

# Syncomm Technology Corp.

## 2025 Annual Report (Translation)

Printed on April 27, 2026

The Company's website for querying the annual report: <https://www.syncomm.com.tw>

The website for querying the annual report on the MOPS: <https://mops.twse.com.tw>

**I. The spokesperson, acting spokesperson of the Company:**

Name of spokesperson: Huang, Liang-Chun

Title: President

Tel: 886-3-5169188

Email address: [ir@syncomm.com.tw](mailto:ir@syncomm.com.tw)

Name of acting spokesman: Hsu, Wen-Te

Title: Head of Finance and Accounting

Tel: 886-3-5169188

Email address: [ir@syncomm.com.tw](mailto:ir@syncomm.com.tw)

**II. Headquarters, branches, and factories:**

Address: 10F.-1, No. 101, Sec. 2, Gongdao 5th Rd., Hsinchu City, Republic of China (Taiwan)

Tel: 886-3-5169188

Branch: None

Factory: None

**III. Stock Transfer Agency:**

Name: Stock Affairs Agency Department, Grand Fortune Securities Co., Ltd.

Address: 6F., No. 6, Sec. 1, Zhongxiao W. Rd., Taipei City, Republic of China (Taiwan)

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

Tel: 886-2-2371-1658

**IV. Certified Public Accountant (CPA) who audited and signed for the most recent year's financial report:**

Name of CPAs: Yang, Yu-Ni, Huang, Min-Ju

Name of CPA firm: Ernst & Young

Address: E-3, No. 1, Lixing 1st Rd., Hsinchu Science Park, Hsinchu City, Republic of China (Taiwan)

Website: [http://www.ey.com/zh\\_tw](http://www.ey.com/zh_tw)

Tel: 886-3-688-5678

**V. Name of the exchange where the Company's securities are traded overseas and the method by which the Company's securities are inquired: None.**

**VI. Company website: <https://www.syncomm.com.tw>**

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## One. Letter to Shareholders

Dear Shareholders,

### I. 2025 Operating Results

Syncomm Technology's 2025 operating revenue was NT\$ 301,815 thousand, a decrease of 12.6% from NT\$ 345,263 thousand in 2024. The decline in revenue and gross profit was mainly due to lower-than-expected sales in the consumer electronics market and more conservative inventory stocking by end customers; in addition, legacy projects were approaching the end of their sales cycle, while new projects were still in the initial stage or had not yet been connected by new projects, resulting in a slight decline in overall performance compared with the previous year; operating expenses were NT\$ 151,291 thousand, an increase of 4.2% from NT\$ 145,168 thousand in 2024, mainly because the Company actively invested in new product R&D projects, resulting in an increase in the related R&D expenses compared with the previous year; non-operating income was NT\$ 6,827 thousand, a decrease of 35.6% from NT\$ 10,593 thousand in 2024, mainly due to sharp fluctuations in foreign exchange rates, which resulted in a decrease in the related foreign exchange gains compared with the previous year.

Overall, in terms of 2025 financial performance, net loss before tax was NT\$ (9,854) thousand, net loss after tax was NT\$ (9,933) thousand, and comprehensive net loss for the period was NT\$ (51,910) thousand.

Unit: NTD Thousands; %

Items	2024		2025	
Operating revenue	345,263	100%	301,815	100%
Operating gross margin	164,385	48%	134,610	45%
Operating expenses	145,168	42%	151,291	50%
Operating net profit (loss)	19,217	6%	(16,681)	(5)%
Non-operating income/expense	10,593	3%	6,827	2%
Net profit (loss) before tax	29,810	9%	(9,854)	(3)%
Net profit (loss) after tax	30,771	9%	(9,933)	(3)%
Total comprehensive profit (loss)	31,334	9%	(51,910)	(17)%
Basic earnings (loss) per share (NTD)	\$0.72		(0.22)	

In 2025, Syncomm Technology successfully transformed into a total solution provider of system design services (Total Solution Provider), and continued to pursue excellence through the business model of “software-enhanced hardware.” The Company focuses on the core technologies of “high sound quality, low latency, and one-to-many wireless network architecture” under the SYNIC brand, and has obtained SHDC® certification from the Japan Audio Society and SyncSA® spatial audio algorithm. In terms of market development, we have deepened our presence in Japan and Korea and continue to expand professional brand

collaborations in China and the United States. The Company has continued to invest in the research and development of 2.4GHz and 5GHz high-data RF technology and proactively laid out plans for AIoT applications and BT 6.0/7.0/8.0 to maintain its technological leadership. The goal is to apply the next generation of wireless chips to a range of multi-sensor scenarios, including AIoT for home appliances, AR/VR, and drones, to expand business opportunities.

## II. 2026 Business Strategy and Plan

Looking ahead to 2026, Syncomm Technology will continue to pursue excellence in “high performance, low power consumption, and low latency” technologies under the SYNIC brand. Key plans include: multi-mode wireless application integration: developing a single-chip module that integrates private protocols as well as BT 8.0 and Wi-Fi 7/8 to reduce equipment complexity and realize a lossless immersive experience. Mass production of the new generation of products: the IA11/IA12 series products are expected to be promoted, supporting wireless multi-channel audio of 5.1/7.1 and above, as well as Dolby Atmos 7.1.4 immersive sound effects, to achieve a fully wireless home theater experience. With over 25 years of technological expertise in low-latency wireless communication, Syncomm Technology is moving from “acoustic pinnacle” toward “visual future,” with the goal of becoming a key enabler in the era of Physical AI. The Company's core mission is to build sensory neural networks critical to the success or failure of tasks for intelligent machines with perception, interaction, and mobility capabilities. AI vertical application deployment: The Company is actively developing eye-tracking and multi-sensor fusion modules for smart glasses, home robots, and drones to promote the implementation of proactive AI applications.

## III. Impact of External Competitive Environment, Regulatory Environment, and Overall Operating Environment

Faced with competition from new specifications such as Bluetooth LE Audio, the Company will establish technological barriers through its self-developed underlying communication protocols and a high degree of customization flexibility to meet the stringent requirements for sound quality and latency in professional settings. This exclusive algorithm and anti-interference design builds on technology previously implemented to achieve less than 3 milliseconds of latency in Hi-Res audio and e-sports applications. It has evolved into a neural network for machine vision, supporting mission-critical reliability for 4K HDR real-time visuals and multi-sensor fusion. The Company’s robust core audio business continues to generate stable cash flow and profitability, providing a strong foundation for investment in forward-looking technologies.

Syncomm Technology will leverage its talent and R&D strengths to boost market competitiveness through software and hardware integration. And will continue to comply with domestic and international laws and regulations, align with the government's ESG sustainable development policies, stabilize outstanding R&D talent through a sound compensation system,

reduce the risk of talent turnover, and continue to uphold the vision of “realizing the perfect wireless experience” to create better operating performance with the efforts of all employees and the support of shareholders.

We hereby extend our best wishes for your continued good health and success in all your endeavors.

Chairman: Tsai, Ling-Chun

President: Huang, Liang-Chun

## Two. Corporate Governance Report

### I. Information on directors, President, Vice Presidents, assistant managers, department heads, and branch heads

#### (I) Directors:

##### 1. Information of Directors

April 27, 2026 Unit: shares/%

Title	Name	Gender/ Age	Nationality or place of registration	Date of initial appointment	Date of election	Term of office	Shareholding at the time of election		Number of shares currently held		Shares currently held by spouse and minor children		Shares held in the name of others		Major experience/educational background	Positions concurrently held in the Company and other companies	Other managers, directors, or supervisors who are spouses or relatives within the second degree of kinship of the Company's directors or supervisors			Notes
							Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)			Title	Name	Relations	
	Alcor Micro Corporation	-	R.O.C.	2014.05.30	2023.06.13	3 years	8,444,245	26.47	10,887,288	24.53	-	-	2,117,159	4.77	-	-	None	None	None	None
Chairman	Representative: Tsai, Ling- Chun	Female 61 to 70	R.O.C.	2014.05.30	2023.06.13	3 years	88,310	0.27	208,310	0.47	-	-	-	-	Bachelor, Department of Accounting, Chinese Culture University COO, Alcor Micro Corporation Assistant Manager, Barits Securities Corp. Special Assistant, Holy Stone Enterprise Co., Ltd.	Vice Chairman, Alcor Micro Corporation Chief Executive Officer Corporate Representative Director, Algotek Inc. Chairman (Corporate Representative), Chun-Feng Investment Ltd. Supervisor (Corporate Representative), Hua VII Venture Capital Corp. Corporate Representative Director, Foxfortune Technology Ventures Limited Corporate Representative Director, WK Technology Fund IX Ltd. Corporate Representative Director, WK Technology Fund IX II Ltd. Independent Director and Member of the Audit & Remuneration Committees, GlycoNex Incorporation Corporate Representative Director, KooData Inc. Director, Alcor Micro Technology Inc. Director, Alcor Micro Technology (HK) Ltd. Corporate Director Representative, ENE Technology Inc.	None	None	None	None
	Alcor Micro Corporation	-	R.O.C.	2014.05.30	2023.06.13	3 years	8,444,245	26.47	10,887,288	24.53	-	-	2,117,159	4.77	-	-	None	None	None	None
Director	Representative: Lo, Sen-Chou	Male 61 to 70	R.O.C.	2023.06.13	2023.06.13	3 years	-	-	501,692	1.13	-	-	-	-	Founder and Chairman, Egis Technology Inc. Master of Computer Science, California State University, USA	Chairman, Egis Technology Inc. Chairman, IvyRock Asset Management Consulting Co., Ltd. Director, Headway Capital Ltd. Director, Oriental Gold Holdings Ltd. Director, Silicon Optronics Inc. Director, Gallopwave Inc. Chairman (Corporate Representative), Alcor Micro Corp. Chairman (Corporate Representative), Algotek Inc.	None	None	None	None

Title	Name	Gender/ Age	Nationality or place of registration	Date of initial appointment	Date of election	Term of office	Shareholding at the time of election		Number of shares currently held		Shares currently held by spouse and minor children		Shares held in the name of others		Major experience/educational background	Positions concurrently held in the Company and other companies	Other managers, directors, or supervisors who are spouses or relatives within the second degree of kinship of the Company's directors or supervisors			Notes
							Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)			Title	Name	Relations	
																Chairman (Corporate Representative), iCatch Technology Inc. Chairman (Corporate Representative), Gear Radio Electronics Corp. Chairman (Corporate Representative), Inpsytech, Inc. Chairman (Corporate Representative), Gear Radio Limited (Samoa)				
Director	Aleor Micro Corporation	-	R.O.C.	2014.05.30	2023.06.13	3 years	8,444,245	26.47	10,887,288	24.53	-	-	2,117,159	4.77	-	-	None	None	None	None
	Representative: Peng, Chih-Chiang	Male 51 to 60	R.O.C.	2023.06.13	2023.06.13	3 years	-	-	50,000	0.11	-	-	-	-	Ph.D., Institute of Management Technology, National Chiao Tung University Master, Industrial Engineering, University of Pittsburgh, USA Unimicron Technology Corporation Independent Director ITE Tech. Inc. Independent Director Topoint Technology Co., Ltd. Corporate Director Representative	Corporate Representative Director and President, UMC Capital Corp. Corporate Representative Director and President, Hong Ding Entrepreneurship Investment Co., Ltd. Corporate Representative Director and General Manager, UMC CAPITAL CORPORATION Chairman (Corporate Representative), Tera Energy Development Co., Ltd. Corporate Representative Director, iCatch Technology, Inc. Director, U-Media Communications Inc. Supervisor, Wavetek Microelectronics Corporation	None	None	None	None
Director	Huang, Liang-Chun	Male 41 to 50	R.O.C.	2017.6.26	2023.06.13	3 years	93,310	0.29	213,310	0.48	-	-	-	-	Bachelor, Department of Engineering and System Science, National Tsing Hua University Regional Manager, Sales Department, TE Connectivity Ltd.	President, Syncomm Technology Co., Ltd.	None	None	None	None
Director	Liao, Hui-Ling	Female 61 to 70	R.O.C.	2003.06.27	2023.06.13	3 years	253,709	0.80	327,110	0.74	-	-	-	-	Tatung Senior Commercial High School Supervisor, Syncomm Technology Corp.	Assistant Vice President, Sales Division, Concord Securities Chiayi Branch	None	None	None	None
Director	Hsu, Yu-Pin	Male 41 to 50	R.O.C.	2017.6.26	2023.06.13	3 years	2,055,677	6.44	3,055,579	6.89	-	-	1,696,711	3.82	Master, Institute of International Management, National Cheng Kung University Bachelor, Department of Political Economy, National Sun Yat-sen University Chairman and Supervisor, Tingwen Information Co., Ltd.	Chairman, Jia Xi Investment Co., Ltd. Supervisor, Cheng Ho Investment Co., Ltd. Director, Ding Jiao Printing Co., Ltd. Director and Vice President, Tingwen Publisher Co., Ltd.	None	None	None	None
Independent Director	Wu, Chi-Ming	Male 61 to 70	R.O.C.	2011.06.27	2023.06.13	3 years	-	-	-	-	-	-	-	-	Master of Engineering, University of Michigan, USA Chairman, Marso Electronics Inc. Chairman, Cathay Securities Corporation Chairman, J.F. Investment Consulting Co., Ltd. COO, J.P. Morgan Asset Management Executive Vice President, J.F. Securities Deputy General Manager, HUA NAN SECURITIES	Independent Director, Syncomm Technology Co., Ltd. Member of the Audit Committee and Remuneration Committee CEO, Ensure Finance Consultant Incorporation Chairman, Ebizserve Inc. Chairman, eBizServe Technology Limited Independent Director, ENE Technology Inc. Member of the Audit Committee and Remuneration Committee Chairman, BigObject Inc.	None	None	None	None

Title	Name	Gender/ Age	Nationality or place of registration	Date of initial appointment	Date of election	Term of office	Shareholding at the time of election		Number of shares currently held		Shares currently held by spouse and minor children		Shares held in the name of others		Major experience/educational background	Positions concurrently held in the Company and other companies	Other managers, directors, or supervisors who are spouses or relatives within the second degree of kinship of the Company's directors or supervisors			Notes
							Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)	Number of shares	Shareholding percentage (%)			Title	Name	Relations	
															Assistant Manager, Taiwan International Securities	Director, British Cayman Islands, BigObject, Inc. Corporate Representative Director, Taiwan Lung Meng Advanced Composite Materials Co., Ltd. Independent Director, Alcor Micro Corporation Member of the Audit Committee and Remuneration Committee				
Independent Director	Yu, Chi-Min	Male 51 to 60	R.O.C.	2017.6.26	2023.06.13	3 years	-	-	-	-	-	-	-	-	S.J.D., Southern Methodist University, USA J.D, Southern Methodist University, USA LLM in Comparative Law, Southern Methodist University, USA LLB, School of Law, Soochow -University Honorary Chairman, Taiwan Society of Law and Medicine Executive Director, Taiwan Technology Industry Legal Officers Association Vice Chairman, Chinese National Cybersecurity Law Association	Independent Director, Syncomm Technology Co., Ltd. Member of the Audit Committee and Remuneration Committee Associate Professor, School of Law, Soochow University Corporate Representative Director, Taiwan Lung Meng Advanced Composite Materials Co., Ltd.	None	None	None	None
Independent Director	Cheng, Chun- Yuan	Male 61 to 70	R.O.C.	2021.07.08	2023.06.13	3 years	-	-	-	-	-	-	-	-	MS in BA, University of Southern California, USA MBA, Southern Illinois University Carbondale Bachelor, Department of Civil Engineering, Chung Yuan Christian University -Taigen Biotechnology Co., Ltd. Chief Financial Officer Director, Corporate Development Division, Vanguard International Semiconductor Corporation Deputy Director, Finance Division, Taiwan Semiconductor Manufacturing Co., Ltd.	Independent Director, Syncomm Technology Co., Ltd. Member of the Audit Committee and Remuneration Committee Chairman, Ming Yuan Capital Co., Ltd. Chairman, Ming Jing Capital Co., Ltd. Independent Director and member of the Audit Committee and Remuneration Committee, Anbogen Therapeutics Inc.	None	None	None	None

2. Major shareholders of corporate shareholders:

April 25, 2026

Name of corporate shareholder	Major shareholders of corporate shareholders	Shareholding percentage of the major shareholders of corporate shareholders
Alcor Micro Corporation	Egis Technology Inc.	20.15%
	Chen, Chien-Sheng	3.29%
	Hsu, Ya-Chun	1.99%
	Kuo, Ting-Chien	1.31%
	Yang, Tsang-Shuo	1.11%
	Liang, Ming-Chuan	0.81%
	Hsu, Yeh-Hsuan	0.55%
	Chou, Hsiao-Chi	0.51%
	Deng, Yu-Lin	0.50%
	Deng, Yu-Lin Trust Property Account Entrusted by Hsieh, Hao-Yun	0.50%

3. The principal shareholders of corporate shareholders that are corporate entities:

April 27, 2026

Name of corporate shareholder	Major shareholders of corporate shareholders	Shareholding percentage of major shareholders of corporate shareholders
Egis Technology Inc.	Lo, Sen-Chou	9.87%
	Hsieh, Ching-Chiang	3.84%
	Hsu, Ya-Chun	1.55%
	Cathay United Bank serves as custodian for the CAI Asia Ltd. investment account.	1.32%
	Sunplus Technology Co., Ltd.	1.10%
	Shen, Wei	0.92%
	Hsieh, Ting-Yun	0.82%
	Hsieh, Hao-Yun	0.82%
	Trust account of Taipei Fubon Commercial Bank for Innoreas Technology Inc.	0.81%
	Wu, Yi-Kuei	0.78%

March 4, 2025

Name of corporate shareholder	Major shareholders of corporate shareholders	Shareholding percentage of major shareholders of corporate shareholders
Grand Fortune Securities Co., Ltd	Huang, Hsien-Hua	7.64%
	HONG TAI ELECTRIC INDUSTRIAL CO., LTD.	4.39%
	Central Investment Holding Co., Ltd.	2.99%
	JUI LI ENTERPRISE CO., LTD.	1.92%
	Cheng Yeh Investment Co., Ltd.	1.92%
	Wu, Mei-Yu	1.91%
	Hsin Kuang Hua Co., Ltd.	1.78%
	Central Motion Picture Corporation	1.52%
	Qiancheng Asset Management Co., Ltd.	1.21%
	HSBC Investments Ltd.	0.77%

4. Disclosure of directors' professional qualifications and information on the independence of independent directors

Name	Professional qualification and experience (Note)	Independence status	Number of other public companies where the independent director concurrently serves:
Chairman Representative, Alcor Micro Corporation: Tsai, Ling-Chun	Currently serving as Vice Chairman and Chief Executive Officer of Alcor Micro Corporation, the Company's parent company, as well as a director and representative director (chairman) of its affiliated enterprises; With extensive experience in securities advisory services and possesses many years of corporate operations and management expertise. None of the circumstances set forth in the subparagraphs of Article 30 of the Company Act apply.	Not applicable	1
Director Representative, Alcor Micro Corporation: Lo, Sen-Chou	Currently serving as the Chairman of Egis Technology Inc., the Company's ultimate parent company, and the Chairman of Alcor Micro Corporation, the Company's parent company, as well as the Corporate Representative (Chairman) for their controlled affiliates. Possesses extensive experience in industry operations and management, along with strong executive leadership. None of the circumstances set forth in the subparagraphs of Article 30 of the Company Act apply.	Not applicable	-
Director Representative, Alcor Micro Corporation: Peng, Chih-Chiang	Currently serving as the President of UMC Capital Corp., and Hong Ding Entrepreneurship Investment Co., Ltd. Additionally, serving as the Representative Director of several prominent electronics and semiconductor companies. Possesses extensive experience in corporate operations and management, with deep expertise in strategic planning and mergers and acquisitions. None of the circumstances set forth in the subparagraphs of Article 30 of the Company Act apply.	Not applicable	-
Director Huang, Liang-Chun	Currently serving as the President of the Company, with extensive leadership experience and deep expertise across global marketing, business operations, customer relationship management, and corporate governance. None of the circumstances set forth in the subparagraphs of Article 30 of the Company Act apply.	Not applicable	-

Name	Conditions Professional qualification and experience (Note)	Independence status	Number of other public companies where the independent director concurrently serves:
Director Liao, Hui-Ling	Currently serving as the Assistant Vice President of Concord Securities, with extensive experience in investment management and a proven track record of analyzing macroeconomic and industry development trends. None of the circumstances set forth in the subparagraphs of Article 30 of the Company Act apply.	Not applicable	-
Director Hsu, Yu-Pin	Currently serving as the Director and Vice President of Tingwen Publisher Co., Ltd., and Chairman of Jia Xi Investment Co., Ltd., while additionally holding positions as a director and supervisor seats across multiple companies. Possesses experience in corporate governance, executive leadership, and business management. None of the circumstances set forth in the subparagraphs of Article 30 of the Company Act apply.	Not applicable	-
Independent Director: Wu, Chi-Ming	Currently serving as the CEO of Ensure Finance Consultant Incorporation, Chairman of Ebizserve Inc., Corporate Representative Chairman of Ebizserve Technology Corp., Corporate Representative Director, BioObject Inc., Director of BIGOBJECT INC. in the British Cayman Islands, alongside holding independent director seats and serving on the Audit and Remuneration Committees for two listed companies. Previously held executive roles including Chairman and COO across multiple securities and investment consulting companies, bringing extensive and diverse experience in industry research, corporate finance, and business management. None of the circumstances set forth in the subparagraphs of Article 30 of the Company Act apply.	The Company has obtained written statements from each independent director, confirming their independence in relation to the Company, as well as their independence from the Company's direct family members. The content of the declaration includes: (1) Neither the individual, their spouse, relatives within the second degree of kinship, nor direct blood relatives within the third degree of kinship have served as directors, supervisors, or employees of the Company or its affiliates. (2) Neither the individual, their spouse, nor relatives within the second degree of kinship (or in the name of others) have held shares in the Company.	2
Independent Director: Yu, Chi-Min	Currently serving as an Associate Professor in the School of Law at Soochow University, and has previously served as the Chairman of the Taiwan Society of Law and Medicine, Secretary-General of the Taiwan Technology Industry Legal Officers Association, and Vice Chairman of the Chinese National Cybersecurity Law Association. Possesses comprehensive legal expertise combined with extensive industry-related experience. None of the circumstances set forth in the subparagraphs of Article 30 of the Company Act apply.	(3) Neither the individual has served as a director, supervisor, or employee of a company with a specific relationship to the Company (as defined in Article 3, Paragraph 1, Subparagraphs 5 to 8 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies"). (4) Neither the individual, their spouse, nor the Company they are	-

Name	Professional qualification and experience (Note)	Independence status	Number of other public companies where the independent director concurrently serves:
Independent Director: Cheng, Chun-Yuan	<p>Currently serving as the Chairman of both Ming Yuan Capital Co., Ltd. and Ming Jing Capital Co., Ltd., has previously held executive roles within publicly listed companies across corporate finance, business development, and other areas. Possesses extensive industry experience in financial accounting and strategic corporate planning. None of the circumstances set forth in the subparagraphs of Article 30 of the Company Act apply.</p>	<p>employed by has provided auditing, business, legal, financial, accounting, or related services to the Company or its affiliates in the past two years in exchange for remuneration.</p> <p>(5) There is no relationship of spouse or relative within the second degree of kinship with any other director.</p> <p>(6) Not elected as per Article 27 of the Company Act, which applies to government, corporate shareholders, or their representatives.</p> <p>The Company has verified the obtained information, confirming that the three independent directors meet the qualification requirements set forth by the FSC in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and Article 14-2 of the Securities and Exchange Act, both before their appointment and during their term of office. Furthermore, the independent directors have been granted the power to fully participate in decision-making and express opinions, as stipulated in Article 14-3 of the Securities and Exchange Act, allowing them to independently perform their duties.</p> <p>The Company believes that the independence of directors must be assessed based on the substance of the situation. The Board of Directors is committed to continually evaluating the independence of directors, including whether the relevant directors can consistently pose constructive questions to management and other directors, and whether their expressed viewpoints are independent of management or other directors. The actions of the Company's independent directors have consistently met expectations, demonstrating the above-mentioned qualities.</p>	1

Note: For detailed information on the professional qualifications and experience of the directors, please refer to pages 4 to 6 of this annual report.

5. Diversification and independence of the Board of Directors:

(1) Diversification of the Board of Directors:

The Company's "Corporate Governance Best Practice Principles" stipulate that the composition of the Board of Directors should consider diversity to strengthen corporate governance and promote the healthy development of the board's structure. This approach will contribute to enhancing the overall performance of the Company. Except for directors who also serve as managers of the Company, whose board seats should not exceed one-third of the total, the Company should establish appropriate diversity policies based on its operations, business model, and development needs. These policies should include, but not be limited to, the following two key standards:

- A. Basic conditions and values: Gender, age, nationality, and culture.
- B. Professional knowledge and skills: Professional background and abilities (such as law, finance, accounting, industry, marketing, and technology) as well as industry experience.

The current board member diversity policy of the Company and its implementation are as follows:

Core elements of diversity  Name of director	Basic conditions and values						Industry experience				Professional ability			
	Nationality	Gender	Holding concurrent position as an employee of the Company	Age		Years of service of independent directors		Technology industry	Securities & finance	Venture capital	Academic and educational services	Law	Business administration	Accounting and finance
				31 to 50	51 to 70	2 consecutive term or less	More than 3 consecutive terms							
Alcor Micro Corporation Representative: Lo, Sen-Chou	R.O.C.	Male		✓				✓		✓		✓		
Alcor Micro Corporation Representative: Tsai, Ling-Chun	R.O.C.	Female		✓				✓	✓			✓	✓	
Alcor Micro Corporation Representative: Peng, Chih-Chiang	R.O.C.	Male		✓				✓		✓		✓		
Huang, Liang-Chun	R.O.C.	Male	✓	✓				✓				✓		
Liao, Hui-Ling	R.O.C.	Female		✓					✓				✓	
Hsu, Yu-Pin	R.O.C.	Male		✓						✓	✓	✓	✓	
Wu, Chi-Ming	R.O.C.	Male		✓			✓	✓	✓	✓		✓	✓	
Yu, Chi-Min	R.O.C.	Male		✓			✓			✓	✓			
Cheng, Chun-Yuan	R.O.C.	Male		✓	✓			✓		✓		✓	✓	

The Company's 10th Board of Directors has 9 directors, including 6 with primary experience in industry, 1 in venture capital, 1 in financial securities, and 1 in academia and other professional backgrounds, of whom 1 director who is an employee of the Company accounts for 11.11%, and 3 independent directors account for 33.33%; in terms of age distribution, 2 directors are aged 31~50 and 7 directors are aged 51~70;

the Company attaches importance to gender equality in the composition of the Board of Directors, and currently there are 2 female directors, accounting for 22.22%, with expertise in corporate governance, business management, securities, and finance.

The directors of any gender on the Board of Directors of the Company has not yet reached one-third of the Board of Directors members. The following is a description about the reasons and the measures the Company plans to adopt to improve the gender diversity of the Board of Directors:

- I. Reason: The Company has appointed 9 directors according to the Articles of Incorporation. The current directors were elected at the shareholders' meeting on June 13, 2023. As there are two female directors, the Company is considered complying with the relevant laws and regulations prevailing at that time. Notwithstanding, the Company doesn't set the special requirements about the gender ratio.
- II. Measures adopted: Once the term of the Board of Directors has expired, before the re-election, the Company will seek recommendations from multiple channels including the industry and academia and proactively invite female professionals with industry experience to join the Company to improve corporate governance performance and implement the board diversity policy. The Company aims to have comprise at least one-third of the entire board.

The current directors of the Company as a whole possess operational judgment, accounting and financial analysis, business management, crisis management, industry knowledge, international market perspective, and leadership and decision-making capabilities, and also have extensive industry experience in various aspects, among whom Chairman Tsai, Ling-Chun has experience in providing counseling to enterprises by securities firms and leadership and business management experience in the semiconductor industry and possesses financial and accounting capabilities, Director Lo, Sen-Chou has venture capital experience and has served as chairman of many semiconductor and technology companies, with extensive leadership and business management experience, Director Peng, Chih-Chiang has business management experience in venture capital and the semiconductor and technology industries, Director Huang, Liang-Chun has marketing, sales, and business management experience in the semiconductor and electronics industries, Director Liao, Hui-Ling works at a securities firm and has many years of industry investment experience, Director Hsu, Yu-Pin operates cultural, educational, and investment businesses and possesses financial management capabilities, Director Wu, Chi-Ming has served as chairman in the electronics industry, operates investment businesses, and has many years of experience in the securities and investment consulting industries, Director Yu, Chi-Min teaches in a law department, possesses legal expertise, and serves as an independent director in the electronics industry, and Director Cheng, Chun-Yuan operates investment businesses, has worked in the semiconductor and biotechnology industries, and possesses financial management capabilities.

In summary, the diverse perspectives and complementary expertise of the Company's board members align with the board diversity policy advocated by the Company. In

the future, based on the operation of the board, the Company's operational status, and development needs, the Company will amend and update the aspects and standards of the diversity policy as necessary. This will further enhance the knowledge, skills, and competencies that board members should possess to effectively perform their duties.

(2) Independence of the Board of Directors:

The Company has a total of 9 directors, with 3 independent directors, accounting for 33.33%. Each independent director meets the criteria for independence, as detailed in "4. Disclosure of directors' professional qualifications and information on the independence of independent directors". Among the 9 directors, there are no spousal relationships or second-degree kinship ties, and thus, and none of the circumstances specified in Articles 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act.

(II) Information on the President, Vice Presidents, Assistant Managers, and heads of various departments

Title	Nationality	Name	Gender	Date of election (appointed)	Shares held		Shares held by spouse and minor children		Shares held in the name of others		Major experience/education
					Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)	
President	R.O.C.	Huang, Liang-Chun	Male	2016.7.7	213,310	0.48	-	-	-	-	Department of Engineering and National Tsing Hua University Regional Manager, Sales I Connectivity Ltd.
Vice President, R&D	R.O.C.	Jen, Tsung-Hui	Male	2018.7.27	62,406	0.14	1,000	-	-	-	Master, Institute of Electro-Opt National Chiao Tung University President, Alcorvision Technol
Head of Accounting	R.O.C.	Liao, Li-Wen	Female	2017.10.12	177,312	0.40	-	-	-	-	Department of Business Tunghai University Manager, Finance Department Technology
Head of Finance				2017.4.10							
Head of Accounting	R.O.C.	Hsu, Wen-Te	Male	2025.12.16	-	-	-	-	-	-	Master's Degree, Graduate Accounting, National Chengchi Senior Investment Manager, H
Head of Finance				2025.12.16							

Note 1: The head of accounting and finance resigned on 2025.12.19 due to personal career planning, and information is disclosed up

Note 2: When the President or equivalent position (highest manager) and the Chairman are the same person, spouses, or relatives reasonably, necessity, and response measures shall be disclosed: The Company's Chairman and President are not the same

II. The remuneration to directors, President, and Vice Presidents in the most recent year

(I) Remuneration to general directors and independent directors

December 31, 2025 Unit: NTD thousands

Title	Name	Remuneration to directors								The sum of A, B, C and D and as a percentage of net income (%)		The relevant remuneration received by employees holding concurrent positions								The sum of A, B, C, D, E, F and G as a percentage of net income (%)		Remuneration from the reinvested business other than the subsidiaries or the parent company		
		Remuneration (A)		Severance pay and pension (B)		Remuneration to directors (C)		Business execution cost (D)				Salaries, bonuses, and special allowances (E)		Severance pay and pension (F)		Remuneration to employees (G)								
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	Cash amount	Stock amount	Cash amount	Stock amount	The Company	All companies included in the financial statements			
Director	Representative, Alcor Micro Corporation: Lo, Sen-Chou	723	723	-	-	-	-	80	80	803	803	-	-	-	-	-	-	-	-	803	803	-8.08%	-8.08%	16,677
	Representative, Alcor Micro Corporation: Tsai, Ling-Chun	2,059	2,059	-	-	-	-	80	80	2,139	2,139	253	253	-	-	-	-	-	-	2,392	2,392	-24.08%	-24.08%	4,983
	Representative, Alcor Micro Corporation: Peng, Chih-Chiang	-	-	-	-	-	-	60	60	60	60	-	-	-	-	-	-	-	-	60	60	-0.60%	-0.60%	-
	Huang, Liang-Chun	-	-	-	-	-	-	80	80	80	80	4,031	4,031	-	-	-	-	-	-	4,111	4,111	-41.39%	-41.39%	-
	Liao, Hui-Ling	-	-	-	-	-	-	80	80	80	80	-	-	-	-	-	-	-	-	80	80	-0.81%	-0.81%	-
	Hsu, Yu-Pin	-	-	-	-	-	-	80	80	80	80	-	-	-	-	-	-	-	-	80	80	-0.81%	-0.81%	-
Independent Director	Wu, Chi-Ming	360	360	-	-	-	-	104	104	464	464	-	-	-	-	-	-	-	-	464	464	-4.67%	-4.67%	-
	Yu, Chi-Min	360	360	-	-	-	-	104	104	464	464	-	-	-	-	-	-	-	-	464	464	-4.67%	-4.67%	-
	Cheng, Chun-Yuan	360	360	-	-	-	-	104	104	464	464	-	-	-	-	-	-	-	-	464	464	-4.67%	-4.67%	-

Title	Name	Remuneration to directors				The sum of A, B, C and D and as a percentage of net income (%)		The relevant remuneration received by employees holding concurrent positions				The sum of A, B, C, D, E, F and G as a percentage of net income (%)		Remuneration from the reinvested business other than the subsidiaries or the parent company		
		Remuneration (A)		Severance pay and pension (B)				Remuneration to directors (C)		Business execution cost (D)					Salaries, bonuses, and special allowances (E)	
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements		Cash amount	Stock amount
1.	Apart from the disclosures in the table above, the remuneration received by the Company's directors for services provided to all companies within the financial statements in the most recent year (such as serving as consultants for the parent company/all companies within the financial statements/affiliates that are not employees): None.															
2.	The policy, system, standards, and structure for the remuneration of independent directors, as well as the correlation between the remuneration amount and factors such as the responsibilities, risks, and time commitment involved, are as follows:															
(1)	According to the Company's Articles of Incorporation, the remuneration of directors is authorized by the Board of Directors and is determined based on the director's level of participation in operations and contribution value, taking into account industry standards.															
(2)	The remuneration of independent directors is primarily paid as a fixed amount, including the fixed remuneration for serving as an independent director and the travel expenses for attending meetings. A reasonable remuneration structure different from that of non-independent directors may be adopted as appropriate.															

(II) Remuneration to the President and Vice Presidents

December 31, 2025 Unit: NTD thousands

Title	Name	Salaries (A)		Severance pay and pension (B) (Note)		Bonuses and special allowances (C)		Amount of employee remuneration (D)				The sum of A, B, C and D and as a percentage of net income (%)		Remuneration from the reinvested business other than the subsidiaries or the parent company
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Huang, Liang-Chun	3,296	3,296	-	-	735	735	-	-	-	-	4,031 -40.58%	4,031 -40.58%	-
Vice President, R&D	Jen, Tsung-Hui	2,987	2,987	108	108	653	653	-	-	-	-	3,748 -37.73%	3,748 -37.73%	-

Note: The actual payment was NTD 0, and the amount was the appropriated amount.

## (III) Remuneration of the top five highest-paid managers of TWSE/TPEX-listed companies

December 31, 2025. Unit: NTD thousands

Title	Name	Salaries (A)		Severance pay and pension (B) (Note 1)		Bonuses and special allowances (C)		Amount of employee remuneration (D)				The sum of A, B, C and D and as a percentage of net income (%)		Remuneration from the reinvested business other than the subsidiaries or the parent company
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Huang, Liang-Chun	3,296	3,296	-	-	735	735	-	-	-	-	4,031 -40.58%	4,031 -40.58%	-
Vice President, R&D	Jen, Tsung-Hui	2,987	2,987	108	108	653	653	-	-	-	-	3,748 -37.73%	3,748 -37.73%	-
Head of Finance and Accounting (Note 2)	Hsu, Wen-Te	69	69	4	4	10	10	-	-	-	-	83 -0.84%	83 -0.84%	-
Head of Finance and Accounting (Note 3)	Liao, Li-Wen	1,557	1,557	86	86	141	141	-	-	-	-	1,783 -17.95%	1,783 -17.95%	-
Director (Note 4)	Lo, Shih-Chieh	1,176	1,176	45	45	424	424	-	-	-	-	1,645 -16.56%	1,645 -16.56%	-

Note 1: The actual payment was NTD 0, and the amount was the appropriated amount.

Note 2: The head of accounting and finance assumed office on 2025.12.16.

Note 3: The former head of accounting and finance resigned on 2025.12.19 due to personal career planning, and information is disclosed up to 2025.12.19.

Note 4: The Director assumed office on 2025.08.05.

- (IV) Employee remuneration distribution to key managers: None.
- (V) An analysis of the total remuneration paid by the Company and all consolidated companies to the Company's directors, supervisors, President, and Vice Presidents in the most recent two fiscal years, in relation to the ratio of net income of the individual or separate financial statements, as well as an explanation of the remuneration policy, standards and composition, the procedures for setting remuneration, and the correlation with operational performance, is as follows:
- (1) Total remuneration paid to the Company's directors, president, and vice presidents as a percentage of net income in the last two years

Title	Remuneration as a percentage of net income after tax (%)	
	2024	2025
Directors (including independent directors)	24.79%	-89.78%
President and Vice Presidents	23.84%	-78.31%

Directors' remuneration as a percentage of net profit after tax was negative in 2025, mainly because the Company incurred a loss in 2025; the remuneration of the President and Vice President as a percentage of net profit after tax was also affected by the loss in 2025, and all such percentages were negative.

- (2) The policies, standards, and components of remuneration, the procedures for determining remuneration, and their linkage to operating performance and future risks

The remuneration of the Company's directors and independent directors is determined based on their level of participation in the Company's operations and the value of their contributions, with reference to industry standards. Directors' remuneration is allocated according to the profit ratio specified in the Company's Articles of Incorporation and based on the results of the Board of Directors' performance evaluation. Independent directors may receive a reasonable remuneration different from non-independent directors and are entitled to a fixed monthly amount. The remuneration policy for the President and Vice Presidents considers industry salary benchmarks, the scope of responsibilities and authority in the Company, their contribution to the Company's operations, as well as the overall operational performance of the Company and individual performance, to ensure fairness and reasonableness. The reasonableness of the above-mentioned remuneration is reviewed and proposed by the Remuneration Committee and submitted to the Board of Directors for approval, with the aim of balancing sustainable corporate development and risk management.

### III. Status of Corporate Governance

(I) Operation of the Board of Directors: In the most recent year (2025), the Board of Directors held 8 meetings (A). The attendance of directors is as follows:

Title	Name	Number of attendance in person (B)	Number of attendance by proxy	Actual attendance rate (%) (B/A) (Note 1)	Notes
Chairman	Representative, Alcor Micro Corporation: Tsai, Ling-Chun	8	-	100%	-
Director	Representative, Alcor Micro Corporation: Lo, Sen-Chou	8	-	100%	-
Director	Representative, Alcor Micro Corporation: Peng, Chih-Chiang	6	2	75%	-
Director	Huang, Liang-Chun	8	-	100%	-
Director	Liao, Hui-Ling	8	-	100%	-
Director	Hsu, Yu-Pin	8	-	100%	-
Independent Director	Wu, Chi-Ming	8	-	100%	-
Independent Director	Yu, Chi-Min	8	-	100%	-
Independent Director	Cheng, Chun-Yuan	8	-	100%	-

Note 1: The actual attendance rate (%) is calculated based on the number of board meetings held during the director's term of office and their actual attendance.

Other matters to be recorded:

- I. If any of the following situations occur during the operation of the Board of Directors, the date, session, content of motions, opinions of all independent directors, and the Company's handling of the independent directors' opinions should be specified:
  - (I) Matters listed under Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee, and the provisions of Article 14-3 of the Securities and Exchange Act do not apply. For matters listed under Article 14-5 of the Securities and Exchange Act, please refer to the section on the operational status of the Audit Committee in this annual report.
  - (II) Any other documented objections or qualified opinions raised by independent directors against board resolutions in relation to matters other than those described above: None.
- II. The implementation of directors' recusal from conflict of interest motions should specify the director's name, the content of motions, the reason for recusal, and their participation in voting as follows:
  - (I) Resolved at the 13th meeting of the 10th Term of the Board of Directors (2025.03.06) on the distribution of remuneration to the Company's directors: Chairman Lo, Sen-Chou, Vice Chairman Tsai, Ling-Chun, Director Huang, Liang-Chun, Director Liao, Hui-Ling, and Director Hsu, Yu-Pin were interested parties and had recused themselves in advance and did not participate in the voting. This proposal was Approved unanimously by the other attending directors upon consultation by the Acting Chairman.
  - (II) Resolved at the 14th meeting of the 10th Term of the Board of Directors (2025.04.08) on the remuneration and bonus distribution for the Company's insiders: Vice Chairman Tsai, Ling-Chun and President Huang, Liang-Chun were interested parties and had recused themselves in advance and did not participate in the voting. This proposal was Approved unanimously by the other attending directors upon consultation by the Acting Chairman.
  - (III) Resolved at the 15th meeting of the 10th Term of the Board of Directors (2025.05.06) on the Company's proposed acquisition of right-of-use assets for real property from parent company Alcor Micro Corporation: Chairman Lo, Sen-Chou, Vice Chairman Tsai, Ling-Chun, and Director Peng, Chih-Chiang were interested parties and had recused themselves in advance and did not participate in the voting. This proposal was Approved unanimously by the other attending directors upon consultation by the Acting Chairman.

- (IV) Resolved at the 17th meeting of the 10th Term of the Board of Directors (2025.07.22) on the Company's proposed investment to acquire the Convertible Note issued by Gear Radio Limited and equity interests: Chairman Lo, Sen-Chou was an interested party and had recused himself in advance and did not participate in the voting. This proposal was Approved unanimously by the other attending directors upon consultation by the Acting Chairman.
- (V) Resolved at the 17th meeting of the 10th Term of the Board of Directors (2025.07.22) on the Company's proposed investment to acquire ordinary share equity interests in Taurus Wireless Inc.: Chairman Lo, Sen-Chou was an interested party and had recused himself in advance and did not participate in the voting. This proposal was Approved unanimously by the other attending directors upon consultation by the Acting Chairman.
- (VI) Resolved at the 18th meeting of the 10th Term of the Board of Directors (2025.08.05) on the remuneration of the Company's Chairman: Chairman Tsai, Ling-Chun was an interested party and had recused herself in advance and did not participate in the voting. This proposal was Approved unanimously by the other attending directors upon consultation by the Acting Chairman.

III. TWSE/TPEX listed companies are required to disclose information regarding the evaluation cycle and period, scope, methods, and content of the Board of Directors' self-evaluation (or peer evaluation). The execution of the Board evaluation should be detailed in the attached table:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Once a year	2025.01.01~2025.12.31	Board of Directors	Internal self-evaluation of the Board of Directors	I. Participation in the Company's operations II. Improvement of the quality of the Board of Directors' decision making III. Composition and structure of the Board of Directors IV. Election and continuing education of directors V. Internal control
Once a year	2025.01.01~2025.12.31	Individual board member	Self-evaluation of board members	I. Familiarity with the Company's goals and missions II. Awareness of the duties of a director III. Participation in the Company's operations IV. Management of internal relationship and communication V. The professional and continuing education of directors VI. Internal control
Once a year	2025.01.01~2025.12.31	Remuneration Committee	Internal self-evaluation of Remuneration Committee	I. Participation in the Company's operations II. Awareness of the duties of the Remuneration Committee III. Improvement of the quality of the Remuneration Committee's decision making IV. Composition of the Remuneration Committee and election of its members V. Internal control
Once a year	2025.01.01~2025.12.31	Audit Committee	Internal self-evaluation of Audit Committee	I. Participation in the Company's operations II. Awareness of the duties of the Audit Committee III. Improvement of the quality of the Audit Committee's decision making IV. Composition of the Audit Committee and election of its members V. Internal control

In 2025, the performance evaluation of the Board of Directors, the functional committees mentioned above, and the board members showed that all evaluation items received agreement or strong agreement, indicating that the operational implementation was satisfactory. The report was submitted to the Board of Directors on March 9, 2026.

IV. The goals for enhancing the functions of the Board of Directors for the current and most recent fiscal years (such

as establishing an Audit Committee, improving information transparency, etc.) and the assessment of their implementation status are as follows:

- (I) The Company has established its own Rules of Procedure for Board of Directors Meetings in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" to ensure compliance. Attendance of directors at Board meetings is disclosed in the annual report and on the MOPS to implement corporate governance.
- (II) To ensure that the risks undertaken by directors and managers in the implementation of their duties are protected, the Company provides liability insurance for directors and managers on an annual basis.
- (III) The Company established the Remuneration Committee at the end of 2011. The Committee has met at least twice a year to assist the Board of Directors in establishing and periodically evaluating the performance evaluation and remuneration policies, systems, standards, and structure for directors and managers. Since the beginning of 2025 until the publication date of the annual report, the Remuneration Committee held 5 meetings. Relevant personnel were invited to attend the meetings for inquiries and discussions, the meetings proceeded smoothly with effective communication.
- (IV) The Company established an Audit Committee in 2021. It has met at least quarterly since then to strengthen the Board of Directors' oversight function. The Audit Committee is responsible for reviewing the Company's financial reports, the appointment and remuneration of certified public accountants, and the effectiveness of the internal control system, as stipulated in the Audit Committee's organizational rules. Since the beginning of 2025 until the publication date of the annual report, the Audit Committee held 8 meetings. Relevant personnel were invited to attend the meetings for inquiries and discussions, the meetings proceeded smoothly with effective communication.
- (V) To implement corporate governance and enhance the functions and operational efficiency of the Board of Directors and functional committees, the Company has established the "Board of Directors and Functional Committees Performance Evaluation Procedures". After evaluation, the performance and implementation of the Board of Directors and functional committees in 2025 were deemed satisfactory, and the report was submitted to the Board of Directors on March 9, 2026.
- (VI) In accordance with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies, the Company provides information on courses organized by external training institutions for directors' reference, and encourages directors to actively participate in corporate governance-related courses to learn new knowledge and enhance the exchange with others, in order to strengthen the functions of the board members. All directors have completed the continuing education hours required by their re-appointment, namely 60 hours, in 2025. The continuing education of directors is disclosed in the annual report and on the MOPS.
- (VII) In order to implement corporate governance, the Company has appointed the Chief Corporate Governance Officer in May 2023, and amended the "Standard Operating Procedures for Handling Directors' Requests" at the same time, in order to strengthen the functions of the Board of Directors and enhance the sustainable value of the enterprise.
- (VIII) The Company's website features a sustainable management section and an investor relations section, providing key information related to the Company's finances, business, and corporate governance. It also establishes contact channels for various stakeholders.

## (II) Status of the Audit Committee

The Company established the 1st Audit Committee on July 8, 2021, replacing the supervisor system. The term of the current (2nd) committee members is from June 13, 2023, to June 12, 2026. The Audit Committee held 8 meetings (A) in the most recent year (2025). The attendance of independent directors is as follows:

Title	Name	Number of actual attendances (B)	Number of attendance by proxy	Actual attendance rate (%) (B/A)	Notes
Convenor	Wu, Chi-Ming	8	-	100%	-
Committee member	Yu, Chi-Min	8	-	100%	-

Committee member	Cheng, Chun-Yuan	8	-	100%	-
<p>Other matters to be recorded:</p> <p>If any of the following situations occur during the operation of the Audit Committee, the date, session, content of motions, opinions of independent directors (including objections, reservations, or significant recommendations), the decision made by the Audit Committee, and the Company's handling of the Audit Committee's opinions should be specified:</p> <p>(I) Matters listed under Article 14-5 of the Securities and Exchange Act</p>					
Term and date of Audit Committee meetings	Content of motions	Independent directors' objections, reservations or significant recommendations	Audit Committee's resolution result	The Company's handling of the opinions of the Audit Committee	
2nd Term, 11th meeting 2025.03.06	<ol style="list-style-type: none"> <li>Proposed the "Internal Control System Effectiveness Assessment" and "Statement of Internal Control" of the Company in 2024</li> <li>Proposed the Company's 2024 business report and financial statements</li> <li>Proposed the Company's 2024 earnings distribution plan</li> <li>The Company's proposed distribution of cash dividends from capital surplus</li> <li>Proposed the decision not to proceed with the private placement of common shares approved at the 2024 annual general shareholders' meeting</li> <li>The Company's proposed issuance of common shares by private placement</li> </ol>	None	Approved by all members present at the Audit Committee meeting	The motion was approved unanimously by all attending directors	
2nd Term, 12th meeting 2025.04.08	<ol style="list-style-type: none"> <li>Proposed the Company's evaluation of the independence and suitability of the CPAs and appointment thereof</li> <li>Proposed the Company's remuneration to the CPAs in 2025</li> <li>Determination of the scope of the Company's entry-level employees and a proposal to amend portions of the Company's "Internal Control System – Salary Circulation" provisions.</li> <li>Amendments to certain provisions of the Company's "Salary/Wage Cycles Audit Procedure</li> <li>Proposal to Amend Sections of the Company's Articles of Incorporation</li> <li>Proposed to amend certain articles of the "Procedures for Acquisition or Disposal of Assets"</li> <li>Proposal to amend certain provisions of the Company's "Procedures for Funds Loans and Endorsements/Guarantees</li> <li>Proposal to Amend Certain Provisions of the Company's Rules of Election of Directors</li> <li>The Company has signed a GR5000-SoC product licensing agreement with Gear Radio Electronics Co., Ltd.</li> </ol>	None	Approved by all members present at the Audit Committee meeting	The motion was approved unanimously by all attending directors	
2nd Term, 13th meeting 2025.05.06	<ol style="list-style-type: none"> <li>Proposed the Company's Q1 2025 financial statements</li> <li>Formulation of the Company's "Procedures for Preparing and Assuring the Sustainability Report"</li> <li>The Company proposes to obtain the right-of-use assets of real property from its parent company, Alcor Micro Corporation</li> </ol>	None	Approved by all members present at the Audit Committee meeting	The motion was approved unanimously by all attending directors	
2nd Term, 14th meeting 2025.06.03	<ol style="list-style-type: none"> <li>The Company has changed its auditing firm and certified public accountant.</li> </ol>	None	Approved by all members present at the Audit Committee meeting	The motion was approved unanimously by all attending directors	
2nd Term, 15th meeting 2025.07.22	<ol style="list-style-type: none"> <li>The Company intends to acquire Convertible Notes issued by Gear Radio Limited and obtain an equity stake in the company.</li> <li>The Company intends to acquire common stock in Taurus Wireless Inc.</li> <li>The Company proposes to obtain the right-of-use assets of real property from its parent company, Alcor Micro Corporation</li> </ol>	None	Approved by all members present at the Audit Committee meeting	The motion was approved unanimously by all attending directors	

2nd Term, 16th Meeting 2025.08.05	<ol style="list-style-type: none"> <li>1. A proposal to pre-approve CPAs, their firms, and affiliated firms to provide non-assurance services to the Company.</li> <li>2. Proposed the Company's remuneration to the CPAs in 2025</li> <li>3. The Company's 2025 Q2 financial report.</li> <li>4. Proposal for amendment of certain articles of the Company's "Investment Procedures"</li> </ol>	None	Approved by all members present at the Audit Committee meeting	The motion was approved unanimously by all attending directors
2nd Term, 17th meeting 2025.11.14	<ol style="list-style-type: none"> <li>1. The Company's 2025 Q3 financial report.</li> </ol>	None	Approved by all members present at the Audit Committee meeting	The motion was approved unanimously by all attending directors
2nd Term, 18th meeting 2025.12.16	<ol style="list-style-type: none"> <li>1. The Company's 2026 audit plan</li> <li>2. Appointment of the Company's Chief Financial Officer and Chief Accountant</li> </ol>	None	Approved by all members present at the Audit Committee meeting	The motion was approved unanimously by all attending directors

(II) Other resolutions that were not approved by the Audit Committee but were agreed upon by more than two-thirds of all directors: No such situation.

II. The implementation of independent directors' recusal from conflict of interest motions should specify the independent director's name, the content of motions, the reason for recusal, and their participation in voting as follows: No such situation.

III. Communication between independent directors, head of internal audit, and CPAs (should include major matters discussed regarding the Company's financial and business conditions, the methods of communication, and the results, etc.):

(I) The Company's independent directors have direct communication channels with the head of internal audit. Regularly, internal audit reports are submitted to the independent directors for review, and they attend every Audit Committee meeting. The head of internal audit also provides regular reports to the independent directors regarding the execution of the Company's internal audit operations. The summary of the communications between the head of internal audit and the Company's directors in 2025 is as follows:

Date	Communication focus	Suggestions and results
2025.03.06	<ol style="list-style-type: none"> <li>1. Report on the implementation of internal audit operations</li> <li>2. Report on the results of the 2024 internal control self-evaluation</li> <li>3. 2024 statement of internal control system</li> </ol>	The committee members agreed with the report's findings and had no other suggestions for this meeting
2025.04.08	<ol style="list-style-type: none"> <li>1. Report on the implementation of internal audit operations</li> <li>2. Amendments to the internal control system</li> </ol>	
2025.05.06	<ol style="list-style-type: none"> <li>1. Report on the implementation of internal audit operations</li> <li>2. Amendments to the internal control system</li> </ol>	
2025.06.03	<ol style="list-style-type: none"> <li>1. Report on the implementation of internal audit operations</li> </ol>	
2025.07.22	<ol style="list-style-type: none"> <li>2. Report on the implementation of internal audit operations</li> </ol>	
2025.08.05	<ol style="list-style-type: none"> <li>1. Report on the implementation of internal audit operations</li> <li>2. Amendments to the internal control system</li> </ol>	
2025.11.04 A separate communication meeting before the Audit Committee meeting	<ol style="list-style-type: none"> <li>1. Report on Internal Audit Execution Highlights</li> </ol>	
2025.11.04	<ol style="list-style-type: none"> <li>1. Report on the implementation of internal audit operations</li> </ol>	
2025.12.16	<ol style="list-style-type: none"> <li>1. Report on the implementation of internal audit operations</li> <li>2. 2026 annual audit plan</li> </ol>	

(II) The CPAs communicates at least once a year regarding the audit results of the financial statements, key audit matters, and significant amendments to laws and regulations. The summary of communication between the independent directors and CPAs in 2025 are as follows:

Date	Communication focus	Suggestions and results
2025.03.06	Communication with the governance unit during the audit completion phase of the 2024 financial statements	The committee members agreed with the report's findings and had no other suggestions for this meeting
2025.05.06	The review of the financial statements for Q1, 2025 has been completed	
2025.08.05	Completion of the review of the financial statements for Q2 2025	
2025.11.04 A separate communication meeting before the Audit Committee meeting	Review results (separate meetings)	
2025.11.04	Communication with the governance unit upon completion of the review of the financial statements for Q3 2025	

(III) The Company's corporate governance operations and the deviations compared to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor

Items	Operational status		Summary Description	The deviation compared to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No		
I. Has the Company established and disclosed its Corporate Governance Best Practice Principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"?	✓		The Company's Board of Directors approved the "Corporate Governance Best Practice Principles" on May 2, 2023, and has disclosed it in the investor relations section of the Company's website and the MOPS.	In compliance with principles.
II. Equity structure and shareholders' equity of the Company				
(I) Has the company established internal procedures for handling shareholder suggestions, inquiries, disputes, and litigation matters, and implemented them accordingly?	✓		(I) The Company has a spokesperson, an acting spokesperson, and an investor relations contact as points of contact for handling shareholder suggestions or inquiries. Additionally, the Company's website includes an investment and shareholder services consultation mailbox managed by dedicated personnel to address shareholder suggestions and related matters.	In compliance with principles.
(II) Does the Company maintain records of the major shareholders who effectively control the Company and the ultimate controllers of these major shareholders?	✓		(II) The Company's personnel in charge of the shareholders service are responsible for the relevant matters. The shareholder service agent, "Shareholders Service Agency Dept., Grand Fortune Securities Co., Ltd.," assists in the shareholders services and reports the changes in shareholding by the insiders (directors, managers, and shareholders holding more than 10% of the Company's total shares) on the "MOPS" on a monthly basis, helping control the roster of major shareholders effectively.	In compliance with principles.
(III) Has the Company established and implemented a risk control mechanism and firewall mechanism for affiliates?	✓		(III) The Company has established the "Operating Procedures for Transactions with Group Enterprises, Related Parties, and Affiliates" and implements them in accordance with the procedures.	In compliance with principles.
(IV) Has the Company established internal regulations prohibiting insiders from trading securities using non-public information obtained from the market?	✓		(IV) The Company has established the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct", and has formulated the "Internal Major Information Handling and Insider Trading Prevention Management Procedures", which specifically regulate the matters that Company personnel should pay attention to when performing their duties,	In compliance with principles.

Items	Operational status		Summary Description	The deviation compared to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No		
			prohibiting insiders from trading securities using non-public information obtained from the market.	
<p>III. The composition and duties of the Board of Directors</p> <p>(I) Has the Board of Directors formulated a diversity policy, specific management objectives, and ensured its implementation?</p>		✓	<p>(I) The Company has established the "Corporate Governance Best Practice Principles." Article 20 of the Principles expressly states the diversity policy of the Board of Directors and the abilities that the Board of Directors shall have:</p> <ol style="list-style-type: none"> <li>1. The composition of the Board of Directors shall take diversity into account, and an appropriate diversity policy has been formulated in terms of its own operations, business models and development needs. It is advisable to include without limitation to the following two major standards: <ol style="list-style-type: none"> <li>(1) Basic conditions and values: gender, age, nationality and culture, among which, the proportion of female directors should reach one-third of the Board seats.</li> <li>(2) Professional knowledge and skills: professional backgrounds (such as law, finance, accounting, industry, marketing, and technology), professional skills, and industry experience.</li> </ol> </li> <li>2. The Board of Directors shall have the following abilities: <ol style="list-style-type: none"> <li>(1) The ability to make operational judgments.</li> <li>(2) Accounting and financial analysis ability.</li> <li>(3) Operation and management ability.</li> <li>(4) Crisis management capability.</li> <li>(5) Industry knowledge.</li> <li>(6) International market outlook.</li> <li>(7) Leadership.</li> <li>(8) Decision-making ability.</li> </ol> </li> <li>3. The nomination and selection of the Company's board members complies with the Articles of Incorporation and adopts a candidate nomination system. In addition to evaluating the educational background, experience and qualifications of each candidate, the</li> </ol>	In compliance with principles.

Items	Operational status			The deviation compared to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary Description	
(II) In addition to the legally required Remuneration Committee and Audit Committee, has the Company voluntarily established other functional committees?	✓		<p>Company also complies with the "Corporate Governance Best Practice Principles" to ensure the diversity of the Board members and independence of the independent directors.</p> <p>4. The 10th Board of Directors of the Company consists of 9 directors, including 1 director who is an employee, accounting for 11.11%, and 3 independent directors, accounting for 33.33%.</p> <p>5. The Company also values the gender equality in the composition of the Board of Directors. Currently, out of the 9 directors, there are 2 female directors, accounting for 22.22%. The female directors are set to reach one-third of the whole directors in the future.</p> <p>6. For the Company's implementation of the Board diversity policy and statistics about the implementation status, please refer to Pages 12 to 14 of the annual report about the diversity and independence of the Board of Directors, which is disclosed on the Company's website.</p>	It will be established according to the actual needs of the Company.
(III) Has the Company established a board performance evaluation system and evaluation methods, conducts regular annual performance evaluations, reports the evaluation results to the Board of Directors, and uses the results as a reference for individual director remuneration and reappointment nominations?	✓		(II) The Company has established the Remuneration Committee and Audit Committee as required by law, while other functional committees have not yet been established.	
(IV) Does the Company regularly evaluate the independence of CPAs?	✓		(III) To continuously implement corporate governance and enhance the functions of the Board of Directors, the Company has established the "Regulations Governing Performance Evaluation of the Board of Directors and Functional Committees", stipulating that the Board of Directors shall conduct at least once a year a performance evaluation of the Board of Directors, directors and each functional committee. The Company completed the 2025 Board of Directors performance evaluation and reported the results at the Board meeting on March 9, 2026. Based on the evaluation results, the Board's overall performance in 2025 was positive and will be considered when determining individual director compensation and nominating candidates for the next Board of Directors.	In compliance with principles.
			(IV) The Company's Board of Directors assesses the independence and suitability of the CPAs on an annual basis, and makes reference to the Audit Quality Indicators (AQIs) to assess the independence and suitability of the external auditors. For the Company's evaluation on the independence of	In compliance with principles.

Items	Operational status			The deviation compared to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary Description	
			external auditors in 2025, the Audit Committee and the Board of Directors approved on April 8, 2025 that Pei-Chuan Huang, CPA and Chin-Chang Chen, CPA of PwC Taiwan are independent and competent, and free from any conflict of interest with the Company or any circumstances that affect their independence. Meanwhile, in reference to the AQI, the Company also confirmed that the number of external inspection deficiencies of the CPAs and the CPA firm are lower than the average level among the peers and that their training hours and professional support meet the average level among the peers. Therefore, they were appointed upon the Company's review and approval. On June 3, 2025, the Audit Committee and the Board of Directors approved the engagement of Ernst & Young as the new accounting firm, effective in the second quarter of 2025. Yang, Yu-Ni and Huang, Min-Ju were also appointed as certified public accountants, both of whom are independent and qualified.	
IV. Do listed companies allocate a suitable and appropriate number of corporate governance personnel and designate a Head of Corporate Governance responsible for corporate governance-related matters (including but not limited to providing directors and supervisors with necessary materials to perform their duties, assisting directors and supervisors in complying with laws and regulations, managing board and shareholders' meeting-related matters in accordance with the law, and preparing board and shareholders' meeting minutes)?	✓		On May 2, 2023, the Board of Directors resolved to appoint Liao Li-wen, a senior manager in the accounting department, as the corporate governance officer; on December 16, 2024, the Board of Directors resolved to appoint Hsu Wen-te, also a senior manager in the accounting department, as the corporate governance officer. The corporate governance officer and related personnel are responsible for the following: handling matters related to board and shareholders' meetings in accordance with the law, preparing minutes of board and shareholders' meetings, assisting directors with onboarding and ongoing professional development, renewing directors' and managers' liability insurance, providing directors with information necessary for their duties, and assisting directors in complying with relevant laws and regulations, as well as other corporate governance matters.	In compliance with principles.
V. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers) and set up a stakeholder section on the Company website, appropriately responding to important corporate social	✓		The Company has designated a spokesperson and an acting spokesperson to handle related matters. A stakeholder section and dedicated contact points have been set up in the sustainability section of the Company website to maintain smooth communication channels with stakeholders. The Company identifies the issues of concern for each type of stakeholder and uses these as a reference for the Company's operational direction.	In compliance with principles.

Items	Operational status			The deviation compared to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary Description	
responsibility issues raised by stakeholders?				
VI. Has the Company appointed a professional shareholder services agency to handle shareholders' meeting affairs?	✓		The Company has appointed the Stock Affairs Agency Department of Grand Fortune Securities Co., Ltd. to handle shareholders' meeting and stock affairs.	In compliance with principles.
VII. Information transparency				
(I) Does the company have a website that discloses financial, business, and corporate governance information?	✓		(I) The Company has established an investor section on the Company's website, disclosing financial, business, and corporate governance-related information.	In compliance with principles.
(II) Does the Company adopt other methods of information disclosure (such as setting up an English website, designating personnel to collect and disclose company information, implementing a spokesperson system, and posting the process of institutional investor briefings on the Company website, etc.)?	✓		(II) The Company has established a spokesperson system. The Company's spokesperson is the President, Huang, Liang-Chun, and designated personnel are assigned to be responsible for the collection and disclosure of the Company's information to ensure that information which may affect the decisions of shareholders and stakeholders is disclosed in a timely and appropriate manner. In addition, the proceedings of institutional investor conferences have been posted on the Company's website, and an English website has been established.	In compliance with principles.
(III) Does the Company announce and report the annual financial statement within two months after the end of the fiscal year, and announce and report the financial statements for Q1, Q2, and Q3, as well as the monthly operating performance, ahead of the required deadlines?		✓	(III) In 2025, the Company has not yet announced and reported its annual financial statements in advance; however, it has announced and reported its annual financial reports by the prescribed deadline, and announced and reported its quarterly financial reports and monthly operating status earlier than the prescribed deadlines.	No significant difference.
VIII. Does the Company have other important information that helps understand its corporate governance operations (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, the training of directors and supervisors, the implementation of risk management policies and risk measurement standards, the implementation of customer policies, the Company's purchase of liability	✓		(I) Employee rights: The Company has established employee work rules and strictly enforces relevant regulations to protect employee rights. Employees can safeguard their rights through suggestion boxes, email communication, and quarterly labor-management meetings. (II) Employee care: The personnel regulations comply with government laws and regulations, and the employee welfare system is comprehensive. In addition to providing bonuses for the three major festivals, employee remuneration, travel allowances, and implementing a retirement pension system, the Company also offers group insurance for employees and arranges regular health checkups. The Company actively encourages	In compliance with principles.

Items	Operational status		Summary Description	The deviation compared to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No		
insurance for directors and supervisors, etc.)?			<p>employees to participate in various training courses. Furthermore, a Welfare Committee has been established, which allocates funds monthly and prepares annual welfare plans and budgets.</p> <p>(III) Investor relations: In accordance with legal requirements, the Company honestly and transparently discloses company information to protect the rights of investors and stakeholders. The Company has set up both Chinese and English websites, email communication channels, and a spokesperson system as means of communication with investors.</p> <p>(IV) Supplier relations: The Company has established relevant regulations for supplier management and maintains good relationships, working together to enhance corporate social responsibility. Additionally, the Company ensures that its products comply with international regulations such as the EU RoHS, REACH, and other national laws regarding hazardous substances.</p> <p>(V) Stakeholders' rights: The Company website has established contact points and a spokesperson system as channels for communication with stakeholders.</p> <p>(VI) Implementation of customer policy: The Company maintains good relationships with customers to respond to rapid market changes. The Company continuously develops innovative solutions, with a customer-oriented approach, to meet customer needs and provide comprehensive services.</p> <p>(VII) The Company has established various internal regulations and performs risk management and evaluation accordingly.</p> <p>(VIII) The Company has purchased liability insurance for its directors and reported the insurance details to the Board of Directors on November 4, 2025.</p> <p>(IX) Continuing education of directors: The directors possess professional backgrounds and management experience and have undergone regular continuing education as required by laws and regulations and practical needs. Details of continuing education for 2025 are available on pages 57 to 59 of the annual report.</p>	

Items	Operational status		Summary Description	The deviation compared to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No		
			(X) The Company's website has established sections for sustainability, investor relations, and corporate governance to provide relevant important information.	
IX. Please describe the improvements made based on the Corporate Governance Evaluation results published by the Corporate Governance Center of Taiwan Stock Exchange Corporation in the most recent year, and state the priority areas for enhancement and corresponding measures for those not yet improved: The Company was listed on the Taiwan Innovation Board on June 27, 2024, and underwent its 1st Corporate Governance Evaluation in 2025. As of April 27, 2026, the evaluation results have not yet been released and are therefore not applicable.				

● **Evaluation of the appointment of CPA firm and CPAs: PricewaterhouseCoopers Taiwan/CPA Huang, Pei-Juan, CPA Chen, Chin-Chang**

(I) Evaluation of independence requirements: (If any item is answered “No”, further clarification of the specific facts is required)

Evaluation Items	Evaluation Results	Notes
1. The CPA, such person's spouse, and minor children have no investment in or financial interests shared with the Company.	Yes	
2. The CPA, such person's spouse, and minor children have no lending relationship with the Company. However, this restriction does not apply where the client is a financial institution with normal business dealings.	Yes	
3. The accounting firm has not issued an assurance report on the effective operation of the financial information system it designed or assisted in implementing.	Yes	
4. The CPA or members of the audit team have not served as a director, manager, or in any position with significant influence over the audit engagement of the Company, either currently or within the past two years.	Yes	
5. The non-audit services provided to the Company do not include any significant items that directly affect the audit engagement.	Yes	
6. The CPA or members of the audit team have not promoted or brokered stocks or other securities issued by the Company.	Yes	
7. The CPA or members of the audit team have not represented the Company in the advocacy of legal cases or other dispute matters with third parties, except for business permitted by laws and regulations.	Yes	
8. The CPA or members of the audit team are not related as spouses, lineal blood relatives, lineal relatives by marriage, or collateral blood relatives within the 2nd degree to the Company's directors, managers, or personnel in positions with significant influence over the audit engagement.	Yes	
9. The CPA or members of the audit team have not accepted gifts or special favors of significant value from the Company or its directors, managers, or major shareholders.	Yes	
10. The CPA has not provided audit services to the Company for seven consecutive years.	Yes	
11. Whether the CPA has recused himself or herself and has not accepted the engagement when the matters entrusted involve a direct or material indirect interest of the CPA that affects such person's impartiality and independence.	Yes	
12. When the CPA provides an opinion on the audit, review, re-audit, or special examination of financial statements, whether the CPA maintains not only substantive independence but also independence in appearance.	Yes	
13. Whether members of the audit team, other joint practicing CPAs or shareholders of incorporated accounting firms, accounting firms, affiliated enterprises of the firms, and alliance firms also maintain independence from the Company.	Yes	
14. Whether the CPA performs professional services with integrity and rigor, maintains a fair and objective position, and avoids professional judgment being affected by bias, conflicts of interest, or vested interests.	Yes	
15. Whether an independence statement issued by the signing CPA has been obtained	Yes	

(II) Assess independence and competence with reference to Audit Quality Indicators (AQIs):  
(if any item is “No”, further understanding of the specific facts shall be required)

Evaluation Items	Evaluation Results	Notes
1. Whether the currently appointed CPA provides and explains Audit Quality Indicators (AQIs) and whether the indicators are consistent and comparable?	Yes	
2. Whether the audit experience of the CPA and audit personnel, compared with the industry average, is sufficient to perform the audit work.	Yes	
3. Whether the education and training received by the CPA and audit personnel, compared with the industry average, are sufficient to continuously acquire professional knowledge and skills.	Yes	
4. Whether the firm's turnover rate, compared with the industry average, enables it to maintain sufficient senior human resources.	Yes	
5. Whether the input of audit team members at each audit stage is appropriate compared with the industry average.	Yes	
6. Whether the hours invested by the EQCR (Engagement Quality Control Review) CPA in reviewing audit engagements are sufficient compared with the industry average.	Yes	
7. Whether the firm's quality control personnel, compared with the industry average, are sufficient to support the audit team.	Yes	
8. Whether the proportion of fees for non-audit services provided by the firm is not excessively high so as to affect its independence in the audit of the Company.	Yes	
9. Whether the firm or the CPA has had no serious or repeated inspection deficiencies or sanctions in the past three years	Yes	At the firm level, in 2024, the competent authority's inspection identified one deficiency in the audit of financial statements, and PwC explained that the company in that audit case had no longer been an audit client of the firm since 2023.

◆ Overall evaluation results:

Upon evaluation, CPA Huang, Pei-Chuan and CPA Chen, Chin-Chang of PwC Taiwan are independent and competent, meet the Company's independence requirements, have no interest relationship with the Company or any other circumstances affecting their independence, and, with reference to the AQI indicators, it was confirmed that the number of external inspection deficiencies of the CPAs and the accounting firm is below the industry average, and that the training hours and professional support both meet the industry average. The appointment was made after review and approval.

● **Evaluation of the appointment of the signing accounting firm and CPAs: Ernst & Young/CPA Yang, Yu-Ni, CPA Huang, Min-Ju**

(I) Evaluation of independence requirements: (If any item is answered “No”, further clarification of the specific facts is required)

Evaluation Items	Evaluation Results	Notes
1. The CPA, such person's spouse, and minor children have no investment in or financial interests shared with the Company.	Yes	
2. The CPA, such person's spouse, and minor children have no lending relationship with the Company. However, this restriction does not apply where the client is a financial institution with normal business dealings.	Yes	
3. The accounting firm has not issued an assurance report on the effective operation of the financial information system it designed or assisted in implementing.	(not applicable)	(Has yet to handle any cases for the Company)
4. The CPA or members of the audit team have not served as a director, manager, or in any position with significant influence over the audit engagement of the Company, either currently or within the past two years.	Yes	
5. The non-audit services provided to the Company do not include any significant items that directly affect the audit engagement.	Yes	
6. The CPA or members of the audit team have not promoted or brokered stocks or other securities issued by the Company.	Yes	
7. The CPA or members of the audit team have not represented the Company in the advocacy of legal cases or other dispute matters with third parties, except for business permitted by laws and regulations.	Yes	
8. The CPA or members of the audit team are not related as spouses, lineal blood relatives, lineal relatives by marriage, or collateral blood relatives within the 2nd degree to the Company's directors, managers, or personnel in positions with significant influence over the audit engagement.	Yes	
9. The CPA or members of the audit team have not accepted gifts or special favors of significant value from the Company or its directors, managers, or major shareholders.	Yes	
10. The CPA has not provided audit services to the Company for seven consecutive years.	Yes	(Has yet to handle any cases for the Company)
11. Whether members of the audit team, other joint practicing CPAs or shareholders of incorporated accounting firms, accounting firms, affiliated enterprises of the firms, and alliance firms also maintain independence from the Company.	Yes	
12. Whether the CPA has recused himself or herself and has not accepted the engagement when the matters entrusted involve a direct or material indirect interest of the CPA that affects such person's impartiality and independence.	(not applicable)	(Has yet to handle any cases for the Company)
13. When the CPA provides an opinion on the audit, review, re-audit, or special examination of financial statements, whether the CPA maintains not only substantive independence but also independence in appearance.	(not applicable)	(Has yet to handle any cases for the Company)

Evaluation Items	Evaluation Results	Notes
14. Whether the CPA performs professional services with integrity and rigor, maintains a fair and objective position, and avoids professional judgment being affected by bias, conflicts of interest, or vested interests.	(not applicable)	(Has yet to handle any cases for the Company)
15. Whether an independence statement issued by the signing CPA has been obtained	Yes	

(II) Assess independence and competence with reference to Audit Quality Indicators (AQIs):  
(if any item is “No”, further understanding of the specific facts shall be required)

Evaluation Items	Evaluation Results	Notes
1. Whether the currently appointed CPA provides and explains Audit Quality Indicators (AQIs) and whether the indicators are consistent and comparable?	Yes	
2. Whether the audit experience of the CPA and audit personnel, compared with the industry average, is sufficient to perform the audit work.	Yes	
3. Whether the education and training received by the CPA and audit personnel, compared with the industry average, are sufficient to continuously acquire professional knowledge and skills.	Yes	
4. Whether the firm's turnover rate, compared with the industry average, enables it to maintain sufficient senior human resources.	Yes	
5. Whether the input of audit team members at each audit stage is appropriate compared with the industry average.	Yes	
6. Whether the hours invested by the EQCR (Engagement Quality Control Review) CPA in reviewing audit engagements are sufficient compared with the industry average.	Yes	
7. Whether the firm's quality control personnel, compared with the industry average, are sufficient to support the audit team.	Yes	
8. Whether the firm or the CPA has had no serious or repeated inspection deficiencies or sanctions in the past three years	Yes	
9. Whether the proportion of fees for non-audit services provided by the firm is not excessively high so as to affect its independence in the audit of the Company.	(not applicable)	(Has yet to handle any cases for the Company)

◆ Overall evaluation results:

Upon evaluation, CPA Yang, Yu-Ni and CPA Huang, Min-Ju of Ernst & Young are independent and competent, meet the Company's independence requirements, have no interest relationship with the Company or any other circumstances affecting their independence, and, with reference to the AQI indicators, it was confirmed that the number of external inspection deficiencies of the CPAs and the accounting firm is at the industry average, and that the training hours and professional support both meet the industry average. The appointment is proposed after review and approval.

(I) If the Company has established a Remuneration Committee, the composition, duties, and operation of the Committee should be disclosed:

1. Composition of the Remuneration Committee members

Conditions		Professional qualification and experience	Independence status	Number of other public companies where the committee members concurrently serve as members of the Remuneration Committees:
Identity	Name			
Convenor	Wu, Chi-Ming	Please refer to pages 9 to 11 of this annual report - Disclosure of directors' professional qualifications and information on the independence of independent directors	Please refer to pages 9 to 11 of this annual report - Disclosure of directors' professional qualifications and information on the independence of independent directors	1
Committee member	Yu, Chi-Min			-
Committee member	Cheng, Chun-Yuan			-

2. Responsibilities

- (1) Establish and regularly review the policies, systems, standards, and structures for the performance evaluation and remuneration of directors, independent directors, members of functional committees, and managers.
- (2) Regularly evaluate and establish the remuneration for directors, independent directors, members of functional committees, and managers.

3. Operational status:

- (1) The Company's Remuneration Committee consists of 3 members.
- (2) Current term of office:

The term of office for the current term (6th term) members commences from June 13, 2023 to June 12, 2026.

The Remuneration Committee held 4 meetings (A) in the most recent year (2025).

The attendance of members is as follows:

Title	Name	Number of actual attendances (B)	Number of attendance by proxy	Actual attendance rate (B/A) (%)	Notes
Convenor	Wu, Chi-Ming	5	-	100%	-
Committee member	Yu, Chi-Min	5	-	100%	-
Committee member	Cheng, Chun-Yuan	5	-	100%	-

Other matters to be recorded:

- I. If the Board of Directors declines to adopt or revise the recommendations of the Remuneration Committee, specify the date and term of the Board of Directors meeting, the content of the motion, the resolution of the board, and the Company's handling of the Remuneration Committee's opinions (if the Board of Directors has resolved a higher level of remuneration than the Remuneration Committee's recommendation, specify the difference and the reason for the difference): None.
- II. No dissenting opinions or reservations were expressed by any member of the Remuneration Committee, as recorded in the minutes or in writing.

Term and date of the Remuneration Committee	Content of motions	Remuneration Committee's resolution result	The Company's handling of the Remuneration Committee's opinions
5th meeting of the 6th term 2025.03.06	<ol style="list-style-type: none"> <li>1. Motion for the distribution of the Company's 2024 employee and director remuneration</li> <li>2. Regularly review and establish the policy for the remuneration of directors, independent directors, members of various functional committees, and managers.</li> <li>3. Motion for the payment of the Company's 2024 director remuneration</li> </ol>	All attending members Approved and passed	Proposed to be approved by all attending directors of the Board of Directors
6th meeting of the 6th term 2025.04.08	<ol style="list-style-type: none"> <li>1. Proposed the remuneration and bonus distribution to the Company's internal personnel</li> </ol>	All attending members Approved and passed	Proposed to be approved by all attending directors of the Board of Directors
7th meeting of the 6th term 2025.08.05	<ol style="list-style-type: none"> <li>1. Report on Chairman's Remuneration</li> <li>2. Compensation of the Company's managers</li> </ol>	All attending members Approved and passed	Proposed to be approved by all attending directors of the Board of Directors
8th meeting of the 6th term 2025.12.16	<ol style="list-style-type: none"> <li>1. Salary for the Company's New Manager</li> </ol>	All attending members Approved and passed	Proposed to be approved by all attending directors of the Board of Directors
9th meeting of the 6th term 2026.04.14	<ol style="list-style-type: none"> <li>1. Proposed the remuneration and bonus distribution to the Company's internal personnel</li> </ol>	All attending members Approved and passed	Proposed to be approved by all attending directors of the Board of Directors

(II) Implementation of sustainable development and deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor:

Items	Implementation Status			The deviation compared to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor								
	Yes	No	Summary Description									
I. Has the Company established a governance structure to promote sustainable development, set up dedicated (or part-time) units for sustainable development, authorized senior management by the board to handle the matter, and the board's oversight situation?	✓		<p>The Company's Board of Directors approved the establishment of the Company's "Sustainable Development Best Practice Principles" on May 2, 2023. The President's Office is designated as the management unit for promoting sustainable development, responsible for proposing and implementing sustainability policies, systems, related management guidelines, and specific action plans, and will report to the board annually.</p> <p>The practice of sustainable development in 2025 was reported to the Board of Directors on December 16, 2025. The Board of Directors reviews and supervises the implementation of sustainable development which the Company invests in (such as participation in communities, investment of resources, greenhouse gas inventory planning, communication between the Company and stakeholders in November 2024, and identification of major topics of concern).</p>	No difference.								
II. Has the Company, in accordance with the principle of materiality, conducted risk assessments on environmental, social and corporate governance issues related to the Company's operations, and established relevant risk management policies or strategies?	✓		<p>The Company reviews the operations of each department and identifies stakeholder concerns, conducts risk identification and assessment based on the principle of materiality, and adopts specific action plans to mitigate the impact of related sustainability risks.</p> <table border="1" data-bbox="678 1422 1236 2033"> <thead> <tr> <th>Material Issue</th> <th>Risk Evaluation Items</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Environmental</td> <td>Waste Management</td> <td>The handling of waste is strictly controlled to ensure that it does not cause environmental pollution. Product scrapping and recycling are handled by qualified vendors. Recycling bins are set up in public areas, and daily waste is classified for recycling.</td> </tr> <tr> <td>GHG reduction and climate change actions</td> <td>Cooperating with partners, the Company provides relevant information on materials used in product production that complies with international environmental regulations, aiming to minimize the negative impact of products on the environment. The Company implements environmental policies to strengthen the</td> </tr> </tbody> </table>	Material Issue	Risk Evaluation Items	Description	Environmental	Waste Management	The handling of waste is strictly controlled to ensure that it does not cause environmental pollution. Product scrapping and recycling are handled by qualified vendors. Recycling bins are set up in public areas, and daily waste is classified for recycling.	GHG reduction and climate change actions	Cooperating with partners, the Company provides relevant information on materials used in product production that complies with international environmental regulations, aiming to minimize the negative impact of products on the environment. The Company implements environmental policies to strengthen the	No difference.
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Items	Implementation Status			Summary Description	The deviation compared to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No			
				partnership with supply chain partners, ensuring industry competitiveness, and will conduct training to raise employees' awareness of the impacts of climate change.  Relevant systems are established to protect employees, while planning advocacy related to human rights, ethical conduct, and social responsibility to enhance employees' awareness of human rights and ensure there are no human rights violations.  Through the establishment of a governance organization and the implementation of internal control systems, the Company ensures that its personnel and operations strictly comply with relevant laws and regulations.  Appoint a Head of Corporate Governance and provide liability insurance for directors and managers.  Establish various communication channels and contact points to engage with stakeholders. A dedicated stakeholder section is set up on the Company's website to explain the issues identified by the Company concerning stakeholders and provide information on the dedicated contact points.	
III. Environmental Issues (I) Has the Company established an appropriate environmental management system based on its industry characteristics?  (II) Does the Company strive to improve the efficiency of energy use and use renewable materials with low impact on the environment?	✓          ✓			(I) The Company is a fabless IC design firm, resulting in a limited direct environmental impact. Our whole product series complies with RoHS regulations, ensuring reduced environmental harm throughout the production processes and product lifecycle. Our research and our products meet international environmental standards and customer requirements.  (II) The Company continues to promote electronic document approval processes to reduce paper usage in standardized documents, aiming to achieve energy conservation, carbon reduction, and GHG emission reduction. The Company's product scrapping and recycling are entrusted to qualified vendors for the recovery and reuse of related materials.	In compliance with principles.          In compliance with principles.

Items	Implementation Status			The deviation compared to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary Description	
(III) Does the Company assess the potential risks and opportunities of climate change to the present and future of the Company, and take countermeasures for climate-related issues?	✓		(III) As an IC design industry, the Company has no factories and its business activities do not directly have an impact on the environment. However, there is a risk of environmental impact during the production process of the vendors. Therefore, the Company has always worked with its vendors to provide information on the materials used for product production that meet the requirements of international environmental protection regulations, in order to reduce the adverse impact of the product on the environment as much as possible, and to reduce the use of paper in its operating activities. In the Company's executable range, the Company has established and implemented various electronic systems to reduce the demand for paper use. In addition, the Company also tests and strengthens the reliability and temperature resistance of its products, which comply with the requirements of the JEDEC semiconductor reliability testing and specifications, in order to ensure that the products can maintain normal operation under the impact of climate change, and to aim to achieve the goal of low energy consumption in the product development process, in order to reduce energy consumption.	In compliance with principles.
(IV) Does the Company compile statistics on GHG emissions, water usage, and total waste weight over the past two years, and establish policies for energy conservation, carbon reduction, GHG reduction, water usage reduction, or other waste management?	✓		(IV) The Company is in the IC design industry and does not have factories. The impact of its operating activities on GHG emissions is smaller than that of other industries. Still, the Company regularly conducts effective control and use of various resources in the workplace, and the dedicated unit conducts internal inspections to effectively prevent unnecessary waste of resources (including but not limited to oil, water, paper, electricity). The Company's energy conservation, carbon reduction, and GHG reduction strategies are as follows: <ol style="list-style-type: none"> <li>1. Adopt electronic document approval processes to reduce paper usage in standardized documents.</li> <li>2. Reuse recycled photocopies to reduce paper consumption.</li> <li>3. Recycle bins are placed throughout the public area to collect daily waste such as paper, metal, glass, and plastic.</li> </ol>	In compliance with principles.

Items	Implementation Status			The deviation compared to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary Description	
			<p>4. Use energy-saving lighting and turn off lights for half hour during the lunch break each day to conserve electricity.</p> <p>5. Turn off office and nearby area lights and air conditioning after work to conserve energy.</p> <p>6. Conduct annual environmental inspections (illuminance/CO2 levels).</p> <p>7. Product scrapping and recycling are entrusted to qualified vendors for processing.</p> <p>8. Promote the importance of energy conservation and environmental protection to employees from time to time.</p>	
<p>IV. Social Issues</p> <p>(I) Does the Company establish relevant management policies and procedures in accordance with applicable laws and international human rights conventions?</p>	✓		<p>(I) The Company has established relevant policies with reference to international human rights standards, including the Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs), the Ten Principles of the United Nations Global Compact, the International Covenant on Economic, Social and Cultural Rights (ICESCR), the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Convention on the Rights of the Child (CRC), and the Convention on the Rights of Persons with Disabilities (CRPD), while complying with applicable laws and regulations in the jurisdictions where it operates.</p> <p>This policy applies to all managers and employees of the Company, affiliated enterprises, suppliers, contractors, customers, and other stakeholders. The President oversees the implementation of this policy, with the Human Resources Department serving as the primary responsible unit, working collaboratively with relevant departments to promote human rights management measures.</p> <p>The Company is committed to prohibiting discrimination, forced labor, child labor, workplace harassment, and unfair treatment. We are equally dedicated to providing a safe and healthy working environment, ensuring reasonable working hours and compensation, and maintaining multiple grievance mechanisms to safeguard human rights.</p>	In compliance with principles.

Items	Implementation Status			The deviation compared to the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor
	Yes	No	Summary Description	
(II) Does the Company establish and implement reasonable employee welfare measures (including remuneration, leave, and other benefits), and appropriately reflect business performance or results in employee remuneration?	✓		(II) The Company has established a reasonable remuneration policy and a clear reward and penalty system. Remuneration is determined based on the Company's operating conditions, individual and departmental performance, and other relevant factors to decide annual salary adjustments, bonuses, and the amount of bonuses. The Company has established work rules and relevant personnel management regulations, covering the basic wage, working hours, leave, pension benefits, labor and health insurance, occupational accident compensation, and other matters in accordance with the Labor Standards Act. The Company has established and implemented reasonable employee welfare measures and has set up an Employee Welfare Committee, which operates through elections by employees, to handle various welfare matters. The Company has established a retirement system in accordance with the law: under the old system, pension reserves were contributed monthly, and an actuarial assessment determined that the full amount had been reached by 2025, ceasing further contributions. The pension reserve recognized in 2025 was NT\$ 0; under the new system, 6% of monthly salary is contributed to individual accounts at the Labor Insurance Bureau as stipulated by the Labor Pension Act, and new pension expenses recognized in 2025 totaled NT\$ 3,289 thousand. If the Company generates profit for the year (where "profit" refers to pre-tax income before deducting employee compensation and director remuneration), it shall allocate no less than 5% of such profit as employee compensation and no more than 3% as director remuneration. Of the total amount allocated for employee compensation, 20% shall be distributed to non-executive employees. However, if the Company has accumulated losses (including adjustment of the amount of undistributed earnings), a reserve for the amount to cover such losses should be set aside in advance. Since a pre-tax loss was reported for 2025, no remuneration was distributed.	In compliance with principles.
(III) Does the Company provide a safe and healthy working environment for employees and regularly implement	✓		(III) The Company strives to create a safe and healthy workplace environment. To help employees understand the potential hazards in the working environment and reduce the risk of occupational	In compliance with principles.

Items	Implementation Status			The deviation compared to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary Description	
<p>safety and health education for them?</p> <p>(IV) Does the Company establish an effective career development training plan for employees?</p> <p>(V) Does the Company follow relevant laws and international standards regarding customer health and safety, customer privacy, marketing, labeling, and other related issues, and establish relevant policies to protect consumer or customer rights and grievance procedures?</p> <p>(VI) Does the Company have a supplier management policy</p>	<p>✓</p> <p>✓</p> <p>✓</p>	<p></p> <p></p> <p></p>	<p>accidents and incidents, the Company arranges environmental safety training for new employees and conducts annual health checkups for employees. The Company also arranges for qualified safety and health technician firms to conduct workplace environment monitoring twice every year to ensure employees work in a safe environment. The Company has established an occupational safety and health management plan, issued written statements to prevent workplace infringement, implemented guidelines to prevent unlawful workplace infringements, and provides consultation and grievance channels for workplace infringement. The Company promotes the responsibility of all employees to help ensure a workplace free from unlawful infringements. The Company had no employee occupational accidents or fire incidents in 2025.</p> <p>(IV) The Company has established an "Education and Training Management Procedure" and a yearly employee training plan to train employees. The training includes orientation for new hires, professional training, stress-relief courses, and other relevant programs. Based on different courses, the Company arranges and plans for relevant employees to undergo training to achieve the goal of development and training. Please refer to page 100 of this annual report for information on employee training and development.</p> <p>(V) The products supplied by the Company all comply with international environmental regulations. Regarding marketing and labeling of products and services, the Company adheres to the ISO9001 international standards. The Company has established a "Customer Complaint Handling Procedure" to investigate and analyze the causes of defective products reported by customers. Technical support is provided, or, based on the analysis results, repair or exchange services are executed. Additionally, in accordance with the "Customer Satisfaction Procedure", the Company conducts annual surveys to assess customer satisfaction with its products and services, aiming to achieve the goal of sustainable business operations.</p> <p>(VI) The Company conducts written and on-site inspections of suppliers' reports for ISO14001</p>	<p>No significant difference.</p> <p>In compliance with principles.</p> <p>No significant difference.</p>

Items	Implementation Status			The deviation compared to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary Description	
in place that requires suppliers to comply with relevant regulations on environmental protection, occupational health and safety, labor rights, and other related issues, and its implementation status?			certification and related documents. In terms of occupational safety and health, suppliers are required to establish their own safety and health work rules. In terms of labor rights, suppliers are required to produce written statements of sexual harassment and workplace bullying in accordance with the Gender Equality Act in Employment and the Sexual Harassment Prevention Act.	
V. Does the Company refer to internationally recognized reporting standards or guidelines to prepare sustainability reports and other disclosures of non-financial information? Has the aforementioned report obtained assurance or verification from a third-party verification unit?		✓	In accordance with the Taiwan Stock Exchange's "Guidelines for the Preparation and Reporting of Sustainability Reports by Listed Companies" and the Company's "Procedures for the Preparation and Assurance of Sustainability Reports," the Company has completed its 2024 sustainability report. Approved by the Board of Directors on August 5, 2025, and uploaded to the public information monitoring station and the official website on August 29, 2025. In addition, greenhouse gas inventories and assurance will be completed in accordance with Taiwan's "Sustainable Development Roadmap" and "Sustainable Development Action Plan."	In compliance with principles.
VI. If the Company has established its own sustainability guidelines in accordance with the "Rules of Practice for Sustainability of Listed Companies", please describe any differences in operation compared to those guidelines: None.				
VII. Other important information that helps to understand the implementation of sustainable development: The Company upholds the spirit of corporate social responsibility and continues to promote actions related to environmental protection, social care and corporate governance (ESG). The key achievements in 2025 are as follows: 1. Deepening social care and implementing public welfare participation - participating in the storytelling activity for hearing-impaired children organized by the Hsinchu Bright Sound Association, with employees sponsoring the purchase and packaging of event gifts. 2. Promptly engaging in disaster relief and fulfilling corporate responsibility - in response to Typhoon Danas, donating canvas supplies to the Social Affairs Bureau of Tainan City Government to assist affected residents. 3. Promoting public welfare procurement and facilitating the development of social welfare groups - collaborating with the Saint Joseph Social Welfare Foundation during the Mid-Autumn Festival to procure public welfare gift boxes for distribution to all employees. In summary, in 2025, the Company continued to strengthen its ESG implementation results through diversified public welfare actions and social participation, and will continue to uphold the philosophy of sustainable development in the future, deepen its social impact, and move toward the goal of creating shared prosperity for the enterprise and society.				

## Climate-related information for TWSE/TPEX-listed companies

### I. Implementation of climate-related information

Items	Implementation Status
<p>1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.</p>	<p>With the conclusion of the COP29 in 2024, the world's progress in reduction of the dependence on fossil fuels remains slow. The historical high temperature record was made in 2024 and the acceleration of global warming have led to an increase in the frequency of extreme climate events, such as heavy rainfall and drought. These risks pose major challenges to the operations of many enterprises. Climate governance has become an important issue that enterprises must face.</p> <p>As a global citizen, the Company will proactively face the potential risks arising from the climate change and also formulate management strategies and actions to deal with extreme climates to improve climate resilience. Meanwhile, in order to slow down the speed of climate change, the Company also plans to gradually transform its own operation and move towards low-carbon operation.</p> <p>■ Board of Directors</p> <p>The Board of Directors is the Company's supreme body in charge of climate governance. It is responsible for promoting and making decisions regarding the Company's climate-related strategies, and overseeing the promotion of the Company's overall climate actions at the same time. The Board of Directors also plays a key role in determining the Company's climate commitments and goals. It discusses the current climate risk opportunities and trends from time to time, and proposes the Group's overall specific strategies for key climate risks to stably maintain the Company's sustainable operation. The "Sustainable Development Promotion Team" has been established under the Board of Directors, and the President serves as the general convener of the Committee. It shall report to the Board of Directors on the effectiveness of sustainable strategies and project implementation at least once a year. The Board of Directors has the right to judge the effectiveness of the Company's implementation strategies and policies adopted by the relevant promotional units, and may frequently examine the results of strategies or policies based on the actual situation, and then urge the promotional units to make adjustments on a rolling basis in a timely manner.</p> <p>■ Sustainable Development Promotion Team</p> <p>In order to strengthen the management and identification of climate-related risk opportunities and issues, the Company has established the Sustainable Development Promotion Team in 2024, and the President serves as the convener. It is required to hold meetings on key climate opportunities and risk issues every year, and report the results to the Board of Directors.</p> <p>The Sustainable Development Promotion Team is responsible for assisting in the implementation of climate risk management policies and goals determined by the Board of Directors, regularly reviewing the climate risk response plans and implementation results submitted by the four major ESG working groups, and assisting in monitoring the Company's climate response goals and actions to assist in the communication and integration of the Company's climate governance status.</p>
<p>2. Describe how the identified climate and opportunities affect the Company's business, strategy and finance (short-, medium-, and long-term).</p>	<p>In order to formulate the Company's key strategies for climate change, it is necessary to identify the key topics of climate risk and opportunity each year. In 2024, the Company had the Sustainable Development Promotion Team gather the four major ESG working group to collect a total of 11 climate issues exclusive for the Company based on the climate-related information of TWSE listed companies, peer reports, and international trends, including 4 transformation risks, 4 physical risks and 3 opportunities. The potential impact posed by each issue was addressed through discussions with the ESG team and various units. Then, the possibility of impact posed by each issue and level of the impact were evaluated. In the end, three key climate risks and opportunities were resolved,</p>

Items	Implementation Status				
	including one transformation risk and two physical risks. The three key issues are listed as following based on the climate risk and opportunity identification result, by the period of occurrence, status and future countermeasures.				
	■ The Company's key climate risks and opportunities, and countermeasures				
	Orientation	Issue	Affected period	Climate risk and opportunity profile	Countermeasures and management measures
	Transformation risks	Enhanced obligation to report emissions	Short-term (less than 3 years)	According to the Sustainable Development Roadmap and Sustainable Development Action Plan of the Financial Supervisory Commission, the Company is required to disclose greenhouse gas inventory information and complete emission information certification in the years required by law. As a result, the Company will need to implement a greenhouse gas inventory system and conduct assurance, and will need to invest human resources in management to increase the operating costs and need to implement additional manpower to supplement the management.	<ul style="list-style-type: none"> <li>Establish a greenhouse gas inventory team and arrange education and training to improve the professional expertise in the carbon inventory.</li> <li>The Company pays attention to the latest information released by the competent authority, and discloses the items to be disclosed according to the laws and regulations.</li> <li>Consider implementing the relevant systems to speed up the colleagues' work efficiency.</li> </ul>
Physical risk	Average temperature rising	Mid-term (3~5 years)	The climate change results in the intensification of global warming and rising of the average temperature. In order to avoid overheating in the computer room and maintain the office's working environment, the Company will need to increase the air conditioning and, therefore, the operating costs will be increased.	<ul style="list-style-type: none"> <li>The Company promotes energy-conservation projects and continues to implement energy-conservation measures to reduce the electricity demand from the source. The office premises is equipped with LED lighting equipment with the energy-conservation mark instead, in order to reduce the energy consumption significantly.</li> <li>The Company promotes the energy-conservation action, "Shut Down PC after Work," and invite colleagues to join in the action to mitigate the global warming physically.</li> <li>The Company purchases high-efficiency air-conditioning equipment to replace energy-intensive equipment to achieve the goal for reduction of carbon emissions and operating costs.</li> </ul>	
Physical risk	Unstable energy supply (power outages and water rationing)	Mid-term (3~5 years)	In case of power outages by TPC, the Company's equipment, including the IT data center, will be unable to operate, and the Company's operations will be interrupted.	The Company expands the UPS capacity to support all the power requirements of the IT data center. The UPS battery can last for more than 30 minutes. (It only takes 30 seconds to start the generator to ensure the continuous operation of the UPS.)	
The Company's definition of affected period: short-term: within 3 years; mid-term: 3-5 years; long-term: over 5 years					
3. Describe the financial impact of extreme climate events and transformation	Frequent occurrences of extreme climates, if any. Affect suppliers' ability to produce or deliver goods, and increase the possibility of the factory's business interruption, thereby resulting in the reduction of the Company's operating revenue. Therefore, the Sustainable Development Committee is identifying the financial impacts posed by extreme climate events and transformation action on the finance				

Items	Implementation Status								
actions.	promptly.								
<p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall process</p>	<p>In order to enable the Company to control the current key climate opportunities and risks, the Sustainable Development Promotion Team collects the risk and opportunity issues in the peers' sustainability reports regularly each year, and gather the four major ESG working groups regularly to have the working groups respond to the climate risks throughout the year, and interviews with each climate issue-related unit for their opinions on the level of the impact and the possibility of occurrence, in order to compile and identify the Company's key climate risks and opportunities of the year, and submit the results to the Board of Directors for resolution and formulation of the Group's strategy.</p> <table border="1" data-bbox="600 440 2020 632"> <thead> <tr> <th data-bbox="600 440 920 472">Collect the issues</th> <th data-bbox="920 440 1272 472">Identify risks and opportunities</th> <th data-bbox="1272 440 1624 472">Formulate countermeasures</th> <th data-bbox="1624 440 2020 472">Followup and management</th> </tr> </thead> <tbody> <tr> <td data-bbox="600 472 920 632"> <ul style="list-style-type: none"> <li>Issues in the peers' sustainability report</li> <li>International trends</li> </ul> </td> <td data-bbox="920 472 1272 632"> <ul style="list-style-type: none"> <li>Interviews with various departments</li> <li>Points awarded by the colleagues of various departments to the risk and opportunity issues.</li> </ul> </td> <td data-bbox="1272 472 1624 632"> <ul style="list-style-type: none"> <li>Review the status quo of each department, and formulate management measures based on risk opportunities at each location</li> </ul> </td> <td data-bbox="1624 472 2020 632"> <ul style="list-style-type: none"> <li>Target achievement status submitted annually by each department</li> <li>Monthly review of the achievement of goals by each department</li> </ul> </td> </tr> </tbody> </table>	Collect the issues	Identify risks and opportunities	Formulate countermeasures	Followup and management	<ul style="list-style-type: none"> <li>Issues in the peers' sustainability report</li> <li>International trends</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with various departments</li> <li>Points awarded by the colleagues of various departments to the risk and opportunity issues.</li> </ul>	<ul style="list-style-type: none"> <li>Review the status quo of each department, and formulate management measures based on risk opportunities at each location</li> </ul>	<ul style="list-style-type: none"> <li>Target achievement status submitted annually by each department</li> <li>Monthly review of the achievement of goals by each department</li> </ul>
Collect the issues	Identify risks and opportunities	Formulate countermeasures	Followup and management						
<ul style="list-style-type: none"> <li>Issues in the peers' sustainability report</li> <li>International trends</li> </ul>	<ul style="list-style-type: none"> <li>Interviews with various departments</li> <li>Points awarded by the colleagues of various departments to the risk and opportunity issues.</li> </ul>	<ul style="list-style-type: none"> <li>Review the status quo of each department, and formulate management measures based on risk opportunities at each location</li> </ul>	<ul style="list-style-type: none"> <li>Target achievement status submitted annually by each department</li> <li>Monthly review of the achievement of goals by each department</li> </ul>						
<p>5. When using scenario analysis to assess resilience in the face of climate change risks, it is necessary to describe the scenarios, parameters, assumptions, analytical factors, and the major financial impacts involved.</p>	<p>Currently, scenario analysis has not yet been used to assess resilience to climate change risks.</p>								
<p>6. If there is a transition plan in place to address and manage climate-related risks, please describe the content of the plan, along with the indicators and targets used to identify and manage physical and transition risks.</p>	<p>There is currently no transition plan in place to address and manage climate-related risks.</p>								
<p>7. If the Internal Carbon Pricing(ICP) is used as a planning tool, the basis for setting the price should be explained.</p>	<p>Currently, no carbon pricing planning tools are being used.</p>								
<p>8. If climate-related targets have been set, the covered</p>	<p>No climate-related targets have been set at this time.</p>								

Items	Implementation Status
<p>activities, greenhouse gas emission scopes, planning timeframe, and annual progress toward achieving the targets should be disclosed. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these targets, the sources and quantities of the carbon offsets or RECs should also be specified.</p>	
<p>9. Greenhouse Gas Inventories, Assurance Status, Reduction Targets, Strategies, and Action Plans</p>	<p>Please refer to the “Greenhouse Gas Inventory and Assurance Status in the Most Recent Two Years”.</p>

## II. Greenhouse Gas Inventory and Assurance Status in the Most Recent Two Years

### 1. Greenhouse Gas Inventory Information

A description of the greenhouse gas emissions (in metric tons of CO2e), intensity (metric tons CO2e per million dollars), and data coverage for the most recent two years.				
Greenhouse Gas Emissions Statistics for the Past Two Years Scope 2 Greenhouse Gas Emissions and Intensity				
Year	2023		2024	
Unit	tonCO2e	%	tonCO2e	%
Scope 2	113.00	100.00%	119.00	100.00%
Total Emissions for Scope 1 & 2 Combined	113.00	100.00%	119.00	100.00%
Emission Intensity for Scope 1 + Scope 2 (CO2e per million revenue)	0.52		0.34	
Increase/decrease % compared to the previous year	Increased by 77.02%		Decrease by 33.08%	

Note 1: Greenhouse Gas Coverage: Syncomm Technology Corp. Headquarters.

Note 2: Greenhouse Gas Emission Factor Referenced from: Environmental Protection Administration’s Greenhouse Gas Emission Factor Management Table, Version 6.0.4.

Note 3: Inventory methodology: GHG Protocol.

Note 4: Greenhouse Gas Inventory Scope: Includes seven types of greenhouse gases—Carbon Dioxide (CO2), Methane (CH4), Nitrous Oxide (N2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulfur Hexafluoride (SF6), and Nitrogen Trifluoride (NF3).

Note 5: The greenhouse gas inventory is conducted using the operational control approach.

Note 6: Emission Intensity = (Total CO2e emissions from Scope 1 + Scope 2) / Total Annual Revenue.

Note 7: Syncomm Technology Corp. has not yet conducted a full inventory in accordance with the GHG Protocol; therefore, a base year has not been established.

## 2. Greenhouse Gas Assurance Information

Description of the assurance status for the most recent two years as of the annual report publication date, including assurance scope, assurance provider, assurance standards, and assurance opinion.

To proactively address the impacts of climate change and strengthen Syncomm Technology Corp.'s climate resilience, the company completed its climate-related financial disclosures in 2024. Moving forward, Syncomm Technology Corp. will carry out greenhouse gas inventory and assurance work in accordance with Taiwan's "Sustainable Development Roadmap" and "ESG Sustainable Development Action Plan." The related timeline is as follows:

Year Completed	Disclosure Year	Completed Items
2026	2025	Completed the company's individual greenhouse gas inventory for 2025.
2027	-	Set 2026 as the baseline year at the latest, and disclose the 2027 reduction targets, strategies, and specific action plans.
2028	2027	Completed the assurance of the company's individual greenhouse gas inventory for 2027.

(VII) The Company's adherence to ethical corporate management and the deviation between the Company's practices and the Ethical Corporate Management Best Practice Principles and the reasons therefor:

Items	Operational status			Differences from and reasons for deviations from the Ethical Corporate Management Best Practice Principles for TWSE and TPEX Listed Companies
	Yes	No	Summary Description	
I. Establishment of ethical corporate management policy and plan				
(I) Does the Company establish an ethical corporate management policy approved by the Board of Directors, and explicitly state the ethical corporate management policies and practices in its regulations and external documents, along with a commitment from the Board of Directors and senior management to actively implement the policy?	✓		(I) The Board of Directors of the Company approved the establishment of the "Ethical Corporate Management Best Practice Principles" on May 2, 2023, to implement the ethical corporate management policy, and publicly disclosed on the Company's website and the MOPS, and on the Company's internal documents. All directors, managers and employees must comply with these principles when performing any activities.	In compliance with principles.
(II) Does the Company establish a mechanism for assessing the risk of unethical conduct, regularly analyze and assess business activities with a higher risk of unethical conduct within the scope of business, and establish a program to prevent unethical conduct accordingly, and at least cover the preventive measures for the behaviors described in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies"?	✓		(II) The Company has established an internal control system to ensure that all operations adhere to the principle of functional division, thereby enhancing supervisory and management effectiveness. For items with significant risks of unethical behavior, special attention is given, and regulations are implemented to prevent the occurrence of unethical conduct. The Company has established the "Code of Ethical Conduct for Directors, Functional Committee Members, and Managers" and the "Code of Ethical Conduct for Employees". On May 2, 2023, the Board of Directors approved the "Procedures for Ethical Management and Guidelines for Conduct", which regulate procedures for prohibiting unethical conduct and handling the receipt of improper benefits.	In compliance with principles.
(III) Does the Company specify operating procedures, code of conduct, disciplinary actions for violations, and a grievance system in its integrity risk prevention plan, and ensure that they are effectively implemented and regularly reviewed and revised?	✓		(III) The Company has established procedures for preventing unethical conduct, whistleblowing systems, disciplinary actions, and grievance procedures in its "Code of Ethical Conduct for Directors, Functional Committee Members, and Managers", "Code of Ethical Conduct for Employees", and "Procedures for Ethical Management and Guidelines for Conduct", and these have been effectively implemented.	In compliance with principles.

Items	Operational status			Differences from and reasons for deviations from the Ethical Corporate Management Best Practice Principles for TWSE and TPEX Listed Companies
	Yes	No	Summary Description	
II. Implementation of Ethical Corporate Management				
(I) Does the Company assess the integrity records of its counterparts and include integrity-related clauses in the contracts signed with them?	✓		(I) The Company upholds the principle of integrity in its business activities and assesses the integrity status of its counterparts before transactions. The Company's commercial contracts are based on mutual trust and the principle of good faith, with evaluation of their past integrity records.	In compliance with principles.
(II) Has the company established a dedicated unit under the Board of Directors to promote ethical corporate management and report to the board at least once a year on its ethical corporate management policies, anti-corruption measures, and the status of implementation and supervision?	✓		(II) The Company reported to the Board of Directors on May 2, 2023, the establishment of an Ethical Corporate Management Promotion Team under the board, chaired by the President, with members including the heads of the administrative and human resource, audit, and various departments. This team is responsible for formulating and overseeing the implementation of ethical corporate management policies and anti-corruption measures, handling relevant matters in accordance with Article 16 of the "Ethical Corporate Management Best Practice Principles", and regularly reporting to the Board of Directors. The implementation status is as follows: (1) In 2025, education and training on ethical management will be conducted (course topic: how to implement integrity in the workplace, duration: 0.5 hours, number of participants: 56). (2) In 2025, had no whistleblower cases and no incidents of dishonest conduct were found. (3) The implementation status of corporate integrity management in 2025 was reported to the Board of Directors on 2025.12.16	In compliance with principles.
(III) Has the Company established a policy to prevent conflicts of interest, provided appropriate channels for disclosure, and effectively implemented it?	✓		(III) The Company has set up a whistleblower mailbox on the Company website and in the office, allowing both internal and external personnel to report unethical or improper conduct. Additionally, a grievance channel is available on the stakeholder section on the Company's website to provide an appropriate means for disclosure.	In compliance with principles.
(IV) In order to implement ethical corporate management, has the Company established	✓		(IV) The Company has established a comprehensive and effective accounting	In compliance with principles.

Items	Operational status			Differences from and reasons for deviations from the Ethical Corporate Management Best Practice Principles for TWSE and TPEX Listed Companies
	Yes	No	Summary Description	
<p>an effective accounting system and internal control system, and the internal audit unit formulates relevant audit plans based on the assessment results of the risk of unethical conduct, and performs audits on the compliance with the prevention of unethical conduct programs, or entrusts a CPA to perform audits?</p> <p>(V) Does the Company regularly conduct internal and external training on ethical corporate management?</p>	✓		<p>system and internal control system, and has also set up a professional and independent internal audit unit to perform various audit operations under the annual audit plan. In addition to reporting audit operations monthly to members of the Audit Committee, it also attends meetings of the Board of Directors to deliver reports. In addition, PwC Taiwan and Ernst &amp; Young Taiwan conduct regular reviews of the Company's financial statements.</p> <p>(V) The Company regularly conducts training on ethical conduct and, on a monthly basis, sends letters to directors to reinforce laws and regulations concerning insider trading prevention. Additionally, all employees receive annual training on both insider trading prevention laws and regulations and related ethical conduct procedures.</p>	In compliance with principles.
<p>III. Operational Status of the Company's Whistleblowing System</p> <p>(I) Has the Company established a specific reporting and reward system, created convenient reporting channels, and assigned appropriate responsible personnel to handle reported cases?</p> <p>(II) Has the Company established standard operating procedures for handling whistleblowing matters, the subsequent actions to be taken after the investigation is completed, and related confidentiality mechanisms?</p> <p>(III) Has the Company implemented measures to protect whistleblowers from retaliation due to their reports?</p>	✓		<p>(I) The Company has set up a whistleblowing mailbox on its website and in the office for both internal and external personnel to report unethical or improper conduct. The Administrative and Human Resources Department serves as the point of contact for handling complaints and whistleblowing cases, directly reporting to the Company's management for further action.</p> <p>(II) The Company has established the "Procedures for Ethical Management and Guidelines for Conduct" and expressly provided the confidentiality of the identity of the informants and the content of the report.</p> <p>(III) The Company has established the "Procedures for Ethical Management and Guidelines for Conduct" and expressly stated that the Company has taken measures to protect the whistleblowers from improper treatment due to whistleblowing.</p>	<p>In compliance with principles.</p> <p>In compliance with principles.</p> <p>In compliance with principles.</p>
<p>IV. Enhance Information Disclosure</p> <p>Has the Company disclosed the content of its Ethical Corporate Management Best Practice Principles and the effectiveness</p>	✓		<p>The Company has disclosed the Ethical Corporate Management Best Practice Principles on its website and the MOPS.</p>	In compliance with principles.

Items	Operational status			Differences from and reasons for deviations from the Ethical Corporate Management Best Practice Principles for TWSE and TPEX Listed Companies
	Yes	No	Summary Description	
of its implementation on its website and the MOPS?				
V.	If the Company has established its own code of ethical conduct in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," please describe any differences in its operation compared to the principles: None.			
VI.	Other important information that helps to understand the Company's ethical corporate management practices (e.g. the Company's review and revision of the Ethical Corporate Management Best Practice Principles, etc.): The Company engages in business activities based on the principles of fairness, honesty, credibility, and transparency. In order to implement the Company's ethical corporate management policy and actively prevent unethical conduct, the Company has established the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct" on May 2, 2023 to implement the Company's ethical corporate management operations.			

(VIII) Other important information that helps to understand the Company's corporate governance operations:

1. Liability insurance for directors: The Company purchases liability insurance for directors and key personnel every year. In 2025, the Company purchased liability insurance from ACE INA Overseas Insurance Company Ltd., with an insured amount of USD 3 million. The coverage period is from November 1, 2025, to November 1, 2026.
2. The Company has established the "Procedures for Handling Material Inside Information and Prevention of Insider Trading", which regulates the handling of internal material information by the Company's directors and all employees. This procedure has been approved by the Board of Directors and is available in the public area of the internal network as well as on the Company's website for all employees to comply with.
3. Status of Managers' Participation in Corporate Governance Training:

Title	Name	Training Date	Organizer	Course Title	Training Hours
President	Huang, Liang-Chun	2025/07/31	Taiwan Stock Exchange	2025 Taiwan Capital Market Summit	3 hours
		2025/09/05	Taipei Financial Research and Development Foundation	FinTech Through the Lens of Stablecoins: Blockchain in Practice and Future Prospects	3 hours
		2025/12/19	Taipei Financial Research and Development	Outlook for 2026: Key Indicators and Trend Analysis of	3 hours

Title	Name	Training Date	Organizer	Course Title	Training Hours
			Foundation	the International Political and Economic Landscape	
Accounting Officer, Corporate Governance Officer (Note)	Liao, Li-Wen	2025/05/23	Taiwan Investor Relations Institute	Corporate Public Relations and Crisis Communication	3 hours
		2025/07/18	Taiwan Corporate Governance Association	Corporate Governance Officer: Practical Compliance Guide	3 hours
		2025/08/08	Securities and Futures Institute	2025 Legal Compliance Briefing on Insider Equity Transactions	3 hours

Note: Liao Li-wen, Chief Financial and Accounting Officer and Corporate Governance Officer, resigned on December 19, 2025.

#### 4. Board Members' Participation in Corporate Governance Training:

Title	Name	Training Date	Organizer	Course Title	Training Hours
Chairman	Representative, Alcor Micro Corporation: Tsai, Ling-Chun	2025/05/12	The Association for Intangible Assets and Enterprise Valuation of Taiwan	Enterprise Evaluation as a Tool For Corporate Diagnosis and Management	3 hours
		2025/07/24	Securities and Futures Institute	AI's Future and Corporate AI Transformation	3 hours
Director	Representative, Alcor Micro Corporation: Lo, Sen-Chou	2025/08/13	Taiwan Corporate Governance Association	Human Resource Strategy in Enterprise Mergers and Acquisitions: A Board of Directors and Supervisory Perspective	3 hours
		2025/11/13	Taiwan Corporate Governance Association	How does the board of directors oversee post-merger integration and the establishment of management mechanisms?	3 hours
Director	Representative, Alcor Micro Corporation: Peng, Chih-Chiang	2025/05/08	Taiwan Corporate Governance Association	Annual sustainability governance strategy management by the Board of	3 hours

Title	Name	Training Date	Organizer	Course Title	Training Hours
				Directors (Sustainability Development Committee)	
		2025/05/16	Taiwan Corporate Governance Association	Governance and Management of Cybersecurity in Geopolitics	3 hours
Director	Huang, Liang-Chun	2025/07/31	Taiwan Stock Exchange	2025 Taiwan Capital Market Summit	3 hours
		2025/09/05	Taipei Financial Research and Development Foundation	FinTech Through the Lens of Stablecoins: Blockchain in Practice and Future Prospects	3 hours
		2025/12/19	Taipei Financial Research and Development Foundation	Outlook for 2026: Key Indicators and Trend Analysis of the International Political and Economic Landscape	3 hours
Director	Liao, Hui-Ling	2025/05/27	Greater China Financial and Economic Development Association	Trump's Tariffs 2.0 Challenge U.S. Dollar Hegemony	3 hours
		2025/07/14	Taipei Financial Research and Development Foundation	The Role and Responsibilities of the Board of Directors in ESG	3 hours
Director	Hsu, Yu-Pin	2025/02/21	Corporate Operating and Sustainable Development Association	Policies for Promoting Sustainable Development and Securities-Related Laws and Regulations in Taiwan	3 hours
		2025/05/27	Taiwan Investor Relations Institute	Trump's Tariffs 2.0 Challenge U.S. Dollar Hegemony	3 hours
Independent Director	Wu, Chi-Ming	2025/02/21	Corporate Operating and Sustainable Development Association	Policies for Promoting Sustainable Development and Securities-Related Laws and Regulations in Taiwan	3 hours
		2025/07/25	Securities and Futures Institute	2025 Insider Stock Equity	3 hours

Title	Name	Training Date	Organizer	Course Title	Training Hours
				Trading Legal Compliance Briefing	
		2025/08/14	Financial Legal System and Crime Prevention Center	ESG and Sustainable Finance: Trends and Practical Applications	3 hours
Independent Director	Yu, Chi-Min	2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6 hours
Independent Director	Cheng, Chun-Yuan	2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6 hours

#### 5. Supplier Management Policy and Implementation:

The company has established a comprehensive supplier management mechanism. For suppliers under development, they are required to conduct a self-assessment using the "Supplier Evaluation Form." The Quality Assurance department may conduct on-site audits based on actual conditions. After evaluation and auditing, if the supplier achieves the passing score, the new supplier must complete improvements according to the items listed in the "Supplier Audit Report (Subcontractor & Supplier Quality System Audit Scoring Sheet)" before being classified as a qualified supplier. Suppliers must provide relevant documents such as a Certificate of Non-use for Environmental Restricted Substances, Controlled Substance Content and Composition Survey, Material Composition Declaration (MCD), Material Safety Data Sheet (MSDS/SDS), and Environmental Restricted Substance Control Reports (SGS/TUV/ETC). Suppliers must comply with the company's Green Environmental Protection Specification to meet relevant green regulations and customer requirements, reduce adverse impacts on the global ecosystem, and align with the company's environmental protection policy.

Once selected as a qualified supplier, they are included in the annual audit program. Suppliers undergo a semi-annual written assessment. Procurement, QA, and R&D departments evaluate based on indicators such as quality certification, quality, price, delivery schedule, cooperation, and technical capabilities. On-site audits are conducted annually by the Quality Assurance department.

The Company and its suppliers are jointly committed to sustainable development, continuously enhancing supply chain management and striving for excellence in environmental protection, safety and hygiene, quality, pricing, production efficiency,

service, and process capabilities.

For contracted suppliers, the company continuously reviews product quality for potential improvements. Suppliers are evaluated in writing every six months semi-annually based on indicators including environmental quality certification, quality, pricing, delivery, cooperation, and technical capabilities. Suppliers who meet the criteria for improvement must submit and implement improvement plans to ensure compliance with the company’s sustainability and partnership quality requirements.

Supplier evaluations are conducted semi-annually through the "Supplier Performance Evaluation Report" and annually through regular on-site audits by the Quality Engineering Department for qualified suppliers.

■ Description of the written evaluation:

Quality certification: Subject to the quality certification, if TS-16949 or ISO certification is obtained and the supplier also passes the "green environmental protection or ROHS certification," bonus points will be awarded.

1. Quality level: Assessed by the quality assurance unit based on the grade and number of defects found.
2. Price level: Subject to the statistics in the “supplier's price comparison table.”
3. Delivery time level: The Production Operations Department follows the delivery time agreed by both parties subject to the Order Fill Rate.
4. Evaluation on cooperation: The Production Operations Department grades suppliers based on their willingness to cooperate and interactions.
5. Evaluation on technical level: The R&D Department rates suppliers based on their process capabilities.

Grade	Score range	Description
Grade A	More than 90 points (inclusive)	Exemption from inspection/increase in the purchase volume may be adopted.
Grade B	80 points (inclusive)~89 points	The implementation of reduced inspection is allowed.
Grade C	70 points (inclusive)~79 points	According to the general inspection
Grade D	60 points (inclusive)~69 points	The implementation of tightened inspection/decrease in the purchase volume is allowed.
Grade E	Below 59 points	QVL delisting

Based on said evaluation aspects and procedures, the rating results are recorded in the "Semi-Annual Supplier Evaluation Form.” The evaluation results of suppliers are divided into five grades subject to the points. The relevant descriptions are as follows:

In 2025, 28 suppliers were evaluated in Syncomm Technology's supplier evaluation, and the results showed that 27 suppliers were rated Grade B or above, with a Grade B-or-above achievement rate of 96.4%. Suppliers that pass the evaluation will continue to be rated as qualified by the Company. If a supplier is rated E for twice consecutively, it shall be removed from the qualified suppliers and is not allowed to re-apply for the evaluation within two years. If the supplier still needs to apply for evaluation, it shall go through the evaluation procedures for new suppliers and the frequency of regular evaluation shall also be adjusted from the quarterly evaluation to the monthly evaluation. Meanwhile, the supplier's evaluation result shall attain Grade A for three consecutive months and then the supplier may be held qualified.

6. Management and enforcement of intellectual property rights.

The Company has formulated an intellectual property management strategy aligned with its operational objectives and established systematic management of patents, trademarks, and trade secrets. Effectively enhance the value of R&D and reduce the risk of infringement through patent strategy, retrieval mechanisms, and application incentive programs; and ensure core technology and operational security via document classification, access control, physical security measures, and confidentiality agreements.

The Company regularly reports to the Board of Directors (most recently on 2025/12/16) and continues to promote relevant education and training, which has historically covered intellectual property protection and insider trading. As of the end of 2025, the Company had obtained a total of 21 valid patents and 15 trademarks in multiple countries, with an additional 3 patent applications pending. By strengthening intellectual property management, the company enhances its competitive advantage and investor confidence, driving profitability and sustainable development.

(IX) Implementation Status of Internal Control System

1. 1. Statement of Internal Control:

Please access the Market Observation Post System (MOPS) website > Single Company > Corporate Governance > Company Rules/Internal Control > Internal Control Statement Announcement (<https://mops.twse.com.tw/mops/#/web/t06sg20>) to view.

2. For companies that commission an accountant to review their internal control systems, the accountant's report should be disclosed. Please visit the MOPS website > Single Company > Corporate Governance > Corporate Regulations/Internal Control > Internal Control Review Report (<https://mops.twse.com.tw/mops/#/web/t06hsg20>) for details.

(X) Major resolutions of the shareholders' meeting and the Board of Directors in the most recent year and up to the publication date of the annual report:

1. Major resolutions of the shareholders' meeting and their implementation status

Date of meeting	Meeting	Motions and implementation status
2025.05.23	Shareholders' Meeting	<ol style="list-style-type: none"> <li data-bbox="480 383 1442 479">1. Ratification of the 2024 business report and financial statements Implementation status: Announced the resolution status in accordance with Article 230 of the Company Act</li> <li data-bbox="480 479 1442 575">2. Ratification of the 2024 earnings distribution plan Implementation status: June 19, 2025 was set as the ex-dividend record date, and distribution was made on July 16, 2025. (Cash dividend of NTD 1 per share)</li> <li data-bbox="480 575 1442 672">3. Approved the resolution to amend the Articles of Incorporation. Implementation status: Handled in accordance with relevant laws and regulations based on the resolution.</li> <li data-bbox="480 672 1442 768">4. Resolved to approve the revision of the "Procedures for Acquisition or Disposal of Assets" Implementation status: Handled in accordance with relevant laws and regulations based on the resolution.</li> <li data-bbox="480 768 1442 864">5. Approved the proposal to amend the "Procedures for Loaning of Funds and Making of Endorsements/Guarantees" Implementation status: Handled in accordance with relevant laws and regulations based on the resolution.</li> <li data-bbox="480 864 1442 960">6. Approved the amendment to the "Regulations Governing the Election of Directors. Implementation status: Handled in accordance with relevant laws and regulations based on the resolution.</li> <li data-bbox="480 960 1442 1240">7. Resolved to approve the issuance of common shares through private placement Implementation status: After approval by the Annual General Meeting on May 23, 2025, it had not been implemented as of March 6, 2026. Considering the current operational status of the Company, the matter was submitted to the Board of Directors on March 9, 2026, which resolved not to continue handling the private placement within the remaining period, and to submit a report to the Annual General Meeting on June 25, 2026.</li> <li data-bbox="480 1240 1442 1337">8. Approved the resolution to remove the non-compete restriction for directors. Implementation status: Handled in accordance with relevant laws and regulations based on the resolution.</li> </ol>

## 2. Major resolutions of the Board of Directors

Date of meeting	Meeting	Motions
2025.03.06	Board of Directors	<p>Report of the performance evaluation on the Board of Directors and functional committees.</p> <p>Reported the implementation status of the schedule for controlling GHG inventory, verification, and disclosure.</p> <p>Report on the matters communicated by CPAs and the governance unit.</p> <p>Report on the long-term investment.</p> <p>Resolved to approve the Company's application to the bank for a credit limit.</p> <p>Resolution to pass the Company's 2024 "Evaluation on Effectiveness of Internal Control System" and "Statement of Internal Control System."</p> <p>Approved the proposal to set the record date for capital reduction through cancellation of the Company's repurchased issued restricted shares.</p> <p>Resolution to pass the distribution of the Company's 2024 employee and director remuneration.</p> <p>Resolution to pass the Company's 2024 Business Report and Financial Statements.</p> <p>Resolution to approve the Company's 2024 earnings distribution.</p> <p>Resolution to distribute cash dividends out of capital surplus.</p> <p>Resolution to discontinue the private placement of common shares approved at the 2024 AGM.</p> <p>Resolved to approve the Company's issuance of common shares through private placement.</p> <p>Resolved to approve the addition of agenda items for the Company's 2025 annual general shareholders' meeting.</p> <p>Resolved to approve the regular review and establishment of the policy for the remuneration of directors, independent directors, members of various functional committees, and managers.</p> <p>Resolution to pass the payment of the Company's 2024 director remuneration.</p>
2025.04.08	Board of Directors	<p>Approved the Company's evaluation of the independence and suitability of the CPAs and their appointment.</p> <p>Approved the remuneration of the Company's CPAs for 2025.</p> <p>Approved a resolution to define the scope of the Company's entry-level employees and to amend portions of the Company's "Internal Control System – Salary Administration."</p> <p>Approved the proposal to amend certain provisions of the Company's "Salary/Wage Cycle Audit Procedure."</p> <p>Approved a resolution to amend certain provisions of the Company's Articles of Incorporation.</p> <p>Resolved to approve the amendments to certain articles of the "Procedures for Acquisition or Disposal of Assets".</p> <p>Approved the proposal to amend certain provisions of the Company's "Procedures for Loaning of Funds and Providing Endorsements/Guarantees."</p> <p>Approved the proposal to amend certain provisions of the Company's "Rules Governing the Election of Directors."</p> <p>Approved a resolution removing the non-compete restrictions on the Company's directors and their representatives.</p> <p>Approved the proposal for the Company to add convening matters for the 2025 Annual General Meeting.</p> <p>Resolved to approve the remuneration and bonus distribution for the Company's internal personnel.</p>
2025.05.06	Board of Directors	<p>Reported the implementation status of the schedule for controlling GHG inventory, verification, and disclosure.</p> <p>Approved the Company's Q1 2025 financial statements.</p> <p>Approved the resolution to establish the Company's "Procedures for Preparation and Assurance of the Sustainability Report."</p> <p>Approved the proposal for the Company to acquire real estate right-of-use assets from its parent company, Alcor Micro Corporation</p>

Date of meeting	Meeting	Motions
2025.06.03	Board of Directors	The report featured a presentation by Ernst & Young. Approved the motion to replace the Company's auditing firm and certified public accountants.
2025.07.22	Board of Directors	Approved the proposal for the Company to invest in the Convertible Note issued by Gear Radio Limited and acquire equity in the company. Approved the proposal for the Company to acquire equity in the common stock of Taurus Wireless Inc. Approved the election of the Chairman of the Board.
2025.08.05	Board of Directors	Reported the implementation status of the schedule for controlling GHG inventory, verification, and disclosure. Approved the remuneration for the Company's certifying CPAs for 2025. Approved the Company's financial statements for Q2 2025. Approved the proposal to amend certain provisions of the Company's "Investment Procedures." Approved the review of the Company's 2024 Sustainability Report. Approved the proposal for the Company's Chairman remuneration. Approved the compensation for the Company's managerial officers.
2025.11.04	Board of Directors	Reported the status of directors' liability insurance coverage. Report on investment status. Report on the matters communicated by CPAs and the governance unit. Approved the Company's Q3 2025 financial statements.
2025.12.16	Board of Directors	Reported the information security management operation report. Reported the implementation status of the schedule for controlling GHG inventory, verification, and disclosure. Reported the status of the implementation of sustainability initiatives. Reported the implementation status of ethical corporate management. Reported the communication status with various stakeholders. Report on intellectual property management and enforcement. Approved the Company's 2026 audit plan. Approved the Company's 2026 operational plan. Approved the definition of salary standards for the Company's entry-level employees. Approved the appointment of the Company's Chief Financial Officer and Chief Accounting Officer. Approved the appointment of the company's corporate governance officer. Approved the compensation for the Company's new managers.
2026.03.09	Board of Directors	Report of the performance evaluation on the Board of Directors and functional committees. Reported the implementation status of the schedule for controlling GHG inventory, verification, and disclosure. Report on the matters communicated by CPAs and the governance unit. Report on the long-term investment. Resolved to approve the Company's application to the bank for a credit limit. Resolution to pass the Company's 2025 "Evaluation on Effectiveness of Internal Control System" and "Statement of Internal Control System." Resolution to pass the Company's 2025 Business Report and Financial Statements. Resolution to approve the Company's 2025 earnings distribution. Resolution to distribute cash dividends out of capital surplus. Resolution to discontinue the private placement of common shares approved at the 2025 AGM. Resolved to approve the Company's issuance of common shares through private placement. Approved matters related to the acceptance of shareholder proposals and nomination of director candidates for the Company's 2026 Annual General Meeting. Approved the convening matters for the Company's 2026 Annual General Meeting.
2026.04.14	Board of Directors	Approved the Company's evaluation of the independence and suitability of the CPAs and their appointment.

Date of meeting	Meeting	Motions
		Resolved to approve the remuneration for the Company's CPAs for 2026. Approved the motion to establish the Company's "Procedure for Applying for Suspension and Resumption of Trading" and to abolish the "Procedure for Applying for Suspension and Resumption of TPEX Stock Trading." Approved the amendment to the proposal for the private placement issuance of common shares, as resolved in the 21st meeting of the 10th Board of Directors. Resolved to approve the remuneration and bonus distribution for the Company's internal personnel.

(XI) If the directors or supervisors have expressed dissenting opinions with respect to any major resolution approved by the Board of Directors in the most recent year up till the publication date of this annual report, and said dissenting opinions have been recorded or prepared in written statements, please disclose the principal content thereof: None.

#### IV. Information on CPA professional fees

Unit: NTD thousands

Name of CPA firm	Name of CPA	CPA's audit period	Audit fees	Non-audit fees	Total	Notes
PwC Taiwan	Huang, Pei-Chuan	January 1, 2025, to March 31, 2025	330	-	330	(Note 2)
	Chen, Chin-Chang					
Ernst & Young	Yang, Yu-Ni	April 1, 2025 to December 31, 2025	1,160	1,170	2,330	
	Huang, Min-Ju					

Note 1: Non-audit services included a review of an internal control project for NT\$800 thousand, a tax attestation engagement of NT\$250 thousand, translation of annual financial statements for NT\$40 thousand, a review of affiliated company reports for NT\$50 thousand, and a review of salaries for full-time employees not in managerial positions for NT\$30 thousand.

Note 2: The parent company of our group has changed accounting firms. To ensure compliance with IFRS requirements for consistent accounting policies and estimation principles in the group's consolidated financial statements, and unified disclosure policies, our subsidiaries have simultaneously appointed new auditors to maintain overall audit quality.

- (I) If the audit fee for the year following the change of accounting firm is lower than the fee for the previous year, the amount of audit fees before and after the change and the reason for the change should be disclosed: No such situation.
- (II) If the audit fee decreases by more than 10% compared to the previous year, the amount, proportion, and reason for the decrease should be disclosed: No such situation.

V. Information on the Replacement of CPAs: No CPAs have been replaced in the most recent two years, so this section is not applicable.

(I) About the previous CPA

Date of replacement	June 3, 2025		
Reasons and description of the replacement	In line with the Group's and the Company's future operational needs.		
Explain whether the termination or refusal of the appointment was made by the mandator or the CPA	Counterparty	CPA	Mandator
	Status		
	Voluntarily terminated the appointment	Not applicable	✓
	No longer accepted (continued) the appointment	Not applicable	Not applicable
Opinions and reasons for the audit report issued in the last two years that are not unqualified opinions	None		
Whether there is any disagreement with the issuer	Yes	Accounting principles or practices	
		Disclosure of financial statements	
		Scope or steps of audit	
		Others	
	None	✓	
Description:			
Other disclosure matters (Article 10, Paragraph 6, Items 1-4 to 1-7 of this guideline that should be disclosed)	None		

(II) About the successor CPA

Name of CPA firm	Ernst & Young
Name of CPA	Yang, Yu-Ni, Huang, Min-Ju
Date of appointment	June 3, 2025
Consultation matters and results regarding the accounting treatment methods or accounting principles for specific transactions prior to the appointment, and the potential opinions that may be issued on the financial statements	Not applicable
The written opinion of the successor CPA regarding any disagreements with the previous CPA	None

(III) The previous CPA's response letter regarding Article 10, Paragraph 6, Items 1 and 2 of Subparagraph 3 of this guideline: None.

VI. The Chairman, President, or managers responsible for financial or accounting matters of the Company who have worked at the accounting firm or its affiliates within the past year: No such situation.

VII. For the most recent fiscal year and up to the publication date of this annual report, the share transfer and pledge changes of directors, supervisors, managers, and shareholders holding more than 10% of the shares.

- (I) The changes in shareholding and share pledge status of directors, supervisors, managers, and major shareholders

Unit: shares

Title	Name	2025		As of April 27, 2026	
		Increase (decrease) the shares held	Increase (decrease) the shares pledged	Increase (decrease) the shares held	Increase (decrease) the shares pledged
Major shareholder	Alcor Micro Corporation	-	-	-	-
Chairman	Alcor Micro Corporation	-	-	-	-
	Representative: Tsai, Ling-Chun	-	-	-	-
Director	Alcor Micro Corporation	-	-	-	-
	Representative: Lo, Sen-Chou	-	-	-	-
Director	Alcor Micro Corporation	-	-	-	-
	Representative: Peng, Chih-Chiang	-	-	-	-
Director	Huang, Liang-Chun	42,000	-	-	-
Director	Liao, Hui-Ling	-	-	-	-
Major shareholder	Hsu, Yu-Pin	163,000	-	242,165	-
Director	Hsu, Yu-Pin	163,000	-	242,165	-
Independent Director	Wu, Chi-Ming	-	-	-	-
Independent Director	Yu, Chi-Min	-	-	-	-
Independent Director	Cheng, Chun-Yuan	-	-	-	-
President	Huang, Liang-Chun	-	-	-	-
Vice President, R&D	Jen, Tsung-Hui	(9,094)	-	(53,310)	-
Director	Lo, Shih-Chieh	-	-	8,750	-
Head of Finance (Note)	Liao, Li-Wen	-	-	-	-
Head of Accounting (Note)	Liao, Li-Wen	-	-	-	-
Head of Finance	Hsu, Wen-Te	-	-	-	-
Head of Accounting	Hsu, Wen-Te	-	-	-	-

Note: Chief Financial Officer and Accounting Officer Liao, Li-Wen resigned on December 19, 2025, citing personal career plans. Information has been disclosed through December 19, 2025.

- (II) The counterparties to share transfers by directors, supervisors, managers, and major shareholders that are related parties: None.
- (III) The counterparties of share pledges by directors, supervisors, managers, and major shareholders being related parties: No share pledge situation.

VIII. Information on whether the top ten shareholders, based on shareholding ratio, are related parties or are spouses or relatives within second degree of kinship with each other

April 27, 2026 Unit: shares; %

Name	Shares held by the person		Shares held by spouse and minor children		Total shares held in the name of others		The names and relationships of the top ten shareholders who are related to each other or who are spouses or relatives within the second degree of kinship		Notes
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name	Relations	
Alcor Micro Corporation Representative: Lo, Sen-Chou	10,887,288	24.53	-	-	2,117,159	4.77	Chun-Feng Investment Ltd.	Affiliate	-
	501,692	1.13	-	-	-	-			
Hsu, Yu-Pin	3,055,579	6.89	-	-	1,696,711	3.82	Chen, Li-Chen Hsu, Yu-Wei Jia Xi Investment Co., Ltd.	Mother and Son Brothers Person in charge	-
Chen, Li-Chen	2,779,164	6.26	-	-	-	-	Hsu, Yu-Pin Hsu, Yu-Wei	Mother and Son Mother and Son	-
Representative, Chun-Feng Investment Ltd.: Tsai, Ling-Chun	2,117,159	4.77	-	-	-	-	Alcor Micro Corporation	Affiliate	-
	208,310	0.47	-	-	-	-			
Representative, Jia Xi Investment Co., Ltd.: Hsu, Yu-Pin	1,696,711	3.82	-	-	-	-	Hsu, Yu-Pin	Person in charge	-
	3,055,579	6.89	-	-	1,696,711	3.82			
Hsu, Yu-Wei	1,243,872	2.80	-	-	692,794	1.56	Chen, Li-Chen Hsu, Yu-Pin Cheng Ho Investment Co., Ltd.	Mother and Son Brothers Person in charge	-
Representative, Cheng Ho Investment Co., Ltd.: Hsu, Yu-Wei	692,794	1.56	-	-	-	-	Hsu, Yu-Wei	Person in charge	-
	1,243,872	2.80	-	-	692,794	1.56			
Liu, Kuan-Ting	508,996	1.15	-	-	-	-	None	None	-
Lo, Sen-Chou	501,692	1.13	-	-	-	-	Alcor Micro Corporation	Person in charge	-
Representative, Huang, Chou-Chieh: Huang, Chou-Chieh	500,000	1.13	-	-	-	-	None	None	-
	-	-	-	-	-	-			

IX. The number of shares held by the Company's directors, managers, and businesses directly or indirectly controlled by the Company in the same reinvested company, along with the consolidated holding ratio: None.

### Three. Financing Status

#### I. Capital and shares

##### (I) Source of share capital

1. The shares issued by the Company for the most recent fiscal year and up to the publication date of the annual report

Unit: Thousand shares; NTD thousand (except issuance price)

YY/MM	Issuance price (NTD)	Approved share capital		Paid-in capital		Notes		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Payment of share capital with property other than cash	Others
2005.3	12	45,000	450,000	28,500	285,000	Capital increase in cash by NTD 35,000 thousand	None	Note 1
2005.7	10	45,000	450,000	29,193	291,933	Employee stock options totaling NTD 6,933 thousand	None	Note 2
2006.1	10	45,000	450,000	30,095	300,953	Employee stock options totaling NTD 9,020 thousand	None	Note 3
2006.4	15	45,000	450,000	32,595	325,953	Capital increase in cash by NTD 25,000 thousand	None	Note 4
2006.12	10	45,000	450,000	34,629	346,290	Employee stock options totaling NTD 20,337 thousand	None	Note 5
2007.10	10	45,000	450,000	35,000	350,000	Employee stock options totaling NTD 3,710 thousand	None	Note 6
2008.5	15	45,000	450,000	38,000	380,000	Capital increase in cash by NTD 30,000 thousand	None	Note 7
2010.5	15	60,000	600,000	43,800	438,000	Capital increase in cash by NTD 58,000 thousand	None	Note 8
2010.8	10	60,000	600,000	45,503	455,030	Employee stock options of 17,030	None	Note 9
2011.3	40	60,000	600,000	50,000	500,000	Capital increase in cash by NTD 44,970 thousand	None	Note 10
2014.2	13.5	60,000	600,000	36,300	363,000	Capital reduction to offset losses of NTD 237,000 thousand, and cash capital increase of NTD 100,000 thousand.	None	Note 11
2015.8	0	60,000	600,000	38,115	381,150	Issuance of new restricted employee rights shares with no payment required, amounting to NTD 18,150 thousand.	None	Note 12
2016.5	—	60,000	600,000	37,720	377,200	Cancellation of new restricted employee shares	None	Note 13
2016.12	—	60,000	600,000	37,590	375,900	Cancellation of new restricted employee shares	None	Note 14
2017.4	—	60,000	600,000	37,582	375,820	Cancellation of new restricted employee shares	None	Note 15

YY/MM	Issuance price (NTD)	Approved share capital		Paid-in capital		Notes		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Payment of share capital with property other than cash	Others
2019.12	0	100,000	1,000,000	38,582	385,820	Issuance of new restricted employee rights shares with no payment required, amounting to NTD 10,000 thousand.	None	Note 16
2021.8	—	100,000	1,000,000	30,974	309,744	Capital reduction to offset losses of NTD 76,076 thousand	None	Note 17
2021.12	—	100,000	1,000,000	30,917	309,166	Cancellation of new restricted employee shares	None	Note 18
2022.3	0	100,000	1,000,000	31,617	316,166	Issuance of new restricted employee rights shares with no payment required, amounting to NTD 7,000 thousand.	None	Note 19
2022.7	—	100,000	1,000,000	31,607	316,070	Cancellation of new restricted employee shares	None	Note 20
2023.2	0	100,000	1,000,000	31,907	319,070	Issuance of new restricted employee rights shares with no payment required, amounting to NTD 3,000 thousand.	None	Note 21
2023.6	—	100,000	1,000,000	31,898	318,980	Cancellation of new restricted employee shares	None	Note 22
2023.11	26	100,000	1,000,000	41,898	418,980	Capital increase in cash by NTD 100,000 thousand	None	Note 23
2024.6	33.5	100,000	1,000,000	44,398	443,980	Capital increase in cash by NTD 2,500 thousand	None	Note 24
2025.03	—	100,000	1,000,000	44,377	443,770	Cancellation of new restricted employee shares	None	Note 25

Note 1: Approval date and reference number: 2005.04.20 Jing-Shou-Zhong-Zi No. 09432002860

Note 2: Approval date and reference number: 2005.08.30 Jing-Shou-Zhong-Zi No. 09432748540

Note 3: Approval date and reference number: 2006.02.13 Jing-Shou-Zhong-Zi No. 09531675220

Note 4: Approval date and reference number: 2006.05.08 Jing-Shou-Zhong-Zi No. 09532144930

Note 5: Approval date and reference number: 2007.01.26 Jing-Shou-Zhong-Zi No. 09631619690

Note 6: Approval date and reference number: 2007.11.09 Jing-Shou-Zhong-Zi No. 09633034970

Note 7: Approval date and reference number: 2008.06.18 Jing-Shou-Zhong-Zi No. 09732456750

Note 8: Approval date and reference number: 2010.06.08 Jing-Shou-Zhong-Zi No. 09932136130

Note 9: Approval date and reference number: 2010.08.17 Jing-Shou-Zhong-Zi No. 09932466050

Note 10: Approval date and reference number: 2011.04.18 Jing-Shou-Shang-Zi No. 10001071080

Note 11: Approval date and reference number: 2014.02.13 Jing-Shou-Zhong-Zi No. 10333100160

Note 12: Approval date and reference number: 2015.08.28 Jing-Shou-Zhong-Zi No. 10433678050

Note 13: Approval date and reference number: 2016.05.25 Jing-Shou-Zhong-Zi No. 10533685320

Note 14: Approval date and reference number: 2016.12.16 Jing-Shou-Zhong-Zi No. 10534512010

Note 15: Approval date and reference number: 2017.04.05 Jing-Shou-Zhong-Zi No. 10633173010

Note 16: Approval date and reference number: 2020.01.03 Jing-Shou-Zhong-Zi No. 10933002050

- Note 17: Approval date and reference number: 2021.08.09 Jing-Shou-Zhong-Zi No. 11033485920  
 Note 18: Approval date and reference number: 2021.12.21 Jing-Shou-Zhong-Zi No. 11033791220  
 Note 19: Approval date and reference number: 2022.03.24 Jing-Shou-Zhong-Zi No. 11133169240  
 Note 20: Approval date and reference number: 2022.07.08 Jing-Shou-Zhong-Zi No. 11133416640  
 Note 21: Approval date and reference number: 2023.02.06 Jing-Shou-Zhong-Zi No. 11233062690  
 Note 22: Approval date and reference number: 2023.06.30 Jing-Shou-Zhong-Zi No. 11233383520  
 Note 23: Approval date and reference number: 2023.12.01 Jing-Shou-Shang-Zi No. 11233730870  
 Note 24: Approval date and document number: 2024.07.10 Jing-Shou-Shang-Zi No. 11330675160  
 Note 25: Approval date and document number: 2025.03.24 Jing-Shou-Shang-Zi No. 11430399490

March 25, 2025. Unit: shares

Types of shares	Approved share capital			Notes
	Outstanding shares	Unissued shares	Total	
Common shares	44,377,001	55,622,999	100,000,000	Listed company

2. Information on the offering and issuance of securities by the Company under the aggregate reporting system: None.

(II) List of major shareholders

April 27, 2026 Unit: shares

Name of major shareholder	Shares	Number of shares held	Shareholding ratio (%)
Alcor Micro Corporation		10,887,288	24.53%
Hsu, Yu-Pin		3,055,579	6.89%
Chen, Li-Chen		2,779,164	6.26%
Chun-Feng Investment Ltd.		2,117,159	4.77%
Jia Xi Investment Co., Ltd.		1,696,711	3.82%
Hsu, Yu-Wei		1,243,872	2.80%
Cheng Ho Investment Co., Ltd.		692,794	1.56%
Liu, Kuan-Ting		508,996	1.15%
Lo, Sen-Chou		501,692	1.13%
Sunplus Venture Capital Co., Ltd.		500,000	1.13%

(III) The Company's Dividend Policy and Implementation Status

1. The Company's dividend policy

- (1) Dividend policy defined in the Company's Articles of Incorporation

If the Company has earnings in a fiscal year, the Company shall first pay taxes and cover losses of previous years, followed by setting aside a legal reserve at 10% of the remaining profits. However, this is not applicable if the legal reserve has reached the same amount as the Company's paid-in capital. If a special reserve is set aside or reversed in accordance with the laws or regulations of the competent authority, the remaining amount, plus the undistributed earnings at the beginning of the period, shall be the basis for the distribution of dividends, which the Board of Directors shall propose and submit to the shareholders' meeting for resolution before distribution.

If the Company distributes dividends and bonuses or all or part of the legal reserves and capital reserves in the form of cash, the Board of Directors is authorized to do so with the attendance of more than two-thirds of the directors and the approval of the majority of the attending directors, and then report it to the shareholders' meeting.

Based on the current industry conditions and to address future capital needs and long-term operational planning, the distribution of shareholder dividends shall not exceed 90% of the total distributable earnings. The distribution of shareholder dividends shall prioritize cash dividends but may also be distributed in the form of stock dividends. However, the proportion of stock dividends shall, in principle, not exceed 50% of the total dividends.

(2) Dividend distribution status

Year	EPS for the year	Year of distribution of dividends	Cash dividends	Stock dividends		Total dividends
				Earnings distribution as stock	Stock dividends from additional paid-in capital	
2021	2.33	2022	1.5	-	-	1.5
2022	2.15	2023	1.5	-	-	1.5
2023	(0.70)	2024	0.8	-	-	0.8
2024	0.72	2025	1.0	-	-	1.0
2025	(0.22)	2026	0.5	-	-	0.5

The Company's specific earnings distribution ratio will depend on the actual profit, capital status and capital budget in the year ahead.

2. Dividend distribution status resolved by the Board of Directors

On March 9, 2026, the Company's Board of Directors resolved to distribute cash dividends from earnings amounting to NTD 2,218,850, with NTD 0.05 per share. Additionally, cash dividends from capital reserves amounting to NTD 19,969,650 will be distributed, with NTD 0.45 per share. The actual dividend amount per share will be calculated based on the number of shares outstanding as of the ex-dividend record date.

(IV) The effect of the bonus shares proposed in the shareholders' meeting on the Company's business performance and earnings per share: None.

(V) Remuneration to employees and directors

1. Percentage or range of remuneration to employees and directors as stated in the Articles of Incorporation

If the Company generates profit for the year (where "profit" refers to pre-tax income before deducting employee compensation and director remuneration), it shall allocate no less than 5% of such profit as employee compensation and no more than 3% as

director remuneration. Of the total amount allocated for employee compensation, 20% shall be distributed to non-executive employees. However, if the Company has accumulated losses (including adjustment of the amount of undistributed earnings), a reserve for the amount to cover such losses should be set aside in advance.

The employee remuneration mentioned in the preceding paragraph may be granted in the form of stock or cash, and the recipients may include employees of controlling or subordinate companies who meet certain conditions. The remuneration to directors mentioned in the preceding paragraph shall be paid in cash only.

The preceding two paragraphs shall be implemented by resolution of the Board of Directors, and shall be reported to the shareholders' meeting.

2. The estimation basis for the employee and director remuneration amounts for the current period, the calculation basis for the number of shares for employee remuneration granted in stock, and the accounting treatment in case of differences between the actual distribution amount and the estimated figures:
  - (1) The amount of employee and director remuneration for the current period is estimated and recorded based on the annual profit status, according to a certain proportion and the provisions of the Articles of Incorporation.
  - (2) If there is a difference between the estimated number of shares for stock-based employee remuneration and the actual distribution amount, such difference shall be treated as a change in accounting estimates and recognized in the profit or loss of the actual distribution year.
3. Distribution of remuneration passed by the Board of Directors
  - (1) Employee and director remuneration distributed in cash or in shares If there is a difference between the estimated expense and the amount recognized, the amount of the difference, the reason for the difference, and its treatment should be disclosed: No profit was made in 2025, and therefore no remuneration was recognized or distributed.
  - (2) The amount of employee remuneration distributed in shares and such amount as a percentage of the net profit after tax in the parent company only or individual financial statements and the total employee remuneration: No employee remuneration was distributed in shares in 2025.

4. The actual distribution of employees', directors', and supervisors' remuneration for the previous year (including the number of shares distributed, the amount, and the share price), and any differences between the distribution and the recognition of such remuneration, including the amount, reasons, and handling of those differences, are as follows: On March 6, 2025, the Board of Directors resolved to distribute a total of NT\$ 1,621,537 in employee remuneration and NT\$ 969,864 in director remuneration for 2024 in cash. These amounts represented 5% and 3%, respectively, of the pre-tax net profit for 2024. The proposed distribution method is cash, and the aforementioned amounts did not differ from the expenses recognized in 2024.

(VI) Repurchase of the Company's shares: No such situation.

- II. Issuance of corporate bonds: No such situation.
- III. Handling of preferred shares: No such situation.
- IV. Handling of overseas depository receipts: No such situation.
- V. Handling of employee stock options: No such situation.

VI. Handling of new restricted employee stock options

(I) The Company has not yet fully met the conditions for the issuance of new restricted employee shares and its impact on shareholder equity

April 27, 2026

Types of new restricted employee shares	2022 New restricted employee shares (1st issuance)	2022 New restricted employee shares (2nd issuance)
Effective date of report and total number of shares	March 15, 2022/1,000,000 shares	
Date of issuance	March 17, 2022	February 1, 2023
Number of new restricted employee shares issued	700,000 shares	300,000 shares
Number of new restricted employee shares that can be issued	300,000 shares	0 shares
Issuance price	NTD 0	NTD 0
Percentage of new restricted employee shares issued to total shares issued (Note 1)	2.26%	0.95%
Vesting conditions for new restricted employee shares	<p>From the date of allocation of new restricted employee shares (i.e., the base date for the capital increase of new restricted employee shares), upon completing one year of service and achieving a performance score of 80 or above (inclusive) based on the Company's operational goals set for the employee's role, the employee may acquire 30%. After completing two years of service from the allocation date and achieving a performance score of 80 or above (inclusive) based on the Company's operational goals, the employee may acquire 35%. After completing three years of service from the allocation date and achieving a performance score of 80 or above (inclusive) based on the Company's operational goals, the employee may acquire 35%.</p>	
Restricted rights of employees for new restricted employee shares	<ol style="list-style-type: none"> <li>1. Before meeting the vesting conditions, employees who are allocated new shares may not sell, pledge, transfer, gift, assign, or otherwise dispose of the new restricted employee shares. They must comply with all required procedures and sign the relevant documents.</li> <li>2. Attendance at shareholders' meetings, motions, speeches, voting rights, and other shareholder equity matters: Before meeting the vesting conditions, all such rights for the new restricted employee shares are exercised by the entrusted custodial institution or custodian bank.</li> <li>3. Participation in dividend distribution rights: Before meeting the vesting conditions, the new restricted employee shares have the right to participate in cash dividend distributions, and the obtained cash dividends are not subject to the vesting period and do not require custodial trust. However, before meeting the vesting conditions, the new restricted employee shares do not have the right to participate in stock dividend distributions.</li> <li>4. Rights to subscribe for shares in cash capital increase: Before meeting the vesting conditions, the new restricted employee shares do not have the right to participate in the Company's cash capital increase subscription.</li> <li>5. Before meeting the vesting conditions, if the Company conducts a cash capital reduction and returns cash, the cash refund for the unvested new restricted employee shares must be entrusted. Upon meeting the vesting conditions and period, the cash refund will be delivered to the employees along with the vested shares without interest. However, if the vesting conditions are not met by the end of the period, the Company will reclaim the cash.</li> <li>6. After the issuance of new restricted employee shares, employees must immediately entrust or deposit them as agreed, and before the vesting</li> </ol>	

Types of new restricted employee shares	2022 New restricted employee shares (1st issuance)	2022 New restricted employee shares (2nd issuance)
	conditions are fulfilled, they may not request the return of the new restricted employee shares from the trustee or custodian bank for any reason or in any manner.	
Custody of new restricted employee shares	Entrusted to a trust custody institution	
Handling method for allocated or subscribed new shares by employees before meeting vesting conditions	The Company may repurchase and cancel the issued rights shares without compensation.	
Number of new restricted employee shares repurchased	9,000 shares	21,000 shares
Number of new restricted shares that have already been lifted from restrictions	491,000 shares	279,000 shares
Number of new restricted shares that have not been lifted from the restrictions	0 shares	0 shares
Percentage of the number of shares with restricted rights that have not been lifted from the restriction to the total number of issued shares	0.00%	0.00%
Impact on shareholders' equity (Note 1)	Based on the issued shares of 30,916,635 shares in the issuance year, the estimated ratio of the newly issued new restricted employee shares to the total issued shares is 2.26%. The estimated decrease in earnings per share after capitalization from 2022 to 2025 is NTD 0.26, NTD 0.19, NTD 0.08, and NTD 0.01, respectively, which will not have a significant impact on shareholder equity.	Based on the issued shares of 31,607,001 shares in the issuance year, the estimated ratio of the issued new restricted employee shares to the total issued shares is 0.95%. The estimated decrease in earnings per share after capitalization from 2023 to 2026 is NTD 0.11, NTD 0.06, NTD 0.03, and NTD 0.002, respectively, which will not have a significant impact on shareholders' equity.
Note 1: The ratio is calculated based on the total number of issued shares at the time of issuance.		

(II) Names of managers who have acquired new restricted employee shares and top ten employees with the largest number of new restricted employee shares as of the publication date of this annual report

	Title	Name	Number of new restricted employee shares acquired	Percentage of the number of new restricted employee shares acquired to the total number of issued shares	Lifted from restrictions			Not lifted from restrictions				
					Number of shares that have already been lifted from restrictions	Issuance price	Amount issued	Percentage of shares that have already been lifted from restrictions to total issued shares	Number of shares that have not been lifted from restrictions	Issuance price	Amount issued	Percentage of shares that have not been lifted from restrictions to total issued shares
Managers	Controlling company - CEO, Alcor Micro	Tsai, Ling-Chun	419,000	0.94%	275,500	-	-	0.62%	143,500	-	-	0.32%
	President	Huang, Liang-Chun										
	Vice President, R&D	Jen, Tsung-Hui										
	Special Assistant of the President (Note 2)	Lin, Chien-Hung										
	Head of Finance and Accounting	Liao, Li-Wen										
Employee	Employee	Ting, Chi-Cheng	481,000	1.08%	309,500	-	-	0.70%	171,500	-	-	0.39%
	Employee	Wang, Chih-Wei										
	Employee	Li, Chuan-Tai										
	Employee	Li, Chung-Yu										
	Employee	Shen, Yi-Nung										
	Employee	Lin, Chien-Chung										
	Employee	Lin, Chi-Fan										
	Employee	Chiu, Chia-Sheng										
	Employee	Chang, Tzu-Sung										
	Employee	Tsai, Hao-Hsun										
	Employee	Lai, Chun-Chi										
	Employee	Lo, Shih-Chieh										

Note 1: As of the publication date of annual report, the total number of issued shares was 44,377,001 shares.

Note 2: The Special Assistant to President, Lin, Chien-Hung, resigned on December 31, 2024 due to personal career planning. Therefore, the shares unvested have been recovered for cancellation.

(The employees disclosed above are arranged in the order of the strokes in their surnames.)

VII. Mergers or acquisitions of other companies' shares and issuance of new shares: No such situation.

## VIII. Implementation of capital utilization plans

### (I) Plan content:

Before the publication date of the annual report, for any unscheduled or recently completed issuance or private placement of securities within the past three years, if the planned benefits have not yet materialized, a detailed explanation should be provided regarding the content of each issuance or private placement plan, including changes to the plan, sources and uses of funds, reasons for the changes, the benefits before and after the changes, and the date of the submission of the changed plan to the shareholders' meeting. The information should also be published on the designated information reporting website:  
No such situation.

### (II) Implementation status: Not applicable.

## Four. Operational Overview

### I. Content of business

#### (I) Scope of business

##### 1. The main business activities of the Company:

- CC01060 Wired Communication Mechanical Equipment Manufacturing.
- CC01070 Wireless Communication Mechanical Equipment Manufacturing.
- CC01080 Electronics Components Manufacturing.
- F213010 Retail Sale of Electric Appliance.
- F213060 Retail Sale of Telecommunication Apparatus.
- F113020 Wholesale of Electrical Appliances.
- F113070 Wholesale of Telecommunication Apparatus.
- I101990 Other Engineering Consulting (communication engineering consulting).
- I301010 Information Software Services.
- I301020 Data Processing Services.
- I301030 Electronic Information Supply Services.
- I501010 Product Designing.
- IE01010 Telecommunications Service Number Agencies.
- F401021 Restrained Telecom Radio Frequency Equipments and Materials Import.
- CC01101 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing.
- ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

##### 2. Business proportion of main products

<u>Product items</u>	<u>Business proportion</u>
Module	58%
Chips	42%

##### 3. The Company's current product items

###### Chip products

- (1) 24-bit high-performance long-distance wireless audio transmission chips/modules
- (2) Low energy-consumed long-distance wireless audio transmission chips/modules
- (3) Low energy-consumption smart remote controllers and control signal transmission chips/modules

###### Support Solutions

- (1) Home audio-visual entertainment systems
- (2) Computer multimedia applications
- (3) Portable multimedia applications
- (4) Other audio-visual entertainment systems

###### System Application Products

- (1) Smart TVs and their peripheral products: Wireless speakers, remote controls, 3D glasses, wireless headphones, wireless headsets, wireless mouse, keyboard, and

wireless microphones

- (2) Wireless digital home theater systems, multi-channel wireless Soundbar systems, high-fidelity wireless headphones, wireless speakers for projectors, and wireless audio transmission and reception boxes
- (3) Gaming peripherals: Wireless gaming headsets, wireless gaming mouse, and wireless gaming keyboards
- (4) Wireless electronic instruments

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

In response to the anticipated increase in market demand for high-quality and lossless wireless audio transmission, SYNIC has leveraged its years of proprietary wireless audio transmission technology to develop the next-generation IA25 series and IAW broadband series. These products feature low latency while maintaining high audio quality and are designed to adopt advanced modulation and frequency-hopping technologies to better suit complex wireless environments. Additionally, with multi-channel lossless compression technology, they will support 5.1/7.1 wireless multi-channel and Dolby Atmos 7.1.4 surround sound, delivering the ultimate experience of an all-wireless multi-channel home theater.

In addition, addressing the increasing demand for low-latency wireless audio transmission in gaming consoles, eSport gaming peripherals, and wireless music instrument applications, SYNIC has actively invested in related technology development. With the goal of delivering high-quality, high-performance comprehensive solutions, the Company aims to bring a new user experience to the eSport market and various consumers. Furthermore, plans are underway to develop new applications for both audio and non-audio transmission on the wireless transmission platform.

Developing next-generation high-data-rate 2.4GHz and 5GHz RF technology, SYNIC is also investing in the R&D of audio, non-audio, and AI algorithms. In addition to focusing on AIoT applications, the company is preparing for early advancements in Bluetooth 6/7 (BT6/BT7) deployment.

## (II) Industry Overview

### 1. The current status and development of the industry

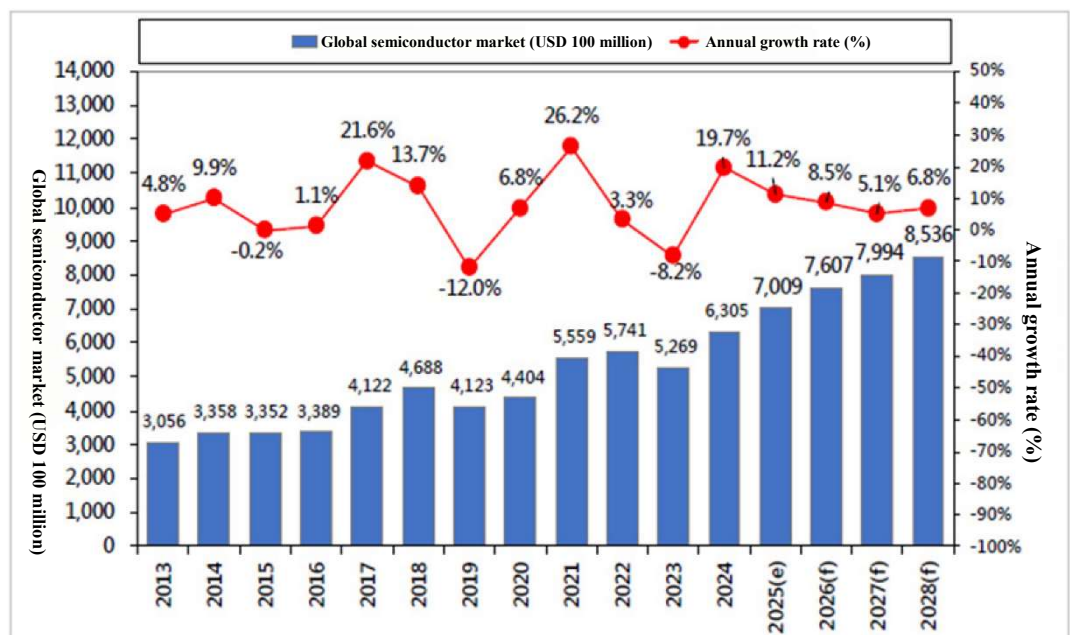
The Company is an IC design company specializing in wireless audio control chips and modules, and has long been a leader in high-performance, low-power, and low-latency wireless audio transmission technology. In addition to its established focus on home entertainment, e-sports, and electronic musical instruments, the Company has expanded into next-generation AI vertical applications such as AI/AR glasses, family robots, and

drones, responding to the growing trend of integrating generative AI functions from cloud servers into edge (Edge AI) products. It offers high-performance wireless video and audio, and sensing capabilities through wireless transmission solutions that add value to hardware with software. The following is an overview of the industry to which the Company belongs:

(1) Overview of the global semiconductor industry and IC design industry

After a downturn in 2023 (output value of approximately USD 526.9 billion), the global semiconductor market rebounded in 2024, driven by strong demand for AI computing chips. Output value rose to USD 630.5 billion, representing 19.7% annual growth. In 2025, industrial momentum shifted from “cloud computing” to “edge-side application.” Individual AI devices (such as AI glasses) and demand for edge computing became core trends, and global production value increased to US\$700.9 billion, representing an annual growth rate of approximately 11.2%. The growing trend of comprehensive AI applications is driving the IC design industry toward high-performance computing integration and ultra-low latency communication specifications, continuing to fuel global semiconductor technology research and development and market growth. Meanwhile, the market demand is expected to enter a stable growth phase in 2026, and the global semiconductor industry’s output value is projected to exceed US\$760.7 billion, representing an estimated growth rate of approximately 8.5%.

"Scale of the global semiconductor market"

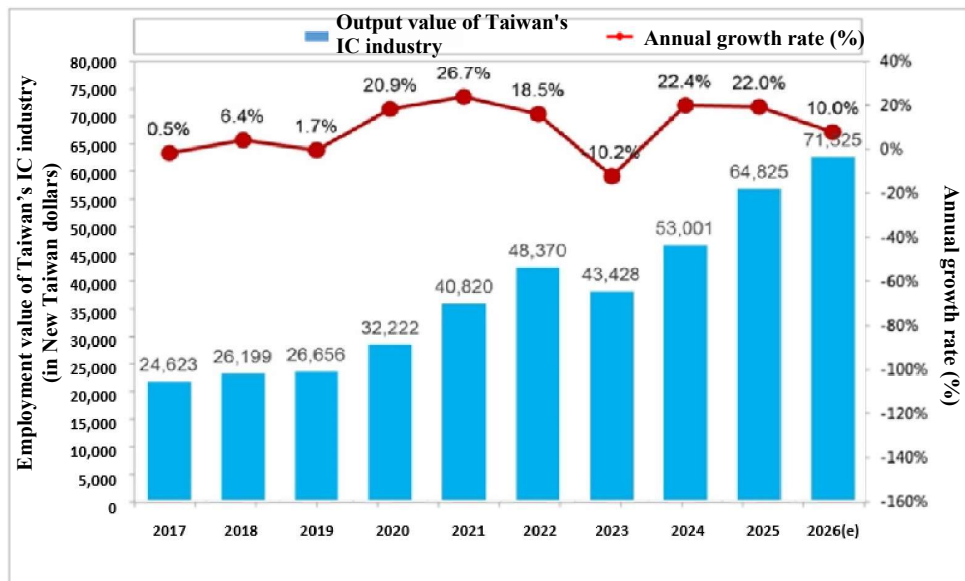


Source: WSTS (2025/6)

(2) Overview of Taiwan's semiconductor industry and IC design industry

Leveraging the comprehensive application of AI and a strong high-performance computing (HPC) ecosystem, Taiwan's IC industry reached NT\$ 5.3 trillion in output value in 2024. Looking ahead to 2025, as AI technology becomes deeply integrated into products such as AR glasses, smart wearables, and robots, Taiwan's semiconductor output value exceeded NT\$ 6.3 trillion, with an estimated annual growth rate of 19.1%.

"Output value of Taiwan's IC industry"



Source: IEK (2025/11)

After adjusting in 2023 (output value of NT\$ 1.0965 trillion, a negative growth of -11.0%), Taiwan's IC design industry rebounded in 2024, achieving a high growth rate of 16.0% thanks to stabilized demand for end products and sustained long-term demand for automotive, high-performance computing (HPC), and AIoT applications. The annual output value reached a record high of NT\$ 1.2721 trillion. In 2025, driven by upgrades to end-product specifications and the growing adoption of AI agents, Taiwan's IC design output is projected to reach NT\$1.432 trillion, a 12.6% increase. This growth demonstrates Taiwan's leading role in the practical application of AI. IEK also forecasts that the market will enter a stable growth phase in 2026, with the growth rate expected to slow to 6.8%.

### "Output value scale of Taiwan's IC design industry"

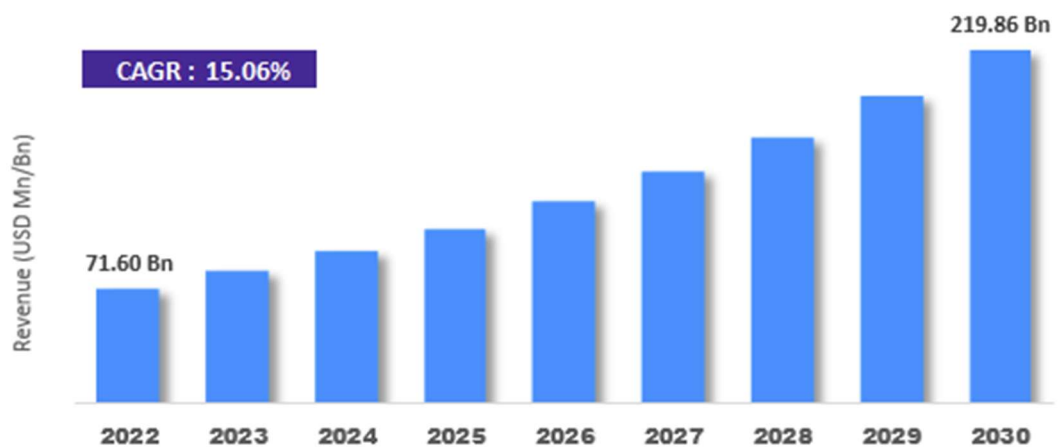


Source: IEK (2025/10)

### (3) Wireless connectivity market overview

As the world transitions toward multi-mode and sensor fusion, the global wireless connection market reached US\$219.8 billion by 2030, with a CAGR of 15.06%. A single wireless specification is insufficient to meet the diverse needs of the market. Syncomm Technology is transitioning from a single standard to an “integrated multi-mode wireless application solution” by combining its proprietary protocol with the strengths of Bluetooth 7.0/8.0 and Wi-Fi 7/Wi-Fi 8. This expands capabilities beyond pure audio transmission to include areas such as video feedback, eye tracking, and sensor fusion technology, satisfying the high synchronization requirements and accelerating time-to-market for active AI and localized personal devices.

### "Estimated Wireless Connectivity Market Size"



Source of data: Zion Market Research, September 2023

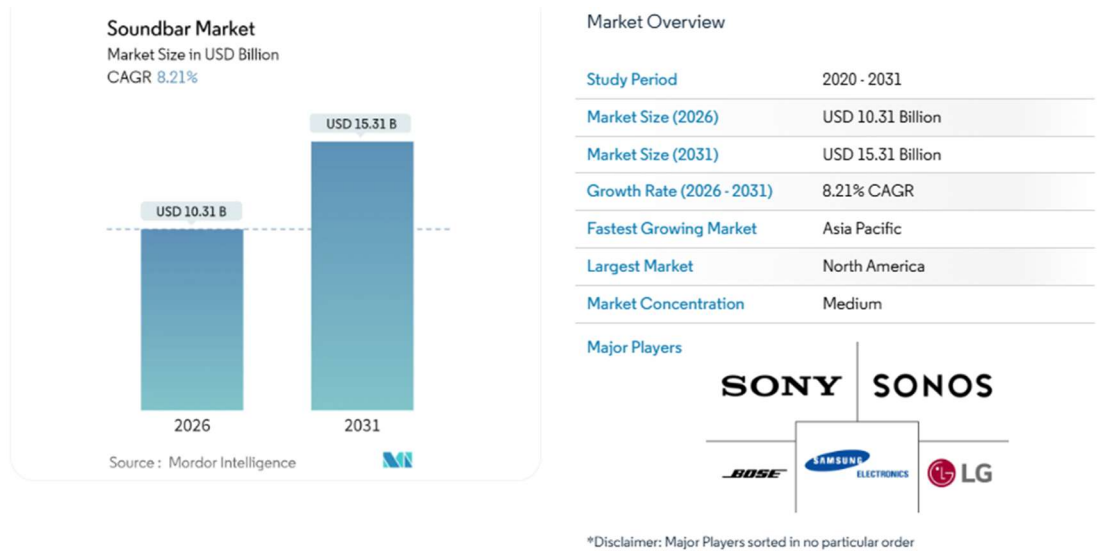
(4) Overview of product application fields

The wireless audio control chips and modules designed by our company are widely used in home theater soundbar systems and wireless surround and bass speakers, AI/AR glasses and wearable devices, robots and drones, and e-sports peripherals. An evaluation and analysis of the development status in each application field is provided below:

A. Home theater soundbar systems (Soundbar)

The soundbar market is expected to reach US\$15.3 billion in 2031. Since 2025, application trends have focused on integrating AI voice assistants, AI noise reduction, and Dolby Atmos. OMNIKEY’s single-module solution effectively optimizes system costs, making it an ideal partner for customers.

"Global Soundbar Market Scale"



Source: Mordor Intelligence, 2025

B. AI/AR glasses and wearable devices

Wireless capability is a core requirement for enhancing the wearability of these products. The Company’s proprietary SyncSA® spatial audio algorithm significantly enhances immersive experience quality. Eye-tracking and sensing technology are key to advancing the next stage of active AI and AI agents.

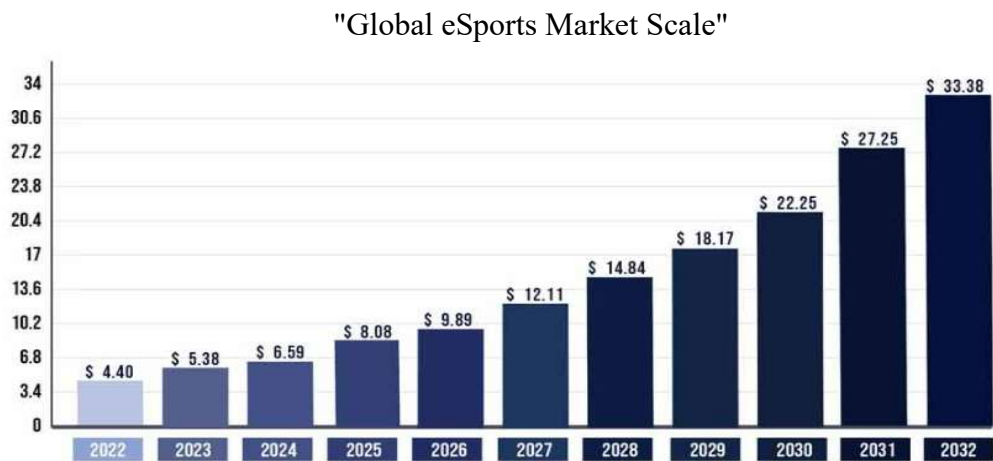
C. Robots and drones

In recent years, major brands have been actively developing home robot products. The Company is targeting strong market demand for wireless video and sensing modules and provides highly customized hardware and software integration services to enable obstacle avoidance and real-time environmental

perception.

#### D. eSports peripheral products

E-sports players demand ultra-low latency specifications (less than 20ms). The Company’s three-in-one wireless solution has been validated by a leading manufacturer. According to a research conducted by Precedence Research, the global eSports market size surpassed USD 4.4 billion in 2022 and is projected to reach approximately USD 33.38 billion by 2032, with a CAGR of 22.47% from 2023 to 2032.

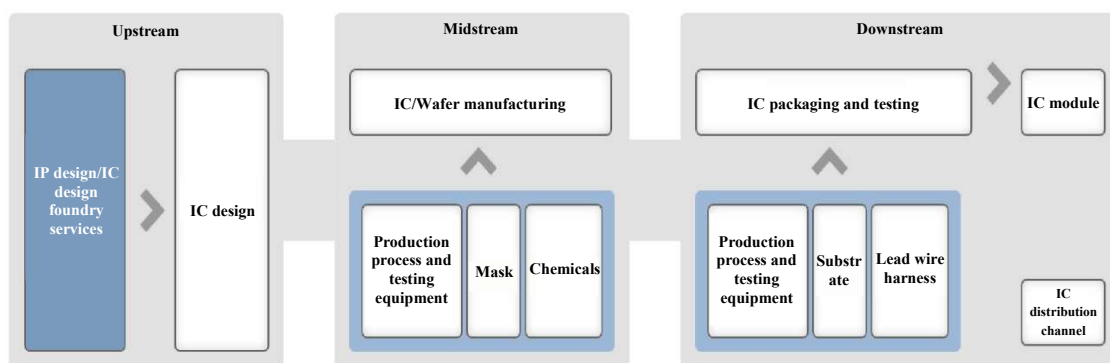


Source of data: Precedence Research, May 2023

#### 2. Relationships between the industry’s upstream, midstream, and downstream

The Company is an IC design firm that employs a software-enhanced hardware business model and operates upstream in the semiconductor industry chain. In addition to chip R&D, the company emphasizes value-added software developed in-house—such as SHDC®, SyncSA®, and AI ENC noise reduction—to provide customers with highly customized “multi-mode wireless application integration solutions.” This allows the company to transform into a full-solution provider for system design services, helping customers rapidly deploy edge AI applications.

According to the product manufacturing process, the IC industry chain can be divided into upstream IC design companies (Design Houses), midstream photomask manufacturers (Mask) and wafer foundries (Foundry/IDM), and downstream testing factories (Testing), packaging factories (Package), and module manufacturers. The Company is classified as an upstream IC design company. The relationships between the upstream, midstream, and downstream industries in the Company's sector are shown in the following diagram:



Source of data: Information Platform of the Industrial Value Chain of Taipei Exchange

### 3. Product development trends

#### (1) Multi-mode wireless application integration

Focus on developing a single-chip module that integrates our proprietary protocol with BT 8.0 and Wi-Fi 7/8 to reduce the complexity of edge devices and achieve high-quality connection performance.

#### (2) Forward-looking AI sensor deployment

For robot navigation and AR glasses, Syncomm Technology has been actively developing eye tracking technology and multi-sensor fusion modules, and has proactively positioned itself in the core communication and sensing components for the future of AI.

#### (3) High-fidelity spatial audio is now in mass production.

Syncomm Technology SHDC® and Syncic SA® have received JAS certification and have been integrated into high-end gaming and theater products, delivering an unprecedented lossless and immersive experience for users.

### 1.Competition

Syncomm Technology's strength lies in its independently developed communication protocol, which delivers a consistent latency of 5ms or less. While Bluetooth specifications are evolving towards BT 8.0 and Wi-Fi 7/8, Syncomm Technology's highly integrated hardware and software customization capabilities, along with its proprietary algorithms, have allowed it to respond more quickly than general solution providers to the unique specification requirements of emerging fields such as robotics and AI glasses. This enables Syncomm Technology to establish technical barriers and achieve market differentiation.

### (III) Overview of technology and R&D

#### 1. Technology and research and development of business operations

Leveraging years of accumulated expertise in wireless application technology, we have continuously invested in research and development to deliver competitive products to the market. From the early IA6 and IA8 series chips, the company has successively developed the IA4, IA5, IA10, IA2, IA3, and IA9 series products. More recently, it has launched a new generation of chips, including IA25, IA11, and IA12, with its product lines now covering a diverse range of wireless audio and multimedia applications.

The Company possesses comprehensive research and development integration capabilities in baseband, radio frequency, and communication software, and its technical strength has earned recognition from numerous international brand clients. For the wireless audio market, we offer a range of solutions: IA25, with its dual SoC architecture, supports diverse applications; IA11 and IA12 deliver high-speed transmission rates of 8Mbps and 12Mbps in the 2.4GHz and 5GHz bands, respectively, striking a balance between “high sound quality” and “low latency”.

[Transformation of Business Model] In addition to core chip design, the Company's business model has gradually expanded from supplying single chips to offering wireless modules and system design services, and is committed to becoming a “Total Solution Provider”. Through in-depth collaboration with leading international brands, we have continuously built practical experience in module design, system integration, and mass production testing, and established strong partnerships to jointly drive market value.

[Market Application Development] In terms of R&D strategy, the Company has focused on wireless audio/video transmission technology, expanding its application areas from traditional wireless home theater to diversified multimedia markets such as home entertainment, portable devices, computers, AR/VR and gaming. For peripherals such as e-sports mice, keyboards and joysticks, we are further committed to achieving ultra-low-latency audio transmission. While maintaining the advantages of the proprietary protocol in “high sound quality” and “low latency”, we are also actively integrating standard Bluetooth and Wi-Fi technologies to ensure that the products achieve a balance between audio quality performance and ease of use.

[Forward-looking Technology Deployment] The Company is currently making every effort to develop a new generation of high-throughput 2.4GHz and 5GHz radio frequency (RF) technology. This R&D effort has not only enhanced the performance of existing products and expanded their applications, but has also strategically positioned the company for new-generation technologies like AIoT and Bluetooth 7.

The Company leverages its core technologies and continues to create brand value

through research and development innovation and strategic cooperation:

- (1) **Wireless audio upgrade:** Focusing on high interference resistance and optimized frequency hopping technology, we offer a cost structure competitive in the market and are extending applications to the automotive and e-sports sectors.
- (2) **ezWa wireless platform:** Simplify the development process with a platformized design, fully integrating the main system (PC/TV/Mobile/ARVR) and peripheral devices (control, monitoring, and audio) to significantly improve integration efficiency.
- (3) **AI technology integration:** We are actively investing in AIoT algorithm research and development and integrating AI technology into chips to meet high-end market demands for spatial sound effects, spatial positioning, and active noise reduction, thereby strengthening product technology barriers.

R&D expenses in the most recent year and up to the publication date of the annual report

Unit: NTD thousands; %

Year	2025	January 1 to March 31, 2026
R&D expenses (A)	92,116	24,569
Net operating revenue (B)	301,815	81,088
(A)/(B)	30.52	30.30

2. Technologies or products developed successfully in the most recent year and up to the publication date of the annual report

Year	Items
2024	<ol style="list-style-type: none"> <li>1. The IA9 series has successfully passed the rigorous verification for Soundbars by Korean customers and has been further integrated into project designs.</li> <li>2. High-end gaming headphones equipped with the Company's SHDC (SYNIC High Definition CODEC) low-latency technology and SSA (SYNIC Spatial Audio) spatial audio solution have now entered the mass production stage, providing players with an immersive audio experience. They are expected to be officially launched in Q1 of 2025.</li> <li>3. Breakthrough AI ENC technology revolutionizes the traditional multi-microphone approach that focuses solely on stable noise processing. With a single microphone, it efficiently eliminates both stable noise (e.g., fan noise, rain sounds) and sudden noise (e.g., keyboard sounds, dog barking). This technology has now been successfully applied to multiple customer products. This technology can be applied to LLM voice input, improving prompt accuracy and providing clear, pure sound quality for content creators and influencers.</li> </ol>

Year	Items
	4. A new entry-level Soundbar chip has been launched, utilizing processes from Taiwan's leading wafer manufacturers to enhance performance and reduce power consumption. The chip is expected to enter mass production in Q1 of 2025.
2025	<ol style="list-style-type: none"> <li data-bbox="448 371 1449 584">1. <b>Highly integrated solutions:</b> Successfully developed an integrated “low-latency proprietary protocol” and standard Bluetooth audio (BT Audio) technology. This solution streamlines the Soundbar’s architecture, consolidating the original two-module design into a single module. This effectively optimizes customer costs and reduces hardware size.</li> <li data-bbox="448 584 1449 887">2. <b>IA11 2.4GHz multi-channel solution:</b> Research and development supports up to 6CH transmission, specifically designed for home theaters to deliver a high-fidelity and immersive sound field experience. With its extremely low latency and high-volume data transmission capabilities, it not only meets the demanding synchronization and sound quality requirements of wireless electronic musical instruments but also expands into professional music and commercial audio markets through its flexible one-to-many and many-to-one architecture.</li> <li data-bbox="448 887 1449 1055">3. <b>IA12 5.8GHz multi-channel solution:</b> Research and development supports a 10-channel 5G audio solution designed to meet the demands of high-end home theaters for high sound quality, multi-channel capabilities, and interference resistance.</li> <li data-bbox="448 1055 1449 1223">4. <b>E-sports audio is now in mass production:</b> The e-sports headset solution has officially entered the mass production stage. The solution integrates an independently developed spatial audio algorithm to significantly enhance game positional audio and audio-video immersion.</li> <li data-bbox="448 1223 1449 1391">5. <b>Edge AI Technology Application:</b> The development of single-microphone, low-power Edge AI noise reduction technology has resulted in a Design-win (customer adoption) from a leading Japanese manufacturer, thanks to its excellent computational efficiency and power performance.</li> </ol>
2026	<ol style="list-style-type: none"> <li data-bbox="448 1391 1449 1525">1. <b>IA11 2.4GHz full-range promotion:</b> Market rollout for home theater solutions supporting 1 to 5 channels has been fully initiated. Multiple projects are currently in the Design-in stage.</li> <li data-bbox="448 1525 1449 1646">2. <b>IA12 5GHz high-end market deployment:</b> Support for multi-channel home theater solutions ranging from 1CH to 10CH has officially launched globally, expanding market share in the high-end wireless audio segment.</li> </ol>

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

The Company, in response to future industry developments and overall economic trends, has formulated various plans to outline its future business direction and enhance competitiveness. The Company's short-term and long-term business development plans are summarized as follows:

## 1. Short-term business development plans

### (1) Development of new markets

In the past, marketing strategies were primarily focused on advanced markets such as Japan and South Korea. In recent years, the Company has successfully expanded into the Chinese and American markets, and has partnered with upstream and downstream manufacturers of professional brands in China, the United States, and other regions to provide local technical support. The goal is to penetrate local markets, quickly respond to market demands, and increase market share.

### (2) Development of new application products

The newly developed product applications not only realize the application of one-to-many control and low-latency wireless audio technology but also continue to develop a range of wireless communication products that demand ultra-low latency and low power consumption. These include applications in Soundbar audio systems with Dolby Atmos sound effects, various multi-channel speakers, wireless headphones and microphones for gaming or TV systems, and wireless transceivers for electronic instruments, among other application areas.

## 2. Long-term plan

### (1) Development of new markets

To more effectively manage regional agents and direct customers and provide the fastest service, the Company plans to establish branch offices or joint ventures overseas. Additionally, it will strengthen the international marketing capabilities of its sales personnel and even recruit local staff to offer more comprehensive services to customers.

### (2) Development of new application products

In addition to wireless audio and control signal transmission technologies, SYNCIC, based on its experience in wireless RF technology, will actively develop wireless technologies that coexist and are compatible with Bluetooth/Wi-Fi in the future. These technologies will support standard transmission specifications and high-quality, low-latency technologies. The Company will also utilize broadband 2.4GHz/5GHz dual-band or multi-frequency technologies and add value-added features to products to expand the application market of various products. In addition, the Company will leverage its technology to develop AIoT technologies, allowing wireless applications to be elevated and enabling smart connectivity for consumer products such as home appliances, audio systems, and peripherals.

## II. Market and production and sales overview

### (I) Market analysis

#### 1. Sales area of major products

Unit: NTD thousands; %

Location		Year		2024		2025	
		Amount	%	Amount	%		
Domestic sales		169,174	49.00	144,152	47.76		
Export sales	Asia	176,089	51.00	157,663	52.24		
Total		345,263	100.00	301,815	100.00		

#### 2. Market share

Since its establishment in 1998, the Company has been deeply engaged in wireless audio and control ICs for over 20 years, becoming one of the leading suppliers of low-power, low-latency wireless technologies in the market. End consumer products include Soundbar systems, wireless surround and subwoofer speakers, wireless headphones, instrument transmission, and wireless microphones, all of which are adopted by major international brands. According to the ITRI IEK report, the output value of Taiwan's IC industry in 2025 is NT\$ 6,482.5 billion. Based on Syncomm Technology's 2025 revenue of NT\$ 301 million, it accounts for approximately 0.02% of Taiwan's IC design industry output value of NT\$ 1,432 billion, indicating significant room for future growth.

#### 3. Future market supply and demand conditions and growth potential

##### (1) Wireless audio control chips

With the increasing integration of technology into our lifestyles, the digital home has become a mainstream trend, and “wireless life” is a key component in making this a reality. According to analyses by several international market research institutions, wireless applications have become a key area of technological development, and product wirelessization is a major trend in the consumer electronics industry. Sound and music are essential components of everyday life. With the increasing popularity of digital homes and smart entertainment applications, high-quality, low-latency wireless audio transmission has become a key consumer demand for enhanced entertainment experiences. Furthermore, online communication bandwidth and speed have continued to increase. Rapid growth in applications such as online gaming, console gaming, and instant messaging has further driven demand for low-latency wireless audio technology. With growing demand for wireless audio in consumer electronics, the Wireless Audio market has expanded from traditional home appliances and PC applications to include diverse consumer products such as eSports and AR/VR.

Continuous innovation across various applications and platform services has driven steady growth in overall market demand. According to the latest report by Verified

Market Reports (released at the end of 2025), the global wireless audio device market was valued at US\$10.5 billion in 2024. The market is expected to grow rapidly at a compound annual growth rate (CAGR) of 10.5% from 2026 to 2033. By 2033, the market is expected to reach US\$25.2 billion.

(2) Soundbar consumer market

According to Mordor Intelligence's latest research report in 2025, major global manufacturers including Samsung, Bose, LG, Onkyo, Polk Audio and Sony indicate that Soundbar is still primarily concentrated in the North American market. The global Soundbar market size is expected to grow from USD 10.31 billion in 2026 to USD 15.31 billion in 2031, with a CAGR of 8.21% from 2026 to 2031. In addition to the continued trend toward thinner and lighter televisions, the main growth drivers also include innovations in wireless transmission technology, the popularity of smart homes, the entry of television brand manufacturers, the integration of various functions and the popularity of streaming media services, driving steady growth in Soundbar products.

According to statistics from Runto Technology, compared to the average household penetration rate of 20% to 30% in North America and Western Europe, the current household penetration rate in China is still less than 1%, far behind the more economically developed countries. From a global market perspective, the Asia-Pacific region holds immense development potential.

4. Competitive niche

(1) A solid management team and R&D capabilities

SYNIC continues to focus on low-latency wireless audio control chips and module-related R&D and applications with a "high-quality sound, low-latency, and one-to-many wireless network architecture". Both the management and R&D teams have extensive experience in the semiconductor industry. Approximately 50% of the R&D personnel hold a master's degree or higher, with an average age of around 41. In addition to possessing a strong academic foundation, they have accumulated 20 years of experience in related industries. Therefore, when it comes to customer product specification requirements, the team is able to deliver rapid R&D timelines, aligning with the customer's product launch plans, and their R&D design capabilities are unquestionable.

(2) Focusing on end-brand manufacturers to establish higher competitive barriers

SYNIC has become a pioneer in the field with its exceptional audio transmission technology and unique communication protocols. Its fully self-developed, in-depth

technologies not only eliminate the need to pay substantial royalty fees but also, due to the high level of control over the technology, allow for effective shortening of development timelines to meet customer demands. The Company's self-developed wireless audio control chips and modules are highly customized products. The chip development process involves collaboration with top international brand manufacturers to jointly discuss and define specifications, ensuring that the product meets the expected performance of the brand. Through long-term cooperation, strategic partnerships have been established, setting a higher competitive barrier.

(3) Product quality and continued innovation and renewal recognized by customers

Based on its familiarity with the industry, SYNIC is not only able to flexibly find more efficient and competitively priced manufacturers but also, due to its understanding of the processes, is able to design products from the outset with a "Design for Manufacturing" (DFM) approach. This helps to reduce production costs and make the product quality more competitive in the market. Since its establishment, SYNIC has accumulated solid technological expertise, complemented by the ability to predict future product trends. The Company is committed to meeting the performance requirements of end-brand manufacturers, providing optimized services, and establishing stable partnership relationships. SYNIC has been collaborating with top international brands for over ten years. As end customers continue to innovate their products, SYNIC consistently delivers wireless audio control chips and modules with added value, earning strong recognition from customers.

5. Favorable and unfavorable factors for development outlook and corresponding strategies

(1) Favorable factors

A. The demand for the wireless market continues to increase

In the trend of humanizing technology applications and emphasizing user experience, the digital home has become an important future mainstream, with "wireless living" being a key realization of the digital home. Therefore, product wirelessization is a major trend. As the demand for wireless audio and video in consumer electronics grows exponentially, it has expanded from traditional home appliance applications and computer multimedia applications to a wide range of consumer electronic products, driving continuous market demand.

## B. Long-term R&D and technical capabilities

The IC industry specifications vary, with no fixed standards, and R&D technologies cover both hardware and software fields. Product development often requires the accumulation of experience and debugging skills. The Company's R&D team has accumulated substantial experience in the industry, mastering semiconductor processes, semiconductor device physics, and circuit characteristics. Faced with increasing demands and competition from peers, the R&D team continuously optimizes products, expands new application solutions, and strengthens its R&D capabilities through patent applications. In addition to providing customers with comprehensive solutions, the team has consistently improved R&D technical capabilities and optimized circuit design over the years, enhancing product quality, yield, delivery times, and technical services. This has enabled the Company to provide customers with the best and most stable product quality, offer product design references, and help customers shorten product development timelines. As a result, the product quality has successfully earned the trust and recognition of customers.

## C. The domestic semiconductor foundry system is complete, providing excellent logistical support to IC design companies

The professional and vertically integrated industry structure is a distinctive feature of Taiwan's semiconductor industry. With the ample capacity and technical support from the midstream and downstream wafer manufacturing, packaging, and testing sectors, IC design companies can focus on their areas of expertise. They can quickly coordinate and collaborate with downstream players, ensuring better control over cost, quality, and timelines. This greatly enhances the market competitiveness of domestic IC design companies.

## (2) Unfavorable factors and corresponding strategies

### A. Long training period of R&D talent and associated risk personnel turnover

The development and training of R&D design personnel in the IC design industry require long-term cultivation. Securing highly skilled R&D talent will be the core competitiveness of an IC design company. However, due to the increasing number of competitors in the IC industry, attracting top talent has become progressively more difficult, often requiring high costs to recruit exceptional professionals. Additionally, without strengthening their loyalty to the Company, the Company may face higher labor costs.

### Corresponding strategies

The Company fosters employee loyalty and enhances stability by establishing a sound benefits and rewards system, thereby reducing turnover rates. Additionally, by applying for listing as a publicly traded company, the Company effectively increases its visibility to attract outstanding talent. The Company actively strengthens industry-academia collaboration and establishes a product R&D technical database, which helps accumulate and pass on the Company's R&D technology and experience, thereby reducing the risk of personnel turnover in R&D.

- B. The market product changes rapidly, and the product life cycles are short

Semiconductor technology is advancing rapidly, with product features and specifications constantly evolving. Additionally, the technological competition among industry peers to meet consumer demands accelerates the pace of replacing outdated products with new ones.

### Corresponding strategies

To respond to the rapid changes in market products and gain a competitive edge, the Company maintains strong partnerships with wafer foundries and packaging and testing plants. This helps shorten IC manufacturing timelines and accelerate product launches, allowing the Company to seize market opportunities and increase market share. In response to the highly customized nature of wireless audio and control ICs, R&D personnel continues to collaborate with major brands to develop specifications and focus on niche products with longer lifecycles, thereby reducing inventory risks.

- C. The competition for wireless specifications is becoming increasingly intense

As the demand for wireless connectivity in the consumer market continues to grow, there is an increasing number of competing specifications and players vying for a share of the market. For example, the new Bluetooth LE Audio specification introduces new features and reduces power consumption, while adopting the LC3 audio compression technology to address the issues of Bluetooth latency and poor sound quality in SBC compression. With more smartphones supporting LE Audio, its rapid growth is inevitable, posing a potential threat to the areas previously focused on by the Company.

### Corresponding strategies

From the perspective of the LE Audio specification, its theoretical latency is still greater than 50ms, and the improvement in sound quality focuses primarily on subjective listening experience. As a result, many audio details are sacrificed. While it represents a significant improvement over traditional Bluetooth, it still cannot meet the rigid requirements for both audio quality and low latency demanded by certain users. As an early market entrant, SYNIC has already developed key technologies in low latency and accumulated years of sales performance and a strong quality record. In addition to continuing to deepen its core technologies of low latency and high sound quality, the company will continue to invest more in research and development talent and flexible business models. SYNIC will also focus on combining these core technologies with Bluetooth specifications and additional applications, collaborating with customers to co-create the market, continuously generating value, and maintaining its competitive edge.

## (II) Important uses and production processes of major products

### 1. Important uses of major products

Major products	Important uses
Wireless audio control chips	Home audio and video entertainment: Used in high-end wireless headphones, headsets, wireless microphones, home theater systems, TV soundbars, and subwoofers.
	Portable multimedia: Includes portable Bluetooth speakers, large outdoor speakers, and mobile headsets.
	Computer multimedia applications: Including computer wireless headsets, USB digital speakers, low-latency headsets for e-sports, and neckband wireless speakers.
	Dedicated wireless transmission: Includes various wireless audio transmission and reception adapters (dongles).
Wireless communication control chips	Smart home control: Integration of voice input functionality into remote controllers, smart TV remotes, 3D active glasses, wireless communication modules, and wireless keyboard and mouse devices.
	Immersive interactive equipment (AR/VR): Provides wireless signal synchronization technology for AR/VR equipment, air mice, high-performance game controllers, and motion sensing and interactive wearable devices (such as interactive gloves).
	Total Solution: Designed for scenarios demanding low latency, high sound quality, and long distance. The applications include professional wireless stage audio systems, large-space home theater extension equipment, and complex industrial/commercial applications requiring simultaneous audio and control signal transmission.

## 2. Production process of major products



The Company is an IC design firm primarily responsible for the R&D, design, and sales of wireless audio control chips and modules. The remaining production processes are outsourced to manufacturing partners such as wafer foundries, packaging and testing factories, and external assembly factories for completion.

### (III) Supply of main raw materials

The main raw material for the Company's IC products is wafer, supplied by renowned wafer foundries both domestically and internationally. These are professional wafer foundries, ensuring stable quality and good capacity supply, with the supply of key raw materials remaining normal.

### (IV) List of major suppliers and customers

1. Name of supplier representing more than 10% of total purchases in any of the two most recent years, and the amount and percentage of purchases made to each

Unit: NTD thousands

Items	2024				2025			
	Name	Amount	As a percentage of net purchase of the year (%)	Relations with the issuer	Name	Amount	As a percentage of net purchase of the year (%)	Relations with the issuer
1	Supplier A	59,111	37.30	None	Supplier A	43,918	29.88	None
	Others	99,349	62.70	None	Others	103,068	70.12	None
	Net purchase	158,460	100.00		Net purchase	146,986	100.00	

Reasons for changes:

The Company is an IC design company whose primary purchases include wafers, front-end and back-end processing, and SMT (surface mount technology) processing. Revenue has been impacted by weaker-than-expected sales in the consumer electronics market, and terminal customers have become more conservative in their inventory levels. Furthermore, older projects are nearing completion, and new projects are either in the early stages of development or have not yet been initiated, resulting in a slight decline in overall purchasing performance compared to the previous year.

2. Name of supplier representing more than 10% of total sales in any of the two most recent years, and the amount and percentage of sales made to each

Unit: NTD thousands

Items	2024				2025			
	Name	Amount	As a percentage of net sales (%)	Relations with the issuer	Name	Amount	As a percentage of net sales (%)	Relations with the issuer
1	Customer A	112,794	32.67	None	Customer A	104,904	34.76	None
2	Customer B	97,210	28.16	None	Customer B	77,743	25.76	None
3	Customer C	71,515	20.71	None	Customer C	58,195	19.28	None
4	Customer D	52,069	15.08	None	Customer D	34,184	11.33	None
	Others	11,675	3.38	None	Others	26,789	8.87	None
	Net sales	345,263	100.00		Net sales	301,815	100.00	

Reasons for changes:

The primary driver of the decline is weaker-than-expected sales in the consumer electronics market, leading end customers to adopt a more conservative inventory strategy. Additionally, sales of existing projects have largely concluded, and new projects are either in their initial phases or have not yet been launched, resulting in a slight year-over-year decrease in overall performance.

- III. Employee information in the most recent two years and up to the publication date of the annual report

Unit: Persons; %; Year

Year		2024	2025	April 27, 2026
Number of employees	Managers (Note)	11	10	10
	Technical and R&D personnel	24	26	26
	Other employees	21	19	17
	Total	56	55	53
Average age		42.75	42.75	43.61
Average years of service		6.33	6.33	7.32
Educational background distribution (%)	Ph.D.	-	-	-
	Master's degree	35.71%	45.45%	47.17%
	Bachelor's degree/ junior college degree	64.29%	54.55%	52.83%
	High school level or below	-	-	-

Note: Including heads of department units

- IV. Information on environmental protection expenditure

- (I) For the most recent year and as of the publication date of the annual report, the Company's efforts to improve environmental pollution, and if there were any pollution disputes, an explanation of how they were handled: None.

- (II) For the most recent year and as of the publication date of the annual report, the losses the Company has incurred due to environmental pollution (including compensation and violations of environmental protection regulations as revealed by environmental inspection results, and should specify the disposition date, disposition case number, violated regulatory articles, content of the violation, and content of the disposition), and disclose the estimated amounts and response measures for potential future occurrences. If it is not reasonably estimable, the Company should explain the facts preventing such estimation: None.

V. Labor-management relations

- (I) Various employee welfare measures, further education, training, retirement systems, and their implementation status, as well as agreements between labor and management and measures to protect employees' rights and interests

1. Employee welfare measures

Since its establishment, the Company has actively promoted labor-management harmony based on the understanding of mutual prosperity, emphasizing employee welfare and health, and assisting employees in personal growth alongside the Company in both work and life. The following are the welfare measures that the Company has implemented:

- (1) Labor insurance, health insurance, group insurance, and travel insurance for business trips.
- (2) Employee bonus distribution.
- (3) Cash capital increase for employee stock options.
- (4) Year-end bonus and various performance bonuses.
- (5) Festival bonuses: Dragon Boat Festival and Mid-Autumn Festival.
- (6) Employee health checkups.
- (7) Employee travel.
- (8) Welfare subsidies: Marriage, childbirth, funeral, serious illness, disasters, major accidents, etc.
- (9) The Welfare Committee provides: Employee travel, club activities, birthday bonus or vouchers, and Labor Day vouchers.
- (10) Education and training.

2. Continuing education and training for employees

The Company has established the "Education and Training Management Procedure" to encourage employees to participate in various educational training and further studies.

Education and training in 2025 and the implementation status thereof

Items	Total number of trainees	Total training hours	Expenditures (NT\$ in Thousands)
Total	447	1,439.5	349

- A. The actual number of trainees was 447 in 2025. The training program included training courses organized by the competent authority and the industry, and internal training courses organized by the Company. The total training expenditure amounted to NT\$349 thousand.
- B. The Company's employees shall undergo the orientation training and occupational safety and health education courses after reporting on for their duty. Meanwhile, subject to the adjustment on the annual training needs, an annual training plan shall be drawn up and then implemented, in order to strengthen the employees' functions and improve the Company's business performance and competitiveness.
- C. In response to the Company's long-term development and improve the employees' literacy, the Company plans professional competency training and general educational training, and invites senior personnel to share their professional skills within the Company. The senior personnel will pass on experience and share actual cases to carry out the On-the-Job Training (OJT). Through talent training and practical work counseling, each employee can exert his potential to the utmost.
- D. Professional competency training: Based on the knowledge and skills required for the job duty, each department sends personnel to participate in courses organized by various training institutions, such as audit training, accounting training, bargaining training, business negotiation training, professional technology training, and legal professional knowledge training, which cover a wide range of training aspects.
- E. Supervisor leadership training: The department heads participate in the continuing education programs organized by the government agencies or professional associations/institutions on business management, corporate governance, occupational safety and health officers, accounting officers and chief corporate governance officers.
- F. General educational training: In response to the fire safety training and labor safety education and training at the office premises within the relevant jurisdiction, the Company organizes legal awareness courses and friendly workplace DIY courses or health seminars every year.

3. Employee retirement system and implementation status

The Company has established a Regulations Governing the Retirement of Employees in accordance with the Labor Standards Act. Monthly, a certain percentage of the total salary is allocated as retirement reserves, based on the "Regulations for the Allocation and Management of the Workers' Retirement Reserve Funds" issued by the Ministry of the Interior. These funds are deposited in Bank of Taiwan for safekeeping and management. If the retirement reserve account is insufficient to cover the actual pension payments, the shortfall is recorded as an expense for the current period. The Company entrusts an actuarial company to carry out the actuarial calculation of the pension fund every year, and reasonably evaluates the pension balance based on the actuarial report. Since 2015, the pension reserve has been deemed sufficient, and further contributions have been suspended. Therefore, the pension reserve recognized for 2025 is \$0.

In addition, since the implementation of the Labor Pension Act on July 1, 2005, the Company has adopted a defined contribution retirement plan. In accordance with the Labor Pension Act, the Company contributes 6% of each employee's monthly wages to the Bureau of Labor Insurance. These contributions are recorded as current expenses. The Company's defined contribution plan expenses for 2025 totaled NT\$ 3,289 thousand.

4. Agreement status between labor and management

The Company fully complies with labor laws and relevant regulations to protect the rights of employees. With integrity and the spirit of pragmatism, the Company implements humane management. Guided by the concept of mutual trust and respect between the Company and employees, it maintains good labor-management relations. Employees may protect their own rights and interests through the suggestion box, email, and quarterly labor-management meetings; therefore, no material labor disputes have ever occurred. In addition, the Company has also established an Employee Welfare Committee, which is responsible for handling various employee welfare matters and organising various activities from time to time to enhance a harmonious working atmosphere between the Company and employees and strengthen cohesion.

5. Status of the protection of employees' rights and interests

The Company has established comprehensive regulations to protect the rights of employees and regularly reviews and enhances various welfare measures to ensure the highest level of protection for employee rights.

- (II) For the most recent year and as of the publication date of the annual report, the losses the Company has incurred due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition date, disposition case number, violated regulatory articles, content of the violation, and content of the

disposition), and disclose the estimated amounts and response measures for potential future occurrences. If it is not reasonably estimable, the Company should explain the facts preventing such estimation: None.

## VI. Cybersecurity Management

### (I) Describe the cybersecurity risk management framework, cybersecurity policy, specific management plans, and resources invested in cybersecurity management

#### 1. Cybersecurity risk management framework

The Company prioritizes information and communications technology (ICT) security risk management and has established an ICT security risk management framework. The IT and Information Security Department within the President's Office serves as the responsible unit for ICT security, overseeing the planning of ICT security policies, the establishment of related systems, the implementation of control measures, and risk identification and mitigation. The department has appointed an information security officer and supporting personnel to comprehensively manage ICT security matters. The Company employs a cross-departmental collaboration mechanism for information security management. Beyond the daily management and technical safeguards provided by the IT and Cybersecurity Department, each business unit cooperates in implementing relevant control measures according to its respective responsibilities. Should a security incident occur, the IT and Cybersecurity Department will work with relevant departments and business process owners to conduct incident response, damage control, investigation and analysis, and improvement tracking to minimize the impact on operations.

In addition, the Company's audit unit serves as the supervisory body for information and communication security and has included information security inspections in its annual audit plan. Regular internal audits are conducted, and the audit results and improvement measures were reported to the Board of Directors on December 16, 2025, to continuously strengthen information and communication security governance and internal control mechanisms.

The Company regularly reviews its information and communication security policies, management measures, and implementation results based on operational risks, legal requirements, and changes in the external threat environment, and continuously improves its information and communication security management system.

## 2. Cybersecurity Policy

To ensure the confidentiality, integrity, and availability of our information assets, we have established an information security policy to guide all employees in implementing information security management. We have also developed related management procedures, standards, and controls based on this policy. The scope of the Company's information security policy includes, but is not limited to:

- Physical and environmental security management
- Electronic hardware security management
- Installation, management and control of operating systems and application software
- Electronic Mail Security Management
- Internet firewall and network security management
- Internet Access Authorization and Monitoring
- Wireless network usage management
- Anti-virus and Anti-malware Protection
- System program and data access control
- Internal server update and maintenance
- Backup, redundancy, and business continuity management
- System development and change management security monitoring

The Company continuously reviews and adjusts its cybersecurity policies and management requirements based on evolving risks, technological developments, and regulatory compliance to enhance overall protection capabilities.

## 3. Specific management plans

### (1) Electronic hardware security management

- A. Servers and other key equipment are placed in a dedicated server room equipped with access control systems. Only authorized personnel can access the room using card readers, and video surveillance equipment is in place to provide dual-layer protection, ensuring the security of servers and the server room.

- B. The computer room's main server is equipped with an Uninterruptible Power System (UPS) and voltage regulator to mitigate damage to the information system caused by power outages or power supply irregularities.
  - C. Database data is regularly backed up. In addition to local backups, off-site backups and redundancy mechanisms are also implemented to meet business continuity objectives.
  - D. The Company's computers have Microsoft Defender installed as protective software, with automatic virus definition updates to ensure effective detection of viruses and malicious software behavior.
- (2) Installation, management and control of operating system and application software:
- A. Access permissions are assigned to employees based on their roles and business requirements, following the principle of least privilege for account and permission configuration.
  - B. The user unit submits applications for access rights based on the required information functions, application systems and program usage. After approval by the unit manager and the head of the information unit based on their job responsibilities and the application form, information personnel configure and activate the access rights.
  - C. In the event of personnel transfers, job changes, or resignations, the IT unit adjusts, suspends, or removes accounts and related permissions based on the personnel action data to reduce the risk of unauthorized access.
- (3) Authorization settings for Internet usage
- A. The Company has established a network firewall, anti-virus software management system, and a log server to continuously monitor internal network usage and abnormal connection behavior.
  - B. Established an authorization control mechanism for Internet access to mitigate the risk of unauthorized connections, malicious website access, and cybersecurity threats.
  - C. Through network security devices and associated log analysis, the company detects internal network anomalies and performs incident tracking.
- (4) System security monitoring
- A. The Company regularly performs system vulnerability scans, applies patches, and conducts security reviews to reduce system exposure risks.
  - B. Appropriate access restrictions, safeguards, and monitoring measures should be implemented for sensitive data and critical information assets to prevent unauthorized access, disclosure, or modification.

- C. Regularly perform data backups, recovery tests, and system maintenance checks to enhance system resilience and business continuity.
  - D. The company conducts information security training and social engineering exercises to enhance employee cybersecurity awareness and risk identification skills.
4. Resources for cybersecurity management

The Company continues to invest the human resources, systems, technologies, and financial resources required for cybersecurity management to strengthen cybersecurity governance and risk control mechanisms. The resources invested in information and communication security management for the reporting year are as follows:

**(1) Human resource staffing**

- Dedicated information and communication security staff: 1 person
- Also serves as the information and communication security administrator: 1 person
- Total number of personnel for information security management, maintenance, and support: 2 persons

**(2) Governance and reporting frequency**

- Report information and communication security implementation and audit results to the Board of Directors once per year.
- Internal audit or review of information and communication security once per year.

**(3) Protection and monitoring coverage**

- Endpoint protection coverage: 90%
- Security monitoring coverage for key servers: 100%
- Backup coverage of critical information assets: 100%
- Account privilege review coverage: 100%
- Key server vulnerability scanning coverage is 100%.

**(4) Training and exercises**

- Number of information security training sessions held annually: 2 sessions
- Social engineering drills: 2 times

- Information security incident response drill: 1 time

**(5) Financial resource investment**

- Amount of investment in information security for the year: NT\$603 thousand

The Company prioritizes improvements based on risk impact, control gaps, and improvement costs, and continuously enhances its cybersecurity protection capabilities and the security of key information assets.

- (II) For the most recent year and up to the publication date of the annual report, the losses, potential impacts, and countermeasures arising from significant information security incidents have been disclosed. If these cannot be reasonably estimated, the facts explaining why they cannot be reasonably estimated are provided: None.

## VII. Major contracts

Contract Nature	Counterparty	Contract start and end date	Main content	Restrictive clauses
Sales representative contract	Shenzhen Zouwei Technology Development Co., Ltd.	2020.6.1 to 2026.6.1	Sales distributor	Regional restrictions: North, Central, and South China (including Hong Kong) regions
Sales representative contract	Supertrade Electronic Corporation	2022.8.1 to 2027.7.31	Sales distributor	Regional restrictions: North, Central, and South China (including Hong Kong) regions
Sales representative contract	JXF Electronic Limited	2023.12.11 to 2028.12.10	Sales distributor	Regional restrictions: North, Central, and South China (including Hong Kong) regions
Sales representative contract	SUNGHO ELECTRONICS CORP	2026.1.17 to 2028.12.16	Sales distributor	Regional restrictions: South Korea and China
Sales representative contract	Qumax Technology Inc.	2024.6.5 to 2029.6.4	Sales distributor	None
Technology licensing contract	Gear Radio Electronics Corp.	2023.10.2 to 2026.10.1	Technology licensing	None
Technology licensing contract	RivieraWaves SAS (CEVA)	2024.3.31 to 2029.5.10	Technology licensing	None
Technology licensing contract	Gear Radio Electronics Corp.	2024.5.1 to 2027.4.30	Technology licensing	None
Technology licensing contract	RivieraWaves SAS (CEVA)	2024.5.10 to 2029.5.10	Technology licensing	None
Technology licensing contract	Gear Radio Electronics Corp.	2025.4.8 to 2028.4.7	Technology licensing	None
Outsourcing processing contract	Microelectronics Technology, Inc.	2021.08.20 to 2025.08.20	Module processing and testing	None
Outsourcing processing contract	Taiwan IC Packaging Corporation	2025.6.21 to 2026.6.20	Packaging and testing	None
Outsourcing processing contract	Jin Yeong Hann Technology Co., Ltd.	2024.4.24 to 2027.4.24	Module processing and testing	None
Outsourcing processing contract	Luen Huei Electronics Co., Ltd.	2024.12.1 to 2027.11.30	Module processing and testing	None
Outsourcing processing contract	Testar Electronics Corporation	2023.11.25 to 2026.11.24	Packaging and testing	None
Outsourcing processing contract	Orient Semiconductor Electronics Ltd.	2022.11.23 to 2026.11.23	Packaging and testing	None
Outsourcing processing contract	Echo Technology Corporation	2025.7.1 to 2028.6.30	Module processing and testing	None
Outsourcing processing contract	True Test Technology Inc	2024.11.1 to 2026.10.31	Packaging and testing	None
Outsourcing design and development and technical support	Silicon Xpandas Electronics Co., Ltd.	2025.7.1 to 2026.1.31 2026.2.1 to 2026.7.31	Outsourcing design and development and technical support	None

Contract Nature	Counterparty	Contract start and end date	Main content	Restrictive clauses
Lease	Alcor Micro Corporation	2025.7.1 to 2028.3.31	Lease of offices	None
Lease contract	Shin Kong Life Insurance Co., Ltd.	2026.1.1 to 2028.12.31	Lease of offices	None
Lease contract	Shin Kong Life Insurance Co., Ltd.	2026.1.1 to 2028.12.31	Lease of parking spaces	None
Lease contract	SHIN FANG LIN CO., LTD.	2025.1.1 to 2025.12.31	Lease of parking spaces	None
Master loan agreement	E.SUN Commercial Bank	2025.4.17 to 2026.4.16 2026.4.15 to 2029.4.15	Credit guarantee limit	None
Procurement contract	Shanghai Huahong Grace Semiconductor Manufacturing Corporation	2024.12.10 to 2026.12.9	Wafer procurement	None
Procurement contract	Alcor Micro Corporation	2022.11.1 to 2026.10.31	Wafer procurement	None
Procurement contract	Egis Technology Inc.	2024.10.07 to 2026.10.06	Wafer procurement	None
Expense Sharing Agreement	Alcor Micro Corporation	2022.12.5 to 2025.12.4	EDA Tool Expense Sharing Agreement	None
Investment agreement	Transducer Star Co., Ltd.	2025.1.2 to 2025.2.17	Investment agreement	None
Investment agreement	Taurus Wireless Investment Agreement	2025.7.29 to 2025.10.31	Investment agreement	None
Investment agreement	GEAR RADIO LIMITED	2025.9.1~ This agreement terminates upon GR Company's completion of a qualified initial public offering (QIPO) or the occurrence of a liquidation event, whichever occurred earlier.	Investment agreement	None

## Five. Review and analysis of financial status and performance, and evaluation of risk factors

### I. Financial position

Unit: NTD thousands

Items	Year	2024	2025	Difference	
				Amount	%
Current assets		581,292	438,554	(142,738)	(24.56)
Property, plant and equipment		24,702	21,408	(3,294)	(13.33)
Right-of-use assets		5,878	2,682	(3,196)	(54.37)
Intangible assets		90,441	80,314	(10,127)	(11.20)
Other assets		53,800	116,870	63,070	117.23
Total assets		756,113	659,828	(96,285)	(12.73)
Current liabilities		53,581	49,951	(3,630)	(6.77)
Non-current liabilities		160	1,581	1,421	888.13
Total liabilities		53,741	51,532	(2,209)	(4.11)
Share capital		443,980	443,770	(210)	(0.05)
Capital reserve		212,149	186,735	(25,414)	(11.98)
Retained earnings		33,692	3,354	(30,338)	(90.05)
Legal reserve		13,819	16,952	3,133	22.67
Other equity		(1,268)	(42,515)	(41,247)	3,252.92
Total shareholders' equity		702,372	608,296	(94,076)	(13.39)

For the last two years, any changes exceeding 20% and with an amount of over NTD 10 million:

Decrease in current assets: This was primarily due to the Company's reinvestment in strategic equity holdings and prepayments for future intangible assets in 2025.

Increase in other assets: primarily attributable to the Company's strategic investments and prepayment for intangible assets in 2025. Decrease in retained earnings: primarily due to dividend payments and the net loss for 2025.

Decrease in other equity: primarily due to unrealized valuation losses on equity investments held at fair value through other comprehensive income recognized in 2025.

## II. Financial performance

### (I) Comparative analysis of operating results

Unit: NTD thousands

Items \ Year	2024	2025	Amount of increase (decrease)	Change ratio (%)
Operating revenue	345,263	301,815	(43,448)	(12.58)
Operating cost	(180,878)	(167,205)	13,673	(7.56)
Operating gross margin	164,385	134,610	(29,775)	(18.11)
Operating expenses	(145,168)	(151,291)	(6,123)	4.22
Operating net profit (loss)	19,217	(16,681)	(35,898)	(186.80)
Non-operating income and expenses	10,593	6,827	(3,766)	(35.55)
Net profit (loss) before tax	29,810	(9,854)	(39,664)	(133.06)
Income tax benefits (costs)	961	(79)	(1,040)	(108.22)
Net profit (loss) for the period	30,771	(9,933)	(40,704)	(132.28)
Other comprehensive income for the current period, net of tax	563	(41,977)	(42,540)	(7,555.95)
Total comprehensive profit (loss)	31,334	(51,910)	(83,244)	(265.67)
<p>For the last two years, any changes exceeding 20% and with an amount of over NTD 10 million:</p> <p>Operating revenue, operating cost, gross profit, operating income, net profit before tax, net profit for the period, and total comprehensive income all declined compared to the previous year. This was primarily due to weaker-than-expected consumer electronics market demand, leading terminal customers to adopt a more conservative inventory policy. Additionally, the company is currently in a product transition phase, with sales of older projects winding down while new projects are still in their early stages and have not yet fully ramped up, resulting in reduced revenue momentum. Meanwhile, active investment in new product development led to increased R&amp;D expenses, further compressing core business profits. In terms of non-operating items and comprehensive income, foreign exchange income decreased in the current period compared to the prior year due to significant volatility in the foreign exchange market. Furthermore, the recognition of unrealized valuation losses on investments in equity instruments measured at fair value through other comprehensive income at year-end had a negative impact, resulting in a substantial decrease in overall comprehensive income.</p> <p>The decrease in the net amount of other comprehensive income for the current period was primarily due to unrealized valuation losses on equity investments measured at fair value through other comprehensive income in 2025.</p>				

(II) Analysis table of changes in gross profit

Unit: NTD thousands

	Net operating revenue	Operating cost	Operating gross margin	Gross margin (%)
2024	345,263	(180,878)	164,385	48
2025	301,815	(167,205)	134,610	45

Analysis of changes in gross profit for the year:  
The decline in gross profit margin this year was primarily due to increased inventory write-downs resulting from changes in the sales product mix and some slow-moving inventory.

(III) Expected sales volume and the basis for it, the potential impact on the Company's future financial and business operations, and the corresponding plans

Please refer to the shareholder report on pages 1 to 3 of this year's annual report for further details.

III. Cash flow

(I) Analysis of changes in cash flow in 2025

Unit: NTD thousands

Beginning balance of cash (Note)	Net cash inflow (outflow) from operating activities for the year	Cash inflow (outflow) for the year	Amount of cash surplus (deficit)	Remedies for insufficient cash	
				Investment and wealth management	Wealth management plan
67,545	121,354	(88,674)	100,225	—	—

Analysis of changes in cash flow in the current year:

1. The net cash inflow from operating activities was NT\$ 121,354 thousand, primarily driven by adjustments to short-term financial product allocations, collections of accounts receivable, and a reduction in inventory levels, along with adjustments to non-cash expenses such as depreciation and amortization.
2. The net cash outflow from investing activities was NT\$37,731 thousand, primarily due to strategic investments, financial product allocation, and the purchase of intangible assets.
3. The net cash outflow of NT\$50,943 thousand from financing activities was primarily due to cash dividends distributed during the period.

(II) Improvement plan for insufficient liquidity: Not applicable.

(III) Analysis of cash flow for the next year

Unit: NTD thousands

Beginning balance of cash (Note)	Estimated net cash inflow (outflow) from operating activities for the year	Estimated cash inflow (outflow) for the year	Amount of cash surplus (deficit)	Remedies for insufficient cash	
				Investment plan	Wealth management plan
100,225	(1,634)	(10,606)	87,985	—	—
Analysis of changes in cash flow in the current year: In 2026, the Company expects to purchase additional research and development equipment, computer equipment, specialized technology, and software to meet operational needs, and to distribute cash dividends.					

IV. Significant capital expenditures in the most recent year and their impact on financial and business operations: None.

V. Investment policy in the most recent year, the main reasons for profit or loss, improvement plans, and investment plans for the next year: None.

VI. Analysis and assessment of risk matters

(I) Impact of interest rate, exchange rate fluctuations, and inflation on the Company's profit and loss in the most recent year, and future countermeasures.

1. Impact of changes in interest rates

The Company's funds are all self-owned, and it does not have any bank revolving loans. Therefore, interest rate fluctuations have no significant adverse impact on the Company. The Company will closely monitor interest rate fluctuations and adjust its capital utilization and other methods to reduce the impact of interest rate changes on the Company's profit and loss.

2. Impact of exchange rate fluctuations

The Company currently exports products priced in USD and imports materials priced in USD, so accounts receivable and payable can offset each other, generating a certain degree of natural hedging effect. However, there remains a foreign exchange risk due to the remaining balance, and thus, fluctuations in the USD exchange rate have a certain impact on the Company's revenue and profitability. In addition to using natural hedging methods to address exchange rate risks, the finance unit maintains close communication with frequently used banks and gathers international financial information related to exchange rates. This allows the Company to stay informed of exchange rate trends and,

based on actual funding needs and exchange rate levels, adjust foreign currency positions in a timely manner to mitigate relevant exchange rate risks and reduce the negative impact of exchange rate fluctuations on the Company's financial performance.

### 3. Impact of inflation

The Company has not yet experienced significant impacts from inflation. Moving forward, the Company will continue to closely monitor changes in the price index and minimize the effects of inflation.

- (II) Main reasons for profits or losses on high-risk, highly leveraged investments, lending funds to others, endorsements/guarantees, and derivatives transactions in the most recent year, and future countermeasures

The Company's financial operations are based on the principle of conservative stability and have not engaged in high-risk, high-leverage investments. The Company has established relevant operating procedures for lending of funds to others, endorsements and guarantees, and derivatives transactions. As of now, the Company has not lend funds to others, made endorsements and guarantees for others, and engaged in derivatives transactions.

- (III) Future R&D plans and expected expenses to be invested

The Company is committed to becoming a global leader in wireless audio solutions. Our future R&D strategy will focus on high fidelity, low latency, cross-platform compatibility, and intelligent features to consolidate our technological leadership.

**High-fidelity wireless audio architecture:** Continue to advance uncompressed and multi-channel audio transmission technology to develop wireless audio solutions offering both precise control and theater-grade audio quality.

**Highly integrated system-on-chip (SoC):** Development focused on a next-generation SoC integrating audio signal processing (DSP) and smart voice control. This is achieved by increasing chip integration to optimize power efficiency and reduce the size of end products.

**AIoT intelligent algorithm applications:** Leveraging existing strengths in RF and antenna design, we have integrated AI edge computing and IoT connectivity to develop core algorithms for active environmental noise reduction, dynamic delay adjustment, and seamless multi-device switching.

**Integration of next-generation communication technologies:** Integrates advanced Bluetooth, broadband communications and low-latency core IP to develop next-generation products featuring high-performance transmission and smart application capabilities,

meeting diverse application scenarios such as professional e-sports, home theaters, wearable devices, drones and smart home appliances, with estimated R&D expenses for the coming year of NT\$ 114,696 thousand.

(IV) Impacts of changes in important domestic and foreign policies and laws on the Company's financial operations, and countermeasures

The Company not only conducts its daily operations in compliance with relevant domestic and international laws and regulations but also closely monitors domestic and international policy trends and regulatory changes to fully understand and respond to market environment shifts. As of now, the Company's financial and business operations have not been significantly impacted by any changes in domestic or international policies or laws.

(V) Impact of technological changes (including cybersecurity risks) and industrial changes on the Company's financial operations, and countermeasures.

The Company not only stays attentive to technological changes and developments in its industry but also keeps track of the latest industry trends through close cooperation with customers. Additionally, by continuously strengthening its R&D capabilities, the Company protects various innovative concepts and designs by applying for patents and actively expands into future market application areas. Therefore, technological changes and industry shifts have not had a negative impact on the Company.

In terms of cybersecurity risk management, the Company has established information security control operations and related management regulations for compliance by all employees, and has established an information security management program, including email management controls, network firewall setup, antivirus software installation, and system program data access controls. The Company also regularly conducts system vulnerability scans, carries out social engineering exercises, regularly performs permission reviews, and implements protective measures for sensitive data, while strengthening employee education and training to enhance employees' risk awareness of information security, in compliance with the "Cybersecurity Control Guide for TWSE/TPEX Listed Companies" and related regulations; the Company's management conducts internal control and risk supervision and management according to the scope of business under its duties. Based on the evaluation of the aforementioned information security management mechanisms, there are no significant operational risks.

In the most recent year and up to the publication date of the annual report, the Company has not encountered any significant cyberattacks or incidents that have or may have a major adverse impact on its financial business or operations. Additionally, the Company has not been involved in any legal cases or regulatory investigations related to such matters.

(VI) Impact of corporate image changes on corporate crisis management and countermeasures

Since its establishment, the Company has focused on its core business operations, product R&D, and emphasized internal management while complying with relevant laws and regulations. To date, no events have occurred that have affected the Company's corporate image. In the future, the Company will continue to fully comply with relevant laws and regulations, with a strong focus on maintaining its corporate image.

(VII) Expected benefits, potential risks and countermeasures for mergers and acquisitions

In the most recent year and up to the publication date of the annual report, the Company has not engaged in any mergers or acquisitions. However, should any acquisition plans arise in the future, they will be carefully evaluated to assess the tangible benefits for the Company and ensure the protection of shareholders' interests.

(VIII) Expected benefits, potential risks and countermeasures for the expansion of plants:

The Company is engaged in research, development, and sales, and does not engage in the physical production of goods. Therefore, it does not have any plants used for production purposes.

(IX) Risks associated with concentrated purchases or sales and countermeasures

1. Purchase

The Company is a professional IC design company primarily engaged in wireless audio and control chip design, module development, etc. The main raw material is semiconductor wafers, so factors such as capacity acquisition, yield quality, delivery stability, process compatibility, and cost must be considered. The Company adheres to the principle of selecting excellent suppliers to maintain long-term cooperative relationships. Therefore, the concentration of purchases is a characteristic of the industry. The current suppliers of purchased goods are well-known wafer manufacturers both domestically and internationally. To reduce the potential risks associated with concentrated purchasing, the Company continues to collaborate with reputable suppliers to secure long-term and stable supply. Additionally, the Company works on new product development and seeks new, high-quality suppliers to diversify the risk.

2. Sales

The Company has been deeply involved in the wireless audio control chip and module market for many years. As most of the products are customized, in order to mitigate the risk of concentrated sales, the Company actively expands into new product application areas, including eSports peripherals, wireless transmission for music instruments, and smart home sectors. It is expected that with the commencement of mass production and sales of new projects, the Company will be able to appropriately diversify the sales

concentration risks associated with a single customer and maintain balanced and stable operational results.

- (X) The impact and risks of large-scale equity transfers or changes in equity by directors, supervisors, or major shareholders holding more than 10% of shares, and countermeasures: No such situation.
- (XI) The change in management rights during the most recent year and up to the publication date of the annual report, and its impact, risks, and countermeasures on the Company: No such situation.
- (XII) The Company, its directors, supervisors, President, de facto persons in charge, major shareholders holding more than 10% of shares, and subsidiaries do not have any major litigation, non-litigation, or administrative disputes that have been definitively judged or are still pending, which may significantly affect shareholder rights or securities prices. The disputed facts, the amount in controversy, the date of the lawsuit initiation, the main parties involved, and the status of the case as of the publication date of the annual report: No such situation.

(XIII) Other major risks and countermeasures:

In recent years, factors such as political and economic conditions, international wars, inflation, and tariff and trade wars may cause fluctuations in demand for products due to changes in the overall environment. In response to changes in the industry ecosystem, the Company maintains close two-way communication with customers and suppliers and explores cooperative supply models. By adjusting the ability to manage operational resources, the Company can regulate the supply capacity required by customers and stay attuned to market demand trends to assist customers in mass production of new products. At the same time, the Company continues to enhance the ability to deploy resources flexibly, ensuring that all operational aspects have the flexibility to face challenges. As of the publication date of the annual report, the Company is not aware of any other significant risks that may potentially have a material impact on the Company's financial condition.

VII. Other important matters: None.

**Six. Special Matters to be recorded**

- I. Related enterprise information for the most recent year: please refer to the section for the three statements and tables of related enterprises under Single Company > Electronic Document Download on the Market Observation Post System ([https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10)).
- II. Private placement of securities in the most recent year up to the publication date of the annual report: None.
- III. Other necessary supplementary information: None.
- IV. 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 during the most recent year or during the current year up to the publication date of the annual report: None.

Syncomm Technology Corp.

Chairman: Tsai, Ling-Chun