

Stock Code: 6664



**Group Up Industrial Co., Ltd.**

# **2024 Annual report**

This annual report is available on the website:

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

Company website: <http://www.gpline.com.tw>

April 14, 2025

**1. Spokesperson and acting spokesperson of the Company**

Spokesperson

Name: Tien-Ho Yu

Title: Deputy General Manager, Management Department

Tel: (03)485-3536

Email: [bill.yu@gpline.com.tw](mailto:bill.yu@gpline.com.tw)

Acting Spokesperson

Name: Chien-Ting Hung

Title: Manager, Sales Department

Tel: (03)485-3536

E-mail address: [ray.hung@gpline.com.tw](mailto:ray.hung@gpline.com.tw)

**2. Address and telephone number of headquarters, branch offices, and factories**

Headquarters: No. 188, Heping Road, Yangmei District, Taoyuan City

Tel: (03)485-3536

**3. Stock transfer agency**

Name: Stock Registrar Department of Grand Fortune Securities Co., Ltd

6F., No. 6, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist.,

Taipei City 100405

Website: <http://gfortune.com.tw>

Tel: (02)2383-6888

**4. CPAs for the most recent year**

Attesting Accountants: Chi-Lung Yu, CPA, Ming-Fang Hsu, CPA

Name of CPA firm: KPMG Taiwan

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

Taipei City 110615

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

Tel: (02)8101-6666

**5. Name of the exchange where the overseas securities are traded and the method by which the information of the overseas securities is accessed: Not applicable**

**6. Company website: <http://www.gpline.com.tw>**

**7. TPEx primary listed company (foreign issuer listing on the ESB) shall be stated: Not applicable.**

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# One. Letter to Shareholders

## I. Operating results of the previous year:

### (1) Implementation of the business plan

For the year ended December 31, 2024, the Company's revenue was NT\$2,497,759 thousand, an increase of NT\$65,138 thousand, or approximately 2.68%, compared to the revenue of NT\$2,432,621 thousand for the year ended December 31, 2023. Net income after tax was NT\$999,614 thousand, and earnings per share (EPS) were NT\$16.97, as explained below:

Units: NT\$ thousand; %

Account	2024 (Consolidated)	2023 (Consolidated)	Amount of increase (decrease)	Ratio of change %
Operating revenue	2,497,759	2,432,621	65,138	2.68
Operating cost	1,198,982	1,293,350	(94,368)	-7.30
Operating gross profit	1,298,777	1,139,271	159,506	14.00
Operating expense	368,657	439,189	(70,532)	-16.06
Operating income	930,120	700,082	230,038	32.86
Non-operating income (expense)	311,129	190,275	120,854	63.52
Income before tax	1,241,249	890,357	350,892	39.41

For the year ended December 31, 2024, operating revenue increased by 2.68% as compared to the year ended December 31, 2023, mainly due to the increase in optical cleaning machines among other equipment in the year ended December 31, 2024. For the years ended December 31, 2024 and 2023, gross profit was NT\$1,298,777 thousand and NT\$1,139,271 thousand, respectively, and gross profit margin was 52.00% and 46.83%, respectively, representing an increase of 5.17% in gross profit margin, which was attributable to the difference in product mix. For the years ended December 31, 2024 and 2023, operating income was NT\$930,120 thousand and NT\$700,082 thousand, respectively, and the operating income ratios were 37.24% and 28.78%, respectively, which were mainly due to the increase in gross profit margins and the increase in operating income ratios. The change in non-operating income (expense) was mainly due to the significant increase in foreign exchange gains resulting from the change in the exchange rate of the U.S. dollar. Revenue by product is shown below:

Units: NT\$ thousand; %

Year Name of product	2024		2023		Increase (decrease) amount	Ratio of change %
	Amount	Percentage (%)	Amount	Ratio (%)		
Mid- and high-end PCB process equipment	1,852,739	74.18	1,964,011	80.74	(111,272)	-5.67
Display process equipment	67,899	2.72	7,105	0.29	60,794	855.65
Other	577,121	23.11	461,505	18.97	115,616	25.05
Total	2,497,759	100.00	2,432,621	100.00	65,138	2.68

(2) Budget implementation: No financial forecast has been published for 2024, so it is not applicable to budget implementation.

(3) Analysis of financial income and expenses and profitability

Unit: %

Analytical Items		2024	2023	2022
Financial structure	Ratio of Liabilities to Assets	54.74	58.44	60.62
	Ratio of Long-term capital to property, plant and equipment	423.15	526.74	487.21

Analytical Items		2024	2023	2022
Solvency	Current ratio	201.51	160.13	162.94
	Quick ratio	156.22	110.75	103.06
	Interest Coverage Ratio	213.72	136.99	143.11
Profitability	Return on assets (%)	12.75	10.83	12.44
	Return on equity (%)	29.12	26.5	28.54
	Ratio of pre-tax net profit to paid-in capital (%)	206.18	153.57	141.57
	Net profit margin (%)	40.02	29.33	26.69
	Earnings per share (NTD)	16.97	12.65	11.44

Current ratio of 201.51% for 2024 increased by 25.84% from 160.13% for 2023, and quick ratio of 156.22% for 2024 increased by 41.05% from 110.75% for 2023, which were mainly due to the increase in cash and cash equivalents of convertible bonds. For the year ended December 31, 2024, the changes in interest coverage ratio, net income before tax to paid-in capital ratio and net income ratio increased by 56.01%, 34.26%, and 36.43%, respectively, compared to the year ended December 31, 2023, mainly due to the increase in pre-tax income and net income as a result of the increase in gross margin from the change in product mix. Earnings per share of NT\$16.97 for 2024 increased by NT\$4.32 from NT\$12.65 for 2023, a change of 34.15%, mainly due to the increase in net income as a result of the increase in gross profit margin.

#### (4) Research and Development

Units: NT\$ thousand; %

Item and year	2024	2023	2022
R&D expenditures	134,370	183,402	164,598
Net operating revenue	2,497,759	2,432,621	2,357,053
R&D expenses as a percentage of net operating revenue (%)	5.38%	7.54%	6.98%

## II. Summary of business plan for the year:

Over the years, based on the five major technology axes of coating, drying, exposure, lamination, and automation, we have developed a variety of PCB, IC carrier boards, flexible electronics, optoelectronics, semiconductors, advanced packaging, and other specialized process equipment products. In addition to meeting the customer's production process requirements for cleanliness, scratch-free, oxygen-insulation, vacuum, film pressing, etc., we can also provide corresponding process automation solutions to meet the customer's overall planning of the production line, and significantly improve the quality of the equipment and shorten the delivery time through modular design.

Our products are used in display, printed circuit boards, IC carrier boards, advanced packaging, touch panels, cover glass, semiconductor, optoelectronics, energy components, passive components, electronic materials, and other industries to develop a variety of specialized equipment for customer production needs. Due to the strong design and service team, in addition to the stable supply of high-quality standard products to customers, the Company develops a variety of new products with a competitive edge in the market according to customer demand every year, and establishes long-term partnerships with customers. The customer base is stable and spans a wide range of industries, which is relatively unaffected by the ups and downs of the economy in a single industry.

## III. Future development strategies of the Company:

### 1. Short-term business development plan

- Based on the equipment performance and accumulated experience supported by the existing LCD industry's CIM system architecture and the semiconductor industry's SEMCS/GEM300 protocol, strengthen the function of equipment intelligence in order to meet the trend of intelligent factory construction for customers and to enhance the competitive advantage in the market.
- Continue to form alliances with industry partners to build turnkey solutions, expand new customers,

and actively compete for orders.

- Continue to devote ourselves to the development of semiconductors, advanced packaging, Mini/Micro LED, 3D cover glass, flexible electronics and other markets.

2. Long-term development plan

- Based on Group Up's ability to develop customized equipment, develop and introduce next-generation process-specific equipment to meet the new process requirements of our existing customer base.
- Cooperate with customers in the development of upstream new materials, synchronously develop special process equipment in the form of cross-industry alliances, and market or recommend each other materials and equipment to create a win-win opportunity.
- Form alliances with major European, American and Japanese manufacturers for OEM/ODM cooperation and market development.

**IV. Impact of the external competitive environment, regulatory environment, and overall business environment:**

In order to cope with the impact of the external competitive environment, regulatory environment, and general operating environment, the Company has been adhering to the following policies to keep abreast of the various operating risks, improve operating performance, and promote profitable growth.

- A. Possess core technical capabilities in coating, drying, lamination, exposure, and automated integration.
- B. Decentralize application industries to reduce risk, continuously develop emerging applications in line with industry trends, and integrate various special automation processes to meet market demands.
- C. Provide technologies that are diversified and keep up with market trends to enhance our competitiveness in the industry.
- D. Follow the trend of smart manufacturing
- E. Provide comprehensive after-sales service and set up real-time service centers.

We wish all our shareholders  
good health and all the best in life.

Chairperson An-Shun Chen

## Two. Corporate Governance Report

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

#### (1) Information on directors and supervisors:

March 29, 2025; Units: shares; %

Job title	Nationality or place of registration	Name	Gender, age	Date of election / appointment to current term	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remark
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship with Customs	
Chairperson	Republic of China	An-Shun Chen	Male 61-70 years old	2024.05.30	3 years	1990.01.24	—	—	879,408	1.45%	892,211	1.47%	—	—	Department of Mechanical Engineering, Taipei City University of Science and Technology Manager, Design Department, C SUN MFG LTD.	Chairperson of Group Up Industrial Co., Ltd. Supervisor of Chan Hung Investment Co. Ltd. Representative of GROUP UP (SAMOA) LTD. Independent Director, Asia Metal Industries, Inc.	—	—	—	(Note 1)
	Republic of China	The corporate entity represented : Chan Hung Investment Co. Ltd.	-	2024.05.30	3 years	2017.6.12	2,755,104	4.75%	2,755,104	4.53%	—	—	—	2,755,104	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	-
Director	Republic of China	Jung-Kun Li	Male 61-70 years old	2024.05.30	3 years	1990.01.24	—	—	913,148	1.50%	1,335,812	2.20%	—	—	Department of Electrical Engineering, Xiehe High School of Industry and Commerce Head of Sales, C SUN MFG LTD.	General Manager of Group Up Industrial Co., Ltd. Supervisor, Yu Feng Investment Co. Ltd.	-	-	-	-
	Republic of China	The corporate entity represented : Yu Feng Investment Co., Ltd.	-	2024.05.30	3 years	2017.6.12	2,757,309	4.75%	2,757,309	4.54%	—	—	—	2,757,309	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	-



Job title	Nationality or place of registration	Name	Gender, age	Date of election / appointment to current term	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remark
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship with Customs	
Director	Republic of China	Wen-Chang Lai	Male 61-70 years old	2024.05.30	3 years	1990.01.24	—	—	976,853	1.61%	878,521	1.45%	—	—	Bachelor of Science in Mechanical Engineering, Chien Hsin University of Science and Technology Head of Quality Control, C SUN MFG LTD.	Vice General Manager of Group Up Industrial Co., Ltd. Supervisor of Hung I Investment Co. Ltd.	-	-	-	-
	Republic of China	The corporate entity represented : Hong I Investment Co., Ltd.	-	2021.07.30	3 years	2017.6.12	2,758,119	4.76%	2,758,119	4.54%	—	—	—	2,758,119	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	—
Director	Republic of China	Tien-Ho Yu	Male 61-70 years old	2024.05.30	3 years	1990.01.24	—	—	857,097	1.41%	925,036	1.52%	—	—	B.S. in Electrical Engineering, National Taipei University of Technology Head of Sales, C SUN MFG LTD.	Deputy General Manager, Group Up Industrial Co., Ltd. Director, Huo Shui Investment Co., Ltd. Representative of Group Up Technology (SIP) Co., Ltd. Representative of Group Up Trading (Shenzhen) Company Limited	—	—	—	—
	Republic of China	The corporate entity represented : Huo Shui Investment Co., Ltd.	-	2024.05.30	3 years	2017.6.12	2,760,712	4.76%	2,760,712	4.54%	—	—	—	—	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	—

Job title	Nationality or place of registration	Name	Gender, age	Date of election / appointment to current term	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remark
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship with Customs	
Director	Republic of China	Tso-Ching Wang	Male 71-80 years old	2024.05.30	3 years	1987.08.13	—	—	—	—	—	—	—	—	General Manager, CX TECHNOLOGY CORPORATION Chairperson for the 6th and 7th Term Taiwan Electronic Equipment Industry Association Chairperson for the 6th and 7th Term Taiwan Printed Circuit Association Director, Taiwan Display Union Association Director, Taiwan ITRI New Venture Association Director for the 3rd Term National Taiwan Ocean University Alumni Association	Chairperson, TALIANG TECHNOLOGY CO., LTD. Director, Taliang Technology Co., Ltd. (BVI) Director, Nanjiang Ta Liang Technology Co., Ltd.	—	—	—	—
Independent Director	Republic of China	Chin-Te Li	Male 61-70 years old	2024.05.30 (Note 4)	3 years	2018.02.22	—	—	—	—	—	—	—	—	M.S. in Industrial Management, National Cheng Kung University Chief Financial Officer, Bossmom Digiinnovation CO., LTD. Deputy General Manager, SBIR Project, Chi Feng Co. Ltd.	Independent Director, Elitegroup Computer Systems Co., Ltd. Independent Director, 3S Silicon Tech., Inc.	—	—	—	—

Job title	Nationality or place of registration	Name	Gender, age	Date of election / appointment to current term	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remark
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship with Customs	
Independent Director	Republic of China	Ching-Chang Hung	Male 61-70 years old	2024.05.30 (Note 4)	3 years	2018.02.22	—	—	—	—	—	—	—	—	M.S., Institute of Industrial Science, Cranfield University, UK Ph.D., Institute of Welding Technology, Cranfield University General Manager, UNIPLUS ELECTRONICS CO., LTD. Senior Vice President, ELITE MATERIAL CO., LTD.	Executive Consultant, TECH ADVANCE INDUSTRIAL CO., LTD.	—	—	—	—
Independent Director	Independent Director	Ming-Shing Chen	Male 61-70 years old	2024.05.30 (Note 4)	3 years	2018.02.22	—	—	—	—	—	—	—	—	MBA, National University of Singapore Chairperson of Inventalk Technology Inc.	Independent Director, Elitegroup Computer Systems Co., Ltd.	—	—	—	—
Independent Director	Independent Director	Shu-Ling Lin	Female 51-60 years old	2024.05.30	3 years	2009.06.19	—	—	—	—	—	—	—	—	Independent Director, CviLux Corporation CPA, Honesty CPA Firm	Independent Director, CviLux Corporation CPA, Honesty CPA Firm	—	—	—	—

Note: Director Tso-Ching Wang - newly appointed on 2024/5/30; Independent Director Shu-Ling Lin - newly appointed on 2024/5/30; all other directors were re-elected on 2024/5/30.

Note 1: Where the general manager or person of an equivalent post (the highest level manager) and the chairperson of the board of directors of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g., increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer).

The Chairperson of the Board of Directors also serves as the Chief Executive Officer of the Company, mainly because he is the founding principal shareholder of the Company and has led the Company to sustained growth and success, and remains the best choice for the interests of shareholders and the Company. However, in order to enhance corporate governance and strengthen the independence of the Board of Directors, in addition to the Chairperson's close and adequate communication with each director, the Company currently has the following specific measures in place to strengthen the functions of the Board of Directors:

- (1) Setting up functional committees (Compensation and Audit) to fully discuss and make professional recommendations for the directors' reference in order to implement corporate governance.
- (2) More than half of the board members are not concurrently serving as employees or managerial officers.
- (3) Every year, each director is arranged to attend courses from outside professional organizations to enhance the professional competence of the directors in order to improve the operational efficiency of the Board of Directors.

Note 2: Supervisors were first elected on October 30, 2015, and in conjunction with the general re-election of directors at the special meeting of shareholders on February 22, 2018. In accordance

with the Company's Articles of Incorporation, the Audit Committee was also formed by all independent directors to replace the supervisors; therefore, the original supervisors were automatically terminated on February 22, 2018 and were reappointed as directors.

Note 3: The Company's Board of Directors does not have a third of the total number of seats occupied by government agencies or a single corporate entity and its subsidiaries.

Note 4: The current independent directors have been appointed for two consecutive terms, none of which will exceed three terms.

## 1. Major shareholders of corporate shareholders

March 29, 2025

Name of corporate shareholder	Major shareholders of the corporate shareholder
Chan Hung Investment Co. Ltd.	An-Shun Chen (30.00%), Yueh-Chan Yang (30.00%), Hung-Chan Chen (13.34%), Wei-Chen Chen (13.33%), Yu-Hsuan Chen (13.33%)
Yu Feng Investment Co., Ltd.	Jung-Kun Li (30.00%), Ching-Jung Lin (30.00%), Wan-Ting Li (20.00%), Hsin-Yun Li (20.00%)
Hong I Investment Co., Ltd.	Wen-Chang Lai (25.00%), Ying-Chih Lai (25.00%), Ying-Yun Lai (25.00%), Yu-Mei Wang (25.00%)
Huo Shui Investment Co., Ltd.	Tien-Ho Yu (30.00%), I-Hsin Feng (30.00%), Che-Wei Yu (20.00%), Che-Kuan Yu (20.00%)

## 2. Professional expertise and the status of independence of directors or supervisors:

Qualification Name	Professional qualifications and experience	Independence analysis (Note 2)	No. of other public companies at which the person concurrently serves as an independent director
Representative of Chan Hung Investment Co. Ltd.: An-Shun Chen	1. Experience of Board leadership (For work experience, please refer to Information on directors on page 8.) 2. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market view, and leadership decision-making 3. None of the circumstances in the subparagraphs of Article 30 of the Company Act	(4)(6)(8)(9)(11)(12)	1
Representative of Yu Feng Investment Co., Ltd.: Jung-Kun Li	1. Operational judgment, business management, crisis management, and professional experience in international market view and leadership decision-making 2. None of the circumstances in the subparagraphs of Article 30 of the Company Act	(4)(6)(8)(9)(11)(12)	-
Representative of Hong I Investment Co., Ltd.: Wen-Chang Lai	1. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market view, and leadership decision-making	(4)(6)(7)(8)(9)(11)(12)	-

Qualification Name	Professional qualifications and experience	Independence analysis (Note 2)	No. of other public companies at which the person concurrently serves as an independent director
	2. None of the circumstances in the subparagraphs of Article 30 of the Company Act		
Representative of Huo Shui Investment Co., Ltd.: Tien-Ho Yu	1. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market view, and leadership decision-making 2. None of the circumstances in the subparagraphs of Article 30 of the Company Act	(4)(6)(7)(8)(9)(11)(12)	-
Shui-Chuan Tai	1. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market view, and leadership decision-making 2. None of the circumstances in the subparagraphs of Article 30 of the Company Act	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	-
Wang Tso-Ching	1. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market view, and leadership decision-making 2. None of the circumstances in the subparagraphs of Article 30 of the Company Act	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	1
Li Chin-Te	1. Experience of the Remuneration Committee and Audit Committee (For work experience, please refer to Information on directors on pages 9~10.) 2. Professional experience in operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market view, and leadership decision-making. 3. None of the circumstances in the subparagraphs of Article 30 of the Company Act	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	2
Hung Ching-Chang	1. Experience of the Remuneration Committee and Audit Committee	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	-

Qualification Name	Professional qualifications and experience	Independence analysis (Note 2)	No. of other public companies at which the person concurrently serves as an independent director
	<p>(For work experience, please refer to Information on directors on pages 9~10.)</p> <p>2. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market view, and leadership decision-making</p> <p>3. None of the circumstances in the subparagraphs of Article 30 of the Company Act</p>		
Chen Ming-Hsing	<p>1. Experience of the Remuneration Committee and Audit Committee (For work experience, please refer to Information on directors on pages 9~10.)</p> <p>2. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market view, and leadership decision-making</p> <p>3. None of the circumstances in the subparagraphs of Article 30 of the Company Act</p>	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	1
Lin Hu-Ling	<p>1. Experience of the Remuneration Committee and Audit Committee (For work experience, please refer to Information on directors on pages 9~10.)</p> <p>2. Professional experience in operational judgment, business management, crisis management, industry knowledge, international market view, and leadership decision-making</p> <p>3. None of the circumstances in the subparagraphs of Article 30 of the Company Act</p>	(1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)(12)	1

Note 1: None of the circumstances in the subparagraphs of Article 30 of the Company Act exists with respect to the above mentioned Directors and Independent Directors.

Note 2: The status of independence of the directors before being elected or during the term of office. (Those who meet the following are listed in the table above.)

(1) Not an employee of the Company or any of its affiliates.

(2) Not a director or supervisor of the company or any of its affiliates (except for those who are independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).

- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the company or ranking in the top 10 in holdings.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.
- (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act (except for those who are independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).
- (6) Not a director, supervisor, or employee of another company with the number of directors or more than half of the voting shares of the Company under control of the same person (except for those who are independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).
- (7) Not a director (or governor) supervisor, or employee of that other company or institution if the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses (except for those who are independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).
- (8) Not a director, supervisor, officer, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship with the company (except for a specified company or institution that holds 20% or more and no more than 50% of the total number of issued shares of the public company and that is an independent director appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, a public company and its parent or subsidiary or a subsidiary of the same parent).
- (9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.
- (10) Not a spouse of or related to another director within the second degree of kinship.
- (11) None of the circumstances in the subparagraphs of Article 30 of the Company Act.
- (12) Not a government agency, juristic person, or representative thereof as set out with Article 27 of the Company Act elected as a director.

### 3. Diversity and independence of the Board of Directors:

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

The composition of the Company's Board of Directors is based on the "Corporate Governance Best Practice Principles" and the "Regulations Governing the Election of Directors and Independent Directors", which consider the diversity of the Board of Directors in various aspects. The Company has a total of nine directors, including four independent directors. The Company advocates and respects the policy of diversity of directors in order to strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, and believes that the diversity policy will help to enhance the overall performance of the Company. The Board members are selected based on the principle of choosing the talented people only, with a diverse and complementary range of skills across industry sectors, including basic qualifications and values (e.g., gender and age, etc.), as well as their respective professional knowledge and skills: professional backgrounds (e.g., law, accounting, industry, finance, marketing, or technology), professional skills and industry experience, etc.

Currently, less than one-third of the Company's board of directors are women. This is mainly due to the fact that the composition of the Company's board of directors is usually



affected by its past development history, and most of the existing directors are members of the long-term operational decision-making team, and some of them have been re-elected for multiple terms, which affects the pace of gender changes on the board. In the future, in the nomination process for directors, when selecting independent directors or outside directors, priority will be given to female candidates with professional abilities that meet the Company's needs, in order to enhance gender diversity on the Board of Directors.

The current Board of Directors' diversity policy and its implementation of the Company are described below:

Diversity item Name of director	Gender	Age	Diversify core item							
			Operational judgment capacity	Accounting and financial analysis capacity	Business management capacity	Crisis management capacity	Industry knowledge	International market view	Leadership capacity	Decision-making capacity
Representative of Chan Hung Investment Co. Ltd.: An-Shun Chen	Male	61-70 years old	V		V	V	V	V	V	V
Representative of Yu Feng Investment Co., Ltd.: Jung-Kun Li	Male	61-70 years old	V		V	V	V		V	V
Representative of Hong I Investment Co., Ltd.: Wen-Chang Lai	Male	61-70 years old	V		V	V	V		V	V
Representative of Huo Shui Investment Co., Ltd.: Tien-Ho Yu	Male	61-70 years old	V		V	V	V		V	V
Wang Tso-Ching	Male	71-80 years old	V		V	V	V	V	V	V
Li Chin-Te	Male	61-70 years old	V	V	V	V			V	V
Hung Ching-Chang	Male	61-70 years old	V		V	V	V		V	V
Chen Ming-Hsing	Male	61-70 years old	V		V	V		V	V	V
Lin Hu-Ling	Female	51-60 years old		V	V	V		V		V

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

The Company's Board of Directors consists of nine members, of which four are independent directors. For details of the independence of the Board of Directors, please refer to Three. II. (1), 2. Disclosure of the Expertise and Independence of the Directors or Supervisors. The Company has established the Audit Committee to replace the Supervisors and none of the nine members of the Board of Directors are related to each other as a spouse or relative within the second degree of kinship; therefore, there are no circumstances described in Article 26-3, Paragraph 3 and Paragraph 4 of the Securities and Exchange Act.

(2) General manager, deputy general managers, deputy assistant general managers, and the chiefs of all the company's divisions and branch units:  
March 29, 2025; Units: shares; %

Title	Nationality	Name	Gender	Date of appointment	Shares held		Shares held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions concurrently held in other companies at present	Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree			Remark
					No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship with Customs	
CEO	Republic of China	An-Shun Chen	Male	1990.01.24	879,408	1.45%	892,211	1.47%	—	—	B.S. in Mechanical Engineering, Taipei City University of Science and Technology Manager, Design Department, C SUN MFG LTD.	Supervisor, Chan Hung Investment Co., Ltd. Representative of Group Up (Samoa) Ltd. Independent Director, Asia Metal Industries, Inc.	—	—	—	Note
General Manager	Republic of China	Jung-Kun Li	Male	1990.01.24	913,148	1.50%	1,335,812	2.20%	—	—	Department of Electrical Engineering, Xiehe High School of Industry and Commerce Head of Sales, C SUN MFG LTD.	Supervisor of Yu Feng Investment Co., Ltd.	—	—	—	—
Manufacturing Department Deputy General Manager	Republic of China	Wen-Chang Lai	Male	1990.01.24	976,853	1.61%	878,521	1.45%	—	—	B.S. in Mechanical Engineering, Chien Hsin University of Science and Technology Head of Quality Control, C SUN MFG LTD.	Supervisor of Hung I Investment Co. Ltd.	—	—	—	—
Management Department Deputy General Manager	Republic of China	Tien-Ho Yu	Male	1990.01.24	857,097	1.41%	925,036	1.52%	—	—	B.S. in Electrical Engineering, National Taipei University of Technology Head of Sales, C SUN MFG LTD.	Director of Huo Shui Investment Co., Ltd. Representative of Group Up Technology (SIP) Co., Ltd. Representative of Group Up Trading (Shenzhen) Company Limited	—	—	—	—
Sales Department Deputy	Republic of China	Chih-Hung Li	Male	2006.07.01	35,461	0.06%	—	—	—	—	Ph.D. in Electrical Engineering, Chung Yuan Christian	None	—	—	—	—

Title	Nationality	Name	Gender	Date of appointment	Shares held		Shares held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions concurrently held in other companies at present	Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree			Remark
					No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship with Customs	
General Manager											University Assistant Professor, Ling Tung University					
R&D Department Deputy Assistant General Manager	Republic of China	Hsiu-Jung Chen	Male	2000.04.10	109,460	0.18%	55,977	0.09%	—	—	B.S. in Mechanical Engineering, National United University Engineer, WHIRLHO MACHINE CO., LTD.	None	—	—	—	—
Head of Finance and Head of Corporate Governance	Republic of China	Chin-Wei Shen	Female	2000.12.21	15,000	0.02%	—	—	—	—	Master of Management, National Central University Team Leader, Deloitte Taiwan	None	—	—	—	—

Note: If the general manager or person of an equivalent post (the highest level manager) and the chairperson of the board of directors of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g. increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer).

The Chairperson of the Board of Directors also serves as the Chief Executive Officer of the Company, mainly because he is the founding principal shareholder of the Company and has led the Company to sustained growth and success, and remains the best choice for the interests of shareholders and the Company. However, in order to enhance corporate governance and strengthen the independence of the Board of Directors, in addition to the Chairperson's close and adequate communication with each director, the Company currently has the following specific measures in place to strengthen the functions of the Board of Directors:

- (1) Setting up functional committees (Compensation and Audit) to fully discuss and make professional recommendations for the directors' reference in order to implement corporate governance.
- (2) More than half of the board members are not concurrently serving as employees or managerial officers.
- (3) Every year, each director is arranged to attend courses from outside professional organizations to enhance the professional competence of the directors in order to improve the operational efficiency of the Board of Directors.

## II. Remuneration to directors, supervisors, the general manager, and deputy general managers

### (1) Remuneration paid to ordinary directors and independent directors in the most recent year (2024)

Units: NT\$ thousand; shares

Title	Name (Note 1)	Directors' Remuneration								Sum of A+B+C+D and ratio to net income (Note 10)		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income (Note 10)		Remuneration received from investee enterprises other than subsidiaries or from the parent company (Note 11)
		Base compensation (A) (Note 2)		Retirement pay and pension (B)		Director profit sharing compensation (C) (Note 3)		Expenses and perquisites (D) (Note 4)				Salary, rewards, and special disbursements (E) (Note 5)		Retirement pay and pension (F)		Employee profit-sharing compensation (G) (Note 6)						
		The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company	All consolidated entities (Note 7)	The Company		All consolidated entities (Note 7)		The Company	All consolidated entities (Note 7)	
																Amount in cash	Amount in stock	Amount in cash	Amount in stock			
Chairman	An-Shun Chen The corporate entity represented: Chan Hung Investment Co. Ltd.	1,340	1,340	-	-	3,950	3,950	117	117	5,407 0.54%	5,407 0.54%	32,485	32,485	-	-	4,930	-	4,930	-	42,172 4.22%	42,172 4.22%	-
Director	Jung-Kun Li The corporate entity represented: Yu Feng Investment Co., Ltd.																					
Director	Wen-Chang Lai The corporate entity represented: Hong I Investment Co., Ltd.																					
Director	Tien-Ho Yu The corporate entity represented: Huo Shui Investment Co., Ltd.																					
Director	Shui-Chuan Tai																					
Director	Chuan-Chih Kao																					
Director	Wang Tso-Ching																					
Independent Director	Li Chin-Te	840	840	-	-	1,550	1,550	87	87	2,477 0.25%	2,477 0.25%	-	-	-	-	-	-	-	2,477 0.25%	2,477 0.25%	-	
Independent Director	Hung Ching-Chang																					
Independent Director	Chen Ming-Hsing																					
Independent Director	Lin Hu-Ling																					
1. Please describe the policy, system, standards and structure in place for paying directors' remuneration and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid: The remuneration is paid in accordance with the "Regulations Governing the Remuneration of Directors and Managerial Officers". 2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / invested enterprises): None.																						

### Remuneration Range Table for Directors

Ranges of remuneration paid to each of the Company's directors	Name of director			
	Sum of A+B+C+D		Sum of A+B+C+D+E+F+G	
	The Company (Note 8)	All consolidated entities (Note 9) H	The Company (Note 8)	All consolidated entities (Note 9) I
Less than NT\$1,000,000	Chan Hung Investment Co. Ltd., Jung-Kun Li, Yu Feng Investment Co., Ltd., Wen-Chang Lai, Hong I Investment Co., Ltd., Tien-Ho Yu, Huo Shui Investment Co., Ltd., Shui-Chuan Tai, Chuan-Chih Kao, Tso-Ching Wang, Chin-Te Li, Ching-Chang Hung, Ming-Shing Chen, Shu-Ling Lin	Chan Hung Investment Co. Ltd., Jung-Kun Li, Yu Feng Investment Co., Ltd., Wen-Chang Lai, Hong I Investment Co., Ltd., Tien-Ho Yu, Huo Shui Investment Co., Ltd., Shui-Chuan Tai, Chuan-Chih Kao, Tso-Ching Wang, Chin-Te Li, Ching-Chang Hung, Ming-Shing Chen, Shu-Ling Lin	Chan Hung Investment Co. Ltd., Yu Feng Investment Co., Ltd., Hong I Investment Co., Ltd., Huo Shui Investment Co., Ltd., Shui-Chuan Tai, Chuan-Chih Kao, Tso-Ching Wang, Chin-Te Li, Ching-Chang Hung, Ming-Shing Chen, Shu-Ling Lin	Chan Hung Investment Co. Ltd., Yu Feng Investment Co., Ltd., Hong I Investment Co., Ltd., Huo Shui Investment Co., Ltd., Shui-Chuan Tai, Chuan-Chih Kao, Tso-Ching Wang, Chin-Te Li, Ching-Chang Hung, Ming-Shing Chen, Shu-Ling Lin
NT\$1,000,000 (incl.) ~ NT\$2,000,000 (excl.)	—	—	—	—
NT\$2,000,000 (incl.) ~ NT\$3,500,000 (excl.)	—	—	—	—
NT\$3,500,000 (incl.) ~ NT\$5,000,000 (excl.)	—	—	—	—
NT\$5,000,000 (incl.) ~ NT\$10,000,000 (excl.)	—	—	Wen-Chang Lai, Tien-Ho Yu	Wen-Chang Lai, Tien-Ho Yu
NT\$10,000,000 (incl.) ~ NT\$15,000,000 (excl.)	—	—	An-Shun Chen, Jung-Kun Li	An-Shun Chen, Jung-Kun Li
NT\$15,000,000 (incl.) ~ NT\$30,000,000 (excl.)	—	—	—	—
NT\$30,000,000 (incl.) ~ NT\$50,000,000 (excl.)	—	—	—	—
NT\$50,000,000 (incl.) ~ NT\$100,000,000 (excl.)	—	—	—	—
NT\$100,000,000 or above	—	—	—	—
Total	Total 15 seats	Total 15 seats	Total 15 seats	Total 15 seats

Note: Director Shui-Chuan Tai - re-appointed on 2024/5/30 / Retired on 2024/6/30; Director Tso-Ching Wang - newly appointed on 2024/5/30; Director Chuan-Chih Kao retired on 2024/5/30; Director Shu-Ling Lin newly appointed on 2024/5/30; remaining directors reappointed on 2024/5/30.

Note 1: The name of each director shall be stated separately (for a corporate shareholder, the names of the corporate shareholder and its representative shall be stated separately) and the names of the ordinary directors and independent directors shall be stated separately, based on the amount of the aggregated remuneration items paid to each.

Note 2: This refers to director base compensation in the most recent fiscal year (including director salary, duty allowances, severance pay, and various rewards and incentives, etc.).

Note 3: Please fill in the amount of director profit-sharing compensation approved by the board of directors for distribution for the most recent fiscal year.

Note 4: This refers to director expenses in the most recent fiscal year (including travel expenses, special disbursements, stipends of any kind, and provision of facilities such as accommodations or vehicles, etc.). If housing, car or other forms of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base compensation paid by the Company to the driver, but do not include it in the calculation of the director remuneration.

Note 5: This includes any remuneration received by a director for concurrent service as an employee in the most recent year (including concurrent service as general manager, deputy general manager, other managerial officer, or non-managerial employee) including salary, duty allowances, severance pay, rewards, incentives, travel expenses, special disbursements, stipends of any kind, and provision of facilities such as accommodations or vehicles, etc. If housing, car or other forms of transportation, or personalized expenses

are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base compensation paid by the Company to the driver, but do not include it in the calculation of the director remuneration. The salary expense recognized in accordance with IFRS 2 "Share-based Payment," including the acquisition of employee stock warrants, new restricted employee shares and subscription to cash capital increase, should also be included in the remuneration.

Note 6: This refers to employee profit-sharing compensation (including stocks and cash) received by a director for concurrent service as an employee in the most recent fiscal year (including concurrent service as general manager, deputy general manager, other managerial officer, or non-managerial employee). Disclose the amount of profit-sharing compensation approved or expected to be approved by the board of directors for distribution for the most recent fiscal year. If the amount cannot be forecasted, disclose the amount expected to be distributed by using a pro-rata calculation of the amount that was actually distributed in the preceding fiscal year. Table 1-3 should also be completed.

Note 7: Disclose the total amount of remuneration in each category paid to the directors of the Company by all companies in the consolidated financial report (including the Company).

Note 8: Disclose the names of the directors in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each director by the Company.

Note 9: Disclose the names of the directors in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each director of the Company by all companies in the consolidated financial report (including the Company).

Note 10: Net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note 11: a. In this column, specifically disclose the amount of remuneration received by the directors of the Company from investee enterprises other than subsidiaries or from the parent company (if none, state "None").

b. If directors of the Company have received remuneration from investee enterprises other than subsidiaries or from the parent company, that remuneration shall be added into the amount in Column I of the Remuneration Range Table, and the name of that column shall be changed to "Parent company and all investee enterprises".

c. Remuneration means remuneration received by directors of the Company for serving in capacities such as director, supervisor, or managerial officer at investee companies other than subsidiaries or at the parent company, including base compensation, profit-sharing compensation (including employee, director, and supervisor profit-sharing compensation) and expenses and perquisites.

This table is for information disclosure purposes only and is not intended to be used for tax purposes, as the remuneration disclosed in this table differs from the concept of income under the Income Tax Act.

(2) Remuneration to supervisors: The Company has changed it to an Audit Committee and this is not applicable.

(3) Remuneration paid to general manager and deputy general manager in the most recent year (2024)

Unit: NT\$ thousand

Title	Name (Note 1)	Salaries (A) (Note 2)		Retirement pay and pension (B)		Rewards and special disbursements (C) (Note 3)		Employee profit-sharing compensation (D) (Note 4)				Sum of A+B+C+D and ratio to net income (%) (Note 8)		Remuneration received from investee enterprises other than subsidiaries (Note 9)
		The Company	All consolidated entities (Note 5)	The Company	All consolidated entities (Note 5)	The Company	All consolidated entities (Note 5)	The Company		All consolidated entities (Note 5)		The Company	All consolidated entities	
								Amount in cash	Amount in stock	Amount in cash	Amount in stock			
CEO	An-Shun Chen	11,372	11,372	-	-	24,797	24,797	5,280	-	5,280	-	41,449 4.15%	41,449 4.15%	—
General Manager	Jung-Kun Li													

Deputy General Manager, Manufacturing Department	Wen-Chang Lai													
Deputy General Manager, Management Department	Tien-Ho Yu													
Deputy General Manager, Sales Department	Chih-Hung Li													

Remuneration Range Table for General Manager and Deputy General Managers

Ranges of remuneration paid to each of the Company's general manager(s) and deputy general manager(s)	Names of General Manager(s) and Deputy General Manager(s)	
	The Company (Note 6)	All consolidated entities (Note 7) E
Less than NT\$1,000,000	—	—
NT\$1,000,000 (incl.) ~ NT\$2,000,000 (excl.)	—	—
NT\$2,000,000 (incl.) ~ NT\$3,500,000 (excl.)	—	—
NT\$3,500,000 (incl.) ~ NT\$5,000,000 (excl.)	Chih-Hung Li	Chih-Hung Li
NT\$5,000,000 (incl.) ~ NT\$10,000,000 (excl.)	Wen-Chang Lai, Tien-Ho Yu	Wen-Chang Lai, Tien-Ho Yu
NT\$10,000,000 (incl.) ~ NT\$15,000,000 (excl.)	An-Shun Chen, Jung-Kun Li	An-Shun Chen, Jung-Kun Li
NT\$15,000,000 (incl.) ~ NT\$30,000,000 (excl.)	—	—
NT\$30,000,000 (incl.) ~ NT\$50,000,000 (excl.)	—	—
NT\$50,000,000 (incl.) ~ NT\$100,000,000 (excl.)	—	—
NT\$100,000,000 or above	—	—
Total	Total 5 persons	Total 5 persons

Note 1: The name of each general manager and deputy general manager shall be stated separately, based on the amount of the aggregated remuneration items paid to each.

Note 2: This includes salary, duty allowances, and severance pay to the general manager(s) and deputy general manager(s) in the most recent fiscal year.

Note 3: This includes the amounts of all types of rewards, incentives, travel expenses, special disbursements, stipends of any kind, provision of facilities such as accommodations or vehicle, and other compensation to the general manager(s) and deputy general managers(s) in the most recent fiscal year. If housing, car or other forms of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base compensation paid by the Company to the driver, but do not include it in the calculation of the director

remuneration. The salary expense recognized in accordance with IFRS 2 "Share-based Payment," including the acquisition of employee stock warrants, new restricted employee shares and subscription to cash capital increase, should also be included in the remuneration.

Note 4: This refers to employee profit-sharing compensation (including stocks and cash) received by the general manager(s) and deputy general manager(s) as approved or expected to be approved by the board of directors for the most recent fiscal year (including concurrent service as general manager, deputy general manager, other managerial officer, or non-managerial employee). If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata the amount that was actually distributed in the preceding fiscal year. Table 1-3 should also be completed.

Note 5: Disclose the total amount of remuneration in each category paid to the general manager(s) and deputy general manager(s) by all companies in the consolidated financial report (including the Company).

Note 6: Disclose the names of the general manager(s) and deputy general manager(s) in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each general manager and deputy general manager by the Company.

Note 7: Disclose the names of the general manager(s) and deputy general manager(s) in the respective ranges into which they fall based on the sum total of the remuneration in the indicated categories paid to each general manager and deputy general manager of the Company by all companies in the consolidated financial report (including the Company).

Note 8: Net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note 9: a. In this column, specifically disclose the amount of remuneration received by the general manager(s) and deputy general manager(s) of the Company from investee enterprises other than subsidiaries or from the parent company (if none, state "None").

b. If general manager(s) or deputy general manager(s) of the Company have received remuneration from investee enterprises other than subsidiaries or from the parent company, that remuneration shall be added into the amount in Column E of the Remuneration Range Table, and the name of that column shall be changed to "Parent company and all investee enterprises."

c. Remuneration means remuneration received by the general manager(s) and deputy general manager(s) of the Company for serving in capacities such as director, supervisor, or managerial officer at investee companies other than subsidiaries or at the parent company, including base compensation, profit-sharing compensation (including employee, director, and supervisor profit-sharing compensation) and expenses and perquisites.

\* This table is for information disclosure purposes only and is not intended to be used for tax purposes, as the remuneration disclosed in this table differs from the concept of income under the Income Tax Act.

(4) Names and distributions of employee profit-sharing compensation to managerial officers

December 31, 2024; Unit: NT\$ thousand

	Title	Name	Amount in stock	Amount in cash	Total	As a % of net profit (%)
Managerial officers	CEO	An-Shun Chen	—	6,600	6,600	0.66%
	General Manager	Jung-Kun Li				
	Deputy General Manager, Manufacturing Department	Wen-Chang Lai				
	Deputy General Manager, Management Department	Tien-Ho Yu				
	Deputy General Manager, Sales Department	Yu-Shui Chen(Note)				
	Deputy General Manager, Sales Department	Chih-Hung Li				
	Deputy Assistant General	Hsiu-Jung Chen				



	Manager, R&D Department					
	Head of Finance and Head of Corporate Governance	Chin-Wei Shen				

**Note:** Deputy General Manager Chen, Hui-Wu of the Business Department retired on February 7, 2024

- (5) Remuneration paid to each of the Company's five highest remunerated management personnel: Not applicable.
- (6) Total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, supervisors, general managers, and deputy general managers, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.
1. Total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company during the past 2 fiscal years to directors, supervisors, general managers, and deputy general managers

Unit: NT\$ thousand

Title	2023		2024	
	Total remuneration	As a percentage of net income (%)	Total remuneration	As a percentage of net income (%)
Director	7,816	1.10%	7,884	0.79%
General Manager and Deputy General Manager	27,269	3.82%	41,449	4.15%

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

Article 19 of the Company's Articles of Incorporation provides that the Company shall set aside not less than 2% for employees' compensation and not more than 5% for remuneration to directors if there is any remaining balance after the pre-tax profit for the year before the distribution of employees' compensation and remuneration to directors retained to cover the amount of accumulated losses. The compensation of directors and managers is evaluated based on the standard salary level of the position in the industry market, the scope of authority and responsibility of the position within the Company, the degree of contribution to the Company's operating objectives, the degree of participation in operations, and the overall consideration in accordance with the Company's "Regulations Governing the Remuneration to Directors and Managerial Officers", which includes financial performance indicators, talent cultivation, compliance with laws and regulations, and other special contributions.

### III. The state of the company's implementation of corporate governance

#### (1) Operation of the Board of Directors:

In 2024 and up to the date of publication of the annual report, the Board of Directors of the Company held a total of 10 meetings (A). The attendance by the directors was as follows:

Title	Name	No. of meetings attended in person (B)	No. of meetings attended by proxy	In-person attendance rate (%) 【 B / A 】	Remark
Chairman	An-Shun Chen The corporate entity represented: Chan Hung Investment Co. Ltd.	10	—	100%	Re-elected as a Director for the 13th term.
Director	Jung-Kun Li The corporate entity represented: Yu Feng Investment Co., Ltd.	10	1	90%	Re-elected as a Director for the 13th term.
Director	Wen-Chang Lai The corporate entity represented: Hong I Investment Co., Ltd.	10	—	100%	Re-elected as a Director for the 13th term.
Director	Tien-Ho Yu The corporate entity represented: Huo Shui Investment Co., Ltd.	10	—	100%	Re-elected as a Director for the 13th term.
Director	Shui-Chuan Tai	0	5	0%	Re-elected as a Director for the 13th term and resigned on June 26, 2024.
Director	Chuan-Chih Kao	4	—	100%	Re-elected and retired on May 30, 2024.
Director	Wang Tso-Ching	6	1	83.33%	Re-elected and newly appointed on May 30, 2024.
Independent Director	Li Chin-Te	10	—	100%	Re-elected as a Director for the 13th term.
Independent Director	Hung Ching-Chang	10	—	100%	Re-elected as a Director for the 13th term.
Independent Director	Chen Ming-Hsing	10	—	100%	Re-elected as a Director for the 13th term.
Independent Director	Lin Hu-Ling	6	—	100%	Re-elected and newly appointed on May 30, 2024.
Other information required to be disclosed:					

1. If any of the following circumstances exists, specify the board meeting date, meeting session number, content of the motion(s), the opinions of all the independent directors, and the measures taken by the Company based on the opinions of the independent directors:
  - (1) Any matter under Article 14-3 of the Securities and Exchange Act. Please refer to pages 47-50 of the “Material Resolutions of the Board of Directors Meeting”.
  - (2) In addition to the matters referred to above, any dissenting or qualified opinion of an independent director that is on record or stated in writing with respect to any board resolution: None.
2. The status of implementation of recusals of directors with respect to any motions with which they may have a conflict of interest: specify the director’s name, the content of the motion, the cause for recusal, and whether and how the director voted:

Date	Name of director	Content of motion	Cause for recusal	Whether and how the director voted
2024.01.26 18th meeting of the 12th term Board of Directors	An-Shun Chen Jung-Kun Li Wen-Chang Lai Tien-Ho Yu	Changes to 2023 year-end bonus and operating results distribution for the Company’s managerial officers.	An-Shun Chen, Jung-Kun Li Wen-Chang Lai and Tien-Ho Yu are directors and managerial officers of the Company.	The aforesaid persons withdrew from the meeting in accordance with the law and did not participate in the discussion and voting, and were approved by the remaining directors present without objections.
2024.02.23 19th meeting of the 12th term Board of Directors	An-Shun Chen Jung-Kun Li Wen-Chang Lai Tien-Ho Yu Chuan-Chih Kao Shui-Chuan Tai Li Chin-Te Hung Ching- Chang Chen Ming- Hsing	Nomination and resolution of the list of candidates for directors (including independent directors) 2. Release the prohibition on directors and their representatives from participation in competitive business 3. Distribution of quarterly work evaluation bonuses for managerial officers	An-Shun Chen, Jung-Kun Li Wen-Chang Lai and Tien-Ho Yu are directors and managerial officers of the Company. Chuan-Chih Kao, Shui-Chuan Tai, Chin-Te Li, Ching-Chang Hung, Ming-Shing Chen are Directors of the Company.	The aforesaid persons withdrew from the meeting in accordance with the law and did not participate in the discussion and voting, and were approved by the remaining directors present without objections.
2024.05.10 21st meeting of the 12th term Board of Directors	An-Shun Chen Jung-Kun Li Wen-Chang Lai Tien-Ho Yu	Distribution of quarterly work evaluation bonuses for managerial officers	An-Shun Chen, Jung-Kun Li Wen-Chang Lai and Tien-Ho Yu are directors and managerial officers of the Company.	The aforesaid persons withdrew from the meeting in accordance with the law and did not participate in the discussion and voting, and were approved by the remaining directors present without objections.

2024.08.13 2nd meeting of the 13th term Board of Directors	An-Shun Chen Jung-Kun Li Wen-Chang Lai Tien-Ho Yu Li Chin-Te Hung Ching- Chang Chen Ming- Hsing	Distribution of remuneration to directors for 2023	An-Shun Chen, Jung-Kun Li Wen-Chang Lai and Tien-Ho Yu are directors and managerial officers of the Company. Chin-Te Li, Ching-Chang Hung, Ming-Shing Chen are Directors of the Company.	The aforesaid persons withdrew from the meeting in accordance with the law and did not participate in the discussion and voting, and were approved by the remaining directors present without objections.
	An-Shun Chen Jung-Kun Li Wen-Chang Lai Tien-Ho Yu	Managerial officers' salary adjustment for 2024	An-Shun Chen, Jung-Kun Li Wen-Chang Lai and Tien-Ho Yu are directors and managerial officers of the Company.	The aforesaid persons withdrew from the meeting in accordance with the law and did not participate in the discussion and voting, and were approved by the remaining directors present without objections.
	An-Shun Chen Jung-Kun Li Wen-Chang Lai Tien-Ho Yu	Managerial officers' bonus base distribution	An-Shun Chen, Jung-Kun Li Wen-Chang Lai and Tien-Ho Yu are directors and managerial officers of the Company.	The aforesaid persons withdrew from the meeting in accordance with the law and did not participate in the discussion and voting, and were approved by the remaining directors present without objections.
2024.9.19 3rd meeting of the 13th term Board of Directors	An-Shun Chen Jung-Kun Li Wen-Chang Lai Tien-Ho Yu	Purchase of land from a related party	An-Shun Chen, Jung-Kun Li Wen-Chang Lai and Tien-Ho Yu, and Yeh are the Company's directors and related parties.	The aforesaid persons withdrew from the meeting in accordance with the law and did not participate in the discussion and voting, and were approved by the remaining directors present without objections.
2024.11.12 4th meeting of the 13th term Board of Directors on November 12, 2024	An-Shun Chen Jung-Kun Li Wen-Chang Lai Tien-Ho Yu	Managerial officers' bonus base distribution	An-Shun Chen, Jung-Kun Li Wen-Chang Lai and Tien-Ho Yu are directors and managerial officers of the Company.	The aforesaid persons withdrew from the meeting in accordance with the law and did not participate in the discussion and voting, and were approved by the remaining directors present without objections.
5th meeting of the 13th term Board of	An-Shun Chen Jung-Kun Li Wen-Chang Lai	Managerial officers' employee compensation, year-end bonus,	An-Shun Chen, Jung-Kun Li Wen-Chang Lai and Tien-Ho Yu are directors and	The aforesaid persons withdrew from the meeting in accordance with the law and did not participate in the discussion and voting, and

Directors on December 24, 2024	Tien-Ho Yu	and distribution of operating results	managerial officers of the Company.	were approved by the remaining directors present without objections.
2025.02.25 6th meeting of the 13th term	An-Shun Chen Jung-Kun Li Wen-Chang Lai Tien-Ho Yu	Managerial officers' bonus base distribution	An-Shun Chen, Jung-Kun Li Wen-Chang Lai and Tien-Ho Yu are directors and managerial officers of the Company.	The aforesaid persons withdrew from the meeting in accordance with the law and did not participate in the discussion and voting, and were approved by the remaining directors present without objections.

### 3. Implementation of evaluations of the Board of Directors:

Evaluation cycle	Evaluation period	Scope of evaluation	Method of evaluation	Evaluation content
Performed once per year.	2024/1/1~2024/12/31	Evaluation of the performance of the board as a whole, the individual directors, and the functional committees	Internal evaluation by the board, self-evaluations by individual board members	(Note)

Note: The evaluation content shall include at least the following based on the scope of the evaluation:

- (1) Evaluation of the performance of the board should include at least the following: degree of the board's participation in the operation of the company; the quality of the board's decision making; composition and structure of the board; election and continuing education of the directors; internal control.
- (2) Evaluation of the performance of individual directors should include at least the following: familiarity with the goals and missions of the company; awareness of the duties of a director; participation in the operation of the company; management of internal relationships and communication; the director's professionalism and continuing education; internal control.
- (3) Evaluation of the performance of the functional committees: degree of participation in the operation of the company; awareness of the duties of the functional committee; quality of decisions made by the functional committee; makeup of the functional committee and election of its members; internal control.

### 4. Evaluation of targets for strengthening of the functions of the board (e.g. setting up an audit committee, enhancing information transparency, etc.) during the current and immediately preceding fiscal years, and measures taken toward achievement thereof:

- (1) In order to enhance information transparency, all material information of the Company is disclosed through the proper channels.
- (2) The Chairperson of the board of directors is the same as the Chief Executive Officer of the Company. As of May 30, 2024, the Company has completed the setting up of four independent directors in accordance with the "Directions for Compliance Requirements for the Appointment and Exercise of Powers of the Boards of Directors of TPEx Listed Companies" of the Taipei Exchange.

(2) Operation of the Audit Committee:

In 2024 and as of the date of publication of the annual report, the Audit Committee of the Company held a total of 7 meetings. The attendance by the independent directors:

Title	Name	No. of meetings attended in person	No. of meetings attended by proxy	In-person attendance rate (%)	Remark
Independent Director	Li Chin-Te	7	—	100%	Re-elected as the 3rd term of Audit Committee member
Independent Director	Hung Ching-Chang	7	—	100%	Re-elected as the 3rd term of Audit Committee member
Independent Director	Chen Ming-Hsing	7	—	100%	Re-elected as the 3rd term of Audit Committee member
Independent Director	Lin Hu-Ling	5	—	100%	Re-elected and newly appointed on May 30, 2024.

Other information required to be disclosed:

- If any of the following circumstances exists, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the audit committee:
  - Any matter under Article 14-5 of the Securities and Exchange Act: Please refer to pages 47-50 of the “Material Resolutions of the Board of Directors Meeting”. The matters listed under Article 14-5 of the Securities and Exchange Act were approved by the Audit Committee without objections.
  - In addition to the matters referred to above, any matter that was not approved by the audit committee but was approved by a two-thirds or greater majority resolution of the board of directors: None.
- Implementation of recusals of independent directors with respect to any motions with which they may have a conflict of interest: specify the independent director’s name, the content of the motion, the cause for recusal, and whether and how the independent director voted: None.
- Communication between the independent directors and the chief internal audit officer and the CPAs that serve as external auditors (including any significant matters communicated about with respect to the state of the company’s finances and business and the method(s) and outcomes of the communication):
  - The Company’s chief internal audit officer regularly conducts audit engagement reports and discussions with the Audit Committee. The communication between the Company’s Audit Committee and the chief internal audit officer is good.
  - The communication between the Company’s Audit Committee and the CPAs is good.
- The members of the Audit Committee are independent directors, and their relevant years of service, professional qualifications and experience, and independence are described on pages 9–12 in relation to the expertise and independence of the directors or supervisors.

(3) Corporate governance - implementation status and deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
1. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	V		The “Corporate Governance Best-Practice Principles” has been established to regulate the corporate governance structure and operation, covering the protection of shareholders’ rights and interests, the protection of stakeholders’ rights and interests, the functions of the Board of Directors, information transparency, etc., and is regularly reviewed to keep pace with trends in regulations. Relevant information has been disclosed on the MOPS and the Company’s website to ensure that it is accessible to investors and the general public.	Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
2. Shareholding structure and shareholders’ rights (1) Does the Company have Internal Operation Procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	V		(1) The Company has spokespersons and acting spokespersons dedicated to handling shareholders’ proposals, queries, and disputes, and provided a variety of communication channels, including the MOPS, an investment section on the company’s website, and a customer service hotline. In response to the letter from the shareholders, the Company will ensure that we respond immediately and handle the matter in accordance with the laws and regulations.	Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
(2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	V		(2) The Company appoints a stock affairs agency to keep track of changes in major shareholders and their ultimate controllers on a regular basis based on the register of shareholders and shareholding reporting information, and ensures that the information is updated and reported to the competent authorities in a timely manner to safeguard shareholders’ rights and interests and the transparency of corporate governance.	Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.

<p>(3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?</p>	<p>V</p>	<p>(3) The Company has established a comprehensive risk control mechanism and has set up a risk management team to supervise the execution of transactions and risk control matters with its affiliated companies. The Company has formulated regulations such as “Subsidiary Supervisory Practices”, “Rules Governing Financial and Business Matters Between Related Parties and Affiliated Companies”, “Procedures for Acquisition or Disposal of Assets”, and “Procedures for Endorsement and Guarantee”, etc., which provide clear strategies and regulations for financial and business transactions. In addition, the Company and its affiliated companies perform financial and business operations independently and are audited by auditors on a regular and irregular basis, and the audit results are reported to the Audit Committee and the Board of Directors in order to establish appropriate risk management mechanisms and firewalls between the Company and its affiliated companies.</p>	<p>Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.</p>
<p>(4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?</p>	<p>V</p>	<p>(4) The Company has established the “Operational Procedures for Handling Material Internal Information” and “Operational Procedures for Prevention of Insider Trading Management” to implement a mechanism for handling and disclosing material internal information, to prevent improper disclosure of undisclosed material internal information, which may result in asymmetric insider trading or short-term trading, and to educate insiders, such as directors, managerial officers, or employees, in a timely manner, not to engage in insider/short-term trading or gain profit from asymmetric information in the marketplace. No insider trading/short-term trading or market information asymmetric behavior is allowed.</p> <p>In 2024, during the training and morning meeting for new employees, the Chief Legal Officer provided training and awareness programs on integrity management, ethical behavioral rules, and the prohibition of insider/short-term trading.</p>	<p>Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.</p>



<p>3. Composition and responsibilities of the board of directors</p> <p>(1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?</p>	V		<p>The Company has established the “Regulations Governing the Election of Directors and Independent Directors” to ensure that the members of the Board of Directors have diversified backgrounds covering the fields of operation and management, finance, technology, law, corporate sustainability, risk management, and other professional fields, so as to enhance the Company's decision-making capability and competitiveness.</p> <p>The Company currently has a total of nine directors, four of whom are independent directors and one of whom is a female director; together they ensure objectivity and professionalism in decision-making. In addition to their professional competence, members of the Board take into account a wide range of factors such as gender, age, culture and international market experience to ensure that decision-making is inclusive and forward-looking. In addition, the Company continues to optimize the composition of the Board of Directors and annually reviews the implementation of the diversity policy, which is included in the performance evaluation of the Board of Directors, in order to comply with the principle of diversity and ensure the effectiveness of governance.</p>	<p>Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.</p>
<p>(2) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?</p>		V	<p>The Company has not established any other functional committees on a voluntary basis. Other functional committees will be established in the future as required by law.</p>	<p>Although the Company currently has only established the Remuneration Committee and the Audit Committee, the Board of Directors exercises its functions and powers in accordance with laws and regulations, the provisions of the Company’s Articles of Incorporation, resolutions of the shareholders’ meeting, and the spirit of corporate governance.</p>
<p>(3) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors</p>	V		<p>The Board of Directors of the Company has adopted the “Regulations Governing Board Self-Evaluation and Peer Evaluation” and conducts internal evaluations annually in accordance with the “Regulations Governing the Evaluation of the Performance of the</p>	<p>Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.</p>

and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?			Board of Directors”, which cover the overall operation of the Board of Directors, the performance of individual directors, and the operation of functional committees. The evaluation methods include the self-evaluations of directors, peer evaluations of directors, and evaluations of functional committees, and incorporate the scoring criteria recommended by professional organizations to ensure the objectivity and validity of the evaluation. The evaluation may be conducted by an external professional independent organization or a team of external experts and scholars once every three years, as necessary. The results of the evaluation are reported to the Board of Directors before the end of the first quarter of the following year and will be used as a reference for the selection or nomination of directors.	
(4) Does the Company regularly evaluate its external auditors’ independence?	V		(4) The Company evaluates the independence and suitability of the CPAs annually on the basis of their academic experience, in accordance with Article 47 of the Certified Public Accountant Act, Bulletin No. 10 of the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and the Statement of Independence/Independence and Suitability Evaluation Form issued by KPMG CPAs, and with reference to the Audit Quality Indicators (AQIs), and submits the evaluations to the Audit Committee and the Board of Directors for a resolution. On February 23, 2024, the Board of Directors discussed and approved the evaluation of the independence of the CPAs, which included whether the CPAs had any financial relationship, employment relationship, or business relationship with the company, and any non-audit service and public fee received. The CPAs of the Company met the criteria for independence. (Note 1)	Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
4. Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer responsible for corporate governance practices (including but not limited to providing information necessary for directors and supervisors	V		By a resolution of the 19th meeting of the 11th Term Board of Directors, the Company appointed Chin-Wei Shen, Chief Finance and Accounting Officer, to also serve as Chief Corporate Governance Officer, with effect from December 2020, as the highest supervisor of the corporate governance related affairs and responsible for the main	Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.

<p>to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?</p>			<p>promotion of the corporate governance. The Company's corporate governance-related matters are accomplished with the joint assistance of staff from all relevant departments in accordance with the organization's division of functions and powers.</p> <p>(1) Scope of functions and powers: Matters relating to the meetings of the Board of Directors and the shareholders' meetings, assisting directors in their appointment and continuing education, providing information necessary for directors to perform their duties, and assisting directors in complying with laws and regulations, etc.</p> <p>(2) The implementation of corporate governance practices for the year:</p> <ol style="list-style-type: none"> <li>1. Provide the company information required by the directors and maintain smooth communication between the directors and business executives.</li> <li>2. In accordance with the latest laws and regulations related to corporate governance, the internal rules and regulations related to corporate governance were revised and submitted to the Board of Directors for resolution.</li> <li>3. Plan and arrange the continuing education courses for directors in line with the policies of the competent authorities and in consideration of industry trends.</li> <li>4. Directors are given seven days' notice of the scheduled meeting agenda and provided with meeting information, reminded in advance if they are required to recuse themselves from the meeting to avoid conflicts of interest on the agenda, and the minutes of board meetings are completed within the deadline.</li> <li>5. Make pre-registration of the date of the shareholders' meeting in accordance with the law, prepare the meeting notice, meeting handbook, and minutes of the meeting within the statutory period, and apply for change registration in case of an amendment to the articles of association or re-election of directors.</li> </ol>	
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5. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	V		<p>(1) The Company has spokespersons and acting spokespersons dedicated to handling shareholders' proposals or disputes, and the contact information is disclosed in the annual report, on the Company's website, and on the MOPS.</p> <p>(2) The Company has a customer service mailbox and telephone numbers to deal with customer questions, suggestions or complaints, and other issues immediately, and in the "Contact Us" section of the company's website to disclose the customer service telephone, e-mail and other means of contact.</p> <p>(3) The Company has a dedicated section for interacting with stakeholders in the "Investor Relations" section of the Company's website, and maintains open communication channels with banks and other creditors, employees, customers, suppliers, and stakeholders in society or the Company.</p> <p>(4) The Company designates a person to be responsible for the collection and disclosure of corporate information, and also publishes financial information and shareholders' information on the MOPS and the Company's website to ensure that the information that may affect the decision-making of investors and stakeholders is timely, appropriate, and transparent.</p>	Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	V		The Company appointed the Stock Registrar Department of Grand Fortune Securities Co., Ltd a professional shareholder services agent, as the Company's stock affairs agent and to conduct the affairs of the shareholders' meeting.	Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
<p>7. Information Disclosure</p> <p>(1) Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status?</p>	V		(1) The Company's financial, business, investor services, and corporate governance information is disclosed on the Company's website at <a href="http://www.gpline.com.tw">http://www.gpline.com.tw</a> Investors can access information about the Company on the website.	Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.

(2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	V		(2) The Company's Finance Department is responsible for the collection and disclosure of corporate information. In addition to establishing a spokesperson and proxy spokesperson system, the Company discloses information on the MOPS in accordance with regulations. In addition, the Company's website has set up both an "Investor Section" and "Corporate Governance Section" to fully disclose financial information, shareholders' information, major information announcements, investor conference, and corporate governance related information for shareholders and the general public's reference.	Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
(3) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	V		(3) The 2023 Financial Report was approved by the Board of Directors on February 23, 2024 and the public announcement and filing were also completed on that date. The financial reports for the first to third quarters of fiscal year 2024 were filed on May 10, August 13, and November 12, 2024, the respective dates of approval by the Board of Directors, and the operating statements for each month were filed by the 10th day of the following month in accordance with regulations.	Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	V		(1) Employee rights: In addition to group insurance for each employee, the Company also conducts regular employee health checks to take care of the safety and health of its employees and has established the Employee Retirement Fund Management Committee, the Labor Retirement Reserve Supervisory Committee, and the Employee Welfare Committee to serve as a gatekeeper for the rights and benefits of its employees. On October 11, 2024, we completed the health check for all employees.  (2) Investor relations: In order to realize information transparency and facilitate investors' understanding of the Company's operations, the Company has set up a spokesperson's mailbox, and relevant information is disclosed on the MOPS and in the Corporate Governance section of the Company's website. In addition, the Company's website also provides information on the Company's basic information, important information,	Compliance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, with no deviation.

			<p>financial statement information, and monthly revenues, which are regularly updated to maintain their effectiveness. The Company also facilitates the provision of investors' opinions to the Company's management for reference. The Company will continue to strengthen investor relations and maintain comprehensive and transparent communication with investors.</p> <p>(3) Supplier relations: The Company conducts its procurement in accordance with the "Ethical Corporate Management Best Practice Principles" and the "Procurement Management Regulations" established by the Company in order to implement the principles of fairness and transparency and to prevent dishonest behavior. In addition, the Company promotes environmental protection policies and concepts to its suppliers. All suppliers must meet the Company's environmental protection requirements in order to be included as qualified suppliers.</p> <p>(4) Stakeholders:</p> <ol style="list-style-type: none"> <li>1. The Company's website has the "Stakeholder Engagement Section" with a contact window to ensure that shareholders, employees, suppliers, and customers are able to give their views. The Company also participates in industry associations to promote corporate social responsibility and sustainable development.</li> <li>2. The Company's business transactions with stakeholders are handled in accordance with the "Regulations Governing Transactions between Group Companies and Related Parties" of the Company in order to avoid the occurrence of irregular transactions and improper transfers of benefits.</li> <li>3. The Company has established a complete internal control system, which is implemented in the execution of business operations. The internal auditors perform regular inspections and report the results to the Board of Directors and the management for review.</li> </ol>	
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			<p>4. The Company provides a variety of channels and information disclosure, maintains good interaction and communication with stakeholders, and continuously responds to and implements issues of concern to stakeholders.</p> <p>(5) Directors' continuing education: Please refer to the "courses related to corporate governance attended by directors in 2024:" in this annual report for further information. (Note 2)</p> <p>(6) Purchasing liability insurance for directors and supervisors: In order to increase the protection for directors, supervisors, and managerial officers and to strengthen corporate governance, the Company has taken out liability insurance for directors, supervisors and managers in 2025, and the related information on the amount of the liability insurance, the coverage, and the premium rate have been reported to the Board of Directors on August 13, 2024.</p> <p>(7) Implementation of risk management policies and risk evaluation standards: The Company's risk management policy is based on the principle of "conservatism and prudence" to maximize shareholders' returns based on the current capitalization and the risk that the board of directors decides to assume. Please refer to "Analysis and Assessment of Risks" in this annual report.</p>	
<p>9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement. In 2024, the Company made the following improvements in response to the corporate governance evaluation:</p> <p>(I) The Company has included functional committees in the scope of board performance evaluation since 2020 and completed the performance evaluation of the Board of Directors (including functional committees) for 2024 on January 31, 2025, and the results of the evaluation were presented to the Board of Directors on February 25, 2025.</p> <p>(II) In response to the progress of greenhouse gas inventory implementation, the Company will obtain ISO 14064-1 certification in April 2025. +</p> <p>(III) In the future, the Company will continue to cooperate with the competent authorities in the promotion and improvement of corporate governance evaluation.</p>				

Note 1: Evaluation Report on the Independence and Suitability of Certified Public Accountants for the Year 2024

Name of CPA firm: KPMG

CPAs: Chi-Lung Yu, CPA / Ming-Fang Hsu, CPA

The Company formulated the evaluation items with reference to Article 47 of the Certified Public Accountant Act, the Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No.10, and the "Audit Quality Indicators" (AQIs):

Serial No.	Evaluation of independence	Yes	No
1	Not an employee of the Company or its affiliated companies.	V	
2	Not a director or supervisor of the Company or its affiliated companies	V	
3	Not a natural person shareholder, or their spouse, minor children, or proxy, holding 1% or more of the total number of issued shares of the Company, or ranking among the top ten in shareholdings, in their own name or in the name of another person.	V	
4	Not a spouse, relative of second degree of kinship, or lineal relative within the third degree of any of the persons listed in the preceding three subparagraphs.	V	
5	Not a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings.	V	
6	Not a director, supervisor, executive officer, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the company.	V	
7	Not a spouse or relative within the second degree of kinship of any other director.	V	
8	None of the circumstances in the subparagraphs of Article 30 of the Company Act.	V	
9	Other valid references: Statement of Independence of CPAs	V	

After the evaluation, the appointed certified public accountants did not have the above independence evaluation items and referred to the Audit Quality Indicators (AQIs) issued by the Financial Supervisory Commission to evaluate the accountants' financial interests, business relationships, and employment relationships, in order to summarize the results of the evaluation of the CPAs' independence and suitability, and to confirm that the CPAs meet the requirements of independence and suitability and that the financial statements issued by the CPAs are reliable.

Note 2: Courses related to corporate governance attended by directors and chief corporate governance officer in 2024:

Title	Name	Time	Organizer	Course Name	Hours
Director	An-Shun Chen	20240124	Taiwan Securities Association	Introduction to Company Management Rights Dispute and Commercial Case Adjudication Act	3
		20240709	Taipei Exchange	AI Strategy and Governance	3
Director	Jung-Kun Li	20240124	Taiwan Securities Association	Introduction to Company Management Rights Dispute and Commercial Case Adjudication Act	3
		20240709	Taipei Exchange	AI Strategy and Governance	3
Director	Wen-Chang Lai	20240124	Taiwan Securities Association	Introduction to Company Management Rights Dispute and Commercial Case Adjudication Act	3
		20240419	Taiwan Academy of Banking and Finance	Corporate Governance Forum	3
Director	Tien-Ho Yu	20240124	Taiwan Securities Association	Introduction to Company Management Rights Dispute and Commercial Case Adjudication Act	3
		20240419	Taiwan Academy of Banking and Finance	Corporate Governance Forum	3
Director	Wang Tso-Ching	20240906	Securities and Futures Institute	2024 Insider Trading Prevention Seminar	3



Title	Name	Time	Organizer	Course Name	Hours
		20240603	Securities and Futures Institute	Institutional Investor Viewpoints Forum	3
Independent Director	Li Chin-Te	20240117	Accounting Research and Development Foundation	Regulation on “Related Party Transactions” by Directors, Supervisors, and Executives and Corporate Governance Practices	3
		20240117	Accounting Research and Development Foundation	Analysis of the Latest Laws and Regulations on Securities, Finance, and Tax and Professional Standards Issues	1
		20240221	Accounting Research and Development Foundation	Case Study on Common Enterprise Tax Deficiencies and Penalties	3
		20240221	Accounting Research and Development Foundation	Analysis of the Latest Laws and Regulations on Securities, Finance, and Tax and Professional Standards Issues	1
		20240313	Accounting Research and Development Foundation	Tax Strategies and Practices for Overseas Holdings and Multinational Investments	3
		20240313	Accounting Research and Development Foundation	Analysis of the Latest Laws and Regulations on Securities, Finance, and Tax and Professional Standards Issues	1
		20240417	Accounting Research and Development Foundation	Seminar on the Latest Annual Income Tax Returns for Profit-seeking Enterprises	3
		20240417	Accounting Research and Development Foundation	Analysis of the Latest Laws and Regulations on Securities, Finance, and Tax and Professional Standards Issues	1
		20240515	Accounting Research and Development Foundation	Corporate Tax Governance Practices under the ESG Wave	3
		20240515	Accounting Research and Development Foundation	Analysis of the Latest Laws and Regulations on Securities, Finance, and Tax and Professional Standards Issues	1
		20240612	Accounting Research and Development Foundation	Legal Liability and Case Studies on “Insider Trading” by Corporate Insiders	3
		20240612	Accounting Research and Development Foundation	Analysis of the Latest Laws and Regulations on Securities, Finance, and Tax and Professional Standards Issues	1

Title	Name	Time	Organizer	Course Name	Hours
		20240717	Accounting Research and Development Foundation	Implications for Financial Statements in the “Net Zero Emissions” Era	3
		20240717	Accounting Research and Development Foundation	Analysis of the Latest Laws and Regulations on Securities, Finance, and Tax and Professional Standards Issues	1
		20240802	Independent Directors Association Taiwan	Family Business Succession and Tax Practice	3
		20240911	Accounting Research and Development Foundation	Analysis of the Latest Laws and Regulations on Securities, Finance, and Tax and Professional Standards Issues	1
		20240911	Accounting Research and Development Foundation	Fintech and the Latest Money Laundering Practices - Legal Liability Case Studies	3
		202412024	Accounting Research and Development Foundation	Analysis of the Latest Laws and Regulations on Securities, Finance, and Tax and Professional Standards Issues	1
		202412024	Accounting Research and Development Foundation	Legal Liability of Corporate “Misrepresentation” Crimes and the Case Facts of Judicial Unit’s Investigation and Evidence Collection Cases	3
Independent Director	Hung Ching-Chang	20240521	Independent Directors Association Taiwan	ESG Rating Analysis for Capital Markets and Business Implications of Sustainability Assessment	3
		20241007	Chinese National Association of Industry and Commerce	2024 New Net Zero Summit Forum	3
Independent Director	Chen Ming-Hsing	20240910	Taipei Exchange	Advocacy Seminar on Insider Equity for TPEx Listed Companies and Emerging Stock Board Companies	3
		20240802	Independent Directors Association Taiwan	Family Business Succession and Tax Practice	3
Independent Director	Lin Hu-Ling	20240710	Taiwan Investor Relations Institute	Carbon Management Trends Toward Net-Zero and How to Address Them	3
		20240424	Taiwan Investor Relations Institute	Practical Analysis on Domestic and International Mergers and Acquisitions	3

Title	Name	Time	Organizer	Course Name	Hours
Chief Corporate Governance Officer	Chin-Wei Shen	20240124	Taiwan Securities Association	Introduction to Company Management Rights Dispute and Commercial Case Adjudication Act	3
		20240419	Taiwan Institute of Banking and Finance	Corporate Governance Forum	3
		20240912	Taipei Exchange	Advocacy Seminar on Insider Equity for TPEX Listed Companies and Emerging Stock Board Companies	3
		20240927	Taiwan Institute of Banking and Finance	Taiwan's Unique Position and Strategy in the Age of AI	3

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

#### 1. Information on Remuneration Committee Members

Capacity	Qualification Name	Professional qualifications and experience	Independence analysis	Number of other public companies at which the person concurrently serves as remuneration committee member
Independent Director Convenor	Li Chin-Te	M.S. in Industrial Management, National Cheng Kung University Chief Financial Officer, Bosssdom Digiinnovation CO., LTD. Deputy General Manager, SBIR Project, Chi Feng Co. Ltd.	(Note 1)	2
Independent Director	Hung Ching-Chang	M.S., Institute of Industrial Science, Cranfield University, UK Ph.D., Institute of Welding Technology, Cranfield University General Manager, UNIPLUS ELECTRONICS CO., LTD. Senior Vice President, ELITE MATERIAL CO., LTD.	(Note 1)	-
Independent Director	Chen Ming-Hsing	MBA, National University of Singapore Chairperson of Inventalk Technology Inc.	(Note 1)	1
Independent Director	Lin Hu-Ling	CPA, Honesty CPA Firm	(Note 1)	1

Note 1: The members of the Remuneration Committee are all independent directors. Please refer to pages 8–13 for information regarding the expertise and independence of the directors or supervisors.

#### 2. Operation of the Remuneration Committee

(1) The Company's Remuneration Committee has a total of 3 members.

(2) For the 3rd Remuneration Committee during 2024 and up to the date of publication of the annual report, the number of remuneration committee meetings held in the most recent fiscal year was: 8. The attendance by the members was as follows:

Title	Name	No. of meetings attended in person	No. of meetings attended by proxy	In-person attendance rate (%)	Remark
Convenor	Li Chin-Te	8	—	100.00	Re-elected as the third term Remuneration Committee member
Committee member	Hung Ching-Chang	8	—	100.00	Re-elected as the third term Remuneration Committee member
Committee	Chen	8	—	100.00	Re-elected as the third term

Title	Name	No. of meetings attended in person	No. of meetings attended by proxy	In-person attendance rate (%)	Remark
member	Ming-Hsing				Remuneration Committee member
Committee member	Lin Hu-Ling	5	—	100.00	Re-elected and newly appointed on May 30, 2024.

Other information required to be disclosed:

1. If the board of directors does not accept, or amends, any recommendation of the remuneration committee, specify the board meeting date, meeting session number, content of the recommendation(s), the outcome of the resolution(s) of the board of directors, and the measures taken by the Company with respect to the opinions given by of the remuneration committee (e.g., if the salary/compensation approved by the board is higher than the recommendation of the remuneration committee, specify the difference(s) and the reasons): None, Table 1.
2. With respect to any matter for resolution by the remuneration committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the remuneration committee meeting date, meeting session number, content of the motion, the opinions of all members, and the measures taken by the Company with respect to the members' opinion: None.

### 3. Official Powers of the Remuneration Committee

In accordance with Article 6 of the Company's "Remuneration Committee Charter", the official powers of the Remuneration Committee are as follows:

The Remuneration Committee shall exercise the due care of a good administrator in faithfully performing the official powers listed below, and shall submit its recommendations for deliberation by the Board of Directors. However, recommendations in connection with remuneration for directors may be submitted for deliberation by the Board of Directors only to the extent that the Board of Directors is authorized expressly by the Company's Articles of Incorporation or by a resolution of the shareholders' meeting to handle director remuneration:

- I. Review and propose amendments to the Charter as necessary depending on the status of implementation.
- II. Prescribe and periodically review the performance evaluation standards, annual and long-term performance goals, and remuneration policy, system, standards, and structure for directors and managerial officers.
- III. Periodically evaluate the achievement of directors' and managerial officers' performance targets, and determine the content and amount of their individual remuneration based on the evaluation results obtained from the performance evaluation standards.

In the performance of the preceding official powers, the Committee shall be guided by the following principles:

- I. Ensure that the company's remuneration arrangements comply with relevant laws and regulations, and are sufficient to attract outstanding talent.
- II. With respect to the performance assessment and remuneration of directors and managerial officers of the company, it shall refer to the typical pay levels adopted by peer companies, and take into consideration the results of individual performance evaluations, the amount of time invested, the responsibilities assumed, the achievement of personal goals, the performance of other positions, the compensation offered by the Company to persons in similar positions in recent years, the achievement of the Company's short-term and long-term business goals, the Company's financial condition, etc. to evaluate the reasonableness of the relationship between the performance of the individuals and the company's business performance and future risk exposure.

- III. It shall not produce an incentive for the directors or managerial officers to engage in activity to pursue remuneration exceeding the risks that the company may tolerate.
- IV. It shall take into consideration the characteristics of the industry and the nature of the company's business when determining the ratio of bonus payout based on the short-term performance of its directors and senior management and the time for payment of the variable part of remuneration.
- V. The content and amount of directors' and managerial officers' remuneration should be determined with reference to the reasonableness of the remuneration, and the determination of directors' and managerial officers' remuneration should not be materially inconsistent with the financial performance, and if there is a significant decline in profit or long-term loss, the remuneration should not be higher than that of the previous year.
- VI. Members of the Committee are not allowed to join in the discussion and vote on the decision of their personal remuneration.

"Remuneration" as used in the preceding two paragraphs includes cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive measures. Its scope shall be consistent with that of remuneration for directors and managerial officers as set out in the Regulations Governing Information to be Published in Annual Reports of Public Companies.

If decision-making and handling of any matter relating to the remuneration of directors and managerial officers of a subsidiary is delegated to the subsidiary but requires ratification by the board of directors of the parent company, the Company's Remuneration Committee shall be asked to make recommendations before the matter is submitted to the Board of Directors for deliberation.

In the event of any inconsistency between the recommendations of the Committee and the resolutions of the Board of Directors, the Committee shall act in accordance with the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange".

1. Material resolutions of the Remuneration Committee

Remuneration Committee	Content of motion and measures taken	Outcome of resolution	Measures taken by the Company with respect to the opinions given by of the Remuneration Committee
2024.01.26	Changes to 2023 year-end bonus and operating results distribution for the Company's managerial officers	After the Chair consulted all the members present, the motion was passed without objection.	Submitted to the Board of Directors for approval by all directors present.
2024.02.23	1. Distribution of employees' compensation and remuneration to directors for 2023 2. Distribution of quarterly work evaluation bonuses for managerial officers	After the Chair consulted all the members present, the motion was passed without objection.	Submitted to the Board of Directors for approval by all directors present.
2024.05.10	1. Distribution of quarterly work evaluation bonuses for managerial officers	After the Chair consulted all the members present, the motion was passed without objection.	Submitted to the Board of Directors for approval by all directors present.
2024.08.13	1. Distribution of remuneration to directors for 2023 2. Position change and salary adjustment of managerial officers 3. Managerial officers' bonus base distribution	After the Chair consulted all the members present, the motion was passed without objection.	Submitted to the Board of Directors for approval by all directors present.
2024.11.12	1. Managerial officers' bonus base distribution	After the Chair consulted all the members present, the motion was passed without objection.	Submitted to the Board of Directors for approval by all directors present.
2024.12.24	1. Managerial officers' employee compensation for 2023, year-end bonus and distribution of operating results for 2024 2. Remuneration Committee's Work Plan for 2025	After the Chair consulted all the members present, the motion was passed without objection.	Submitted to the Board of Directors for approval by all directors present.
2025.02.25	1. Distribution of employees' compensation and remuneration to directors for 2024 2. Managerial officers' bonus base distribution	After the Chair consulted all the members present, the motion was passed without objection.	Submitted to the Board of Directors for approval by all directors present.

5. Information on Members and the Operation of the Nomination Committee: No Nomination Committee, therefore not applicable.

(5) Promotion of sustainable development - implementation status and deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
1. Does the Company have a governance structure that promotes sustainable development, and have a unit that specializes (or is involved) in promoting sustainable development, and has the Board of Directors authorize senior management to handle this matter, and does the Board of Directors supervise the matter?	V		<p>The Company has established the “Corporate Sustainability Promotion Team” as a concurrently dedicated unit to coordinate the promotion of corporate sustainability. Convened by Tien-Ho Yu, Deputy General Manager of the Management Department, the team works with a number of middle and senior executives in different fields to review the Company’s core operational capabilities, convene regular meetings to identify sustainability issues of concern to the Company’s operations and stakeholders, and plan and implement various programs to ensure that sustainability strategies are fully implemented in the Company’s daily operations. It also reports to the Board of Directors at least once a year.</p> <p>In order to enhance transparency and stakeholder trust, the Company regularly reviews its sustainability policies and objectives every year and reports the results to external stakeholders through the Sustainability Report, the Company’s website, or other information disclosure channels.</p> <p>The Chief Corporate Governance Officer reported to the Board of Directors on May 10, 2024 on the implementation of promoting sustainable development and requested guidance and recommendations from the Board of Directors.</p>	No significant deviation.

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons																						
	Yes	No	Summary description																							
2. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company’s operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	V		<div>1. The Company follows the “Risk Management Policies and Procedures” as the highest guiding principle of risk.</div> <div>2. Environmental aspect:</div> <table><tr><th>Evaluation item</th><th>Risk management strategy</th></tr><tr><td>Climate change</td><td>Collect and analyze information on climate change and energy risks, and refer to the ISO 14001 risk identification procedures to identify and evaluate the risks associated with climate change, so as to reduce the impacts that may be brought about by climate change.</td></tr><tr><td>Water resources management</td><td>1. Promote energy and water conservation improvements by adjusting the water output from taps on each floor to reduce energy consumption and water costs. 2. Promote the recycling of wastewater and rainwater and research and development of technology to reduce the amount of water resources used in the plant.</td></tr><tr><td>Greenhouse gas emission management</td><td>1. Actively review energy savings and carbon reduction on a regular basis, attend seminars and learn to improve various energy-saving and carbon reduction techniques. 2. Expected to pass the ISO 14064-1 greenhouse gas inventory verification in April 2025.</td></tr><tr><td>Energy management</td><td>1. Promote energy-saving and high-efficiency equipment, and set targets for energy conservation to continuously reduce the unit electricity consumption of products. 2. Promote the reduction of process energy consumption. 3. Implement energy-saving measures such as technology, equipment efficiency enhancement, and energy management.</td></tr><tr><td>Air pollution management</td><td>1. Enhance leakage control and improvement of factory equipment components. 2. Set up monitoring standards to manage the factory environment and install additional air pollution prevention equipment to reduce pollutant emissions.</td></tr><tr><td>Waste management</td><td>1. Make efforts to reduce waste at the source and in the manufacturing process, and recycle to minimize the amount of waste produced and maximize the reuse of resources. 2. Implement the qualification examination and management of waste transportation and treatment companies in accordance with the law to ensure that waste is properly treated to minimize the impact on the environment.</td></tr></table> <div>3. Social issues:</div> <table><tr><th>Evaluation item</th><th>Risk management strategy</th></tr><tr><td>Human rights</td><td>1. Comply with international human rights norms and labor laws and regulations in the locations of the Company’s global operations, commit to equal employment opportunity and a work environment free from discrimination and harassment while respecting individual privacy and establishing multiple labor-management communication channels and complaint mechanisms to ensure the rights and interests of workers.</td></tr><tr><td>Talent source and development</td><td>1. Through diversified and open recruitment channels, actively participate in campus activities and provide summer job opportunities to enhance recruitment efficiency and broaden the pool of talents. 2. Provide stable and favorable treatment and benefits, as well as well-planned education and training, encourage employees to obtain certificates or professional certifications, and provide a reasonable and clear promotion pathway for outstanding performers.</td></tr><tr><td>Workplace safety and health</td><td>1. In order to establish a safe and hygienic working environment, perform hazard identification and risk assessment in a timely manner, as well as risk reduction measures and emergency response drills to minimize the risk of occupational accidents to employees. Continuously conduct special health checkups for employees in high-risk operations, and manage and track the results of health classification. In December 2024, the Company received ISO45001 certification. 2. Irregularly perform health consultations with occupational nurses or factory physicians every month to provide workers with physical and mental health counseling and assistance programs. 3. Hold the Employee Welfare Committee meeting and labor-management meeting on a quarterly basis to communicate with employees and to provide timely guidance on laws and regulations to avoid labor disputes. Employees can make suggestions through meetings or suggestion boxes, and the company and employees can work together to create a</td></tr></table>	Evaluation item	Risk management strategy	Climate change	Collect and analyze information on climate change and energy risks, and refer to the ISO 14001 risk identification procedures to identify and evaluate the risks associated with climate change, so as to reduce the impacts that may be brought about by climate change.	Water resources management	1. Promote energy and water conservation improvements by adjusting the water output from taps on each floor to reduce energy consumption and water costs. 2. Promote the recycling of wastewater and rainwater and research and development of technology to reduce the amount of water resources used in the plant.	Greenhouse gas emission management	1. 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Evaluation item	Risk management strategy																									
Climate change	Collect and analyze information on climate change and energy risks, and refer to the ISO 14001 risk identification procedures to identify and evaluate the risks associated with climate change, so as to reduce the impacts that may be brought about by climate change.																									
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Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons												
	Yes	No	Summary description													
			<table><tr><td></td><td>harmonious and good labor-management relations.</td></tr></table> 4. Corporate governance issues: <table><tr><th>Evaluation item</th><th>Risk management strategy</th></tr><tr><td>Strengthen the functions of the Board of Directors</td><td>Establish the board diversity policy, improve the planning for director education topics, and provide directors with the latest information on regulations, ESG, industrial and economic developments and policies. Officers and directors of the Company attend external corporate governance related courses to enhance their knowledge on corporate governance. Directors are also covered by directors liability insurance to protect their rights and interests and to reduce and diversify the risk of material damage to the Company.</td></tr><tr><td>Strategic operation</td><td>With the goal of sustainable operation, we continue to develop high-value and differentiated products, enter into long-term contracts with customers and suppliers to maintain a solid supply-demand relationship, and continue to improve manufacturing processes and enhance competitiveness in order to minimize operational risks.</td></tr><tr><td>Ethical corporate management</td><td>Formulate the “Codes of Ethical Conduct”, and also establish good corporate governance and risk control mechanisms, i.e., assess the risk of dishonest behavior and set up relevant preventive measures accordingly, and to implement policies to promote ethical management.</td></tr><tr><td>Legal compliance</td><td>Through the establishment of a governance organization and the implementation of internal controls, the execution of business is strictly required to comply with legal requirements, and must keep abreast of and respond to changes in policies and regulations in a timely manner. In addition, establish the legal unit, formulate the standard contract template, and conduct compliance education and training, etc. in order to reduce legal risks. Regular internal control self-assessments are conducted by each department annually to review the implementation of internal control and compliance with laws and regulations in the previous year.</td></tr></table>		harmonious and good labor-management relations.	Evaluation item	Risk management strategy	Strengthen the functions of the Board of Directors	Establish the board diversity policy, improve the planning for director education topics, and provide directors with the latest information on regulations, ESG, industrial and economic developments and policies. Officers and directors of the Company attend external corporate governance related courses to enhance their knowledge on corporate governance. Directors are also covered by directors liability insurance to protect their rights and interests and to reduce and diversify the risk of material damage to the Company.	Strategic operation	With the goal of sustainable operation, we continue to develop high-value and differentiated products, enter into long-term contracts with customers and suppliers to maintain a solid supply-demand relationship, and continue to improve manufacturing processes and enhance competitiveness in order to minimize operational risks.	Ethical corporate management	Formulate the “Codes of Ethical Conduct”, and also establish good corporate governance and risk control mechanisms, i.e., assess the risk of dishonest behavior and set up relevant preventive measures accordingly, and to implement policies to promote ethical management.	Legal compliance	Through the establishment of a governance organization and the implementation of internal controls, the execution of business is strictly required to comply with legal requirements, and must keep abreast of and respond to changes in policies and regulations in a timely manner. In addition, establish the legal unit, formulate the standard contract template, and conduct compliance education and training, etc. in order to reduce legal risks. Regular internal control self-assessments are conducted by each department annually to review the implementation of internal control and compliance with laws and regulations in the previous year.	
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Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
3. Environmental Issues (1) Has the Company established an environmental management system designed to industry characteristics?	V		<p>The Company has established and implemented an appropriate environmental management system in accordance with industrial characteristics. The Company's environmental management policy covers the following key points:</p> <ol style="list-style-type: none"> <li><b>1. Compliance and risk management:</b> Regularly monitor and evaluate the requirements of environmental protection laws and regulations to ensure that the company's operations are in compliance with the laws and regulations, and take preventive measures to reduce environmental risks.</li> <li><b>2. Resource management, energy savings and carbon reduction:</b> Promote energy-saving and carbon reduction programs, such as improving energy efficiency, reducing carbon emissions, waste management, and resource recycling, to ensure environmentally sustainable development.</li> <li><b>3. Supply chain environmental management:</b> Require suppliers to meet environmental standards and encourage partners to work together to practice green purchasing and environmental management.</li> <li><b>4. Raise employee awareness of environmental protection:</b> Through education and training, raise employee awareness of environmental protection and their sense of responsibility, to ensure the effective implementation of environmental management policies.</li> </ol> <p>Relevant information is disclosed in the Sustainability Report and the Company's website.  <a href="https://www.gpline.com.tw">https://www.gpline.com.tw</a></p>	No significant deviation.
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	V		<ol style="list-style-type: none"> <li><b>1. Climate risk assessment and carbon reduction initiative</b>              The Company has comprehensively assessed the current and future risks that climate change may bring to the enterprise and is actively promoting energy-saving and carbon reduction measures, including the planned construction of the second phase of the solar power generation facility in 2024, in order to minimize the impact on the environment and enhance energy efficiency.</li> </ol>	No significant deviation.

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p><b>2. Green supply chain and product safety</b> The Company attaches great importance to the health and safety of customers at all stages of the process, from the procurement of raw materials and manufacturing to the sale of products. We continue to optimize our production processes and, in line with market trends and customer needs, we are committed to developing non-toxic, environmentally friendly and green energy products to promote sustainable development.</p> <p><b>3. Renewable energy development</b> In July 2023, the Company completed the first phase of the solar power system, which fully utilizes the remaining roof space to build a high-efficiency solar power system and adopts the “self-generation and self-consumption” model to achieve the carbon reduction target and expand the application of green energy.</p> <p><b>4. Reuse of water resources</b> The Company has a rainwater recycling system. After simple filtration treatment, rainwater is used for toilet flushing, irrigation, and landscape maintenance to effectively reduce the consumption of tap water and enhance the efficiency of water resources recycling.</p>	
(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	V		<p>The Company emphasizes the impact of climate change on its operating activities and actively promotes energy conservation, carbon reduction and greenhouse gas reduction measures.</p> <p>The Management Department is responsible for environmental maintenance, while the Manufacturing Department and the Factory Affairs Department ensure that operations are in full compliance with environmental regulations. At the same time, the Management Department implements energy-saving measures, such as turning off lights and adjusting air-conditioning temperatures, to effectively reduce energy consumption.</p> <p>Currently, the company promotes energy saving, carbon reduction and greenhouse gas reduction strategies include:</p> <p><b>1. Reduce paper use:</b></p> <ul style="list-style-type: none"> <li>○ Priority is given to duplex printing, and recycling trays are installed next to the photocopiers to facilitate paper reuse.</li> </ul>	No significant deviation.

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons																
	Yes	No	Summary description																	
			<ul style="list-style-type: none"><li>○ Use electronic invoices and encourage staff to transmit official documents or letters electronically to significantly reduce paper consumption.</li></ul> <p><b>2. Improve the efficiency of energy use:</b></p> <ul style="list-style-type: none"><li>○ In summer, office air conditioning is set at 26°C to ensure both comfort and energy savings.</li><li>○ Energy-saving LED lighting is used across the board to reduce energy consumption.</li><li>○ Encourage employees to turn off the lights by hand, to conserve electricity and to reduce global warming.</li></ul> <p>The Company will continue to optimize its energy saving and carbon reduction measures to achieve the goal of environmental sustainability.</p>																	
(4) Did the company collect data for the past two years on greenhouse gas emissions, water consumption, and waste amounts, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	V		<p><u>1.</u> The Company is committed to energy saving and carbon reduction measures. In addition to switching to high-efficiency lamps, enhancing air-conditioning performance, shortening air-conditioning supply time and controlling temperature, it also promotes paperless e-operation.</p> <table><tr><td></td><td>2023</td><td>2022</td><td>2021</td></tr><tr><td>Volume of water consumption (liters)</td><td>4,262</td><td>5,326</td><td>4,605</td></tr><tr><td>Waste (tons)</td><td>89.03</td><td>60.54</td><td>22.84</td></tr><tr><td>Carbon emissions/CO2e</td><td>932</td><td>510</td><td>417</td></tr></table>		2023	2022	2021	Volume of water consumption (liters)	4,262	5,326	4,605	Waste (tons)	89.03	60.54	22.84	Carbon emissions/CO2e	932	510	417	No significant deviation.
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4. Social Issues (1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	V		<p>In order to protect the basic human rights of employees, customers and other stakeholders, the Company follows the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the International Labor Organization Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policies, etc., and establishes personnel rules and regulations to protect the rights and interests of employees, and provides stable and favorable treatment, complete education and training, a system for advancement and development, and creates a safe and hygienic working environment to enhance the professional ability of employees.</p>	No significant deviation.																

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			In accordance with the Labor Standards Act and other related laws and regulations, the Company establishes and supervises compliance with relevant regulations to protect the legitimate rights and interests of employees. The employment policy does not discriminate on the basis of race, class, language, ideology, religion, party affiliation, national origin, sex, marriage, appearance, facial features, physical or mental disabilities, place of birth, sexual orientation, age, or other status. In terms of gender equality, it has formulated the “Measures for Complaints and Punishment on Sexual Harassment Prevention Measures in the Workplace” and provided a channel for complaints, safeguarding the rights and interests of colleagues, and granting maternity leave, paternity leave, and parental leave in accordance with the law.	
(2) Has the Company established and implemented reasonable employee welfare measures (including salary/compensation, leave, and other benefits), and are business performance and results appropriately reflected in employee salary/compensation?	V		<ol style="list-style-type: none"> <li><u>1.</u> The Company has established work rules and related personnel management regulations covering minimum wages, working hours, vacations, pension benefits, labor and health insurance benefits, and compensation for occupational accidents for workers employed by the Company in accordance with the relevant provisions of the Labor Standards Act. The Employee Benefits Committee operates through the Welfare committee elected by the employees to handle various welfare matters. The Company’s compensation policy is based on the individual’s ability, contribution to the Company, performance, and positive correlation with operating results.</li> <li><u>2.</u> The Company holds meetings of the Employee Welfare Committees and labor-management meetings on a quarterly basis to communicate with employees and provide timely guidance on laws and regulations to avoid labor disputes. Employees can make suggestions through meetings or suggestion boxes, and the company and employees can work together to create a harmonious and good labor-management relations.</li> </ol>	No significant deviation.

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	V		<ol style="list-style-type: none"> <li>1. Our Company regularly provides information on employee health and hygiene, and in order to enhance employees' awareness of safety and hygiene, we remind them of work safety through education and training, and safety observation.</li> <li>2. The company is equipped with security guards, access control, automatic external defibrillators (AED), dry powder fire extinguishers, fire hydrants, foam fire extinguishing equipment, automatic fire alarm equipment, emergency broadcasting equipment, exit direction signs, refuge equipment, emergency lighting equipment, monthly elevator maintenance, holds regular fire inspections and fire drills, and has assigned staff to obtain the fire warden's license. Our company provides health checkups for employees and performs environmental sanitation and disinfection operations from time to time to coordinate with the government's awareness campaigns for major epidemics.</li> <li>3. Organized employee health checks in October 2024.</li> <li>4. Passed ISO45001 Occupational Health and Safety Certification in December 2024.</li> </ol>	No significant deviation.
(4) Has the Company established effective career development training programs for employees?	V		In response to the needs of employees and in accordance with relevant regulations, we organize employee education and training, professional training, quality control training, employee growth-related training, and labor safety and health lectures to provide employees with complete professional skills development and self-growth. In 2024, we provided various subsidies for colleagues to pursue further education or obtain professional licenses at home and abroad. We continued to develop talents and train executives to lay the foundation for future business expansion. The total number of employee education and training hours in 2024 was 1,626.	No significant deviation.

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	V		<p>The Company's products are not sold directly to consumers, and there are fewer marketing activities such as media advertisements and publicity; if there are activities involving laws and regulations, each unit will consult the legal department to avoid violating the law.</p> <p>The Company's external communications, press releases, statements, etc. are free of discriminatory words and phrases. We also uphold the principle of fairness in dealing with every customer, publishing open and transparent information on the company's website and making it available to customers through various channels. Strictly customer-focused, we have a team of specialists to respond to all customer problems in a timely manner, so that the rights of customers are well protected.</p> <p>The marketing and labeling of our products and services are in accordance with relevant regulations and the ISO 9001:2015 international standard. The Company observes confidentiality agreements and the Personal Data Protection Act for the privacy of its customers, and has established a channel for complaints from interested parties.</p>	No significant deviation.
(6) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	V		<p>In sales, the Company requires suppliers to comply with national regulations on industrial safety qualifications, ISO qualifications, hazardous material notices and labels, and other standards. The Company also requires suppliers to properly recycle containers or loading aids, and requires suppliers to comply with the regulations in the "Purchase Order". The above form explains the Company's position of adhering to the spirit of sustainable management and observing the principle of fair trade. The Company further requires suppliers to comply with environmental protection, industrial safety, and human rights standards, which are all included in the evaluation of suppliers.</p> <p>Suppliers are required to comply with human rights policies, including those related to employee occupational health and safety, management of working hours, freedom of choice of occupation, and wages and benefits, etc. By signing the "Supplier CSR Commitment", suppliers are required to carry</p>	No significant deviation.

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			out improvement measures in response to human rights risks, and to track the degree of improvement on an ongoing basis. When the Company enters into contracts with its major suppliers, the contracts contain provisions for compliance with the corporate social responsibility policies of both parties and for termination or cancellation at any time if the supplier is involved in a violation of the policies that significantly affects the environment and society in the communities from which the supply originates.	
5. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?	V		The content of the Company's Sustainability Report is organized in accordance with the Global Reporting Initiative's GRI standards guidelines and follows the guidance and structure set out in the core options, and discloses the Company's key sustainability issues, strategies, objectives and initiatives. The 2024 Sustainability Report will be available on the Company's website and on the MOPS in August 2024.	No significant deviation.
<p>6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations:</p> <p>In order to fulfill its corporate social responsibility, the Company has formulated the "Sustainable Development Best Practice Principles", and will continue to follow the standards and spirit of the "Sustainable Development Best Practice Principles", and will publicize the relevant regulations of the RBA (Responsible Business Alliance), and work together with all the Company's colleagues to implement and execute them.</p>				
<p>7. Other important information to facilitate better understanding of the company's promotion of sustainable development:</p> <p>(1) The company values the health of its employees: On October 11, 2024, it held a health check for its employees. On July 20, 2024, TPCA Shimen Mountain Hiking</p> <p>(2) Community Care: On September 13, 2024, Mid-Autumn Festival Gift- Giving at Yu De Children's Home On September 19, 2024, Children Are Us Foundation_Pusin Shelter Store Opening Ceremony On October 10, 2024, Ren-ai Senior Citizens' Home Charity Concert</p> <p>(3) Emphasis on staff family atmosphere: On May 19, 2024 Family Day - Green World "Love FUN Group Up Picnic"</p> <p>(4) Developing diversified talent sourcing channels to fill the manpower gap: On April 29, 2024, Arranged a corporate visits for Department of Business Administration of National Central University On June 4, 2024, Graduate Institute of Human Resource Management, National Central University visited the Company On June 13, 2023, ESG members visited Lunghwa University of Science and Technology for</p>				



Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
industry-academia exchange.				
			On May 14, 2024, Ruitang Elementary School Environmental Sustainability Education	
(5)			Green energy: Starting to build the second phase of the solar energy construction project in 2024	
(6)			On September 28, 2024, invited suppliers to visit the Guanyin Caolei for beach cleaning	

## Implementation 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.	<ol style="list-style-type: none"> <li>1. The Company's ESG team, led by the Chief Sustainability Officer (Tien-Ho Yu, Deputy General Manager), is responsible for climate-related matters. The ESG team reports to the Board of Directors at least once a year on the impacts of climate change issues and the strategies for responding to them in order to ensure that the sustainability objectives are achieved.</li> <li>2. The ESG team consists of senior executives from across the organization and is responsible for assessing and addressing the impact of climate change on operations. To ensure transparency in decision making, the Company has issued the Sustainability Report which is available on the MOPS.</li> </ol>
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	<ol style="list-style-type: none"> <li>1. Climate risk and opportunity assessments are categorized into short-term (within 1 year), medium-term (1 to 3 years), and long-term (more than 5 years):</li> <li>2. <b>Short-term risk</b>(within 1 year): Increased demand for energy due to extreme weather (typhoons, heavy rain) and rising temperatures.</li> <li>3. <b>Short-term opportunities</b>: Rooftop solar power has come into use to reduce reliance on conventional energy sources.</li> <li>4. <b>Mid-term risk</b> (1 to 3 years): Changes in government regulations (carbon tax, total greenhouse gas control).</li> <li>5. <b>Mid-term opportunities</b>: Early use of green energy improves supply chain competitiveness and gains customer trust.</li> <li>6. <b>Long-term risk</b> (over 5 years): The trend towards carbon neutrality is accelerating, and operating costs are increasing.</li> <li>7. <b>Long-term opportunities</b>: Supply chain resilience improves and corporate brand value increases.</li> </ol>

Item	Implementation status
<p>3. Describe the financial impact of extreme weather events and transformative actions.</p>	<ol style="list-style-type: none"> <li>1. <b>Typhoon and heavy rain:</b> Typhoons and heavy rain may cause damage to plants, equipment, and infrastructure, further affecting production operations and supply chain logistics, resulting in material supply shortages and delivery delays. In addition, heavy rainfall may cause flooding, which affects plant safety and productivity and increases repair and maintenance costs. To minimize this risk, the Company has implemented a series of disaster prevention measures, including reinforcement of building structures, installation of drainage systems, establishment of emergency response plans and regular disaster prevention drills. In addition, the Company has strengthened its supply chain management to ensure flexibility in the availability and logistics of key components to minimize the impact of extreme weather on its operations.</li> <li>2. <b>Rising temperatures:</b> The increase in global average temperatures has led to an increase in the number of hot days in the summer, which has led to a corresponding increase in the Company's demand for electricity, particularly for air conditioning and manufacturing equipment, further increasing operating costs and carbon emissions. To meet this challenge, the Company has initiated the <b>energy conservation program</b>, which includes installing high-efficiency air-conditioning equipment, adjusting energy-consuming equipment, and promoting energy conservation awareness training for employees to ensure optimal energy use. In addition, the Company has been gradually increasing the proportion of renewable energy usage to reduce its reliance on conventional electricity.</li> <li>3. <b>Policy change:</b> With the government's gradual implementation of carbon taxes and total greenhouse gas control measures, the Company's operating costs will face upward pressure. As a result, the Company has initiated the optimization of energy efficiency and the introduction of renewable energy in order to reduce the impact of future regulatory adjustments on its operations.</li> </ol>

Item	Implementation status
	<ol style="list-style-type: none"> <li>4. <b>Completed ISO 14064-1 GHG inventory in 2024</b> and obtained third party assurance in 2025.</li> <li>5. <b>Rooftop solar power generation:</b> Phase I came into use in June 2023, and Phase II will be completed in 2025 to increase the proportion of green energy usage.</li> <li>6. <b>Equipment upgrade:</b> Gradually replace high energy-consuming equipment to improve energy efficiency.</li> <li>7. <b>Electrification of company cars:</b> The plan is to gradually replace company cars with hybrid vehicles or purely electric vehicles.</li> </ol>
<p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p>	<ol style="list-style-type: none"> <li>1. The Company has established risk management policies and procedures to incorporate climate change-related risks into the overall risk management framework of the enterprise and to ensure that risk identification, assessment and countermeasures can be effectively implemented.</li> <li>2. <b>Risk identification</b> <ul style="list-style-type: none"> <li>• Climate risks are identified through internal data analysis and external data (e.g., government climate reports, IEA assessments), including physical risks (extreme weather, rising temperatures) and transformational risks (policy changes, carbon taxes, technological changes).</li> <li>• Regular discussions are held with supply chain partners, customers, and other stakeholders to ensure complete risk identification coverage.</li> </ul> </li> <li>3. <b>Risk management and response strategies</b> <ul style="list-style-type: none"> <li>• <b>Short-term strategy:</b> Establish climate disaster contingency plans (e.g., typhoon and flood prevention measures), improve energy efficiency (e.g., replace with high-efficiency equipment).</li> <li>• <b>Mid-term strategy:</b> Implement the ISO 14064-1 greenhouse gas inventory system to ensure the transparency of carbon emissions data and the setting of carbon reduction targets.</li> <li>• <b>Long-term strategy:</b> Gradually increase the proportion of renewable energy use and optimize supply chain management to reduce the impact of climate change on business operations.</li> </ul> </li> <li>4. <b>Integration into the enterprise risk management system</b> <ul style="list-style-type: none"> <li>• The results of the climate risk assessment are</li> </ul> </li> </ol>

Item	Implementation status
	<p>included in the Annual Risk Assessment Report, which is submitted to the Board of Directors for reporting.</p> <ul style="list-style-type: none"> <li>• The ESG team regularly monitors changes in risk.</li> <li>• Continuously optimize climate risk management strategies with reference to international standards (e.g. TCFD, GRI).</li> </ul> <p>5. In accordance with the Dow Jones Sustainability Index and GRI compilation guidelines, the Company regularly discloses sustainability information and tracks changes in the data, which are reviewed periodically at ESG group meetings.</p> <p>6. Through the international standard system ISO 14064-1 organization-type greenhouse gas inventory system construction, conduct cross-departmental exercises and educational training field exercises.</p> <p>7. Learn from corporate customer benchmarks, participate in various supply chain conferences, and attend sustainability seminars from time to time to understand the latest trends and integrate them into the company's overall risk control system.</p>
<p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.</p>	<p>The Company does not currently use scenario analysis for assessment purposes.</p>
<p>6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</p>	<ol style="list-style-type: none"> <li>1. The Company has planned the overall greenhouse gas inventory and verification plan, and has started implementing the ISO14064-1 system in the plant in 2024..</li> <li>2. The first phase of the rooftop solar project successfully came into use in 2023, and the second phase of the rooftop solar project got underway in the third quarter of 2024, and is expected to generate electricity for self-consumption.</li> <li>3. Risks of natural disasters are managed on an immediate basis based on weather forecasts.</li> <li>4. Manage the transition risk of compliance with various laws and regulations in the medium to long term in accordance with changes in government regulations.</li> <li>5. Gradually replace old equipment, some pipe lines or office light bulbs.</li> <li>6. Gradually replace company cars with petrol-electric or electric vehicles.</li> </ol>

Item	Implementation status
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The Company does not currently utilize internal carbon pricing.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	<ol style="list-style-type: none"> <li>1. The first phase of rooftop solar installation came into use in 2023 to utilize green energy.</li> <li>2. Phase II of the rooftop solar project began in 2024, with construction in progress in 2024.</li> <li>3. Build the ISO 14064-1 corporation-wide greenhouse gas inventory system.</li> <li>4. Apply for Renewable Energy Certificates (RECs) in the future</li> </ol>
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	Detailed information is disclosed in the relevant sections of the Company's Sustainability Report. The Company is currently a TPEx listed company with capital of less than NT\$5 billion.

#### 1-1 Greenhouse gas inventory and assurance status for the two most recent fiscal years

##### 1-1-1 Greenhouse gas inventory information

Describe the emission volume (tCO<sub>2</sub>e), intensity (tCO<sub>2</sub>e/NT\$ million), and data coverage of greenhouse gases in the two most recent fiscal years.

Emissions (tCO<sub>2</sub>e) and intensity (tCO<sub>2</sub>e per million) for the most recent year are shown below. The scope of information is mainly in the scope of the parent company, and there is no external assurance at this time, and it is only the data of internal self-calculation.

The total carbon emissions in 2024 were 1020.605 tons with a carbon emission factor of 0.494 kgCO<sub>2</sub>e/kWh. Total carbon emissions in 2023 were 932 tons with a carbon emission factor of 0.495 kgCO<sub>2</sub>e/kWh. The Company's self-assessed figures for three consecutive years are as follows:

Year	Scope 1 emission (tCO <sub>2</sub> e) Scope 1	Emission intensity (tCO <sub>2</sub> e/NT\$ million)
2022	76.94	0.008
2023	307.1864	0.03
2024	186.945	0.075

Year	Scope 2 emissions (tCO <sub>2</sub> e) Scope 2	Emission intensity (tCO <sub>2</sub> e/NT\$ million)
2022	398.766	0.039
2023	461.1554	0.04
2024	491.938	0.197

Year	Scope 3 emissions (tCO <sub>2</sub> e) Scope 3	Emission intensity (kgCO <sub>2</sub> e/NT\$ million)
2022	34.73	0.0034
2023	161.1582	0.016
2024	341.722	0.137

1-1-2 Greenhouse gas assurance information

Describe the status of assurance for the two most recent fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.: No external assurance information is available at this time.

1-2 Greenhouse gas reduction targets, strategy, and concrete action plan

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets: In the future, the company will establish a base year for greenhouse gas reduction and set appropriate reduction targets in response to the long-term goal of net-zero carbon emissions by 2050.

(6) Ethical corporate management - implementation status and deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
1. Establishment of ethical corporate management policies and programs (1) Does the company have an ethical corporate management policy approved by its Board of Directors; and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures; and a commitment regarding implementation of such policy from the Board of Directors and the top management team?	V		The Board of Directors has resolved to implement The “Ethical Corporate Management Best Practice Principles” and “Code of Ethical Conduct”, which outline the practice for ethical management, and established a mechanism for good business management and risk control. Members of the Board of Directors and management are also committed to actively implementing and overseeing the implementation of ethical corporate management policies.	Compliance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, with no deviation.

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies”?	V		<p>(1) Conduct the assessment: The Company has set up the “Corporate Sustainable Management Promotion Group” comprising experts from various departments to regularly review possible risks of dishonesty in each business segment. We use market surveys, past case studies and feedback from internal audits to understand which processes are prone to risk.</p> <p>(2) Concrete preventive measures</p> <ul style="list-style-type: none"> <li>Based on the results of the risk assessment, we have developed specific regulations, for example: <ul style="list-style-type: none"> <li>Strictly prohibit providing or accepting improper benefits</li> <li>Prohibit offering and acceptance of bribes and related transfer of benefits</li> <li>Establish the conflict of interest avoidance system to ensure that there are clear boundaries for every decision.</li> <li>Strengthen the confidentiality mechanism to protect the security of the company’s internal information.</li> </ul> </li> </ul>	Compliance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
(3) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	V		<p>In the “Ethical Corporate Management Best Practice Principles”, steps are described from day-to-day operations to the handling of non-compliance, and these operating procedures are regularly reviewed and updated so that the system can be adjusted as circumstances change.</p> <p>The company has set up a dedicated reporting mailbox and hotline to facilitate the reporting of any misconduct by colleagues or outsiders. All reported cases are handled by a dedicated officer who ensures that the whistleblower’s personal information is treated in the strictest confidence.</p>	Compliance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, with no deviation.



Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
2. Ethical management practice (1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	V		Before entering into a new business relationship, we always conduct a thorough investigation to assess the integrity record and legitimacy of the other party. The process includes reviewing historical records, credit information and internal assessments to ensure that our partners meet our integrity standards. When signing a contract, both parties must explicitly agree to abide by the ethical management policy and include the consequences of non-compliance in the contract to ensure fairness and transparency in the cooperation process.	Compliance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
(2) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor implementation?	V		The cross-departmental “Corporate Sustainable Management Promotion Group” was established to review the implementation of the ethical management policy on a regular basis and reflect the results in the form of a report to the Board of Directors. In addition to the annual formal report, the internal Audit Office also tracks the implementation of each measure on a monthly basis and makes timely adjustments and corrections. In 2024, there were no reports from external parties or employees, and there were no major cases of dishonest behavior.	Compliance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
(3) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	V		The Company has established conflict of interest avoidance provisions in the “Ethical Corporate Management Best Practice Principles” and “Code of Ethical Conduct”. The Company has a legal unit in the Management Department that can provide a channel for whistleblowers to make statements and maintain confidentiality of the whistleblowers’ identities and the contents of the statements, as well as enforce laws and regulations.	Compliance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, with no deviation.

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance in order to prevent unethical conduct; or hire outside accountants to perform the audits?	V		The Company has established a professional and independent internal audit operation structure, which is carried out by the Audit Office under the Board of Directors. An audit plan is formulated annually to check compliance with rules and regulations and to reduce the risk of dishonest behavior, and internal control system self-assessments are conducted periodically each year to ensure the effective design and implementation of the system. In addition, the staff of external accountants conducts random audits on a routine basis.	Compliance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
(5) Does the company provide internal and external ethical corporate management training programs on a regular basis?	V		The Company attaches great importance to ethical management conduct and regularly promotes the Company's "Ethical Corporate Management Best Practice Principles" for all employees to follow.	Compliance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
3. Implementation of complaint procedures (1) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistleblowers?	V		The Company has established and posted a complaint mailbox and a direct line on the Company's website for use by internal and external personnel, and encourages internal and external personnel to report dishonest behavior or misconduct, and rewards them according to the severity of their complaints; the Audit Office is responsible for accepting complaints, and the relevant departments should cooperate with the Company to provide the necessary assistance, if necessary.	Compliance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
(2) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?	V		The Company has established a reporting system, which is handled by dedicated personnel in accordance with the prescribed procedures, with a written statement that the identity of the complainant and the content of the report will be kept confidential. If the report is found to be true, we will immediately ask the reported person to stop the relevant behavior and take appropriate actions, and if necessary, we will seek damages through legal proceedings. We will also take disciplinary actions in accordance with the relevant regulations of the Company. There were no such reports in	Compliance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, with no deviation.

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			2024.	
(3) Has the company adopted proper measures to protect whistleblowers from retaliation?	V		During and after the investigation, the person in charge is strictly prohibited from disclosing the facts of the case and the name of the whistleblower to uninvolved parties, and the supervisors at all levels of approval are required to maintain confidentiality, and the relevant information is handled and filed in a confidential manner, so as to protect the whistleblower from any undue harassment or retaliation as a result of the whistleblower's report.	Compliance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
4. Strengthening information disclosure Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	V		The Company has formulated the "Ethical Corporate Management Best Practice Principles" and reviews the effectiveness of its implementation from time to time. In addition, the Company has disclosed relevant and reliable information about ethical management in its annual report, and the annual report and corporate governance information are also posted on the Company's website <a href="http://www.gpline.com.tw">http://www.gpline.com.tw</a> .	Compliance with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, with no deviation.
5. If the company has adopted its own ethical corporate management best practice principles based on the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies", please describe any deviations between the principles and their implementation: There is no material deviation between the operation of the "Ethical Corporate Management Best Practice Principles" established by the Company in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies" and the prescribed principles.				
6. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies: Please refer to the MOPS or the Company's website <a href="http://www.gpline.com.tw">http://www.gpline.com.tw</a> for more information on the Company's "Ethical Corporate Management Best Practice Principles".				

(7) If the company has adopted corporate governance best-practice principles or related bylaws, disclose how these are to be accessed:

The Company has formulated the "Code of Ethical Conduct", "Ethical Corporate Management Best Practice Principles", "Rules Governing the Scope of Powers of Independent Directors", "Corporate Governance Best-Practice Principles", "Sustainable Development Best Practice Principles", "Rules and Procedures of Shareholders' Meeting", "Rules of Procedure for Board of Directors Meetings", and a complete set of internal control system and internal audit system, etc., in order to implement and promote the operation and promotion of corporate governance, and the relevant rules and regulations have been placed in the Company's internal query system and can be accessed on the MOPS.

(8) Other significant information that will provide a better understanding of the state of the company's implementation of corporate governance may also be disclosed: None.

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

1. Statement on Internal Control:

Group Up Industrial Co., Ltd.  
Statement of Internal Control System

Date: February 25, 2025

The Company states the following for its 2024 internal control system based on the results of self-inspection:

- I. The Company recognizes that it is the responsibility of the Company's Board of Directors and managerial officers to establish, implement, and maintain the internal control system, and the Company has established such a system. The purpose is to provide reasonable assurance on the achievement of operating effectiveness and efficiency (including profits, performance, and assets safeguarding), reporting matters with reliability, and compliance with the relevant law and regulations.
- II. An internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide a reasonable assurance of the achievement of the above three objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, self-supervision measures were implemented within The Company's internal control policies to facilitate immediate rectification once procedural flaws have been identified.
- III. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the criteria of the effectiveness of the internal control system stipulated in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The criteria introduced by the "Regulations" consists of five major elements, each representing a different stage of internal control: 1. Control environment, 2. Risk assessment and response, 3. Control activities, 4. Information and communication, 5. Monitoring activities. Each element further includes several items. For the said items, please refer to the "Regulations".
- IV. The Company has adopted the above criteria for its internal control system to examine the effectiveness of the design and implementation.
- V. According to the aforementioned examination results, the Company concluded that the Company's internal control system (including the supervision and management of the subsidiaries) as of December 31, 2024, including the extent to which it is aware of the effectiveness of operations and the achievement of efficiency goals, the reliability of financial reporting, and the compliance with relevant laws and regulations, is effective and can provide reasonable assurance that the above goals will be achieved.
- VI. This statement will be a key part of the Company's annual report and will be disclosed to the public. Any falsehood, concealment, or violations of law in the above disclosed information will be subject to the legal liabilities under Article 20, Article 32, Article 171, and Article 174 of the Securities and Exchange Act.
- VII. This statement was approved by the Board of Directors on February 25, 2025. Of the nine directors present, zero were opposed to the statement.

Group Up Industrial Co., Ltd.

Chairperson: An-Shun Chen (Signature)

General Manager: Jung-Kun Li (Signature)

2. Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: None.

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

1. Material resolutions of the shareholders' meeting

Date	Material resolutions	Outcome of resolution	Implementation status
2024.05.30	<b>【Reports】</b> 1. 2023 Business Report 2. Audit Committee's Review Report 3. Report on the distribution of employees' compensation and remuneration to directors for 2023 4. Report on cash dividends from profits in 2023		Published on the Company's website Published on the Company's website Published on the Company's website The ex-dividend date of July 25, 2024 was set, and the full payment was made on August 20, 2024 in accordance with the resolution of the shareholders' meeting. (Cash dividends of NT\$8 per share) Published on the MOPS
	<b>【Ratifications】</b> 1. 2023 Business Report and Financial Statements 2. 2023 Profit Distribution Table	The motion was voted on and passed as presented. The motion was voted on and passed as presented.	Published on the Company's website Published on the Company's website
	<b>【Election and Discussion Matters】</b> 1. Comprehensive re-election of directors	Election results: The list of elected directors is as follows Director 62 Chan Hung Investment Co. Ltd. Representative: An-Shun Chen Number of voting rights: 46,079,349 Director 63 Yu Feng Investment Co. Ltd. Representative: Jung-Kun Li Number of voting rights: 45,862,831 Director 64 Hung I Investment Co. Ltd. Representative: Wen-Chang Lai Number of voting rights: 45,842,495 Director 65 Huo Shui Investment Co., Ltd. Representative: Tien-Ho Yu Number of voting rights: 70,789,845 Director J10023****Tso-Ching Wang Number of voting rights: 24,333,735 Director 265 Shui-Chuan Tai Number of voting rights: 24,167,344 Independent	The matter has been posted on the Company's website and has been processed in accordance with the revised procedures.

Date	Material resolutions	Outcome of resolution	Implementation status
	2. Release of non-competition restriction on new directors and their representatives	<p>DirectorF12175****Chin-Te Li  Number of voting rights: 24,479,585  Independent Director536Ching-Chang Hung  Number of voting rights: 24,373,231  Independent  DirectorT10205****Ming-Shing Chen  Number of voting rights: 24,388,231  Independent  DirectorQ22053****Shu-Ling Lin  Number of voting rights: 24,500,475</p> <p>The motion was voted on and passed as presented.</p>	Published on the Company's website

## 2. Material resolutions of the board of directors meeting

Date	Name of meeting	Material resolutions	Matters listed under Article 14-3 of the Securities and Exchange Act	Matters listed under Article 14-5 of the Securities and Exchange Act	Whether there are any resolutions that have been adopted with the approval of two-thirds or more of all board directors without having been passed by the audit committee.	Any matter about which an independent director expresses an objection
2024.01.26	18th meeting of the 12th Board of Directors	1. Changes to 2023 year-end bonus and operating results distribution for the Company's managerial officers	V			None
2024.02.23	19th meeting of the 12th Board of Directors	1. The Company's 2023 consolidated and parent company only financial statements 2. The Company's 2023 business report 3. Proposal for the Company's distribution of 2023 profits 4. The Company's accounts receivable remain uncollected for more than three months after the normal credit period and the amount is significant 5. The "Assessment of the Effectiveness of the Internal Control System" and the "Statement on Internal Control" of the Company for the year 2023 6. Determination of the record date for the issuance of new shares to increase capital in the fourth quarter of 2023 for the Company's first domestic unsecured convertible bonds issued in 2022. 7. Regulation evaluation on the independence of the CPAs 8. Compensation to the CPAs appointed by the Company to perform the 2024 financial and tax	V  V  V  V  V  V  V  V  V	V  V  V  V  V  V  V  V	No  No  No  No  No  No  No  No	None  None  None  None  None  None  None  None

Date	Name of meeting	Material resolutions	Matters listed under Article 14-3 of the Securities and Exchange Act	Matters listed under Article 14-5 of the Securities and Exchange Act	Whether there are any resolutions that have been adopted with the approval of two-thirds or more of all board directors without having been passed by the audit committee.	Any matter about which an independent director expresses an objection
		statements audit and attestation				
		9. Comprehensive re-election of directors	V			None
		10. Nomination and resolution of the list of candidates for directors (including independent directors)	V			None
		11. Release of non-competition restriction on new directors and their representatives	V			None
		12. Amendments to the Company's "General Principles for Pre-Approval of Non-Assurance Service Policies"	V	V	No	None
		13. Distribution of employees' compensation and remuneration to directors for 2023	V			None
		14. Distribution of quarterly work evaluation bonuses for managerial officers	V			None
		15. Decision on matters related to the convening of the 2024 Annual General Meeting of Shareholders	V			None
2024.04.17	20th meeting of the 12th Board of Directors	1. Change of nomination of director candidates and review of the list of director candidates	V			None
		2. Release of non-competition restriction on new directors and their representatives	V			None
2024.05.10	21st meeting of the 12th Board of Directors	1. The Company's consolidated financial statements for the first quarter of 2024	V	V	No	None
		2. The Company's accounts receivable remain uncollected for more than three months after the normal credit period and the	V	V	No	None



Date	Name of meeting	Material resolutions	Matters listed under Article 14-3 of the Securities and Exchange Act	Matters listed under Article 14-5 of the Securities and Exchange Act	Whether there are any resolutions that have been adopted with the approval of two-thirds or more of all board directors without having been passed by the audit committee.	Any matter about which an independent director expresses an objection
		<p>amount is significant</p> <p>3. Determination of the record date for the issuance of new shares to increase capital in the first quarter of 2024 (from January 1, 2024 to March 31, 2024) for the Company's first domestic unsecured convertible bonds issued in 2022</p> <p>4. Proposal for new investment in Thailand in order to expand the business scope and get closer to customers</p> <p>5. Distribution of quarterly work evaluation bonuses for managerial officers</p>	<p>V</p> <p>V</p> <p>V</p>	<p>V</p> <p>V</p>	<p>No</p> <p>No</p>	<p>None</p> <p>None</p> <p>None</p>
2024.05.30	1st meeting of the 13th term Board of Directors	<p>1. Election of the Chairperson of the Company</p> <p>2. Appointment of members of the 4th term Remuneration Committee</p>				<p>None</p> <p>None</p>
2024.08.13	2nd meeting of the 13th Board of Directors	<p>1. The Company's consolidated financial statements for the second quarter of 2024</p> <p>2. The Company's accounts receivable remain uncollected for more than three months after the normal credit period and the amount is significant</p> <p>3. Determination of the record date for the issuance of new shares to increase capital in the second quarter of 2024 (from April 1, 2024 to June 30, 2024) for the</p>	<p>V</p> <p>V</p> <p>V</p>	<p>V</p> <p>V</p> <p>V</p>	<p>No</p> <p>No</p> <p>No</p>	<p>None</p> <p>None</p> <p>None</p>

Date	Name of meeting	Material resolutions	Matters listed under Article 14-3 of the Securities and Exchange Act	Matters listed under Article 14-5 of the Securities and Exchange Act	Whether there are any resolutions that have been adopted with the approval of two-thirds or more of all board directors without having been passed by the audit committee.	Any matter about which an independent director expresses an objection
		<p>Company's first domestic unsecured convertible bonds issued in 2022</p> <p>4. Proposal for the renewal of the Directors' Liability Insurance Policy</p> <p>5. The Company's 2023 "Sustainability Report"</p> <p>6. Distribution of remuneration to directors for 2023</p> <p>7. Position change and salary adjustment of managerial officers for 2024.</p> <p>8. Managerial officers' bonus base distribution for the third quarter of 2024</p> <p>9. Proposal for the second domestic unsecured convertible bond</p>	<p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p>	<p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p>	<p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p>	<p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p>
2024.09.19	3rd meeting of the 13th Board of Directors	<p>1. Proposal for the purchase of land from a related party</p> <p>2. Proposal for the construction of new plants</p>	<p>V</p> <p>V</p>	<p>V</p> <p>V</p>	<p>No</p> <p>No</p>	<p>None</p> <p>None</p>
2024.11.12	4th meeting of the 13th term Board of Directors	<p>1. The Company's consolidated financial statements for the third quarter of 2024</p> <p>2. The Company's accounts receivable remain uncollected for more than three months after the normal credit period and the amount is significant</p> <p>3. Determination of the record date for the issuance of new shares to increase capital in the third quarter</p>	<p>V</p> <p>V</p> <p>V</p>	<p>V</p> <p>V</p> <p>V</p>	<p>No</p> <p>No</p> <p>No</p>	<p>None</p> <p>None</p> <p>None</p>

Date	Name of meeting	Material resolutions	Matters listed under Article 14-3 of the Securities and Exchange Act	Matters listed under Article 14-5 of the Securities and Exchange Act	Whether there are any resolutions that have been adopted with the approval of two-thirds or more of all board directors without having been passed by the audit committee.	Any matter about which an independent director expresses an objection
		<p>of 2024 (from July 1, 2024 to September 30, 2024) for the Company's first domestic unsecured convertible bonds issued in 2022.</p> <p>4. Addition of the Company's "Sustainable Information Management Procedures"</p> <p>5. Addition of Article 13-3 of the Company's "Corporate Governance Best Practice Principles"</p> <p>6. Amendments to certain provisions of the Company's "Audit Committee Charter"</p> <p>7. Amendments to Article 12 and Article 13 of the Company's "Rules of Procedure for Board of Directors' Meetings"</p> <p>8. Managerial officers' bonus base distribution for the fourth quarter of 2024</p>	<p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p>	<p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p>	<p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p>	<p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p>
2024.12.24	5th meeting of the 13th Board of Directors	<p>1. The Company's 2025 corporate operating plan and financial budget</p> <p>2. The Company's 2025 audit plan</p> <p>3. Addition of the management of sustainable information to the internal audit system</p> <p>4. Proposal for the acquisition of the right-of-use assets by leasing of real estate from a related party</p> <p>5. Renewal of the lease of U.S. house and company car from Che-Kuan</p>	<p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p>	<p>V</p> <p>V</p> <p>V</p> <p>V</p> <p>V</p>	<p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p>	<p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p>

Date	Name of meeting	Material resolutions	Matters listed under Article 14-3 of the Securities and Exchange Act	Matters listed under Article 14-5 of the Securities and Exchange Act	Whether there are any resolutions that have been adopted with the approval of two-thirds or more of all board directors without having been passed by the audit committee.	Any matter about which an independent director expresses an objection
		Yu, son of the related party Director Tien-Ho Yu				
		6. Application for retroactive line of credit from the financial institution	V	V	No	None
		7. Managerial officers' employee compensation for 2023, year-end bonus and distribution of operating results for 2024	V			None
2025.2.25	6th meeting of the 13th term Board of Directors	1. The Company's 2024 consolidated and parent company only financial statements	V	V	No	None
		2. The Company's 2024 business report	V	V	No	None
		3. Proposal for the Company's distribution of 2024 profits	V	V	No	None
		4. The Company's accounts receivable remain uncollected for more than three months after the normal credit period and the amount is significant	V	V	No	None
		5. The "Assessment of the Effectiveness of the Internal Control System" and the "Statement on Internal Control" of the Company for the year 2024. Please discuss.				
		6. Determination of the record date for the issuance of new shares to increase capital in the fourth quarter of 2024 (from October 1, 2024 to December 31, 2024) for the Company's first domestic unsecured convertible bonds issued in 2022	V	V	No	None
		7. Coordination with the internal	V	V	No	None

Date	Name of meeting	Material resolutions	Matters listed under Article 14-3 of the Securities and Exchange Act	Matters listed under Article 14-5 of the Securities and Exchange Act	Whether there are any resolutions that have been adopted with the approval of two-thirds or more of all board directors without having been passed by the audit committee.	Any matter about which an independent director expresses an objection
		rotation of the CPA firm to change the CPAs and to evaluate the independence of the CPAs on a regular basis				
		8. Compensation to the CPAs appointed by the Company to perform the 2025 financial and tax statements audit and attestation	V	V	No	None
		9. Amendments to the Company's "General Principles for Pre-Approval of Non-Assurance Service Policies"	V	V	No	None
		10. Definition of "Grassroots Employee"	V	V	No	None
		11. Amendments to the provisions of the "Articles of Incorporation" of the Company.	V	V	No	None
		12. Distribution of employees' compensation and remuneration to directors for 2024.	V			None
		13. Managerial officers' bonus base distribution for the first quarter of 2025	V			None
		14. Decision on matters related to the convening of the 2025 Annual General Meeting of Shareholders.	V	V	No	None

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

#### IV. Information on CPA (external auditor) professional fees

The Company paid the CPA professional fees in 2024:

Name of accounting firm	Name of CPAs		Audit period	Remarks
KPMG Taiwan	Chi-Lung Yu	Ming-Fang Hsu	2024/1/1~2024/12/31	None

Unit: NT\$ thousand

Professional fees		Audit fees	Non-audit fees	Total
Amount range				
1	Less than NT\$2,000 thousand	-	-	-
2	NT\$2,000 thousand (inclusive) ~ 4	✓	-	✓
3	NT\$4,000 thousand (inclusive) ~	-	-	-
4	NT\$6,000 thousand (inclusive) ~	-	-	-
5	NT\$8,000 thousand (inclusive) ~	-	-	-
6	NT\$10,000 thousand or more	-	-	-

Unit: NT\$ thousand

Name of accounting firm	Name of CPAs	Period covered by the CPA audit	Audit fees	Non-audit fees	Total	Remark
KPMGTaiwan	Chi-Lung Yu	2024	2,200	0	2,200	
	Ming-Fang Hsu	2024				

Note 1: If the company changed its CPAs or accounting firm during the fiscal year, list the audit periods before and after the change separately, and specify the reason for the change in the “Remarks” column and disclose sequentially the audit and non-audit fees paid.

Note 2: Non-audit fees should be listed separately by service item, and if non-audit fees labeled as “other” reach 25% of the total non-audit fees, the content of the service should be listed in the Remarks column.

(1) If the non-audit fees paid to the CPA, the firm to which the CPA belong, and its affiliated companies accounted for more than one-fourth of the audit fees, the amount of the audit fees, non-audit fees, and the content of the non-audit services should be disclosed: Not applicable.

(2) If there is a change of accounting firm and the audit fee paid in the year of the change is less than the audit fee paid in the year prior to the change, the amount, percentage, and reason for the decrease in the audit fee should be disclosed:None.

(3) If the audit fee is reduced by 15% or more from the previous year, the amount, percentage, and reasons for the reduction in the audit fee shall be disclosed: None.

#### V. Information on replacement of CPAs:None.

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

#### VII. Any transfer of equity interests and/or pledge of or change in equity interests (during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report) by a director, audit committee member, managerial officer, or shareholder holding 10 percent or more of the Company’s share:

- (1) Transfer of equity interests and/or pledge of or change in equity interests by a director, audit committee member, managerial officer, or shareholder with a stake of more than 10 percent

Unit: shares

Title	Name	2023		2024		2025 As of March 29	
		Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)	Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)	Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)
Chairman	An-Shun Chen	—	—	—	—	—	—
	The corporate entity represented: Chan Hung Investment Co. Ltd.	—	—	—	—	—	—
Director	Jung-Kun Li	—	—	—	—	—	—
	The corporate entity represented: Yu Feng Investment Co., Ltd.	—	—	—	—	—	—
Director	Wen-Chang Lai	—	—	—	—	—	—
	The corporate entity represented: Hong I Investment Co., Ltd.	—	—	—	—	—	—
Director	Tien-Ho Yu	—	—	—	—	—	—
	The corporate entity represented: Huo Shui Investment Co., Ltd.	—	—	—	—	—	—
Director	Shui-Chuan Tai (Note)	—	—	—	—	—	—
Director	Chuan-Chih Kao (Note)	—	—	—	—	—	—
Director	Wang Tso- Ching						
Independent Director	Li Chin-Te	—	—	—	—	—	—
Independent Director	Hung Ching- Chang	—	—	—	—	—	—
Independent Director	Chen Ming- Hsing	—	—	—	—	—	—
Independent Director	Lin Hu-Ling						
Deputy General Manager, Sales Department	Chih-Hung Li	—	—	—	—	2,000	—
Deputy Assistant General Manager, R&D Department	Hsiu-Jung Chen	—	—	—	—	—	—
Head of Finance and Head of Corporate Governance	Chin-Wei Shen	—	—	(35,000)	—	—	—

Note: Director Tai, Shui-Chun resigned on 2024/6/26; Director Ko, Chuan-Chih was relieved of duty on 2024/5/30.

(2) Information on transfer of equity interests: There is no situation where the counterparty of a transfer of shareholding is a related party.

(3) Information on pledge of equity interests: There is no situation where the counterparty of a pledge of shareholding is a related party.

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

March 29, 2025; Units: shares; %

Name	Shareholding		Shares held by spouse and minor children		Total shareholding by nominee arrangements		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree		Remark
	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	Name of entity or individual	Relationship with Customs	
Tung Te Investment Co., Ltd.	3,632,928	5.98%	—	—	—	—	—	—	—
Representative: Yu-Mei Wang	878,521	1.45%	976,853	1.61%	—	—	Ying-Chih Lai	Mother and daughter	—
Huo Shui Investment Co., Ltd.	2,760,712	4.54%	—	—	—	—	—	—	—
Representative: Che-Wei Yu	1,540,499	2.53%	—	—	—	—	Che-Kuan Yu	Sister and brother	—
Hong I Investment Co., Ltd.	2,758,119	4.54%	—	—	—	—	—	—	—
Representative: Ying-Chih Lai	940,000	1.55%	—	—	—	—	Yu-Mei Wang	Mother and daughter	—
Yu Feng Investment Co., Ltd.	2,757,309	4.54%	—	—	—	—	—	—	—
Representative: Hsin-Yun Li	805,333	1.32%	—	—	—	—	Chinn-Jung Lin	Mother and daughter	—
Chan Hung Investment Co. Ltd.	2,755,104	4.53%	—	—	—	—	—	—	—
Representative: Yu-Hsuan Chen	1,227,502	2.12%	—	—	—	—	Hung-Chan Chen	Brother and sister	—
Che-Kuan Yu	1,541,300	2.54%	—	—	—	—	Che-Wei Yu	Sister and brother	—
Che-Wei Yu	1,540,499	2.53%	—	—	—	—	Che-Kuan Yu	Sister and brother	—
Chinn-Jung Lin	1,335,812	2.20%	913,148	1.50%	—	—	Hsin-Yun Li	Mother and daughter	—



Name	Shareholding		Shares held by spouse and minor children		Total shareholding by nominee arrangements		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree		Remark
	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	Name of entity or individual	Relationship with Customs	
Yu-Hsuan Chen	1,164,502	1.92%	—	—	—	—	Hung-Chan Chen	Brother and sister	—
Hung-Chan Chen	1,073,333	1.77%	719,000	1.18%	—	—	Yu-Hsuan Chen	Brother and sister	—

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

March 31, 2025 Units: shares; %

Investee enterprise	Investment by the Company		Investment by the directors, supervisors, managerial officers and directly or indirectly controlled entities of the Company		Total investment	
	No. of shares	Shareholding ratio %	No. of shares	Shareholding ratio %	No. of shares	Shareholding ratio %
GROUP UP (SAMOA) Ltd.	12,500 thousand shares	100.00%	-	-	12,500 thousand shares	100.00%
Group Up Technology (SIP) Co., Ltd.	US\$10,000 thousand (Note)	100.00%	-	-	US\$10,000 thousand (Note)	100.00%
Group Up Trading (Shenzhen) Company Limited	US\$500 thousand (Note)	100.00%	-	-	US\$500 thousand (Note)	100.00%

Note: Share capital in Mainland China is not divided into shares.

### Three. Information on capital raising activities

#### I. Capital and shares

##### (1) Capital formation

1. Capital changes for the most recent 5 years and up to up to the date of publication of the annual report

Units: NT\$ thousand; thousand shares

Month and year	Issued price	Authorized capital		Paid-in capital		Remark		
		No. of shares	Amount	No. of shares	Amount	Source of capital	Capital paid in by assets other than cash	Others
2018.09	10	60,000	600,000	55,000	550,000	Cash capital increase NT\$50,000,000	None	27 September 2018 Letter No. Jing-Shou-Zhong-Zi 10701134080
2019.07	10	80,000	800,000	55,000	550,000	-	None	31 July 2019 Letter No. Jing-Shou-Zhong-Zi 10801087480
2024.04	10	80,000	800,000	55,027	550,267	Convertible bonds converted into shares NT\$266,640	None	24 April 2024 Letter No. Jing-Shou-Shang-Zi 11330066790
2024.06	10	80,000	800,000	55,232	552,322	Convertible bonds converted into shares NT\$266,640	None	12 June 2024 Letter No. Jing-Shou-Shang-Zi 11330093320
2024.09	10	80,000	800,000	56,413	564,133	Convertible bonds converted into shares NT\$11,810,870	None	05 September 2024 Letter No. Jing-Shou-Shang-Zi 11330167430
2024.12	10	80,000	800,000	57,792	577,916	Convertible bonds converted into shares NT\$13,783,070	None	11 December 2024 Letter No. Jing-Shou-Shang-Zi 11330227060
2024.03	10	80,000	800,000	57,979	579,785	Convertible bonds converted into shares NT\$1,869,050	None	21 March 2024 Letter No. Jing-Shou-Shang-Zi 11330036630
2024.06	10	80,000	800,000	57,990	579,902	Convertible bonds converted into shares NT\$116,820	None	03 June 2024 Letter No. Jing-Shou-Shang-Zi 11330085960
2024.09	10	80,000	800,000	59,311	593,114	Convertible bonds	None	20 September 2024 Letter No. Jing-

Month and year	Issued price	Authorized capital		Paid-in capital		Remark		
		No. of shares	Amount	No. of shares	Amount	Source of capital	Capital paid in by assets other than cash	Others
						converted into shares NT\$13,212,490		Shou-Shang-Zi 11330157150
2024.12	10	80,000	800,000	59,578	595,776	Convertible bonds converted into shares NT\$2,661,200	None	11 December 2024 Letter No. Jing-Shou-Shang-Zi 11330208480
2025.03	10	80,000	800,000	60,201	602,011	Convertible bonds converted into shares NT\$6,234,960	None	14 March 2025 Letter No. Jing-Shou-Shang-Zi 11430032080

2. The status of any private placement of common shares during the three most recent fiscal years up to the date of publication of the annual report: None.
3. If the company adopts the shelf registration method for the issuance of new shares, it shall disclose relevant information including the total amount registered for issuance, the total amount already issued, and the balance amount of the shelf registration: Not applicable.
4. Type of stock

Unit: shares

Type of stock	Authorized capital			Remark
	Outstanding shares	Unissued shares	Total	
Common stock	60,201,061	19,798,939	80,000,000	Stock listed on the TPEx

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

Record date: March 29, 2025; units: persons/shares/%

Names of major shareholders	Shareholding (shares)	Shareholding (%)
Tung Te Investment Co., Ltd.	3,632,928	5.98%
Huo Shui Investment Co., Ltd.	2,760,712	4.54%
Hung I Investment Co., Ltd.	2,758,119	4.54%
Yu Feng Investment Co., Ltd.	2,757,309	4.54%
Chan Hung Investment Co., Ltd.	2,755,104	4.53%
Che-Kuan Yu	1,541,300	2.54%
Che-Wei Yu	1,540,499	2.53%
Chinn-Jung Lin	1,335,812	2.20%
Yu-Hsuan Chen	1,164,502	1.92%

Shares	Shareholding (shares)	Shareholding (%)
Names of major shareholders		
Hung-Chan Chen	1,073,333	1.77%

(3) Company's dividend policy and implementation thereof

1. The dividend policy adopted in the Company's Articles of Incorporation

(1) If the Company has a net profit after tax for the current period, the Company shall first make up for any accumulated losses, and then set aside 10% of the net profit as legal reserve, unless the legal reserve has reached the Company's paid-in capital; and then, the Company shall set aside or reverse the special reserve in accordance with the laws and regulations. If there is any remaining surplus, together with the unappropriated earnings at the beginning of the same period, the Board of Directors shall prepare a proposal for the appropriation of the remaining surplus and submit it to the shareholders' meeting for a resolution on distribution. The Board of Directors will distribute all or part of the distributable dividends and bonuses or legal reserve and capital reserve in the form of cash by a majority resolution of the Board of Directors at a meeting attended by at least two-thirds of the Directors.

(2) The Company's dividend policy takes into account that the Company is still in the growth stage and will expand in the future in line with its business development. The distribution of earnings should take into account the Company's future capital expenditure budget and capital requirements and be prepared by the board of directors and distributed after the resolution of the shareholders' meeting. Dividends and bonuses to shareholders should not be less than 10% of the distributable earnings for the year, though if the accumulated distributable earnings are less than 10% of the paid-in capital, they may not be distributed. Dividends and bonuses to shareholders may be distributed in cash or in the form of shares, provided that no less than 10% of the dividends distributed in the current year are distributed in cash.

2. The dividend distributions proposed for the year

The Company resolved to distribute cash dividends of NT\$603,569,340 for the year ended December 31, 2024, at NT\$10 per share. The distribution of cash dividends was approved by the Board of Directors on February 25, 2025, and the Chairperson of the Board of Directors was also authorized to set the ex-dividend date, the payment date, and other related matters.

(4) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting:

The Company's distribution of 2024 profits resolved by the Board of Directors on February 25, 2025 did not result in the distribution of stock dividends and is therefore not applicable.

(5) Profit-sharing compensation of employees, directors, and supervisors

1. The percentages or ranges, with respect to employee, director, and supervisor profit-sharing compensation, as set forth in the Company's Articles of Incorporation. Article 19 of the Company's Articles of Incorporation provides that the Company shall set aside not less than 2% for employees' compensation and not more than 5% for remuneration to directors if there is any remaining balance after the pre-tax profit for the year before the distribution of employees' compensation and remuneration to directors retained to cover the amount of accumulated losses. The distribution of remuneration to employees and directors shall be made by a resolution adopted by a majority votes at a meeting of the Board of Directors attended by two-thirds of the total number of directors, and shall be reported to the shareholders' meeting.

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

Employees' compensation and remuneration to directors and supervisors are recognized as expenses and liabilities when there is a legal or constructive obligation and the amount can be reasonably estimated. If the actual amount of compensation distributed differs from the estimated amount, the difference is accounted for as a change in accounting estimate. In addition, if employees' compensation is paid in stock, the basis for calculating the number of shares is to evaluate the fair value of the shares using valuation techniques in accordance with IFRS 2, "Share-based Payment".

3. Information on any approval by the Board of Directors of distribution of profit-sharing compensation:

- (1) The amount of any employee profit-sharing compensation and director and supervisor profit-sharing compensation distributed in cash or stocks. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed:

On February 25, 2025, the Board of Directors approved the proposed appropriation of NT\$26,000 thousand for employees' remuneration and NT\$5,500 thousand for remuneration to directors for the year ended December 31, 2024, which were to be paid in cash, with the Chairperson of the Board of Directors authorized to set the payment dates and other related matters. The above appropriations of employees' compensation and remuneration to directors did not differ from the estimates in 2024.

- (2) The amount of any employee profit-sharing compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee profit-sharing compensation. Not applicable.

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

As approved by the Board of Directors on February 23, 2024, the amount of 2024 employees' compensation and remuneration to directors and supervisors paid in cash were NT\$22,000 thousand and NT\$5,500 thousand, respectively, which were the same as the estimated amounts.

- (6) Status of a company repurchasing its own shares: No such case.

## II. Information on the company's issuance of corporate bonds:

- (1) Issuance of corporate bonds:

Types of corporate bonds	The first domestic unsecured convertible corporate bonds
Issue (transaction) date	2022/5/30
Face value	NT\$100,000
Place of issue and trading	Not applicable
Issuance price	NT\$101,000
Issue amount	NT\$505,000,000

Types of corporate bonds	The first domestic unsecured convertible corporate bonds	
Coupon rate	0%	
Term	Maturity period of 3 years    Maturity date: May 30, 2025	
Guarantor	Not applicable	
Trustee	Not applicable	
Underwriter	Grand Fortune Securities Co., Ltd	
Attesting lawyer	Ya-Wen Chiu, Attorney-at-Law, Far East Law Offices	
Attesting CPA	CPA Pei-Chi Chen and CPA Heng-Sheng Lin, KPMG Taiwan	
Redemption method	Unless converted, redeemed or repossessed in accordance with the conversion plan, the principal shall be repaid in cash at maturity.	
Unredeemed balance	NT\$50,500,000	
Conditions for redemption or early redemption	Please refer to the “The issuance and conversion, exchange, or subscription rules” for details.	
Restrictive covenants	None	
Name of rating agency, date and result of rating	Not applicable	
Other rights	The monetary amount of common shares already converted, exchanged, or subscribed up to the annual report publication date	NT\$57,938,810
	The issuance and conversion, exchange, or subscription rules	Please refer to the “The issuance and conversion, exchange, or subscription rules” for details.
The possible dilution of shareholding and influence on shareholder equity caused by the issuance and conversion, exchange, or subscription rules and the terms of issuance.	Based on the latest conversion price of NT\$83.4, the dilution ratio of the convertible bonds to the original shareholding was approximately 10%, which had limited dilution effect.	
Name of the custodian institution of the exchange subject	None	

Types of corporate bonds	The second domestic unsecured convertible corporate bonds	
Issue (transaction) date	2024/11/19	
Par value	NT\$100,000	
Place of issue and trading	Not applicable	
Issuance price	NT\$106,980	
Issue amount	NT\$1,250,000,000	
Coupon rate	0%	
Term	Maturity period of 3 years    Maturity date: November 19, 2027	

Types of corporate bonds		The second domestic unsecured convertible corporate bonds	
Guarantor		Not applicable	
Trustee		Not applicable	
Underwriter		Grand Fortune Securities Co., Ltd	
Attesting lawyer		Ya-Wen Chiu, Attorney-at-Law, Far East Law Offices	
Attesting CPA		CPA Chi-Lung Yu and CPA Ming-Fang Hsu, KPMG Taiwan	
Redemption method		Unless converted, redeemed or repossessed in accordance with the conversion plan, the principal shall be repaid in cash at maturity.	
Unredeemed balance		NT\$1,250,000,000	
Conditions for redemption or early redemption		Please refer to the “The issuance and conversion, exchange, or subscription rules” for details.	
Restrictive covenants		None	
Name of rating agency, date and result of rating		Not applicable	
Other rights	The monetary amount of common shares already converted, exchanged, or subscribed up to the annual report publication date	NT\$0	
	The issuance and conversion, exchange, or subscription rules	Please refer to the “The issuance and conversion, exchange, or subscription rules” for details.	
The possible dilution of shareholding and influence on shareholder equity caused by the issuance and conversion, exchange, or subscription rules and the terms of issuance.		Based on the latest conversion price of NT\$306, the dilution ratio of the convertible bonds to the original shareholding was approximately 7%, which had limited dilution effect.	
Name of the custodian institution of the exchange subject		None	

(2) Convertible corporate bonds

Types of corporate bonds		The first domestic unsecured convertible corporate bonds	
Item	Fiscal year	2024	As of April 29, 2025 in the current fiscal year
Market price of convertible	Maximum	403.00	320
	Minimum	177.00	221
	Average	311.24	293.43

corporate bonds			
Conversion price	Conversion price was NT\$85.6 on January 1, 2024. Conversion price was adjusted to NT\$83.4 on July 30, 2024		83.4
Issue (transaction) date and conversion price at issuance	Issue Date: May 30, 2022; Conversion Price NT\$96 at issuance; Conversion price was adjusted to NT\$90 on August 3, 2022; Conversion price was adjusted to NT\$85.6 on July 30, 2024; Conversion price was adjusted to NT\$83.4 on July 31, 2024		
Method for performance of conversion obligations	Delivery by issue of new shares		

Type of corporate bonds		The second domestic unsecured convertible corporate bonds	
Item	Fiscal year	2024	As of April 29, 2025 in the current fiscal year
Market price of convertible corporate bonds	Maximum	108.45	
	Minimum	105.30	
	Average	107.08	
Conversion price		Conversion price at issuance of NT\$306	
Issue (transaction) date and conversion price at issuance		Issue Date: November 19, 2024; Conversion Price NT\$306 at issuance;	
Method for performance of conversion obligations		Delivery by issue of new shares	

- III. Preferred shares: None.**
- IV. Global depository receipts: None.**
- V. Employee share subscription warrants: None.**
- VI. New restricted employee shares: None.**
- VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies: None.**
- VIII. Implementation of the company's capital allocation plans:**



The details of the capital utilization plan for the first domestic unsecured convertible bonds and the status of implementation were as follows:

Plan	Estimated amount of expenditure	Estimated completion date	Actual amount spent	Remark
Repayment of bank loans	NT\$255,000 thousand	2nd quarter of 2022	Fully implemented.	The Company issued 5,000 convertible bonds at NT\$101 and raised NT\$505,000 thousand.
Strengthening the working capital	NT\$250,000 thousand	2nd quarter of 2022	Fully implemented.	
Total	NT\$505,000 thousand			

The contents and implementation status of the second domestic unsecured convertible bond capital utilization plan were as follow:

Plan	Estimated amount of expenditure	Estimated completion date	Actual amount spent	Remark
Purchase of land	NT\$602,239 thousand	1st quarter of 2025	Fully implemented.	The Company issued 12,500 convertible bonds at NT\$106.98 and raised NT\$1,337,305 thousand.
Construction of new plant	NT\$889,943 thousand	4th quarter of 2027	Implemented according to the estimated progress	
Total	NT\$1,502,182 thousand			

## Four. Overview of business operations

### I. Description of the business

#### (I) Scope of business:

##### (1) The company's major lines of business

- A. General box type drying, baking, preheating, aging equipment, automatic conveying hot air, IR drying, baking equipment, professional use of dust-free explosion-proof, vacuum oven manufacturing and trading business.
- B. Constant temperature and humidity chambers, hot and cold shock chambers, temperature life chambers, aging chambers and environmental test equipment, scientific and physical and chemical tests with high precision and high stability of the temperature determination test equipment manufacturing and trading business.
- C. Automated UV instantaneous drying and varnishing equipment, germicidal UV processors, PCB process drying equipment, semiconductor ICs, advanced packaging, and dust-free ovens for LCD processes processing and manufacturing.
- D. Import, export, and agency of the above products.

##### (2) Relative weight

Statistical Table of Weights of Business Items in 2023~2024 is as follows:

Unit: NT\$ thousand

Year	2023		2024	
	Sales amount	Ratio	Sales amount	Ratio
Equipment	2,356,206	96.86%	2,427,616	97.19%
Labor	53,369	2.19%	46,678	1.87%
Others	23,046	0.95%	23,465	0.94%
Total	2,432,621	100.00%	2,497,759	100.00%

##### (3) Current products:

The Company's products are mainly used in the industries of printed circuit boards, IC carrier boards, advanced packaging, semiconductors, displays, touch panels, LED lighting, solar energy, energy components and passive components, etc. The equipment is listed below:

- A. Various types of automatic hot air conveying furnaces, infrared hot air conveying furnace
- B. Mechanical arm automatic loading and unloading hot air multi-layer furnace, hot plate multi-layer furnace, tunnel-type conveyor furnace
- C. Vertical double side roller coating baking line
- D. Electrostatic spraying baking line
- E. Various types of precision hot air oven, dust-free precision hot air oven, nitrogen hot air oven, vacuum oven
- F. CCD alignment exposure machine, UV drying machine
- G. Roll-to-roll single side coating baking line, roll-to-roll film laminator, roll-to-roll CCD alignment exposure machine, wet processing/screen printing/AOI VRS optical inspection/laser etching/laser cutting applications, and other products.

##### (4) In the future, we plan to continue to develop new products for the following electronic product manufacturing processes:

- A. Various in-vehicle electronics
- B. Smartphone related components
- C. 5G infrastructure and application related electronic products and components
- D. Flexible display
- E. Semiconductor advanced packaging
- F. Critical materials and components for OLED panel manufacturing processes
- G. Double-sided metal layer film material with both sides processed at the same time.

H. Medical materials and biotechnology products

I. Green energy

In order to ensure a high degree of competitiveness, the Company will flexibly adjust the contents of its R&D work at any time in accordance with its business strategies and market demands.

(II) Overview of the industry

(1) Current status and development of the industry

A. Printed circuit board

Printed Circuit Board (Printed Circuit Board) is often referred to as the “mother of electronic system products” or “3C industry base”. In the information, communication, and consumer electronics industries, PCBs play an indispensable role, and their product types and technologies are diversified and versatile in accordance with the needs of various electronic product applications. PCB products can be mainly categorized as High Density Interconnected (HDI), Multilayer, Flex, IC Carrier (Substrate), and so on.

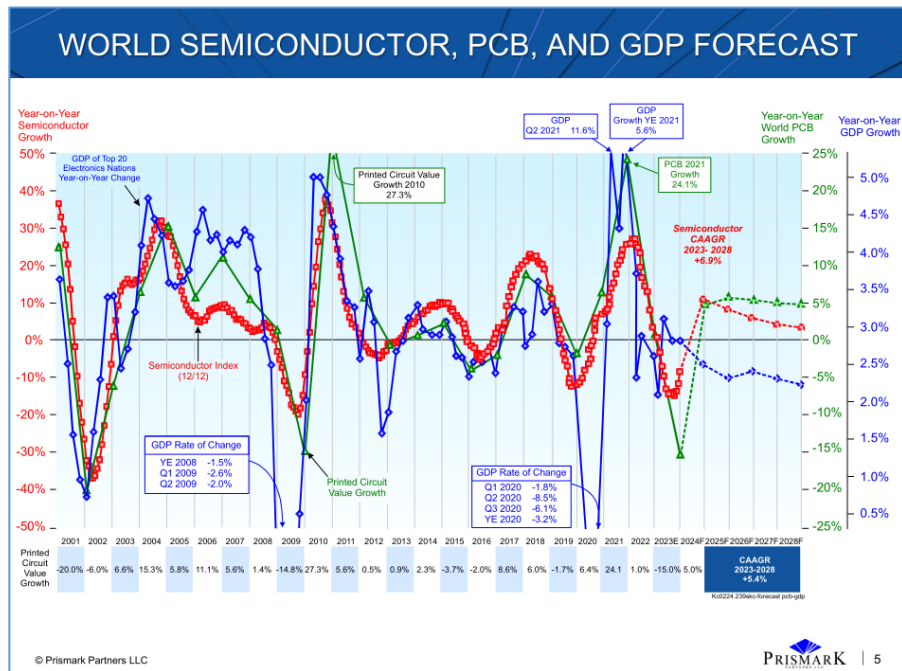
According to Prismark's data, the global PCB output value will increase by about 5% annually in 2024, and is expected to grow by a further 6.2% in 2025. Among them, the compound annual growth rate (CAGR) of HDI and IC carrier boards will reach 7.8% and 7.6%, respectively, indicating the continuous growth in product demand.

In 2023, the PCB market experienced a severe decline, with demand and capacity in the PC, mobile phone, and TV sectors being quite weak, and output value declining significantly due to limited demand, excess capacity, and price declines; only AI, automotive, and networking equipment-related products performed relatively well in 2023. Prismark estimates the PCB market size to grow at 4.9% annually in 2024. With the end of inventory adjustment, the demand for consumer products such as cell phones, PC/NB is gradually improving, and the overall PCB market will recover under the impetus of new applications such as electric vehicles, AI PC/SERVER, and satellite communications.

In the future, with the development of AI, data centers and cloud services, and other applications of high-speed computing and communications infrastructure needs, electric vehicles and advanced driver assistance systems and other application changes, innovative applications in the industrial and medical fields, geopolitical shifts in the supply chain, and other trends, Prismark estimates the global PCB market output will grow at a compound annual growth rate of approximately 5% in 2028. The key drivers for market growth are expected to be the demand for large-format boards, advanced substrates, and application-specific low-loss motherboards for server/storage/AI system applications; various types of PCBs for automotive electronics such as electric vehicles and advanced driver assistance systems; and various types of PCBs for telecommunication electronics such as 5G millimeter-wave, folding cellular phones, high-speed networks, and satellite wireless communication applications.

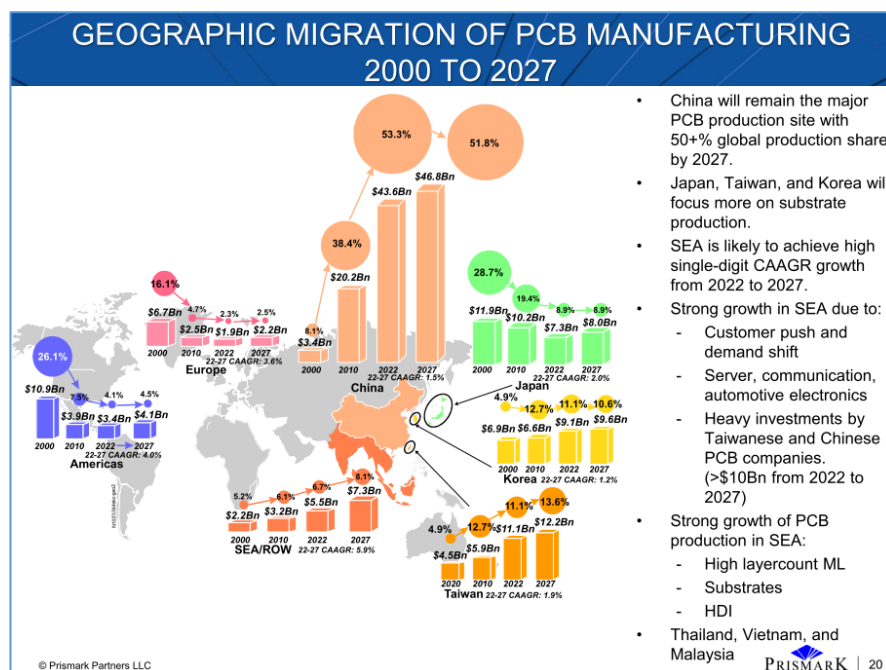
In addition, IC packaging substrates such as flip-chip ball grid array (FCBGA) using the semi-additive process (SAP), flip chip chip scale package (FCCSP) using the modified semi-additive process (mSAP), memory and system-in-package (SiP)/module substrate, and glass core substrate will continue to expand capacity in line with new trends in semiconductor packaging.

Global Semiconductor, PCB, and GDP Growth Estimated Trends



Prismark estimates that by 2027, China will remain the main PCB producer accounting for about 50% of the global production, while Japan, Taiwan, and Korea focus more on the production of substrates. High-count multilayer boards, substrates, high-density interconnect boards, along with other PCB products will have strong growth in the ASEAN region. From the estimated compound annual growth rate of PCB manufacturing regions from 2022 to 2027, the top three regions in terms of growth rate are Southeast Asia, the Americas, and Europe.

#### Prismark Estimates Geographic Shift in PCB Manufacturing from 2000 to 2027



#### B. Semiconductor industry

Driven by the accelerated digital transformation and rising business opportunities in 5G, AI, and high-performance computing, the long-term demand growth of the global semiconductor market will be strong in the future. For example, the most recent ChatGPT update has led to a boom in AI applications and demand for high-performance computing AI chips, electrification and intelligent vehicles have dramatically increased the use of various on-board sensor chips and

automotive power components, and revolutionary MR devices will lead a wave of innovative consumer electronics markets. Whether in the automotive, meta-universe, AI, or unmanned vehicle applications, the demand for High Performance Computing (HPC) and technology development is accelerating.

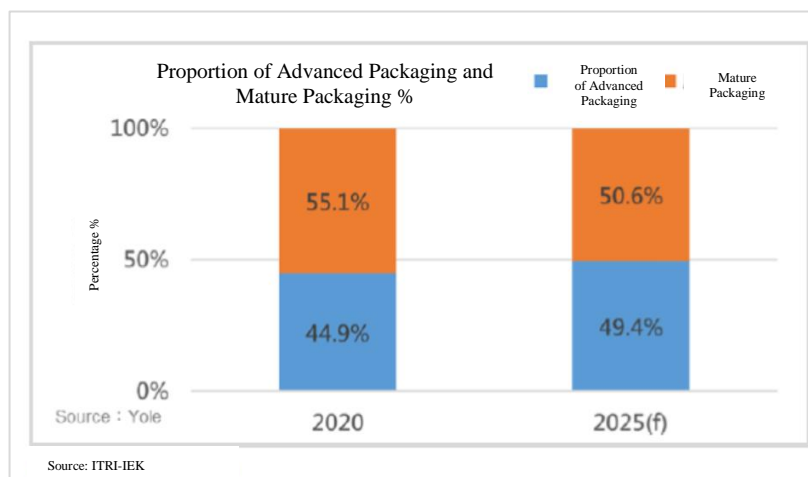
According to IDC (International Data Corporation) research, the global demand for artificial intelligence (AI) and high-performance computing (HPC) will continue to rise in 2025, and all major application markets, from cloud data centers and terminal devices to specific industry categories, are facing the trend of upgrading specifications, which will once again bring a brand-new prosperity to the semiconductor industry. IDC predicts the following eight trends in the semiconductor market by 2025: (1) Semiconductor 2025: AI-driven rapid growth will continue. (2) IC design market in Asia Pacific is heating up and is expected to grow another 15% by 2025. (3) TSMC will continue to dominate Foundry 1.0 and Foundry 2.0. (4) Strong demand for advanced processes accelerates foundry expansion. (5) Mature process market is recovering and capacity utilization is expected to exceed 75%. (6) 2nm is the key year for wafer fabrication technology in 2025. (7) The packaging and testing industry ecosystem will be reorganized, China's market share will continue to expand, and Taiwan's AI packaging and testing advantage will rise. (8) Advanced packaging: FOPLP layout is deeply cultivated and CoWoS expansion is multiplied. The global semiconductor industry will continue to grow at a double-digit rate in 2025, but it will still have to cope with multiple variables; geopolitical risks, global economic policies (including industrial subsidies, trade tariffs, and currency interest rates), end-market demand, and changes in supply and demand brought about by the addition of new production capacity are all important areas of concern for the semiconductor industry in 2025.

### C. Advanced packaging industry

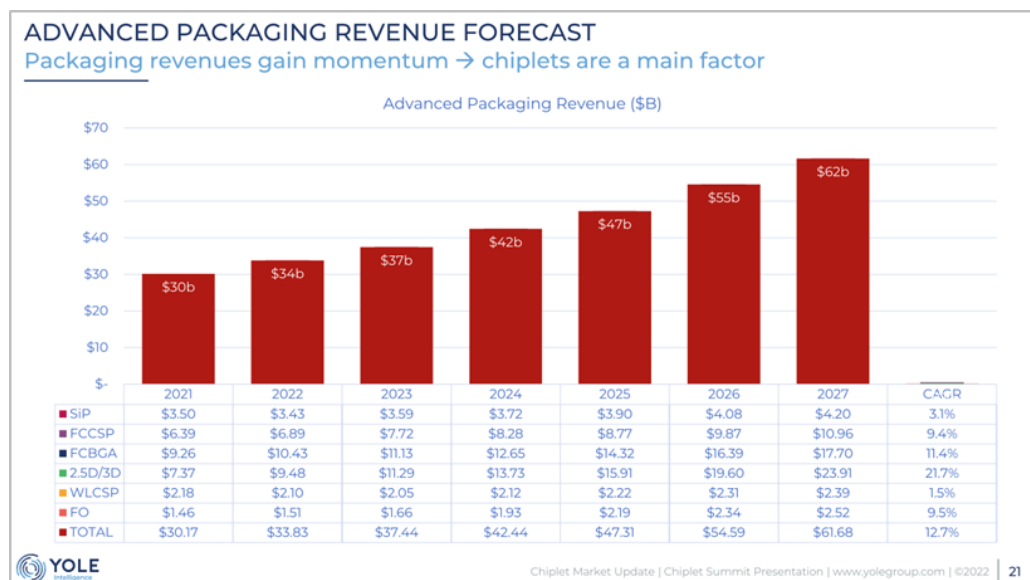
The International Technology Roadmap for Semiconductors (ITRS) has been a guide for the semiconductor industry since the invention of the IC. In July 2016, the ITRS "Blueprint for the Future" report on the semiconductor industry showed that the transistor volume in microprocessors will stop shrinking by 2021, implying that the number of transistors in microprocessors will no longer increase gradually, as Moore's Law suggests, and that although the evolution of process technology has gradually failed to meet the endless demand for chip "size reduction and performance enhancement", the practice of changing to packaging technology to achieve the goal of reducing the size and enhancing the performance has opened the advanced packaging era, and the International Electro-Electronic Engineers Society (IEEE) has replaced the International Technology Roadmap for Semiconductors (ITRS) by Heterogeneous Integration Roadmap (HIR), which demonstrates the importance of the advanced packaging industry's role in the future.

According to IEK's report in August 2021, it is expected that by 2025, the global advanced package production value will gradually equal the proportion of mature package production value.

Proportion of Advanced Packaging and Mature Packaging (Comparison of 2020 and 2025 Estimates)

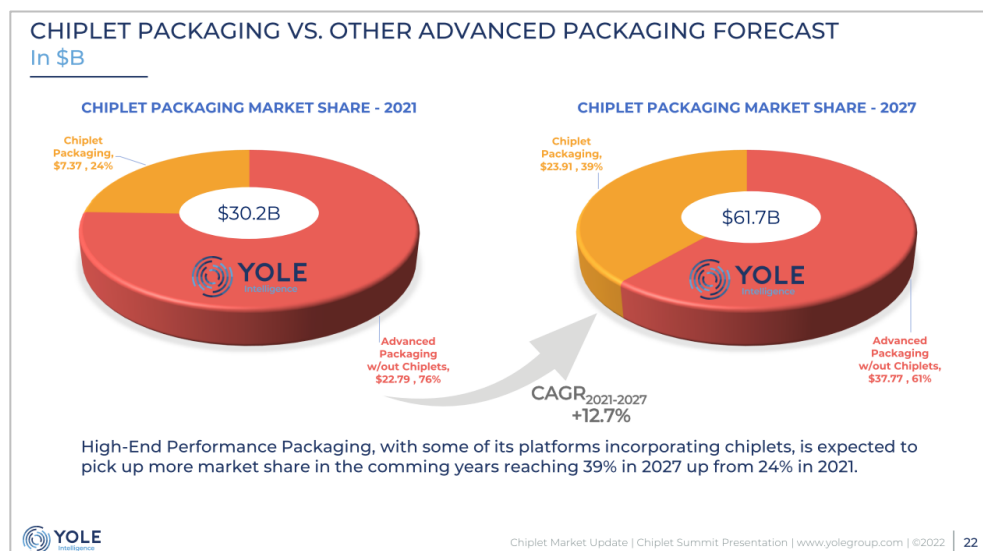


Market research firm Yole estimates that the top four categories of the advanced packaging industry in terms of compound annual growth rate (CAGR) from 2021 to 2027 are, in order, 2.5D/3D packaging 21.7%, FCBGA packaging 11.4%, fan-out (FO) packaging 9.5%, and FCCSP packaging 9.4%. In addition, System-in-Package (SiP) and Wafer-Level Chip-Size Package (WLCSP) are also expected to show a slight growth trend; the overall compound annual growth rate (CAGR) of the advanced packaging industry is estimated at 12.7%.



The segment of high-end performance packages and some of their platforms utilizing chiplet technology will gain more market share in the coming years and is expected to rise from 24% in 2021 to 39% in 2027.

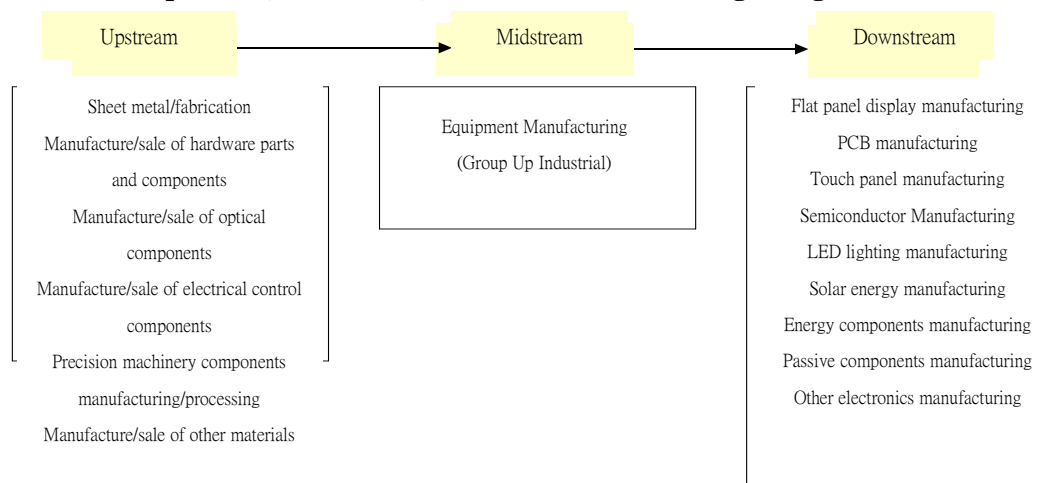
#### Small Chip Packaging and Other Advanced Packaging Market Share Forecasts



(2) The links between the upstream, midstream, and downstream segments of the industry supply chain

Our company has been deeply engaged in the design, manufacture, assembly, sales and after-sales service of specialized machinery for electronics and semiconductor production for nearly 30 years. After receiving an order, we will purchase the relevant components from the upstream industry to carry out the design of the machinery and electrical components and then carry out the power distribution and assembly in our own factories, and finally provide the finished products to downstream industries for various applications. The flow chart below shows the relationship between our company and the upstream and downstream industries:

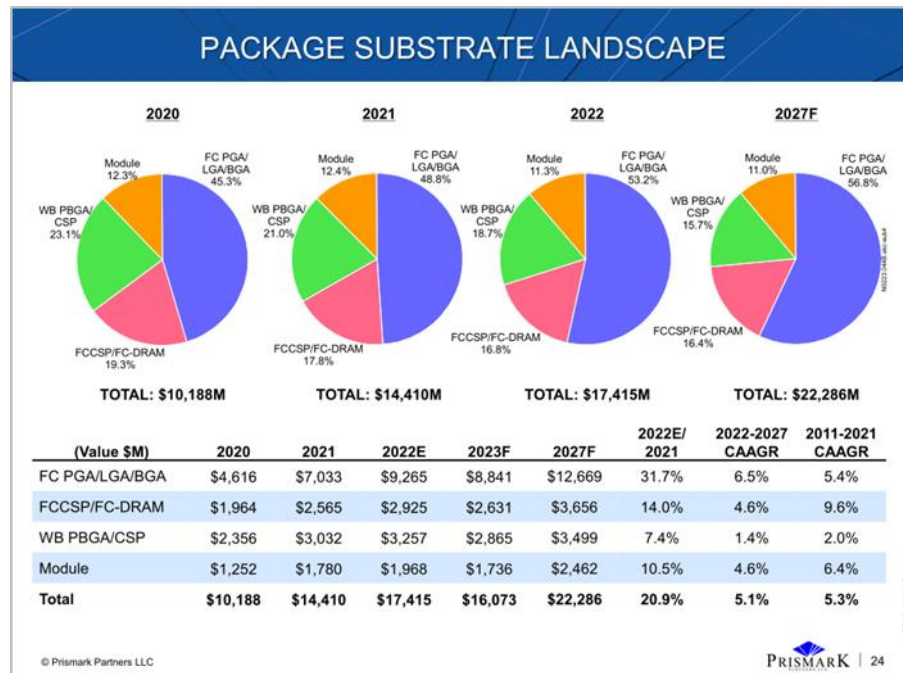
**【Upstream, Midstream, and Downstream Linkage Diagram】**



(3) Development trends for the company's products

In the PCB industry, the demand for high-speed computing and communication for applications such as AI, data centers and cloud services, the continued expansion and innovative R&D of 5G/6G and infrastructure, as well as the further expansion of demand for the automotive electronics market driven by electric vehicles and self-driving cars, will all help to boost demand for PCBs and upgrade their specifications, and with the geographic relocation of PCB manufacturing, there is still continued demand for automated coating and baking equipment in all regions.

In terms of the global IC carrier board market, it is estimated that the IC carrier board market will still have a compound annual growth rate (CAAGR) of 5.1% from 2022 to 2027, with an estimated market value of about US\$22.3 billion in 2027. The key growth drivers are growing demand for Flip-Chip Ball Grid Array (FCBGA) substrates for high-end 2.5D and 3D packaging, emerging Antenna-in-Package (AiP) technology and System-in-Package (SiP) substrates, as well as FCCSP and memory substrates. In addition, to meet the challenges of high efficiency computing and high speed transmission applications, the trend of packaging technologies and glass materials such as Fan-Out Plate Packaging (FO PLP), CoWoS-L, CoPoS, and Co-Package Optical (CPO) will lead to the demand for new process equipment such as coating, baking, laminating, and flattening.



#### (4) Competition in the market

The Company has for many years developed specialized process equipment products for PCB, IC substrates, flexible electronics, optoelectronics, semiconductors, advanced packaging and other industries, based on five major technical pillars: coating, drying, exposure, lamination, and automation in alignment with market trends. In addition to meeting process requirements such as cleanliness, scratch-free handling, oxygen-free environments, vacuum, lamination, and other manufacturing needs, the Company can also provide corresponding process automation solutions according to customers' overall production line planning requirements. Through modular design, the Company significantly enhances equipment quality while shortening delivery times.

The Company's product applications are distributed across various industries including displays, printed circuit boards, IC substrates, advanced packaging, touch panels, cover glass, semiconductors, optoelectronics, energy components, passive components, electronic materials, and others, developing specialized equipment based on customer production requirements. With a strong design and service team, the Company not only consistently provides high-quality standard products to customers but also develops various types of new products with market competitive advantages each year according to customer needs. The Company has established



long-term partnerships with customers, maintaining a stable customer base across multiple industries, which relatively reduces the impact from economic fluctuations in any single industry.

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

#### (1) Technical level of business operations

In addition to accumulating years of experience in the development and mass production of automated coating, drying, lamination, exposure, and other specialized process equipment, the R&D team has continued to communicate and cooperate with domestic and foreign research institutes, upstream affiliates, and customers to enhance the level of key technologies and R&D capabilities. Looking ahead, we will continue to integrate the five core technologies of coating, drying, exposure, lamination, and automation to develop high-quality products with technological standards superior to those of our industry peers and to create a win-win situation with our customers.

#### (2) Research and development plan

In order to meet the needs of customers, we continue to develop and refine various specialized equipment for automated coating, drying, laminating, and exposure processes, and our research and development in each technology area is summarized as follows:

- A. Coating: To meet customers' product requirements, we continue to improve the function, precision and production speed of roller coating lines, electrostatic spraying lines, roll-to-roll coating lines, and other equipment.
- B. Drying: In response to the demand for low oxygen content, vacuum drying, and high temperature for new processes in various industries, we have developed a variety of non-oxidizing baking, vacuum drying, infrared, and ultraviolet drying equipment on an existing basis.
- C. Film Lamination: The roll-to-roll vacuum laminator and film lamination equipment for sheet materials has already established benchmark performance in the market, and will continue to add new functions and improve performance according to the customized needs of different industries and customers in the future.
- D. Exposure: Develop LED light source exposure machines to meet market demand and continue to improve the exposure accuracy and production speed of existing models.
- E. Automation: With the trend of Industry 4.0 intelligent manufacturing system, the Company will use the existing system automation software and hardware technology as the basis for the development of related technology and experience accumulation, and according to the needs of customers' factories, provide robotic arm application, automation mechanism development, CCD vision system construction, equipment-side production data collection and analysis, data dumping and transmission in conjunction with the CIM, EMS, and other systems, functions and services. We aim to achieve the customer's goal of intelligent, smart, and automated system manufacturing with the cooperation of eye, hand and brain by providing related products and systems.

#### (3) R&D personnel and their academic qualifications and work experience

Unit: persons

Item and year	2024		2024		As of the end of March 2025	
	Number of persons	%	Number of persons	%	Number of persons	%

Education levels	Ph.D.	—	—	—	—	—	—
	Master's degree	9	16.36	10	18.18	11	19.64
	College	43	78.18	42	76.36	42	75.00
	Senior/vocational high school or below	3	5.46	3	5.46	3	5.36
	Total	55	100	55	100	56	100
Average years of service (years)		10.18		11.39		11.51	

(4) Research and development expenditures during the most recent 5 fiscal year

Unit: NT\$ thousand

Item and year	2020	2021	2022	2024	2024
Research and development expenses	113,775	85,951	164,598	183,402	134,370
Net operating income	1,614,244	1,911,543	2,357,053	2,432,621	2,497,759
R&D expenses as a percentage of net operating revenue (%)	7.00%	4.50%	6.98%	7.54%	5.38%

Note: The Company expects to spend approximately 5–7% of its revenue on R&D in 2024.

(5) Technologies and/or products successfully developed during the most recent 5 fiscal years

Year	Major R&D achievements	Description of key technologies
2020	Nitrogen plate warping machine	It is a part of the intelligent automation of the whole factory production, and the whole factory is connected to realize the intelligent automation of the production process.
	Automatic line for dip coating and baking	Fully automatic optical lens coating and baking system for 5G/metaverse demand
	Clean pressure plate oven	Large and heavy substrate pressure plate oven for 5G
	RGV fully automatic baking system	Fully automatic baking system developed to meet the process requirements of high temperature uniformity, high cleanliness and low vibration for baking IC carrier boards for 5G and EMIB advanced packages
	Automatic door opening oven	Automatic door opening ovens developed in response to the demand for intelligent automation of AGVs for 5G BGA substrates
2021	Ultra high temperature nitrogen oven automatic line	Wafer level packaging, curing of coatings prior to coating

Year	Major R&D achievements	Description of key technologies
	3D packaging solder-proof curing automatic line	3D packaging & solder curing line automation
	Automatic gripping CCD alignment system for mechanical equipment	Automatic edge finding system
	3D packaging hot plate multi-layer furnace	Advanced packaging grade hot plate baking
	Hot kerosene heating system	Energy saving and disaster prevention new drying system
	Hot water immersion treatment drying automatic line	Optical lens surface treatment
2022	New generation of automatic roller line for carrier boards	High cleanliness roller coating automatic line
	Advanced packaging UV curing automatic line	For advanced packaging UV curing applications
2023	Rapid baking equipment	For fast baking of energy-saving glass after coating
	Vacuum laminating and leveling equipment	Applied to various substrates, advanced packaging and OLED packaging lamination/leveling
2024	Rapid baking equipment	For fast baking of energy-saving glass after coating
	Vacuum laminating and leveling equipment	Applied to various substrates, advanced packaging and OLED packaging lamination/leveling

(IV) The company's long- and short-term business development plans.

(1) Short-term business development plan

- Based on the accumulated experience of CIM system architecture support for the LCD industry and SECS/GEM protocol support for the semiconductor industry, we have enhanced the function of equipment intelligence to meet the trend of customer's smart factory construction and to enhance the competitive advantage in the market.
- Continue to form alliances with industry partners to build turnkey solutions, expand new customers and actively compete for orders.
- Continue to devote ourselves to the development of semiconductor, advanced packaging, Mini/Micro LED, 3D cover glass, flexible electronics, and other markets.

(2) Long-term business development plan

- Based on Group Up's ability to develop customized equipment, we are able to meet the new process requirements of our existing customer base and develop and introduce next-generation process-specific equipment.
- In conjunction with the development of new materials in the upstream of the customer, we synchronize the development of specialized process equipment

through alliances, and adopt materials and equipment to be sold together or recommended to each other, so as to create a win-win opportunity together.

- Alliances with major European, American and Japanese manufacturers for OEM/ODM cooperation and market development.

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

### 1. Market analysis

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

Units: NT\$ thousand; %

Year Item	2022		2023		2024	
	Amount	Ratio%	Amount	Ratio%	Amount	Ratio%
Domestic sales	714,712	30.32	410,146	16.86	292,495	11.71
Export sales	1,642,341	69.68	2,022,475	83.14	2,205,264	88.29
Total	2,357,053	100.00	2,432,621	100.00	2,497,759	100.00

#### (2) Market share

The Company is engaged in the research and development, design, manufacturing, sales and parts trading and maintenance services of printed circuit boards, IC carrier boards, advanced packaging, semiconductors, displays, touch panels, cover glass, optoelectronics, energy components, passive components, electronic materials, and other industrial process equipment. The Company is mainly devoted to electronic and semiconductor process equipment, and we market our own product through our own brand, GP, throughout Asia, Europe, and the Americas. Our customers include leading manufacturers across Europe, the United States, Japan, Korea, China, and Taiwan. We have close relationships with our customers and repeatedly demonstrated our ability to cooperate with them in the production of custom process equipment. In the IC carrier board industry, we have taken the lead in drying equipment used in the baking process, and in the printed circuit board industry, we have gained a leading position in the global market with our roller coating drying lines for internal circuit processes, electrostatic spraying baking lines for solder prevention processes, and tunnel-type hot-air conveying furnaces for Substrate-Like PCB MSAP, 5G server boards, and automotive processes. Overall, the Company's sales revenue for the years from 2022 to 2024 accounted for 1.28%, 1.53%, and 1.32%, of the total sales value of Taiwan's electronics and semiconductor production machinery and equipment manufacturing industry (including such items as equipment and components for printed circuit board production, flat panel display production, semiconductor production, and other equipment and components).

Units: NT\$ thousand; %

Products	2022			2023			2024		
	Market sales value	Group Up's revenue	Percentage	Market sales value	Group Up's revenue	Percentage	Market sales value	Group Up's revenue	Percentage
(2928910)PCB production equipment and components	19,030,311	1,893,454	9.95%	18,201,397	1,964,011	10.79%	15,403,110	1,852,739	12.03%
(2928920) Flat panel display production equipment and components	14,540,368	37,829	0.26%	7,317,799	7,105	0.10%	8,517,223	67,899	0.80%

(2928010&2928990) Other electronic production equipment and components (Note 1)	150,978,508	425,770	0.28%	133,622,391	461,505	0.35%	165,481,982	577,121	0.35%
Total (Note 2)/Total percentage	184,549,187	2,357,053	1.28%	159,141,587	2,432,621	1.53%	189,402,315	2,497,759	1.32%

Source: Department of Statistics, Ministry of Economic Affairs

Note 1: Others include semiconductor production equipment and components and other electronic production equipment and components.

Note 2: Manufacture of machinery and equipment for electronic and semiconductor production, subdivided into printed circuit board production equipment and components (2928910), flat panel display production equipment and components (2928920), semiconductor production equipment and components (2928010), other electronic production equipment and components (2928990), and other items.

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

The Company is mainly engaged in the design, manufacture, assembly, sales and after-sales service of specialized machinery for electronics and semiconductor production, providing four main technologies, namely coating, drying, exposure, and automation, which are integrated and applied in the R&D of process equipment for printed circuit boards, IC carrier boards, advanced packaging, semiconductor, displays, touch panels, cover glass, optoelectronics, optics, energy components, passive components, electronic materials, and in other industries. For years, we have been providing professional services in automation equipment integration, customized software design, intelligent human-machine synchronization control, capacity expansion and whole plant planning, and vertical integration services, etc. In addition, our individually operated units for electronics, semiconductors, and other circuit board manufacturing processes - such as automatic and semi-automatic exposure machine, various types of process ovens, various types of precision lamination, board warping and straightening equipment, etc. are preferred by many manufacturers throughout the customer base. Currently, we have been actively applying the scope of Industry 4.0 to the production lines of various industrial process equipment to achieve the purpose of intelligent production. The following is an analysis of the future trends of related industries:

#### A. High-performance computing boosts the demand for ABF carrier boards

IC carrier boards can be divided into BT carrier boards, ABF carrier boards, and EMC carrier boards according to the substrate material, with BT carrier boards and ABF carrier boards as the main ones. Among them, the BT carrier boards contain a glass fiber cloth layer, which is not prone to thermal expansion or contraction, has a stable dimension, hard material and thick wiring, and is usually used in cell phones and memory products. In contrast, ABF carrier boards have been used in PCs for processing chips and graphics chips due to their more precise wiring, better conductivity, and better chip performance. However, with the gradual emergence of artificial intelligence, cloud computing, big data analysis, and 5G mobile communication applications, base stations, high-performance computers, and networking equipment all require high-performance computing chips, which significantly increase the requirements for carrier board area and number of layers, and with continuous improvement of the ABF carrier process, the number of layers of the carrier board can be significantly increased to more than 20 layers. It also has the advantages of fine pitch and large area, which makes it a key product in the development of domestic and foreign IC carrier board manufacturers. Therefore, it has become a key item for domestic and foreign IC carrier manufacturers

to develop actively. In addition, a substrate with glass as its core has been announced. As the characteristics of glass break through the limitations of traditional packaging materials, it maximizes the number of transistors in advanced packaging of semiconductors and has the advantages of better energy efficiency and better heat dissipation, and in the future, it will be used in the packaging of high-performance computing and high-speed transmission of data center servo systems and AI processors for AI PCs, memory, and high-level chips for graphic processing.

- B. The rise of semiconductor technologies such as chiplet and heterogeneous integration has attracted semiconductor wafer, packaging and IC carrier board manufacturers to accelerate their deployment.

With domestic and foreign enterprises accelerating digital transformation, 5G communications, Internet of Things, artificial intelligence (AI) applications and other trends continue to develop, driving the demand for more impressive semiconductor chips and accelerating the gradual rise of small chips (chiplet), heterogeneous integration and other semiconductor technologies, attracting the accelerated deployment of China's IC substrate scale business. In the case of a chiplet, a large-size multi-core design is split into different tiny chips, each with enhanced functionality and reduced size, and then integrated into a full-featured chip through advanced packaging. In order to meet the requirements of diverse applications and specifications, semiconductor wafer, packaging, and IC carrier manufacturers have invested in the development of heterogeneous integration technology.

In the past, IC carrier manufacturers thought that the rise of heterogeneous integration technology would lead to a reduction in the demand for IC carriers. However, the demand for IC carriers will continue to exist. The development of heterogeneous integration packaging technologies will significantly change the choice of substrate production technology and materials. In addition, advanced packaging for small chips will also significantly increase the area and number of layers of the substrate.

In anticipation of the arrival of the 5G era, the current situation is that orders for process equipment related to electronic products in the application areas of 5G infrastructure, VR, AR, automotive networking, smart manufacturing, Internet of Things, AI assistants, smart cities, etc., are stable and continuous. We are currently in contact with customers for coating, baking, laminating, and exposure process equipment for automotive decorative panels, cell phone covers, electronic whiteboards, and advanced packaging, etc. We expect to see growth in subsequent operations after the market deployment. The Company operates in a pragmatic and stable manner, and remains cautiously optimistic in the face of uncertainties in the market, such as the future of the war in Ukraine, price inflation, and geopolitical changes.

(4) The company's competitive niche

- A. Possess core technical capabilities in coating, drying, laminating, exposure, and automated integration

Since process equipment is used in the production process, equipment failure and downtime will lead to huge losses, so the stability of the equipment will determine whether the manufacturer adopts it or not. The Company's main competitive advantage is its stable automation and integration capabilities, and that its products are mostly used in highly precise processes that require end-user certification. With most of its major customers being listed companies and well-known manufacturers, the Company's highly diversified and complete product lines and technologies, coupled with its self-developed software, provide a high degree of flexibility to quickly meet customer needs and are trusted by major international manufacturers:

- a. With a highly diversified and complete product line and technology, the Company has been working with domestic and international benchmark manufacturers for a long time, and has established a quality brand image in the industry.

The five main processes of the drying process are drying, coating, laminating, and exposure, together with the automation and integration capabilities. The Company possesses these five technological capabilities at the same time, and all of them are able to achieve high quality and continue to gain the trust of the target customers. Compared to the sampling industry, which mostly emphasizes one or two of these technologies, the company is able to provide a complete solution, which is one of the important features and advantages of the company. With excellent equipment quality and stability, our company has established long-term partnerships with customers and gained their high trust. Our main sales customers or end-use equipment manufacturers include listed companies and benchmark manufacturers in Taiwan, China, Japan, Korea, Southeast Asia, Europe and the U.S., etc., and we have established a brand image of high-quality equipment in the industry.

- b. Provide special or high-end process equipment to reduce the vicious cycle of price-cutting competition

Our products have been used by renowned international manufacturers for more than 20 years, and are mostly used in high precision and end-customer certified processes, so they are not easily replaced once they have been introduced to customers. In addition, the Company continues to research and develop various types of special or high-end process equipment, which are not general or standardized units, thus reducing the vicious cycle of price cutting competition.

- c. Self-developed software with high flexibility to quickly meet customer needs.

Our software R&D department develops software in-house, which is more capable of mastering our own software technology and responding quickly to customers' needs than outsourcing software. For example, we have developed our own communication software under the SECS/GEM (Semiconductor Equipment Communication Standard) framework, as well as our own CCD auto-aligning computer integration system, which is an effective way to integrate hardware and software.

- B. Diversify application industries to reduce risk, and be able to develop emerging application fields in line with industry trends, as well as various special automated integrated manufacturing processes to meet market demands

The Company cooperates with customers in the development of upstream new materials and synchronizes the development of specialized process equipment through alliances, adopting the approach of selling materials and equipment together or referrals. Relevant applications include roll-to-roll automatic drying equipment for flexible displays used in smart watches and substrates used in 5G antennas. We work together with customers in the development of specialized process equipment to create win-win scenarios. In addition to continuously developing emerging applications in line with industry trends, the Company also continues to research and develop various special automated and integrated manufacturing processes to meet market demands in response to the precision and yield requirements of high-end printed circuit boards, and owns the relevant core technologies.

The Company's machine products in the field of hard boards (PCB), flexible boards (FPC), IC carrier boards and others, have established a stable sales performance. In the display industry, the Company also has ongoing relationships with a number of panel manufacturers through the development of touch panels, semiconductors, optoelectronics, various automotive electronics, medical materials and green energy, and other related process equipment. Since the application areas covered by the Company's equipment are more diversified than those of its peers, the risks arising from changes in a single industry can be reduced.

- C. Provide diversified technologies that keep pace with market trends to enhance the Company's competitiveness within the industry

Our coating and drying equipment adopt diversified spraying and transmission methods, which are more competitive than those of our overseas counterparts, and we also have the advantage of serving our customers in close proximity due to our geographical location. The development of roll-to-roll process equipment for our lamination and exposure equipment is more responsive to the current market trends than our domestic counterparts, and our prices are more competitive than those of our foreign counterparts. In terms of integrated automation equipment, the Company can assist customers in selecting multi-brand horizontal and multi-joint robotic arms and flexibly applying them to the relevant process equipment, as domestic counterparts tend to favor single-brand/machine robotic arms, and foreign manufacturers lack local service support in the Asian market. Overall, we are able to provide diversified and in-demand technologies to enhance our competitiveness in the industry.

D. Following the trend of Industry 4.0 smart manufacturing

Our company has established its own software R&D team, through the experience of manufacturers such as Intel, ASE, and Nan Ya PCB, following the trend of the Industry 4.0 intelligent manufacturing system, with CIM, EMS, and CCD vision system, and through the company's system automation design capabilities, successfully introduced the robotic arm. With the cooperation of eyes, hands and brains, the related products and systems can meet the needs of customers for intelligent, smart, and automated system manufacturing.

E. Provide comprehensive after-sales service and establish timely service locations

The failure to immediately repair problems with process equipment will result in huge losses in terms of defective products or downtime, so the number of perfect after-sales service and service points will affect customers' willingness to purchase. Therefore, in response to the trend of expanding the customer base in the region, the Company has set up service bases, has set up subsidiaries in Suzhou and Shenzhen in Mainland China, and has also set up a number of service bases in various places to solve problems that may be encountered by the customer in the production of faults in the proximity of the company, so that it can provide immediate assistance to help enhance the interests of the customer, and the provision of comprehensive after-sales service is also one of the Company's development niches.

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

A. Positive factors

a. Excellent technical capabilities

We lead the industry in the development of automatic roller coating lines, automatic electrostatic coating lines, roll-to-roll exposure machines, roll-to-roll vacuum laminators, and special-purpose high-grade baking lines. We have an experienced and strong R&D team and a business team that is always on top of the market trends. Based on the long-term relationship established with our customers, we provide specialized equipment that meets the needs of our customers' new products and processes, and we work together with our customers to grow and share the win-win results.

b. Brand effect

Our customer base includes major manufacturers in Taiwan, China, Japan, Korea, Southeast Asia, Europe and America. With long term market cultivation, our brand image in the industry has been highly recognized, and we are the preferred business partner of our customers.

c. Utilizing the synergy effect of industries

The Company's customer base spans a wide range of industries, and its equipment investment needs are stable and growing, making the market less susceptible to the ups and downs of a single industry. Equipment and technology



from different industries can also be introduced and utilized, which is also a stimulus for technological development and growth.

d. Customer satisfaction strategy

The Company has strong dedicated customer service and technical departments. In addition to providing customers with quality after-sales service, and in line with the geographical distribution of the customer base, the Company has set up regional service points to provide immediate all-round technical advice and support services.

e. Intelligent manufacturing

Our company has gradually accumulated the ability of integrating intelligent drawing software information which cannot be taken away by others, and we have set up our own software department and participated in TPCA Intelligent Committee and SEMI Standard Committee. For example, PCBECI standard specification, SECS/GEM300 framework, the output of real-time information format requirements, from sensing, communication (cumulative network), logic information, etc., enough to help customers to work together towards intelligent manufacturing.

B. Negative factors and the response to such factors

① Risk that end-use products are concentrated in consumer electronics

The Company's products are mainly printed circuit board (PCB) process equipment for rigid and flexible PCBs and IC carrier boards, and display process equipment for displays and touch panels. Most of the end-use products are used in consumer electronics such as LCD TVs, monitors and NBs, etc. Therefore, the prosperity of the market for end-use electronic products has a direct impact on the market demand for PCBs and displays, and indirectly affects the scale of capital expenditures of PCB and display manufacturers, thus affecting the Company's business and operating conditions.

Countermeasures

Due to the characteristics of the industry to which the Company belongs, the market demand for end-use electronics products indirectly affects the scale of capital expenditures of printed circuit board and display manufacturers. The Company keeps abreast of the changes and development of industry-related technologies and quickly grasps the dynamics of the industry. Through active development of our own technologies, we are able to increase the number of applications in areas other than consumer electronics, including: Industry 4.0 intelligent manufacturing systems, semiconductors, LED lighting, various types of automotive electronics, medical materials, and green energy products with a longer lifecycle and special niche process equipment in special areas and have successfully introduced and sold them one after another. We expect to increase our competitive niche with new products in other high value-added and special fields.

② Competition from equipment manufacturers

In the middle and lower end of the product range, competition will become increasingly fierce and we will be faced with a price-cutting environment in the industry.

Countermeasures

The Company continues to research and develop new technical products in order to develop diversified and high value-added products to enhance competition. Our manufacturing machines are diversified and advanced, and we will continue to strengthen our research and development capabilities for customization, with the main goal of moving towards refined and high-level technology products to differentiate our products in the market.

③ Risk of exchange rate fluctuations

The Company's export transactions are denominated in U.S. dollars, while raw materials and expenses are denominated in Taiwan dollars. Therefore, changes in market exchange rates have a significant impact on the Company's profitability.

Countermeasures

- a. In addition to maintaining close contact with the foreign exchange departments of various financial institutions, the Company's financial officers also pay close attention to exchange rate information and changes in the international economic situation, prudently study exchange rate trends, and take appropriate measures to adjust foreign currency accounts for reference.
- b. By establishing a risk-sharing agreement with our customers, we fully consider the trend of international exchange rates and exchange rate fluctuations when quoting prices to our customers, and use appropriate and reasonable exchange rates as the basis for quoting prices to minimize the impact of exchange rate fluctuations on the profitability of orders.

④Operational risks associated with talent loss

The Company's equipment production technology and quality have a high brand image and popularity in the industry. Therefore, experienced and excellent personnel are often recruited by competitors, which creates a potential risk of talent loss. Furthermore, in order to meet the trend of Industry 4.0 intelligent manufacturing, the relevant personnel not only need to have knowledge and experience in electrical and mechanical aspects, but also need to have the ability to design the system automation. However, it is not easy to cultivate talents with an understanding of electrical and mechanical engineering or automation, which creates a potential risk of talent succession.

Countermeasures

The Company's current R&D personnel have an average of more than 7 years of service, indicating that they have many years of experience in R&D design and manufacturing processes. The Company also continues to cultivate and recruit talents in electrical, mechanical, and automation fields in order to accumulate R&D talent, and continues to promote the improvement of the welfare system to retain the existing talents, as well as encouraging employees to further their studies and upgrade their professional skills and qualities.

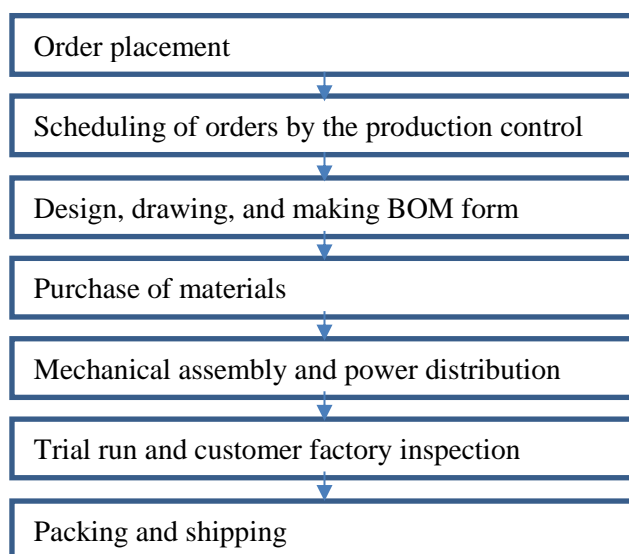
2. Usage and manufacturing processes for the company's main products

(1) Usage for the company's main products

Item	Name of major equipment	Description of use
1	Vertical roller coating drying line	Applied to PCB internal circuit process with simultaneous photoresist coating and baking, IC carrier board solder resist process with simultaneous double-sided solder resist ink coating and baking
2	Electrostatic spraying baking line	Applied to solder resist ink coating and baking for PCB solder resist processes
3	Immersion coating baking line	Applied to PCBs, masks, optical lenses, and other products in the coating baking process
4	Various types of tunnel type hot air/hot plate conveyor furnace	Applied to PCBs, IC carrier boards, touch panels, automotive LCD modules, and other products in the baking process
5	Infrared hot air conveyor furnace	Applied to touch panels, glass front covers, medical materials, LCDs, backlight modules, light guide plates, PCB, FPC, and other products in the baking process
6	Hot air multi-layer furnace, hot plate multi-layer	Applied to touch panels, LCD panels, OLED panels, glass front panels, solar cells, and other products in the baking

Item	Name of major equipment	Description of use
	furnace	process
7	Vacuum film leveling machine	Applied to advanced packaging, IC carrier boards, LED display modules, and other products in the film leveling process
8	Roll-to-roll film laminator and roll-to-roll vacuum laminator	Applied to FPC, COF, Film capacitive touch, electronic paper, RFID, and other types of flexible electronic products in the optical resist dry film lamination process
9	Roll-to-roll CCD Auto alignment exposure machine	Applied to FPCs, COFs, Film capacitive touch, RFID, and other types of flexible electronic products in the line exposure process
10	Roll-to-roll coated baking lines	Applied to the coating and baking process of optical film and flexible electronic products
11	Roll-to-roll air floatation furnace, infrared hot air transfer furnace, roll-to-roll nitrogen infrared hot air floatation furnace	Applied to FPCs, COFs, Film capacitive touch, and other types of soft electronic products in the baking process
12	Various types of precision hot air ovens, dust-free precision hot air ovens, nitrogen hot air ovens, nitrogen dust-free hot air ovens, vacuum ovens, and so on	Applied to PCBs, FPCs, IC carrier boards, touch panels, glass front covers, LCDs, OLEDs, semiconductors, passive components, batteries, LEDs, and other products in the baking process
13	Various types of UV dryers, low-temperature UV dryers	Applied to PCBs, IC carrier boards, touch panels, glass front covers, OLEDs, and other products in the baking process
14	Various types of roll-to-roll winding and unwinding machines	Winder and rewinder for FPCs, COFs, Film capacitive touch, electronic paper, and other flexible electronic industries with process equipment such as developing, etching, stripping, AOI, VRS, laser etching, laser cutting, etc.

## (2) Production and marketing situation of products



3. Supply situation for the company's major raw materials.

The main raw materials for our products include sheet metal/processed parts, precision mechanical components, hardware spare parts, optical components, electronic control components and other parts, the Company has stable and long-term cooperation with high-quality domestic and foreign suppliers for all materials, the supply situation is good and not in danger.

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

(1) A list of any suppliers accounting for 10 percent or more of the company's total procurement amount in either of the two most recent fiscal years: There were no suppliers that accounted for 10% or more of the Company's total purchases in any of the two most recent fiscal years.

(2) A list of any clients accounting for 10 percent or more of the company's total sales amount in either of the two most recent fiscal years

Units: NT\$ thousand; %

Item	2023				2024			
	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer
1	Company A	314,378	12.92	None				
	Others	2,118,243	87.08		Others	2,497,759	100.00	
	Net sales	2,432,621	100.00		Net sales	2,497,759	100.00	

Reasons for increases or decreases

Among the Company's sales customers in 2023, customer A's main business is high-end semiconductor packaging boards. Its products are mainly used in high-speed computing, 5G, AI, IoT, automotive electronics, and other market applications, and correspond to high-performance large-scale data center servers, 5G network equipment, wireless driving, personal computers, and consumer electronics products. Since its establishment in August 2019, the it has focused on the global high-end semiconductor packaging and carrier field, has continued to promote the development of smart manufacturing, is committed to building an automated smart chemical plant, and has purchased customized automated machines from the Company. The Company is an electronic equipment manufacturer. Customers add process equipment in accordance with market changes, mainly for customized products, and there is no significant abnormality in the change of customers in sales.

No customer accounted for 10% or more of the total sales amount in 2024.

### III. Employees

The number of employees employed for the two most recent fiscal years, and during the current fiscal year up to the date of publication of the annual report, their average years of service, average age, and education levels (including the percentage of employees at each level)

Unit: persons

Year		End of 2024	End of 2024	As of end of March of 2025
Number of employees	Administration	49	51	51
	Sales and marketing	26	27	27
	Technical support	326	302	294
	Total	401	380	372
Average age		35.36	36.61	36.89
Average years of service		6.76	8.30	8.51
Percentage of employees at each education level (%)	Ph.D.	0.25%	0.26%	0.27%
	Master's degree	3.77%	5.26%	5.11%
	College	61.06%	56.32%	56.99%
	Senior high school (or below)	34.92%	38.16%	37.63%

#### IV. Disbursements for environmental protection

1. According to laws and regulations if it is required to apply for a permit for installing anti-pollution facilities, or permit of pollution drainage, or to pay anti-pollution fees, or to organize and set up an exclusively responsible unit/office for environmental issues, the description of the status of such applications, payment or establishment shall be made.

Our factories mainly include Taiwan (Group Up Industrial Co., Ltd.) and Suzhou (Group Up Technology (SIP) Co., Ltd.). Among them, the Taiwan plant mainly focuses on the assembly and testing of single machines and production lines, and there is no pollution concern, so it is not necessary to obtain pollution-related installation, operation or discharge permits; on the other hand, the Suzhou plant includes baking paint in the production process, so it has obtained a permit for urban sewage discharge into the drainage network in accordance with the law.

2. Setting forth the company's investment in the major anti-pollution facilities, the use purpose of such facilities and the possible effects to be produced: None.
3. Describing the process undertaken by the company on environmental pollution improvement for the two most recent fiscal years and up to the publication date of this report. If there was any pollution dispute, its handling process shall also be described: None.
4. Describing any losses suffered by the company in the two most recent fiscal years and up to the publication date of this report due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental protection inspections, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of why it cannot be made shall be provided: None.
5. Explaining the current condition of pollution and the impact of its improvement to the profits, competitive position and capital expenditures of the company, as well as the projected major environment-related capital expenses to be made for in the upcoming two fiscal years: None.

## V. Labor relations

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

Our labor relations are harmonious and stable. The company maintains positive business development and is committed to improving employee welfare, while maintaining a smooth communication channel between labor and management. The Company and employees work together to give full play to their individual expertise so that both the Company and employees grow simultaneously and prosper together.

### (1) Employee benefit plans and the status of their implementation

In addition to health insurance and labor insurance with the relevant provisions of the Labor Standards Act, the Company also provides group insurance for employees and an appropriate pension account system to protect the benefits of employees, and the measures and the status of their implementation are as follows:

- A. Employees are entitled to special leave and pension payments in accordance with the law, and the Company has set up the Employee Welfare Committee to coordinate welfare activities and protect the rights and interests of workers.
- B. In addition to labor insurance and national health insurance, all employees are provided with employee group insurance and travel insurance at the company's expense.
- C. Regular staff health checkups and occasional staff activities and trips are organized to enrich colleagues' leisure activities and enhance friendship.
- D. We subsidize the cost of automobile parking spaces for our employees and have official vehicles that are regularly maintained and inspected, so that our employees can have appropriate protection on their official trips.
- E. Cash gifts or gifts are available at Dragon Boat Festival and Mid-Autumn Festival.
- F. Wedding, bereavement, and childbirth are subsidized.
- G. Encourage colleagues to set up social clubs. Club funds are subsidized.

### (2) Continuing education and training

In order to enhance the professional and technical skills of our employees, strengthen work efficiency, and emphasize product quality, we conduct training according to our annual education and training schedule, and conduct both internal and external training to strengthen the professional skills of our employees in all functional areas. The Company's training programs are listed below:

- A. Training for new recruits: On the day of arrival, we provide them with explanatory courses on the company's corporate culture, organizational history, work rules, employee benefits, points to note, and introduction to the environment, so that they can have a basic understanding of the company.
- B. On-the-job training: to develop colleagues' professional skills, knowledge, and management abilities in the workplace.
- C. Professional competency training: Send colleagues to relevant organizations for training according to needs, so that colleagues can obtain professional inspection certification.

### (3) Retirement systems and the status of their implementation

Since July 1, 2005, in line with the implementation of the Labor Pension Act, employees on the job on June 30, 2005 have retained their retirement benefits calculated in accordance with the Labor Standards Act, and after July 1, 2005, 6% of the employees' retirement benefits will be contributed to the Labor Pension Fund on a monthly basis and saved in the Labor Pension Fund's individual account for the purpose of protecting

the rights and interests of the employees. Employees can also choose to contribute 0–6% of their monthly salary to their personal pension accounts.

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

The Company attaches great importance to the rights and interests of its employees and has harmonious labor relations. Employees can exchange views through open communication or monthly meetings to maintain a good interactive relationship between employers and employees; therefore, no labor disputes have arisen so far.

(5) Work environment and employee safety measures

A. In accordance with the “Occupational Safety and Health Act”, the Company has formulated and implemented the labor health protection plan.

- Preventing ergonomic disease and musculoskeletal disorders in the workplace.
- Preventing abnormal workloads causing illnesses, avoiding long working hours, shift work, stressful work, and other abnormal workloads that cause overwork of the employees.
- Preventing workplace violence and verbal, physical, psychological violence, and sexual harassment in the workplace.
- Maternal health protection for female employees who are preparing for pregnancy, during pregnancy, for the one year after childbirth, and during the breastfeeding stage, in order to prevent workplace hazards from harming the health of mothers and babies.
- On November 15, 2024, the Management Department promoted the prevention of the three highs with the topic of “Mastering the 5 Key Tricks to Easily Prevent Metabolic Syndrome”, which aims to establish a healthy lifestyle in the workplace and keep employees away from the risk of metabolic syndrome.

B. Education and training

- Employees are provided with occupational safety and health education and training in accordance with the “Occupational Safety and Health Act”, and the training is conducted and enforced in accordance with the “Occupational Safety and Health Education and Training Rules”.

- Emergency response and evacuation drills are conducted every six months to strengthen the staff's ability to respond to emergencies and escape to avoid casualties.

C. The safety and health management measures in accordance with the Company's “Occupational Safety and Health Management Regulations” are as follows:

- The safety and health status inspection should be carried out in accordance with the automatic inspection program and management procedures, etc. If there is any non-compliance with laws and regulations or higher risk of hazards, improvement should be made or operational control should be taken. After improvement, a comprehensive analysis of the improvement results should be conducted to ensure its effectiveness.
- The use of machinery and equipment shall be regulated by law, and machinery must meet the protection standards set by the central competent authority to be installed for use by labor to avoid possible hazards in the workplace.
- In order to avoid safety and health hazards and risks caused by non-compliant machinery, equipment, chemicals, etc., the safety and health requirements should be taken into account in the control process prior to procurement. Before use, make sure that the machinery, equipment, and chemicals comply with the safety and hygiene regulations to avoid any major hazards and risks caused by safety and hygiene deficiencies during use.
- When purchasing gases and chemicals, ensure safety data sheets (SDS) are attached and updated regularly. Containers should be labeled with hazard symbols in accordance with laws and regulations and environmental safety and health control requirements.

- When purchasing professional machines, protective equipment, monitoring instruments and equipment, explosion-proof machines and equipment, the authorized and responsible unit should provide the purchasing unit with an opinion on environmental safety and hygiene, which should be clearly stated in the purchasing specification.
- If the authorized and responsible unit needs to purchase radioactive substances and equipment capable of producing ionizing radiation, it should state the qualifications of the supplier in the purchase specification and request the supplier to provide the necessary documents for import authorization and use registration.
- Whenever labor procurement is involved, insurance agreements and requirements for labor service personnel should be stipulated in the procurement contract, and labor service personnel should agree to comply with the “Occupational Safety and Health Act” and the Company’s operating standards and other relevant regulations.
- If a procurement item involves the leasing of a supplier’s machinery, equipment, or labor services, the relevant safety control regulations should be stipulated in the lease agreement and explanatory memorandum of the two parties.
- In order to protect the safety of the public and to ensure that damage to property or equipment, as well as adverse impacts on the environment, are avoided, all changes in operations should be managed to prevent unacceptable environmental safety and health risks that may arise from changes in processes, equipment, experimental procedures, or chemicals used.
- Containers containing hazardous materials shall be clearly labeled in accordance with the classification and hazardous patterns stipulated in the Regulations for the Labeling and Hazard Communication of Dangerous and Harmful Materials, and the characters used shall be mainly in Chinese, supplemented by foreign languages when necessary.
- For hazardous materials, workers should be provided with safety information sheets containing safety and health precautions, and the correctness of the contents of the safety information sheets should be reviewed according to the actual situation and updated in a timely manner, and the updated records of the contents, date of updating, and edition should be kept for three years.
- In order to prevent occupational accidents caused by workers who do not have accurate information about the hazards of hazardous materials, the following measures should be taken:
  - a. Formulate the Hazard Communication Plan according to the actual situation, reviewed and updated in a timely manner, and implemented according to the plan, and the implementation record is kept for three years.
  - b. Make a list of hazardous materials that includes the name of the hazardous material, other known names, index number of the safety information sheet; the name, address and telephone number of the manufacturer or supplier; usage information, and storage information.
  - c. Place safety information sheets on hazardous materials in the workplace where they can be easily accessed.
  - d. Education and training on manufacturing, disposal or use of dangerous and harmful materials are provided to workers during onboarding and training. Training is handled in accordance with the Labor Safety and Health Education and Training Rules.
  - e. Other measures necessary to ensure that workers are aware of hazardous materials.
  - f. Provide chemical disaster response information and specialized needs in case of fire, so that in case of an accident, the disaster response command and rescue personnel at the scene of the accident can immediately obtain the correct chemical response information.



- In accordance with Article 12 of the Occupational Safety and Health Act, monitoring of the operating environment should be carried out in accordance with the regulations for workplaces designated by the central competent authority. The items and period of inspection shall be in accordance with the Measure on the Implementation of Labor Environment Monitoring.
- Each applicable site should follow the applicable standard operating procedures and safety and hygiene codes in order to avoid accidents caused by improper operation.
- The Company has established the ISO45001 Occupational Safety and Health Management System and passed the certification in November 2024.
- In accordance with the “Occupational Safety and Health Act”, we have established contracting regulations to prevent disasters caused by improper work of contractors.

#### D. Implementation of public security

Public safety inspection	
Inspection by the Occupational Safety Office	At least once a month
On-site supervisor mobility management	At least once a week by first level supervisors
	At least twice a week by second level supervisors

2. List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes, and disclose an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of why it cannot be made shall be provided:

The Company has always emphasized employee welfare and provided a good working environment, two-way communication between employees, and harmonious labor relations; therefore, there were no major labor disputes in the most recent fiscal year and up to the annual report publication date.

## VI. Cybersecurity management

1. Describe the cybersecurity risk management framework, cybersecurity policies, concrete management programs, and investments in resources for cybersecurity management:

### (1) Cybersecurity risk management framework

The cybersecurity management of the Company is coordinated by the Information Office of the Management Department, which is responsible for planning, construction, and continuous optimization to ensure the effective operation of the information security mechanism. We have established comprehensive control and protection measures for system servers, operating systems, and network systems, and have formulated contingency plans for abnormal events to prevent data damage and leakage of sensitive information and to ensure the interests of the company, customers, and investors.

### (2) Cybersecurity policies

The Company is committed to establishing a secure, stable, and trustworthy information operating environment to ensure the continued stability of business operations and to effectively prevent various information security risks.

### (3) Concrete management programs

Item	Description
Network protection and user access control mechanism	<ul style="list-style-type: none"> <li>• Network access is strictly managed through gateway controllers, ensuring that only authorized personnel have access to the internal system.</li> <li>• Deploy intrusion detection and protection systems to monitor abnormal traffic and block malicious attacks in real time.</li> <li>• Regularly review network access logs and analyze user behavior patterns to ensure compliance with security policies.</li> </ul>
E-mail security control	<ul style="list-style-type: none"> <li>• Deploy an e-mail gateway to automatically filter all incoming e-mails to identify malicious attachments, phishing emails, and spam.</li> <li>• Reduce the risk of phishing attacks on employees by recognizing potential social engineering attacks with AI technology.</li> <li>• Configure the email encryption mechanism to ensure the security of sensitive information during transmission.</li> </ul>
Data backup mechanism	<ul style="list-style-type: none"> <li>• The system and database are configured to automatically back up on a daily basis and perform full backups on a regular basis to ensure data integrity.</li> <li>• Offline backup and off-site backup mechanisms are established to ensure that data can be quickly recovered even in the event of equipment failure or disaster.</li> <li>• Regular backup data recovery tests are conducted to ensure the effectiveness and feasibility of the backup mechanism.</li> </ul>
Terminal protection mechanism	<ul style="list-style-type: none"> <li>• Regularly update the operating system and applications to ensure that all devices are up-to-date with the latest security versions.</li> <li>• Install EDR (Endpoint Detection and Response) and MDR (Managed Detection and Response) protection tools to enhance terminal security.</li> <li>• Introducing the MFA multi-factor authentication, which requires two-factor authentication for important hosts and users to ensure account login security.</li> </ul>
Cybersecurity education for employees	<ul style="list-style-type: none"> <li>• Information security training and tests are held on a quarterly basis to strengthen employees' awareness of security and their ability to respond to emergencies.</li> <li>• Social engineering attack drills are performed every year to improve staff's ability to recognize phishing e-mails and scams.</li> </ul>
Risk assessment and vulnerability detection	<p>In conjunction with external cybersecurity suppliers, conducting the following security tests on existing important hosts and network equipment helps the Company to grasp the current status of its own security management and protection, and to understand how to strengthen and improve deficiencies and further establish preventive measures.</p> <ol style="list-style-type: none"> <li>1. Servo host vulnerability scanning</li> <li>2. Information equipment configuration benchmarking</li> <li>3. Network packet profiling</li> <li>4. Malware detection</li> </ol>

Item	Description
	5. Firewall detection

(4) Investments in resources for cybersecurity management

In 2024, the Company invested NT\$3 million in information security enhancement, and in 2025, a budget of NT\$4 million was set aside to continuously improve the information security environment and strengthen the protection mechanism.

2. List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cybersecurity incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of why it cannot be made shall be provided.

In the most recent fiscal year and up to the annual report publication date, the Company has not experienced any significant cybersecurity incidents, nor has there been any loss of business due to cybersecurity problems. The Company will continue to implement the cybersecurity management policy to ensure the security of the Company's system and data.

## VII. Important contracts

The contracting parties, major content, restrictive clauses, and the commencement dates and expiration dates of supply/distribution contracts, technical cooperation contracts, engineering/construction contracts, long-term loan contracts, and other contracts that would affect shareholders' equity, where said contracts were either still effective as of the date of publication of the annual report, or expired in the most recent fiscal year:

On November 20, 2024, the Company purchased 8 lots of land from the related party, namely No. 688-23, No. 688-24, No. 688-25, No. 688-26, No. 688-27, No. 688-28, No. 688-38, and No. 688-39, Shandian Section, Yangmei District, Taoyuan City. The parties to the transaction have signed a land trading contract, with a total amount of NT\$602,238,848. The transaction was completed in December of the same year, and the land ownership was transferred and registered.

## Five. Review and analysis of the company's financial position and financial performance, and a listing of risks

### IX. Financial position

#### (I) Financial position (consolidated)

Unit: NT\$ thousand

Item	Year	2024	2024	Difference	
				Amount	%
Current assets		6,919,893	6,215,029	704,864	11.34%
Property, plant and equipment		1,216,070	624,716	591,354	94.66%
Other financial assets - non-current		324,274	203,473	120,801	59.37%
Other non-current assets		119,495	128,665	(9,170)	7.13%
Total assets		8,579,732	7,171,883	1,407,849	19.63%
Current liabilities		3,433,946	3,881,245	(447,299)	11.52%
Non-current liabilities		1,262,401	309,712	952,689	307.60%
Total liabilities		4,696,347	4,190,957	505,390	12.06%
Share capital		602,011	579,785	22,226	3.83%
Capital reserve		860,009	534,885	325,124	60.78%
Retained earnings		2,435,619	1,895,656	539,963	28.48%
Other equity		(14,254)	(29,400)	15,146	51.52%
Total equity		3,883,385	2,980,926	902,459	30.27%

Basis of analysis: Change ratio of 20% or more and change amount of NT\$10 million or more.

Analysis and description:

Property, plant and equipment: Mainly due to the purchase of land in 2024

Other financial assets - non-current: Mainly due to the increase in time deposits with maturity periods of over one year.

Non-current liabilities: Mainly due to the issuance of the second domestic unsecured convertible bonds.

Capital reserve: Mainly due to the increase in the premium on shares issued upon conversion of convertible bonds to common stock.

Retained earnings: Mainly due to the significant increase in net income for the period.

Other equity: Mainly due to the exchange differences on the translation of financial statements of foreign operations.

Total equity: Mainly due to the increase in capital reserve and retained earnings.

## (II) Financial position (parent company only)

Unit: NT\$ thousand

Item \ Year	2024	2024	Difference	
			Amount	%
Current assets	6,688,034	5,927,035	760,999	12.84%
Long-term investment	517,861	472,848	45,013	9.52%
Property, plant and equipment	1,182,621	588,876	593,745	100.83%
Other non-current assets	123,953	106,651	17,302	16.22%
Total assets	8,512,469	7,095,410	1,417,059	19.97%
Current liabilities	3,371,601	3,809,681	(438,080)	11.50%
Non-current liabilities	1,257,483	304,803	952,680	312.56%
Total liabilities	4,629,084	4,114,484	514,600	12.51%
Share capital	602,011	579,785	22,226	3.83%
Capital reserve	860,009	534,885	325,124	60.78%
Retained earnings	2,435,619	1,895,656	539,963	28.48%
Other equity	(14,254)	(29,400)	15,146	51.52%
Total equity	3,883,385	2,980,926	902,459	30.27%
<p>Basis of analysis: Change ratio of 20% or more and change amount of NT\$10 million or more.</p> <p>Analysis and description:</p> <p>Property, plant and equipment: Mainly due to the purchase of land in 2024</p> <p>Non-current liabilities: Mainly due to the issuance of the second domestic unsecured convertible bonds.</p> <p>Capital reserve: Mainly due to the increase in the premium on shares issued upon conversion of convertible bonds to common stock.</p> <p>Retained earnings: Mainly due to the significant increase in net income for the period.</p> <p>Other equity: Mainly due to the exchange differences on the translation of financial statements of foreign operations.</p> <p>Total equity: Mainly due to the increase in capital reserve and retained earnings.</p>				

## X. Financial performance

### (I) Financial performance (consolidated)

Unit: NT\$ thousand

Item \ Year	2024	2024	Increase (decrease) amount	Change ratio %
Operating revenue	2,497,759	2,432,621	65,138	2.68%
Operating cost	1,198,982	1,293,350	-94,368	7.30%
Gross profit	1,298,777	1,139,271	159,506	14.00%
Operating expense	368,657	439,189	-70,532	16.06%
Operating profit	930,120	700,082	230,038	32.86%
Non-operating income and expenses	311,129	190,275	120,854	63.52%
Net income before tax	1,241,249	890,357	350,892	39.41%
Less: Income tax expense	241,635	176,797	64,838	36.67%
Net income for the period	999,614	713,560	286,054	40.09%
Other comprehensive income	19,407	-3,352	22,759	678.97%
Total comprehensive income for the period	1,019,021	710,208	308,813	43.48%
<p>Basis of analysis: Change ratio of 20% or more and change amount of \$10 million or more over the preceding and following periods.</p> <p>Analysis and description:</p> <p>Increase in operating profits: Mainly due to the increase in gross profit as a result of the differences in product mix,</p> <p>Increase in non-operating income and expenses: Mainly due to the increase in foreign currency exchange gains.</p> <p>Increase in net income before tax: Mainly due to the increase in gross profit margin and the increase in foreign currency exchange gain.</p> <p>Increase in income tax expense: Mainly due to the increase in net income before tax.</p> <p>Increase in net income: Mainly due to the increase in gross profit margin and the increase in foreign currency exchange gain.</p> <p>Increase in other comprehensive income: Mainly due to the exchange differences on the translation of financial statements of foreign operations.</p> <p>The increase in total comprehensive income: Mainly due to the increase in gross profit margin and the increase in foreign currency exchange gain.</p>				

## (II) Financial performance (parent company only)

Unit: NT\$ thousand

Item \ Year	2024	2024	Increase (decrease) amount	Change ratio %
Operating revenue	2,351,368	2,322,511	28,857	1.24%
Operating cost	1,118,353	1,241,486	-123,133	9.92%
Gross profit	1,232,963	1,081,601	151,362	13.99%
Operating expense	326,067	401,315	-75,248	18.75%
Operating profit	906,896	680,286	226,610	33.31%
Non-operating income and expenses	327,514	202,598	124,916	61.66%
Net income before tax	1,234,410	882,884	351,526	39.82%
Less: Income tax expense	234,796	169,324	65,472	38.67%
Net income for the period	999,614	713,560	286,054	40.09%
Other comprehensive income	19,407	-3,352	22,759	678.97%
Total comprehensive income for the period	1,019,021	710,208	308,813	43.48%

Basis of analysis: Change ratio of 20% or more and change amount of \$10 million or more over the preceding and following periods.

Analysis and description:

Increase in operating profits: Mainly due to the increase in gross profit as a result of the differences in product mix,

Increase in non-operating income and expenses: Mainly due to the increase in foreign currency exchange gains.

Increase in net income before tax: Mainly due to the increase in gross profit margin and the increase in foreign currency exchange gain.

Increase in income tax expense: Mainly due to the increase in net income before tax.

Increase in net income: Mainly due to the increase in gross profit margin and the increase in foreign currency exchange gain.

Increase in other comprehensive income: Mainly due to the exchange differences on the translation of financial statements of foreign operations.

The increase in total comprehensive income: Mainly due to the increase in gross profit margin and the increase in foreign currency exchange gain.

(III) Provide a sales volume forecast and the basis therefor, and describe the effect upon the company's financial operations as well as measures to be taken in response: The Company expects no significant change in its overall performance in the coming year and is not at risk of liquidity shortfalls.

**XI. Cash flow**

1. Describe and analyze any cash flow changes during the most recent fiscal year (2024)

Unit: NT\$ thousand

Cash at beginning of period①	Net cash flows from operating activities for the year②	Net cash flows from other activities for the year③	Cash surplus (deficit) amount①+②+③	Remedies for cash deficits	
				Investment plan	Financing plan
663,783	976,183	(515,498)	1,124,468	—	—

- (1) Net cash provided by operating activities of NT\$976,183 thousand was mainly due to net income before income tax.
- (2) Net cash used in investing activities of NT\$1,392,305 thousand is mainly due to the acquisition of financial assets and land.
- (3) Net cash provided by financing activities of NT\$864,623 thousand is mainly due to the issuance of the second domestic unsecured convertible corporate bonds.
2. Corrective measures to be taken in response to illiquidity: The Company does not have any liquidity shortfalls.
3. Provide a liquidity analysis for the coming year (2025)

Unit: NT\$ thousand

Cash at beginning of period①	Estimated net cash flow from operating activities for the year②	Estimated net cash flows from other activities for the year③	Estimated cash surplus (deficit) amount①+②+③	Measures for cash balance	
				Investment plan	Financing plan
1,124,468	404,734	(130,291)	1,398,911	—	—
For 2024, the Company and its subsidiaries projected a net cash inflow from operating activities of NT\$404,734 thousand, a net cash inflow from investments of NT\$426,607 thousand, a net cash outflow for financing activities of NT\$556,898 thousand, and a projected remaining cash balance of NT\$1,398,911 thousand. No cash shortfalls are expected in 2024.					

**XII. The effect upon financial operations of any major capital expenditures during the most recent fiscal year**

There were no major capital expenditures in recent years and therefore there was no material impact on financial operations.

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

1. The reinvestment policy for the most recent fiscal year  
The Company's policy on reinvestment is based on the considerations of sustainable management and operational growth, and the "Procedures for the Acquisition or Disposal of assets " have been formulated in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" established by the competent authorities are used as the basis for the Company's reinvestment activities in order to keep track of the related business and financial situation. In addition, in order to enhance the supervision and management of the Company's investee companies, the Company has formulated the "Regulations Governing the Supervision and Management of Subsidiaries" under the internal control system, which sets forth relevant regulations for the management of information disclosure, finance, business, inventory, and treasury. The Company also conducts regular audits and establishes related operational risk mechanisms to maximize the effectiveness of the Company's reinvestments.
2. The main reasons for the profits/losses generated for the most recent fiscal year and the plan for improving re-investment profitability



Unit: NT\$ thousand

Investee enterprise	Main business Item	Investment gains and losses recognized in 2024	Main reasons for the profits/losses	Improvement plan
GROUP UP (SAMOA) LTD.	Investment holding	26,132	The third-party investment company recognized the investment income of the Chinese subsidiary according to the equity method.	Not applicable
Group Up Technology (SIP) Co., Ltd.	Equipment manufacturing, trading and maintenance	19,015	Mainly due to order stability	Not applicable
Group Up Trading (Shenzhen) Company Limited	Equipment trading	6,391	Mainly due to order stability	Not applicable

### 3. Investment plans for the coming year

Depending on the needs of operation and development, we will appropriately invest in each of our invested companies in order to improve and strengthen our working capital.

## VI. Analysis and assessment of risks

### (I) Risk factors

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

(1) The effect upon the company's profits (losses) of interest rate fluctuations and response measures to be taken in the future.

For the year ended December 31, 2024, interest expense was NT\$5,835 thousand, accounting for 0.23% of net operating revenue. Therefore, overall, the change in interest rate did not have a significant impact on the Company's revenue and operations. In addition, depending on changes in interest rates in the financial market, the Company will make appropriate capital utilization plans and maintain close contact with banks in order to obtain more favorable interest rates to maximize the cost-effectiveness of capital.

(2) The effect upon the company's profits (losses) of exchange rate fluctuations and response measures to be taken in the future.

The Company's major sales revenues are primarily denominated in U.S. dollars and materials and processing costs are primarily denominated in Taiwan dollars, resulting in the risk of exchange rate fluctuations. For the year ended December 31, 2024, the foreign exchange gain was NT\$169,393 thousand, accounting for 6.78% of net operating revenue, indicating that the exchange rate fluctuations had a certain degree of impact on the Company's revenue and profit. The related exchange rate risk arises from future commercial transactions and recognized assets and liabilities. The Company's finance department maintains close contact with the foreign exchange departments of various financial institutions, pays close attention to exchange rate fluctuations and changes in the international economic situation, carefully examines exchange rate trends, and takes appropriate measures to adjust foreign currency accounts. In addition, through the establishment of a risk-sharing agreement with customers, when quoting prices to customers, we fully consider the trends in international exchange rates and

exchange rate fluctuations, and use appropriate and reasonable exchange rates as the basis for quoting prices, so as to minimize the impact of exchange rate fluctuations on the profitability of orders, and to reduce the impact of exchange rate risks.

- (3) The effect upon the company's profits (losses) of changes in the inflation rate and response measures to be taken in the future.

The prices quoted to customers are adjusted by reference to the fluctuation of the prices of raw materials in the market. Therefore, inflation will not have a significant impact on the Company's profit or loss. The Company will pay attention to the fluctuations of the market price at any time and maintain good interaction with suppliers and customers in order to avoid the risk of being adversely affected by the inflation on the Company's profit or loss.

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

The Company focuses on the operation of its own business and is guided by the principle of financial soundness and conservatism, and does not engage in high-risk and high-leverage transactions. Therefore, the Company did not engage in high-risk and high-leverage investments, loaning of funds to others, making of endorsements and guarantees, or derivatives trading during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report. In the future, if the Company wishes to engage in loaning of funds to others, making of endorsements and guarantees, or derivatives trading, it will follow the "Procedures for Operational Procedures for Loaning Funds to Others", the "Procedures for Making of Endorsements and Guarantees", and the "Procedures for Engaging in Derivatives Trading" set forth by the Company for the sake of operational risks.

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

In addition to continuing to improve the research and development capabilities of its research and development personnel to enhance the Company's research and development capabilities and to establish a research and development system to cultivate outstanding talent to enhance the Company's competitiveness, the Company also recognizes the direction of its product development by interpreting market demand and invests in the research and development of new products and technologies. The Company's future direction of product development is as follows:

- (1) Continue to invest in research and development for the following products to enhance their functionality:

- a. Roller coating baking line for IC carrier board solder resist and PCB circuits
- b. Static spraying baking line for PCB solder resist
- c. IC carrier board ultra-thin board with robot arm loading and unloading clamping frame type tunnel furnace electrostatic spraying baking line
- d. Various types of conveyor ovens and UV machine electrostatic spraying baking lines for PCB HDI process
- e. Low-oxygen dust-free Nitrogen precision oven
- f. Advanced packaging glass core baking automatic line
- g. Advanced sealing glass core UV cure automatic line
- h. Advanced encapsulation of glass core TGV followed by high temperature metallization layer coating and baking sintering automated line
- i. Advanced sealing glass core type laminating and flattening machine
- j. Advanced packaging glass core hot plate baking automatic line
- k. Advanced packaging energy saving carbon reduction heat recovery and drainage recovery system

- (2) Actively pursue the development of niche specialized process equipment to meet the production needs of the following industrial products:

- a. All kinds of in-vehicle electronics
- b. Smartphone related components
- c. Flexible display
- d. Critical materials and components for OLED panel manufacturing processes
- e. Double-sided metal layer film material with both sides processed at the same time
- f. Medical materials
- g. Green energy

(3) Develop integrated smart industry-related products:

Following the trend of the Industry 4.0 intelligent manufacturing system, the Company has successfully introduced a robotic arm with CIM, EMS, and CCD vision systems, utilizing its system automation design capability. With the cooperation of eyes, hands, and brains, the related products and systems can meet the needs of customers for intelligent, smart, and automated system manufacturing.

The Company invested NT\$134,370 thousand in research and development in 2024. In order to ensure that the Company has a high degree of competitiveness, the Company will flexibly adjust the contents of the R&D program at any time in accordance with its business strategy and market demand.

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

The Company operates in compliance with relevant laws and regulations and pays attention to important domestic and international policy development trends and changes in laws and regulations at all times to provide reference for management decision-making. In order to adopt appropriate countermeasures in response to changes in the market environment, the Company also makes timely adjustments to its operating strategies. In addition, the Company pays close attention to the important policies and laws and regulations implemented by the governments of various countries in which it operates, adopts appropriate management strategies, and develops new technologies and products that are in line with the industries in order to expand its market territory. During the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, the Company has not been affected by any significant changes in domestic or foreign policies and laws that may have an impact on the Company's financial operations.

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

The Company keeps abreast of the changes and development of relevant technologies in the industries in which it operates in order to keep abreast of the industry's dynamics. In addition, the Company continues to enhance its research and development and design capabilities and invests in the research and development of new technologies to actively expand the application of its products in new areas in order to create market revenues. For the customer's needs, we customize our products according to their differentiation and keep abreast of the changes in technology and industry to adjust the development direction, make relevant planning and take necessary countermeasures. During the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, there were no events that had a significant impact on the Company's financial operations as a result of developments in science and technology (including information and communication security risks) and industrial change.

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

Since the establishment of our company, we have remained compliant with the relevant laws and regulations, so we have established a good corporate image with good service, efficiency and quality. During the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, there were no events that had any impact on the Company's crisis management due to a change in corporate image.

- (VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken:  
As of the date of publication of the annual report, there were no such cases for the Company.
- (VIII) Expected benefits and possible risks associated with any plant expansion, and mitigation measures taken:  
Due to the overall operation planning and capacity enhancement, the Company plans to build a new plant on the newly purchased land in Shangtian Section, Yangmei District, Taoyuan City in 2025, which will help the expansion of business scale.
- (IX) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken:
- (1) Concentration risk in purchasing operations:  
At this stage, the Company does not have any concentration of purchases and maintains good relationships with its suppliers, so there is no risk to the sources of raw material purchases. In addition, the Company does not purchase more than 20% of its products from the same supplier, and the Company will continue to actively plan for more quality suppliers, so there is no risk concentration in purchasing operations.
  - (2) Concentration risk in sales operations:  
The Company maintains a good relationship with its customers and is actively expanding its industry and customer base. Currently, no single customer accounts for more than 20% of sales. In addition, with the expansion of the scale of operations, the Company is actively developing new products and new customers, and there is no concentration risk in sales operations.
- (X) Effect upon and risk to the company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken:  
As of the date of publication of the annual report, there were no such cases for the Company.
- (XI) Effect upon and risk to the Company associated with any change in governance personnel or top management, and mitigation measures being or to be taken.  
There have been no changes in the operating rights of the Company during the most fiscal year or during the current fiscal year up to the date of publication of the annual report.
- (XII) Litigious and non-litigious matters:  
As of the date of publication of the annual report, there were no such cases for the Company.
- (XIII) Assessment and analysis of cyber security risks and measures to be taken in response:  
With the advancement of cyber technology, cyber security risks are also increasing. The Company has established a complete information security management framework to ensure the stable operation of its core systems, including operations and finance, and has set up the regulations for handling the computerized information system in accordance with its internal control system to strengthen information security management.
- Objectives of the information security policy:**
1. Continue to organize information security education and training to enhance employees' awareness of information security.
  2. Enhance the protection of the Company's confidential information to ensure the security of business secrets and customer data.
  3. Implement the protection of intellectual property rights and safeguard the legitimate rights and interests of the Company and its customers.
  4. Protect against computer viruses and malware attacks to reduce information security risks.
  5. Establish the information security notification mechanism to ensure immediate

reporting and handling of security incidents.

6. Comply with domestic and international regulations to ensure business continuity. Through the above strategies and mechanisms, the Company will continue to enhance its information security protection capabilities to prevent unauthorized access and hacker attacks. As of the date of publication of the annual report, the Company has not experienced any significant cyber security threats, and there are no related legal cases or regulatory investigations.

(XIV) Other important risks, and mitigation measures being or to be taken:

As of the date of publication of the annual report, there were no such cases for the Company.

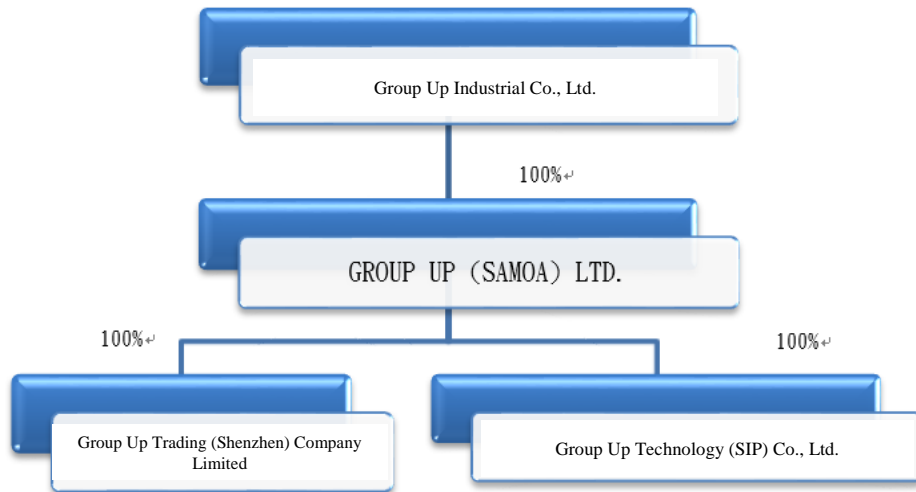
**VI. Other important matters: None**

## Six. Special items to be included

### I. Information related to the company's affiliates

#### (I) Consolidated Business Report

##### 1. Organizational chart of the affiliates (December 31, 2024)



Relationship between the Company and its affiliates, percentage of mutual shareholding, shares, and actual investment amount

December 31, 2024, Unit: Thousand shares; Currency: Foreign currency/NT\$ thousand;

Name of affiliate	Relationship with the Company	Shares held by the Company in its affiliates			Shares held by its affiliates in the Company
		No. of shares	Shareholding percentage	Investment amount	
GROUP UP (SAMOA) LTD.	Subsidiary of the Company	12,500	100.00%	399,464 (USD12,500)	None
Group Up Technology (SIP) Co., Ltd.	Sub-subsidiary of the Company	(Note)	100.00%	373,898 (USD11,700)	None
Group Up Trading (Shenzhen) Company Limited	Sub-subsidiary of the Company	(Note)	100.00%	15,979 (USD500)	None

Note: It is a limited liability company established in China.

##### 2. Basic information of the affiliates

Currency: Foreign currency/NT\$ thousand

Name of affiliate	Date of Establishment	Address	Paid-in Capital	Main business or production items
GROUP UP ( SAMOA ) LTD.	2015/9/28	Offshore Chambers,P.O. Box 217, Apia,Samoa	399,464 (USD12,500)	Offshore Investment Holding Company
Group Up Technology (SIP) Co., Ltd.	2005/5/24	No. 8, Weiwen Road, Suzhou Industrial Park	373,898 (USD11,700)	1. Sales and production of mature equipment 2. Trading of components and parts 3. After-sales service center for Central China region

Group Up Trading (Shenzhen) Company Limited	2015/12/15	Room 501, Unit 1, Xin Fu Hao Ting, No. 3 Yangxia Avenue, Xinqiao Community, Shajing Subdistrict, Bao'an District, Shenzhen	15,979 (USD500)	1. Trading of components and parts 2. After-sales service center for South China region
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3. The information on the same shareholders for those presumed to have a relationship of control and subordination: None.

4. Information on the directors, supervisors, and general manager of each affiliate

December 31, 2024

Name of affiliate	Job title	Name or Representative	Shares held	
			Number of shares (in thousands)	Shareholding (%)
GROUP UP (SAMOA) LTD.	Director	Group Up Industrial Co., Ltd. Representative of corporate shareholder: An-Shun Chen	12,500	100%
Group Up Technology (SIP) Co., Ltd.	Executive director	GROUP UP (SAMOA) LTD. Representative of corporate shareholder: Tien-Ho Yu	(Note)	100%
Group Up Technology (SIP) Co., Ltd.	Supervisors	GROUP UP (SAMOA) LTD. Representative of corporate shareholder: Wen-Chang Lai		
Group Up Technology (SIP) Co., Ltd.	Legal Representative	GROUP UP (SAMOA) LTD. Representative of corporate shareholder: Tien-Ho Yu		
Group Up Trading (Shenzhen) Company Limited	Executive director	Representative of Group Up (Samoa) Ltd. Representative of corporate shareholder: Tien-Ho Yu	(Note)	100%
Group Up Trading (Shenzhen) Company Limited	Supervisors	GROUP UP (SAMOA) LTD. Representative of corporate shareholder: Wen-Chang Lai		
Group Up Trading (Shenzhen) Company Limited	Legal Representative	GROUP UP (SAMOA) LTD. Representative of corporate shareholder: Tien-Ho Yu		

Note: It is a limited liability company established in China.

5. Overview of business operations of affiliates

Currency: Foreign currency/NT\$ thousand

Name of affiliate	Capital	Total asset value	Total liabilities	Net worth	Operating revenue	Operating profit	Current profit and loss (after tax)	Earnings per share (NT\$)
GROUP UP ( SAMOA ) LTD.	399,464 (USD12,500)	529,183	-	529,183	-	-	26,103	2.09
Group Up Technology (SIP) Co., Ltd.	373,898 (USD11,700)	494,728	71,009	423,719	186,279	16,067	19,015	(Note)

Group Up Trading (Shenzhen) Company Limited	15,979 (USD500)	63,629	20,260	43,369	62,508	7,128	6,391	(Note)
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Note: It is a limited liability company established in China.

(II) Consolidated financial statements: For the fiscal year ended December 31, 2024 (from January 1 to December 31, 2024), the companies that should have been included in the preparation of the consolidated financial statements of affiliates in accordance with the “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those that should have been included in the preparation of the consolidated financial statements of the parent and subsidiaries in accordance with International Financial Reporting Standards (IFRSs) No. 10, and the relevant information to be disclosed in the consolidated financial statements of affiliates has already been disclosed in the previously disclosed consolidated financial statements of the parent and subsidiaries; therefore, no separate consolidated financial statements of affiliates were prepared.

(III) Reports on Affiliations: Not applicable

- II. Where the company has carried out a private placement of securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report: None.**
- III. Other matters that require additional description: None**
- IV. If any of the situations listed in Article 36, paragraph 2, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders’ equity or the price of the company’s securities has occurred: None**



Group Up Industrial Co., Ltd.

Chairperson An-Shun Chen

