, which are properly sorted and handled by certified third-party recyclers to reduce environmental impact. Furthermore, aligned with its industry characteristics, the Company also pursues product-level decarbonization strategies by continuously investing in low-power semiconductor design and technological innovation. These efforts reduce energy consumption during the use phase of end products and, in collaboration with supply chain partners, promote green manufacturing practices,

	thereby expanding overall carbon reduction impact and reducing lifecycle carbon footprints across the value chain. In terms of climate governance and management mechanisms, the Company has adopted the TCFD framework to regularly assess climate-related risks and opportunities affecting its operations and financial performance. Based on these assessments, corresponding mitigation strategies and action plans are developed. The Company also plans to complete third-party verification of its greenhouse gas inventory by 2027 and progressively expand its inventory scope to a consolidated reporting basis in accordance with regulatory requirements, thereby enhancing the completeness and credibility of climate-related disclosures. Regarding renewable energy and carbon offset mechanisms, the Company currently does not utilize carbon offset schemes or renewable energy certificates (RECs) to achieve its reduction targets. Instead, it prioritizes direct emissions reduction measures and the gradual adoption of renewable energy. Going forward, the Company will evaluate the feasibility of adopting such instruments based on regulatory developments and market mechanisms to enhance flexibility and effectiveness in emissions management. Overall, the Company has established a comprehensive climate management framework encompassing emissions boundaries, reduction targets, timelines, and concrete actions. Through energy efficiency measures, product innovation, renewable energy adoption planning, and climate risk management initiatives, the Company is steadily progressing toward a low-carbon transition and its net-zero emissions goal.
9. Status of greenhouse gas inventory and verification, along with reduction targets, strategies, and specific action plans.	The Company has implemented the ISO 14064-1 Greenhouse Gas (GHG) Inventory System and designated fiscal year 2025 (Year 114 under the ROC calendar) as its baseline year. The inventory scope covers Scope 1 (direct emissions), Scope 2 (energy indirect emissions), and Scope 3 (other indirect emissions), and the Company has completed its preliminary internal GHG inventory assessment. Based on the inventory results, the Company's GHG emissions for fiscal year 2025 were as follows: 1. Scope 1: 9.2714 metric tons CO_2e 2. Scope 2: 881.0514 metric tons CO_2e 3. Scope 3: 285.8952 metric tons CO_2e 4. The inventory boundary primarily covers the Company's Taipei and Hsinchu office locations. The Company will continue to expand its inventory boundary and enhance data quality management to improve the completeness and accuracy of its climate-related disclosures. With respect to GHG assurance, the current inventory data are maintained and managed internally and have not yet been verified by an independent third party. Nevertheless, the Company plans to introduce a third-party verification mechanism in fiscal year 2027 (Year 116 under the ROC calendar), engaging an independent and accredited assurance provider to verify its GHG inventory. In alignment with the regulatory timetable, the Company

	will also progressively expand its inventory to cover the consolidated financial reporting entities and conduct GHG inventories for fiscal year 2026 (Year 115 under the ROC calendar), thereby enhancing the credibility of climate-related disclosures and ensuring compliance with regulatory requirements. Regarding emissions reduction targets, the Company has established short-, medium-, and long-term GHG management goals: 1. Short-term target: Achieve a 1% reduction in carbon emissions in fiscal year 2025 compared with fiscal year 2024. 2. Medium- and long-term targets: Adopt a continuous reduction strategy by progressively lowering carbon emission intensity year by year, introducing renewable energy (green electricity) beginning in fiscal year 2030 (Year 119 under the ROC calendar), and ultimately achieving net-zero carbon emissions by fiscal year 2050 (Year 139 under the ROC calendar). 3. To achieve these targets, the Company has developed emissions reduction strategies and action plans that are aligned with its operating model as an IC design company without manufacturing-related pollution sources and its energy consumption characteristics. Key initiatives include: • Continuously upgrading air-conditioning systems and introducing energy-efficient inverter equipment to improve cooling efficiency and reduce electricity consumption. • Optimizing HVAC operating schedules through delayed start-up and earlier shutdown times, supplemented by automated control systems. • Installing motion-sensor lighting systems in office areas and implementing lights-off practices during lunch breaks. • Deploying water-saving devices and continuously monitoring water consumption. • Promoting digitalization and paperless operations to reduce paper usage and associated indirect carbon emissions. • Establishing a comprehensive waste classification and recycling program covering food waste, metals, glass, paper, and plastics, while engaging qualified contractors to handle electronic waste and IC scrap materials to minimize environmental impact. • In addition, the Company promotes carbon reduction through its products by continuously investing in low-power chip design and technological innovation to reduce the energy consumption of end-user devices. The Company also collaborates with supply chain partners to advance green manufacturing practices, thereby expanding carbon reduction benefits across the value chain and enhancing the overall effectiveness of its climate-related strategies. In terms of climate governance and risk management, the Company has adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework to regularly assess the potential climate-related risks and opportunities

	affecting its operations and financial performance. Based on these assessments, the Company formulates corresponding response strategies and management measures to ensure that climate-related considerations are integrated into its overall risk management framework and operational decision-making processes. Relevant information is disclosed periodically through the Company's Sustainability Report. The Company has progressively established a comprehensive greenhouse gas management framework encompassing GHG inventory, assurance, target setting, and emissions reduction actions. Through a combination of energy-saving measures, operational optimization, product innovation, and the adoption of renewable energy, the Company continues to advance its decarbonization efforts, improve energy efficiency, and make steady progress toward its long-term net-zero emissions objective.

2. Status of the company’s greenhouse gas inventory and verification for the past two years.

<table>
<tr>
<td>1.Greenhouse gas inventory information</td>
<td>Describe the Company's greenhouse gas (GHG) emissions (metric tons CO_2e), emissions intensity (metric tons CO_2e per NT$ million of revenue), and the scope of data coverage for the most recent two fiscal years.</td>
<td>The Company formally conducted its greenhouse gas (GHG) inventory in fiscal year 2025 (Year 114 under the ROC calendar). The inventory was performed at the corporate level, with the inventory boundary covering the Taipei Headquarters and Hsinchu Office in accordance with the ISO 14064-1:2018 Greenhouse Gases — Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals.

Greenhouse Gas Emissions
(Unit: Metric Tons of CO_2e)
<table>
<tr><th colspan="2">2025</th></tr>
<tr><td>Scope 1</td><td>9.2714</td></tr>
<tr><td>Scope 2</td><td>881.0514</td></tr>
<tr><td>Scope 3</td><td>285.8952</td></tr>
</table>
</td>
</tr>
<tr>
<td>2. Greenhouse gas verification information</td>
<td>Describe the assurance status of greenhouse gas (GHG) emissions for the most recent two fiscal years as of the date of publication of this Annual Report, including the assurance scope, assurance provider, assurance standards, and assurance opinion.</td>
<td>To enhance the credibility of greenhouse gas (GHG) inventory information and reporting, as well as to improve data quality, the Company plans to conduct external verification of its GHG inventory in fiscal year 2025. An independent third-party assurance provider will be engaged to perform the verification of the Company's greenhouse gas inventory.</td>
</tr>
</table>

3. Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Describe the baseline year and its data for greenhouse gas reduction, reduction targets, strategies, specific action plans, and the progress toward achieving the reduction targets.

In accordance with the implementation timeline prescribed by the competent authority, the Company plans to expand its greenhouse gas (GHG) inventory to the scope of the consolidated financial statements in fiscal year 2027, covering GHG emissions data for fiscal year 2026. The Company will establish GHG reduction targets, strategies, and specific action plans, and regularly monitor and disclose progress toward achieving such targets.

The Company has implemented an ISO 14064-1 greenhouse gas inventory and verification framework, with fiscal year 2025 designated as the baseline year. The Company's greenhouse gas emissions (unit: metric tons CO_2e) are as follows:

2025	
Scope 1	9.2714
Scope 2	881.0514
Scope 3	285.8952

GHG Reduction Targets

1. Achieve a 1% reduction in greenhouse gas (GHG) emissions in fiscal year 2026 compared with fiscal year 2025.
2. Reduce GHG emissions by 2% annually thereafter.
3. Introduce renewable energy (green electricity) beginning in fiscal year 2030 and achieve net-zero carbon emissions by fiscal year 2050.

GHG Reduction Strategies

1. Reduce overall energy consumption.
2. Expand the use of renewable energy sources.

Specific Action Plans

1. Upgrade air-conditioning systems to improve cooling efficiency and install inverter-based energy-saving equipment to reduce electricity consumption. Air-conditioning systems are equipped with timer controls to automatically regulate operating hours.
2. Replace office lighting with energy-efficient LED fixtures.
3. Install motion-sensor lighting systems in lobby areas so that lighting is activated only when personnel enter the premises during nighttime and holidays.

Progress Toward Targets

The Company has established a long-term decarbonization roadmap and plans to introduce renewable energy (green electricity) beginning in fiscal year 2030, with the ultimate objective of achieving net-zero carbon emissions by fiscal year 2050. The Company will continue to monitor its emissions performance and implement energy-saving and carbon-reduction measures to achieve its established targets.

(VII) Implementation of ethical management and deviation from the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies and the reasons thereof

Evaluation items	State of operation (Note)			The differences with the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
Establishment of ethical corporate management policy and proposal (I) Does the company have an ethical corporate management policy approved by its Board of Directors, and by-laws and publicly available documents addressing its business conduct and ethics policy and measures, and the commitment regarding implementation of such policy from the Board of Directors and the senior management team?	✓		The Company has revised its **Integrity Management Guidelines** to expressly stipulate that, based on the principles of integrity, transparency, and accountability, the Company has established integrity-based policies. The Chairman, on behalf of the Company, together with senior management and all employees, is committed to implementing and upholding the principles and policies of ethical and integrity-based management.	No significant differences.
(II) Does the Company implement a risk assessment system of misconduct, regularly identify and assess business activities that present high risks of misconduct, and adopt preventive measures for misconduct that cover the preventive measures for the misconduct specified in the second paragraph of Article 7 in the "Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies"?	✓		The amendment of the Company's Ethical Corporate Management Best-Practice Principles details regulations on prohibiting the Company's directors, managerial officers and all employees from engaging in business activities with higher risk of involvement in unethical behavior for unethical behaviors stated in paragraph 2, Article 7 of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx-Listed Companies, or other business scope. The responsible unit will regularly analyze and evaluate business activities with higher risk of involvement in misconduct within the business scope. This is to support the board and management in formulating various procedures and preventive measures on conduct.	No significant differences.
(III) Does the company establish relevant policies that are duly enforced to prevent unethical conduct; provide implementation procedures, guidelines, consequences of violation and complaint procedures; and periodically review and revise such policies?	✓		Related procedures, conduct guidelines, penalties for violations and complaint system were stipulated based on the Company's amended Ethical Corporate Management Best-Practice Principles, and the Employee Code of Ethics. The Company strictly abides by the ethical credit principles when dealing with customers, suppliers, investors, employees and so on, and prohibits employees from accepting any forms of bribes, kickbacks, or other improper benefits, and regularly review the Company's related charter for corrections where needed.	No significant differences.
II. Implementing ethical corporate management (I) Does the company assess the ethics records of whom it has business relationship with and include business conduct and ethics related clauses in the business contracts?	✓		The Company has stipulated prevention on violations of ethical principles in some of its business contracts and the penalty clauses. Although it was not comprehensively done to sign the ethical management conduct clauses with the dealing party, but business activities are conducted in a fair and transparent manner, and actual considerations were made on the legality of the dealing party and whether there were records of unethical behavior.	No significant differences.
(II) Does the Company create a dedicated unit under the board of directors to promote corporate ethical management and regularly (at least once a year) report to the board of directors about the ethical management policy and implementation status of the prevention plan for misconduct?	✓		The Company has appointed its legal unit as the dedicated unit for promoting ethical management, promoting the year's execution matters and implementing plans. At the same time, it acts as the consultation window for answering ethics-related questions, and holds review meetings on matters violating ethical principles. Where there are material events of violations, the matter shall be reported to the Board of Directors in 2025 based on related laws and procedures.	No significant differences.
(III) Does the company establish policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly?	✓		To be processed according to the Company's Ethical Corporate Management Best-Practice Principles, and the Employee Code of Ethics.	No significant differences.
(IV) Does the company establish an effective accounting system and internal control system for practical implementation of ethical corporate management, and is the system regularly audited by the internal auditing unit, and does the unit propose relevant audit plans based on the assessment results of the risk of misconduct for auditing the implementation	✓		To ensure the implementation of ethical management, the Company has built an effective accounting system and internal control system. The internal audit personnel shall regularly audit the state of conformity of the preceding system based on the plan.	No significant differences.

Evaluation items	State of operation (Note)			The differences with the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary description	
status of the prevention plan for misconduct, or entrusted to an accountant for auditing?				
(V) Does the company provide internal and external ethical conduct training programs on a regular basis?	✓		The Company has made irregular playing of the promotional short clip on ethical management during internal educational training and board meetings. The related contents have been prepared for creation of online educational training materials, promoting and requesting its actual compliance to the entire board members, managers and employees. The statistics for the total number of participants to the educational training in 2025 relating to ethical management and similar courses were 101 persons. Courses include on "Short Clip on Prevention of Insider Trading" and "Trade Secret".	No significant differences.
III. Implementation of Whistleblowing Procedures (I) Does the Company have a specific complaint and reward procedures, set up conveniently accessible complaint channels, and designate responsible individuals to handle the complaint received?	✓		They have been processed in accordance with the Company's amended Ethical Corporate Management Best-Practice Principles, and the Employee Code of Ethics. A complaint channel (audit@alitech.com) has been established with designated personnel to accept and process the cases. Suitable measures have been adopted based on the laws in protecting personal information and privacy.	No significant differences.
(II) Does the Company have standard operation procedures for investigating the complaints received, follow-up measures after investigation are completed, and ensuring such complaints are handled in a confidential manner?	✓			No significant differences.
(III) Does the company adopt proper measures to prevent a whistleblower from retaliation for his/her reporting?	✓			No significant differences.
IV. Strengthening information disclosure Does the Company disclose its guidelines on business conduct and ethics as well as information about implementation of such guidelines on its website and Market Observation Post System (MOPS)?	✓		The various responsible units of the Company are responsible in the collection and disclosure of the company information, and for disclosure of the contents of the Ethical Corporate Management Best-Practice Principles, Corporate Governance Best-Practice Principles, and related information on the company website (www.alitech.com) with Mandarin and English language versions.	No significant differences.
V. If the company has established ethical corporate governance policies based on Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies, please describe any discrepancy between the policies and their implementation: None.				
VI. Other important information that can help others to understand the Company's operations of ethical corporate management: Please refer to the MOPS website or the Company's website for inquiry.				

(VIII) If the company has adopted corporate governance best-practice principles or related by-laws, it shall disclose how these are to be searched: Please visit the part on "Establishing Related Rules for Corporate Governance" under the Corporate Governance Area of the MOPS (http://mops.twse.com.tw) or visit the Company's website to inquire related information in Major Internal Policies under the Corporate Governance Area under Investor Information (http://www.alitech.com).

(IX) Other important information that can help others to better understand the operations of corporate governance of the Company: Please visit MOPS (http://mops.twse.com.tw) or the Company's website (http://www.alitech.com).

(X) Execution of internal control system

1.Internal Control Statement:

The main contents of the Internal Control Statement are available on the Market Observation Post System (MOPS). Please refer to the following website: https://mops.twse.com.tw/Path: Market Observation Post System > Corporate Governance > Internal Control Section > Internal Control Statement. Shareholders can enter the company code 3041 and the desired year to access the information.

2. Disclosure of CPA’s Special Audit Report on Internal Control System (if any):
Not applicable.

(XI) Important resolutions made by the general meeting of shareholders and Board of Directors in the most recent year and as of the date of annual report publication

1.Important resolutions of the 2025 Shareholders’ Annual General Meeting and the implementation

Date	Important resolutions and state of implementation
June 30, 2025	(1) Approval of the 2024 Business Report and Financial Statements. (2) Approval of the Proposal for Loss Compensation for Fiscal Year 2024. Implementation Status: In accordance with the resolution of the Shareholders' Meeting, no cash dividends or stock dividends were distributed to shareholders for the year, and the relevant information has been disclosed on the Company's website. (3) Approval of the Proposal for Release of Directors from Non-Competition Restrictions. Implementation Status: Information regarding the release of non-competition restrictions has been disclosed on the Market Observation Post System (MOPS). (4) Approval of the Amendments to the Company's Procedures for Acquisition or Disposal of Assets. Implementation Status: Relevant operations have been carried out in accordance with the amended provisions, and the revised procedures have been disclosed on the Market Observation Post System (MOPS). (5) Approval of the Amendments to Certain Provisions of the Company's Articles of Incorporation. Implementation Status: Relevant operations have been carried out in accordance with the amended provisions, and the revised Articles of Incorporation have been disclosed on the Market Observation Post System (MOPS). (6) Approval of the Issuance of Restricted Stock Awards (RSAs) for Employees. Implementation Status: Relevant procedures have been carried out in accordance with the issuance terms and conditions, and the relevant information has been disclosed on the Market Observation Post System (MOPS). (7) Approval of the Private Placement of Securities. Implementation Status: The terms and conditions of the private placement have been disclosed on the Market Observation Post System (MOPS), and the Company retains the right to proceed with the private placement within the approved authorization period.

2.Important resolutions of the Board	
Date	Important resolutions
January 7, 2025	(1) Ratification of the Conversion of Accounts Receivable Due from AIXlink Ltd. to ALi Corporation into an Equity Investment in AIXlink Ltd.
February 27, 2025	(1) Issuance of the 2024 Statement on Internal Control System. (2) 2024 Business Report and Parent Company Only and Consolidated Financial Statements. (3) Proposal for Loss Compensation for Fiscal Year 2024. (4) 2025 Budget Plan. (5) Proposal for Amendments to the Articles of Incorporation. (6) Proposal for the Comprehensive Re-election of Directors. (7) Proposal for Matters Related to the Convening of the 2024 Annual General Shareholders' Meeting. (8) Distribution of the 2024 Regular Performance Bonus to Managers. (9) Procedures for the Transfer of Treasury Shares under the Employee Equity Incentive Plan 2.0 for Employees in Mainland China. (10) Proposed Utilization and Transfer Procedures for the Remaining Treasury Shares Repurchased in 2020.
April 28, 2025	(1) Proposal to Determine the Issue Price per Share, Number of Shares to be Issued, Subscribers, and Number of Shares to be Subscribed under the Company's First Private Placement of Common Shares in 2024.
April 30, 2025	(1) Proposal to Change the Number of Seats for the Comprehensive Re-election of Directors.
May 13, 2025	(1) Proposal for the Appointment of the Company's Chief Accounting Officer. (2) Proposal for the Issuance of Restricted Stock Awards (RSAs) and the Adoption of the Relevant Subscription Rules. (3) Proposal for the First Quarter 2025 Consolidated Financial Statements. (4) Proposal for Loss Compensation for the First Quarter of 2025. (5) Proposal for the Company's Private Placement of Securities in 2025. (6) Proposal for Amendments to the Articles of Incorporation. (7) Proposal for Amendments to the Company's Procedures for Acquisition or Disposal of Assets. (8) Proposal for the Nomination of Director Candidates (Including Independent Directors). (9) Proposal for the Release of Newly Elected Directors from Non-Competition Restrictions. (10) Proposal for Matters Related to the Convening of the 2025 Annual General Shareholders' Meeting.
June 30, 2025	(1) Election of the Chairman of the Board. (2) Election of the Vice Chairman of the Board. (3) Appointment of the Members of the Company's Remuneration Committee.
July 16,2025	(1) Proposal for the Appointment of the Company's Chief Executive Officer. (2) Proposal for the Appointment of the Company's Vice President of Finance. (3) Proposal for the Change of the Head of the Company's Strategic Development Office. (4) Proposal for the Release of Managers from Non-Competition Restrictions. (5) Proposal for the 2025 Retention Bonus Plan for Managers.
July 21,2025	(1) Proposal for Changes in the Company's Chief Financial Officer, Chief Accounting Officer, and Corporate Governance Officer. (2) Proposal for Changes in the Company's Spokesperson and Deputy Spokesperson.
July 22,2025	(1) Investment in Taiwan Mask Corporation. (2) Investment in Array Inc.
July 29,2025	(1) Proposal to Participate in the Private Placement Cash Capital Increase of Taiwan Mask Corporation through Subscription of Common Shares. (2) Proposal for the Company's Investment in Array Inc.
July 30,2025	(1) Proposal for Approval of a Loan of Funds to Chih Wei Technology Co., Ltd. by the Company. (2) Proposal for Approval of a Loan of Funds from the Company's Subsidiary, Chih Wei Technology Co., Ltd. to its Sub-subsidiary, Array Taiwan Inc. (3) Proposal for Approval of a Loan of Funds from the Company's Grandchild Company, Array Holdings for APGFIII Fund L.P.S., to Array Taiwan Inc.
July 31,2025	(1) Proposal for the Company’s Investment in the Cash Capital Increase of Preferred Shares Issued by Loftstar Interactive Entertainment Inc. (Renamed as Softstar Entertainment Inc. on March 5, 2026)
August 13,2025	(1) Proposal for the Second Quarter 2025 Consolidated Financial Statements. (2) Proposal to Amend the Compensation Policy for Directors and Members of Functional Committees. (3) Proposal for the Remuneration of the Company’s Independent Directors.
September 25,2025	(1) Proposal to Amend the Company’s Procedures for Acquisition or Disposal of Assets. (2) Proposal to Amend the Company’s Procedures for Lending Funds to Others. (3) Proposal to Amend the Company’s Procedures for Endorsements and Guarantees. (4) Proposal to Amend the 2025 Restricted Stock Awards Issuance Rules. (5) Proposal to Add the List of Potential Insiders or Related Parties as Subscribers to the 2025 Private Placement of Securities. Proposal for the Change of the Company’s Auditing CPA Firm and Signing CPAs Starting from the Third Quarter of 2025, and the Evaluation of Independence and Qualification of the Signing CPAs.
October 31,2025	(1) Proposal for the Nomination of Director Candidates. (2) Proposal for the Release of Newly Elected Directors from Non-Competition Restrictions.
November 13, 2025	(1) Proposal for the 2026 Internal Audit Plan. (2) Proposal to Change the Accounting Policy for Investment Property, with Subsequent Measurement to Adopt the Fair Value Model. (3) Restatement of the First Quarter 2025 Consolidated Financial Statements. (4) Restatement of the Second Quarter 2025 Consolidated Financial Statements. (5) Proposal for the Third Quarter 2025 Consolidated Financial Statements.
December 23, 2025	(1) Proposal for the Company to Participate in the Private Placement Cash Capital Increase of Array Inc. through Subscription of Common Shares.

January 28, 2026	(1) List of Non-Assurance Services Expected to Be Provided by Ernst & Young and Its Affiliates in 2026.
February 12, 2026	(1) Distribution of the 2025 Regular Performance Bonus to Managers. (2) 2026 Budget Plan.
March 16, 2026	(1) Proposal for the 2025 Self-prepared Financial Statements.
March 31, 2026	(1) Issuance of the 2025 Statement on Internal Control System. (2) Proposal for the 2025 Business Report and the Parent Company Only and Consolidated Financial Statements. (3) Proposal for Loss Compensation for Fiscal Year 2025. (4) Proposal for Providing Real Estate as Second Priority Mortgage to Secure a Bank Loan of NT$65 Million for the Company's Subsidiary, Chih Wei Technology Co., Ltd.
May 14, 2026	(1) Proposal for the Appointment of the Company's Attesting Certified Public Accountants. (2) Proposal for the First Quarter 2026 Consolidated Financial Statements. (3) Proposal for a Loan of Funds to the Company's Sub-subsidiary, Array Taiwan Inc. (4) Proposal for the Company's Private Placement of Securities in 2026. (5) Proposal for the Issuance of Restricted Stock Awards and the Adoption of the Related Subscription Plan.

(XII) Contents of the objections for the records or with written statements of Directors to important Board of Directors resolutions in the most recent year and as of the date of the annual report publication: None.

(XIII) Other matters that require disclosure: None.

IV. Information on Auditing Fees

(I) Information on Auditing Fees

Name of CPA Firm	Name of CPA	Audit period	Remarks
PwC Taiwan	Hsu, Chieh-Ju Chang, Shu-Chiung	2025.1.1-2025.6.30	None
Ernst & Young Taiwan	Lin, Hsiu-Ching Lu, Chien-Wen	2025.7.1-2025.12.31	None

Unit for the amount: NTD in thousand

Name of CPA Firm	Name of CPA	CPA audit period	Audit fees	Non-audit fees	Total	Remarks
PwC Taiwan	Hsu, Chieh-Ju Chang, Shu-Chiung	2025/1/1–2025/6/30	874	400	1,274	None
Ernst & Young Taiwan	Lin, Hsiu-Ching Lu, Chien-Wen	2025/7/1–2025/12/31	5,410	520	5,930	None

Note: The non-audit fee was for transfer pricing service and taxation consultancy (and so on) project services.

(II) If the audit fee of the year is less than that of the previous years after changing CPA firm, then the audit fee before and after the change and the reason for change shall be disclosed: None.

(III) If the audit fee of the year is lesser by 10% and more than that of the previous year, then the audit fee before and after the change, the ratio and the reason for change must be disclosed: None.

V. Information on Change of Independent Auditors

(I) Information of the former CPAs

<table>
<tr><td>Date of change</td><td colspan="3">2025/9/25 Passed by the Board of Directors</td></tr>
<tr><td>Reasons for change and explanation</td><td colspan="3">In alignment with the Group’s strategic planning and internal management requirements, the Company will change its signing certified public accountants starting from the third quarter of fiscal year 2025. The engagement will be changed from Ms. Hsu, Chieh-Ju and Ms. Chang, Shu-Chiung of PwC Taiwan to Ms. Lin, Hsiu-Ching and Lu, Chien-Wen of Ernst & Young Taiwan.</td></tr>
<tr><td rowspan="3">Termination or appointment rejection by the appointer or CPAs</td><td>Parties involved / Circumstance</td><td>CPAs</td><td>Appointer</td></tr>
<tr><td>Active termination</td><td>Not applicable</td><td>Not applicable</td></tr>
<tr><td>Appointment/reappointment rejection</td><td>Not applicable</td><td>Not applicable</td></tr>
<tr><td>Opinions in and reason for audit reports issued other than unqualified opinion in the last two years</td><td colspan="3">The CPAs have not issued audit reports other than unqualified opinion in the last two years.</td></tr>
<tr><td rowspan="7">Is There Any Disagreement in Opinion with the Issuer</td><td rowspan="5">Yes</td><td></td><td>Accounting principles or practices</td></tr>
<tr><td></td><td>Disclosure of financial statements</td></tr>
<tr><td></td><td>Audit scope or steps</td></tr>
<tr><td></td><td>Other</td></tr>
<tr><td></td><td></td></tr>
<tr><td>None</td><td colspan="2">✓</td></tr>
<tr><td colspan="3">Explanation: Not applicable</td></tr>
<tr><td>Other disclosure matters (Matters to be disclosed as set out in item 1-4 to item 1-7 of Subparagraph 6 of Article 10 of these Regulations)</td><td colspan="3">None of such situation.</td></tr>
</table>

(II) Information of the successive CPAs

Name of CPA Firm	Ernst & Young Taiwan
Name of CPA	CPAs Lin, Hsiu-Ching / Lu, Chien-Wen
Date of appointment	2025/9/25
Consultancy and result before appointment concerning the accounting practices or principles for specific transactions and the opinions possibly offered on financial statements	None of such situation.
Written opinions provided by the succeeding CPAs differ from the former CPAs	None of such situation.

(III) Reply from the predecessor auditors regarding the matters specified in Article 10, Paragraph 6, Subparagraph 1 and Subparagraph 2-3 of these Regulations：None.

VI. The company’s chairman, president, or any manager involved in financial or accounting affairs being employed by the CPA Firm or any of its affiliates within the year：

None

VII. The transfer of shares and changes in pledges of the Directors, Managers and shareholders holding more than 10% of the shares in the most recent year and as of the printing date of this annual report

(I) Changes in the transfer of equity by directors, managers, and major shareholders

The main content has been posted on the Market Observation Post System (MOPS). Please refer to the following website and access path:https://mops.twse.com.tw/Market Observation Post System > Company Basic Information > Shareholding, Pledge, and Transfer of Directors, Supervisors, and Major Shareholders > Insider Pledge/Release of Pledge Announcements (Individual Companies). Shareholders may enter the company code 3041 and the desired year range to search for the relevant information.

(II) Shares Transferred：None

(III) Information on pledged shares：

Name	Reason for Pledge Change	Change Date	Counterparty	Relationship between the counterparty and the company, directors, managerial officers, and shareholders holding more than 10% of the shares	Shares	Shareholding Ratio	Pledge Ratio	Amount of Pledge Loan (Redemption)
Yuchuan Intelligence Co., Ltd.	Share pledge	2025.7.8	Hua Nan Commercial Bank, Ltd., Nangang Branch	-	5,785,000	16.51%	57.38%	-
Yuchuan Intelligence Co., Ltd.	Share pledge	2026.4.17	Union Bank of Taiwan, Zhubei Branch	-	558,000	16.51%	57.38%	-
Yuchuan Intelligence Co., Ltd.	Share pledge	2025.7.3	Union Bank of Taiwan, Zhubei Branch	-	6,942,000	16.51%	57.38%	-

VIII. Information on the top ten shareholders in shareholding ratio and are related parties or with a relationship of being a spouse or a relative within the 2nd degree of kinship

May 2, 2026

Name	Shares held		Shares held by spouse & minors		Total shares held in the name of others		Information of top ten shareholders with mutual relationship of related parties or spouse, or relatives in the 2nd degree, their titles or names and relationship.		Remarks
	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage	Number of Shares	Shareholding percentage	Name (or full name)	Relation	
Yu Chuan Intelligence Co., Ltd.	23,152,000	16.51%	-	-	-	-	-	-	-
Lin, Yueh-Hung	2,244,000	1.60%	-	-	-	-	-	-	-
Citibank (Taiwan) Ltd., as custodian for Barclays Capital Securities Ltd. – Barclays Capital Securities Ltd. SBL/PB Investment Account	1,394,800	0.99%	-	-	-	-	-	-	-
JPMorgan Chase Bank, N.A., Taipei Branch, as custodian for the investment account of J.P. Morgan Securities Ltd.	951,386	0.68%	-	-	-	-	-	-	-
CTBC Bank Co., Ltd. entrusted to manage the Collective Investment Account for employee transfer and acceptance, subscription, and distribution of marketable securities given by ALi Corporation to the employees of mainland nationality of ALi (Zhuhai) Corporation	657,697	0.47%	-	-	-	-	-	-	-
Hung, Shu-Chen	564,316	0.40%	-	-	-	-	-	-	-
Huang, Hsueh-Wei	544,398	0.39%	-	-	-	-	-	-	-
Li, Chang-Che	500,000	0.36%	-	-	-	-	-	-	-
Wu, Fu-Lai	371,000	0.26%	-	-	-	-	-	-	-
Tai, Wen-Chie	370,000	0.26%	-	-	-	-	-	-	-

IX. The stakes and the syndicated stakes in the same investee of the Company, the Company's directors, managers, and enterprises directly or indirectly controlled by the Company

December 31, 2025

Re-invested business (Note 1)	Invested by the Company		Investment of the directors, managers and businesses under direct or indirect control		Comprehensive investment	
	No. of shares/Capital contribution	Shareholding percentage	Number of Shares	Shareholding percentage	No. of shares/Capital contribution	Shareholding percentage
ALi（BVI）Microelectronics Corporation	101,416,532 shares	100.00%	-	-	101,416,532 shares	100.00%
ALi Innovations Corporation	3,700,000 shares	100.00%	-	-	3,700,000 shares	100.00%
AIXlink Ltd.	13,965,000 shares	32.32%	-	-	13,965,000 shares	32.32%
ALi (Zhuhai) Corporation	CNY5,716,273	100.00%	-	-	CNY5,716,273	100.00%
ALi (China) Corporation	USD3,000,000	100.00%	-	-	USD3,000,000	100.00%
ALitech India LLP	INR12,000,000	100.00%	-	-	INR12,000,000	100.00%
ALi (Chengdu) Corporation	CNY19,000,000	100.00%	-	-	CNY19,000,000	100.00%
X-sail Technology Co., Ltd.	CNY1,967,000	98.35%	-	-	CNY1,967,000	98.35%
Zhuhai Feiyang Management Consulting Partnership (Limited Partnership)	CNY367,000	91.75%	-	-	CNY367,000	91.75%
Chih Wei Technology Co., Ltd.	29,879,700 shares	100%	-	-	29,879,700 shares	100%
Array Holdings for APGFIII Fund LPs	-	-	3 shares	100%	3 shares	100%
LUMINOUS RISE INVESTMENT CO., LTD.	27,000,000 shares	27%	-	-	27,000,000 shares	27%
Array Inc.	-	-	26,311,00 shares	40.31%	26,311,000 shares	40.31%
Array Taiwan Inc.	-	-	5,000,000 shares	100%	5,000,000 shares	100%
Array Cayman	-	-	37,032,000 shares	100%	37,032,000 shares	100%
Array US	-	-	USD6,019,000	100%	USD6,019,000	100%
Array Networks Japan Kabishiki Kaisha	-	-	200,000 shares	100%	200,000 shares	100%
Array Networks India Private Limited	-	-	INR125,774,070	100%	INR125,774,070	100%

Note : Investments made by the company with the equity method.

Three. Capital Overview

I. Capital and Shares

(I) Source of capital

May 2, 2026

Unit: Except for the NTD for issued price, others are in thousand shares / Thousand NTD

Year / Month	Issuing price	Authorized capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of capital	Substitution of capital stock with assets other than cash	Other
June 1993	10	5,000	50,000	5,000	50,000	Establishment of cash capital increase	-	-
December 1993	10	10,000	100,000	10,000	100,000	Cash capital increase 5,000	-	-
July 1995	10	17,600	176,000	17,600	176,000	Capitalization of retained earnings 7,600	-	-
February 1996	13	37,600	376,000	37,600	376,000	Cash capital increase 20,000	-	-
May 1996	10	41,540	415,400	41,540	415,400	Capitalization of retained earnings 3,940	-	-
June 1997	10	76,000	760,000	50,500	505,000	Retained earnings and capitalization of capital surplus 8,960	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 51555 on June 28, 1997 (97)
December 1997	17	76,000	760,000	65,500	655,000	Cash capital increase 15,000	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 85458 on December 4, 1997 (97)
June 1998	10	156,000	1,560,000	76,000	760,000	Retained earnings and capitalization of capital surplus 10,500	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 48970 on June 6, 1998 (98)
May 1999	10	156,000	1,560,000	84,000	840,000	Retained earnings and capitalization of capital surplus 8,000	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 41794 on May 12, 1999 (99)
October 1999	71	156,000	1,560,000	106,000	1,060,000	Cash capital increase 22,000	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 85898 on October 5, 1999 (99) and Tai-Cai-Zheng (I) Letter No. 90911 on October 12, 1999 (99)
May 2000	10	298,000	2,980,000	141,500	1,415,000	Retained earnings and capitalization of capital surplus 35,500	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 43823 on May 22, 2000 (00)
July 2003	35	298,000	2,980,000	142,125	1,421,247	Employee Stock Options 625	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 133076 on May 28, 2001 (01)
August 2003	10	298,000	2,980,000	170,299	1,702,998	Capitalization of retained earnings 28,174	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 0920123545 on May 28, 2003 (03)
October 2003	30.4, 26.7	298,000	2,980,000	171,292	1,712,918	Employee Stock Options 993	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 133076 on May 28, 2001 (01)
January 2004	30.4, 26.7	298,000	2,980,000	171,332	1,713,324	Employee Stock Options 40	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 133076 on May 28, 2001 (01)
April 2004	30.4, 26.7	298,000	2,980,000	172,962	1,729,616	Employee Stock Options 1,630	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 133076 on May 28, 2001 (01)
November 2004	10	298,000	2,980,000	182,061	1,820,607	Retained earnings and capitalization of capital surplus 9,099	-	Approval by official letter issued by Financial Supervisory Commission, Jin-Guan-Zheng (I) Letter No. 0930144259 on 2004.09.29 (90)

Year / Month	Issuing price	Authorized capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of capital	Substitution of capital stock with assets other than cash	Other
April 2005	13	298,000	2,980,000	222,061	2,220,607	Privat placement of cash capital increase 40,000	-	Regarded as private placement.
July 2005	23.2	298,000	2,980,000	224,017	2,240,170	Employee Stock Options 1,956	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 133076 on May 28, 2001 (01)
October 2005	23.2	298,000	2,980,000	225,670	2,256,704	Employee Stock Options 1,653	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 133076 on May 28, 2001 (01)
January 2006	32.2	298,000	2,980,000	226,276	2,262,760	Domestic convertible bonds 606	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 0910154984 on October 18, 2002 (02)
April 2006	32.2	298,000	2,980,000	235,947	2,359,467	Domestic convertible bonds 9,671	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 0910154984 on October 18, 2002 (02)
July 2006	32.2, 17.7	298,000	2,980,000	242,479	2,424,791	Domestic convertible bonds 6,024 Employee Stock Options 508	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 0910154984 on October 18, 2002 (02) and Tai-Cai-Zheng (I) Letter No. 0920161437 on December 31, 2003
September 2006	10, 17.7	298,000	2,980,000	254,134	2,541,347	Capitalization of retained earnings 11,454 Employee Stock Options 202	-	Approval by official letter issued by Financial Supervisory Commission, Jin-Guan-Zheng (I) Letter No. 0950134023 on August 2, 2006 and Tai-Cai-Zheng (I) Letter No. 0920161437 on December 31, 2003
January 2007	30.7, 17.0	298,000	2,980,000	259,111	2,591,114	Domestic convertible bonds 4,739 Employee Stock Options 237	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 0910154984 on October 18, 2002 (02) and Tai-Cai-Zheng (I) Letter No. 0920161437 on December 31, 2003
April 2007	17	298,000	2,980,000	265,668	2,656,677	Domestic convertible bonds 6,470 Employee Stock Options 87	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 0910154984 on October 18, 2002 (02) and Tai-Cai-Zheng (I) Letter No. 0920161437 on December 31, 2003
July 2007	30.7, 17, 19.7	360,000	3,600,000	269,501	2,695,008	Domestic convertible bonds 189 Employee Stock Options 3,644	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 0910154984 on October 18, 2002 (02), Tai-Cai-Zheng (I) Letter No. 0920161437 on December 31, 2003, and Tai-Guan-Zheng (I) Letter No. 0930153300 on November 26, 2004
September 2007	30.7, 17, 19.7	360,000	3,600,000	289,349	2,893,489	Domestic convertible bonds 785 Employee Stock Options 1,039 Capitalization of retained earnings 18,024	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 0910154984 on October 18, 2002 (02), Tai-Cai-Zheng (I) Letter No. 0920161437 on December 31, 2003, Tai-Guan-Zheng (I) Letter No. 0930153300 on November 26, 2004, and Tai-Guan-Zheng (I) Letter No. 0960039409 on July 26, 2007
January 2008	18.8	360,000	3,600,000	289,369	2,893,689	Employee Stock Options 20	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 0920161437 on December 31, 2003 and Tai-Guan-Zheng (I) Letter No.

Year / Month	Issuing price	Authorized capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of capital	Substitution of capital stock with assets other than cash	Other
								0930153300
April 2008	16.2, 18.8	360,000	3,600,000	290,105	2,901,053	Employee Stock Options 736	-	Approval by official letter issued by Securities and Futures Commission, Ministry of Finance, Tai-Cai-Zheng (I) Letter No. 0920161437 on December 31, 2003 and Tai-Guan-Zheng (I) Letter No. 0930153300
August 2008	10	360,000	3,600,000	302,911	3,029,115	Capitalization of retained earnings 12,806	-	Approval by official letter issued by Financial Supervisory Commission, Jin-Guan-Zheng (I) Letter No. 0970031982 on 2008.06.26 (97)
August 2009	10	360,000	3,600,000	303,949	3,039,491	Capitalization of retained earnings 303 Capital increase by employee bonus 735	-	Approval by official letter issued by Financial Supervisory Commission, Jin-Guan-Zheng (I) Letter No. 0980035028 on July 14, 2009 (97)
August 2012	0	360,000	3,600,000	308,949	3,089,491	Restricted Stock Awards (RSA) 5,000	-	Approval by official letter issued by Financial Supervisory Commission, Jin-Guan-Zheng (I) Letter No. 1010032637 on July 23, 2012
August 2013	0	360,000	3,600,000	310,949	3,109,491	Restricted Stock Awards (RSA) 2,000	-	Approval by official letter issued by Financial Supervisory Commission, Jin-Guan-Zheng (I) Letter No. 1020028383 on July 29, 2013
July 2014	10	360,000	3,600,000	299,526	2,995,261	Cancellation of treasury stocks 11,423	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 10301140250 on July 15, 2014
August 2014	0	360,000	3,600,000	303,326	3,033,261	Restricted Stock Awards (RSA) 3,800	-	Approval by official letter issued by Financial Supervisory Commission, Jin-Guan-Zheng (I) Letter No. 1030029303 on August 7, 2014
November 2014	0	360,000	3,600,000	303,304	3,033,041	Cancellation of the redeemed Restricted Stock Awards (RSA) 22	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 10301247630 on November 28, 2014
February 2015	0	360,000	3,600,000	303,198	3,031,981	Cancellation of the redeemed Restricted Stock Awards (RSA) 106	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 10401021160 on February 12, 2015
June 2015	0	360,000	3,600,000	303,161	3,031,611	Cancellation of the redeemed Restricted Stock Awards (RSA) 37	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 10401117670 on June 23, 2015
December 2015	0	360,000	3,600,000	303,011	3,030,111	Cancellation of the redeemed Restricted Stock Awards (RSA) 150	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 10401251240 on December 2, 2015
April 2016	0	360,000	3,600,000	302,828	3,028,281	Cancellation of the redeemed Restricted Stock Awards (RSA) 183	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 10501071230 on April 18, 2016
September 2016	0	360,000	3,600,000	302,791	3,027,911	Cancellation of the redeemed Restricted Stock Awards (RSA) 37	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 10501212320 on September 1, 2016
November 2016	0	360,000	3,600,000	302,769	3,027,691	Cancellation of the redeemed Restricted Stock Awards (RSA) 22	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 10501276190 on November 29, 2016
March 2017	0	360,000	3,600,000	302,591	3,025,911	Cancellation of the redeemed Restricted Stock Awards (RSA) 178	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 10601041620 on March 31, 2017
September 2019	0	360,000	3,600,000	192,540	1,925,399	Capital reduction to offset accumulated losses 110,051,325 shares	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 10801130010 on September 19, 2019
September 2020	0	360,000	3,600,000	194,440	1,944,399	Restricted Stock Awards (RSA) 1,900,000 shares	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 10901172110 on September 15, 2020
November 2020	0	360,000	3,600,000	194,540	1,945,399	Restricted Stock Awards (RSA) 100,000 shares	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No.

Year / Month	Issuing price	Authorized capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of capital	Substitution of capital stock with assets other than cash	Other
								10901208530 on November 9, 2020
March 2021	0	360,000	3,600,000	193,870	1,938,699	Cancellation of the redeemed Restricted Stock Awards (RSA) 670,000 shares	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11001049150 on March 22, 2021
November 2021	0	360,000	3,600,000	193,450	1,934,497	Cancellation of the redeemed Restricted Stock Awards (RSA) 420,000 shares	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11001212400 on November 23, 2021
February 2022	17.82	360,000	3,600,000	193,660	1,936,597	Employee Stock Options 210,000 shares	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11101024460 on February 22, 2022
April 2022	17.82	360,000	3,600,000	193,839	1,938,397	Employee Stock Options 180,000 shares	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11101056100 on April 18, 2022
April 2022	0	360,000	3,600,000	193,409	1,934,097	Cancellation of the redeemed Restricted Stock Awards (RSA) 430,000 shares	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11101070210 on April 28, 2022
September 2022	17.82、11.50	360,000	3,600,000	194,149	1,941,497	Employee Stock Options 740,000 shares	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11101159870 on September 12, 2022
November 2022	23.74	360,000	3,600,000	194,201	1,942,017	Employee Stock Options 52,000 shares	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11101218900 on November 15, 2022
April 2023	17.82	360,000	3,600,000	194,291	1,942,917	Employee Stock Options 90,000 shares		Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11230066270 on April 27, 2023
May 2023	0	360,000	3,600,000	193,812	1,938,117	Cancellation of the redeemed Restricted Stock Awards (RSA)480,000 shares		Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11230074290 on May 02, 2023
August 2023	11.47	360,000	3,600,000	193,962	1,939,617	Employee Stock Options 150,000 shares		Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11230162710 on August 30, 2023
March 2024	17.78、11.47、23.69	360,000	3,600,000	194,546	1,945,457	Employee Stock Options 584,000 shares		Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11330029720 on March 12,2024
May 2024	17.78、11.47、23.69	360,000	3,600,000	195,123	1,951,227	Employee Stock Options 577,000 shares		Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11330095480 on June 27,2024
September 2024	0	360,000	3,600,000	117,074	1,170,736	Capital reduction to offset losses 78,490,099 shares	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11330172560 on September 26,2024
April 2025	21.61	360,000	3,600,000	140,224	1,402,236	Private placement of common shares for cash capital increase 23,150,000 shares	-	Approval by official letter issued by Ministry of Economic Affairs, Jing-Shou-Shang Letter No. 11430065030 on May 21,2025

May 2, 2026
Unit: Share

Type of share	Authorized capital			Remarks
	Outstanding shares	Unissued shares	Total	
Registered stock	140,223,647	219,776,353	360,000,000	1. Shares of listed companies. 2. Authorized capital include 25,000,000 shares to be used for the stock option exercise.

(II) List of major shareholders

May 2, 2026

Common shares Unit: Shares / %

Serial number	Names of major shareholders \ Shares	Number of shares held	Shareholding percentage
1	Yu Chuan Intelligence Co., Ltd.	23,152,000	16.51%
2	Lin, Yueh-Hung	2,244,000	1.60%
3	Citibank (Taiwan) Ltd., as custodian for Barclays Capital Securities Ltd. – Barclays Capital Securities Ltd. SBL/PB Investment Account	1,394,800	0.99%
4	JPMorgan Chase Bank, N.A., Taipei Branch, as custodian for the investment account of J.P. Morgan Securities Ltd.	951,386	0.68%
5	CTBC Bank Co., Ltd. entrusted to manage the Collective Investment Account for employee transfer and acceptance, subscription, and distribution of marketable securities given by ALi Corporation to the employees of mainland nationality of ALi (Zhuhai) Corporation	657,697	0.47%
6	Hung, Shu-Chen	564,316	0.40%
7	Huang, Hsueh-Wei	544,398	0.39%
8	Li, Chang-Che	500,000	0.36%
9	Wu, Fu-Lai	371,000	0.26%
10	Tai, Wen-Chie	370,000	0.26%

Note: The major shareholders are the shareholders holding 5% or more equity, or are those who are ranked as the top ten shareholders by equity.

(III) Company dividend policy and implementation

1.Company dividend policy:

Before the Company distributes the earnings, it shall set aside an amount to cover the cumulative losses first (including adjustment to the unappropriated amount), and allocate 10% from the total amount of after-tax net income for the period and other profit items adjusted to the current year's undistributed earnings other than after-tax net income for the period as special reserve according to the laws. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply.

Special reserve is then allocated or reversed in accordance with the law or regulations of the authority. When allocating special reserve, an amount shall be allocated from the undistributed earnings from the previous period as special reserve before distributing the earnings. The aforementioned amount is equivalent to the provisions for deficiency amounts of "net increase in fair value of investment property accumulated from previous period" and "net deduction of other equity accumulated from previous period." Where there is insufficiency, allocations shall be made from the total amount of after-tax net income for the period and other profit items adjusted to the current year's undistributed earnings other than after-tax net income for the period.

For the balance amount, if any, and the cumulative unappropriated earnings from the beginning balance of the same period (including adjustment to the unappropriated amount), the board of directors shall draft an earnings distribution proposal to be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. The Company's earnings distribution or loss off-setting may be proceeded with at the end of each quarter. For earnings distribution in cash, the case shall be submitted to the Board of Directors for special resolution and to be reported to the shareholders' meeting, to be processed in accordance with Article 240, Paragraph 5 of the Company Act.

The industry that the Company belongs to is at a growing stage. The Company shall distribute the distributable earnings of the current fiscal year in full amount after considerations have been given based on various factors, such as the investment environment, funding needs, company business and finance planning. Earnings shall be distributed in the form of cash or stock, except for the shareholders cash dividends distribution percentage which shall be in the amount of at least 10% of the total amount of the shareholders dividends.

2.Dividend distribution to be proposed to the shareholders' meeting (Passed by the board of directors, but not yet approved by the shareholders' meeting):

On May 31, 2026, the Board of Directors of the Company resolved not to distribute dividends to shareholders, and this resolution will be submitted to the 2026 Annual General Meeting of Shareholders for approval.

3.Provide an explanation for expected significant changes to the dividends policy: Not applicable.

(IV) Impacts of Proposed Stock Dividends on the Company's Business Performance and Earnings per share (EPS): Not applicable.

(V) Employee and director remuneration

1.The remuneration amount or scope for the employees and directors as stated in the Company's Articles of Incorporation:

According to Article 9 of the Company's Articles of Incorporation, if the Company makes profit for the fiscal year (the definition of profit-making is the profit before deducting the employee and director remuneration from the pre-tax income), it shall allocate at least 5% of the profit as employee remuneration (of which 3% of the profits shall be allocated as employee compensation to entry-level employees) and 1.5% or less as the director remuneration. However, when the company has accumulated losses (including adjusted undistributed earnings), it shall reserve the amount to cover the losses first.

2.The estimation basis of remuneration to employees and directors for the current period, and the accounting process when there is discrepancy between the calculation basis and actual distribution amount of employee remuneration distributed by shares and the estimated value:

The Company's estimation of the employee remuneration amount is the amount of the employee remuneration given during the period of service for the labor provided by the employee as stated in the company's Articles of Incorporation recognized as salary expenses and the liabilities generated from the salaries not yet paid. When there are significant changes to the distribution amount resolved by the Board of Directors after the period, the change shall be used to adjust the expenses for the current fiscal year (the original year for the recognized employee remuneration expenses). If there are still changes by the following year of the shareholders' meeting resolution date, the matter shall be treated as changes to accounting estimate and listed as profit and loss for the following year. The accounting treatment of the director remuneration shall be processed according to the employee remuneration.

3.Remuneration proposals approved by the board of directors:

(1) The amount of remuneration distributed in cash or stocks to employees and directors. Should there be a difference from the estimated amount of the expense recognized for the year, disclose the difference, its cause(s) and solutions:

As the Company did not generate any profit in fiscal year 2025, the Board of Directors resolved on May 31, 2026, not to distribute employee compensation and directors' remuneration. Accordingly, no such amounts were accrued in the accounts, and there is no difference between the estimated expenses and the amounts recognized in the financial statements.

(2) The proportion of amount equivalent to the stock distributed as rewards for employees in the earnings after tax in the individual or consolidated financial statement of the period and the total amount of compensation for employees: Not applicable.

4.Actual Distribution versus Recognized Remuneration of Employees and Board Directors (including the number of shares, share price, and amounts distributed); Any Discrepancy, Reason, and Response shall be Explained:

No distribution；not applicable.

(VI) Share repurchases of the Company: None.

II. Issuance of corporate bonds

None.

III. Issuance of preferred shares

None.

IV. Issuance of global depositary receipts (GDR)

None.

V. Issuance of Employee Stock Options

May 2, 2026

Employee Stock Options	2023 1st employee stock option
Effective date for filing and total number of units	2023/10/5, 700,000 shares
Issuance (Process) Date	2024/7/17
Issued units	700,000 shares
Available issued units	0 share
Ratio of subscribable shares to total issued shares	0.50%
Subscription period	Five years
Performance method	Delivery of issuing new shares
Vesting schedule and quota (%)	Option holders may exercise 100% of their stock options upon the expiration of two years from the grant date of the Employee Stock Options.
Units exercised (shares)	0
Amount exercised (NT$)	0
Units ineffective (shares)	276,000
Units unexercised (shares)	424,000
Exercise price for unexercised units	38.13
Units unexercised to total outstanding shares (%)	0.30%
Impact on shareholders’ equity	The stock options to be issued may become exercisable after the second anniversary of the issuance date. As the number of shares subject to exercise is relatively limited, the dilution effect is expected to be insignificant and should not materially affect shareholders' interests.

Names of managerial officers receiving options and names of the Top 10 employees in entitlement, and status of exercise and subscription:

<table>
<tr><th rowspan="2"></th><th rowspan="2">Title</th><th rowspan="2">Name</th><th rowspan="2">Units exercised</th><th rowspan="2">Units exercised to total outstanding shares</th><th colspan="4">Exercised</th><th colspan="4">Unexercised</th></tr>
<tr><th>Units subscribed</th><th>Subscription price</th><th>Subscription amount</th><th>Units subscribed to total outstanding shares</th><th>Units subscribed</th><th>Subscription price</th><th>Subscription amount</th><th>Units subscribed to total outstanding shares</th></tr>
<tr><td rowspan="11">Employee</td><td>Vice President</td><td>Kenny Tsai</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Division Head</td><td>Walace Chuang</td><td rowspan="10">340,000</td><td rowspan="10">0.24%</td><td rowspan="10">0</td><td rowspan="10">-</td><td rowspan="10">0</td><td rowspan="10">0.00%</td><td rowspan="10">340,000</td><td rowspan="10">38.13</td><td rowspan="10">12,964,200</td><td rowspan="10">0.24%</td></tr>
<tr><td>Division Head</td><td>Horng Pang Li</td></tr>
<tr><td>Deputy Division</td><td>Jianyuan Lu</td></tr>
<tr><td>Deputy Division</td><td>Hansson Wang</td></tr>
<tr><td>Deputy Division</td><td>Laney Wu</td></tr>
<tr><td>Deputy Division</td><td>Joseph Cheng</td></tr>
<tr><td>Manager</td><td>Jemery Hung</td></tr>
<tr><td>Manager</td><td>Rick Fang</td></tr>
<tr><td>Manager</td><td>Alex Ouyang</td></tr>
</table>

VI. Issuance of Restricted Stock Awards (RSA):

The issuance of Restricted Stock Awards was approved by the Annual General Meeting of Shareholders in 2025, with a total issuance amount of NT$15,000,000, representing 1,500,000 common shares. The issuance period for the Restricted Stock Awards will expire on June 29, 2026. Upon expiration of the issuance period, any unissued shares under this plan will not be issued thereafter.

VII. Issuance of new shares in connection with merger and acquisition of shares of other companies

Not applicable

VIII. Capital utilization plans and implementation

Not applicable

Four. Operation Overview

I. Business Activities

(I) Business scope

1.The principal business of the Company

(1) Research, development, design, production, manufacturing, testing, and sales of the following products:

A. Communication, consumption, multimedia chipset and various Application Specific Integrated Circuit (ASIC).

B. Various system on a chip design service for all of the previous items and intellectual property business.

(2) Import-export trading business of all of the previous items.

2.Business proportion

The Company’s main products are digital Set-top Box, STB chip. The product revenue stands at close to 90%.

3.Current product and service items of the company

The Company’s current main products are STB chip, including Satellite, Terrestrial（Terrestrial）, Cable, Internet Protocol (IP), and so on standard resolution and high resolution STB integrated chip.

4.New products and services planned for development

(1) Smart voice recognition single chip solution.

(2) DVB-S/S2/S2X/T/T2/C/ISDB-T Full HD Digital Set-Top Box Single Chip Solution.

(3) A next -generation 2K/4K IPTV solution integrated with high-performance browser technology.

(4) Micro-projector and one-screen device system solution.

(5) Intellectual Property licensing service

(6) Multimedia Audio-Visual Platform and SOC ASIC Design Services

(7) 4K AI Smart Home Solutions

(II) Industry Overview

1.Current state of the industry and development

Set-Top-Box market

With the 5G transition plan of various countries and the digital TV signal conversion demands of emerging countries, the Set-Top-Box (STB) market has in recent years welcomed a new wave of device replacement. Plus, the regular international competitions and large screen viewing trends have driven the continuous expansion of 4K and 8K (UHD) technologies and program contents production, further stimulating global and regional industry growth. The Over-the-Top (OTT) STB is the main growth momentum replacing part of the cable viewing demands. Other than broadband, as the Pay-TV and Free-to-Air sector network coverage rate is low in regions and countries such as Africa, India, Central and South Americas, Southern Europe and Russia, the Satellite and Terrestrial broadcasting remains highly relied upon. The impact from OTT to the overall market is small. With the supply-demand imbalance of memory-related chips that began in 2025, prices of 4K OTT products have increased significantly. As a result, some customer demand is expected to shift toward the Company's core HD set-top box products and Linux-based IPTV/OTT solutions, presenting valuable growth opportunities for the

Company.

2. The relationship between upstream, midstream and downstream of the industry

The Company's principal business engages in IC design business which belongs to the chip design aspect, the most upstream of the overall semiconductor industry. Hereby provides a description of the IC industry ecosystem in Taiwan and its supply chain structure as follows:

(1) IC design

Taiwan possesses ample chip design talent pool who are nurtured by the technical colleges and with years of accrued industrial experience. On top of that, the government and industries provided support with relatively comprehensive semiconductor policies and environment. The entry barrier in Taiwan is considered to be lower.

(2) IC manufacturing

The domestic IC manufacturing industry is mainly self-owned IC design of IC circuit or contracted IC design for manufacturing, producing wafer with high precision equipment and strict production procedures. The IC manufacturing industry belongs to capital and technical intensive industry. The entry threshold of the business is relatively high.

(3) IC packaging and testing

The semiconductor packaging and testing is the terminal process of IC, which belongs to capital and technical intensive industry. In order to increase the equipment utilization rate and increase the efficiency cost competition power, IC packaging and testing has oriented towards strategic alliance trend for development.

3.Various development trends and competition situation for products

The global manufacturers engaging in Set-Top-Box (STB) related multimedia chip R&D design, include Broadcom, MTK, Amlogic, Montage, and Nationalchip. The Company is one of the leading global STB manufacturers, securing the top five ranking for many years. We have a leading position in the layout for cable TV, retail STB market and other new types of multimedia fields. In the recent two years, as HiSilicon and MediaTek gradually exit the STB market and along with the restrictions on Broadcom in regional markets, the transfer of orders effects rippled through the global major television operators. Owing to this circumstance, the Company's market share thus continues to climb in becoming the largest global broadcast TV STB supplier, with a market share of about 40%.

For creating the future growth momentum, the Company has in the recent three years utilize existing self-researched IP technology to develop various multimedia products, such as smart display and smart voice, and smart mobile products. Mass production has continued for the recent two years. The Company has begun to seize the market with highly integrated software and hardware solutions.

(III) Overview of technology and research and development

1.Invested R&D expenses in the most recent year and as of annual report publication date

Unit: NTD in thousand

Year	2025	As of March 31, 2026
R&D expenses	447,592	116,859

2. Technologies or products that have been successfully developed in the most recent year and as of the annual report publication date

Contents of the successful research and development outcomes
(1) Successfully introduced the DVB-T/T2/ISDB-T HD (HEVC1080p60) digital terrestrial television STB single chip customer plan (2) Successfully introduced the DVB-S/S2/S2X single chip (HEVC1080p60) Digital Satellite TV STB single chip customer plan (3) Successfully mass produced the HD (4K*2Kp60) Digital Satellite TV STB chip system plan demanded by many operators (4) Successfully passed the Nagra/Irdeto*/Verimatrix* latest version Conditional access system (CAS) certification (5) Successfully achieved mass production of multiple smart voice control system solutions for various customers (6) Successfully achieved mass production of smart mobile platform system solutions (7) Successfully implemented next-generation DVB-S/S2/S2X/DVB-C highly integrated digital TV set-top box SoC solutions for multiple customers. (8) Development and licensing of high-speed interfaces, network communication, audiovisual interfaces, and multimedia-related intellectual properties. (9) Successfully implemented high-speed interface, network communication, audio-video interface, and advanced security IP licensing for multiple clients.

(IV) Long and short term business development plans

1. Short term business development plans

(1) Continue to expand newly emerging market customers, and strengthening the customer relationships, securing our leading market position.

(2) Continue R&D in SoC solutions of audio-visual multimedia center, offering high level safety software and hardware one-stop integrated service, actively layout the hybrid platforms of multiple structures and the HD product technologies.

(3) Get hold of the new generation product trends with self-R&D IP technologies, mass production of smart displays (multimedia streaming one-screen device, micro-projector equipment), smart voice (remote control products, online pre-integrated voice identification products), smart mobile (home cleaning robots) and so on new product lines. Through innovative chip hardware design, software added-value development and heterogeneous integration design architecture, and so on methods to upgrade overall product values.

(4) Participate in international exhibitions, increase new product business opportunities and expand potential markets.

2. Long term business development plans

(1) Deeply root in global market and various region by in-depth binding with the cable TV operators forming strategic partner alliance. Jointly construct the market and product barriers for further expansion of the global market share.

(2) Expand emerging customer applications of smart displays, smart voice and smart mobile product line and their market channels.
(3) Cross into smart internet-of-things (IoT) field, and focus on wireless communications product technologies.
(4) Strengthen the strategic partner collaboration relationships with upstream and downstream of semiconductor and terminal application industries. This can effectively lower trade risks.
(5) Value talent selection and cultivation, enhance talent retention plans to optimize the company's overall operation efficiency.

II. Market, production, and sales overview

(I) Market analysis

1.Sales region of main products

Unit: NTD in thousand

Year / Region (Note)	2024		2025	
	Amount	Percentage	Amount	Percentage
Domestic sales	90,564	5.56%	123,706	10.84%
Overseas sales	1,537,660	94.44%	1,017,243	89.16%
Total	1,628,224	100.00%	1,140,949	100.00%

Information sources: The Company; Note: Regions are categorized based on the country where the customer is located in.

2.Market share

In 2025, the global set-top box shipment volume was approximately 200 million units. Among these, the overall shipment volume in the Company's main market segments (including pay-TV and retail broadcast TV markets) was about 70 million units. Based on the Company's shipment volume of pay-TV set-top boxes in fiscal year 2025, the estimated market share is approximately 25%.

3.State of supply and demand of the future market and growth

The Company currently operates in the DVB broadcast television (pay-TV and retail) set-top box market. Through years of accumulated technology expertise, industry experience, and strong customer relationships, the Company successfully established itself among the top five market leaders in previous years. As suppliers such as MediaTek and HiSilicon have gradually withdrawn from the market, the Company's market share has continued to increase, making it the world's leading supplier of HD pay-TV broadcast set-top boxes, with an overall market share exceeding 40%. In 2025, the Company achieved record-high market share in emerging markets. In Africa, the Company further expanded its presence by working closely with key operator customers that increased their investments and strengthened their commitment to local market development. In South America, the Company successfully replaced incumbent solutions in several markets, significantly enhancing market penetration. In India, the Company secured new business from a leading operator customer. In Southeast Asia, the Company successfully developed and commenced mass production of next-generation 2K IPTV products for a major telecommunications operator. Overall, the Company's business outlook remains positive, with encouraging prospects for future growth.

In addition, leveraging the Company's extensive expertise in semiconductor, communications, and artificial intelligence (AI) software and hardware technologies, the Company has further accelerated the expansion of Internet of Things (IoT) ecosystem applications over the past three years. Beyond enhancing set-top boxes from traditional television signal reception devices into intelligent home multimedia and entertainment hubs, the Company has also developed a diverse range of smart device solutions to help customers expand services in areas such as control, sharing, communication, and entertainment, thereby establishing a comprehensive end-to-end ecosystem encompassing devices, networks, and cloud platforms. Overall, the Company's new product lines have gradually completed their research and development or entered mass production over the past three years. The Company is actively expanding its customer base and market channels, with the expectation that these new businesses will become a more significant driver of growth in 2026.

4.Competitive niche

(1) Outstanding management and R&D team

The Company’s management team possesses decades of semiconductor industry experience and is actively attracting outstanding talents in joining the team. As of current, the excellent R&D and manufacturing related personnel within the organization structure accounts for 80% of the Company’s global employees. Through quality personnel, the Company has been leading domestic and overseas industry peers in promoting various new products. At the same time, we have also built a better company system securing the sustainable management foundation of the company.

(2) Bountiful IP patent reserve

Under the cultivation of the R&D teams over the years, the Company has gotten hold of many advanced technologies, with self-owned R&D IP at more than 80%. In consideration of the leading technology position, we have obtained many domestic and overseas patent certificates. In this era of intellectual property value, the Company is confident in developing forward-thinking concept high-end products with the patented related technologies it has.

(3) Advanced core technologies

In the development of highly heterogeneous integration SoC chip design architecture and low-power processing, the Company has accrued many years of abundant development experience. Thus, it has relative advantages in the competitiveness of SoC chip cost and R&D functions.

5.Advantageous factors in development vision

(1) Abundant experience of the R&D talents, key important aspects in satisfying customer demands

On hardware design, software technology and architecture integration, the Company has nurtured many R&D talents providing module structure development that is stable, optimized and multiple functions. It also has the system software modules which are flexible for modification by customers. Hence, it can satisfy various system solution needs of the customers and the demands for instant regional services. This is a key factor in the rise of the Company’s market share and it is also our core competition element.

(2) Tightly linked marketing channels to secure competitive advantage of massive

shipment

The Company's sales and marketing channels have already reached to global customer group in early times, and have established close collaborative relations with the suppliers. We can effectively manage cost and shipment quality, securing the competitive advantage of massive shipment.

(3) Rapid development of emerging markets, gradually becoming a major global consuming market

The income and consumption power of consumers in global emerging markets is continuing to climb, the Company has already been developing businesses in the emerging markets and regional partnerships over the long term. It can get close to the pulse and business opportunities, continue to promote high cost performance ratio solutions, which fully meet the demands of various terminal market customers.

6.Disadvantageous factors of development vision and the Company's countermeasures

(1) As the technological industry develops rapidly, the state of competition is climbing each day. Product lifecycle gets relatively shorter.

Countermeasures: Strengthen the differentiation of technologies and marketing capabilities for utilization in competition strategies, so as to ensure the company's sales results. Actively introduce more R&D talents and technologies, to expedite the promotion of products meeting demands of market customers. It is anticipated to expand more core customers by combining with strong strategic alliances in enhancing our market position and production and sales advantages.

(2) Changes to the overall economy, impacting the global market

Countermeasures: Tight bonding with suppliers and customers forming strategic partner alliance for effective control of terminal market demand changes, and to further optimize costs and inventory management. Optimize cash flow management and internal resource allocation in ensuring sustainable development competitive capacity.

(II) Important use of main products and their manufacturing process

1.Use of main products

The Company's main chip products is for use with the Set-top Box (STB), Conditional Access Module (CAM), and Digital Music Playing Device.

2.Manufacturing process of main products

The procedures for developing one digital chip, from design to the finished product:

(1) Internal circuit design of the chip

A. Writing the codes: Write the code using software language, using combined tools, the programming language can be converted to hardware circuit.

B. Chip function verification: After editing the hardware circuit, conduct simulation to confirm whether each of the generated hardware function meets expectations. If there are mistakes, revise the programming.

C. Layout and winding: The hardware circuit with confirmed functions will enter layout and winding stage. It is transformed to physical circuit database that is suitable for the wafer manufacturer's production.

D. Chip function re-confirmation: The physical circuit after layout and winding, shall enter the stage for re-confirmation of hardware functions. The scope of simulation covers parasitic capacitance, resistor, temperature, voltage, reliability, and so on electrical impact analysis. After passing the simulation, related information will be delivered to the foundry for production of chips.

E. Testing heat dissipation function: Conduct simulation of chip system heat dissipation to find out the best heat dissipation coefficient, completing the testing of the system's heat dissipation.

(2) Chip manufacturing

A. Production: The Company is a professional IC design company, outsourcing its chip manufacturing to foundries.

B. Packaging: The chips produced by the foundries undergo initial testing, after which they are sent to the packaging plant for packaging.

C. Testing: The chip testing aspect is outsourced to the external packaging testing plant for completion.

(3) Chip system testing

The ALi engineering unit receives the chip finished product and conducts a complete chip system testing, which mainly includes:

A. Board design and chip testing: Testing the basic functions of the chips in a complete system.

B. Peripheral compatibility testing: Execute compatibility testing for the chips and peripheral components.

C. Software compatibility testing: Test the compatibility functions of different process systems and application software in the chip system.

D. Confidentiality in security testing: Conduct confidentiality in security testing and verification with third-party professional laboratories.

(4) Production stage

After passing the rigorous testing, the chips can enter small volume production. If it all goes well, it then enters mass production stage.

(III) State of supply of the main raw material

The Company's main raw material is chips, and maintains strategic cooperative relation with domestic and overseas foundries, packaging and testing companies. This is to enhance R&D power and to effectively lower business cost. Currently, the sources of procurement is appropriately diverted, with reliable quality and relatively reasonable prices.

(IV) Customers contributing to at least 10% of the total procurement or sales in any of the year within the past two years

1. Major supplier information in the most recent two years

	2024				2025				2026 Q1			
Item	Name	Amount	Percentage of the annual net procurement amount (%)	Relationship with the issuer	Name	Amount	Percentage of the annual net procurement amount (%)	Relationship with the issuer	Name	Amount	Percentage in the net percentage of purchase as of the previous quarter of the year (%)	Relationship with the issuer
1	a Company	626,776	58.17	None	a Company	142,899	23.81	None	a Company	29,694	20.89	
2	b Company	145,004	13.46	None	b Company	119,846	19.97	None	b Company	28,540	20.08	
3	c Company	0	0.00	None	c Company	59,828	9.97	None	c Company	14,491	10.20	
4	d Company	68,258	6.33		d Company	58,840	9.80	None				
5	Others	237,517	22.04	-	Others	218,695	36.45	-	Others	69,408	48.83	-
	Net Purchase	1,077,555	100.00		Net Purchase	600,108	100.00		Net Purchase	142,133	100.00	

2. Customers contributing to at least 10% of the total sales in any of the year within the past two years

Unit: NTD in thousand

	2024				2025				2026 Q1			
Item	Name	Amount	Percentage of the annual net sales amount (%)	Relationship with the issuer	Name	Amount	Percentage of the annual net sales amount (%)	Relationship with the issuer	Name	Amount	Percentage in the net percentage of sales as of the previous quarter of the year (%)	Relationship with the issuer
1	A Company	444,374	27.29	None	A Company	411,892	36.10	None	A Company	139,828	43.61	None
2	B Company	419,885	25.79	None	B Company	45,437	3.98	None	B Company	25,499	7.95	None
3	C Company	131,849	8.10	None	C Company	156,859	13.75	None	C Company	14,975	4.67	None
4	D Company	137,763	8.46	None	D Company	-	-	None	D Company	15,813	4.93	None
5	E Company	-	-	None	E Company	-	-	None	E Company	-	-	None
6	Others	494,353	30.36	None	Others	526,761	46.17	None	Others	124,510	38.84	-
	Net Sales	1,628,224	100.00		Net Sales	1,140,949	100.00		Net Sales	320,625	100.00	

III. Information on human resources in the most recent two years and as of the publication date of the annual report

Year		2024	2025	March 31, 2026
Number of employees	R&D	147	187	191
	Manufacturing	13	65	64
	Management and sales	42	106	104
	Total	202	358	359
Average age		39	41.7	39.9
Average years of service (years)		9	7.2	6.9
Education distribution (%)	Ph.D.	0.5	1.1	1.1
	Master’s	43.6	37.4	37.9
	Bachelor’s	50.0	57.3	56.8
	College and below	5.9	4.2	4.2

Note: The employee headcount for 2025 and as of March 31, 2026 includes employees of the subsidiary, Array Inc.

IV. Information on environmental protection expenditures

The Company engages in the development design of chip products, entrusts well-known domestic and overseas integrated circuit supplier for process manufacturing in packaging and testing. The Company itself does not engage in process manufacturing work. Therefore, in the recent year and as of the annual report publication date, there have been no conflicts with pollution and environmental protection events regulated by the various environmental protection laws and regulations. No related losses have been incurred as a result. There are no major environmental protection expenditures plan for the future.

V. Labor relations

(I) Benefits and welfare, further education, training, and retirement system offered by the company, and their status of implementation, plus agreement between labor and management and measures to protect employees' rights

1. Measures for employee benefits

The Company takes care of the daily life of its employees by providing a clean and safe work environment and prepares legally required labor and health insurance, labor pension, leave system and so forth employee benefits for its employees. In addition, the company has appointed a Welfare Committee for active promotion of the below employee benefits measures:

(1) Group insurance

Employees are added to the group insurance since their first day of work and all insurance expenses are covered by the company to give employees a comprehensive life protection. The insured items include: Medical insurance, cancer insurance, and accident insurance. Employees can also purchase additional insurance for their family members with discounted insurance fees at their own will.

(2) Employee care

Activities such as during festivals and for outdoor are organized from time to time in addition to the various cash gifts and subsidies provided to employees ranging from birthday and three festivals cash gifts, subsidies for wedding, funeral, birth and hospitalization.

(3) Employee communications

Build diverse communication channels (such as: staff meetings, management communication sessions, etc.) for a more effective way of understanding the voices of employees and to communicate on the company's operation directions and policies.

(4) Employee coherence

The Company is active in stimulating coherence for the employees and their families through encouraging their participation in various group activities (such as: End-of-year company party) and festive activities, so as to create closer bond in their relationships.

(5) Employee health

The company regularly plans for the employee health checkups and makes adjustments to cooperative institutions based on software and hardware equipment of the checkups, the medical team and employee suggestions. This is to provide employees the best professional health checkup institution, and considering the needs of some employees, arrangements for the mandatory checkup items are made to prevent and for early detection of diseases. After the end of the checkups, health seminars by professional doctors are arranged to provide employees related medical information.

To promote employee health, the company implements prevention and control measures for chronic diseases such as obesity and the "three highs" (i.e., hyperglycemia, hyperlipidemia, and hypertension). The specific measures are as follows:

1. In 2025, the company's contracted health examination hospitals include Cathay (Dunnan, Neihu, Hsinchu branches), Neihu 101 Health Check Center,

and Harvard Health Check. The health check items are divided into general health examinations and specific tests. Through regular health check-ups, employees are encouraged to pay greater attention to the importance of maintaining good health.

2. Irregularly organized activities:
   (1) On April 22, 2025, the company held a "Meatless Day, Less Plastic" event to promote ESG initiatives by providing vegetarian meal boxes and distributing reusable tableware. This encouraged employees to be environmentally friendly while advocating for health.

2. Employee continuing education and training

(1) The Company’s Talent Strategy and Development Department plans for trainers to be responsible for the planning, execution, follow-up and evaluation of the learning development educational training plans of key talents and employees.

(2) The training plans cover five major course categories, namely, Professional Competency, Promoting Values, Performance Management, Management Leadership Competency, and Professional Skills, to build a step-by-step learning map for the employees.

(3) The training subjects are divided into 1. Every Level of Management, 2. Different Functional Positions and at the same time, there are courses that are open to employees for sign up as per their needs for self-enrichment.

(4) Based on a sound educational training system structure, the Company transforms the investment on human assets within the enterprise to become a competition advantage. Through a systemized work position system and job promotions and performance evaluation process, combining with employee personal development plans, employees can gradually realize their life goals as they grow in their individual experience and skills.

3. Retirement system and implementation

The Company has established the retirement regulations and has on June 20, 2010 completed settlement of the years of service under the old system with the employees. As of current, retirement matter is processed according to related regulations of the “Labor Pension Act”, from the day after the settlement of the old system, all employees of the company shall apply the pension provisions of the Labor Pension Regulations (New System), and the company shall contribute 6% of the employee's salary to the employee in the labor insurance Labor Pension Individual Special Account established by the bureau.

4. Employee conduct or ethical best-practice principles

On the employee conduct and ethical best-practice principles, the Company has already formulated various related regulations and rules for employee recruitment/appointment, employee relations, educational training, organization/development and salaries/performance appraisal and so on aspects. The ethical concept, rights, obligations and conduct of employees of every level can thus have a basis for conformance. The main contents of the Company’s employee conduct or ethical best-practice principles are as below:

(1) Employee shall conform to the company’s internal charters and related laws in performing his/her assigned duties for protecting the company profits.

(2) Employee shall loyally and dutifully perform his/her obligations to the company.

(3) During the period of employment and without written agreement by the Company, the employee shall not work for others as an employee, appointee,

consultant or other part-time positions that would interfere with fulfilling the Company's duties. The employee shall not engage in for others or manage business of the same or similar business items to the Company.

(4) The employee shall bear responsibilities in keeping company confidential information according to the confidentiality agreement. The same applies to confidential obligations to third party whom the employee comes to know or contact during his/her term of employment.

5. Protection measures and implementation for work environment and employee personal safety

To maintain work environment and exercise duty of care in protecting employees' personal safety, the Company has installed 24-hour security and strict access control for the offices. Implementation for fire safety check once a year, automatic checks once a day for the offices, regular quarterly environment disinfection and so on are conducted. It is a goal to stimulate employees in abiding by the below measures:

(1) Conform to the related laws of labor, safety and health and environmental protection, and other required matters.
(2) Lower potential risk factors of work environment, reduce accident occurrence rate and purchase accident insurance.
(3) Strengthen promotion of health education and implement annual health checkups, realize health follow-up management.
(4) Implement self-managed fire prevention, electrical and air-conditioning safety checks to ensure safety of the environment safeguarding personal safety of employees and company assets.
(5) Promote energy saving, pollution prevention, and implement recycling for effective utilization of resources.
(6) Encourage exercise and workout, provide massage for relaxation and de-stress, and gym and pool facilities.

As of December 31, 2024, there have been no occurrences of occupational safety events for the Company.

6. Human rights policy and action plan:

(1) Maternity policy – Establish a breastfeeding room and provide consultation services from occupational health nurses and occupational health physicians.
(2) Monthly field service by registered professional nurse: Regular field consultation services three times each month.
(3) Sexual harassment complaint channel and window: Built such complaint channel, and up till now there have not been any complaint cases received.
(4) Employ employees with visual impairment: Long-term hiring of employees with visual impairment for their professional massage services.
(5) Hold regular employee meeting: Promote company policies and operation overview, establish employee communication mechanism to understand employee needs.
(6) Hold regular quarterly labor–management meetings: Establish communication platform for both parties of labor and management.
(7) Strict information security management: Abide by the General Data Protection Regulation in the protection of personal information of personnel.

(II) Losses incurred as a result of labor–management disputes in the most recent year and until the annual report publication date (including labor inspection results showing violations of items in Labor Standards Act. These matters should be listed with the punishment date, reference number, articles of regulations violated, article contents and punishment details). The company shall also disclose the estimated amount that might incur at present and in the future, and their countermeasures:

There has been no labor–management disputes in 2024 and as of the annual report publication date. In the future, the Company will uphold open, reasonable, and humanized management principles, establishing multiple communication channels. Other than maintaining existing labor–management harmony, it is hoped to enhance labor–management relation further.

VI. Cyber security management

(I) State the cyber security risk management structure, cyber security policy, specific management plan and resources for investments in cyber security management:

1.Cyber security risk management structure

(1)Information Technology Division:

A. The Division designs and adjusts related information system control based on the requirements of information security policy.

B. The Division establishes related management regulations and standard operation procedures.

(2)Audit Unit:

The Unit designs and executes audit process according to the requirements of information security policy.

(3)Information Security and Document Management Center:

A. The Center designs and maintains information security policy.

B. Conducts regular assets inventory process.

(4)All division units

A. The physical or information assets produced or received by each unit shall be sorted according to the information security levels and a logbook is to be created for management and control.

B. Each unit to cooperate with regular updates of inventory record book and inventory.

(5)Information Security Committee:

A. The Committee is formed by the President, Senior Executives, Head of Information Technology Division, Head of Audit Unit, and Head of Information Security and Document Control Center. Review meetings are held on a regular basis on information security related topics.

B. On the resolution matters by the Information Security Committee, each responsible unit shall conduct the process and amendments of corresponding policy or regulation.

2. Cyber Security Policy and Specific Management Method

(1)Degrade and re-classification

A. When the impact level of company operation environment and the information held to the company changes, a decision is to be made on whether to degrade or change the current confidential classification for the information.
B. When deciding on the necessity for degrade or re-classification of the confidential information classification, the personnel using the information shall be notified of the matter.

(2)External disclosure, acceptance and loss

A. Information assets for external disclosure
   a. Decide on the necessity of disclosing the information to others, and obtain approval from the responsible managerial officer.
   b. Research and development-related information shall be delivered based on company related process procedures after completion of signing the NDA or LSA.
B. Acceptance of confidential information from others
   a. When another party initiates providing his/her NDA format, the document shall be sent to the legal unit for review before signing.
   b. After acceptance of confidential information provided by other party, it shall be regarded as the same to the internal confidential information of the company, and the confidentiality agreement is to be abided by.
C. Loss of information assets
   a. When receiving report of loss of confidential information or improper disclosure, the asset custodian shall prepare a summary report and notify the managers of Divisions and Business Units (BU). The BU manager shall appoint investigating personnel in collecting information and evidence, after which they shall convene the investigative and handling meeting.
   b. Conduct discussions and evaluations on the reasons and level of impact of the event occurrence and formulate specific remediation and preventive action plans. Notify related personnel for understanding and monitor the implementation progress of the action plans.

(3)Preservation, paper application and destroy

A. Asset Preservation
   a. The assets managed and stored collectively according to the asset usage regulations and restricted access are created for them according to the asset classifications.

b. In principle, all emails received and sent are preserved for six months. This does not apply to personnel with the need for use when disputes occurred or when there are possibilities of occurrence of disputes internally or externally.

B. Paper application

a. The information assets that are Strictly Confidential and above shall not be printed anytime for passing to others. An application is to be made to the Information Asset Preservation Unit when there is a desire to obtain additional paper copies.

b. The paper printing shall ensure that the confidential level label and matters to take note are clear and legible on the copy.

c. During the printing of the copy, the personnel shall stand and wait beside the printer, photocopier or other printing machines until the printing has completed.

d. When it is not necessary, external printing companies shall not be engaged in the printing of the hard copy. An NDA has to be signed with the external vendor before appointment.

e. The Information Asset Preservation Unit shall review the application form by the information use personnel to see whether it has been signed and approved by the responsible manager.

f. The Information Asset Preservation Unit shall then sign and approve the application and pass on a hard copy to the applicant and update the applicant information database for control.

g. For hard copies with Confidential and Strictly Confidential classifications, the watermark labeling the name of the user and delivery time shall be centered on the document.

C. Destroy of assets

a. The contract signing unit is responsible for collection and destroying contract-related assets, to be processed according to the contract clauses.

b. The hard copy information assets shall be destroyed using the paper shredder, or hand them over to the company confidential documents destroy and preservation office for unified handling by the Human Resource Development Division.

c. The Human Resource Development Division is responsible for destroying the storage device of confidential multimedia, such as video tapes, audio tapes, floppy disks, tapes and CDs. Before destroying, the Division shall first delete the information stored and format the device. If it is not possible to delete them, it is necessary to perform destroying of the disk or disassembling of the main body.

d. Scrap products such as PCBs and IC chips shall be handed over to the company’s material management division for unified handling.

e. The Human Resource Development Division is responsible for the irregular announcements and recycling of the waste assets throughout the company.

f. The Human Resource Development Division is responsible for monitoring the transporting and destroying process of the waste assets.

g. The Information Technology Division is responsible for the destroying of all the receiving and sending email records surpassing 6 months.

(4)Asset delivery

A. Facsimile

a. Information assets of Confidential level and above shall not be transmitted over facsimile.

b. After completing facsimile, a confirmation shall be made with the receiving party on the accuracy of the contents and number of pages of the facsimile obtained without mistakes.

c. When transmitting over the facsimile, the personnel shall stand and wait beside the facsimile throughout the process until the receiving party has obtained the complete information.

d. When the facsimile fails, the personnel shall confirm that the memory of the facsimile does not retain any temporary files. If there are, they shall be deleted immediately.

B. Email transmission

a. For emails of Strictly Confidential level and above, when sending them internally, prohibit the “Reply/Forward/Copy and Paste” process.

b. When transmitting externally, it shall be controlled based on the company’s email external transmission rules.

c. When transmitting externally, appropriate protection and encryption shall be performed in accordance with the regulations of the asset protection rules and the asset use rules.

d. When transmitting externally, the email receipt auto-reply function shall be initiated.

e. When it is discovered of mistake in the recipient of the email when tracing the confirmation reply email, the personnel shall immediately contact the recipient to delete the mail.

f. When it is necessary for mutual confidentiality of the identity of the mail recipient, the personnel shall adopt the blind carbon copy (BCC) function to perform the transmission.

g. The employee is restricted to using the email provided by the company in the transmission of files within the company, and shall not send the company files to personal emails.

h. The company email system is for work usage. Employees shall use them for work in principle and shall avoid using them for personal purpose.

i. The management of electronic information media is based on the company's confidential information protection policy, and audit is to be performed according to the regulations listed below:

- The Unit shall inspect the state of usage of the employees' use of electronic information media according to the announced Electronic Information Media Management Regulations.
- When the manager of the auditee believes it is necessary for the audit, he/she may submit the application. After approval by Vice Presidents or above level management, he/she can obtain the related contents of the electronic information media.

(5)Other

A. On the hiring and resignation, please refer to the New Recruit Management Regulations and the Employee Resignation Paperwork Process Procedures, released by the Human Resource Development Division.

B. On access control, please refer to the Access Control Management Regulations released by the Human Resource Development Division.

C. On related regulations to contracts, please refer to the related regulations of the Legal and Intellectual Property Division.

D. The holder of the technical information shall keep the technical information in proper custody and hand them back to the company upon resignation or when necessary. Once the information is lost, the matter shall be handled according to the articles of the penalty related regulations.

(6)Penalty

For employees who violated the regulations of this policy, the matter shall be processed according to the Employee Codes of Conduct released by the

Human Resource Development Division.

3. Invested resources in cyber security management

Each year, the company prepares a budget for continuous investment in information security related systems of international suppliers to perform important information protection and abnormal conduct monitoring. This is to ensure the important assets obtained the necessary protection.

4. Current Status of Information and Communication Security Management Implementation：

(1) Regular Information Security Review Meeting：

2025	March 31, 2026
January 3, 2025	January 15, 2026 February 12, 2026 March 19, 2026
February 24, 2025	
March 25, 2025	
April 17, 2025	
May 15,2025	
June 20, 2025	
July 17, 2025	
August 21, 2025	
September 18, 2025	
October 20, 2025	
November 21, 2025	
December 24,2025	

(2) The Company has invested in cybersecurity-related hardware and software; however, it has not yet obtained cybersecurity insurance coverage.

(II) List in the most recent year and as of the annual report publication date, the losses incurred due to major cyber security events, its possible impacts, and countermeasures:

In the most recent year and as of the annual report publication date, there have not been occurrences of major cyber security events.

(III) To ensure that the company’s confidential information, related trade secrets, and personal data are properly protected, and to continuously strengthen information security measures, the company’s information operations not only comply with international cybersecurity standards but also adhere to relevant domestic and international laws and regulations. The company promotes the protection of confidential information through the following measures:

(1) Establishing a Personal Data Protection Policy to regulate the collection, processing, and use of personal data, in order to prevent infringement on individual privacy rights, enforce the protection and management of personal data, and promote its reasonable use.

(2) Promoting awareness and compliance regarding confidential information through daily work and various occasions.

(3) Implementing employee training to enhance cybersecurity awareness and capabilities. In addition to making confidential information management a mandatory training module for new employees, the company aims to continuously strengthen and improve employees' cybersecurity awareness.

(4) When leaving their desks or finishing work for the day, employees must shut down both the computer and monitor. When temporarily away from their computers, employees should turn off the monitor or enable password protection to prevent unauthorized access to sensitive information.

The company's IT department regularly monitors personal data storage servers for attacks and data breaches involving employee and customer information, and strengthens data center personnel controls to prevent the leakage of sensitive personal data.

VII. Material Contracts

Nature of contract	Parties involved	Contract start and end dates	Main contents	Restrictive Provisions
Technology licensing	Dolby Laboratories	From 2015.03.25	Audio decoding technology licensing	The use shall be limited to the scope authorized by the parties.
Technology licensing	HDMI Licensing	From 2003.12.03	HD multimedia interface technology licensing	The use shall be limited to the scope authorized by the parties.
Technology licensing	Nagravision S.A.	From 2012.12.13	Conditional access system related technology licensing	The use shall be limited to the scope authorized by the parties.
Technology licensing	Irdeto B.V.	From 2016.03.18	Conditional access system related technology licensing	The use shall be limited to the scope authorized by the parties.
Technology licensing	Verimatrix, Inc.	From 2011.08.03	Conditional access system related technology licensing	The use shall be limited to the scope authorized by the parties.
Technology licensing	ARM Limited	From 2011.03.30	Technology licensing of high performance processor and premium efficiency graphic processing unit	The use shall be limited to the scope authorized by the parties.
Technology licensing	Cryptography Research, Inc.	From 2013.09.06	DPA Defense Technology Architecture Licensing Agreement	The use shall be limited to the scope authorized by the parties.
Investment Agreement	AIXlink Ltd. and its shareholders	From 2022.04.19	Relevant Rights and Obligations under the Investment Agreement	The use shall be limited to the rights and obligations agreed upon by the parties.
Equity Transfer Agreement	AIXlink Ltd. and its shareholders	2024.12.20	Equity Transfer Agreement	The use shall be limited to the rights and obligations agreed upon by the parties.

Note: Xiamen Jinjinghua Ben Venture Capital Partnership, Fengxin Can Limited Partnership, Chongqing Huachao Enterprise Management Consulting Co., Ltd., Hong Kong Innovation System Integration Limited, Keenest Electronic Corp., and four other shareholders of AIXlink Ltd. repurchased their equity in AIXlink Ltd.. The contracts with these five shareholders were signed separately in December 2024. From the date of signing, the 2022 capital increase agreement and its supplementary agreements previously signed with these five shareholders are terminated and shall no longer have any legal binding effect.

Five. Review of Financial Position, Financial Performance, and Risk Management

I. Financial Position

Unit: NTD in thousand

Item \ Year	2024	2025	Increase/decrease amount	Change ratio (%)
Current assets	1,551,409	1,660,876	109,467	7.06%
Property, plant and equipment	269,384	291,686	22,302	8.28%
Right-of-use assets	8,550	35,168	26,618	311.32%
Net investment property	723,200	743,401	20,201	2.79%
Intangible assets	31,288	281,493	250,205	799.68%
Other assets	445,849	928,975	483,126	108.36%
Total assets	3,029,680	3,941,599	911,919	301.28%
Current liabilities	686,131	1,308,020	621,889	90.64%
Non-current liabilities	692,225	1,170,849	478,624	69.14%
Total liabilities	1,378,356	2,478,869	1,100,513	79.84%
Capital stock	1,170,737	1,402,237	231,500	19.77%
Capital surplus	447,093	421,820	(25,273)	-5.65%
Retained earnings	32,987	(433,126)	(466,113)	-1,413.02%
Other equity	13,466	14,939	1,473	10.94%
Treasury stocks	(13,781)	0	13,781	-100.00%
Non-controlling interests	822	56,860	56,038	6,817.28%
Total equity	1,651,324	1,462,730	(188,594)	-11.42%

- Variations exceeding 20% for the most recent two years:

1. Increase in Right-of-Use Assets: The increase was primarily attributable to the addition of consolidated entities, resulting in an increase in right-of-use assets.
2. Increase in Intangible Assets and Other Assets: The increase was primarily attributable to the addition of consolidated entities and the Company's acquisition of proprietary technologies and software.
3. Increase in Current and Non-Current Liabilities: The increase was primarily attributable to higher short-term and long-term borrowings resulting from the Company's capital allocation strategy.
4. Decrease in Retained Earnings: The decrease was mainly due to the carryforward of losses incurred during the current period.
5. Decrease in Treasury Shares: The decrease was attributable to the transfer of treasury shares to employees for employee stock option purposes.
6. Increase in Non-Controlling Interests: The increase was primarily due to the inclusion of consolidated entities that are not wholly owned by the Company, resulting in higher non-controlling interests.

II. Financial Performance

Unit: NTD in thousand

Item \ Year	2024	2025	Increase/decrease amount	Change ratio (%)
Operating Revenue	1,628,224	1,140,949	(487,275)	-29.93%
Operating Costs	1,169,172	814,241	(354,931)	-30.36%
Operating Gross Margin	459,052	326,708	(132,344)	-28.83%
Operating Expenses	713,654	902,428	188,774	26.45%
Net Operating Loss	(254,602)	(575,720)	(321,118)	126.13%
Non-operating Income and Expenses	21,993	(33,672)	(55,665)	-253.10%
Net Loss before Tax	(232,609)	(609,392)	(376,783)	161.98%
Income Tax (Expense) Profit	(45,558)	5,540	51,098	-112.16%
Net Loss for the Year	(278,167)	(603,852)	(325,685)	117.08%
Other comprehensive (loss) income	12,226	8,321	(3,905)	-31.94%
Total comprehensive (loss) income	(265,941)	(595,531)	(329,590)	123.93%
Net loss attributable to shareholders of the parent company	(278,246)	(455,448)	(177,202)	63.69%
Total comprehensive income attributable to shareholders of the parent	(266,045)	(453,975)	(187,930)	70.64%

- Variations exceeding 20% for the most recent two years:

1. Decrease in Operating Revenue, Operating Costs, and Gross Profit: The decrease was primarily attributable to uncertainties in the international environment during the first half of the year, which led distributors to adopt a more conservative demand outlook.
2. Increase in Operating Expenses: The increase was mainly due to the addition of consolidated entities.
3. Decrease in Non-Operating Income and Expenses: The decrease was primarily attributable to the recognition of losses from investments accounted for under the equity method.
4. Increase in Operating Loss, Loss Before Income Tax, and Net Loss for the Year: The increase was mainly attributable to the combined effects of the factors described above.
5. Increase in Income Tax Benefit: The increase was primarily due to the recognition of benefits arising from temporary differences for income tax purposes.
6. Increase in Other Comprehensive Loss: The increase was mainly attributable to the combined effects of the factors described above.
7. Increase in Net Loss and Total Comprehensive Loss Attributable to Owners of the Parent: The increase was mainly attributable to the combined effects of the factors described above.

III. Cash Flow

Unit: NTD in thousand

Cash balance at beginning of the year (1)	Net Cash Flow from the Year's Operation (2)	Net Cash Flow from the Year's Investment Activities (3)	Net Cash Flow from the Year's Financing Activities (4)	Effects of exchange rate changes on cash and cash equivalents (5)	Cash surplus amount (1)+(2)+(3)+(4)+(5)	Improvement plans for inadequate cash flows	
						Investment plans	Financing plans
864,528	(262,532)	(974,326)	940,925	30,937	599,532	None	None

● Recent Year Cash Flow Analysis:

1. Net Cash Outflow from Operating Activities of NT$262,532 thousand: Primarily due to operating losses.
2. Net Cash Inflow from Investing Activities of NT$ 974,326 thousand: The increase was primarily attributable to newly acquired investments.
3. Net Cash Inflow from Financing Activities of NT$940,925 thousand: The increase was primarily attributable to a cash capital increase and higher bank borrowings.

● As of the date of printing of the annual report, the company has no liquidity issues.

● Cash Flow Liquidity Analysis for the Next Year: The cash on hand of the company is still sufficient to cover various cash expenditures such as operations, indicating good cash flow liquidity for the next year.

IV. Effect of major capital expenditures on finance and business matters in the most recent year

None.

V. Re-investment policies, main causes of profit or loss, improvement plans in the previous year, and investment plans in the coming year

(1) The Company's investment activities are primarily undertaken as long-term strategic investments. The Company continues to prudently evaluate and assess its investment plans.

(2) In 2025, on a consolidated basis, the Company's investee companies accounted for under the equity method were as follows:

Unit: NTD in thousand

Name of Investee Company	Main Business Activities	2025 Profit (Loss) for the Period	Main Reasons for Profit or Loss	Improvement Plan
LUMINOUS RISE INVESTMENT CO., LTD.	Investment Company	(113,300)	It is a general investment entity, and the loss was primarily attributable to the recognition of losses from the Company's investment in Taiwan Mask Corporation.	The Company recorded a profit in the first quarter of 2026.
AIXlink Ltd.	Research and Development, Sales, and Customer Technical Services	-		None

VI. Risk events and analysis in most recent year and as of annual report publication date

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

1. Interest rate changes:

In 2025, the Company recognized net interest income of NT$8,559 thousand and net interest expense of NT$35,610 thousand. The Company will continue to monitor market interest rate trends and, based on its banking deposits and borrowings as well as appropriate capital planning, evaluate funding sources in a timely manner to reduce operational risks.

2. Exchange rate changes:

In 2025, the Company recognized foreign exchange losses of NT$14,276 thousand, which accounted for a relatively low proportion of annual operating revenue and profit or loss. The Company has consistently paid close attention to fluctuations in international exchange rates and continues to implement the following risk mitigation measures:

(1) Engage in forward exchange contract and foreign exchange spot in a prudent manner, controlling the profit and loss generated from the exchange rate changes to the minimum scope.

(2) Maintain close contact with the financial institutions to obtain instant information on exchange rate changes.

(3) Regular evaluation of the performance of engaging in foreign currency derivative trading for hedging, and report to the management level for supervision and management.

3. Inflation:

The price of the raw materials needed by the Company is fairly stable. There have been no significant impacts to the operation situation due to inflation in the recent year and as of the annual report publication date.

(II) Policies, main reason(s) for profits or losses, and future countermeasures for engaging in high-risk and high leverage investments, lending, offering guarantees and endorsements, and derivatives investments:

1.From 2025 and up to the date of publication of this annual report, the Company has not engaged in events of high-risk and high leverage investments, and has established the Procedures for the Acquisition or Disposal of Assets, Procedures for Loaning of Funds to Others, and Procedures for Endorsements and Guarantees to build a sound internal management.

2.Endorsements and guarantees:

Unit: NTD in thousand

Endorser / Guarantor Company	Endorsed / Guaranteed Entity	Actual Amount Utilized	
		2025/12/31	2026/3/31
Ali Corporation	Chih Wei Technology Co., Ltd.	-	-
Array Inc.	Array Taiwan Inc.	12,000	7,312
Array Taiwan Inc.	Array Inc.	14,400	-

3.Loaning of funds to others:

Unit: NTD in thousand

Lending Company	Borrowing Entity	Nature of Transaction	Actual Amount Utilized	
			2025/12/31	116/3/31
Ali Corporation	Chih Wei Technology Co., Ltd.	Capital Turnover	69,000	9,000
Chih Wei Technology Co., Ltd.	Array Taiwan Inc.	Capital Turnover	26,065	18,000
Array Holding for APGFHI Fund LPs	Array Taiwan Inc.	Capital Turnover	10,700	-
Array Inc.	Array Networks, Inc. (Array US)	Capital Turnover	23,903	25,596
	Array Networks, Inc. (Array US)	Capital Turnover	26,310	27,132
	Array Taiwan Inc.	Capital Turnover	8,954	7,935
	Array Taiwan Inc.	Capital Turnover	32,687	33,275

4.The Company engages in derivatives trading for the purpose of foreign exchange hedging or short-term guarantee funds utilization and not for non-trading or speculative operation purpose. Thus, there have been no significant effects to the Company' s profit and loss.

(III) Future research and development plans, and the projected R&D expenses:

The Company is a professional digital Set-Top-Box chip vendor. The medium- and short-term R&D plans are based on the digital Set-Top-Box chip as the core axis. Its goal is for continuous promotion of products with high cost performance ratio satisfying different customers. The expected investment for the total R&D expenses for this year is about NTD450 million.

(IV) Influence of major policies and legal changes in Taiwan or overseas on finance, operations, and countermeasures:

The Company's various businesses conform to the laws and regulations of competent authorities. In the most recent year and as of the annual report publication date, the Company has not been impacted by major domestic and overseas policies and legal changes that have effects on finance and business.

(V) Impacts of technological (including cyber security risk) and industrial changes to the company's finance and business, and countermeasures:

With the rapid progresses of digital products, there have been constantly new specifications and functions appearing. The Company's countermeasures are to get hold of the market trend at all times, continue to upgrade the company's product quality and lower its cost. We have also come up with strict control measures for cyber security to maintain a steady and flexible financial management responding to the challenges of technological changes.

(VI) The impact of changes in corporate image on corporate crisis management and the countermeasures:

The Company values the establishment and sustaining of its corporate image. Our corporate vision is “A Convenient Home Living” and our corporate mission is “To Become a Leader of Performance Excellence in the Digital Multimedia Technology Market.” The new corporate values of ALi are “Integrity, Duty, Challenge the Status Quo, Win-Win Strategy for Customers, Courage and Deep Thoughts, and Team Success.” These values form the fundamental and the most important philosophy for the company team. We strive to embed these six major values to each of the employee on their work in the pursuit of creating the greatest value and optimal benefits for the enterprise together. In the most recent year and as of the annual report publication date, there have not been any negative impact events generated from changes to corporate image.

(VII) Expected benefits and potential risks of mergers and acquisitions, and countermeasures: Not applicable.

(VIII) Expected benefits and potential risks of plant expansions, and countermeasures: Not applicable.

(IX) Risks associated with any consolidation of sales or purchasing operations and the countermeasures:

1. Purchase of goods:
   In response to the impacts of pandemic to the supply chain and trade to effectively increase the R&D power and to lower operation cost, the Company maintains a good strategic partnership with the major global foundries. We also have key strategic partners for packaging and testing suppliers. In the future, we will continue to plan cooperative partners based on different product lines for appropriate resource allocation.
2. Sales of goods:
   The Company sells its good mainly through the dealer to the end customer. There are some customers who are direct customers of the Company. Currently, we continue to develop customer sources of different fields for new product development and business growth trend. With a full expansion of sales counterparty, we maintain a steady operation growth.

(X) Influence and potential risks of the massive transaction or conversion of shares by directors or dominant shareholders holding over 10% of the stake of the Company and countermeasures: Not applicable.

(XI) Impacts from the change of ownership on the Company and its risk and corresponding measures:

The Company completed a full re-election of its Board of Directors at the Annual General Meeting of Shareholders on June 30, 2025, resulting in a change in management control. Such change has had no impact on the Company's risk profile. The new management team will continue to strengthen the development of core businesses and actively expand niche businesses with competitive advantages, with the aim of enhancing overall operational performance. This is expected to have a positive effect on the Company's long-term development.

(XII) Litigious and non-litigious matters:

1. The Company:

This company signed a technology licensing agreement with Sirius Wireless Taiwan CO., LTD. (hereinafter referred to as " Sirius Wireless ") on November 23, 2020. stipulating that Sirius Wireless would provide product development services and related licensing. However, due to Sirius Wireless 's failure to fulfill the development work as agreed, causing losses to our company, despite several unsuccessful attempts at coordination, our company filed a lawsuit with the Taipei District Court on August 12, 2022, seeking damages from Sirius Wireless. The case was dismissed in favor of the defendant on March 18, 2024. The Company carefully reviewed the civil judgment No. 4247 of 2022 and found that the court's findings and application of the law contain errors and inconsistencies, making it difficult to accept the outcome. Accordingly, the Company has filed an appeal within the statutory period in accordance with the law.

Sirius Wireless Taiwan CO., LTD. (hereinafter referred to as " Sirius Wireless ") filed a complaint with the Intellectual Property and Commercial Court on July 4, 2025 against the Company, seeking USD 1.4 million under a technology licensing agreement and NT$1.0 million in damages for alleged trade secret infringement (Case No. 114 Min Shang Su No. 15). The Company has appointed legal counsel to submit a defense. Regarding the claim of USD 1.4 million, the legal counsel is of the opinion that the Company has no payment obligation. Regarding the claim of NT$1.0 million, the legal counsel considers that there is no infringement of trade secrets, and such positions have been asserted in the submitted defense statement.

The Company entered into a settlement agreement with Dolby Laboratories, Inc. on December 23, 2025, under which the Company is released from compliance-related obligations for the period from December 27, 2023 to December 31, 2025.

2. The Company’s directors, president, de facto responsible person, major shareholders with company shares at 10% or more and subordinate company:

The Chairman of the Company serves as the legal representative of ALi Corporation and is therefore listed as the legal representative of the appellant in Civil Case No. 4247 of 2022. Additionally, Sirius Technology filed a criminal complaint against the Company and its Chairman, Mr. Hsu-Yi Liang, alleging a violation of trade secrets. However, following an investigation, the District Prosecutors Office issued a non-prosecution ruling in favor of ALi Corporation and Chairman Liang. Dissatisfied with the decision, Sirius filed a petition for reconsideration, which was subsequently dismissed by the High Prosecutors Office. Sirius has since filed a private prosecution with the court. Although the case remains pending, the previous non-prosecution rulings by both the District and High Prosecutors Offices indicate that the Company did not violate any trade secret laws. Therefore, the case is not expected to have a material impact on the Company.

(XIII) Other important risks and countermeasures:

The company has established the information security policy and intellectual property management regulations for conformance by company employees to maintain information security.

On the basis of protecting customer assets and important R&D outcomes, the company has starting from 2012 design and construct information security management system and corresponding control mechanism based on the ISO 27001 structure, regularly conducts discussions and identification of external and internal information security risks for implementation of risk control conducts. To enhance information security management, the original information security core working group has been upgraded to the Information Security Management Committee in September 2016. The purpose is to implement full scale information security governance. The Committee regularly reports to the CEO and President on its execution status. “Protection of Confidential Information” is the core objective of the company’s information security protection. The company continues to strengthen the abnormal behavior monitoring and audit, and regularly conducts training for all employees on information security awareness and regulations. Furthermore, it accommodates the reward and punishment system of the human resource department to prevent risk from abnormal behaviors.

VII. Other important matters

None.

Six. Special Disclosure

I. Information on Affiliated Companies

(I) Consolidated Business Report of Affiliated Enterprises

Key information is available on the Market Observation Post System (MOPS). Please refer to the following website:https://mops.twse.com.tw/Path: Basic Information → e-Documents → Affiliated Enterprises Disclosure Section.Shareholders may enter the Company code 3041 and select the relevant year for inquiry.

(II) Consolidated Financial Statements of Affiliated Companies: Not applicable.

(III) Report on Affiliated Enterprises:

Key information is available on the Market Observation Post System (MOPS). Please refer to the following website:https://mops.twse.com.tw/Path: Basic Information → e- Documents → Affiliated Enterprises Disclosure Section.Shareholders may enter the Company code 3041 and select the relevant year for inquiry.

II. Private placement of marketable securities for the most recent year up to the publication of the annual report

None.

III. Other matters that require additional explanation

None.

IV. As of the recent year until the annual report publication date, any matter which has had a significant impact on shareholders rights or the price of the securities referred to in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act

None.