

Stock Code: 6187



All Ring Tech Co., Ltd.

ALL RING TECH CO., LTD.

2023 Annual Report

The Annual Report is available at: <http://mops.twse.com.tw/mops/web/index>
<http://www.allring-tech.com.tw/>

Information declaration website designated by the Securities and Futures

Bureau: Same as above

Annual report disclosure website: Same as above

May 21, 2024

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VI. Name and Address of Overseas Securities Trading Agencies and Inquiry Method for Overseas Securities: None.

VII. Company website: <https://www.allring-tech.com.tw/>

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Chapter 1 Letter to Shareholders

Business Report

Dear Shareholders,

Thank you for taking time from your busy schedule to attend All Ring Tech Co., Ltd.'s regular meeting of shareholders today so that we can report to you on the operating performance for the past fiscal year and our future outlook. I would like to sincerely welcome you on behalf of the Company.

We hereby report the operating performance for the past year and the future outlook of All Ring Tech Co., Ltd. and its subsidiaries:

I. 2023 Business Report

(I) Implementation Results of Business Plan

The consolidated net operating revenue and net profit after tax in 2023 of the Company and its subsidiaries totaled NT\$1,205,311 thousand and NT\$138,173 thousand respectively, representing a decrease of 46.40% and 72.31% over NT\$2,248,713 thousand and NT\$499,039 thousand in 2022 respectively.

(II) Budget Execution: All Ring Tech Co., Ltd. and its subsidiaries did not release financial forecasts for 2022, so no budget achievement needs reporting.

(III) Analysis of financial revenues and expenses and profitability

Unit: NT\$ Thousand

Analysis Item/Fiscal Year		2023	2022
Financial revenues and expenses	Interest income	21,077	7,923
	Interest expense	11,022	10,740
Profitability	Return on assets (%)	3.4	13.11
	Return on Equity (%)	5.62	21.08
	Operating profit to paid-in capital ratio (%)	10.25	57.71
	Net profit before tax to paid-in capital ratio (%)	19.30	74.73
	Net profit margin (%)	11.46	22.19
	Basic earnings per share (NT\$)	1.7	6.15

(IV) Research and development

The R&D results in 2023 are listed below: Please see Pages 117-119 for details.

II. Outline of 2023 Business Report

(I) Business Policy

1. Customer-oriented approach; striving to meet the customer's needs.
2. Focus on R&D and marketing.
3. Make full use of external resources and expand the scale of operations.

4. Research, development, and innovation; aiming for excellence.

(II) Expected Business Performance

In 2023, the global semiconductor market reached its lowest point, primarily due to a weak global economy and external factors impacting corporate and consumer market demand. Our company's clients adjusted by reducing inventory, delaying capital expenditure plans such as facility expansions and production line additions, leading to a decrease in our consolidated revenue compared to 2022. This also affected our operating profit and net income for the current period. However, through effective control of operating expenses and contributions from non-operating investments, our company remained profitable. We continue to collaborate with our clients in developing required equipment to promptly meet market demands. Starting from the fourth quarter of 2023, our revenue has increased month by month, and this upward trend has continued into the first quarter of 2024. Our company will strive to maintain this growth performance, aiming to maximize benefits for our shareholders.

(III) Major Production and Sales Policies

In addition to maintaining current customers, with our future crucial operating strategy, we will strive to seek new customers. Other vital plans include focusing on research and development, and improving customer satisfaction, to maintain the highest market share in the industrial equipment market, in order to achieve better operating performance.

(IV) Future Development Strategy

All Ring Tech Co., LTD. is a leading manufacturer in the semiconductor and passive component equipment industries. Consequently, our business objective is to enhance existing products to meet customer needs and to provide services that are closely aligned with our customers. All Ring Tech Co., LTD. continuously collaborates with customers to develop required equipment to meet customer needs.

(V) Impacts of External Competition, Government Regulations, and Overall Business Environment

In such a competitive environment as we are in, there is no better way to maintain long-term competitive advantages than prioritizing customers' needs. Under its entrepreneurial belief, "Creation, Service, Speed, Saving, Harmony, Confidence" and the spirit of "focusing and outstanding", All Ring Tech Co., LTD. will continue to develop core technologies, follow the market trend, and comply with government-backed domestic equipment promotion, with a goal to boost customers' competency with inexpensive production facilities and hopefully create a mutual win-win benefit.

We wish all shareholders good health and all the best!

Chairman: Ching-Lai Lu

June 18, 2024

Chapter 2 Company Profile

I. Date of Establishment: May 24, 1996.

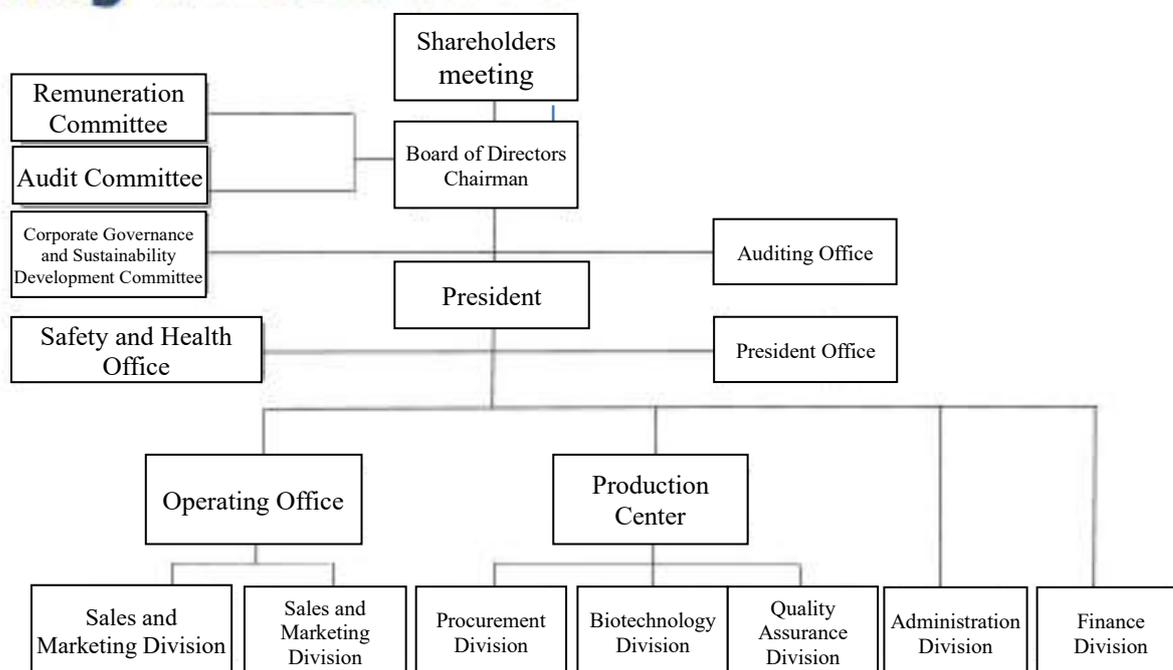
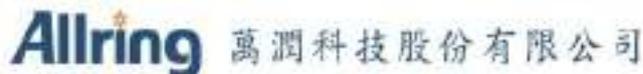
II. Company History:

- 1996 The company was set up, the capital NTD 10,000,000, developed automatic cutting machine and inductance testing machine.
- 1999 The Company purchased land, building and plants at Yenchao Township, Kaohsiung County, developed a stacker.
- 2000 The Company received ISO 9001 from SGS Taiwan, developed a complete capacitor testing machine and testing packaging machine.
- 2001 Kunshan All Ring Electronics set up; developed BGA automatic ball planting machine, IC flexible board laminating machine.
- 2002 The Company received approval from the Securities and Futures Bureau and was listed on the OTC market.
- 2004 Relocated from Yanchao to Luzhu Science Park. Developed PCB inspection equipment and FPD glue coating machine
- 2005 All Ring Tech Precision Machine (Kunshan) set up
- 2006 Developed adhesive application machine and dual-track varistor testing machine.
- 2007 Developed laser repair machine (including lighting function), an inductor wiring machine, a 12-inch wafer sorter, and a laser marking machine.
- 2008 Certified by TIPS (Taiwan Intellectual Property Management System); complete development of LED test packaging machines and wafer inspection machines.
- 2009 Developed LED test separators and rotary electroplating machines.
- 2010 Developed single-head laser platemaker and power inductance winding machine
- 2011 Established Uni-Ring Tech. Co., Ltd.; Developed power inductive glue applicator and soldering machine
- 2012 Developed silver paste dispenser and turret double wiring machine.
- 2013 Developed NR four-axial wiring and soldering machine.
- 2014 Developed AOI inspection machine.
- 2015 Developed SIP Surface Mounting Machine.
- 2016 Developed Wafer form AOI inspection equipment.
- 2017 Developed Wafer Form Dispensing Equipment.
- 2018 Developed inductive testing and packaging machine.
- 2019 Developed plate heat sink mounting system.
- 2020 Developed piezoelectric dispensing machine.
- 2021 Developed capacitance testing machine, four light-inspection machine, glue coating inspection machine, FILM TIM Laminating Machine, Thickness Measuring Machine, Ball Planting Machine.
- 2022 Developed smart cutting machine.
- 2023 Developed paste tearing mold all-in-one machine, automotive communication winding machine, high-voltage capacitor testing machine, automotive stringing machine, capacitor lamination machine, dual-wire high-frequency winding machine, aluminum capacitor testing machine, chip sorting machine, and optical measurement machine.
- From 2024 to present Metal Tim Heatsink

Chapter 3 Corporate Governance Report

I. Organization System

(I) Organization structure



(II) Major Corporate Functions

Department	Tasks
Auditing Office	It is responsible for internal audits and the effective operations of the internal control system as well as strict compliance with regulations and related standards and providing improvement recommendations.
Administration Division	It is responsible for general administration, human resources, and computer system software and hardware planning and management; responsible for the design and modification of software based on operation procedures and maintaining the normal functions of computers.
Finance Division	It is responsible for the Company's finances, accounting, and shareholder services.
Sales and Marketing Division	It is responsible for evaluating and expanding the semiconductor, passive components, automated LED equipment markets, formulating plans, sales, customer credit investigation, payment collection, and after-sales services.
BioTech Division, Material Division, Quality Assurance Division	It is responsible for the production of semiconductors, passive components, automated LED equipment, after-sales services, quality inspections, control and management, procurement of raw materials, and warehouse management.
R&D Division	It is responsible for the design and development of the machinery, electronic control, software and hardware of semiconductors, passive components, automated LED equipment as well as the design and development of the machinery, electronic control, software and hardware of new products.
Corporate Governance and Sustainability Development Committee	On February 26, 2024, the Board of Directors approved Vice President Ming-Chieh, Tsai as the person in charge of corporate governance. Based on the work and scope of each department, he shall ensure the advancement and implementation of overall work and report the implementation status to the Board of Directors regularly.

II. Information on Directors, General Manager, Deputy General Managers, Assistant General Managers, Heads of Departments, and Branch Managers

(I) Information of Directors

1. Information of Directors

Unit: thousand shares; % April 20, 2024

Title	Nationality or Place of Registration	Name	Gender Age	Date of Appointment	Term	Date of First Appointment	Shares held		Number of Shares Held		Shareholding by Spouse and Minor Children		Shareholding by Nominees		Major Education and Work Experience	Other position concurrently held at the Corporation or other companies	Executives, Directors, or Supervisors who have a spouse or second-degree relatives within the Company			Remarks (Note 1)
							Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relationship	
Chairman	Taiwan	Ching-Lai Lu	Male 61 ~ 70 years old	2023.06.15	3 years	1996.05.27	3,757	4.51	4,025	4.47	358	0.40	7,685	8.53	EMBA, National Cheng Kung University Philips Chien Yuan Electronics	Chairman of Uni-Ring Tech Co., Ltd. Director of Li Chiao Investment Co., Ltd. Director of Phoenix Innovative Entrepreneurial Investment (Stock) Company Director of Phoenix four Innovative Entrepreneurial Investment (Stock) Company Director of IMAGINE Group Limited Director of PAI FU INTERNATIONAL LIMITED	Representative Director	Yu-Ru Chong	Spouse	None
Director	Taiwan	Cheng-En Ou	Male 50 and below	2023.06.15	3 years	2023.06.15	12	0.01	112	0.12	-	-	-	-	Cheng Shiu Junior College of Technology Taiwan SHT Electronics Taiwan	Director of Uni-Ring Tech Co., Ltd.	-	-	-	None
Director	Taiwan	Li Chiao Investment Co., Ltd.	Note 1.	2023.06.15	3 years	2010.05.12	7,520	9.02	7,685	8.53	-	-	-	-	-	-	-	-	-	None
Representative Director	Taiwan	Yu-Ru Chong	Female 51 ~ 60 years old	2023.06.15	3 years	2017.06.15	338	0.43	358	0.40	4,025	4.47	7,685	8.53	National University of Tainan, Department of Early Childhood Education Person in charge of Li Chiao Investment Co., Ltd.	Person in charge of Li Chiao Investment Co., Ltd.	Chairman	Ching-Lai Lu	Spouse	None

Title	Nationality or Place of Registration	Name	Gender Age	Date of Appointment	Term	Date of First Appointment	Shares held		Number of Shares Held		Shareholding by Spouse and Minor Children		Shareholding by Nominees		Major Education and Work Experience	Other position concurrently held at the Corporation or other companies	Executives, Directors, or Supervisors who have a spouse or second-degree relatives within the Company			Remarks (Note 1)
							Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relationship	
Directors	Taiwan	Chien-Chang Chen	Male 61 ~ 70 years old	2023.06.15	3 years	2011.06.22	2,732	3.28	2,732	3.03	-	-	-	-	Sanji High School Person in charge of Fu-Du Building & Construction Co., Ltd.	Director of Fu-Du Building & Construction Co., Ltd.	-	-	-	None
Director	Taiwan	Ching-Han Chiu Huang (Note 2)	Note 2.	2023.06.15	3 years	2012.12.17	283	0.34	343	0.38	-	-	-	-	Linyuan Junior High School Person in charge of Hanlin Construction Co., Ltd.	Person in charge of Hanlin Construction Co., Ltd.	-	-	-	None
Director	Taiwan	Jin-cheng Investment Co., Ltd.	Note 3.	2023.06.15	3 years	2021.07.20	1,710	2.05	1,710	1.90	-	-	-	-	-	-	-	-	-	None
Representative Director	Taiwan	Chin-Shu Tsai	Male 51 ~ 60 years old	2023.06.15	3 years	2021.07.20	10	0.01	10	0.01	-	-	-	-	Graduated from the Department of Electrical Engineering, Cheng Shiu University	Person in charge of Jin-Cheng Investment Co., Ltd. Person in charge of Ding Ji Electromechanical Engineering Co., Ltd.	-	-	-	None
Director (Independent)	Taiwan	Ming-Hsien Li	Male 61 ~ 70 years old	2023.06.15	3 years	2020.06.10	-	-	-	-	-	-	-	-	Master Degree in Accounting, National Chengchi University Vice Chairman, PwC Taiwan	Vice Chairman, Zhi Cheng CPAs Adjunct associate professor, National Cheng Kung University Independent Director of ScinoPharm Taiwan, Ltd. Independent Director, Brogent Technologies Inc. Independent Director of Pantex International Ltd.	-	-	-	None

Title	Nationality or Place of Registration	Name	Gender Age	Date of Appointment	Term	Date of First Appointment	Shares held		Number of Shares Held		Shareholding by Spouse and Minor Children		Shareholding by Nominees		Major Education and Work Experience	Other position concurrently held at the Corporation or other companies	Executives, Directors, or Supervisors who have a spouse or second-degree relatives within the Company			Remarks (Note 1)
							Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relationship	
Director (Independent)	Taiwan	Cho-Hua Kuang	Male 71 ~ 80 years old	2023.06.15	3 years	2020.06.10	-	-	-	-	-	-	-	-	University of Cincinnati Department of Mechanical Engineering Ph.D. Honorary retired professor, Department of Mechanical Engineering, National Sun Yat-sen University	Adjunct professor, Department of Mechanical Engineering, National Sun Yat-sen University	-	-	-	None
Director (Independent)	Taiwan	Huan-Ming Chou (Note 3)	Male 61 ~ 70 years old	2023.06.15	3 years	2010.05.12	-	-	-	-	-	-	-	-	National Cheng Kung University Institute of Mechanical Engineering Ph.D. Professor of the Department of Mechanical Engineering and Dean of the College of Engineering, Kun Shan University	Vice President for Academic Affairs, Kun Shan University	-	-	-	None

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

Note 2. Mr. Ching-Han Chiu Huang first served as the representative person of corporate directors for the Fong Chiao Investment Co., Ltd. on December 17, 2012, and was elected as a natural person director by the shareholders' meeting resolution on June 15, 2023.

Note 3. Mr. Huan-Ming Chou was initially appointed as an independent director of the company on May 12, 2010. He was re-elected and relieved of duty on June 10, 2020. Subsequently, he was re-elected as an independent director of the company by the shareholders' meeting on June 15, 2023.

2. Major Shareholders of Institutional Shareholders:

2024.04.20

Name of Institutional Shareholders	Major Shareholders of Institutional Shareholders
Li Chiao Investment Co., Ltd.	Yu-Ru Chong (43.25%) and Ching-Lai Lu (35.32%)
Jin-Cheng Investment Co., Ltd.	Chin-Shu Tsai (23.89%), Wen-Yen Tsai Li (23.89%), Ya-Chi Tsai (26.11%), Meng-Jung Tsai (26.11%)

3. Representatives of the institutional shareholders, which are the major shareholders of the Company's institutional shareholders: Not applicable.

4. Information about Independent Directors

2024.04.20

Name	Condition Professional Qualification and Work Experience	Compliance with independence (Note)												Number of Other Public Companies in which Concurrently Holding Position as Independent Director	
		1	2	3	4	5	6	7	8	9	10	11	12		
Ching-Lai Lu	Mr. Ching-Lai Lu has served in the Company for more than 28 years, specializing in the operation and strategic management of passive components and semiconductor automation equipment industries. He acts as the Chairman of the Board of Directors for strategic communication and interaction with all directors on business management, and advice on the operation and management. He has the capabilities in business, marketing and industrial technology.						✓	✓	✓	✓			✓	✓	-

Name	Condition	Professional Qualification and Work Experience	Compliance with independence (Note)												Number of Other Public Companies in which Concurrently Holding Position as Independent Director	
			1	2	3	4	5	6	7	8	9	10	11	12		
Cheng-En Ou		Mr. Cheng-En Ou Cheng has served in the Company for more than 17 years, specializing in the operation and strategic management of passive components and semiconductor automation equipment industries, with the capabilities in corporate governance, business, marketing and industrial technology. He can provide corporate governance and operational management advice and policies to the Board of Directors in a timely manner and request the management team to formulate business strategies for implementation.			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Chien-Chang Chen		Mr. Chien-Chang Chen used to be the person in charge of Fu-Du Building & Construction Co., Ltd. and is currently a director of Fu-Du Building & Construction Co., Ltd. He has more than 30 years of expertise in corporate governance, business, marketing and industrial technology, and is able to advise the Company's Board of Directors on relevant plant and operational management in a timely manner.	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-

Name	Condition	Professional Qualification and Work Experience	Compliance with independence (Note)												Number of Other Public Companies in which Concurrently Holding Position as Independent Director
			1	2	3	4	5	6	7	8	9	10	11	12	
Yu-Ru Chong (Note 1)		Ms. Yu-Ru Chong is an important promoter of the corporate social responsibility and sustainable management concepts of All Ring Tech Co., Ltd. She has been long committed to caring for the disadvantaged. She expects the corporate social responsibility to be closely integrated with the Company's business strategy, and implements the synergy of sustainable management, and to give professional advice from different perspectives. She provides professional advice from different perspectives, which is of great benefit to improving the Company's operating performance and management efficiency.	✓				✓	✓	✓	✓	✓		✓		-
Ching-Han Chiu Huang		Mr. Ching-Han Chiu Huang is currently a Chairman of Hanlin Construction Co., Ltd. He has more than 30 years of expertise in corporate governance, business, marketing and industrial technology, and is able to advise the Company's Board of Chairman on relevant plant operation and operational management in a timely manner.	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-

Name	Condition	Professional Qualification and Work Experience	Compliance with independence (Note)												Number of Other Public Companies in which Concurrently Holding Position as Independent Director	
			1	2	3	4	5	6	7	8	9	10	11	12		
Chin-Shu Tsai (Note 2)		Mr. Chin-Shu Tsai graduated from Department of Electrical Engineering, Cheng Shiu University, and is currently the person in charge of Ding Ji Electromechanical Co., Ltd. and Jin-Cheng Investment Co., Ltd. He has more than 30 years of expertise in corporate governance, business, marketing and industrial technology, and is able to advise the Company's Board of Directors on relevant plant operation and operational management in a timely manner.	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		-
Ming-Hsien Li		Graduated from Accounting, National Chengchi University. He has professional and practical experience in finance and accounting. He used to be the Vice Chairman of PwC Taiwan, and is currently the Vice Chairman of Zhi Cheng CPAs and adjunct associate professor of National Cheng Kung University. He has rich experience in management practice and leverages his expertise to improve the quality of corporate governance of the Board of Directors and the supervision function of the audit committee. He has not been in violation of any provisions of Article 30 of the Company Act.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	3

Name	Condition	Professional Qualification and Work Experience	Compliance with independence (Note)												Number of Other Public Companies in which Concurrently Holding Position as Independent Director	
			1	2	3	4	5	6	7	8	9	10	11	12		
Cho-Hua Kuang		He is a Ph.D. of Mechanical Engineering Department, University of Cincinnati, specializing in the field of solid mechanics, including structural analysis, dynamics, failure mechanics, wave mechanics, metal forming experiments and analysis, computer and peripheral equipment related research. he is currently an adjunct professor in the Department of Mechanical Engineering, National Sun Yat-sen University, with both academic and practical skills. He provides a lot of valuable advice and practical experience in the operation of the Company. He has not been in violation of any provisions of Article 30 of the Company Act.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-

Name	Condition	Professional Qualification and Work Experience	Compliance with independence (Note)												Number of Other Public Companies in which Concurrently Holding Position as Independent Director	
			1	2	3	4	5	6	7	8	9	10	11	12		
Huan-Ming Chou		He is a Ph.D. graduate of the Department of Mechanical Engineering at National Cheng Kung University, specializes in the fields of thermal fluid mechanics (thermal flow analysis, refrigeration and air conditioning, internal combustion engines), energy technology (solar energy, biomass energy, energy-saving technology), culture and creativity, green technology, related circular economy, and innovative business models. Currently serving as the Vice President of Academics at Kun Shan University of Technology, he provide clear directions and execution methods for the company in research, invention, and innovative product development. He has not been in violation of any provisions of Article 30 of the Company Act.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-

Note 1. Ms. Yu-Ru Chong is the corporate representative of the Company's corporate director Li Chiao Investment Co. Ltd.

Note 2. Mr. Chin-Shu Tsai is the corporate representative of the Company's corporate director Jincheng Investment Co., Ltd.

Note 3. For any director or supervisor who fulfills the relevant condition(s) 2 years before being elected or during the term of office, please provide the "✓" sign in the corresponding field

- (1) Not employed by the Company or an affiliated company.
- (2) Neither a Director or Supervisor of the Company or any of its affiliates (this does not apply in cases where the person is an independent director of the Company, its parent company, or subsidiary where the Company holds, directly and indirectly, more than 50% of the voting shares).
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the persons in the preceding three subparagraphs.
- (5) Not a director, supervisor, or employee of an institutional shareholder that directly holds more than 5% of the total number of issued shares of the Company or is ranked top 5 in terms of quantity of shares held.
- (6) If a majority of the Company's Director seats or voting shares and those of any other company are not controlled by the same person: a Director, Supervisor, or employee of that other company.

- (7) Not a director (or governor), supervisor (or overseer), or employee of other company or institutions who is the Chairman, President, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses.
- (8) Not a director (member of the governing board), supervisor (member of the supervising board), managerial officer, or shareholder holding more than 5% of shares of a specified company or institution that has a financial or business relationship with the Company.
- (9) Not a professional individual, sole proprietorship, partnership, owner of a company or institution, partner, director (or governor), supervisor (or overseer), managerial officer or spouse thereof that provides auditing service for the Company or any of its affiliates, or provides commercial, legal, financial, or accounting service with cumulative remuneration less than NT\$500,000 in the past two years. However, this excludes members of the Remuneration Committee who have been appointed to exercise duties in accordance with Article 7 of Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter.
- (10) Not a spouse or a relative within the second degree of kinship with any Director.
- (11) No any circumstance set out in a subparagraph of Article 30 of the Company Act.
- (12) No government, legal person or its representative has been elected as provided in Article 27 of the Company Act.

5. Diversity and independence of the Board of Directors:

- (1) Diversity of the Board of Directors: Please refer to Page 43-44 of this annual report.
- (2) Independence of the Board of Directors: The Company has a total of 9 directors, including 3 independent directors, accounting for 33.33% of the total seats, who concurrently serves as an independent director in less than 3 other public companies. The Company has set up an audit committee to replace supervisors in accordance with the law, and only 22.22% of the directors have spouses and relatives within the second degree of kinship.

(II) Information on the President, Vice President, Associate Manager, and supervisors from each branch and subsidiaries:

Unit: thousand shares; % 2024.04.20

Title	Nationality	Name	Gender	Date of Appointment	Number of Shares Held		Shares Held by Spouse and Minor Children		Shareholding by Nominees		Major Education and Work Experience	Position(s) Held Concurrently in Any Other Company	Managerial Officer Who is a Spouse or a Relative within the Second Degree of Kinship			(Note 6)
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relationship	
President (Note 1)	Taiwan	Cheng-En Ou	Male	2023.06.01	112	0.12	-	-	-	-	Cheng Shiu Junior College of Technology Taiwan SHT Electronics Taiwan	Director of Uni-Ring Tech Co., Ltd.	None	None	None	None
Operating Office Vice President	Taiwan	Ming-Tsung Kuo	Male	2020.04.28	48	0.05	-	-	-	-	National Chiayi Institute of Agriculture Cheng Ming Machinery Co., Ltd.	None	None	None	None	None
Sales and Marketing Division Vice President	Taiwan	Cheng-Yen Chiang	Male	2022.11.09	30	0.03	-	-	-	-	National Cheng Kung University Computer and Communication Engineering by Taiwan Hou Sheng Transmission Co., Ltd	None	None	None	None	None
Production Center Vice President	Taiwan	Shih-Lung Yeh	Male	2022.04.27	46	0.05	-	-	-	-	Graduated from National Cheng Kung University PwC Taiwan	None	None	None	None	None
R&D Division Assistant (Note2)	Taiwan	Chun-Hung Tsai	Male	2023.11.08	10	0.01	-	-	-	-	Information Engineering Institute at Chung Cheng University AUO Corporation	None	None	None	None	None
R&D Division Assistant (Note3)	Taiwan	Ching-Te Huang	Male	2023.11.08	8	0.01	-	-	-	-	Mechanical Engineering from National Chung Cheng University, Ph.D. C SUN MFG. LTD	None	None	None	None	None
R&D Division Associate Manager	Taiwan	Heng-Hui Liu	Male	2020.04.28	20	0.02	-	-	-	-	Graduated from the Institute of Mechanical Engineering, National Cheng Kung University ENGBOON Co., Ltd.	None	None	None	None	None

Title	Nationality	Name	Gender	Date of Appointment	Number of Shares Held		Shares Held by Spouse and Minor Children		Shareholding by Nominees		Major Education and Work Experience	Position(s) Held Concurrently in Any Other Company	Managerial Officer Who is a Spouse or a Relative within the Second Degree of Kinship			(Note 6)
					Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio			Title	Name	Relationship	
Sales and Marketing Division Assistant (Note4)	Taiwan	Chih-Yu Liu	Male	2023.11.08	10	0.01	-	-	-	-	Department of Mechanical Engineering, National Taiwan University of Science and Technology	None	None	None	None	None
Procurement Division Associate Manager	Taiwan	Hui-Chen Hung	Female	2022.04.27	10	0.01	-	-	-	-	Kao Yuan University Taiwan Golden Bee Co., Ltd.	None	None	None	None	None
Assistant of Finance Division Accounting Manager	Taiwan	Hsiao-Mei Wang	Female	2010.10.01	23	0.03	-	-	-	-	Chung Yuan Christian University Chien Hsing Accounting Firm	None	None	None	None	None
Assistant General Counsel of the President Office Corporate Governance Manager (Note 5)	Taiwan	Ming-Chieh Tsai	Male	2018.02.27	10	0.01	-	-	-	-	United Engineering Professional School Chengxin Intellectual Property Rights	None	None	None	None	None

Note 1. Former President: Hsin-Yao Cheng retired on May 31, 2023; Mr. Cheng-En Ou, CEO, was promoted to President on June 1, 2023.

Note 2. Mr. Chun-Hung Tsai was promoted to Assistant Manager on November 8, 2023.

Note 3. Mr. Ching-Te Huang was promoted to Assistant Manager on November 8, 2023.

Note 4. Mr. Chih-Yu Liu was promoted to Assistant Manager on November 8, 2023.

Note 5. Former Manager of Corporate Governance : Hsin-Yao Cheng vice President retired on February 29, 2023; Mr. Ming-Chieh Tsai, Associate Manager was promoted to Manager of Corporate Governance on March 1, 2023.

Note 6. Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g., increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer).

(III) Remuneration to Directors and Independent Directors

Unit: thousand shares/NT\$ thousand; December 31, 2023

Title	Name	Directors' Remuneration								Sum of A+B+C+D and Ratio to Net Income (%) (Note 9)		Relevant Remuneration Paid to Directors who are Concurrent Employees						Total Compensation (A+B+C+D+E+F+G) to Net Income After Tax Ratio (%) (Note 9)		Any Remuneration from Ventures that are not Subsidiaries of the Company (Note 10)		
		Base Compensation (A) (Note 2)		Severance Pay and Pension (B)		Remuneration to Directors (C) (Note 3)		Business Execution Expenses (D) (Note 4)				Salary, Bonus and Allowances (E) (Note 5)		Severance Pay and Pension (F)		Employee's Remuneration (G) (Note 6)						
		The Company	All Companies in Consolidated Financial Statements (Note 8)	The Company (Note 5)	All Companies in Consolidated Financial Statements (Note 8)	The Company (Note 5)	All Companies in Consolidated Financial Statements (Note 8)	The Company (Note 5)	All Companies in Consolidated Financial Statements (Note 8)	The Company (Note 5)	All Companies in Consolidated Financial Statements (Note 8)	The Company (Note 5)	All Companies in Consolidated Financial Statements (Note 8)	The Company (Note 5)	All Companies in Consolidated Financial Statements (Note 8)	The Company (Note 5)	All Companies in Consolidated Financial Statements (Note 8)	The Company (Note 5)	All Companies in Consolidated Financial Statements (Note 8)		The Company (Note 5)	All Companies in Consolidated Financial Statements (Note 8)
Chairman	Ching-Lai Lu	-	-	-	-	653	653	56	56	709 0.51%	709 0.51%	15,865	15,865	-	-	-	-	-	-	16,574 11.99%	16,574 11.99%	None
Directors	Hsin-Yao Cheng (Note 1)	-	-	-	-	-	-	16	16	16 0.01%	16 0.01%	2,324	2,324	6,310	6,310	-	-	-	-	8,650 6.26%	8,650 6.26%	None
Directors	Cheng-En Ou (Note 2)	-	-	-	-	436	436	24	24	460 0.33%	460 0.33%	11,515	11,515	54	54	-	-	1,600	-	13,629 9.86%	13,629 9.86%	None
Directors	Li Chiao Investment Co., Ltd.	-	-	-	-	218	218	-	-	218 0.16%	218 0.16%	-	-	-	-	-	-	-	-	218 0.16%	218 0.16%	None
Representative Director	Yu-Ru Chong (Note 3)	-	-	-	-	-	-	56	56	56 0.04%	56 0.04%	-	-	-	-	-	-	-	-	56 0.04%	56 0.04%	None
Directors	Chien-Chang Chen	-	-	-	-	218	218	48	48	266 0.19%	266 0.19%	-	-	-	-	-	-	-	-	266 0.19%	266 0.19%	None
Directors	Ching-Han Chiu Huang (Note 4)	-	-	-	-	218	218	48	48	266 0.19%	266 0.19%	-	-	-	-	-	-	-	-	266 0.19%	266 0.19%	None
Directors	Jin-Cheng Investment Co., Ltd.	-	-	-	-	218	218	-	-	218 0.16%	218 0.16%	-	-	-	-	-	-	-	-	218 0.16%	218 0.16%	None
Representative Director	Chin-Shu Tsai (Note 5)	-	-	-	-	-	-	56	56	56 0.04%	56 0.04%	-	-	-	-	-	-	-	-	56 0.04%	56 0.04%	None
Independent director	Ming-Hsien Li (Note 8)	-	-	-	-	480	-	48	48	528 0.38%	528 0.38%	-	-	-	-	-	-	-	-	528 0.38%	528 0.38%	None
Independent director	Cho-Hua Kuang (Note 8)	-	-	-	-	480	-	48	48	528 0.38%	528 0.38%	-	-	-	-	-	-	-	-	528 0.38%	528 0.38%	None
Independent director	Chang-Jen Chen (Note 6) (Note 8)	-	-	-	-	180	-	24	24	204 0.15%	204 0.15%	-	-	-	-	-	-	-	-	204 0.15%	204 0.15%	None
Independent director	Huan-Ming Chou (Note 7) (Note 8)	-	-	-	-	300	-	24	24	324 0.23%	324 0.23%	-	-	-	-	-	-	-	-	324 0.23%	324 0.23%	None

- Note1. Director Mr. Hsin-Yao Cheng resigned after re-election on June 15, 2023.
- Note2. Director Mr. Ou Cheng-En assumed office after re-election on June 15, 2023.
- Note3. Ms. Yu-Ru Chong is the corporate representative of the Company's corporate director Li Chiao Investment Co. Ltd.
- Note4. Mr. Ching-Han Chiu Huang was the corporate representative of the Company's corporate director Hanlin Construction Co. Ltd. After the re-election on June 15, 2023, Hanlin Construction Co., Ltd. was relieved of its duties. Mr. Ching-Han Chiu Huang is appointed as a director of the company in his capacity as an individual
- Note5. Mr. Chin-Shu Tsai is the corporate representative of the Company's corporate director Jincheng Investment Co., Ltd.
- Note6. Director Mr. Chang-Ren, Chen, resigned after re-election on June 15, 2023.
- Note7. The Independent Director, Mr. Huan-Ming Chou was initially appointed as an independent director of the company on May 12, 2010. He was re-elected and relieved of duty on June 10, 2020. Subsequently, he was re-elected as an independent director of the company on June 15, 2023.
- Note8. Please refer to "Shareholders' Meeting Annual Report" regarding remuneration policies, systems, standards, and structures for Independent Directors and linkage thereof to powers, risks, and time spent.

Table of Remuneration Range

Ranges of Remuneration Paid to Each Director of the Company	Name of Director			
	Total Remuneration for the First Four Items (A+B+C+D)		Total Remuneration for the First Seven Items (A+B+C+D+E+F+G)	
	All Ring Tech Co., Ltd. (Note 8)	All Companies in Consolidated Financial Statements (Note 8) I	All Ring Tech Co., Ltd. (Note 8)	All Companies in Consolidated Financial Statements (Note 8) I
Less than NT\$ 1,000,000	Ching-Lai Lu, Hsin-Yao Cheng, Cheng-En Ou, Li Chiao Investment Co., Ltd., Representative of Li Chiao Investment Co., Ltd. : Yu-Ru Chong, Chien-Chang Chen, Ching-Han Chiu Huang, Jincheng Investment Co., Ltd., Representative of Jincheng Investment Co., Ltd.: Chin-Shu Tsai, Ming-Hsien Li, Cho-Hua Kuang, Chang-Jen Chen, Huan-Ming Chou	Ching-Lai Lu, Hsin-Yao Cheng, Cheng-En Ou, Li Chiao Investment Co., Ltd., Representative of Li Chiao Investment Co., Ltd. : Yu-Ru Chong, Chien-Chang Chen, Ching-Han Chiu Huang, Jincheng Investment Co., Ltd., Representative of Jincheng Investment Co., Ltd.: Chin-Shu Tsai, Ming-Hsien Li, Cho-Hua Kuang, Chang-Jen Chen, Huan-Ming Chou	Li Chiao Investment Co., Ltd., Representative of Li Chiao Investment Co., Ltd. : Yu-Ru Chong, Chien-Chang Chen, Ching-Han Chiu Huang, Jincheng Investment Co., Ltd., Representative of Jincheng Investment Co., Ltd.: Chin-Shu Tsai, Ming-Hsien Li, Cho-Hua Kuang, Chang-Jen Chen, Huan-Ming Chou	Li Chiao Investment Co., Ltd., Representative of Li Chiao Investment Co., Ltd. : Yu-Ru Chong, Chien-Chang Chen, Ching-Han Chiu Huang, Jincheng Investment Co., Ltd., Representative of Jincheng Investment Co., Ltd.: Chin-Shu Tsai, Ming-Hsien Li, Cho-Hua Kuang, Chang-Jen Chen, Huan-Ming Chou
NT\$ 1,000,000 (inclusive) ~ NT\$ 2,000,000 (exclusive)	-	-	-	-
NT\$ 2,000,000 (inclusive) ~ NT\$ 3,500,000 (exclusive)	-	-	-	-
NT\$ 3,500,000 (inclusive) ~ NT\$ 5,000,000 (exclusive)	-	-	-	-
NT\$ 5,000,000 (inclusive) ~ NT\$ 10,000,000 (exclusive)	-	-	Hsin-Yao Cheng	Hsin-Yao Cheng
NT\$ 10,000,000 (inclusive) ~ NT\$ 15,000,000 (exclusive)	-	-	Cheng-En Ou	Cheng-En Ou
NT\$ 15,000,000 (inclusive) ~ NT\$ 30,000,000 (exclusive)	-	-	Ching-Lai Lu	Ching-Lai Lu
NT\$ 30,000,000 (inclusive) ~ NT\$ 50,000,000 (exclusive)				
NT\$ 50,000,000 (inclusive) ~ NT\$ 100,000,000 (exclusive)				
More than NT\$100,000,000				

Total	13	13	13	13
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- Note1. The names of Directors shall be listed separately (for institutional shareholders, the names and representatives of institutional shareholders shall be listed separately), and the general directors and independent directors shall be listed separately, and the payment amount of each item shall be disclosed collectively.
- Note2. Remuneration to the Director in the most recent year (including salary, additional pay, severance pay, bonuses and rewards).
- Note3. The amount of the remuneration paid to the Director in the most recent year as approved by the Board of Directors shall be filled out.
- Note4. Business expenses paid out to directors in the most recent year (including transport, special expenses, various allowances, accommodation, vehicles, and provision of physical goods and services). In case of expenditure such as housing, cars, and other transportation, or dedicated personal expenses, the nature and cost of the assets, actual rental fee or assumed rental fee based on fair market rate, petrol cost, and other payout shall be disclosed. If a driver is provided, please note the remuneration paid to such driver. However, such remuneration shall not be included.
- Note5. Business expenses paid out to directors in the most recent year (including transport, special expenses, various allowances, accommodation, vehicles, and provision of physical goods and services). In case of expenditure such as housing, cars, and other transportation, or dedicated personal expenses, the nature and cost of the assets, actual rental fee or assumed rental fee based on fair market rate, petrol cost, and other payout shall be disclosed. If a driver is provided, please note the remuneration paid to such driver. However, such remuneration shall not be included. According to IFRS 2 "Share-based Payment", the salary expenses recognized include the acquisition of employee stock options, restricted employee rights to new shares, and participation in cash capital increases by subscribing for shares. These should also be included in remuneration.
- Note6. For Directors concurrently holding positions in the Company in the most recent year (including the President, Vice Presidents, other managerial officers, or employees) and receiving the remuneration (including stock and cash), the employee remuneration paid in the most recent year upon the approval of the Board of Directors before the Shareholders' Meeting shall be disclosed. If such remuneration cannot be estimated, the remuneration to be distributed in the most recent year shall be based on the proportion of the remuneration distributed last year and filled in Table 1-3.
- Note7. For the total remuneration in various items paid out to the Company's directors, the name of each director shall be disclosed in the corresponding range of the remuneration.
- Note8. Total remuneration paid to every director of the Company by all companies (including the Company) listed in the consolidated financial report shall be disclosed. The name of the director shall also be disclosed in the corresponding range of the remuneration.
- Note9. The after-tax net profit refers to the after-tax net profit in the most recent fiscal year; for companies that have adopted IFRSs, the after-tax net profit refers to the after-tax net profit in the parent company only or individual financial report in the most recent year.
- Note10.
- This field shall clearly indicate the amount of remuneration received by the Company's director from a reinvestment business other than a subsidiary or from the parent company (if not, please fill in "none").
 - If a director of the Company receives any remuneration from investment companies other than subsidiaries or from the parent company, the said remuneration shall be incorporated into column I in the Table of Remuneration Ranges, and the name of column shall be changed to "Parent Company and All Investments in Other Companies".
 - Remuneration in this case shall refer to compensation, consideration, employee benefits, and expenses of business execution and other related payments received for being a Director, Supervisor, or managerial officer of other non-subsidiary companies that the Company has invested in or of the parent company.

* The content of remuneration disclosed in this table is derived based on a concept different from the concept of income stipulated in the Income Tax Act. Therefore, this table is for information disclosure purposes, instead of taxation.

(IV) Remuneration to Supervisors: Not applicable.

(V) Remuneration Paid to President and Vice Presidents:

Unit: thousand shares/NT\$ thousand; December 31, 2023

Title	Name	Pay (A) (Note 2)		Severance Pay and Pension (B) (Note 1)		Bonus and special allowances (C) (Note 3)		Employee Bonus (D) (Note 4)				Ratio of Total Remuneration of A, B, C and D in Net Income after Tax (%) (Note 7)		Any Remuneration from Ventures that are not Subsidiaries of the Company (Note 8)
		The Company (Note 5)	All Companies in Consolidated Financial Statements (Note 6)	The Company (Note 5)	All Companies in Consolidated Financial Statements (Note 6)	The Company (Note 5)	All Companies in Consolidated Financial Statements (Note 6)	The Company (Note 5)		All Companies in Consolidated Financial Statements (Note 6)		The Company (Note 5)	All Companies in Consolidated Financial Statements (Note 6)	
								Cash Bonus	Stock Bonus	Cash Bonus	Stock Bonus			
Chief Strategy Officer	Ching-Lai Lu	16,564	16,564	6,964	6,964	39,759	39,759	4,040	-	4,040	-	67,327 48.73%	67,327 48.73%	None
President	Hsin-Yao Cheng (Note 2)													
President	Cheng-En Ou (Note 3)													
Vice President	Chien-Te Li (Note 4)													
Vice President	Ming-Tsung Kuo													
Vice President	Cheng-Yen Chiang													
Vice President	Chun-Ting Chang (Note 5)													
Vice President	Kuo-Lun Wang (Note 6)													
Vice President	Shih-Lung Yeh													

Note 1. Severance pay and pension were amounts listed.

Note 2. Mr. Hsin-Yao Cheng retired on May 31, 2023.

Note 3. Mr. Cheng-En Ou was promoted from CEO to President June 1, 2023.

Note 4. Mr. Chien-Te Li retired on February 29, 2024.

Note 5. Mr. Chun-Ting Chang was promoted from the position of deputy manager to vice general manager on November 8, 2023; and applied for resignation and termination of internal personnel status on April 19, 2024.

Note 6. Mr. Kuo-Lun Wang resigned on August 31, 2023.

Table of Remuneration Range

Ranges of Remuneration Paid to President and Vice Presidents of the Company	Name of President and Vice Presidents	
	All Ring Tech Co., Ltd. (Note 5)	All Companies in Consolidated Financial Statements(Note 6)
Less than NT\$ 1,000,000	-	-
NT\$ 1,000,000 (inclusive) ~ NT\$ 2,000,000 (exclusive)	-	-
NT\$ 2,000,000 (inclusive) ~ NT\$ 3,500,000 (exclusive)	Kuo-Lun Wang	Kuo-Lun Wang
NT\$ 3,500,000 (inclusive) ~ NT\$ 5,000,000 (exclusive)	Shih-Lung Yeh, Chien-Te Li	Shih-Lung Yeh, Chien-Te Li
NT\$ 5,000,000 (inclusive) ~ NT\$ 10,000,000 (exclusive)	Hsin-Yao Cheng, Ming-Tsung Kuo, Cheng-Yen Chiang Chun-Ting Chang	Hsin-Yao Cheng, Ming-Tsung Kuo, Cheng-Yen Chiang, Chun-Ting Chang
NT\$ 10,000,000 (inclusive) ~ NT\$ 15,000,000 (exclusive)	Cheng-En Ou	Cheng-En Ou
NT\$ 15,000,000 (inclusive) ~ NT\$ 30,000,000 (exclusive)	Ching-Lai Lu	Ching-Lai Lu
NT\$ 30,000,000 (inclusive) ~ NT\$ 50,000,000 (exclusive)	-	-
NT\$ 50,000,000 (inclusive) ~ NT\$ 100,000,000 (exclusive)	-	-
More than NT\$100,000,000	-	-
Total	9	9

Note 1. The names of the President and Vice Presidents shall be listed separately, and the payments shall be disclosed collectively.

Note 2. President and Vice President's compensations in the most recent fiscal year (including salary, professional compensation and severance).

Note 3. Business expenses paid out to the general managers and deputy general managers in the most recent year (including transport, special expenses, various allowances, accommodation, vehicles, and provision of physical goods and services). In case of expenditure such as housing, cars, and other transportation, or dedicated personal expenses, the nature and cost of the assets, actual rental fee or assumed rental fee based on fair market rate, petrol cost, and other payout shall be disclosed. If a driver is provided, please note the remuneration paid to such driver. However, such remuneration shall not be included.

Note 4. The amount is the employee compensations (including stock bonus and cash bonus) to President and Vice Presidents according to the most recent earnings distribution that has been approved by the Board of Directors but has not been approved by the shareholders' meeting. If the proposed profit sharing and bonus cannot be estimated, the proposed distribution amount shall be calculated based on the actual amount distributed in the previous fiscal year. Table 1-3 attached shall also be filled out. The after-tax net profit refers to the after-tax net profit in the most recent fiscal year; for companies that have adopted IFRSs, the after-tax net profit refers to the after-tax net profit in the parent company only or individual financial report in the most recent year.

Note 5. Names of the Company's Presidents and Vice Presidents shall be disclosed in the range corresponding to the total of compensations paid to them.

Note 6. Total compensations of various items paid out to the Company's each President and Vice President by all companies (including the Company) listed in the consolidated reports shall be disclosed. The name of the President and Vice President shall also be disclosed in the proper remuneration range.

Note 7. The after-tax net profit refers to the after-tax net profit in the most recent fiscal year; for companies that have adopted IFRSs, the after-tax net profit refers to the after-tax net profit in the parent company only or individual financial report in the most recent year.

Note 8.

a. The amount of remuneration received from subsidiaries other than investment companies by the Company's Presidents and Vice Presidents should be stated clearly in this column.

b. If the Company's President and Vice Presidents receive remuneration from other non-subsidiary companies in which the Company has invested, the said remuneration shall be included in Column J in the remuneration range table. The name of the column shall also be changed to "All Investee Companies."

c. The remuneration means pay, remuneration, employee bonus and business expense received by the President or Vice President serving as a Director, Supervisor or manager of an investee of the Company other than subsidiaries.

* The content of remuneration disclosed in this table is derived based on a concept different from the concept of income stipulated in the Income Tax Act. Therefore, this table is for information disclosure purposes, instead of taxation.

(VI) Names of Managerial Officers who Received Employees' Remuneration and Distribution Results:

Unit: thousand shares/NT\$ thousand: December 31, 2024

	Title	Name	Stock Amount	Cash Amount (Note 1)	Total	Percentage of Total Compensation to Net Income after Tax (Note 8)
Managers	Chief Strategy Officer	Ching-Lai Lu	-	6,520	6,520	4.72
	President	Cheng-En Ou(Note 2)				
	Vice President	Chien-Te Li (Note 3)				
	Vice President	Ming-Tsung Kuo				
	Vice President	Chun-Ting Chang(Note 4)				
	Vice President	Cheng-Yen Chiang				
	Vice President	Shih-Lung Yeh				
	Associate Manager	Chun-Hung Tsai (Note 5)				
	Associate Manager	Ching-Te Huang (Note 6)				
	Associate Manager	Heng-Hui Liu				
	Associate Manager	Chih-Yu Liu(Note 7)				
	Associate Manager	Chih-Yu Liu(Note 7)				
	Associate Manager	Hsiao-Mei Wang				
	Associate Manager	Hui-Chen Hung				
Associate Manager	Ming-Chieh Tsai					

Note 1. The 2023 earnings distribution table has not been approved by the general shareholders' meeting. The list of employees' compensation distribution has been approved by the Board of Directors and will be distributed upon the resolution of the general shareholders' meeting.

Note 2. Mr. Cheng-En Ou was promoted from CEO to President on June 1, 2023.

Note 3. Mr. Chien-Te Li retired on February 28, 2024.

Note 4. Mr. Chun-Ting Chang was promoted to vice general manager on November 8, 2023; and applied for resignation and termination of internal personnel status on April 19, 2024.

Note 5. Mr. Chun-Hung Tsai was promoted to Assistant Manager on November 8, 2023.

Note 6. Mr. Ching-Te Huang was promoted to Assistant Manager on November 8, 2023.

Note 7. Mr. Chih-Yu Liu was promoted to Assistant Manager on November 8, 2023.

Note 8. Net income after tax ratio is calculated based on the Company's net income after tax of NT\$138,173 thousand in 2023.

(VII) Comparison and Analysis of Total Remuneration Paid to the Company's Directors, President, and Vice Presidents in the Past Two Years by the Company and All Companies Listed in the Consolidated Financial Statements as a Percentage of Net Income after Tax in the Parent Company Only Financial Statements, and Descriptions of the Policies, Standards, and Packages for Payment of Remuneration, the Procedures for Determining Remuneration, and Its Linkage to Business Performance and Future Risk Exposure:

- (1) Total remuneration paid to Directors, Supervisors, Presidents, and Vice Presidents in the past two fiscal years as a percentage of net profit after tax:

Unit: NT\$ thousand; %

Item Title	The Company's Remuneration				All Companies Included in the Consolidated Financial Statements			
	2022		2023		2022		2023	
	Total amount	Ratio of total remuneration to net income (%)	Total amount	Ratio of total remuneration to net income (%)	Total amount	Ratio of total remuneration to net income (%)	Total amount	Ratio of total remuneration to net income (%)
Directors' Remuneration	9,305	1.86	41,517	30.05	9,305	1.86	41,517	30.05
Remuneration Paid to President and Vice Presidents	31,994	6.41	67,327	48.73	31,994	6.41	67,327	48.73
Net profit after tax (NT\$ thousand)	499,039	-	138,173	-	499,039	-	138,173	-

For 2023 director remuneration, as well as compensation for the general manager and deputy general manager, increased compared to 2022. This increase primarily stems from retirement benefits for executives and the issuance of treasury shares to employees exercising stock options. The difference between the option exercise price and the grant price is recognized as income for the current year in accordance with Article 14, Paragraph 1, Subparagraph 10 of the Income Tax Act.

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

A. Remuneration policies, standards, and packages

Directors' Remuneration: The Director remuneration consists mainly of Director bonuses from the distribution of earnings and it is processed in accordance with Articles 16 and 20 of the Company's Articles of Incorporation. All Directors shall be entitled to remuneration determined by the Board of Directors with authorization from the shareholders' meeting. The payment amount shall be based on prevailing rates of the industry regardless

of operating profits or losses. The Company shall distribute no less than 3% of the profit for the fiscal year as employee remuneration and no more than 3% as Director and Supervisor remuneration based on the profitability status of the current fiscal year which refers to the profits before tax minus the distribution of employee remuneration and Director remuneration. The compensation of the employees, directors and supervisors shall be agreed upon by a majority in a meeting attended by over two-thirds of the Directors, and shall be reported to the shareholders' meeting.

Remuneration Paid to President and Vice Presidents: The remuneration policy of the Company is based on the overall operation of the Company, with the achievement rate of performance and contribution degree of the manager department as the measurement standard. The amount of managers' remuneration is adjusted by taking into account the fluctuation of the industry prosperity, R&D engagement, product innovation, order receiving rate, etc. Remuneration for the President and Vice Presidents include salary and bonuses is based on their title and respective responsibilities, taking into account the prevailing rates in the industry for similar positions and is subject to deliberation and adoption by the Remuneration Committee.

B. Procedure for determining remuneration

Director remuneration: The salary and remuneration of the independent directors and directors of the Company shall be handled in accordance with the "Regulations on Salary and Remuneration of Directors", except that in accordance with Article 20 of the Company's Articles of Incorporation, the remuneration of directors shall not exceed 3% of the profit of the Company.

Remuneration Paid to President and Vice Presidents: The performance evaluation indicators for the managers of the Company, including financial indicators (such as operating revenue of the Company, gross profit margin and realization rate of pre-tax net profit and after-tax net profit) and non-financial indicators (such as product development progress, compliance with related laws and significant absence of operational risk affair) shall be determined by the Chairman of the Board based on performance, and reviewed and adopted by the Remuneration Committee.

C. Linkage to operating performance and future risk exposure

Director Remuneration: The salary of independent directors is paid monthly and must be paid regardless of profit or loss. They do not participate in the distribution of director's remuneration. The rest of the directors are paid by 0~150% of the peer salary level according to the level of participation and contribution of individual directors to the operation of the Company; for the remuneration paid separately to individual directors, the Remuneration Committee will consider the overall performance of the Board of Directors, the Company's operating performance, and the Company's future operation

and risk appetite, propose the distribution proposal, and submit to the Board of Directors for discussion and approval before distribution.

Remuneration Paid to President and Vice Presidents: The Company's managers' performance objectives are combined with "risk management" to ensure that the possible risks within the scope of responsibility are managed and prevented, and the results of the evaluation based on the actual performance are linked to the relevant human resources and relevant compensation policies. The important decisions of the Company's management are made considering various risk factors. The performance of relevant decisions is reflected in the Company's profitability, and the remuneration of the management is related to the performance of risk management.

III. Implementation of Corporate Governance

(I) State of Operations of the Board of Directors

A total of 6 meetings (A) have been held by the Board of Directors in 2023, with the Directors' attendance shown as follows:

Title	Name (Note 1)	Times of Actual Attendance (or of Attendance as a Non-voting Participant) (B)	Attendance by Proxy	Actual Attendance Rate (%) (B/A) (Note 2)	Remarks
Chairman	Ching-Lai Lu	6	0	100.00%	Re-election
Directors	Hsin-Yao Cheng	2	0	66.67%	After re-election on June 15, 2023, dismissal occurred; Previous incumbent.
Directors	Cheng-En Ou	2	1	66.67%	Appointed after re-election on June 15, 2023; Incumbent.
Directors	Chien-Chang Chen	6	0	100.00%	Re-election
Directors	Representative of Li Chiao Investment Co., Ltd.: Yu-Ru Chong	6	0	100.00%	Re-election

Title	Name (Note 1)	Times of Actual Attendance (or of Attendance as a Non-voting Participant) (B)	Attendance by Proxy	Actual Attendance Rate (%) (B/A) (Note 2)	Remarks
Directors	Representative of Hanlin Construction Co., Ltd.: Ching-Han Chiu Huang	6	0	100.00%	Re-elected as a natural person on June 15, 2023.
Directors	Representative of Jincheng Investment Co., Ltd.: Chin-Shu Tsai	6	0	100.00%	Re-election
Independent director	Ming-Hsien Li	5	1	83.33%	Re-election
Independent director	Cho-Hua Kuang	6	0	100.00%	Re-election
Independent director	Chang-Jen Chen	2	0	66.67%	After re- election on June 15, 2023, dismissal occurred; Previous incumbent.
Independent director	Huan-Ming Chou	3	0	100.00%	Appointed after re- election on June 15, 2023; Incumbent.

Other information required to be disclosed:

- I. The items included in Article 14-3 of the Securities and Exchange Act and other comments objected or qualified by other Independent Directors on record or the resolutions of the Board of Directors in a written statement shall indicate the date, term, content of the motion, opinions of all Independent Directors and how the Company handles the opinions of the Independent Directors: The Company's Independent Directors did not file objections or qualified opinions. Please refer to Note 5.
- II. In regard to the recusal of Directors from voting due to conflict of interests, the name of the Directors, the proposal, reasons for recusal due to conflict of interests and voting outcomes should be stated: No such occurrences.
- III. Goals for enhancing the functions of the Board of Directors (such as establishing an Audit Committee or increasing information transparency) for the current fiscal year and most recent fiscal year as well as assessments of the actions implemented:
 - (I) The Company has established the Remuneration Committee and amended the rules of

Title	Name (Note 1)	Times of Actual Attendance (or of Attendance as a Non-voting Participant) (B)	Attendance by Proxy	Actual Attendance Rate (%) (B/A) (Note 2)	Remarks
<p>procedures for the Board of Directors meetings.</p> <p>(II) On June 10, 2020, the Company established the Audit Committee to replace the supervisor's function.</p> <p>(III) The Company has assigned dedicated personnel to disclose items and announce material information in accordance with regulations to ensure that prompt and accurate information is announced on the MOPS. Materials information is also disclosed on the Company's website.</p> <p>IV. The cycle, period, scope, method, and criteria of self-evaluations (or peer evaluations) made by the Board of Directors, and the implementation status shall be disclosed: Please refer to Note 3.</p>					

Note 1. Where a director is a juristic person, the name of the juristic person shareholder and the name of its representative shall be disclosed.

Note 2.

- (1) Where Directors resign before the end of the year, the date of resignation shall be indicated in the Remarks column. Rate of actual attendance (or of attendance as a non-voting participant)(%) shall be calculated by the number of board meetings convened and times of actual attendance (or of attendance as a non-voting participant) during the term of service.
- (2) Where any Director is reelected before the end of the year, the new or former Directors shall be listed, and the Remark column shall indicate whether an independent director is "former", "new" or "re-elected", and the date of election. Actual presence rate (%) shall be calculated by the number of board meetings convened and times of actual attendance (or of attendance as a non-voting participant) during the term of service.

Note 3.

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Once a year	2023/1/1~ 2023/12/31	1. Board of Directors 2. Individual director member 3. Remuneration Committee 4. Audit Committee	1. Self-evaluation by Board of Directors 2. Self-evaluation by board members 3. Self-evaluation by functional committees	(Note 4)

Note 4. Evaluation criteria include the following:

- (1) Performance evaluation of the Board of Directors: the degree of participation in the operation of the Company, the quality of decision-making of the Board of Directors, the composition and structure of the Board of Directors, the selection and continuous learning of directors, internal control, etc.
- (2) Evaluation of performance for the individual board members: Including alignment of the goals and missions of the Company, awareness of the duties of a director, participation in the operation of the Company, management of internal relationship operation and communication, the director's professionalism and continuing education, and internal control.
- (3) Evaluation of performance for the functional committees (Remuneration Committee and Audit Committee): Including participation in the operation of the Company, awareness of the duties of the functional committee, the quality of decisions made by the functional committee, makeup of the functional committee and election of its members, and internal control.

Note 5. Major resolutions of a shareholders' meeting or Board of Directors meetings during the most recent fiscal year or during the current fiscal year up to the publication date of the Annual Report:

Date	Session	Content of Motions	Items listed in Article 14-3 of the Securities and Exchange Act	Dissenting or Qualified Opinion by Independent Directors
10th Session The 16th meeting 2023/02/22	Board of Directors	Motion 1: The Company's 2022 compensation distribution for Director, and employees is submitted for approval.	V	None
		Motion 2: The Company's 2022 business report, individual and consolidated financial reports are submitted for approval.		
		Motion 3: The Company's 2022 earnings distribution is submitted for approval.		
		Motion 4: The date, time, place, and main content of the Company's 2023 General Shareholders' Meeting are submitted for approval.		
		Motion 5: For the 11th board director election of the Company, resolution is proposed.		
		Motion 6: Resolution is proposed regarding the announcement of the period for accepting nominations for director candidates, the number of positions to be filled, the place of acceptance, and other necessary matters.		
		Motion 7: Resolution is proposed to request the approval of the 2023 Shareholders' Meeting to lift all restrictions under Article 209 of the Company Act on directors and their representatives competing.		
		Motion 8: Resolution is proposed regarding the qualification review of director and independent director candidates for the 2023 Shareholders' Meeting.	V	
		Motion 9: The Statement on the Internal Control System submitted by the Company based on the results of the Company's self-inspection and audit is submitted for approval.		
		Motion 10: The evaluation of the independence and competency of CPAs appointed in 2023 is submitted for approval.	V	
		Motion 11: The application for financing credit line is submitted for approval.		
		Motion 12: The Company's endorsement guarantee for the subsidiary Uni-Ring Tech. Co., Ltd. is submitted for approval.	V	
		Motion 13: Revision to the Company's "Practice Guidelines for Sustainable Development" is submitted for approval.	V	
		Motion 14: Revision to the Company's "Practice Guidelines for Best-Practice" is submitted for approval.	V	
		Motion 15: Revision to the Company's "Rules of Procedure for Shareholders Meeting" is submitted for approval.	V	
		Motion 16: Revised the "Internal Significant Information Processing and Insider Trading Prevention Management Procedures" of the Company and submitted for resolution.	V	
		Motion 17: Revised the "Internal Audit Implementation Rules for Treasury Stock" of the Company and submitted for resolution.	V	
		Motion 18: The distribution of the incentives bonuses for employees is submitted for approval.	V	
		Motion 19: The Company intends to set up a new subsidiary investment case in US, submitted for resolution.	V	

Date	Session	Content of Motions	Items listed in Article 14-3 of the Securities and Exchange Act	Dissenting or Qualified Opinion by Independent Directors
		Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang and Chairman Chang-Jen Chen all attended the meeting. Opinions of independent directors: None. The Company's actions in response to the opinions of independent directors: None. Resolution: Approved by all Directors present at the meeting.		
10th Session The 17th meeting 2023/04/25	Board of Directors	Motion 1: The Company's 2023 Q1 consolidated financial statements is submitted for approval.		None
		Motion 2: The application for financing credit line is submitted for approval.		
Motion 3: The Company's endorsement guarantee for the subsidiary Uni-Ring Tech. Co., Ltd. is submitted for approval.	V			
Motion 4: 2023 compensation distribution for Director, and employees is submitted for approval.	V			
Motion 5: President Mr. Hsin-Yao Cheng of the Company has applied for retirement and submitted for approval.	V			
Motion 6: Internal personnel Mr. Cheng-En Ou is promoted from Chief Executive Officer to General Manager, and requests resolution.	V			
		Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang attended the meeting. Director Chang-Jen Chen was absent with leave. Opinions of independent directors: None. The Company's actions in response to the opinions of independent directors: None. Resolution: Approved by all Directors present at the meeting.		
10th term The 18th meeting 2023/06/02	Board of Directors	Motion 1: For the matter of transferring treasury stocks to employees for stock subscription, the company submitted for approval.	V	None
		Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang and Chairman Chang-Jen Chen all attended the meeting. Opinions of independent directors: None. The Company's actions in response to the opinions of independent directors: None. Resolution: Approved by all Directors present at the meeting.		
2023/06/15	Shareholder Meeting	The company's 2023 general shareholders meeting was held at No. 23, Luke 5th Road, Luzhu District, Kaohsiung City (Kaohsiung Science Park, Southern Taiwan Science Park) on June 15, 2023. The resolutions passed by attending shareholders and their status of implementation are as follows: 1. Recognized the company's 2022 annual business report and financial statements. Implementation status: Approved. 2. Recognition of the Company's 2022 annual earnings distribution statement. Execution Situation: As approved by the Board of Directors on June 28, 2023 as the basis date of July 31, 2023, and the cash dividend of NT\$249,723,296 on August 17, 2023, has been issued in full. (NT\$ 3.1 cash dividend per share) 3. Discuss the revision of the company's "Procedure for Loans to Others" of the Company. Implementation: Announced on June 15, 2023, on the Public Information Observation Platform and the Company's website. 4. Discuss the revision of the company's "Procedures for Endorsements and Guarantees" is submitted for approval. Implementation: Announced on June 15, 2023, on the	None	None

Date	Session	Content of Motions	Items listed in Article 14-3 of the Securities and Exchange Act	Dissenting or Qualified Opinion by Independent Directors
		<p>Public Information Observation Platform and the Company's website.</p> <p>5. For the 11th board director re-election of the Company. Implementation: The list of the eleventh board of directors was reported on June 15, 2023, and the approval letter for registration changes was obtained on July 14, 2023.</p> <p>6. Resolution is proposed to request to lift all restrictions under Article 209 of the Company Act on directors and representatives was submitted to the 2023 shareholders' meeting. Execution status: The resolution to lift all restrictions under Article 209 of the Company Act on directors and representatives was passed at the shareholders' meeting held on June 15, 2023.</p>		
11th term The 1st meeting 2023/06/28	Board of Directors	Motion 1: Nomination of the Chairman of the Board of Directors of the Company for resolution is submitted for approval.	V	None
		Motion 2: The company's cash dividends distribution, the ex-dividend date, and stop-transfer date are submitted for approval.	V	
		Motion 3: Set the company's fourth domestic convertible corporate bonds stop conversion day and conversion price adjustment case in 2022, and propose a resolution.	V	
		Motion 4: The application for financing credit line is submitted for approval.		
		Motion 5: The company intends to appoint members of the Compensation Committee and submit for resolution.	V	
		Motion 6: The change of the company's signing accountant due to the internal rotation policy of the accounting firm, and submit for resolution.	V	
		Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang and Huan-Ming Chou all attended the meeting. Opinions of independent directors: None. The Company's actions in response to the opinions of independent directors: None. Resolution: Approved by all Directors present at the meeting.		
11th term The 2nd meeting 2023/08/09	Board of Directors	Motion 1: The Company's 2023 Q2 consolidated financial statements is submitted for approval.	V	None
		Motion 2: The sub subsidiary, Kunshan All Ring Tech Co., Ltd. (hereinafter referred to as Kunshan All Ring Electronics), intends to provide financial loans for the sub subsidiary, All Ring Tech (Kunshan) Co., Ltd. (hereinafter referred to as All Ring Tech), which is submitted for approval.	V	
		Motion 3: The application for financing credit line is submitted for approval.		
		Motion 4: The abnormal change in the audit officer of the Company is submitted for approval.	V	
		Attendance of Independent Directors: Independent Cho-Hua Kuang and Huan-Ming Chou all attended the meeting. Director Ming-Hsien Li was absent with leave. Opinions of independent directors: None. The Company's actions in response to the opinions of independent directors: None. Resolution: Approved by all Directors present at the meeting.		

Date	Session	Content of Motions	Items listed in Article 14-3 of the Securities and Exchange Act	Dissenting or Qualified Opinion by Independent Directors
11th term The 3rd meeting 2023/11/08	Board of Directors	Motion 1: The Company's 2023 Q3 consolidated financial statements is submitted for approval.	V	None
		Motion 2: The Company's 2024 budget is submitted for approval.		
		Motion 3: The company's 2024 audit plan is submitted for approval.	V	
		Motion 4: The application for financing credit line is submitted for approval.		
		Motion 5: The Company intends to set up a new subsidiary investment case in Malaysia, submitted for resolution.	V	
		Motion 6: We plan to appoint a representative to proceed with the establishment of the Malaysian company on behalf of our company, and submitted for resolution.		
		Motion 7: Revised the "Internal Control System" of the Company and submitted for resolution.	V	
		Motion 8: Revision to the Company's "Human Rights Policy" is submitted for approval.	V	
		Motion 9: The distribution of 2023 bonuses for insiders is submitted for approval.		
		Motion 10: The distribution of the project bonuses for employees is submitted for approval.		
		Motion 11: The adjustments of employee salary and remuneration are submitted for approval.		
		Motion 12: The promotion of Associate Manager Chun-Ting Chang to Vice President is submitted for approval.		
		Motion 13: The appointment of the Associate Manager Chun-Hung Tsai is submitted for approval.		
		Motion 14: The appointment of the Associate Manager Ching-Te Huang is submitted for approval.		
		Motion 15: The appointment of the Associate Manager Chih-Yu Liu is submitted for approval.		
		Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang and Huan-Ming Chou all attended the meeting. Opinions of independent directors: None. The Company's actions in response to the opinions of independent directors: None. Resolution: Approved by all Directors present at the meeting.		
11th term The 4th meeting 2024/02/26	Board of Directors	Motion 1: The Company's 2023 compensation distribution for Director, and employees is submitted for approval.	V	None
		Motion 2: The Company's 2023 business report, individual and consolidated financial reports are submitted for approval.		
		Motion 3: The Company's 2023 earnings distribution is submitted for approval.	V	
		Motion 4: The company proposes to distribute cash dividends from its capital surplus is submitted for approval.		
		Motion 5: The date, time, place, and main content of the Company's 2024 General Shareholders' Meeting are submitted for approval.	V	
		Motion 6: The Statement on the Internal Control System submitted by the Company based on the results of the Company's self-inspection and audit is submitted for approval.		
		Motion 7: The evaluation of the independence and	V	

Date	Session	Content of Motions	Items listed in Article 14-3 of the Securities and Exchange Act	Dissenting or Qualified Opinion by Independent Directors
		<p>competency of CPAs appointed in 2024 is submitted for approval.</p> <p>Motion 8: The application for financing credit line is submitted for approval.</p> <p>Motion 9: The Company's endorsement guarantee for the subsidiary Uni-Ring Tech. Co., Ltd. is submitted for approval.</p> <p>Motion 10: The company intends to issue new shares through the fourth domestic unsecured convertible corporate bonds issuance and proceed with the registration of capital change is submitted for approval.</p> <p>Motion 11: Proposal to amend the company's governance supervisor and is submitted for approval.</p> <p>Motion 12: Proposal to amend the company's spokesperson and is submitted for approval.</p> <p>Motion 13: Revision of the "Financial Statement Preparation Process Management Regulations" of the company and is submitted for approval.</p> <p>Motion 14: Revision of the "Job Authorization and Agent Management Regulations" of the company and is submitted for approval.</p> <p>Motion 15: Revision to the Company's "Rules of Procedure for Shareholders Meeting" is submitted for approval.</p> <p>Motion 16: The distribution of 2023 incentive bonuses for insiders is submitted for approval.</p>	<p></p> <p></p> <p>V</p> <p>V</p> <p></p> <p></p> <p>V</p> <p>V</p> <p>V</p> <p></p>	
<p>Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang and Huan-Ming Chou all attended the meeting.</p> <p>Opinions of independent directors: None.</p> <p>The Company's actions in response to the opinions of independent directors: None.</p> <p>Resolution: Approved by all Directors present at the meeting.</p>				
11th term The 4th meeting 2024/05/08	Board of Directors	<p>Motion 1: The Company's 2024 Q1 consolidated financial statements is submitted for approval.</p> <p>Motion 2: Revision of the Company's "Procedure for Acquisition and Disposal of Assets" is submitted for approval.</p> <p>Motion 3: The Company's adjustment to the agenda of the 2023 Shareholders' Meeting is filed submitted for approval.</p> <p>Motion 4: The company intends to issue new shares through the fourth domestic unsecured convertible corporate bonds issuance and proceed with the registration of capital change is submitted for approval.</p> <p>Motion 5: The company plans to carry out cash capital increase and issuance of new shares for the year 2024, as well as the issuance of the fifth unsecured convertible corporate bonds domestically is submitted for approval.</p> <p>Motion 6: 2023 compensation distribution for Director, and employees is submitted for approval.</p> <p>Motion 7: The adjustments of employee salary and remuneration are submitted for approval.</p> <p>Motion 8: The distribution of the project bonuses for employees is submitted for approval.</p>	<p></p> <p>V</p> <p></p> <p>V</p> <p>V</p> <p>V</p> <p></p>	None

Date	Session	Content of Motions	Items listed in Article 14-3 of the Securities and Exchange Act	Dissenting or Qualified Opinion by Independent Directors
		Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang and Huan-Ming Chou all attended the meeting. Opinions of independent directors: None. The Company's actions in response to the opinions of independent directors: None. Resolution: Approved by all Directors present at the meeting.		

(II) Operations of the **Audit Committee**:

1. The Shareholders' Meeting of the Company has selected three Independent Directors to form the Audit Committee. Please refer to Page 61~64 of this Annual Report for information on the Audit Committee members. It holds at least one meeting every quarter and is responsible for supervising the fair presentation of the Company's financial report; the appointment (and dismissal) of auditing CPAs and their independence and performance; effective implementation of the Company's internal control; the Company's compliance with relevant laws and regulations; and the Company's management on existing or potential risks. Its main functions and powers are as follows:
 - (1) Formulate or amend the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
 - (2) Assess the effectiveness of the internal control system.
 - (3) In accordance to the provision of Article 36-1 of the Securities and Exchange Act, establish or revise the operating procedures for material financial behaviors, including acquisition or disposal of assets, trading of derivatives, corporate loans to others, and guarantees or warrants to others.
 - (4) The items relating to interests of directors themselves.
 - (5) Trading of material assets or derivative products.
 - (6) Material loaning of funds, and provision of endorsements/guarantees.
 - (7) Raising, issuing and private placement of equity-based securities.
 - (8) Appointment, dismissal and compensation of certified CPAs.
 - (9) Appointment or discharge of a finance manager, accounting manager or chief internal auditor.
 - (10) The annual financial report signed or stamped by the Chairman, managers and accounting directors.
 - (11) Other significant matters set forth by the Company or the competent authority.

2. audit committee annual review project summary:
- Annual and quarterly financial statements;
 - Business report;
 - Evaluation of income distribution;
 - Evaluation of internal control systems and related policies and procedures;
 - Visa accountant qualifications, independence and performance assessment;
 - Appointment of a visa accountant;
 - Amendments to important internal regulations of the Company;
 - Assessment of intercompany funding loans and endorsement guarantees;
 - Approval of auditors, their firms, and firm-affiliated entities to provide non-audit services to the Company and its subsidiaries;
 - Transfer of treasury stocks to employees for subscription;
 - Appointment of the convener and chairperson of the audit committee;
 - 2024 annual audit plan.
 - Establishment of a new subsidiary in the US;
 - Establishment of a new subsidiary in Malaysia;
 - Change in the head of internal audit.
3. On June 10, 2020, the Company set up the Audit Committee. In 2023, the Audit Committee held a total of 6 (A) meetings and the attendance of independent directors was as follows:

Title	Name (Note 1)	Times of Actual Attendance (or of Attendance as a Non- voting Participant) (B)	Attendance by Proxy	Actual Attendance Rate (%) (B/A) (Note 2)	Remarks
Independent director	Ming-Hsien Li	5	1	83.33%	Re-elected; re-election date: June 15, 2023
Independent director	Cho-Hua Kuang	6	0	100.00%	Re-elected; re-election date: June 15, 2023
Independent director	Chang-Jen Chen	2	0	66.67%	Re-elected; re-election date: June 15, 2023

Title	Name (Note 1)	Times of Actual Attendance (or of Attendance as a Non- voting Participant) (B)	Attendance by Proxy	Actual Attendance Rate (%) (B/A) (Note 2)	Remarks
Independent director	Huan-Ming Chou	3	3	100.00%	Re-elected; re-election date: June 15, 2023

Other information required to be disclosed:

- I. With regard to the implementation of the Audit Committee, if any of the following circumstances occurs, the date, term, proposal contents and resolutions of the Audit Committee, and the Company's actions in response to the opinions of the Audit Committee shall be stated:
- (I) Matters referred to in Article 14-5 of the Securities and Exchange Act: See Note 3 for details.
- (II) Except for the aforementioned matters, any other resolutions passed by more than two-thirds of all Directors but without approval of the Audit Committee: None.
- II. Where an independent director recuses himself or herself from a proposal in which he/she has a personal interest, the name of the independent director, the content of proposal, the reason for recusal and the results of the voting should be stated: None.
- III. Communication between independent directors, internal chief audit officer and CPAs (which shall include the important matters, methods, and results regarding the Company's finance and operations): See Notes 4 and 5 for details.

Note1. If an Independent Director resigns before the end of the year, the resignation date shall be specified in the "Note" column. The percentage of attendance in person (%) shall be calculated based on the number of meetings held by the Audit Committee and the number of actual attendances during the term of service.

Note2. If any independent director is reelected before the end of the year, the new or former Directors shall be listed, and the Remark column shall indicate whether an independent director is "former", "new" or "re-elected", and the date of election. The actual attendance rate (%) is calculated based on the number of Audit Committee meetings held during the tenure and the actual attendance at those meetings.

Note3. Major resolutions of Audit Committee within the current year and the period as at the publication date of the annual report (matters set forth in Article 14-5 of the Securities and Exchange Act):

Date	Session	Proposal content (matters referred to in Article 14-5 of the Securities and Exchange Act)	Objections or Reservations by Independent Directors
2023/02/22	1st term The 14th meeting	<p>Motion 1: The Company's 2022 business report, individual and consolidated financial reports are submitted for approval.</p> <p>Motion 2: The Company's 2022 earnings distribution is submitted for approval.</p> <p>Motion 3: The Statement on the Internal Control System submitted by the Company based on the results of the Company's self-inspection and audit is submitted for approval.</p> <p>Motion 4: The evaluation of the independence and competency of CPAs appointed in 2023 is submitted for approval.</p> <p>Motion 5: The Company's endorsement guarantee for the subsidiary Uni-Ring Tech. Co., Ltd. is submitted for approval.</p> <p>Motion 6: Revision to the Company's "Practice Guidelines for Sustainable Development" is submitted for approval.</p> <p>Motion 7: Revision to the Company's "Corporate Governance Best-Practice Principles" is submitted for approval.</p> <p>Motion 8: Revision to the Company's "Rules of Procedure for Shareholders Meeting" is submitted for approval.</p> <p>Motion 9: Revised the "Internal Significant Information Processing and Insider Trading Prevention Management Procedures" of the Company and submitted for resolution.</p> <p>Motion 10: Revised the "Internal Audit Implementation Rules for Treasury Stock" of the Company and submitted for resolution.</p> <p>Motion 11: The Company intends to set up a new subsidiary investment case in US, submitted for resolution.</p> <p>Motion 12: Proposed pre-approval of auditors, their firms, and firm-affiliated entities to provide non-audit services to the Company and its subsidiaries; is submitted for approval.</p> <p>Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang and Chairman Chang-Jen Chen all attended the meeting. Opinions of independent directors: None. Resolution: Passed by all Independent Directors present at the meeting. The Company's response to the opinion of the Independent Directors: All Directors present voted in favor of the proposal.</p>	None
2023/04/25	1st term 15th meeting	<p>Motion 1: The Company's 2023 Q1 consolidated financial statements is submitted for approval.</p> <p>Motion 2: The Company's endorsement guarantee for the subsidiary Uni-Ring Tech. Co., Ltd. is submitted for approval.</p> <p>Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang attended the meeting. Director Chang-Jen Chen was absent with leave. Opinions of independent directors: None. Resolution: Passed by all Independent Directors present at the meeting. The Company's response to the opinion of the Independent Directors: All Directors present voted in favor of the proposal.</p>	None

Date	Session	Proposal content (matters referred to in Article 14-5 of the Securities and Exchange Act)	Objections or Reservations by Independent Directors
2023/06/02	1st term The 16th meeting	Motion 1: For the matter of transferring treasury stocks to employees for stock subscription, the company submitted for approval.	None
		Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang and Chairman Chang-Jen Chen all attended the meeting. Opinions of independent directors: None. Resolution: Passed by all Independent Directors present at the meeting. The Company's response to the opinion of the Independent Directors: All Directors present voted in favor of the proposal.	
2023/06/28	2nd term The 1st meeting	Motion 1: Appointment of the convener and chairperson of the All Ring Tech Co., Ltd. 2nd term audit committee; Motion 2: The change of the company's signing accountant due to the internal rotation policy of the accounting firm, and submit for resolution.	None
		Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang and Huan-Ming Chou all attended the meeting. Opinions of independent directors: None. Resolution: Passed by all Independent Directors present at the meeting. The Company's response to the opinion of the Independent Directors: All Directors present voted in favor of the proposal.	
2023/08/09	The 2nd term The 2nd meeting	Motion 1: The Company's 2023 Q2 consolidated financial statements is submitted for approval. Motion 2: The sub subsidiary, Kunshan All Ring Tech Co., Ltd. (hereinafter referred to as Kunshan All Ring Electronics), intends to provide financial loans for the sub subsidiary, All Ring Tech (Kunshan) Co., Ltd. (hereinafter referred to as All Ring Tech), which is submitted for approval. Motion 3: The abnormal change in the audit officer of the Company is submitted for approval.	None
		Attendance of Independent Directors: Independent Cho-Hua Kuang and Huan-Ming Chou all attended the meeting. Director Ming-Hsien Li was absent with leave. Opinions of independent directors: None. Resolution: Passed by all Independent Directors present at the meeting. The Company's response to the opinion of the Independent Directors: All Directors present voted in favor of the proposal.	
2023/11/08	2nd term The 3rd meeting	Motion 1: The Company's 2023 Q3 consolidated financial statements is submitted for approval. Motion 2: The company's 2024 audit plan is submitted for approval. Motion 3: The Company intends to set up a new subsidiary investment case in Malaysia, submitted for resolution. Motion 4: Revised the "Internal Control System" of the Company and submitted for resolution.	None
		Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang and Huan-Ming Chou all attended the meeting. Opinions of independent directors: None. Resolution: Passed by all Independent Directors present at the meeting. The Company's response to the opinion of the Independent Directors: All Directors present voted in favor of the proposal.	
2024/02/26	2nd term The 4th meeting	Motion 1: The Company's 2023 business report, individual and consolidated financial reports are submitted for approval. Motion 2: The Company's 2023 earnings distribution is submitted for approval. Motion 3: The company proposes to distribute cash dividends	None

Date	Session	Proposal content (matters referred to in Article 14-5 of the Securities and Exchange Act)	Objections or Reservations by Independent Directors
		<p>from its capital surplus is submitted for approval.</p> <p>Motion 4: The Statement on the Internal Control System submitted by the Company based on the results of the Company's self-inspection and audit is submitted for approval.</p> <p>Motion 5: The evaluation of the independence and competency of CPAs appointed in 2024 is submitted for approval.</p> <p>Motion 6: The Company's endorsement guarantee for the subsidiary Uni-Ring Tech. Co., Ltd. is submitted for approval.</p> <p>Motion 7: The company intends to issue new shares through the fourth domestic unsecured convertible corporate bonds issuance and proceed with the registration of capital change is submitted for approval.</p> <p>Motion 8: Proposed pre-approval of auditors, their firms, and firm-affiliated entities to provide non-audit services to the Company and its subsidiaries; is submitted for approval.</p>	
		<p>Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang and Huan-Ming Chou all attended the meeting.</p> <p>Opinions of independent directors: None.</p> <p>Resolution: Passed by all Independent Directors present at the meeting.</p> <p>The Company's response to the opinion of the Independent Directors: All Directors present voted in favor of the proposal.</p>	
2024/05/08	2nd term The 5th meeting	<p>Motion 1: The Company's 2024 Q1 consolidated financial statements is submitted for approval.</p> <p>Motion 2: Revision of the Company's "Procedure for Acquisition and Disposal of Assets" is submitted for approval.</p> <p>Motion 3: The company intends to issue new shares through the fourth domestic unsecured convertible corporate bonds issuance and proceed with the registration of capital change is submitted for approval.</p> <p>Motion 4: The company plans to carry out cash capital increase and issuance of new shares for the year 2024, as well as the issuance of the fifth unsecured convertible corporate bonds domestically is submitted for approval.</p>	None
		<p>Attendance of Independent Directors: Independent Directors Ming-Hsien Li, Cho-Hua Kuang and Huan-Ming Chou all attended the meeting.</p> <p>Opinions of independent directors: None.</p> <p>Resolution: Passed by all Independent Directors present at the meeting.</p> <p>The Company's response to the opinion of the Independent Directors: All Directors present voted in favor of the proposal.</p>	

Note4. Communication between independent directors and Internal Chief Audit Officer:

Date	Session	Theme of communication	Suggestion and Company's action
2023/02/22	14th meeting of the 1st term Board of Directors	Internal Audit Implementation Report from October 1, 2022 to January 31, 2023	None
2023/04/25	15th meeting of the 1st term Board of Directors	Internal Audit Implementation Report from February 1, 2023 to March 31 2023	None
2023/06/02	16th meeting of the 1st term Board of Directors	Internal Audit Implementation Report from April 1, 2023 to May 31 2023	None
2023/06/28	1st meeting of the 2nd term Board of Directors	-	None
2023/08/09	2nd meeting of the 2nd term Board of Directors	Internal Audit Implementation Report from June 1, 2023 to July 31, 2023	None
2023/11/08	3rd meeting of the 2nd term Board of Directors	Internal Audit Implementation Report from August 1, 2023 to October 31 2023	None
2024/02/26	4th meeting of the 2nd term Board of Directors	Internal Audit Implementation Report from October 1, 2023 to January 31, 2024	None
2024/05/08	5th meeting of the 2nd term Board of Directors	Internal Audit Implementation Report from February 1, 2024 to March 31, 2024	None

Note5. Communication between independent directors and the CPAs:

Date	Audit Committee Term	Theme of communication	Suggestion and Company's action
2023/02/22	1st term The 14th meeting	<ol style="list-style-type: none"> 1. The auditor's examination scope and significance; 2. The auditor's report on the content of the consolidated and individual financial statements for the year ended December 31, 2022, including key audit matters, audit findings (including significant adjustments and unadjusted items, significant deficiencies in internal controls, etc.), and the content of the audit report. 3. The impact of the COVID-19 pandemic on audit procedures; 4. The report checks the independence of the team. 	None
2023/04/25	1st term 15th meeting	<ol style="list-style-type: none"> 1. Accountants advise on the roles, responsibilities and functions of governance units in the company; the role, duties and functions of the accountants in the financial reporting process; 2. The accountants report on the contents of the consolidated financial statements after review in the first quarter of 2023, the review of material findings (including major adjustment journals and unadjusted grades) and the contents of the review report; 3. The report checks the independence of the team. 	None
2023/08/09	2nd term The 2nd meeting	<ol style="list-style-type: none"> 1. The accountants report on the contents of the consolidated financial statements after review in the second quarter of 2023, the review of material findings (including major adjustment journals and unadjusted grades) and the contents of the review report; 2. The report checks the independence of the team. 	None
2023/11/08	2nd term The 3rd meeting	<ol style="list-style-type: none"> 1. The accountants report on the contents of the consolidated financial statements after review in the third quarter of 2023, the review of material findings (including major adjustment journals and unadjusted grades) and the contents of the review report; 2. The report checks the independence of the team ; 3. The sharing of newly amended securities and exchange regulations; sharing of the latest ESG development information. 4. 	None
2024/02/26	2nd term The 4th meeting	<ol style="list-style-type: none"> 1. The auditor shall report on the content of the individual and consolidated financial statements, significant findings from the audit conducted for the fourth quarter of the year 2023, which include significant adjustments and unadjusted items, as well as the content of the audit report. 2. The report checks the independence of the team ; 3. Audit Quality Indicators; 4. Implementation of Corporate Governance in 2024. 	None
2024/05/08	2nd term The 5th meeting	<ol style="list-style-type: none"> 1. The accountants report on the contents of the consolidated financial statements after review in the first quarter of 2024, the review of material findings (including major adjustment journals and unadjusted grades) and the contents of the review report; 2. The report checks the independence of the team. 	None

(III) State of Corporate Governance Implementation and Differences From the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and Reasons

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
I. Has the Company formulated and disclosed its corporate governance best practice principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	V		The Company has adopted the Corporate Governance Best Practice Principles at the Board of Directors and uploaded it to the Market Observation Post System and the company website. On February 22, 2023, the Company amended relevant provisions in cooperation with the competent authority and in response to the prevention of insider trading, video conferencing of shareholders' meeting and the Corporate Governance -3.0 Blueprint for Sustainable Development.	No deviation
II. Shareholding structure and shareholders' equity (I) Does the Company establish and implement internal operating procedures to deal with shareholders' suggestions, doubts, disputes, and litigations?	V		The Company has established the "Rules of Procedure for Shareholders Meetings" and "Corporate Governance Best Practice Principles" and established a spokesperson system in accordance with regulations. The stock affairs unit and stock agency are responsible for processing related affairs and the contact window is disclosed on the Company's website.	No deviation
(II) Does the Company retain a register of major shareholders who have controlling power the Company, and of the persons with ultimate control over those major shareholders?	V		The company has appointed a professional shareholder agency to handle shareholders' affairs, and can clearly grasp the company's shareholder structure. Among the top ten shareholders before the closing date (2024/04/22), there are three legal shareholders related to the company's directors; one treasury account of the	No deviation

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			Company; three institutions and three natural persons directly holding shares of the Company, total 32.81% of the shares of the company's issued shares. The major shareholders and ultimate controllers of the Company are clear and without doubt.	
(III) Does the Company establish and implement risk control and a firewall system between it and its affiliated enterprises?	V		The Company and affiliates operate independently and all entities have established internal control systems and management systems for control and management.	No deviation
(IV) Does the Company set internal standards to prohibit insiders from using the undisclosed information in the market to trade securities?	V		The Company has established "Procedures for Handling Material Inside Information and Preventing Insider Trading" to regulate all company employees, managers, and Directors, as well as those who have learned of the Company's information based on positions or controlling relations to prevent any insider trading activities. The Company also established the "Ethical Management Procedures for Grievances and Reports" to require employees to uphold the ethical confidentiality principles and established related reporting channels to prevent inappropriate actions.	No deviation

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
<p>III. Composition and responsibilities of the Board of Directors</p> <p>(I) Does the board formulate and implement a policy on diversity based on the composition of board members?</p>	V		<p>1. The Company established the "Corporate Governance Best-Practice Principles" in the 9th meeting of the 8th-term Board of Directors on November 9, 2015. In response to the amendment to the law, the 9th-term Board of Directors revised the "Corporate Governance Best-Practice Principles" on February 22, 2023. The Company's Articles of Incorporation expressly stipulate a candidate nomination system for Directors. The Company shall evaluate the academic and experience of each candidate and take the opinions of stakeholders into consideration. The Company also abides by the Rules Governing the Election of Directors and the Corporate Governance Best-Practice Principles to ensure the diversity and independence of the Directors and Supervisors.</p> <p>2. The Company's 11th term Board of Directors has met the requirements in the diversity policy. Please refer to Note 3 for details.</p> <p>3. The Company's employees take up 22% of the Board of Directors. Independent Directors take up 33% of the Board,</p>	No deviation

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			and female directors take up 11%. Three Independent Directors have been appointed for 1 year. Please Note 3 for the age distribution of all directors. 4. The diversity policy on the composition of the Board of Directors is disclosed on the company website and on the Market Observation Post System.	
(II) Does the Company voluntarily establish other functional committees in addition to the legally-required Remuneration Committee and Audit Committee?		V	The other functional committees will be set up based on actual needs of the Company.	No deviation
(III) Does the Company formulate rules and procedures and methods for performance evaluation of the Board of Directors, conduct the evaluation every year, report the results of evaluations to the Board of Directors, and use them as a reference in determining individual Directors'	V		The Company conducts internal performance evaluation of the Board of Directors and members at least once a year in accordance with the Self-Evaluation and Peer Evaluation of Performance of the Board as amended by the Board of Directors on May 3, 2021. The evaluation is carried out by the head of corporate governance and carried out in the form of internal questionnaires. The Company has reported the self-evaluation results to the Board of Directors on February	No deviation

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
remuneration, their nomination and reappointment?			<p>26, 2024. The self-evaluation of the overall performance of the Board of Directors covers five aspects:</p> <ul style="list-style-type: none"> i. Participation in the operation of the Company; ii. Improvement of the quality of the Board of Directors' decision making; iii. Composition and structure of the Board of Directors; iv. The election of the Directors and their continuing professional studies. v. Internal control. <p>The criteria for evaluating the performance of board members include at least the following six aspects:</p> <ul style="list-style-type: none"> i. Alignment of the goals and missions of the Company; ii. Awareness of the duties of a Director; iii. Participation in the operation of the Company; iv. Management of internal relationship and communication; v. The Director's professionalism and continuing education; and vi. Internal control. <p>The Company shall base each Board member's remuneration and nomination for reelection on his/her contribution to the Company and the Company's business performance.</p> <p>The Company will conduct assessments according to the aforesaid criteria, report the results of assessments, and make recommendations for</p>	

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			areas that can be improved. After collection and statistics of evaluation results, the overall board performance is confirmed to be in effective operation.	
(IV) Does the Company regularly evaluate the independence of the CPA?	V		<p>1. The Audit Committee of the Company conducts an annual assessment of the independence and suitability of the certifying accountant. In addition to requiring the certifying accountant to provide a "Statement of Independence" and "Audit Quality Indicators (AQIs)," the evaluation is conducted according to the assessment form in Note 2 and the AQI indicators. This ensures that the certifying accountant and the Company have no financial interests or business relationships other than the fees for attestation and tax-related matters, and that the accountant's family members do not violate independence requirements. Furthermore, based on the AQI information, it is confirmed that the accountant and the firm have audit experience and training hours above the industry average and have continuously implemented digital auditing tools over</p>	No deviation

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>the past three years to improve audit quality. The most recent annual assessment results were discussed and approved by the Audit Committee on February 26, 2024, and subsequently approved by the Board of Directors on February 26, 2024, confirming the assessment of the accountant's independence and suitability.</p> <p>2. Please refer to Note 2 for the independence and competency of CPAs in 2023.</p>	
<p>IV. Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and</p>	V		<p>1. The Board of Directors passed the resolution in the meeting on February 26, 2024, assigning Vice President Ming-Chieh Tsai, the associate manager of the Legal and Finance Division of the Company, as head of corporate governance to protect shareholders' equity and enhance the functions of the Board of Directors.</p> <p>2. Vice President Ming-Chieh Tsai has accumulated more than three fiscal years of work experience in financial management in public companies. The main duties of the corporate governance are to provide the Directors with information required for</p>	No deviation

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?			<p>performing the business, assisting the Directors in compliance with the laws, and to handle matters related to the Board and shareholders' meetings.</p> <p>3. Regular training will be conducted every fiscal year, mainly for courses about corporate governance and regulations set up by the competent authorities and the CPA.</p> <p>The status of business operations in 2023 is described as follows:</p> <p>1. Assist independent directors and general directors in performing their duties by providing the necessary information and arranging for continuing education for directors:</p> <p>(1) Regularly report the latest revisions and amendments of laws and regulations related to business areas and corporate governance in the Company to the members of the Board of Directors</p> <p>(2) Review the confidentiality level of relevant information and provide company information required by the directors so as to maintain smooth communication and interaction between the Board of Directors and heads of divisions</p>	

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>(3) According to the Corporate Governance Code of Practice, independent directors have communicated with the internal audit supervisor and visa accountant to understand the company's financial business and internal control related matters. If necessary, the company also assists in arranging relevant management supervisors to attend the meeting to respond to independent directors' questions.</p> <p>(4) Assist Independent Directors and general Directors in drawing up annual continuing education plan and making arrangements for courses in accordance with the nature of the industry to which the Company belongs and the experience and background of Directors.</p> <p>2. Assist in matters related to the proceedings of Board of Directors' meetings and shareholders meetings as well as legal compliance of resolutions:</p> <p>(1) Report the operations of corporate governance at the Company to the Board of Directors or the independent directors, and confirm whether the convening of shareholders</p>	

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>meetings and Board of Directors' meetings comply with relevant laws and regulations, as well as the Corporate Governance Best-Practice Principles.</p> <p>(2) Assist in and remind directors of the regulations to be complied with when performing their duties or officially voting on resolutions by the Board of Directors, and offer suggestions when the Board of Directors is going to vote on an illegal resolution.</p> <p>(3) Responsible for examining matters related to the release of major messages about the important resolutions approved by the Board of Directors to ensure the legality and accuracy of the content of these major messages, so as to maintain information symmetry during investor trading.</p> <p>3. Maintain investor relations: Arrange for Directors to interact and communicate with major shareholders, institutional investors or general shareholders so that investors can obtain sufficient information to determine the Company's reasonable market value, and ensure that shareholders' interests are</p>	

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>well maintained.</p> <p>4. Draw up the agendas of the Board of Directors and notify directors of the agendas seven days before the meeting, convene meetings and provide meeting information, send out reminders regarding agendas that require recusal of directors and complete the minutes of the Board of Directors' meeting twenty days after the meeting.</p> <p>5. Handle prior registration for Shareholders' Meetings, prepare meeting notices, agenda handbook, meeting minutes within the statutory period, as well as handle registration of changes due to the amendment to regulations and re-election of Directors.</p>	
V. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to	V		The Company has established communication channels with stakeholders and announced their contact number and emails in the "Investors" section on the company website that is accessible to anyone. The Company also reports to the Board of Directors on a yearly basis the communication with all stakeholders. The communication status in 2023 was reported on the board meeting on February 26, 2024.	No deviation

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
stakeholders' questions and concerns on important corporate social responsibility issues?				
VI. Does the Company engaged a professional shareholder services agent to handle shareholders meeting matters?	V		The Company has appointed President Securities Corp. and Concord Securities Co., Ltd to process affairs related to 2024 shareholders meetings.	No deviation
VII. Information Disclosure (I) Does the Company have a website to disclose the financial operations and corporate governance status?	V		The Company has established a website in both Chinese and English to disclose information regarding the Company's financial, business, and corporate governance status. Information can also be found on the MOPS or the company website.	No deviation
(II) Does the Company have other information disclosure channels (e.g. building an English website, appointing designated personnel to be responsible for the collection and disclosure of information, implementing a spokesman system, and making the process of investor conferences available on the corporate website)?	V		<ol style="list-style-type: none"> 1. The company has established an English version of its website and has appointed a spokesperson responsible for responding to external inquiries, as well as for the collection and disclosure of company information. 2. The Company participates in investor conferences organized by international and domestic investment institutions from time to time and related briefing files in Chinese and English are disclosed on the MOPS and the "Investors" section on the company website. 	No deviation

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(III) Does the Company announce and declare its annual financial reports within two months after the end of the fiscal year, and announce and declare the financial reports for the first, second and third quarter and the operation situation of each month earlier than the prescribed period?	V		The company has announced its annual financial report within two months after the end of the accounting year and registered the quarterly financial reports and the monthly operating status within the given time limits. The said material information has been disclosed in both Chinese and English.	No deviation
VIII. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and	V		Is there any other important information which facilitates a better understanding of the Company's corporate governance practices (such as employee rights, employee wellbeing, investor relations, supplier relations, rights of stakeholders and directors' training records, the implementation of risk management policies and risk evaluation standards, the implementation of customer policies, and purchasing of liability insurance for directors) All related issues are disclosed on the company website, annual shareholders' meeting report or ESG sustainability report: (1) Employee Rights and Benefits: Our company prioritizes employee rights and future development, and has established an Employee	No deviation

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
purchasing liability insurance for directors and supervisors)?			<p>Welfare Committee to implement a pension system in accordance with relevant regulations. On June 14, 2022, the Compensation Committee and the Board of Directors approved the implementation of an employee stock ownership trust, providing a more diversified reward system for employees. additionally, we have established channels for labor-management communication, including a dedicated employee communication mailbox, and formulated various policies on customer service, supplier management, and social participation in accordance with ESG sustainable development practices.</p> <p>(2) Caring for Employees: The Company has established a welfare system that provides stability for employees' lives to build good relations with employees based on mutual trust and reliance. E.g.: The Company subsidizes employee club activities, provides cultural entertainment, free annual employee health examinations, parking spaces, and organizes</p>	

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>charity running events.</p> <p>(3) Investor relations: The company participated in 4 corporate briefings in 2023 to report the company's operating performance and short-term operation plan to investors, and disclosed the stakeholder communication channels in the company website and annual reports of shareholders, so that investors can contact the company spokesperson at any time to handle and reply to shareholder questions and recommended.</p> <p>(4) Supplier Relationships: Our company has established a supplier evaluation and management system to regulate the business conduct of suppliers and their internal occupational safety and health management mechanisms. We regularly review the occupational safety and health risks of our suppliers and provide guidance and recommendations for improvement to those who do not meet our standards. Furthermore, to prevent any harm to the reputation and interests of both parties due to errors during interactions, our</p>	

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>company signs confidentiality agreements with all suppliers to protect the rights and obligations of both parties.</p> <p>(5) Stakeholder relations: The Company has disclosed communication channels on our website, annual shareholders' meeting reports and ESG sustainability reports, so that stakeholders can communicate directly with each responsible person to maintain their rights.</p> <p>(6) Directors' continuous training: The Company's Directors participate in continuous training programs in accordance with regulations. The training hours meet regulatory requirements. The contents of the courses have been announced on the MOPS.</p> <p>(7) Implementation of risk management policies and risk assessment standards: The Company has established regulations on important managerial targets and implements them in accordance with regulations.</p> <p>(8) Customer policy implementation status: The Company and its subsidiaries have received ISO 9001 quality assurance system certification and we have</p>	

Evaluation items	Current Operations (Note 1)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>assigned dedicated customer service departments to ensure the implementation results of customer policies in overall operations.</p> <p>(9) The Company's purchase of liability insurance for Directors: The Company has purchased liability insurance for Directors. The coverage is from January 1, 2024 to January 1, 2025, and the insurance amount is NT\$200 million.</p>	

IX. Please provide an explanation on the improvement status of corporate governance evaluation in the most recent fiscal year by the corporate governance center of the Taiwan Stock Exchange Corporation, as well as the improvement measures to be implemented: The company has formulated improvement plans for areas in the corporate governance evaluation that were not awarded points and will perform report and evaluation on the improved items during the monthly internation meeting. A presentation file was formulated for review to strengthen the company's corporate governance and its transparency. In terms of information transparency, the Company updates the Annual Reports, ESG Sustainability Reports and disclosure items on the company website and also accept invitations to investor conferences to make company information more transparent and reduce information asymmetry. With regard to the Shareholders' Meeting, the Company has adopted the electronic voting system and has fully adopted a candidate nomination system for the election of Directors and Supervisors.

Note 1: Regardless of whether or not the checked box is "Yes" or "No," it should be stated in the summary description field.

Note 2: The independence evaluation and competency of CPAs for 2024 are provided as follows:

Date: February 26, 2024

Objects to be reviewed: Incumbent Candidate Independent

Auditors: CPAs Hui-Yu, Hsu and Tzu-Yu Lin

I. Review of the requirements for independence (If any of the following items is checked with "No", more specific facts should be checked)					
Item No.	Contents	Please check			Remarks
		Yes	No	N/A	
01	The CPA, or the spouse or a minor child thereof, has not invested in the Company, or shares in financial gains therewith.	V			
02	The CPA, or the spouse or a minor child thereof, has not lent or borrowed funds to or from the Company. However, this does not apply if the client is a financial institution and the borrowing or lending is part of a normal business relationship.	V			
03	The accounting firm has not issued an assurance service report that it designed or assisted in the implementation of the effective operation of the financial information system.	V			
04	The CPAs and audit members did not hold positions of Directors, managers, or posts that impose critical impact on audits currently or in last two years.	V			
05	The non-audit services provided by the Company have no significant items that directly affect the audit.	V			
06	The CPAs or audit members did not advertise or transfer any shares or other securities issued by the Company.	V			
07	The CPAs or audit members did not represent the Company in defending legal cases or other disputes with third parties, except for the business permitted by law.	V			
08	The CPAs or audit members have no relationship with the Company's directors, managers or persons who have a significant impact on the audit case such as a spouse, lineal relatives, relatives in-law or collateral relatives within the second degree of kinship.	V			
09	The former partner within one year of disassociating from the joint accounting firm to which the CPA is affiliated did not join the Company as a director, officer or is in a key position to exert material impact over the subject matter of the engagement.	V			
10	The CPAs or the audit members have not accepted gifts or preferential treatment from the Corporation, the Corporation's director, officer or major stockholder.	V			
11	The CPA is not currently employed by the client or audited entity to perform routine work for which he or she receives a fixed salary, or currently serves as a director or supervisor thereof.	V			
12	OTC listed companies: The CPA did not provide any audit service to the Company for 7 consecutive years. Non OTC listed companies: The CPA did not provide any audit service to the Company for 10 consecutive years.	V			
II. Review of independent operation (If any of the following items is checked with "No", more specific facts should be understood)					
Item No.	Contents	Please check			Remarks
		Yes	No	N/A	
01	Have the CPAs recused themselves from the commission and failed to undertake the commission if they have a direct or significant indirect interest in the commission that would affect his or her impartiality and independence?			V	None.
02	Do the CPAs maintain their independence not only in substance but also in form when providing audit, check, review or special examination for financial statements and writing opinions?	V			
03	Are the audit members, shareholders of other joint practice accountants or corporate accounting firms, accounting firms, firm affiliates and alliance firms also independent of the Company?	V			

04	Did the CPAs provide professional services with integrity and strictness?	V			
05	Have the CPAs maintained a fair and objective position in the performance of their professional services, and have they avoided prejudice, conflict of interest or interest that might affect their professional judgment?	V			
06	The CPAs did not experience a lack or loss of independence that would affect their integrity and impartiality.	V			
07	Are there concerns that the proportion of fees paid for non-audit services is excessively high, thereby affecting the independence of the CPA?		V		
08	Does the cumulative number of years our company's financial reports have been audited by the firm affect the independence of the certifying CPA?		V		
III. Review of the requirements for independence (If any of the following items is checked with "No", more specific facts should be checked)					
Item No.	Contents	Please check			Remarks
		Yes	No	N/A	
01	There is no disciplinary record of the Accountants Disciplinary Committee for the CPAs in the last two years.	V			
02	Do the accountants and audit team possess sufficient auditing experience and adequate familiarity with the company's industry?	V			
03	Do the accountants and senior audit personnel receive adequate annual training to continually acquire professional knowledge and skills?	V			
04	Does the audit team have sufficient manpower and resources to handle the company's audit services?	V			
05	Does the firm have enough professional personnel (such as valuers) to support the audit team's work?	V			
06	Is the workload of the accountants too heavy to effectively carry out internal control and financial audit tasks for the company?		V		
07	Does the accounting firm have clear quality control procedures in place? The aspects covered include the level, scope, and key points of the audit procedures, the method of handling audit issues and judgments, the allocation of sufficient audit hours, and the input of adequate internal review personnel and time management?	V			
08	Does the accounting firm keep the Board (audit committee) informed of any significant issues and developments in risk management, corporate governance, financial accounting and related risk control?			V	No abnormalities were found and reported to the Board of Directors and the Audit Committee.
09	Does the accounting firm adhere to relevant laws and standards in its quality control and audit work?	V			
10	Does the accounting firm continuously enhance audit quality, including innovations in auditing and adjustments to audit procedures?	V			
IV. Other Supplementary Items					
Explanation: None					
V. Review Opinions					
<input checked="" type="checkbox"/> The review was approved and it is recommended to appoint/maintain the original appointment <input type="checkbox"/> There are doubts in the review, and it is recommended not to appoint/replace the accountant Reasons:					

Note 3: The Company values the Board diversity. At least one of the nine Directors is female. The Company aims to increase the number of Independent Directors and proportion of female Directors in accordance with relevant laws and regulations. Information on the Board diversity policy has been disclosed on the company website and MOPS. The status of the Company's Board diversity is as follows:

Item Name	Nationality	Gender	As An Employee of the Company	Age				Longevity of Independent Director			Business Management	Leadership and decision making	Knowledge of the industry	Finance and accounting	Crisis management	Environmental protection
				50 and below	51 to 60	61 to 70	71 to 80	3 years below	3-9 years	9 years below						
Ching-Lai Lu	Republic of China	Male	V			V					V	V	V		V	V
Cheng-En Ou	Republic of China	Male	V	V							V	V	V		V	
Chien-Chang Chen	Republic of China	Male				V					V	V			V	
Yu-Ru Chong	Republic of China	Female			V						V	V			V	V
Ching-Han Chiu Huang	Republic of China	Male				V					V	V			V	
Ching-Hsu Tsai	Republic of China	Male			V						V	V			V	
Ming-Hsien Li	Republic of China	Male				V		V			V	V	V	V	V	
Cho-Hua Kuang	Republic of China	Male					V	V				V	V		V	
Huan-Ming Chou	Republic of China	Male				V		V				V	V		V	

(IV) Constitution, Duties, and Operations of the Remuneration Committee (if Any):

1. Information on Members of the Remuneration Committee

April 20, 2024

Title (Note 1)	Condition Name	Professional Qualification and Work Experience	Compliance with independence(Note 2)										Number of Other Public Companies where the Individual Concurrently Serves as a Remuneration Committee Member	Remarks
			1	2	3	4	5	6	7	8	9	10		
Independent director	Ming-Hsien Li	Graduated from Accounting, National Chengchi University. He has professional and practical experience in finance and accounting. He used to be the Vice Chairman of PwC Taiwan, and is currently the Vice Chairman of Zhi Cheng CPAs and adjunct associate professor of National Cheng Kung University. He has rich experience in management practice and leverages his expertise to improve the quality of corporate governance of the Board of Directors and the supervision function of the audit committee. He has not been in violation of any provisions of Article 30 of the Company Act.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	3	None

Independent director	Cho-Hua Kuang	<p>He is a doctor of Mechanical Engineering Department, University of Cincinnati, specializing in the field of solid mechanics, including structural analysis, dynamics, failure mechanics, wave mechanics, metal forming experiments and analysis, computer and peripheral equipment related research. he is currently an adjunct professor in the Department of Mechanical Engineering, National Sun Yat-sen University, with both academic and practical skills. He provides a lot of valuable advice and practical experience in the operation of the Company. He has not been in violation of any provisions of Article 30 of the Company Act.</p>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	None
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Independent director	Huan-Ming Chou	He is a Ph.D. graduate of the Department of Mechanical Engineering at National Cheng Kung University, specializes in the fields of thermal fluid mechanics (thermal flow analysis, refrigeration and air conditioning, internal combustion engines), energy technology (solar energy, biomass energy, energy-saving technology), culture and creativity, green technology, related circular economy, and innovative business models. Currently serving as the Vice President of Academics at Kun Shan University of Technology, he provide clear directions and execution methods for the company in research, invention, and innovative product development. He has not been in violation of any provisions of Article 30 of the Company Act.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	None
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Note 1: Please indicate in the "Title" field Director, Independent Director or otherwise.

Note 2: For any members who fulfill the relevant condition(s) for two fiscal years before being elected to the office or during the term of office, tick [V] the box next to the corresponding conditions.

- (1) Neither an employee of the Company nor its affiliates.
- (2) Neither a Director or Supervisor of the Company or any of its affiliates. Not applicable in cases where an Independent Director of the Company has served as an Independent Director of the Company or any of its affiliates, or of a specified company or institution that has a financial or business relationship with the Company.

- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a Manager under preceding subparagraph (1) or any of the persons in the subparagraph (2) and (3).
- (5) Neither a Director, Supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a Director or Supervisor of the Company under Article 27, paragraph 1 or 2 of the Company Act. Not applicable in cases where an Independent Director of the Company has served as an Independent Director of the Company or any of its affiliates, or of a specified company or institution that has a financial or business relationship with the Company.
- (6) If a majority of the Company's Director seats or voting shares and those of any other company are controlled by the same person, neither a Director, Supervisor, or employee of that other company. Not applicable in cases where an Independent Director of the Company has served as an Independent Director of the Company or any of its affiliates, or of a specified company or institution that has a financial or business relationship with the Company.
- (7) Not a Director, Supervisor, or employee of a company where the Chairman, President or any equivalent position of the Company is held by the same person or by his/her spouse (not applicable in cases where the person is an Independent Director of the Company and its parent company or subsidiary or any subsidiary of the same parent company as appointed in accordance with the Act or with the laws of the country of the parent or subsidiary).
- (8) Not a Director, Supervisor, manager, or shareholder holding 5% or more of the shares of a specified company or institution which has a financial or business relationship with the Company (excluding specified companies or institutions holding more than 20% but less than 50% of the total issued shares of the Company and serving as the Independent Directors of the Company and its parent company or subsidiary or any subsidiary of the same parent company in accordance with the Act or with the laws of the country of the parent or subsidiary).
- (9) Not a professional individual, sole proprietorship, partnership, owner of a company or institution, partner, director (or governor), supervisor (or overseer), managerial officer or spouse thereof that provides related auditing service for the Company or any of its affiliates, or provides commercial, legal, financial, or accounting service with cumulative remuneration less than NT\$500,000 in the past two years, , for the Company or any of its affiliated companies. Provided, this restriction does not apply to a member of the Remuneration Committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.
- (10) No any circumstance set out in a subparagraph of Article 30 of the Company Act.

2. Information on the operations of the Compensation Committee

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

(2) Term of current Committee Members: From June 28, 2023. to June 14, 2026. In 2023, the Remuneration Committee held a total of 4 (A) meetings. The qualifications and attendance of the members are as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Rate of Attendance in Person (%) (B/A) (Note)	Remarks
Convenor	Ming-Hsien Li	4	0	100.00%	Re-elected; re-election date: June 15, 2023
Committee Member	Cho-Hua Kuang	4	0	100.00%	Re-elected; re-election date: June 15, 2023
Committee Member	Chang-Jen Chen	2	0	66.67%	Re-elected; re-election date: June 15, 2023
Committee Member	Huan-Ming Chou	1	0	100.00%	Re-elected; re-election date: June 15, 2023

Other information required to be disclosed:

I. In the event the Board of Directors does not adopt or wishes to amend the proposals of the Remuneration Committee, please state the date and session of the Board meeting, agenda, resolution of the Board of Directors, and the Company's response to the opinion of the Remuneration Committee (e.g., if the salaries and compensations approved by the Board was higher than the suggested levels from the Remuneration Committee, please state the differences and reasons): None. Please refer to Note 2.

II. Where resolutions of the Remuneration Committee include dissenting or qualified opinion which is on record or stated in a written statement, the date, term, proposal contents, opinions from every member, and actions in response to the opinions of the members shall be stated: None. Please refer to Note 2.

Note1.

- (1) Where members of the Remuneration Committee resign before the end of the year, the date of resignation shall be indicated in the Remarks column. Actual presence rate (%) shall be calculated by the number of Remuneration Committee meetings convened and times of actual presence during the term of service.
- (2) Where any members of the Remuneration Committee have been reelected before the end of the year, both newly appointed and previously appointed members of the Remuneration Committee shall be listed, and previously appointed, newly appointed or reappointed member together with the re-election date shall be indicated in the Remarks column. The actual attendance rate (%) is calculated based on the number of Remuneration Committee meetings held during the tenure and the actual attendance at those meetings.

Note2. The topics and resolutions of the Remuneration Committee meetings and the Company's handling of the members' opinions are as follows:

Date	Session	Content of Motions	Dissenting or Qualified Opinion by the Remuneration Committee Members
2023/02/22	4th term 10th Meeting	Motion 1: 2022 compensation distribution for Director, and employees is submitted for approval. Motion 2: The distribution of the incentives bonuses for employees is submitted for approval.	None
		Attendance of Remuneration Committee members: Mr. Ming-Hsien Li, Mr. Cho-Hua Kuang and Mr. Chang-Jen Chen all attended the meeting. Remuneration Committee members' opinions: None. Resolution: Approved by all members present at the meeting. The company's response to the opinion of the Remuneration Committee: All Directors present voted in favor of the proposal.	
2023/04/25	4th term 11th Meeting	Motion 1: 2022 compensation distribution for Director, and employees is submitted for approval. Motion 2: President Mr. Hsin-Yao Cheng of the Company has applied for retirement and submitted for approval. Motion 3: Internal personnel Mr. Cheng-En Ou is promoted from Chief Executive Officer to General Manager, and requests resolution.	None
		Attendance of Remuneration Committee members: Mr. Ming-Hsien Li, Mr. Cho-Hua Kuang attended the meeting. Director Chang-Jen Chen was absent with leave. Remuneration Committee members' opinions: None. Resolution: Approved by all members present at the meeting. The company's response to the opinion of the Remuneration Committee: All Directors present voted in favor of the proposal.	
2023/06/02	4th term The 12th meeting	Motion 1: For the matter of transferring treasury stocks to employees for stock subscription, the company submitted for approval.	None
		Attendance of Remuneration Committee members: Mr. Ming-Hsien Li, Mr. Cho-Hua Kuang and Mr. Chang-Jen Chen all attended the meeting. Remuneration Committee members' opinions: None. Resolution: Approved by all members present at the meeting. The company's response to the opinion of the Remuneration Committee: All Directors present voted in favor of the proposal.	
2023/11/08	The 5th term The 1st meeting	Motion 1: Appointment of the convener and chairperson of the All Ring Tech Co., Ltd. 5th term of committee; Motion 2: The distribution of 2023 bonuses for insiders is submitted for approval. Motion 3: The distribution of the project bonuses for employees is submitted for approval. Motion 4: The adjustments of employee salary and remuneration are submitted for approval. Motion 5: The promotion of Associate Manager Chun-Ting Chang to Vice President is submitted for approval. Motion 6: The appointment of the Associate Manager Chun-Hung Tsai is submitted for approval. Motion 7: The appointment of the Associate Manager Ching-Te Huang is submitted for approval. Motion 8: The appointment of the Associate Manager Chih-Yu Liu is submitted for approval.	None
		Attendance of Remuneration Committee members: Mr. Ming-Hsien Li, Mr. Cho-Hua Kuang and Mr. Huan-Ming Chou all attended the meeting. Remuneration Committee members' opinions: None. Resolution: Approved by all members present at the meeting.	

Date	Session	Content of Motions	Dissenting or Qualified Opinion by the Remuneration Committee Members
		The company's response to the opinion of the Remuneration Committee: All Directors present voted in favor of the proposal.	
2024/02/26	5th term The 2nd meeting	Motion 1: 2023 compensation distribution for Director, and employees is submitted for approval. Motion 2: Proposal to amend the company's governance supervisor and is submitted for approval. Motion 3: The distribution of 2023 incentive bonuses for insiders is submitted for approval.	None
		Attendance of Remuneration Committee members: Mr. Ming-Hsien Li, Mr. Cho-Hua Kuang and Mr. Huan-Ming Chou all attended the meeting. Remuneration Committee members' opinions: None. Resolution: Approved by all members present at the meeting. The company's response to the opinion of the Remuneration Committee: All Directors present voted in favor of the proposal.	
2024/05/08	5th term The 3rd meeting	Motion 1: 2023 compensation distribution for Director, and employees is submitted for approval. Motion 2: The adjustments of employee salary and remuneration are submitted for approval. Motion 3: The distribution of the project bonuses for employees is submitted for approval.	None
		Attendance of Remuneration Committee members: Mr. Ming-Hsien Li, Mr. Cho-Hua Kuang and Mr. Huan-Ming Chou all attended the meeting. Remuneration Committee members' opinions: None. Resolution: Approved by all members present at the meeting. The company's response to the opinion of the Remuneration Committee: All Directors present voted in favor of the proposal.	

3. Responsibilities of the Remuneration Committee of the Company:
 - a. Periodically reviewing the remuneration policy of the Company and make recommendations for amendments.
 - b. Establishing and regularly reviewing the performance evaluation of the directors and managers of the company in conjunction with the remuneration policies, systems, standards, and structure.
 - c. Regularly reviewing the remunerations and salaries of the directors and managers of the Company.

(VI) Promotion of Sustainable Development - Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons Thereof

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the Board of Directors authorized senior management to handle related matters under the supervision of the board?	V		<ol style="list-style-type: none"> 1. The Company has formed the Corporate Governance and Sustainability Committee comprised of the Administration Division, Finance Division, President's Office, and procurement and sales units. Associate Manager Ming-Chieh Tsai of the President's Office serves as the convener and is responsible for proposing and implementing the Company's sustainability. Annual review of the results of the previous year, the results will be reported to the Board of Directors and timely tracking of the improvements in the new year. 2. The Corporate Governance and Sustainability Committee is combined with the All Ring Charitable Trust to promote sustainability related community feedback, social welfare, emergency relief and academic promotion. The results of the previous year are reported to the Board in the first quarter of each year(once a year). 3. The company's sustainability committee in 2023 operation results was reported to the directors on February 26, 2024, 2022 annual ESG sustainability report (Chinese version) was uploaded on September 28, 2023, the English version of the sustainability report was also published on December 19, 2023, the company's directors to the company's sustainability There is no opinion on the operation of the Development Committee in 2021. The Sustainable 	No deviation

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
			<p>Development Committee continues to adhere to the vision and mission of our ESG policy.</p> <p>4. The company's board of directors regularly listens to the management team's reports (including ESG reports), on a quarterly basis. The management team proposes company strategies to the board, which assesses the feasibility of the strategies' success. The board also reviews the progress of these strategies regularly and urges the management team to make adjustments when necessary.</p>	
<p>II. Does the Company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the Company's operations in accordance with the materiality principle, and establish related risk management policies and strategy? (Note 3)</p>	V		<p>1. The disclosed information covers the company's sustainability performance at major locations from January 2023 to December 2023. The risk assessment boundary is centered on the company, including existing locations in Taiwan and China.</p> <p>2. The Sustainability Committee analyses based on the materiality principles of the Sustainability Report, communicates with internal and external stakeholders, integrates assessment data of various departments and subsidiaries to collect items of material impact on the company in order to identify and prevent and manage potential risk events The scope of control does not exceed the risk appetite of the Company, and set company goals before reason able risk control, and review the completion of the company's goals annually.</p> <p>3. Based on the assessed risk, formulate relevant risk management policies or strategies as follows:</p>	No deviation

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof									
	Yes	No	Description (Note2)										
			<table border="1"> <thead> <tr> <th>Major Issues</th> <th>Description of Risk Assessment Items</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>Environmental</td> <td>Climate Change</td> <td> <ol style="list-style-type: none"> Through greenhouse gas inventory, the company understands its carbon emissions status, serving as the basis for evaluating carbon reduction action plans. Promotion of energy-saving and carbon reduction measures, replacing company lighting fixtures with LED bulbs. Installation of solar power generation equipment on factory roofs to generate renewable energy and save electricity costs through heat insulation and cooling effects. </td> </tr> <tr> <td>Social</td> <td>Occupational Health and Safety</td> <td> <ol style="list-style-type: none"> Regular annual fire drills are conducted to cultivate employees' abilities in emergency response and self-safety management, preventing harm caused by employee errors; Regular inspections of fire </td> </tr> </tbody> </table>	Major Issues	Description of Risk Assessment Items	Description	Environmental	Climate Change	<ol style="list-style-type: none"> Through greenhouse gas inventory, the company understands its carbon emissions status, serving as the basis for evaluating carbon reduction action plans. Promotion of energy-saving and carbon reduction measures, replacing company lighting fixtures with LED bulbs. Installation of solar power generation equipment on factory roofs to generate renewable energy and save electricity costs through heat insulation and cooling effects. 	Social	Occupational Health and Safety	<ol style="list-style-type: none"> Regular annual fire drills are conducted to cultivate employees' abilities in emergency response and self-safety management, preventing harm caused by employee errors; Regular inspections of fire 	
Major Issues	Description of Risk Assessment Items	Description											
Environmental	Climate Change	<ol style="list-style-type: none"> Through greenhouse gas inventory, the company understands its carbon emissions status, serving as the basis for evaluating carbon reduction action plans. Promotion of energy-saving and carbon reduction measures, replacing company lighting fixtures with LED bulbs. Installation of solar power generation equipment on factory roofs to generate renewable energy and save electricity costs through heat insulation and cooling effects. 											
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Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
			<p>equipment safety and public safety of buildings are conducted in accordance with legal requirements to ensure the safety of colleagues at work;</p> <p>2. Regular environmental monitoring and safety patrols are conducted in workplaces to reduce factors that may pose safety or health hazards during operations.</p> <p>3. Free annual health checks are provided for employees, and appropriate protective equipment is provided for specific operation personnel. Special examinations are arranged during annual health checks to prevent the occurrence of occupational diseases.</p>	
			<p>Raw Materials</p> <p>1. Supplier management measures are established to ensure that the quality of supplied goods, compliance with laws and regulations, and human rights maintenance meet</p>	

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
			<p>company standards through operational process management;</p> <p>2. The main sources of raw materials for products are not monopolized by a single supplier, and long-term cooperation with suppliers has been established, with good working relationships. The company also periodically reviews the quality of raw materials from suppliers and explores other excellent suppliers in the market to avoid the risk of concentrated purchases.</p>	
			<p>Corporate Governance</p> <p>Foreign exchange</p> <p>1. Maintain close contact with banks to keep real-time information on interest rate changes and reduce the impact of interest rate fluctuations on the Company;</p> <p>2. Using natural hedge characteristics, the foreign currency receivables generated from the sale of products are used to cover foreign currency payables arising from the purchase;</p>	

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
			<p>3. When the business staff offers price and bargains, he shall also weigh the exchange rate fluctuations and adjust the product price accordingly.</p>	
			<p>Strengthening Director Functions</p> <p>1. We provide directors with annual updates on the latest regulations, institutional developments, and policies to enhance their capabilities; 2. Additionally, we secure directors' liability insurance to protect them in the event of litigation or claims.</p>	
			<p>Stakeholder Communication</p> <p>1. To prevent misunderstandings arising from differences in positions between stakeholders and the company, and to mitigate operational and litigation risks resulting from such misunderstandings, we analyze annually the significant issues concerning important stakeholders; 2. Establish various communication channels to actively engage stakeholders and</p>	

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
			reduce confrontation and misunderstanding. Furthermore, we have set up an investor mailbox managed by the spokesperson to handle and respond to inquiries.	
<p>III. Environmental Issues</p> <p>(I) Does the Company establish proper environment management systems based on the characteristics of the industry?</p>	V		<ol style="list-style-type: none"> 1. The Company selects substances that do not harm the environment in accordance with the characteristics of the industry and reduces the usage volume of materials to reduce pollution of the environment. We also prevent waste of resources in assembly and maintenance and focus on safe and energy-saving designs. 2. The company is the machine assembly industry, does not discharge exhaust gas, waste water and other waste production process, the company has obtained the approval letter of exempt business waste issued by the Environmental Protection Bureau and Southern Science Bureau 3. The company commissioned professional organizations to measure emissions from items including carbon dioxide every year, in order to grasp the impact of the operation on the surrounding environment; 4. The inspection reports and the permits from the Environmental Protection Bureau and the Southern Taiwan Science Park Bureau have been announced on the company website. 	No deviation

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
(II) Does the Company endeavor to utilize all resources more efficiently and uses renewable materials which have a low impact on the environment?	V		<ol style="list-style-type: none"> 1. In order to improve energy efficiency, we continue to invest R&D resources to modify the process, improve equipment production efficiency and adjust internal processes, thereby reducing energy consumption during production and subsequent resource waste due to the fallacy of internal communication. to reduce environmental costs; 2. By modifying product design, supplier management, machine assembly and customer service process improvement, we control energy consumption at all aspects, and gradually reduce green house gas emissions generated by our operations; 3. The company due to industrial process characteristics and other restrictions, the materials required in the production process are currently not available for replacement of renewable materials, the daily operation of the general industrial waste generated by packaging more waste, are classified according to environmental regulations; 4. The Company reduces the impact of environmental load on the operating process by properly sorting, recycling and commissioned qualified clearance of waste; 5. Please refer to Pages 44-45 and Pages 49-52 for Sustainability Report for environmental protection and energy conservation. 	No deviation
(III) Does the Company evaluate the present and future potential risks and opportunities of climate change to the Company,	V		<ol style="list-style-type: none"> 1. In the face of global climate change, the Company strengthens its climate resilience to reduce the disasters' impacts on the business operations. 2. The Company follows the climate- 	No deviation

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
and taken measures to respond to climate-related issues?			related financial disclosure proposal (TCFD) structure to disclose relevant climate change risks and policy related content, please refer to p.37-39 of the 2023 Sustainability Report.	
(IV) Does the Company collect data for greenhouse gas emissions, water consumption and total weight of waste over the past two years, and formulate policies for energy conservation and carbon emissions reduction, greenhouse gas emissions reduction, water consumption reduction or other waste management?	V		<ol style="list-style-type: none"> 1. The Company publishes annual sustainability reports and discloses the reduction and control policies established by the Company. 2. For the statistics of greenhouse gas emissions, water consumption and total waste weight for 2023 and 2022, please refer to the Sustainability Report published on August 2024. 	No deviation
IV. Social Issues (I) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	V		<ol style="list-style-type: none"> 1. To improve the Company's respect and support for human rights, the Board of Directors established the "Code of Ethical Conduct" on March 18, 2005, the "Code of Ethics" established on November 9, 2015, the "Ethical Corporate Management Best Practice Principles" on November 9, 2015, the "Ethical Management Procedures for Grievances and Reports" on July 28, 2016, and the "Human Rights Policy" on November 8, 2023. 2. The company in order to create a fair workplace as the principle, to maintain an equal opportunity, dignity, safety, equality, free from discrimination and harassment working environment, full time (part-time) employees' gender ratio, age distribution, new turnover rate, 	No deviation

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
			number of employees with disabilities and remuneration, please refer to 2023 Sustainability Pages 55~70 of the report.	
(II) Does the Company establish and implement reasonable employee benefits measures (including remuneration, leave and other benefits, etc.) and appropriately reflect the corporate business performance or achievements in the employee remuneration?	V		<ol style="list-style-type: none"> 1. The Company regards the talented individuals as an important human resources strategy. In addition to a guaranteed annual pay of 14 months' salary, the Company also provides employees with performance rewards and employee bonuses based on the performance of operations and the employee's actual contribution. We also have employee incentives such as R&D bonuses and other bonuses for encouraging employees. The Company adjusts employees' salaries within a 1%~10% range each year based on personal performance and company operations. 2. In addition to three festivals, marriage and birth subsidies, we also provide birthday bonuses, daily afternoon tea, snacks, coffee and tea for employees, as well as full travel subsidies. In 2022, we also started working together in the vault to handle employee shareholding trust system, colleagues allocated a fixed amount from monthly salaries, and the company also provided 1:1 public funds to co-deposit to the trust account, so that employees develop savings habits, and early accumulation of pension funds. 3. We also pay attention to the physical and mental well-being of our employees. We provide free health check-ups annually, which include not only the general basic labor health check items but also advanced examinations such as 	No deviation

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
			<p>rheumatism, thyroid function, digestive function, and arteriosclerosis. The employee health check was held on November 20, 2023, with 277 participants. We also provide dormitories for colleagues who are on business trips or unable to return home due to work tasks. Additionally, we offer well-equipped gyms and sports facilities for employees to engage in recreational activities after work. Additionally, we offer well-equipped gyms and sports facilities for employees to engage in recreational activities after work.</p> <p>4. Please refer to Pages 55~70 of the 2023 Sustainability Report for the relevant employee compensation and benefits system.</p>	
(III) Does the Company provide a safe and healthy working environment for its employees and organize training on safety and health on a regular basis?	V		<ol style="list-style-type: none"> The company follows the occupational safety and health law and the regulations of customers and related groups to formulate the "Safety and Health Management Measures", and use this as a basis to maintain a friendly and safe working environment. All Ring implementing a comprehensive talent cultivation system, providing employees with thorough educational training, to enhance employees' overall professional capabilities and reduce injuries suffered by employees in the workplace. During the fiscal year of 2023, the Company did not encounter any incidents of occupational injuries among its employees. The Company regularly organizes safety and health education training. As of May 7, 2024, a total of 9 sessions of safety and health education training for new 	No deviation

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
			<p>employees have been conducted. On March 5, 2024, representatives from various departments, totaling 7 members, were convened for a risk assessment education training course. They were instructed to identify hazards and assess risks according to their job scope and tasks. The assessment results were submitted to the Safety and Health Office for management and formulation of preventive measures.</p> <p>4. To align the Company's occupational safety system with international standards, the Company plans to adopt ISO 45001 in 2024 and complete third-party verification by the same year.</p>	
(IV) Does the Company establish effective career development training programs for its employees?	V		<p>The company's main business is the development and assembly of semiconductor and passive component process related machines. As the industrial environment is updated rapidly, we understand market development and customer needs, and based on this, we develop and design products that meet customer needs.</p> <p>Due to the longer development and design schedules, and continuous optimization of updates after development, R&D is a continuous job that requires full expertise and past experience.</p> <p>The company establishes a complete standardized system, implements the experience of R&D technology, and finds colleagues with leadership and guidance potential from the team, actively training and training, maintains the continuation of the company's R&D ability.</p> <p>The Company has established the "Education and Training Management Regulations" to provide new and old</p>	No deviation

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
			<p>employees with a comprehensive set of training methods for the effective development of professional capabilities. The training programs integrate company goals and personal performance development, and we provide a full range of talent development courses for different job types and positions:</p> <ol style="list-style-type: none"> 1. On-Board training: We adopt a mentorship system to quickly integrate new employees into the team and our corporate culture. 2. R&D engineering: We organize theoretical and practical courses on R&D technologies. 3. Leadership: We organize a series of leadership courses for the management to let Supervisors lead the growth of employees. 4. Work skills: We organize courses on management, languages, computer, and other skills to improve work efficiency. 5. Living seminars: We organize seminars on improving life quality and encourage self-growth by employees. 6. Occupational safety and health training: We organize periodic fire safety drills, earthquake evacuation, and related courses to protect employees' safety and health. 	
(V) Is the Company in compliance with relevant laws and regulations as well as international standards when it comes to customer health and safety, customer privacy, marketing and labeling of products and services,	V		<p>The products and services of the Company and its subsidiaries meet ISO 9001 and related international regulations. The Company has established a customer service unit to process quality and customer complaints.</p> <p>The company's reporting system takes precedence on the protection of the reporter, and the reporting channels are listed on the</p>	No deviation

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
and make relevant policies and appeal procedures on the protection of consumer rights and interests?			company's website, annual report of shareholders, ESG sustainability reports and other public information, so that customers, suppliers, employees and community residents have clear channels for reporting or reporting irregulars.	
(VI) Does the Company have established a supplier management policy that requires suppliers to comply with the relevant standards on issues such as environmental protection, occupational safety and health, or labor and human rights? And the implementation status.	V		<ol style="list-style-type: none"> 1. In order to reduce the impact of suppliers by business prohibition due to violation of laws and regulations, the company cooperates with each supplier for a long term and stable relationship. If a supplier cannot provide stable supply or delivery time, it can directly replace substitute manufacturers or other suitable alternative raw materials. 2. The main sources of raw materials for products are not monopolized by a single supplier, and long-term cooperation with suppliers has been established, with good working relationships. we also review the supplier's raw material quality from time to time and check whether there are other preferred manufacturers in the market to cooperate with the supply to diversify the risk of concentration of goods. 3. The company also has a supplier management policy for regular inspection of suppliers, ensure that the supplier's work safety and production sites in accordance with occupational safety and health laws and regulations, and promote various management mechanisms to strengthen the occupational safety and health management of suppliers. The company manages the occupational safety and health of suppliers based on the hazard notice, and establishes the supplier 	No deviation

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
			<p>qualification review system, the supplier qualification review form is issued to the supplier to fill out, and through the relevant units review and classify the "supplier qualified list", regular inspection of occupational safety of hygiene risks.</p> <p>4. The company for suppliers below the evaluation criteria after the evaluation criteria will be guided and included in the observation period for three months. If the absence cannot be improved during the observation period, it will be suspended if it does not improve (that is, suspend a single month), after the end of the suspension period is still not improved No dealings.</p> <p>5. Please refer to Page 47~ 48 of the Company's 2022 Supplier Statistics, Supplier Management Specification Items and Evaluation Results in the 2023 Sustainability Report.</p>	
V. Does the Company adopt internationally widely recognized standards or guidelines when or the preparation of the CSR reports and other reports that disclose non-financial information of the Company? Whether assurance or verification opinions have been obtained for the aforementioned reports by a third party certification unit?	V		<p>The Company has prepared "2022 All Ring Tech Sustainability Report" and other reports in accordance with internationally recognized guidelines (GRI Standards) to disclose non-financial information. Chinese and English version of such reports have also been published on the MOPS and the company website.</p> <p>The Company expects to obtain the assurance or certification of the aforesaid reports from a third party accreditation institution in the future.</p>	No deviation

Evaluation items	Current Operations (Note 1)			Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description (Note2)	
<p>VI. If the Company has established the corporate social responsibility principles based on "Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies," please describe any deviation between the principles and their implementation: The Company has established the "Corporate Social Responsibility Best-Practice Principles" based on the "Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies" and there is no deviation between the two.</p>				
<p>VII. Other important information to facilitate better understanding of the Company's of sustainable development:</p> <p>(I) To fulfill our social obligation to protect the Earth's environment, we prohibit the use of statutory hazardous materials when producing equipment. We also deliver related information to each department to ensure that the Company's products meet customer demands. In addition, the Company continues to make improvements on environmental pollution, energy, resources conservation, and waste reduction to lower potential environmental protection risks.</p> <p>(II) In addition to making generous donations during emergencies and crises in the society, the Company also encourages employees to give aid when it is needed and join the donation programs to give back to society.</p> <p>(III) Please refer to Note 4 for information on main activities of the All Ring Tech Charity and Welfare Foundation.</p>				

Note 1: If "Yes" under the "Status of Operations" is ticked off, please explain the key policies, strategies, and measures adopted and their implementation results; if "No" is ticked off, please give the reason and specify related policies, strategies, and measures to be adopted in the future.

Note 2: The company has compiled the 2022 annual ESG Sustainability Report. There Portis available on the Company's website or Public Information Observatory. The pages listed in the summary are based on the pages of the Chinese report.

Note 3: The principle of materiality refers to environmental, social and corporate governance issues that have significant impacts on the Company's investors and other stakeholders.

Note 4: Summary of activities supported by the All Ring Charitable Trust Fund:

Thematic activity	Targets	Activities
Charity events during festivals	Disadvantaged schoolchildren	Lunar New Year: 262 shares of seasonal dishes were given out to elementary schools, junior high schools, and senior high schools, totaling NT\$589,500. Mid-autumn Festival: 458 pieces of moon cakes were given out to elementary schools, junior high schools, and senior high schools, totaling NT\$173,999.
Foundation donations	Social organizations (see the right column for details)	Photonic Technology Industry Association: NT\$50,000. World Peace Foundation: NT\$20,000 Boyo Social Welfare Foundation: NT\$250,000 (All Ring NT\$200,000, Real and good beauty NT\$50,000) Positive Education Foundation: NT\$500,000 (Real and good beauty NT\$500,000) Kaohsiung City Public Library: NT\$7,000 Guanmiao Elementary School: NT\$40,000 (Flute Team

Thematic activity	Targets	Activities
		- Support for disadvantaged schoolchildren) Nan-Hui Foundation, a medical corporation: NT\$400,000 (All Ring NT\$200,000, Real and good beauty NT\$200,000) Chinese Christian Relief Association: NT\$100,000 Chinese Society of Mechanical Engineers: NT\$60,000 Liwei Foundation: NT\$250,000 (True, Good Beauty)
Emergency relief	Disadvantaged schoolchildren	Students: NT\$81,000; 4 people Breakfast for the disadvantaged students of Kaohsiung Municipal Yanchao Junior High School: NT\$30,000, 81 persons
Blood Donation Campaign	Public Welfare	Blood Donation Campaign Gifts: NT\$52,500
Scholarship	Disadvantaged schoolchildren	NT\$279,000; 66 individuals (19 students from National Tainan First Senior High School , 10 students from Kaohsiung Municipal Lujhu Senior High School, 20 students from National Kangshan Senior High School, and 17 students from Guanmiao Junior High School)
Promotion of creativity	Kunshan Creativity Competition	Competition Prize of Kunshan University of Technology: NT\$1,546,000 (All Ring Tech NT\$1,221,600, Real and good beauty NT\$330,000)
Education Promotion	Liwei Energy Competition	Competition fee sponsored by Liwei Foundation: NT\$50,000
Sports Promotion	National Youth	BEU SPORTS & ENTERTAINMENT CORP - 2023 Fong Mi National Youth Cup Football Championship: NT\$50,000
Arts and Culture Promotion	General Public	Sabadie Dance Troupe charity performance sponsorship fee: NT\$20,000 (Genuineness, Kindness, Beauty)
Summer Recreation Camp	Disadvantaged schoolchildren	NT\$34,000
Dream Come True Programs	Disadvantaged schoolchildren	Book donation: NT\$52,395 Reading: NT\$10,000 Book voucher: NT\$65,856 Dream gift for caring for the disadvantaged: NT\$55,821 (81 people)

(VII) Climate-related information for listed and OTC companies:

1 Execution status of climate-related information

Item	Execution Status
1. Description of the supervision and governance of climate-related risks and opportunities by the board of directors and management.	To effectively address climate change-related issues, the company establishes a Sustainable Development Committee as the highest organization for climate change management. It identifies stakeholders' relevant requirements and trend changes regarding climate issues, convenes relevant departments to assess and manage climate risks, and reports to the board of directors and confirms actions taken through strategy and goal setting. The Sustainable Development Committee reports greenhouse gas inventory progress to the board of directors quarterly.

Item	Execution Status																														
<p>2. Describe how identified climate risks and opportunities affect the company's business, strategies, and finances (short-term, medium-term, long-term).</p> <p>3. Describe the financial impact of extreme weather events and transition actions.</p>	<p>The company assesses the impact and occurrence timing of risk items on its finances according to climate change risk and opportunity assessment methods. The results of climate risk and opportunity identification are as follows:</p> <table border="1" data-bbox="718 347 1428 1254"> <thead> <tr> <th>Category</th> <th>Risk Item</th> <th>Timing</th> <th>Financial Impact</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Transition Risk</td> <td>Carbon Fee Collection</td> <td>Short Term</td> <td>Government-imposed carbon fees will increase operating costs.</td> </tr> <tr> <td>Customer Requirements for Renewable Energy Use</td> <td>Short Term</td> <td>Purchasing renewable energy will increase operating costs.</td> </tr> <tr> <td>Low Carbon Technology Transition</td> <td>Short Term</td> <td>Revenue will decrease due to failure to meet customer carbon management standards for suppliers.</td> </tr> <tr> <td>Increased Disclosure Requirements for Climate-Related Information</td> <td>Short Term</td> <td>Verification of climate-related information disclosure will increase management costs.</td> </tr> <tr> <td>Entity Risk</td> <td>Extreme weather events affecting energy supply</td> <td>Short Term</td> <td>Production interruptions affecting equipment delivery schedules, thereby impacting subsequent orders and revenue.</td> </tr> </tbody> </table> <p>Climate risk response measures:</p> <table border="1" data-bbox="718 1288 1428 1769"> <thead> <tr> <th>Category</th> <th>Opportunity items</th> <th>Financial Impact</th> </tr> </thead> <tbody> <tr> <td>Resilience</td> <td>Expanding the use of renewable energy Improving energy use efficiency</td> <td>Installing renewable energy equipment to reduce the demand for purchased electricity; continuously replacing high-energy-consuming equipment to lower the cost of purchased electricity.</td> </tr> <tr> <td>Market</td> <td>Obtaining sustainable-related management system certifications</td> <td>Meeting customer expectations, creating cooperation opportunities.</td> </tr> </tbody> </table>	Category	Risk Item	Timing	Financial Impact	Transition Risk	Carbon Fee Collection	Short Term	Government-imposed carbon fees will increase operating costs.	Customer Requirements for Renewable Energy Use	Short Term	Purchasing renewable energy will increase operating costs.	Low Carbon Technology Transition	Short Term	Revenue will decrease due to failure to meet customer carbon management standards for suppliers.	Increased Disclosure Requirements for Climate-Related Information	Short Term	Verification of climate-related information disclosure will increase management costs.	Entity Risk	Extreme weather events affecting energy supply	Short Term	Production interruptions affecting equipment delivery schedules, thereby impacting subsequent orders and revenue.	Category	Opportunity items	Financial Impact	Resilience	Expanding the use of renewable energy Improving energy use efficiency	Installing renewable energy equipment to reduce the demand for purchased electricity; continuously replacing high-energy-consuming equipment to lower the cost of purchased electricity.	Market	Obtaining sustainable-related management system certifications	Meeting customer expectations, creating cooperation opportunities.
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<p>4. Describe how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.</p>	<p>Conduct a materiality analysis through a sustainability-themed questionnaire to identify major climate change issues, incorporate climate change risks into management, and conduct further assessment and management. The Company references the TCFD framework to identify climate change risks and opportunities, develop response measures and target programs, aiming to mitigate the impact of climate change risks on business operations and enhance the Company's climate resilience. The identification</p>																														

Item	Execution Status
	and assessment of climate risks are convened by the Sustainable Development Department with relevant departments, gathering internal and external issues such as policy and regulation collection, market trends, and internal targets to compile a list of climate change risk issues. Through the setting of future climate scenarios, identify and analyze related risks that may be faced in the future, and conduct qualitative or quantitative analysis on potential medium to high-risk items to assess the extent of the financial impact of these risks and complete a materiality assessment analysis.
5. When using scenario analysis to assess resilience to climate change risks, explain the scenarios, parameters, assumptions, analysis factors, and main financial impacts used.	The Company currently has no quantified assessment results of the financial impacts brought by climate change risks.
6. If there are transition plans to manage climate-related risks, explain the content of the plans and the indicators and targets used to identify and manage physical risks and transition risks.	The Company currently has no quantified assessment results of the financial impacts brought by climate change risks and therefore does not have specific transition indicators.
7. If internal carbon pricing is used as a planning tool, explain the basis for pricing.	None.
8. If climate-related targets are set, explain the activities covered, the scope of greenhouse gas emissions, the planning period, and the annual progress achieved; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve related targets, explain the source and amount of carbon reduction credits offset or the number of Renewable Energy Certificates (RECs).	Please refer to this annual report [1-3 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans].
9. Greenhouse gas inventory and assurance status, reduction targets, strategies, and specific action plans (further details in 1-1 and 1-2).	Please refer to this annual report [1-1-1 Company's Greenhouse Gas Inventory and Assurance Status for the Most Recent Two Years.], [1-2 Greenhouse Gas Assurance Information] and [1-3 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans]

1-1 Company's Greenhouse Gas Inventory and Assurance Status for the Most Recent Two Years.

1-1-1 Greenhouse Gas Inventory Information.

Item	2022 years	2023 years
Category 1: Direct Greenhouse Gas Emissions (metric tons Co2e)	84.73	131.04
Category 2: Indirect Greenhouse Gas Emissions (metric tons Co2e)	887.92	742.06
Total Emissions = Category 1 + Category 2 (metric tons Co2e)	972.65	873.10
Greenhouse Gas Emission Intensity (metric tons CO2e / full-time employees)	2.83	2.49
<p>Note:</p> <ol style="list-style-type: none"> Category 1 refers to direct emissions from sources owned or controlled by the company, including stationary combustion sources, process emissions, mobile combustion sources from transportation, and fugitive emissions. Emission factors are calculated based on the latest data announced by the Bureau of Energy, Ministry of Economic Affairs, version 6.0.4 (IPCC Sixth Assessment Report). Category 2 refers to emissions from energy use, such as purchased electricity. Electricity emission factors are calculated based on the latest electricity emission factors announced by the Bureau of Energy, Ministry of Economic Affairs. Types of greenhouse gases: Carbon Dioxide (CO₂), Methane (CH₄), Nitrous Oxide (N₂O). Purchased electricity uses the electricity emission factors announced by the Bureau of Energy, Ministry of Economic Affairs. The electricity emission factors for 2022 = 0.495 kgCO₂e; for 2023 = 0.494 kgCO₂e. 		

- Note1. Direct emissions (Category 1, i.e., from sources owned or controlled by the company), energy indirect emissions (Category 2, i.e., from imported electricity, heat, or steam causing indirect greenhouse gas emissions), and other indirect emissions (Category 3, i.e., from company activities not related to energy indirect emissions, but from sources owned or controlled by other companies).
- Note2. The scope of data for direct emissions and energy indirect emissions should be handled according to the schedule specified in Article 10, Paragraph 2 of these Standards. Information on other indirect emissions may be disclosed voluntarily.
- Note3. Greenhouse Gas Inventory Standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 published by the International Organization for Standardization (ISO).
- Note4. The intensity of greenhouse gas emissions can be calculated per unit of product/service or revenue, but data calculated per revenue (NTD million) should at least be specified.

1-2 Greenhouse Gas Assurance Information

Specify the assurance status for the most recent two years up to the date of the annual report publication, including the scope of assurance, assurance institution, assurance standards, and assurance opinion.
To date, no external verification institution has been commissioned to provide assurance.

- Note1. In accordance with the schedule specified in the order under Article 10, Paragraph 2 of these regulations, if the company has not obtained a complete greenhouse gas assurance opinion by the annual report publication date, it should be noted that "complete assurance information will be disclosed in the sustainability report." If the company does not prepare a sustainability report, it should be noted that "complete assurance information will be disclosed on the Market Observation Post System," and the complete assurance information should be disclosed in the following year's annual report.
- Note2. The assurance institution should comply with the relevant regulations on sustainability report assurance institutions established by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

1-3 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Specify the baseline year and its data for greenhouse gas reduction, reduction targets, strategies, and specific action plans, as well as the achievement of reduction targets.
To date, no external verification institution has been commissioned to verify the company's greenhouse gas emissions, thus it is temporarily unable to select a baseline year or use data from that year to set reduction targets and formulate plans, and to periodically review the achievement of these targets.

- Note1. This should be handled in accordance with the schedule specified in the order under Article 10, Paragraph 2 of these regulations.
- Note2. The base year should be the year in which the audit of the consolidated financial report boundary is completed. For example, according to Article 10, Paragraph 2 of these regulations, companies with capital of NT\$10 billion or more should complete the audit of the 2024 consolidated financial report by 2025. Therefore, the base year is 2024. If a company has completed the audit of the consolidated financial report earlier, that earlier year may be used as the base year. Additionally, the data for the base year may be calculated using either a single year or an average of multiple years.

(VIII) Ethical Corporate Management - Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons Thereof:

Evaluation items	Current Operations (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
I. Establishment of ethical corporate management policies and programs (I) Does the Company establish its ethical management policy approved by the Board of Directors, clarifies it in its regulations and external documents and the commitment of Board of Directors and senior management to active implementation?	V		On 9 November 2015, the Board of Directors approved the formulation of the Code of Business Integrity and undergoing two amendments (13 June 2019 and 26 February 2020 Board of Directors). The revised version was announced at the MOSES. The company regards "people-oriented, honesty based, acting brightly, and keeping promises" as the company's operating code, and expiring employees to be honest first in their work, compete within the legal scope, and cooperate with the business with the business in justice, objective and integrity. The audit office regularly inspects and reports to the Board of Directors. The Board makes recommendations for defects and improves tracking.	No deviation
(II) Does the Company establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activity within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which shall at least include preventive measures against the behaviors as stipulated in paragraph 2, Article 7 of Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?	V		The Company has established the "Ethical Corporate Management Best-Practice Principles" and the "Ethical Management Procedures for Grievances and Reports," and employees shall not receive any inappropriate interests in their business activities. We also implement control points in the accounting system, internal control system, and ISO management regulations to prevent unethical conduct.	
(III) Does the Company specify in its prevention programs the operating procedures, guidelines, punishments for violations, and a grievance system and implement them and review the prevention programs on a regular basis?	V		The company has a "integrity business procedures grievance and report system" and open to the company's website for inquiries at any time, in order to enhance employee awareness of law compliance and business ethics, the company also regularly exercise relevant specifications and practice, review the relevant norms. The company regularly reports the company or the news reported in the monthly meeting to warn employees about cases of lawsuits, penalties and other related cases reported in the company for violation of laws and regulations. Please refer Note2.	

Evaluation items	Current Operations (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
II. Implementing ethical corporate management (I) Has the company assessed the integrity records of its business partners and specified ethical business policy in contracts with them?	V		The company will deal with suppliers and customers. If there are any signs of violation of integrity and things in the transaction process, you can directly contact the company's audit unit and submit the relevant records to our company for audit, the company will follow the complaint or report processing process. If our suppliers and customers are found any abnormal signs by our colleagues, they will also report to the audit department of the dealings and put the company on the control list.	
(II) Has the company established an exclusively (or concurrently) dedicated unit under the Board to implement ethical corporate management, and report to the Board on a regular basis (at least annually) about the ethical corporate management policies, precautionary measures against unethical conducts, as well as the implementation and supervision thereof?	V		1. The convener of this company is Assistant General Manager Ming-Chieh Tsai (approved by the Board of Directors on February 26, 2024, to serve as the Chief Corporate Governance Officer). Based on the work content of each unit, it is ensured to adhere to ethical business practices and report the implementation results and operational effectiveness to the Board of Directors in the first quarter of each year (once a year). The implementation results were reported to the Board of Directors on February 26, 2024. 2. The Company will remind directors and insiders of short-term trading, closed period before major transaction announcement and closing period before quarterly financial report announcement to avoid penalty for omission. 3. In 2023, the company for the implementation of integrity management policies such as the declaration of all employees, reporting channels and methods, the description of the protection mechanism of the examiners, please note 2.	No deviation

Evaluation items	Current Operations (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
(III) Has the Company established policies preventing conflict of interest, provided proper channels of appeal, and enforced these policies and opened channels accordingly?	V		The Company's Rules of Procedures for Board of Directors Meetings includes a director interest recusal clause which requires directors to recuse themselves from votes on resolutions when there is a conflict of interest. In addition, all Directors, Supervisors, and managers have signed Statements on Honesty and Integrity. The company's staff complaints channel is smooth, you can submit a report letter through the employee restaurant mailbox; direct complaint to the direct supervisor or management office supervisor; or follow the report mailbox in the website stakeholders area for report.	
(IV) Has the company established effective accounting systems and internal control systems to implement ethical corporate management and had its internal audit unit, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit?	V		The Company has established an effective accounting system, internal control system, and ISO management regulations which are regularly reviewed and revised to maintain the continuous effectiveness of the system design and implementation. Auditors periodically provide improvement recommendations for the accounting system, internal control system, and ISO management regulations. The annual audit process also includes checking of the Company's internal controls. So far, no major abnormalities have been found in the Company's controls.	No deviation
(V) Does the company regularly hold internal and external training related to ethical corporate management?	V		The Company organizes education and training programs for employees to ensure that they understand the Company's resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.	No deviation
III. Operation of whistle-blowing mechanisms in the Company (I) Has the Company established concrete whistle-blowing and rewarding systems and accessible whistle-blowing channels? Does the Company assign a suitable and dedicated individual for the case being exposed by the whistle-blower?	V		The Company has established the "Ethical Corporate Management Operating Procedures" and "Code of Conduct and Grievance and Complaint System" which are announced on the company website. If the Company's Director, manager, or employee discovers any violation of the operational integrity of the Company, it should be reported immediately to the Board of Directors or the audit unit. The identity of the whistle-blower and the content of the report shall be kept	No deviation

Evaluation items	Current Operations (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			confidential. The audit unit should conduct thorough investigations on all reported cases to determine the facts. If the violation is confirmed, the audit unit should coordinate with the Administration Division and take disciplinary actions according to relevant company policies. It shall also disclose the name and job position of the violator, the date and contents of the violation and the actions taken, etc. at an appropriate time. In addition, an employee shall be rewarded if he/she discovers and prevents forgery or identity fraud and minimizes loss for the Company or its clients; an employee shall be rewarded if he/she exposes or prevents fraud or any harmful incident and minimizes loss or damage to the Company; an employee shall be rewarded if he/she reports or assists in investigations on misconduct at work and prevents significant loss to the company.	

Evaluation items	Current Operations (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
(II) Has the company established standard operating procedures for the reported matters, the measures to be taken after investigation is completed, and the relevant confidential mechanism?	V		<p>Standard operating procedures for investigations are as follows:</p> <ol style="list-style-type: none"> 1. Quick response: After the company accepts a complaint or report, the audit manager shall assign appropriate personnel to conduct investigations. 2. Reporting procedures: <ol style="list-style-type: none"> a. Any report involving general employees shall be reported to the department head; any report involving a Director or senior manager shall be reported to the Board of Directors. b. The department of the company, which received the report, and the department head or the person in charge shall immediately ascertain the facts. Assistance shall be provided by the relevant department when necessary, and the opportunity for explanations should be given to the individual being accused. c. If it is confirmed that there is a violation of relevant laws or the company's ethical management policies and rules, the individual being accused shall be immediately required to stop the behavior, and appropriate measures shall be taken, and if necessary, the company shall seek compensation through legal channels to protect the company's rights and interests. d. The acceptance of the report, the investigation process, and the results shall be kept in writing or electronic file, and the relevant information shall be kept for at least seven fiscal years. If a lawsuit related to the content of the report occurs before the expiration period, the information shall be kept until the end of the lawsuit. e. If the investigation is verified, the relevant internal control system and operating procedures shall be reviewed, and 	No deviation

Evaluation items	Current Operations (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
			<p>improvement measures shall be proposed to prevent the same situation from happening again.</p> <p>f. If the case is verified and the circumstances are severe, it shall be dealt with by law or company regulations, and the appropriate reward for the informant shall be provided.</p> <p>g. The company will notify the complainant or the informant by telephone, letter, or other means within one month after the completion of the investigation.</p> <p>3. Reported cases not to be accepted Reported cases with any of the following circumstances shall not be accepted:</p> <p>a. Anonymously or with a false name, and no contact information is provided.</p> <p>b. No evidence is available for investigation.</p> <p>4. Conflict of Interest Avoidance System a. The person in charge of the case and the informant and the person being accused are within a two-degree relative relationship or have related interests, which may affect the impartial investigation. The person in charge shall be self-recused.</p> <p>5. The confidentiality mechanism is as follows:</p> <p>a. The safety of the informant shall be protected. If it is an employee of the company, protection shall be guaranteed from improper counteractions.</p> <p>b. The person in charge shall strictly safeguard the informant's identity and the content of the matter.</p>	

Evaluation items	Current Operations (Note 1)			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Description	
(III) Does the Company provide protection for whistle-blowers against receiving improper treatment?	V		The Company takes full responsibility of keeping the confidentiality of the whistle-blowers, to prevent them from inappropriate treatment for whistle-blowing cases.	No deviation
IV. Strengthening information disclosure Does the Company disclose the information of implementation and results of ethical management on its website and the MOPS?	V		The Company has established a website to disclose company status, basic information, financial, and the ESG Sustainability Report. The Company regularly discloses related information on ethical corporate management on the MOPS with promptness, openness, and transparency.	No deviation
V. Where the Company has stipulated its own ethical corporate management best practices according to the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any differences between the prescribed best practices and the actual activities taken by the Company: The Company has established "Ethical Corporate Management Principles" in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies". Related implementation does not deviate from principles established in the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies".				
VI. Other important information for better understanding of the ethical corporate management: (such as review and amendment of the principles of ethical corporate management): 1. Natural persons assigned by the Company to perform duties in accordance with the Company Act or other individuals who obtain the Company's internal material information through identity, profession, or control relationships shall exercise the due care and diligence of a good administrator and perform duties in accordance with the principles of good faith. Insiders who are aware of internal material information may not disclose such information to others. 2. The Company's certified public accountant is PwC Taiwan (PwC), who does not serve as the Company's Director. PwC conducts periodic reviews of the Company and reports to the Board of Directors each fiscal year. PwC is both professional and independent. In addition, our CPAs regularly assess major cycles and internal controls and provide recommendations on the Company's internal controls and accounting.				

Note1. Regardless of whether or not the checked box is "Yes" or "No," it should be stated in the summary description field.

Note2. The implementation of the ethical corporate management policy in 2023 is described as follows:

Events	Targets	Content
Promoting Rules and Regulations	All Staff	<p>Rules and regulations regarding Ethical Corporate Management Best Practice Principles and internal materials information were promoted in regular monthly meetings and weekly executive meetings. Real examples were provided to the colleagues as a reminder in work to prevent the occurrence of unethical conduct.</p> <p>① On January 2, 2024, during the monthly meeting, the Intellectual Property Supervisor briefed the employees on the definition of "National Core Key Technologies" and the items protected under Article 3, Paragraph 3 of the National Security Law. Additionally, the criminal liability for infringing trade secrets was reiterated to all employees during the briefing. The expected number of attendees was 294, with an actual attendance of 266, resulting in an attendance rate of 90%.</p> <p>② For new employees, education and promotion of the "Copyright Act," "Trademark Act," "Patent Act," "Trade Secrets Act," "Integrated Circuit Protection Act," and "Securities and Exchange Act," including relevant legal provisions and case studies, were conducted. As of May 7, 2024, with a total of 54 participants.</p>

Events	Targets	Content
Reporting mechanism	All Staff	Employees can feedback to the management through multiple channels. The Company has disclosed the communication channels for the stakeholders and Ethical Management Procedures for Grievances and Reports on the company website, annual reports, and ESG Sustainability reports, which provides employees with a reporting pipeline related to ethical management.
Regular evaluation	All Staff	Apply the policies of ethical corporate management in employee performance appraisal system and human resource policies to establish a clear and effective reward and discipline system.
Reporting system and informant protection	All Staff	The Company has set up a reporting system and informant protection mechanism. Please refer to Page 88-94.

(VIII) If the Company has adopted corporate governance best-practice principles or related bylaws, disclose how these are to be searched:

The Company has established and passed the "Corporate Governance Practice Principles" in the meeting of the Board of Directors and disclosed them on MOPS.

(IX) Other Important Information to Facilitate Better Understanding of the Company's Corporate Governance shall be all Disclosed.:

The Company has established the Regulations on Prevention of Insider Trading and internal major information handling and insider transaction prevention management operating procedures as the basis of the Company's processing of material information and disclosure mechanisms. We also review the Regulations from time to time to comply with regulatory requirements and actual management.

(X) Implementation of the Internal Control System:

1. Statement of Internal Control: Please refer to Page 96.
2. Where CPAs are commissioned to audit the Company's internal control systems, the audit report prepared by the CPAs shall be disclosed: Not applicable.

(XI) Any legal penalty against the Company or its internal personnel, or any disciplinary penalty by the Company against its internal personnel for violation of the internal control system, during the most recent fiscal year or during the current fiscal year up to the publication date of the annual report, the main shortcomings, and condition of improvement: None.

(XII) Critical resolutions made during shareholders and Board of Directors' meetings in recent years and up to the publication date of this annual report: Please refer to Page 28-33.

(XIII) Major content of any dissenting opinions on entry or stated in a written statement made by directors or Supervisors regarding key resolutions of board meetings during the past fiscal year up to the publication date of this report: No such occurrences.

(XIV) Any Resignation or Dismissal of the Company's Chairman, President, Accounting Manager, Financial Executive, Internal Audit Manager, and Research and Development Executive during the Most Recent Year up to the Publication Date of the Annual Report:

Title	Name	Date of Appointment	Date of Dismissal	Reasons for Resignation or Dismissal
President	Hsin-Yao Cheng	2010.10.01	2023.05.31	Retirement
Internal Audit Officer	Ya-Jung Su	2022.01.27	2023.08.08	Position Adjustment
Corporate Governance Officer	Ming-Chieh Tsai	2019.02.26	2024.02.29	Retirement

ALL RING TECH CO., LTD.

Statement of Internal Control System

Date: February 26, 2024

Based on the self-evaluation of internal control system of the Company in 2023, we hereby state that:

- I. The Company's Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system, and such a system has been established. The purpose of establishing the internal control system is to reasonably ensure the achievement of the following aims: (a) The effectiveness and efficiency of business operation (including the aims of profit, achievement and protection of asset security); (b) The reliability, timeliness, transparency and its compliant with relevant specifications of reports; and (c) The compliance of the relevant laws/regulations.
- II. Due to the innate limitation in designing a faultless internal control system, this system can only assure the reasonableness of the above three objectives have been fairly achieved. In addition, the effectiveness of internal control system could alter over time due to the change of business environment or situation. Since the Company's internal control system is provided with a self-monitoring mechanism, the Company will take corrective actions in response to any identified deficiencies.
- III. The evaluation of effectiveness of the internal control system design and implementation is made in accordance with the Guidelines for the Establishment of Internal Control Systems by Public Companies (the Guidelines). Internal control systems adopted in these Regulations shall comprise the following five constituent elements according to the management and control process: (1) Control environment, (2) Risk assessment, (3) Control activities, (4) Information and communication, and (5) Monitoring activities. Each factor also includes several items. Please refer to the Guidelines for the preceding items.
- IV. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
- V. The examination result indicated that the Company's internal control system (including subsidiary governance) dated December 31, 2023 has effectively assured that the following objectives have been reasonably achieved during the assessing period: The degree that effectiveness and efficiency of business operation; The reliability, timeliness, transparency and its compliance of the relevant laws/regulations.
- VI. This Statement is a significant part of the Company's annual report and prospectus available to the general public. If it contains false information or omits any material content, the Company is in violation of Article 20, Article 32, Article 171 and Article 174 set forth in the Security and Exchange Act.
- VII. This Statement was passed by the Board of Directors in their meeting held on February 26, 2024, with none of the nine attending Directors(including one proxy) expressing dissenting opinions, and the rest all agreed the content of this Statement.

ALL RING TECH CO., LTD.

Chairman: Ching-Lai Lu

President: Cheng-En Ou

IV. Information on CPA Professional Fees

Range of CPA professional fees

Name of Accounting Firm	Name of CPAs		Audit Period	Note
PwC Taiwan	Yung-Chih Lin	Tzu-Yu Lin	January 1, 2023 to March 31, 2023	None
PwC Taiwan	Hui-Yu Hsu	Tzu-Yu Lin	April 1, 2023 to December 31, 2023	Internal Rotation within the Firm

Monetary unit: NT\$ thousand

Professional Fees Range of the Amount		Audit Fee	Non-audit fees	Total
1	Less than NT\$2,000,000	-	V	-
2	NT\$2,000,000 (inclusive) ~ NT\$4,000,000	V	-	-
3	NT\$4,000,000 (inclusive) ~ NT\$6,000,000	-	-	-
4	NT\$6,000,000 (inclusive) ~ NT\$8,000,000	-	-	-
5	NT\$8,000,000 (inclusive) ~ NT\$10,000,000	-	-	-
6	NT\$10,000,000 above (inclusive)	-	-	-

CPAs' fees shall be disclosed if one of the following takes places:

The amounts of the audit fees and non-audit fees paid to the attesting certified public accountants and to the accounting firm to which they belong and to any affiliated enterprises as well as the details of non-audit services

In case on any matters below, it shall be disclosed:

- (I) If the non-audit fees paid to the CPAs, their accounting firm and affiliated companies of their accounting firm exceed one-fourth of the audit fees paid to them, the amount of audit and non-audit fees, and the content of non-audit services shall be disclosed:

Information on CPA Professional Fees

Monetary unit: NT\$ thousand

Name of Accounting Firm	Name of CPAs	Audit Fee	Non-audit fees					During the accountant's audit period	Remarks
			System design	Com-mercial registra-tion	Human resources	Others	Sub-total		
PwC Taiwan	Hui-Yu Hsu	3,050	0	442	0	479	921	January 1 to December 31, 2023	The other expenses include a tax fee of NT\$250 thousand, typing, printing, binding, travel expenses of NT\$189 thousand, and transfer pricing public fee of NT\$40 thousand, totaling NT\$479 thousand.
	Tzu-Yu Lin								

(II) When the Company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the reduction in the amount of audit fees, reduction percentage, and reasons therefore shall be disclosed: None.

(III) Amount, percentage and reasons of decrease where the audit fees are lower than the previous fiscal year by 10% or more: None.

V. Information on Change of CPA: Internal Rotation within the Firm.

VI. The Company's Chairman, President or any Managerial Officer in Charge of Finance or Accounting Matters Has in the Most Recent Year Held a Position at the Accounting Firm of Its Certified Public Accountant or at an Affiliated Enterprise of Such Accounting Firm: None.

VII. The State of Any Transfer of Equity Interests And/or Pledge of or Change in Equity Interests by a Director, Managerial Officer, or Shareholder with a Stake of More than 10 Percent During the Most Recent Fiscal Year or During the Current Fiscal Year up to the Date of Publication of the Annual Report

(I) Changes in equity of Directors, managerial officers and substantial shareholders

Unit: shares

Title (Note 1)	Name	2023		Current Fiscal Year up to May 21, 2024	
		Change in Shares Held	Increase/Decrease of Pledged Shares	Change in Shares Held	Increase/Decrease of Pledged Shares
Chairman	Ching-Lai Lu	268,000	-	-	-
Director	Cheng-En Ou	100,000	-	-	-
Directors	Li Chiao Investment Co., Ltd.	320,000	-	-	-
Representative Director	Yu-Ru Chong	20,000	-	-	-
Directors	Ching-Han Chiu Huang	343,000	-	-	-
Directors	Jin-Cheng Investment Co., Ltd.	-	-	-	-
Representative Director	Chin-Shu Tsai	-	-	-	-
Directors	Chien-Chang Chen	-	-	-	-
Directors	Ming-Hsien Li	-	-	-	-
Directors	Cho-Hua Kuang	-	-	-	-
Directors	Huan-Ming Chou	-	-	-	-

Title (Note 1)	Name	2023		Current Fiscal Year up to May 21, 2024	
		Change in Shares Held	Increase/Decrease of Pledged Shares	Change in Shares Held	Increase/ Decrease of Pledged Shares
President	Cheng-En Ou	100,000	-	-	-
Vice President	Ming-Tsung Kuo	30,000	-	-	-
Vice President	Cheng-Yen Chiang	30,000	-	-	-
Vice President	Shih-Lung Yeh	30,000	-	-	-
Associate Manager	Heng-Hui Liu	20,000	-	-	-
Associate Manager	Hui-Chen Hung	15,000	-	-	-
Associate Manager	Hsiao-Mei Wang	15,000	-	-	-
Associate Manager	Ming-Chieh Tsai	10,000	-	-	-
Associate Manager	Chun-Hung Tsai	10,000	-	-	-
Associate Manager	Ching-Te Huang	8,000	-	-	-
Associate Manager	Chih-Yu Liu	10,000	-	-	-

Note1. The Company does not have shareholders who hold more than 10% of the Company's total shares.

(II) Information regarding the transfer of shares with the counterparty being the related party:
There were no such occurrences, and it is therefore not applicable.

(III) Information on the counterparty which is a related party in the pledge of equity interests:
No such occurrences and not applicable.

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

Unit: shares;% ; April 20, 2024

Name	Shares held by shareholders		Shares Held by Spouse and Minor Children		Total Shareholding through Nominees		Name and Relationships of the Top 10 Shareholders Where They are Related Parties, Spouses, or Relatives within the Second Degree of Kinship to Another		Remarks
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Title (or Name)	Relationship	-
Li Chiao Investment Co., Ltd.	7,684,625	8.53%	-	-	-	-	-	-	Director of the Company
Representative : Yu-Ru Chong	358,438	0.40%	4,025,283	4.47%	-	-	Ching-Lai Lu	Ching-Lai Lu is the spouse of the representative of the said company	-
							Sheng-Guan Investment Co., Ltd.	The representative of Sheng-Guan Investment Co., Ltd. is the daughter of the representative of said company	-
Ching-Lai Lu	4,025,283	4.47%	358,438	0.40%	7,684,625	8.53%	Li Chiao Investment Co., Ltd.	The representative of Li Chiao Investment Co., Ltd. is the spouse of Ching-Lai Lu.	Director of the Company
							Sheng-Guan Investment Co., Ltd.	The representative of Sheng-Guan Investment Co., Ltd. is the daughter of Ching-Lai Lu.	
Hsiang-Yin Hou	3,310,000	3.67%	-	-	-	-	-	-	-

Name	Shares held by shareholders		Shares Held by Spouse and Minor Children		Total Shareholding through Nominees		Name and Relationships of the Top 10 Shareholders Where They are Related Parties, Spouses, or Relatives within the Second Degree of Kinship to Another		Remarks
	Number of Shares	Share-holding Ratio	Number of Shares	Share-holding Ratio	Number of Shares	Share-holding Ratio	Title (or Name)	Relationship	
Chien-Chang Chen	2,732,431	3.03%	-	-	-	-	-	-	Director of the Company
Hong Kong and Shanghai Banking Corporation Limited, Trustee for Morgan Stanley International Limited Account	2,380,537	2.64%							
Sheng-Guan Investment Co., Ltd.	2,182,789	2.42%	-	-	-	-	-	-	-
Representative : Hui-Hsuan Lu	342,322	0.38%	-	-	-	-	Li Chiao Investment Co., Ltd.	The representative of Li Chiao Investment Co., Ltd. is the mother of the representative of the said company.	-
							Ching-Lai Lu	Ching-Lai Lu is the father of the representative of the said company.	-
Citibank (Taiwan) Commercial Bank entrusted custody Norway Central Bank	1,938,000	2.15%	-	-	-	-	-	-	-

Name	Shares held by shareholders		Shares Held by Spouse and Minor Children		Total Shareholding through Nominees		Name and Relationships of the Top 10 Shareholders Where They are Related Parties, Spouses, or Relatives within the Second Degree of Kinship to Another		Remarks
	Number of Shares	Share-holding Ratio	Number of Shares	Share-holding Ratio	Number of Shares	Share-holding Ratio	Title (or Name)	Relationship	
MasterLink Securities Corp	1,833,853	2.04%	-	-	-	-	-	-	-
Treasury Stock Account of the Company	1,768,000	1.96%	-	-	-	-	-	-	-
Jin-Cheng Investment Co., Ltd.	1,710,000	1.90%	-	-	-	-	-	-	Director of the Company
Representative : Chin-Shu Tsai	10,000	0.01%	-	-	-	-	-	-	-

IX. Number of Shares Held by the Company, Directors, Managers and Entities Directly or Indirectly Controlled by the Company in the Same Reinvestment Entity as well as Consolidated Shareholding Ratio:

December 31, 2023; Units: thousand shares; %

Investee	Investment by the Company		Investment by Directors, Managerial Officers, and Entities either Directly or Indirectly Controlled by the Company		Total Investment	
	Number of Shares	Share-holding Ratio	Number of Shares	Share-holding Ratio	Number of Shares	Share-holding Ratio
PAI FU INTERNATIONAL LIMITED	1,930	100%	-	-	1,930	100%
(Note 1)	5,220	71.60%	2,070	28.40%	7,290	100%
All Ring Tech USA LLC	1,000,000	100%	-	-	1,000,000	100%
ALL RING TECH Japanese Corporation	4,250	100%	-	-	4,250	100%
Uniring Tech Co., Ltd.	10,856	100%	-	-	10,856	100%
Kunshan All Ring Tech Co., Ltd. (Note 2)	-	-	-	100%	-	100%
All Ring Tech (Kunshan) Co., Ltd. (Note 3)	-	-	-	100%	-	100%

Note1. The 28.40% shares in Imagine Group Limited is held by the Company through the subsidiary Pai Fu International Limited in an indirect investment.

Note2. The shares in Kunshan All Ring Tech Co., Ltd. is held by the Company through the subsidiary PAI FU International Limited in an indirect investment.

Note3. The shares in All Ring Tech (Kunshan) Co., Ltd. is held by the Company through the subsidiary Imagine Group Limited in an indirect investment.

Chapter 4 Funding Status

I. Capital and Shares

(I) Capital and Shares

Unit: shares; April 20, 2024

Type of Shares	Authorized capital			Remarks
	Outstanding Shares	Unissued Shares	Total	
Registered Ordinary Shares (TPEX Listed Shares)	90,108,132	59,891,868	150,000,000	-

(II) Sources of Capital

April 20, 2024 Unit: Share; NT\$

Month/Year	Issue price	Authorized capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Sources of Capital	Capital increased by assets other than cash	Others
May 1996 (Note 1)	10	1,000,000	10,000,000	1,000,000	10,000,000	Capital stock at founding	None	None
July 1999 (Note 2)	10	4,000,000	40,000,000	4,000,000	40,000,000	Capital increase by cash	None	None
July 2000 (Note 3)	10	36,000,000	360,000,000	13,120,000	131,200,000	Capital increase by earnings and cash	None	None
June 2001 (Note 4)	10	36,000,000	360,000,000	20,417,078	204,170,780	Capital increase by earnings and employee bonus	None	None
July 2002 (Note 5)	10	36,000,000	360,000,000	26,000,000	260,000,000	Capital increase by earnings and employee bonus	None	None
July 2003 (Note 6)	10	56,000,000	560,000,000	32,000,000	320,000,000	Capital increase by earnings and employee bonus	None	None
October 2003 (Note 7)	10	56,000,000	560,000,000	32,073,768	320,737,680	Conversion of corporate bonds	None	None
February 2004 (Note 8)	10	56,000,000	560,000,000	35,032,717	350,327,170	Conversion of corporate bonds	None	None
April 2004 (Note 9)	10	56,000,000	560,000,000	37,036,791	370,367,910	Conversion of corporate bonds	None	None
July 2004 (Note 10)	10	68,000,000	680,000,000	39,639,247	396,392,470	Conversion of corporate bonds	None	None
August 2004 (Note 11)	10	68,000,000	680,000,000	43,772,558	437,725,580	Capital increase by earnings and employee bonus	None	None

Month/Year	Issue price	Authorized capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Sources of Capital	Capital increased by assets other than cash	Others
October 2004 (Note 12)	10	68,000,000	680,000,000	46,010,415	460,104,150	Corporate bond conversion and employee stock options	None	None
January 2005 (Note 13)	10	68,000,000	680,000,000	46,014,939	460,149,390	Conversion of corporate bonds	None	None
April 2005 (Note 14)	10	68,000,000	680,000,000	46,387,939	463,879,390	Employee stock options	None	None
August 2005 (Note 15)	10	68,000,000	680,000,000	51,887,939	518,879,390	Capital increase by earnings and employee bonus	None	None
December 2005 (Note 16)	10	68,000,000	680,000,000	51,111,939	511,119,390	Cancellation of treasury shares	None	None
March 2006 (Note 17)	10	68,000,000	680,000,000	52,723,299	527,232,990	Corporate bond conversion and employee stock options	None	None
June 2006 (Note 18)	10	68,000,000	680,000,000	52,827,648	528,276,480	Corporate bond conversion and employee stock options	None	None
December 2006 (Note 19)	10	68,000,000	680,000,000	52,947,648	529,476,480	Employee stock options	None	None
August 2007 (Note 20)	10	68,000,000	680,000,000	52,405,648	524,056,480	Canceled treasury shares and exercised employee stock options	None	None
October 2007 (Note 21)	10	68,000,000	680,000,000	52,755,648	527,556,480	Employee stock options	None	None
March 2008 (Note 22)	10	68,000,000	680,000,000	52,920,648	529,206,480	Employee stock options	None	None
June 2008 (Note 23)	10	68,000,000	680,000,000	54,298,225	542,982,250	Corporate bond conversion and employee stock options	None	None
August 2008 (Note 24)	10	68,000,000	680,000,000	57,790,975	577,909,750	Capital increase by earnings and employee bonus	None	None
October 2008 (Note 25)	10	68,000,000	680,000,000	58,060,475	580,604,750	Employee stock options	None	None
December 2008 (Note 26)	10	68,000,000	680,000,000	57,074,475	570,744,750	Cancellation of treasury shares	None	None
March 2009 (Note 27)	10	68,000,000	680,000,000	60,064,402	600,644,020	Capital increase by earnings and employee bonuses, and employee stock options	None	None

Month/Year	Issue price	Authorized capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Sources of Capital	Capital increased by assets other than cash	Others
October 2009 (Note 28)	10	68,000,000	680,000,000	60,946,402	609,464,020	Employee stock options	None	None
December 2009 (Note 29)	10	68,000,000	680,000,000	61,581,402	615,814,020	Employee stock options	None	None
March 2010 (Note 30)	10	68,000,000	680,000,000	61,876,402	618,764,020	Employee stock options	None	None
June 2010 (Note 31)	10	68,000,000	680,000,000	62,203,902	622,039,020	Employee stock options	None	None
September 2010 (Note 32)	10	68,000,000	680,000,000	62,871,902	628,719,020	Employee stock options	None	None
December 2010 (Note 33)	10	68,000,000	680,000,000	63,623,902	636,239,020	Employee stock options	None	None
March 2011 (Note 34)	10	68,000,000	680,000,000	64,102,902	641,029,020	Employee stock options	None	None
June 2011 (Note 35)	10	68,000,000	680,000,000	64,202,902	642,029,020	Employee stock options	None	None
July 2012 (Note 36)	10	110,000,000	1,100,000,000	80,202,902	802,029,020	Capital increase by private placement	None	None
October 2013 (Note 37)	10	110,000,000	1,100,000,000	80,723,902	807,239,020	Employee stock options	None	None
April 2015 (Note 38)	10	110,000,000	1,100,000,000	80,367,902	803,679,020	Cancellation of treasury shares	None	None
August 2015 (Note 39)	10	110,000,000	1,100,000,000	86,367,902	863,679,020	Capital increase by cash	None	None
December 2015 (Note 40)	10	110,000,000	1,100,000,000	85,335,902	853,359,020	Cancellation of treasury shares	None	None
August 2016 (Note 41)	10	110,000,000	1,100,000,000	84,238,902	842,389,020	Cancellation of treasury shares	None	None
March 2019 (Note 42)	10	110,000,000	1,100,000,000	83,323,902	833,239,020	Cancellation of treasury shares	None	None
June 2019 (Note 43)	10	150,000,000	1,500,000,000	83,323,902	833,239,020	Increase in authorized capital	None	None
March 2024 (Note 44)	10	150,000,000	1,500,000,000	85,616,816	856,168,160	Conversion of corporate bonds	None	None

Note1. In 1998, the denomination of each share is changed to NT\$10 as approved by the Ministry of Economic Affairs.

Note2. Approved by the Ministry of Economic Affairs, July 21, 1999 MOE (088) No. 650738.

Note3. Approved by the Ministry of Economic Affairs, August 21, 2000 MOE (089) No. 089130640.

Note4. Approved by the Ministry of Finance and Financial Supervisory Commission MOF (90) I No. 133646.

Approved by the Ministry of Economic Affairs, August 27, 2001 MOE (090) No. 09001225660.

Note5. Approved by the Ministry of Finance and Financial Supervisory Commission MOF (91) I No. 131489.

Approved by the Ministry of Economic Affairs, July 24, 2002 MOE (090) No. 09101290460.

Note6. Approved by the Ministry of Finance and Financial Supervisory Commission MOF (92) I No. 127403.

Approved by the Ministry of Economic Affairs, July 31, 2003 MOE (092) No. 09232441840.

Note7. Approved by the Ministry of Economic Affairs, Oct. 30, 2003 MOE No. 09232880610.

Note8. Approved by the Ministry of Economic Affairs, Feb. 06, 2004 MOE No. 09331635630.

Note9. Approved by the Ministry of Economic Affairs, Apr. 12, 2004 MOE No. 09331960710.

Note10. Approved by the Ministry of Economic Affairs, July. 27, 2004 MOE No. 09332480260.

- Note11. Approved by the Securities and Futures Bureau, Financial Supervisory Commission, SFB FSC (93) No. 0930129953. Approved by the Ministry of Economic Affairs, Aug. 20, 2004 MOE No. 09332598060.
- Note12. Approved by the Ministry of Economic Affairs, Oct. 19, 2004 MOE No. 09332867260.
- Note13. Approved by the Ministry of Economic Affairs, Jan. 17, 2005 MOE No. 09431567540.
- Note14. Approved by the Ministry of Economic Affairs, Apr. 18, 2006 MOE No. 09431982830.
- Note15. Approved by the Ministry of Economic Affairs, Aug. 29, 2005 MOE No. 09401168630.
- Note16. Approved by the Ministry of Economic Affairs, Jan. 20, 2006 MOE No. 09501010470.
- Note17. Approved by the Ministry of Economic Affairs, Apr. 18, 2006 MOE No. 09501069810.
- Note18. Approved by the Southern Taiwan Science Park Bureau, Jul. 28, 2006, STSPB No. 0950015926.
- Note19. Approved by Southern Taiwan Science Park Bureau, Jan. 29, 2007, STSPB No. 0960001151.
- Note20. Approved by the Southern Taiwan Science Park Bureau, Aug. 7, 2007, STSPB No. 0960018286.
- Note21. Approved by Southern Taiwan Science Park Bureau, Oct. 30, 2007, STSPB No. 0960023580.
- Note22. Approved by Southern Taiwan Science Park Bureau, Apr. 25, 2008, STSPB No. 0970009001.
- Note23. Approved by Southern Taiwan Science Park Bureau, Jul. 31, 2008, STSPB No. 0970018441.
- Note24. Approved by Southern Taiwan Science Park Bureau, Aug. 07, 2008, STSPB No. 0970018332.
- Note25. Approved by the Southern Taiwan Science Park Bureau, Oct. 22, 2008, STSPB No. 0970024976.
- Note26. Approved by the Southern Taiwan Science Park Bureau, Dec. 31, 2008, STSPB No. 0970031043.
- Note27. Approved by the Southern Taiwan Science Park Bureau, Aug. 17, 2009, STSPB No. 0980018683.
- Note28. Approved by Southern Taiwan Science Park Bureau, Oct. 23, 2009, STSPB No. 0980023532.
- Note29. Approved by Southern Taiwan Science Park Bureau, Jan. 20, 2009, STSPB No. 0990001076.
- Note30. Approved by the Southern Taiwan Science Park Bureau, Apr. 26, 2010, STSPB No. 0990008342.
- Note31. Approved by Southern Taiwan Science Park Bureau, Jul. 21, 2010, STSPB No. 0990015405.
- Note32. Approved by Southern Taiwan Science Park Bureau, Oct. 18, 2010, STSPB No. 0990022963.
- Note33. Approved by the Southern Taiwan Science Park Bureau, Jan. 21, 2011, STSPB No. 1000001416.
- Note34. Approved by the Southern Taiwan Science Park Bureau, Apr. 19, 2011, STSPB No. 1000009317.
- Note35. Approved by Southern Taiwan Science Park Bureau, Jul. 20, 2006, STSPB No. 1000017682.
- Note36. Approved by Southern Taiwan Science Park Bureau, Jul. 31, 2012, STSPB No. 1010018465.
- Note37. Approved by the Southern Taiwan Science Park Bureau, Oct. 16, 2013, STSPB No. 1020025715.
- Note38. Approved by the Southern Taiwan Science Park Bureau, Apr. 14, 2015, STSPB No. 1040008703.
- Note39. Approved by the Southern Taiwan Science Park Bureau, Aug. 03, 2015, STSPB No. 1040019179.
- Note40. Approved by the Southern Taiwan Science Park Bureau, Dec. 14, 2015, STSPB No. 1040031579.
- Note41. Approved by the Southern Taiwan Science Park Bureau, Aug. 12, 2015, STSPB No. 1050020562.
- Note42. Approved by the Southern Taiwan Science Park Bureau, Mar. 11, 2019, STSPB No. 1080006419.
- Note43. Approved by the Southern Taiwan Science Park Bureau, Jun. 28, 2019, STSPB No. 1080017540.
- Note44. Approved by the Southern Taiwan Science Park Bureau, Mar. 19, 2024, STSPB No. 1130007604.

II. Shareholder Structure

Unit: person; shares; April 20, 2024

Shareholder Structure	Government Agencies	Banking Agencies	Other Legal Entities	Individuals	Foreign Institutions and Foreign Individuals	Total
Quantity						
Number of People	-	-	287	25,610	56	25,953
Number of Shares Held	-	-	25,715,543	55,012,507	9,380,082	90,108,132
Shareholding Ratio	-	-	28.539%	61.052%	10.409%	100.00%

Note1. Note: The TWSE/TPEX primary listed companies and companies registered on the TPEX Emerging Stock Board shall disclose the percentage of shares held by investors from China: None.

III. Dispersion of Equity Ownership

1. Ownership dispersion of common stock:

Unit: Person; share; par value of each share at NT\$10; April 20, 2024

Shareholder Ownership	Number of shareholders	Number of Shares Held	Shareholding Ratio (%)
1 to 999	18,579	512,427	0.569
1,000 to 5,000	6,324	10,601,941	11.766
5,001 to 10,000	467	3,707,991	4.115
10,001 to 15,000	154	2,014,365	2.235
15,001 to 20,000	104	1,906,029	2.115
20,001 to 30,000	82	2,062,448	2.289
30,001 to 40,000	46	1,667,659	1.851
40,001 to 50,000	31	1,464,492	1.625
50,001 to 100,000	65	4,563,914	5.065
100,001 to 200,000	39	5,444,979	6.043
200,001 to 400,000	27	7,539,082	8.367
400,001 to 600,000	10	5,163,922	5.731
600,001 to 800,000	8	5,490,000	6.093
800,001 to 1,000,000	2	1,804,265	2.002
1,000,001 or more	15	36,164,618	40.135
Total	25,953	90,108,132	100.00

2. Dispersion of preferred stock ownership: No preferred stock has been issued.

IV. List of Major Shareholders (Shareholding Ratio 5% or More or Top Ten Shareholders)

Unit: shares; April 20, 2024

Shareholding Name of Major Shareholders	Number of Shares Held	Shareholding Ratio
Li Chiao Investment Co., Ltd.	7,684,625	8.53%
Ching-Lai Lu	4,025,283	4.47%
Hsiang-Yin Hou	3,310,000	3.67%
Chien-Chang Chen	2,732,431	3.03%
Hong Kong and Shanghai Banking Corporation Limited, Trustee for Morgan Stanley International Limited Account	2,380,537	2.64%
Sheng-Guan Investment Co., Ltd.	2,182,789	2.42%
Citibank (Taiwan) Commercial Bank acts as trustee for the investment account of the Central Bank of Norway	1,938,000	2.15%
MasterLink Securities Corp	1,833,853	2.04%
Treasury Stock Account of the Company	1,768,000	1.96%
Jin-Cheng Investment Co., Ltd.	1,710,000	1.90%

V. Market Prices, Net Worth Per Share, Earnings Per Share, Dividends Per Share and Related Information in the Most Recent Two Fiscal Years

Unit: NT\$ thousand; thousand shares

Item		Year	2022	2023	As of March 31, 2024
		Market Price Per Share Market Price (Note 1)	Highest		156.50
Lowest			53.70	60.20	136.5
Average			93.00	97.55	210.5
Market Price Per Share Net value (Note 2)	Before Distribution		30.19	30.43	41.1
	After distribution		27.09	28.82	N/A
Earnings per share	Weighted average shares		80,556	81,556	82,387
	Earnings per share (Note 8)		6.15	1.7	2.07
Market Price Per Share per Share	Cash dividends		3.1	(Note 7)	N/A
	Stock Grants	Dividends from Retained Earnings	-	(Note 7)	N/A
		Dividends from capital reserve	-	(Note 7)	N/A
	Accumulated unpaid dividend (Note 3)		-	-	N/A
	Price-to-earnings ratio (Note 4)		15.12	57.38	N/A
Return on investment (ROI) analysis	Price-to-dividends ratio (Note 5)		30.00	(Note 7)	N/A
	Yield on cash dividend (Note 6)		3.33	(Note 7)	N/A

* If there are earnings or capital surplus transferred to stock dividends, the retrospective adjustments of the market prices and cash dividends based on the number of issued shares shall be disclosed.

Note 1: List the highest and lowest market price of common shares for each fiscal year and calculate the average market price for each fiscal year based on trading value and volume in each fiscal year.

Note 2: Please fill these rows based on the number of shares that have been issued at the end of the fiscal year and the distribution plan approved at the Shareholders' Meeting in the subsequent fiscal year.

Note 3: If the terms of issuance of the equity securities provide that any dividends declared but not paid may be carried forward until the year when the Company makes profit, the amount of accrued unpaid dividends as at the end of such fiscal year shall be disclosed.

Note 4: Price/earnings ratio = Average closing price per share for the current fiscal year/earnings per share.

Note 5: Price/dividend ratio = Average closing price per share for the current fiscal year/cash dividend per share.

Note 6: Cash dividend yield = Cash dividend per share/average closing price per share for the current fiscal year.

Note 7: The earnings distribution proposal has not been approved by the shareholders' meeting.

Note 8: For net asset value per share and earnings per share, data from the most recent quarter that has been audited (reviewed) by CPAs as of the publication date of this annual report should be filled. For other fields in this column, data from the current fiscal year as of the publication date of this annual report should be filled.

VI. Company's Dividend Policy and Implementation Thereof

(I) Dividend policy:

As the Company faces an ever changing industrial environment and the business is at a steady growth stage, the Board of Director shall take into consideration the budget for future capital expenditure and funds needed and weigh the necessity of allocating earnings to support capital needs when deciding on the amount of surplus to be retained or distributed and the amount of dividend to be paid in cash. Each fiscal year, the Company shall, after paying taxes and making up for losses, set aside 10 percent of its earnings if any for a legal reserve in accordance with relevant laws or regulations. A special reserve shall also be set aside. The rest of the earnings, plus the accumulated undistributed earnings of the previous fiscal year, shall make for the distributable earnings. At least 30 percent of the distributable earnings shall be allocated to shareholders as bonuses. Among which, cash dividends shall not be less than 10 percent of the total dividends allocated. The Board of Directors shall, based on relevant factors such as future business or re-investment, propose the distribution of earnings, and submit the proposal to the shareholders' meeting for approval.

(II) Dividend distribution to be proposed to the Shareholders' Meeting:

- (1) The Board of Directors of the Company passed the profit distribution plan for 2023 on February 26, 2024, distributing cash dividends of NT\$87,000,000; and distributing cash dividends from capital surplus of NT\$43,500,000.
- (2) Cash dividends are distributed to the nearest integer (with decimal fractions rounded down), and any remaining fraction less than one unit shall be included in other income of the Company.
- (3) If there are changes in the outstanding shares due to the conversion of convertible bonds, repurchase of treasury stocks, transfer of treasury stocks, exercise of employee stock options, or other reasons, resulting in changes in the dividend and bonus distribution rate for shareholders, the Board of Directors proposes to authorize the Board of Directors to handle this matter with full authority and to announce it separately at the shareholders' meeting.

VII. Effect upon Business Performance and Earnings per Share of Any Stock Dividend Distribution Proposed or Adopted at This Shareholders' Meeting:

Not applicable as the Board of Directors proposed to allocate cash dividends in full.

VIII. Remuneration to the Employee and Directors

- (I) The percentages or ranges with respect to employee and director compensations, as set forth in the Company's Articles of Incorporation:

The Company's Article 20-1 of Incorporation stipulates that the Company shall allocate no more than 3 percent of its annual profits for compensations to the directors and no less than 3 percent for compensations to the employees.

In addition to referencing the Company's overall performance, future business risks of the industry, and development trends, the Company also considers personal performance achievement rates and the level of contribution to the Company's performance to provide a reasonable amount of remuneration. The Company also reviews the remuneration system based on actual business operations and related laws to maintain a balance between sustainable management and risk management. Please refer to the description on Pages 15-18 for the remuneration

- (II) The basis for estimating the amount of employee, Director, and Supervisor compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

When there is a discrepancy between the actual amount to be distributed as determined at the shareholders' meeting and the estimated amount, the difference shall be treated as a change in accounting estimate and shall be listed as a profit or loss in the following fiscal year.

- (III) Information on Allocation of Compensation Approved by the Board of Directors:

(1) The amount of any employee compensation distributed in cash or stocks and Director/Supervisor compensation. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed: On February 26, 2024, the Board of Directors made a resolution to distribute NT\$10,785,000 for employee compensation and NT\$1,960,844 for compensations of Directors in cash. There was no difference between this and the amount estimated for 2023.

(2) The amount of any employee compensation distributed in stocks as a percentage of the sum of the current after-tax net income and total employee compensation: The employees' compensation for the year 2023 and 2022 was determined by the Board of Directors to be fully allocated in cash and therefore this does not apply.

- (IV) The actual distribution of employee, Director, and Supervisor compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, Director, or Supervisor compensation, additionally the discrepancy, cause, and how it is treated:

On February 22, 2023, the Company's Board of Directors resolved on the distribution of 2022 compensation for employees and Directors/Supervisors in the amount of NT\$26,610,000 and NT\$7,483,003 respectively in cash. There was no difference between these amounts and the amounts estimated for 2022.

IX. Share Repurchase:

As of December 31, 2023

Term of repurchase	9th repurchase	10th repurchase
Purpose of repurchase	Shares Transferred to Employees	Shares Transferred to Employees
Repurchase period	March 19, 2020 - May 15, 2020	August 12, 2022 -October 7, 2022
Repurchase price range	NT\$21~NT\$60	NT\$55~NT\$110
Actual number of shares bought back	1,870,000 shares	898,000 shares
Actual amount of shares bought back	NT\$66,448,500	NT\$67,901,446
The average buyback price per share	NT\$35.53	NT\$75.61
Number of Shares Transferred to Employees (Note 2)	1,000,000 shares	0 shares
Accumulated shares held in the Company	870,000 shares	1,768,000 shares
Accumulated shares percentage held in the Company. To the total number of shares issued (%) (Note 3)	1.04%	2.12%

Note 1. The shares purchased by the Company for the purpose of transferring shares to employees shall be transferred in full within five years from the date of repurchase. If the shares are not transferred within the time limit, they shall be deemed as unissued shares of the Company, and the registration for change of eliminating shares shall be handled in accordance with the law.

Note 2. On June 2, 2023, the Board of Directors resolved to approve the transfer of treasury stocks to employees. The number of shares transferred was 1,000,000, and the payment was completed on June 27, 2023, along with relevant reporting procedures.

Note 3. The total issued shares amounted to 83,324,761 shares. (During the period from October 13, 2023, to December 31, 2023, there was one conversion request from a holder of All Ring, with a conversion price of 116.4. This conversion resulted in an increase of 859 shares in outstanding shares, from 83,323,902 shares to 83,324,761 shares.)

X. Issuance of Corporate Bonds:

(I) Outstanding corporate bonds

Type of corporate bonds	The Fourth Domestic Unsecured Convertible Corporate Bonds	
Issue date	February 22, 2022	
Face value	NT\$100,000	
Place of issue and trading	Issue in Taiwan; Listed on TPEX	
Issue price (Price of NT\$100)	The issue price is NT\$112.78 (Issue premium, auction)	
Conversion price (Price of NT\$100)	NT\$116.4	
Total amount	Total issue amount: NT\$1,127,835 thousand.	
Coupon rate	The coupon rate is 0%	
Term	3 years Maturity date: February 22, 2025	
Guarantor	N/A	
Trustee	Taishin International Bank Co., Ltd.	
Underwriter	Taishin Securities Co., Ltd.	
Attesting lawyer	Lawyer Li-Fei Chiu	
Attesting CPA	PwC Taiwan CPAs Hui-Yu Hsu and Tzu-Yu Lin	
Redemption method	Except where the holder of the convertible corporate bonds is converted into the common stock of the Company in accordance with Article 10 of the Measures for the Fourth Domestic Unsecured Convertible Corporate Bonds (hereinafter referred to as the Measures), or the Company redeems in advance in accordance with Article 18 of the Measures, or the Company buys back and cancels through a securities firm, the Company shall repay the convertible bonds in a lump sum in cash at the face value of the bonds within five business days from the date of maturity of the convertible bonds, which shall be deferred to the next business day in the event of the closure of the Taipei Stock Exchange	
Outstanding principle	NT\$75,600,000	
Clause for redemption or early pay-off	Please refer to the Measures for issuance and conversion	
Name of rating agency, date and result of rating	N/A	
Other rights	Amount of ordinary shares converted up to the publication date of the Annual Report (May 21, 2024)	The amount of ordinary shares converted is NT\$789,700,000

Type of corporate bonds	The Fourth Domestic Unsecured Convertible Corporate Bonds	
	Issuance and conversion (exchange or subscription) measures	Please refer to the Measures for issuance and conversion
The possible dilution of shareholding and influence on shareholder equity caused by the issuance and conversion, exchange, or subscription rules and the terms of issuance	<p>The company issued domestic convertible bonds amounting to NT\$1,000,000 thousand. This issuance does not include a redemption option and carries a zero percent coupon rate; hence no interest payment is required. As of the conversion termination date on April 20, 2024, there are 756 bonds still outstanding. If all bondholders were to convert, at the conversion price, it would result in the issuance of 649,000 shares of common stock. Consequently, the year-end outstanding shares would increase to 88,990,000 shares (excluding treasury shares). The issuance of convertible bonds does not immediately dilute earnings per share. As bondholders convert gradually, the company is not obligated to repay the bonds, allowing for flexible fund utilization. Therefore, this issuance of convertible bonds is advantageous for the company's medium to long-term development, posing limited financial burden and not significantly affecting shareholder equity.</p>	
Name of the custodian institution of the exchangeable underlying	N/A	

Note 1. For the fiscal year 2022, conversion was suspended from April 11, 2022 to June 9, 2022 due to shareholder meeting operations; The conversion was stopped during the period from April 17 to June 15, 2024 in order to cooperate on the operation of the Annual General Meeting. The conversion was stopped during the period from April 20 to June 15, 2024 in order to cooperate on the operation of the Annual General Meeting.

- (II) Outstanding convertible bonds within one year: ALL RING's The Fourth Domestic Unsecured Convertible Corporate Bonds(61874).

(III) Convertible bonds issued that can be converted into ordinary shares, global depository receipts or other securities: Information on domestic and fourth unsecured convertible bonds issued by the Company as of March 31, 2024 is as follows:

Unit: NT\$

Type of corporate bonds		The Fourth Domestic Unsecured Convertible Corporate Bonds
Year		As to March 31, 2024
Market price of convertible bonds	Highest	253.00
	Lowest	121.00
	Average	178.01
Place of issue and trading		Issue in Taiwan; Listed on TPEX
Conversion price		Concersion price when issue: 127.0 The conversion price was adjusted to: NT\$120.1 effective July 17, 2022 due to the distribution of the 2021 annual dividend The conversion price was adjusted to: NT\$116.4 effective July 11, 2023 due to the distribution of the 2022 annual dividend
Ways of fulfilling conversion obligations		Issue of New Shares

(IV) Information on Issued Convertible Bonds: None.

(V) Where the Company Adopts the Shelf Registration Method for the Raising and Issue of Common Corporate Bonds: None.

(VI) Information on Issued Corporate Bonds with Warrants: None.

(VII) Private Placement of Corporate Bonds during the Most Recent Three Fiscal Years: None.

XI. Issuance of Preferred Shares: None.

XII. Issuance of Global Depository Receipts: None.

XIII. Issuance of Employee Stock Options: None.

XIV. Issuance of Restricted Employee Shares: None.

XV. Issuance of New Shares in Connection with the Merger or Acquisition of Other Companies:

(I) Issue of new shares in connection with any acquisition of shares of another company in the most recent fiscal year up to the publication date of the Annual Report:

1. The stock agent's opinion on the issue of new shares for acquisition of shares of another company in the most recent quarter: None.
2. The status of implementation in the most recent quarter. If the implementation has not achieved the expected target, a statement on the impact on shareholders' equity and improvement plan shall be provided: Not applicable.

- (II) Any Issuance of New Shares in Connection with the Acquisition of Shares of Another Company Approved by the Board of Directors in the Most Recent Fiscal Year up to the Publication Date of the Annual Report: None.

XVI. Implementation of Capital Allocation Plans:

The fund utilization plan and the estimated fund utilization progress

1. The fund utilization plan and estimated progress

The Company issued the fourth domestic unsecured convertible bonds to raise funds of NT\$1,127,835 thousand, which could be utilized for operation needs upon receipt in full in February 2022. According to the Company's current estimated order and raw material payment schedule, if the Company did not carry out fund raising, it is estimated that the available cash before financing would run short in 2022 in considering the non-financing income and non-financing expenditure, and the minimum cash balance required. Therefore, the funds raised by the Company are proposed to be used to enrich working capital from the first quarter to the third quarter of 2022.

2. Progress of fund utilization:

The proceeds from this issue of corporate bonds were discharged in the third quarter of 2022, as expected.

Chapter 5 Operations Overview

I. Business Activities

(I) Scope of Business

1. The main business of the Company:

- (1) Design, manufacturing and assembly of and software development for automated machinery.
- (2) Manufacturing, processing and trading of mechanical equipment and parts.
- (3) Distribution, import and export of electronics, machinery equipment and components.
- (4) Assembly of computers and electronic equipment and assembly and trade of computer peripherals.
- (5) Trading of chemical raw materials (except controlled substances).
- (6) CE01030 Optical Instrument Manufacturing Industry.
- (7) CC01050 data storage and processing equipment manufacturing.
- (8) I301010 data software services.
- (9) CB01990 Other machinery manufacturing.
- (10) CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing.
- (11) F401010 International Trade.
- (12) JE01010 leasing industry (limited to proprietary IC BGC and automated machinery).
- (13) All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

2. Ratio of main products to total revenue in 2023

Main products	Ratio to total revenue
Semiconductor equipment	76.74%
Passive component equipment	9.32%
LED equipment	3.32%
OTHERS	10.62%
Total	100.00%

3. Current product lines

Type of Shares	Commodity	functions
Passive component Equipment	Winding machine	An equipment used to wind enameled wire on ferrite or ceramic hollow core products to create an inductor effect.
	NR four-axial wiring and soldering machine	This machine is a power inductor winding equipment, divided into two turntable stations. One is the winding station, and the other is the tinning station. Using turntable dividers, it is divided into six stations each for sequential completion of feeding. The process includes winding, cutting, material receiving and transferring, soldering assistance, tinning, and material receiving completion.
	Soldering machine	This equipment is a soldering machine. Products are sent out in rows by the vibration plate to the receiving mechanism and then sucked in by the feeding mechanism. After fluxing, preheating and soldering, the products are then placed into the storage box.
	Assembly machine	This equipment is a double winding induction assembly machine. Products are sent to a certain position by the vibration plate and then sucked onto the turret holding fixture. The turret is divided into eight parts with four workstations to complete the tasks of feeding, coating, calibration and receiving. After the process is completed, the retrieving module puts the products onto the conveyor belt for delivery into the oven.
	Laminating machine	This machine performs adhesive dispensing operation on chip inductors after winding is completed. First, adhesive is dispensed on the chamber of the tape, the chip inductor is fed into the track through the vibration plate, coiled products are put into the backing tape by the suction nozzle, and then products are rolled out after the adhesive is cured by UV light. The entire dispensing and coating process is completed.
	Table-top double-head spot welding machine	Place the coiled FPC product fixture plate on the device, let the spot welding head press precisely on the spot to be welded by sliding the welding head along the fixture platform, and weld the enameled wire on the tin plate by temperature-controlled heating. Passive component
	Equipment	Cutting Machine New type automatic capacitor & inductor cutting machine. This machine is designed with automatic feeding, retrieving, preheating, freezing, X-axis CCD alignment, and X-axis servomechanism.
	Electroplating machine	This machine is used for electroplating of wafers. Wafers are placed in a rotating cylinder manually, and then the anode robot arm exchanges and cleans the wafers to achieve the purpose of electroplating.
	Inductive testing and packaging machine	This will be a key equipment for passive component manufacturing.
Semi-conductor equipment	SUBSTRATE LOADER	The Substrate in the cartridge is delivered one by one to the next workstation. Empty cartridge is automatically unmounted, and new cartridge mounted again.

Type of Shares	Commodity	functions
	SUBSTRATE UNLOADER	The substrate (PC board) is taken into the grid from the oven surface and then automatically pushed into the cartridge through connecting the distributor. The cartridge is automatically replaced and mounted.
	LANE CHANGER	After receiving the substrate from the preceding workstation, the substrate is automatically sent to the oven for drying.
	BOAT TO TRAY / TRAY TO BOAT	This carrier exchange equipment mount the products to different carriers for different manufacturing processes. The main function is to shuffle the substrate back and forth between boat and tray.
	Single/double track ball moulder	BGA automatic ball moulder comes with single/double runners, single/double ball mounting heads. Coupled with CCD visual inspection, a precision up to 0.2 mm in tin-ball diameter can be achieved. This moulder can be used for IC deep submicron process and development of 12-inch or larger wafers.
	UNDER FILL	This PC-controlled machine calibrates the amount of glue in the micro-precision crane and, aided with the CCD vision, searches and positions the location to fill all gaps between the IC and the PC boards without leaving any holes. This action completes the binding of the IC and PC boards, replacing the fill chip package process done by the wire bonding machine.
	Testing Equipment	This device quickly and automatically determines the geometrical dimensions, such as points, lines, frames, circles, arcs and angles, of molds and other products.
	Silver paste under filler	This PC-controlled machine calibrates the amount of paste in the micro-precision crane and, aided with the CCD vision, searches and positions the location to spread paste between the die and cooling fin.
	BGA Inspection Machine	This equipment uses a JEDEC Tray as the standard carrier to carry the products through a series of inspection stations. After inspections are completed, the products are automatically sorted into conforming and nonconforming products and sent to the corresponding piles. The Tray can be flipped to achieve inspection on both sides.
	AOI inspection machine	This machine detects missing dies and die color markings through image recognition. It records the overall substrate die markings, creates a substrate map and then uploaded the map for determination of subsequent process.
	SIP Surface Mounting Machine	This equipment is used for surface mounting of SIP products. It is a key equipment for the SIP process.
	Wafer Form AOI Inspection equipment	The device inspects defects during the manufacturing process. It is a key equipment for high-level packaging process.
	Wafer Form Dispensing Equipment	This device is used for high-level packaging processes. It is a key equipment for high-level packaging processes.

Type of Shares	Commodity	functions
	Automatic radiator transplant press	It integrates core technologies and equipment of the Company, and is used to paste new radiating materials in the semiconductor process, coat the external frame rubber, transplant radiating fins and thermal pressing stations. Moreover, it is supported by the AIO equipment inspection and BLT equipment measurement after various process stations.
	Disk converter	It is used for the reballing process. It provides such functions as coating the welding agent before the substrate is cleaned, checking the stain after cleaning, checking after reballing and receiving materials by type. It saves the working time of the reballing machine.
	Piezoelectric dispensing machine	It locates the product through the CCD, uses radar to measure the thickness and potential difference of the product and conducts real-time correction to assure the measurement is reliable.

(II) Future Supply and Growth of the Market

1. The Current Status and Development of the Industry

The Company was founded in 1996 as a professional automated machinery equipment manufacturer, specializing in manufacturing of automation machinery and equipment, primarily engaged in the engineering design, processing, manufacturing assembly, and computer software design and development of automation machinery for semiconductor, passive component, and LED processes. The company has maintained a close relationship with major semiconductor manufacturers for a long time. Leveraging professional knowledge, technical experience, and supply chain collaboration, we provide downstream businesses with automation process-related machinery and professional technical consultation and support. We have established a reputation in the semiconductor, passive component, and LED industries. The following is a description of the Company's current status and development in the semiconductor industry and passive component industry:

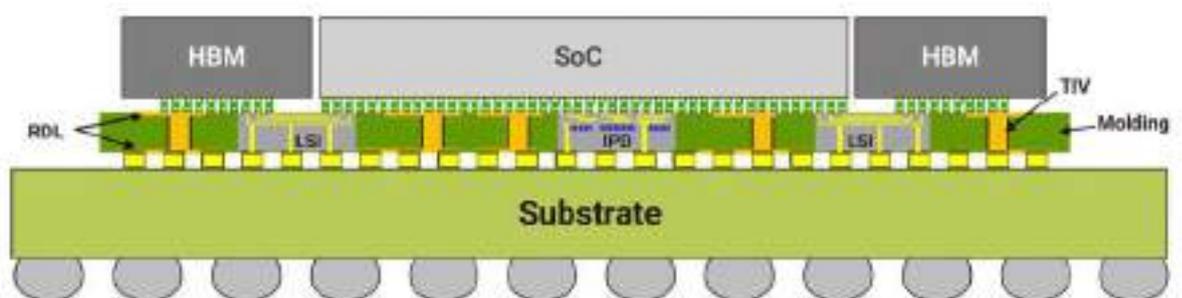
(1) Advanced Semiconductor packaging industry

Over decades of development in the semiconductor industry, the process technology of wafers has gradually reduced the transistor line width from tens of micrometers to the nanometer level. The internal transistor density of ICs doubles approximately every 18 months, a phenomenon famously known as Moore's Law. However, with the evolution of process technology, the research and manufacturing costs of node fabrication continue to rise. Furthermore, the complexity of advanced processes, limitations imposed by quantum physics, and challenges in improving chip performance and power consumption hinder further development of semiconductor process technology. Therefore, advanced semiconductor packaging has become an important solution considering transistor unit area density, manufacturing costs, and development progress.

Development of Advanced Packaging Technology

Advanced semiconductor packaging is primarily aimed at extending Moore's Law. While in the past, increasing the number of transistors per unit area was achieved through horizontal manufacturing of silicon wafers, advanced packaging focuses on vertically manufacturing more transistors on silicon wafers. This is achieved through chip stacking techniques to maximize the number of transistors per unit area. Among these techniques, chip stacking is achieved through Chiplet architecture. Chiplet architecture involves segregating different functionalities and purposes during the manufacturing process. For instance, in the past, logic chips contained both CPU and SRAM, manufactured simultaneously on the same wafer. However, now they are manufactured separately. This technique is known as Chiplet architecture.

Advanced packaging, based on Chiplet architecture, vertically or horizontally packages multiple chips with different functionalities that are independently manufactured into a single chip. Examples include TSMC's CoWoS and SoIC, Intel's EMIB, and Samsung's I-Cube and X-Cube. The following diagram illustrates the CoWoS technology structure announced by TSMC:



Source: TSMC, April 2024

Regarding technical details, TSMC's advanced packaging CoWoS technology has progressed to its sixth generation, with an area size reaching 2500 mm², and it can package 8 HBM chips on the same substrate. Structurally, small chips such as System-on-Chip (SoC) and High Bandwidth Memory (HBM) are packaged on the substrate, with different chips connected via silicon interposers and with RDL added between the chip and the substrate for circuit layout design and heat dissipation.

Overview and Prospects of the Semiconductor Advanced Packaging Market

According to the Market Intelligence & Consulting Institute (MIC) forecast for the 2024 global semiconductor industry released in 2023, the global semiconductor market size reached \$516.2 billion in 2023, with an estimated compound annual growth rate of 8.23% from 2023 to 2026, projecting the market size to reach \$708.4 billion by 2026. The estimated size of Taiwan's IC packaging and testing industry in Q1 2024 is \$4.3 billion, with a year-on-year growth rate of 1.1%. The ongoing trends in High Performance Computing (HPC) and Artificial Intelligence (AI) applications continue to drive demand for advanced packaging.



全球半導體市場發展瞭望

2017~2026全球半導體市場規模



Source: Market Intelligence & Consulting Institute (MIC), November 2023

According to a study by the Industrial Technology Research Institute (ITRI), the global market size of advanced packaging in the 2.5D/3D (CoWoS domain) is projected to reach \$11.8 billion by 2025. The overall advanced packaging market is growing three times faster than the traditional packaging market, with 2.5D/3D stacked ICs and Fan-Out (FO) packaging being the fastest-growing technology platforms, with respective CAGRs of 14.3% and 10.9%.

Advanced Packaging Industry Revenue

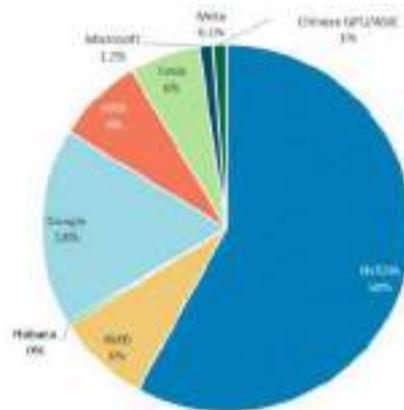


Source: Industrial Technology Research Institute (ITRI), November 2023

Application and Supply-Demand in End Markets

According to research by the Industrial Technology Research Institute (ITRI), the total sales of advanced packaging in 2020 reached \$2.42 billion, with High-Performance Computing (HPC) accounting for the largest share at \$760 million, followed by consumer chips at \$400 million. Looking ahead, it is estimated that

the total sales of products using advanced packaging in end markets will reach \$8.69 billion by 2026, with the HPC market reaching \$2.88 billion and consumer chips \$2.22 billion. High-Performance Computing chips have been and continue to be the main driver of growth in advanced packaging, with applications including large-scale server deployments, cloud equipment for tech giants, and infrastructure for LLM's artificial intelligence models. According to Morgan Stanley estimates, the market share of high-end server chips is as follows:



Source: Morgan Stanley, April 2024

Nvidia holds 58% market share in high-end servers, Google holds 18%, and AMD ranks third with 8%. In terms of annual sales growth rate, Nvidia achieved a 143% growth rate in sales of whole-server solutions such as HGX and DGX in 2023, ranking first in the industry with sales of 195,000 server units. It is estimated that sales of HGX and DGX in 2024 will grow to 330,000 units, with an annual growth rate of 73%. Demand for HGX and DGX comes from cloud factories, with Microsoft accounting for 21%, Google 10%, and Meta 12%.

(2) Passive Components Industry

Common passive components such as resistors, inductors, and capacitors are the most widely used and indispensable elements in electronic products. These components are often integrated to form special functional components such as filters and couplers. They are extensively used in consumer electronics such as smartphones and laptops, communication electronics such as base stations and 5G transceivers, and automotive electronics such as engine starters and advanced driver-assistance systems. The growth of the market for passive components is driven by the expansion of electronic equipment across various industries, increasing penetration of automation, continuous growth of the electric vehicle industry, and infrastructure development in communication equipment. The total demand and production of passive components have been steadily increasing over the long term. According to Precedence Research, the global TAM (Total Addressable Market) for passive components reached \$178 billion in 2022 and is projected to exceed \$299.7 billion by 2032, with a compound annual growth rate (CAGR) of 5.4%. The Asia-Pacific region occupies the highest revenue share at 56%, primarily due to the presence of many consumer electronics companies in the region.

Component Attributes and Overview

According to Precedence Research analysis, capacitor components have the highest growth potential, accounting for 38% of revenue in 2023, and are expected to dominate the development of passive components in the future. Main series capacitors will be used for energy storage and power-saving components in various electrical products. Capacitors also play a major regulating role in communication filtering. Therefore, the usage rate of capacitor components has significantly increased in the field of electric vehicles, 5G communication equipment, and IoT terminal products. Integrated components, with transformer products as the main growth driver in the future, can provide lower power consumption characteristics for electrical products with high voltage. The input voltage for pursuing energy-saving and low-energy terminal products has been increasing year by year. Therefore, transformers play an important role in components and are used in various household appliances, industrial equipment, and consumer electronics. The proportion of usage is greatly affected by energy-saving issues and is highly valued by system design manufacturers. In capacitor products, different dielectrics can be subdivided into ceramic capacitors (MLCC), aluminum capacitors, film capacitors, etc. Among them, ceramic capacitors are the market mainstream, accounting for 43%, followed by aluminum capacitors at 32%.

Application in End Markets

Based on Precedence analysis, consumer electronics accounted for the largest share of 42% in 2023, with an expected compound annual growth rate (CAGR) of 5.5% over the next five years. This growth is driven by the expansion of communication networking and energy-saving demands across various consumer devices such as smartphones, home appliances, and wearable devices. Furthermore, demand for passive components is also driven by sectors like industrial automation and remote monitoring, with the demand for safety cameras, sensors, and robot equipment.

Market Overview and Future Prospects

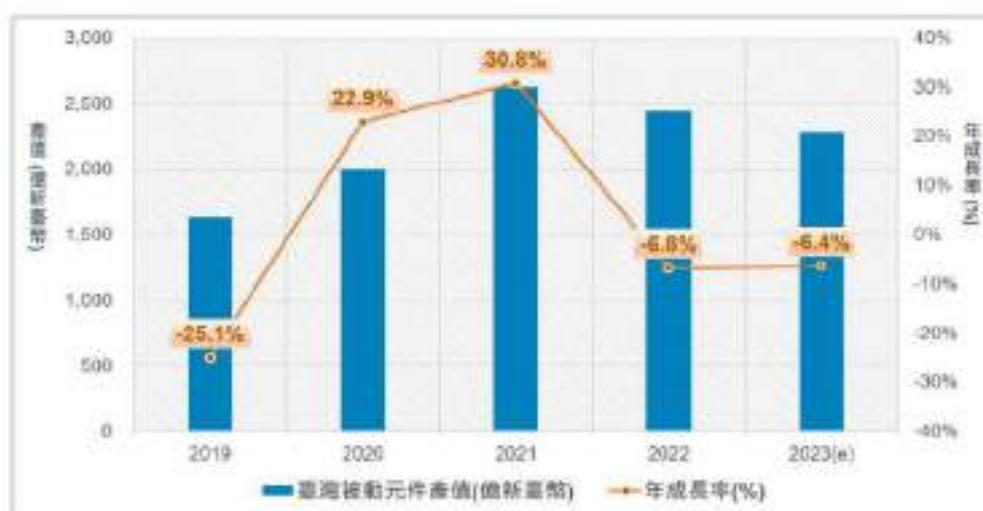
The Taiwanese passive component industry has benefited from the opportunities brought by the COVID-19 pandemic, such as the increased demand for ICT products due to activities like remote work, distance learning, and indoor entertainment. Following the peak market conditions brought by shortages and price increases in 2018, the industry witnessed a significant growth in 2020, with an annual output value reaching NT\$200.3 billion, marking a 22.9% increase from the previous year. In 2021, the output value further surged to NT\$261.9 billion, marking a 30.8% increase and reaching a nearly 15-year high.

However, according to analysis from the Industrial Technology Research Institute (ITRI), in an environment of high interest rates and inflation, there may not be a significant rebound in terminal product demand in 2023. On the supply side, manufacturers are reducing production to accelerate inventory adjustments,

resulting in a year-on-year decline in output value to NT\$228.5 billion in 2023, a decrease of 6.4%. Referring to publicly traded companies, self-reported revenues in the first half of 2023 amounted to approximately NT\$111.7 billion, representing a decline of 15.57% year-on-year. Despite the traditional peak season in the third quarter, the limited pulling power of passive component equipment due to low downstream utilization rates makes it difficult to fill the gap from the first half of the year. As a result, the output value in 2023 experienced a double-digit decline, with a year-on-year decrease exceeding 10%. In the short term, the passive component market can only restore supply-demand balance after the recovery of consumer electronics demand and resolution of inventory stacking issues.

According to leading passive component companies' outlook for 2024, uncertainties such as market supply and demand, global inflation, and international situations remain high. It is estimated that the adjustment of consumer electronics customer inventory will end in 2024 Q2, and the inventory level of the supply chain will gradually become healthier. In terms of terminal applications, the revenue share of passive components in the data center and server fields remains low. However, the usage of MLCC capacitors in AI servers is 1.8 times that of traditional PCs, with an average selling price (ASP) 5 to 8 times higher. It is expected that future AI applications will drive market growth momentum.

In terms of capital expenditure, most passive component manufacturers have already expanded their supply-side capacity in response to price increases in 2018 and the pandemic dividend in 2021. Therefore, the peak of significant capital expenditure for expansion has passed. Taiwanese passive component manufacturers are more conservative in budgeting for capital expenditure in 2023.

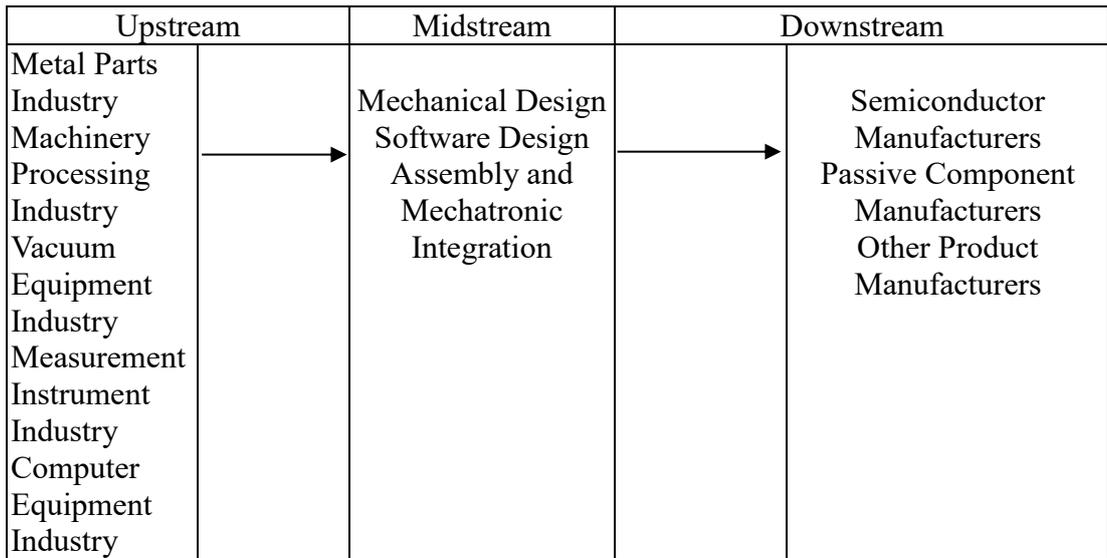


Source: Industrial Technology Research Institute (ITRI), June 2023

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

The Company's main products are passive component devices, such as cutting and wiring machines, semiconductor equipment, such as dual-track ball mounters,

automatic dispensers, and AOI inspection and testing equipment, LED and testing equipment, such test sorters and test packaging machines. Most of the components required for production are purchased from third-party suppliers. After obtaining the above components, the Company carries out R&D, design, assembly, and testing and sells the products to manufacturers in downstream industries, including semiconductors, passive components, LED and mobile phone manufacturers for production, packaging and use. The diagram below illustrates the upstream, midstream, and downstream relationships within the industry of the automation process equipment engaged by the Company and its subsidiaries:



3. Trends of Products:

(1) Product miniaturization

As consumer demand for information and communication household appliances increases, electronic products not only emphasize basic performance but also seek characteristics such as compact size and portability. Therefore, the density of electronic circuit layout designs is increasing. In addition, as the functions of information electronic products become more complex, future products will all move towards space-saving, miniaturization, and functional integration. While the volume requirements of individual components tend to decrease, related equipment for processes such as surface adhesion, packaging, cutting, and packaging will also undergo transitions to next-generation products. Semiconductor and passive component equipment manufacturers are also following this trend of technological development, moving towards the design of small, chip-based, highly integrated product processes, while also considering the performance and efficiency of machinery and equipment.

(2) Customized equipment for small-quantity and high-variety

Automated equipment has a close connection with the manufacturing processes of downstream customers. Once the customer's process changes, the products must change along to accommodate the customer's new method. Since the speed of process upgrade and the equipment costs have a significant impact on the

profitability of the manufacturers, how to collaborate with the manufacturers during the product development process and provide stable products, have become a vital subject to manufacturers of automated equipment.

(3) Developing into the global market

In recent years, consumers' demands for information, communication and household electronic products continue to rise, and such demand has gone from the basic functions to compact size and portability. Therefore, the density of circuit design becomes higher and higher. Therefore, manufacturers automated equipment must also expand into the neighboring regions, such as Hong Kong, Southeast Asia and mainland China, in order to serve customers and adapt to the changes in the overall market. In addition, since the domestic automated equipment is more cost competitive, compared with imported products, and the stable product quality that has received excellent reputation among the domestic manufacturers, in recent years, domestic manufacturers of automated equipment began to actively seek orders from overseas markets and expand the market scale.

4. Competition:

In recent years, the semiconductor industry has benefited from the expansion of demand in end industries such as artificial intelligence and electric vehicles, leading to a significant increase in demand for high-performance computing chips. Combined with improvements in industry development characteristics and process technology, the precision of manufacturing equipment technology has gradually increased. The company's designed and manufactured automated process equipment primarily serves high-tech industries such as semiconductor packaging, passive components, LEDs, and inspection equipment, meeting the needs of high-end precision automation machinery. It is not general automation equipment. As of now, there are no domestic competitors with identical business nature to the company in the automation equipment manufacturing industry. The main competitors are foreign automation equipment manufacturing giants. Currently, the company's primary goal is to enhance equipment research and development and quality to meet customer manufacturing needs, aiming to strengthen market competitiveness and achieve market leadership.

The company's product applications span across industries such as semiconductors, passive components, and LEDs. According to statistics from the Ministry of Economic Affairs, the products are mainly categorized into two types: semiconductor production equipment and components, and other electronic production equipment and components. The sales value of the company's semiconductor equipment and other equipment respectively accounts for a ratio of the total sales value of semiconductor production equipment and other electronic production equipment in Taiwan. According to statistics from the Ministry of Economic Affairs' Industrial Sales Dynamic Survey, in 2023, the national sales value of semiconductor production equipment and other electronic production equipment was approximately NT\$116.3 billion and NT\$16.2 billion respectively. The sales revenue of All Ring Technology's semiconductor equipment and other equipment was NT\$924 million and NT\$280

million respectively, accounting for approximately 0.79% and 1.72% of market share.

(III) Overview of Research and Development

1. Research and development

The Company's future development is planned in the following direction:

Research and Development	Expected Benefits
1. Develop high-precision component testing application technology	Capability upgrade for testing of special specification components, which is expected to boost product competitiveness.
2. Develop new generation image recognition processing system application technology	The image recognition system has a wide range of applications, such as alignment, calibration and appearance inspection of mechanical moving parts. Wide application to automated equipment will improve the accuracy and reliability of the products.
3. Develop or improve the special equipment needed for customers' manufacturing processes	Expand and extend the product lines to other manufacturing processes based on the information of customers' manufacturing processes currently available to us. This will reduce uncertainties and improve the timeliness and success rate of product development.
4. Develop equipment for special processes of the key components of 3C products.	The entry threshold for special process equipment is higher and therefore there are few competitors and high profits.
5. Development of high-end automotive inductors and high-voltage capacitors	We offer automated and high-quality production equipment for components required in the automotive market such as high-frequency, high-voltage, and car networking, enhancing competitiveness and increasing sales profits.
6. Research and development of advanced AI chip packaging equipment	The development of advanced semiconductor packaging equipment can improve product manufacturing efficiency. Due to the high technical threshold and the need for joint development with customers, it can increase revenue benefits and technical capabilities.

2. Education and experiences of research and development personnel

Year		As of December 31, 2023	
		Number of Employees	%
Level of education	Master degree or above	104	66
	College	50	31
	Associate degree or less	5	3
	Total	159	100

3. R&D expenses invested for the most recent five years

Unit: NT\$ Thousand

	2019	2020	2021	2022	2023
R&D Expenses	234,040	265,201	343,764	385,510	340,625
Net operating revenue	1,032,376	1,506,320	2,604,316	2,248,713	1,205,311
Ratio	22.67%	17.61%	13.20%	17.14%	28.26%

4. Technologies or products developed successfully:

The domestic equipment industry relies heavily on foreign imports, which not only hinders development of industrial technology, but also increases production costs. In result, the international competitiveness of the industry is weakened. In view of which, the Company commits itself to research and development, expecting to provide customers good machinery and equipment or services with complete function at reasonable prices. Technologies or products successfully developed by the Company's R&D team in most recent year are as follows:

Date	Technologies or products developed successfully
Jan 2019	Plate heat sink mounting system
July 2020	Piezoelectric dispensing machine
June 2021	Capacitance testing machine, four light-inspection machine, glue coating inspection machine, FILM TIM Laminating Machine, Thickness Measuring Machine, Ball Planting Machine
March 2022	Developed smart cutting machine
June 2023	Sticker and tear mold integrated machine, automotive communication winding machine, high-voltage capacitor testing machine.
September 2023	Automotive wire bonding machines, capacitor film sticking machines, dual-line high-frequency winding machines.
October 2023	Aluminum capacitor testing machine.
November 2023	Chip sorting machines, optical measuring machines.
March 2024	Metal Tim Heatsink

(IV) Operational Risks

Operational Risks of the Relevant Industry

1. Business Cycles

The company and its subsidiaries primarily engage in the research, development, production, and sale of semiconductor equipment, including automated manufacturing equipment for high-performance chip packaging, passive components, and LED. In the future, it will continue to diversify its product offerings, with its business scope covering industries such as semiconductors, passive components, LED inspection, packaging equipment, and automation equipment. This diversification aims to secure orders and diversify its customer base, effectively reducing the impact of fluctuations in any single market and mitigating the effects of changes in specific industry cycles.

2. Product Substitutability and Its Impact

The semiconductor, passive component, LED, and inspection equipment sold by the company are essential equipment for automated production processes in related industries. These products mainly aim to reduce labor demand and enhance production efficiency. Due to their high degree of customization to fit customers' automated production processes, and the stable and mutually trusting relationships within the supply chain, the company's industry has yet to identify significant risks from the emergence of major substitute products.

II. Market, Production, and Sales

(I) Market Analysis

1. Main product sales area

The Company's sales in the most recent two years by area

Unit: NT\$ Thousand

Region \ Year	2022		2023	
	Amount	Proportion (%)	Amount	Proportion (%)
Taiwan	1,748,782	77.77	963,653	79.95
OTHERS	499,931	22.23	241,658	20.05
Total	2,248,713	100.00	1,205,311	100.00

2. Market Share

The Company's products are applied in semiconductor, passive components and LED industries. According to the definition of products provided by the Department of Statistics, Ministry of Economic Affairs, they are mainly divided into two categories: semiconductor production equipment and their components, and other electronic production equipment and their products. Taking the ratio of sales value of semiconductor equipment and other equipment to sales value of semiconductor production equipment and other electronic production equipment in Taiwan as the basis for market share estimation, according to the product statistics from the Ministry of Economic Affairs of the dynamic survey of industrial production, sales and storage, the sales value of semiconductor production equipment and other electronic production equipment in Taiwan was about NT\$116.3 billion and NT\$16.2 billion in 2023 respectively, the turnover of the Company was NT\$924 million and NT\$280 million respectively, with a market share of approximately 0.79% and 1.72% respectively.

3. Competitive Niche

(1) An R&D team with extensive experience and professionalism.

In order to enhance the quality of customer products, the automation equipment manufacturing industry must continuously improve its technical level to conduct research and development of new products to maintain market competitiveness. Our company attaches great importance to product research and development. In

addition to conducting extensive market evaluations before the development of new products, we also actively cooperate with domestic academic research units in related fields. Due to the accumulation of professional production technology, the company has successfully developed multiple products and obtained patents over the years. Compared to other domestic equipment manufacturers, we have more capabilities to compete with foreign equipment manufacturers.

(2) Rapid and high-quality after-sale services

Semiconductors belong to the high-tech precision industry, with extremely high requirements for product yield and precision. Due to the rapid and complex development of product processes and the use of numerous equipment in the manufacturing process, the cooperative ability between equipment has a significant impact on product quality. Our company's personnel have rich experience in after-sales service and maintenance, and delve into the research and development direction and production process of customer products, dedicated to assisting customers in solving process and equipment-related problems, thereby enhancing product precision and yield.

(3) Emphasis on R&D and production quality brings recognition of the brand

The Company is committed to the advancement of product quality and technology and has been certified for ISO-9001 quality standards in 2000. We have strictly implemented internal management for product precision and stability and the ISO-9001 quality system, continuously, as we pursue continuous quality improvement and excellence. Our products have been widely recognized by customers and we establish a good reputation and trust in the electronic manufacturing supply chain.

(4) Diversified product development

Since 1999, our company has been extending its reach into semiconductor equipment. In 2001, we successfully developed an automatic heat sink assembly system and an automatic dispensing machine. In 2002, we successfully developed a chip implantation machine, and a dual-track dispensing machine in 2003, receiving recognition from semiconductor manufacturers and successfully venturing into the realm of semiconductor equipment manufacturing. Additionally, in 2008, our company successfully entered LED equipment production. In 2014, we successfully developed a piezoelectric dispensing machine. In 2015, we entered the supply chain of a major US mobile phone manufacturer. In 2017, we successfully developed a high-frequency inductance sensing packaging machine, suitable for testing and packaging passive components of square chips. In 2020, we provided semiconductor customers with automated production solutions through the development of an automatic heat sink bonding machine, a tray conversion machine, and a piezoelectric dispensing machine. In 2023, we successfully developed a chip sorting machine and an optical measuring machine for the expanded use of LED equipment.

4. Positive and Negative Factors for Future Development, and the Company's Response to Such Factors:

(1) Positive Factors

- A. The Company has many years of experience in automated equipment production and a stable team of R&D personnel with multiple patents.
- B. The Company's product sales have achieved ISO-9001 international quality certification. With an emphasis on quality assurance and ethical brand and product image, our product quality is recognized by well-known domestic and foreign manufacturers, Through some products as knock blocks, the company can continue to collect customer needs to customize more equipment.
- C. We have a complete system structure of parts and components and work well with suppliers. Except for a few critical components from foreign manufacturers, most of the components are supplied by domestic manufacturers. The processing components for assembly are also produced and provided by local manufacturers. The manufacturing system is complete, and the products production cost can be driven down effectively.

(2) Negative Factors and the Company's Response to Such Factors

A. Peer competition in price

Response Strategies:

Continue to maintain research and development advantages by bringing in new talents and increasing the investment. Maintain continuous innovation and improvement and develop towards high added-values, winning good product image with leading strategies and quality assurance and raising the technical threshold for other competitors in the industry.

B. Shortage of technical talents

Response Strategies:

In addition to improving the work environment and establishing a good salary structure, bonus system and employee benefits, we will continue to implement education and training to enhance the quality of our employees, or collaborate with renowned research institutes or engage in transfer of technology to attract top-notch technical talents.

C. Rapid changes in technology industry

Response Strategies:

In addition to continued strengthening our research and development capabilities, we will actively develop new equipment and products. Beyond reinforcing our business health and competitiveness, we will request the relevant departments to collect information on the customers industries on regular basis to understand the development of the industries, so that we

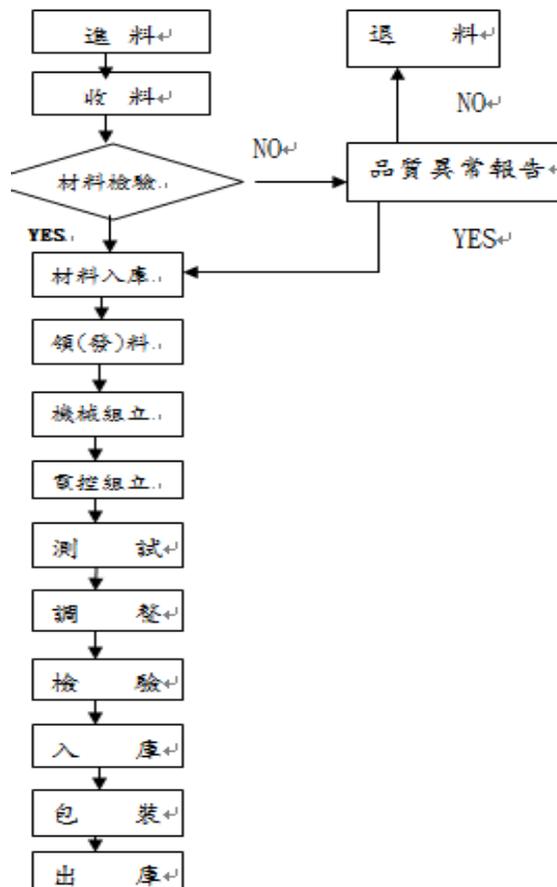
have better knowledge on how to tailor equipment to meet customers' needs, solve problems for customers and establish long-term relationships with our customers by providing better services.

(II) Purpose and manufacturing processes of main products

1. Main Products:

Major products:	Important Applications of Functions
Semiconductor equipment	Air-tight sealing equipment applies adhesive at the junctions of die and the substrate and then heat up the unit to harden. The wafer sorter carries out visual inspection to pick out nonconforming products, acting as a pre-inspection function before die bonding. The carrier switching equipment switches the substrate between the Boat and Tray since different processes require different carriers.
Passive component equipment	Used for the latter part of the manufacturing process, including passive component cutting, electroplating, testing and packaging. Used in the full manufacturing process along the actions of wiring, assembly, testing and packaging of passive components.
Testing Equipment	Quickly and automatically determine the geometrical dimensions such as points, lines, frames, circles, arcs and angles of molds, PC boards, and other products.

2. Manufacturing processes



3. Supply Situation for the Company's Major Raw Materials:

Primary product	Main Raw Materials	Main Suppliers
Automated semiconductor , passive component, LED and testing equipment.	Processed parts	Qi Rui, Yuan Zhou, Feng Yun, Song Li and Yu Feng
	Industrial computer	ADLINK, Advantech
	Pneumatic cylinder	SMC, NOK, Festool, Mindman and CKD
	Electric motor	ASKe, Oriental Motor, Shihlin Electric, Yaskawa and Delta
	Testing equipment	Agilent and Keithley

4. Significant Changes in the Company's Gross Margin in the Most Recent Two Years by Product or Department

Changes in the Company's Gross Margin in the Most Recent Two Years

Unit: NT\$1000; %

Item	2022	2023	Change	Proportion of Change (%)
Sales revenue	2,248,713	1,205,311	(1,043,402)	(46.40)
Sales Margin	1,077,532	624,486	(453,046)	(42.04)
Gross margin (%)	47.92	51.81	3.89	8.12

Change in gross margin by 20 percent: None.

(III) List of Major Suppliers/Customers

1. Information of Major Suppliers in the Most Recent Two Years

The changes in the major suppliers of the Company in the most recent two years were mainly due to changes in the product structure. The product structure is altered due to the orders placed by different industrial customers, resulting in the changes of major suppliers in the two years. Other than the above phenomenon, no one-single supplier supplies more than 10 percent of the Company's total procurement.

2. List of customers in the most recent two years

Unit: NT\$1000; %

Rank	2022				2023				As of March 31, 2023			
	Name	Amount	Percentage of Annual Net Sales (%)	Relationship with the Issuer	Name	Amount	Percentage of Annual Net Sales (%)	Relationship with the Issuer	Name	Amount	Percentage of Annual Net Sales (%)	Relationship with the Issuer
1	Customer A	868,626	38.63%	None	Customer A	274,941	22.81%	None	Customer C	292,280	40.42%	None
2	Customer B	382,647	17.02%	None	Customer B	236,853	19.65%	None	Customer A	280,302	37.30%	None
3	Customer C	139,368	6.20%	None	Customer C	145,180	12.05%	None	Customer B	48,670	6.73%	None
4	OTHERS	858,072	38.15%	-	OTHERS	548,337	45.49%	-	OTHERS	112,492	15.55%	-
	Net Sales	2,248,713	100%	-	Net Sales	1,205,311	100%	-	Net Sales	723,154	100%	-

Reasons for changes:

Customer A: Mainly due to an increased need of automation equipment and an increase in capital expenditure.

Customer D: Reduction in purchases following completion of large capital expenditures in 2022 and 2023 respectively.

(IV) Table of Production Volume in the Most Recent Two Years

Unit: Unit/NT\$ thousand

Year Output Major	2022			2023		
	Production capacity (Note 3)	Production volume	Output Value	Production capacity (Note 3)	Production volume	Output Value
Primary product (note 1)						
Automated semiconductor equipment	-	979	921,549	-	518	397,750
Automated passive component equipment	-	307	124,365	-	82	74,319
OTHERS(Note 2)	-	(Note 2)	125,267	-	(Note 2)	110,756
Total (Note 2)	-	(Note 2)	1,171,181	-	(Note 2)	580,825

Note 1. Only major machines are listed in this table; other components and products are not listed here due to inconsistent measurement units.

Note 2. Due to the differences in the quantity units used to calculate the major products, the totals are not consistent and the numbers cannot be compared.

Note 3. production capacity analysis is performed since the Company's production is order-based.

(V) Sales volume in the two most recent years

Unit: Unit/NT\$ thousand

Year Sales Volume	2022				2023			
	Domestic Sales		Export Sales		Domestic Sales		Export Sales	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Primary product (Note 1)								
Automated semiconductor equipment	882	1,550,013	97	216,727	459	847,361	59	77,583
Automated passive component equipment	121	206,943	186	71,169	50	69,066	32	43,227
OTHERS (Note 2)	(Note 2)	114,729	(Note 2)	89,132	(Note 2)	9,901	(Note 2)	158,173
Total (Note 2)	(Note 2)	1,871,685	(Note 2)	377,028	(Note 2)	926,328	(Note 2)	278,983

Note 1. Only major machines are listed in this table; other components and products are not listed here due to inconsistent measurement units.

Note 2. Due to the differences in the quantity units used to calculate the major products, the totals are not consistent and the numbers cannot be compared.

III. Number of Employees, Average Years of Services, Average Age and Education in the Most Recent Two Years up to the Publication Date of the Annual Report

Year		2022	2023	As to March 31, 2024
Numbers of employees	Direct	35	34	26
	Indirect	309	316	347
	Total	344	350	373
Average age		37.90	37.1	36.4
Average length of service (years)		6.92	6.0	5.6
Education Distribution (%)	PhD	2.04	0.82	0.78
	Master	35.42	41.18	39.58
	College	51.59	48.43	50.37
	Senior High School	8.64	7.91	7.83
	Less than High School	2.32	1.65	1.44

IV. Disbursements for Environmental Protection

(I) According to regulations, the Company has to apply and receive permits for the establishment of anti-pollution facilities and pollution effluent, pay pollution prevention fees, or designate environmental personnel. The status of the above-mentioned measures is as follows:

1. The company actively invests in the prevention of environmental pollution, sets up solar energy facilities, actively promotes recycle and reuse of resources, and actively implements environmental safety management measures. Full-plant inspection is also performed regularly as required by law, along with reinforcement in hazard identification, safety education, hazard prevention, emergency response, and employee's health checkup, aiming to maintain zero pollution and zero workplace accident. For the impact of climate change, we make efforts to cut down greenhouse gas emissions and improve energy efficiency. We strive to meet compliance with domestic laws and regulations, as well as international standards. Beyond our pursuit of business growth, we are committed to environmental protection and work safety. The following are our energy saving plans:

- (1) Carbon reduction and energy saving goals:

Climate change has caused drastic changes in the global environment. Therefore, the Company take on the responsibility to mitigate the greenhouse effect. Our continuous actions include reducing greenhouse gas emission and linking our annual target to the Company's revenue with a goal of reducing carbon emissions by 5%. The source of greenhouse gas emissions is use of electricity. Therefore, we continue to promote energy management-based energy-saving practices, aiming to achieve the target set along the increase and decrease of revenue and the goal of reducing electricity consumption by 5%.

(2) Waste reduction and water saving goals:

To ensure effective use of resources, we continue to implement waste reduction management practices. The Company's operation is mainly equipment assembly, so we have no production lines and consequently no emissions of air pollution and wastewater. As approved by Kaohsiung City Bureau of Environmental Protection No. 10540721200, the Company does not produce wastewater and is not a business designated by the EPA for air pollution control. The Company agrees to properly dispose of wastes in accordance with the provisions of Article 36 of the Waste Disposal Act. And approved by Tainan City Bureau of Environmental Protection No. 1050002048, the Company's maximum effluent volume is 45CMD (including 3CMD for process wastewater and 42CMD for domestic wastewater) and maximum sludge production volume is 0. Although the Company has no air pollution and wastewater discharge issues, we still set an annual target for waste reduction, which varies along the increase and decrease of revenue and the goal of reducing everyday garbage, waste and water consumption by 5%.

2. Energy-saving practices:

(1) Organize employee training courses to promote energy saving and carbon reduction in the company.

The company holds a monthly meeting to promote the lights-off project and the concept and awareness of environmental protection and energy conservation to employees. The following are specific practices enforced:

- ① Set air conditioning to 26 to 27 degrees.
- ② Implement the lights-off project.
- ③ To save water, install an economizer valve on the faucet.
- ④ Supplies made with environmentally friendly materials and recycled materials.
- ⑤ Turn off computer and pull the plug after work, walk for exercise, and reduce use of the elevator.

(2) Energy saving practices are enforced at the plant and offices.

- ① Replaced all lights with LED fluorescent lamps at the factory.
- ② Air-conditioning zoning control.
- ③ Zone the plant and office into areas for varied air conditioning control. Change the air-conditioning facility from water-cooling to storage-type.
- ④ Replace energy-saving bulbs with LED lamp after the product life ends.
- ⑤ Use e-invoicing and online signing to promote environmental sustainability.

3. Adopt electronic invoices and online e-authorization to implement environmental sustainability:

The Company is committed to promoting sustainability of the environment and the earth, taking actions in response to the global energy-saving and carbon reduction initiative. The Company also adopted the electronic invoicing system promoted by the Ministry of Finance and set up an electronic system for inquiries. Also, submission of requisition, procurement, and expense reimbursement forms has been updated from manual sign-offs to electronic sign-offs, and efforts have been made to promote e-documents to reduce the use of paper.

4. Use solar panels to generate electricity:

Every six months, the Company appoints an operating environment audit agency approved by the Ministry of Labor to audit the Company's work environment. Relevant reports are available on the Company's website. List the company's investment in environmental pollution prevention equipment, use, and expected benefits:

The solar panels set up by the Company is guaranteed to generate 207 KW of parallel electricity wattage per month for Taiwan Power. The table below shows the guaranteed power volume.

Year	Guaranteed solar power generation (KW)
1	338,878
2	335,400
3	332,022
4	328,655
5	325,298
6	321,951
7	318,614
8	315,288
9	311,970
10	308,663
11	305,365
12	302,076
13	298,797
14	295,527
15	292,266
16	289,015
17	285,772
18	282,538
19	279,314
20	276,098

- (II) The process of pollution-related environment improvement over the two most recent years until the date of publication of this report. Please describe the process of handling pollution-related disputes, if any: None

(III) The total losses (including indemnity paid) and penalties paid by the Company for environmental pollution, as well as future response measures (including improvement measures) and possible expenditure (including losses incurred by not implementing response measures, penalties, and an estimated amount of indemnity; if a reasonable estimation cannot be made, explain why): None

(IV) Current pollution and improvement status, and its effects on the company & competitive position and capital spending, as well as estimated major capital expenditures for environmental protection in the next two years: None.

V. Labor Relations

(I) List the company's employee benefits, continuing education, training, retirement system, and implementation status, as well as agreements between the employer and employees and measures for protecting employees' rights and interests:

1. Employee welfare policy

- (1) Insurance: In addition to the statutory labor and health insurance, the Company insures all employees with group insurance (accident and medical).
- (2) The Company takes our employees' health checkups very seriously. With consent of our employees, the Company actively follows up on employees who are found to have health issues and special conditions. Every year, our employees are given one free health checkup, which covers the basic labor health checks, as well as the more advanced items, including rheumatoid, Thyroid function, digestive function and arteriosclerosis.
- (3) The company provides employees beyond statutory protection. We offered comprehensive and additional protection and embarked on the mission to build a complete welfare system, covering food, clothing, housing, transportation, education, and recreation:

Welfare Category	Welfare Program	Content
Food	A fine and healthy diet	The Company provides lunch, afternoon tea and dinner to our employees for free.
	Department dinner	A department dinner is held once every three months.
Clothing	Work attire	Employee's uniform, jacket and casual wear day
Housing	Temporary dormitory	The Company offers dormitory rooms to employees from other areas, commuting employees and those who cannot return home due to work assignments.
Transportation	Subsidy for private vehicle official use	Subsidies for using private vehicles to conduct company business

Welfare Category	Welfare Program	Content
Education	Library	The company set up a library on-the-go and magazine lounge, providing employees various books and magazines for a loan.
Entertainment	Workout Room	We set up an employee workout room, which is open to all employees for free use.
	Sports courts	We have also set up courts for table tennis, basketball and billiards, which are open to all employees.
	Recreational facilities	The break room provides coffee, beverages, hot food and more.
	Company parties	The Company hosts parties on the major holidays and the year-end dinner. The parties are filled with fun games.
	Recreational activities	Subsidies for domestic and overseas trips.

- (4) It is our responsibility to take good care of our employees' lives and settle their families. Therefore, in addition to funding the employee welfare committee, the company offers birthday gift-money, bonuses on the three major festivals and gift-money for childbirth and wedding.
- (5) The company implements a flexible working hours system. In considering the family life, after discussion with the Supervisor, each colleague can apply for flexible working hours.

2. Retirement system:

(1) Old System:

Since May 20, 2000, the Company formally established the Labor Pension Reserve Supervisory Committee in accordance with the Rules Governing Organization of Supervisory Committee of Business Entities' Labor Retirement Reserve. The Company contributes 4 percent of each employee's total monthly salary to the retirement reserve into the special account of the Labor Pension Reserve Supervisory Committee. Pension payments are made in compliance with the Labor Standards Act.

(2) New System:

Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. In the Mainland China subsidiary, in accordance with the regulations of the

People's Republic of China government, a monthly contribution of 18% of the total employee salaries is allocated to the pension insurance system. The retirement benefits of each employee are managed and arranged centrally by the government. Besides the monthly contributions, the company has no further obligations.

(3) Employee shareholding trust:

On June 14, 2022, the board of directors established a shareholding trust committee, the company can join after six months of full-time staff. Employees contribute a fixed amount each month, and the company also provides a consistent amount to purchase the Company's shares on a regular basis.

3. Employer/employee agreements

(1) To achieve the enterprise's objectives, the commitment and full efforts of employees are crucial. Labor-management relations have always been a focal point of effort for our company and its subsidiaries. Consequently, harmonious relations between labor and management have been maintained since the establishment of our company and its subsidiaries.

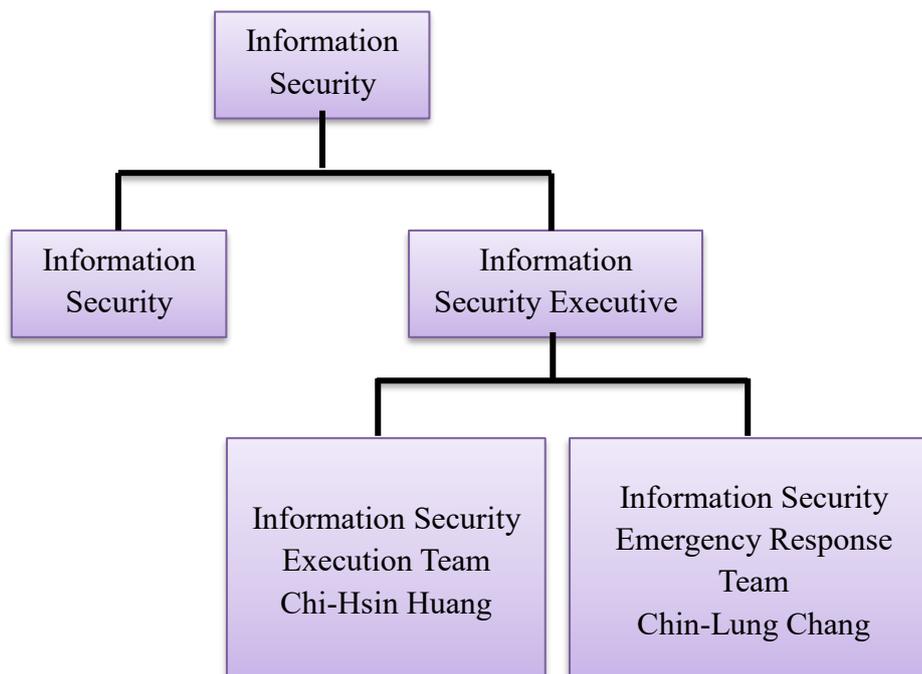
(2) Since its establishment, the Company has not had more than 30 employees jointly establish a labor union. Due to the absence of a labor union, there has also been no signing of a collective agreement. Losses arising as a result of labor disputes in the most recent year up to the publication date of the Annual Report and disclosure of potential losses in the current and future terms and countermeasures: None

4. Losses arising as a result of labor disputes in the most recent year up to the publication date of the Annual Report and disclosure of potential losses in the current and future terms and countermeasures: None

VI. Cyber Security Management

(I) The Board of Directors of the Company passed a resolution on November 8, 2023 to establish an Information Security Supervisor and Information Security Personnel, responsible for planning, monitoring, and implementing information security management operations of the Company, and regularly reporting the results to the senior management meetings to mitigate operational risks. The Company's information security organization is chaired by the Special Assistant to the Chairman, with the Director of Information Department serving as the Information Security Supervisor, and several professional information personnel forming various project teams. The Information Security Implementation Team is responsible for deliberating, evaluating, establishing, and managing the use, management, and maintenance of the company's software and hardware in accordance with information security policies and technical specifications. The Information Security Emergency Response Team executes emergency response procedures and monitors information security incidents. The Information Security Audit Team regularly audits the implementation status of information security policies and specifications. The Information Security Unit reports annually to the Board of Directors on the effectiveness of information security management and the direction of information security strategy. The information security policy and management plan are as follows:

1. Organizational Structure



2. Cyber Security Management

- (1) The company has established the "Information Security Management Measures" to enhance cybersecurity management, ensuring the confidentiality, integrity, and availability of important company information. Adhering to the concept of maintaining the information security of customer transaction environments, comprehensive protection and prevention measures are taken for the company's information systems and the data stored, processed, transmitted, or disclosed therein to prevent incidents such as damage, theft, leakage, tampering, misuse, and infringement. It is explicitly stated that the company attaches great importance to information security, and vendors and their employees who have business dealings with the company should fully understand the information security statement to maintain the company's information security.

3. Specific Management Measures:

In order to achieve the information security policy and objectives, comprehensive information security protection shall be established. The specific management measures are as follows:

- ① Adoption of next-generation firewalls with a hierarchical access control for internal and external networks. Personnel are only allowed to access general services, while special services require permission application, and records shall be kept.
- ② Installation of a junk email gateway on the mail server, along with the purchase of modules for social engineering protection, anti-phishing, and antivirus to filter harmful emails.
- ③ Implementation of endpoint security protection systems to enforce control over external devices, establish control standards for portable storage media, record user internet access and file access behavior, and conduct information equipment asset inventory.
- ④ Utilization of general antivirus software in the server room and planning for the introduction of advanced MDR intrusion prevention software, with 24-hour monitoring and protection.
- ⑤ Establishment of an independent backup area, equipped with backup software/hardware, for regular backup of information from data centers and personal computers. Only backup services are allowed to access this area to mitigate hacker risks.
- ⑥ Account authorization management, where ordinary users are granted minimum privileges. Special permissions require application and approval for inspection. Account passwords are mandated to be regularly changed, with password strength set to the highest level to mitigate risks.

- ⑦ Regular information security education and training to internalize awareness of information security protection and enhance personnel's awareness of information security.
 - ⑧ Participation in the Science Park Information Security Information Sharing and Analysis Center (SP-ISAC) to grasp potential information security threats and vulnerability information, facilitating management and early response.
4. Resources Invested in Information Security Management:

Information security has become a crucial concern for the company's operations. The corresponding measures and resource allocation for information security management are outlined as follows:

- ① Dedicated Personnel: There are designated information security supervisors and specialists responsible for the company's information security planning, technical implementation, and related audit matters. Internal audits are conducted regularly, and in case of any deficiencies, the units under review are promptly required to make improvements. The results of these improvements are tracked to reduce internal information security risks. Completion of reporting procedures for information security personnel for listed companies has been accomplished.
 - ② Information Management System Implementation: Since the decision was made in 2024 to invest in ISO27001 certification for Information Security Management Systems, all information systems are operated under standard management specifications, reducing security vulnerabilities and production abnormalities caused by human error. Through annual review operations, continuous improvement is consistently pursued.
 - ③ Customer Satisfaction: No significant information security incidents occurred, and there were no complaints regarding customer data loss.
 - ④ Information Security Notices and Promotion: All employees, including new hires, are informed of information security protection regulations and precautions through public announcements.
5. Information Security Education: During the April 2023 monthly meeting, a company-wide information security awareness campaign was conducted for all employees. Regular announcements were issued to remind colleagues not to use personal devices for company matters (dated 2023/1/3), to be cautious of phishing emails (dated 2023/6/19), and to provide troubleshooting methods for common issues encountered during software and hardware updates.

- (II) List the losses, possible impacts and countermeasures suffered due to major information and communication security incidents in the last two years and up to the date of publication of books and periodicals. If it cannot be reasonably estimated, the fact that it cannot be reasonably estimated shall be stated: none.

VII. Important Contracts:

Nature of Contract	Parties	Contract Beginning and Ending Dates Date	Major contents	Restrictive Provision
Land Lease	Southern Taiwan Science Park Administration	Jan 1, 2024 to Dec. 31, 2044 and Nov, 1, 2014 to Oct. 31, 2034	Land lease for the Southern Taiwan Science Park in Luchu	None
Land Lease	Administration Bureau of Hsinchu Science Park	Aug 10, 2023 to Dec 31, 2042	Land lease for the Hsinchu Science Park	None

Chapter 6 Financial Overview

I. Condensed Balance Sheet and Composite Income Sheet of Recent Five Years

(I) Condensed balance sheet and income statements

1. Consolidated condensed balance sheets and comprehensive income statements - IFRS

Unit: NT\$ Thousand

Item	Year	Financial information for the most recent five years (Note 1)					Current Year Current Year Financial information as of March 31, 2024 (Note 3)
		2019	2020	2021	2022	2023	
Current assets		1,489,535	1,773,350	2,407,433	2,801,717	2,817,012	3,114,267
Property, plant and equipment		402,069	485,344	523,982	829,440	925,367	964,939
Intangible assets		4,743	3,962	5,034	28,162	26,880	25,443
Other assets		272,722	423,492	641,909	505,416	719,097	816,098
Total assets		2,169,069	2,686,148	3,578,358	4,164,735	4,488,356	4,920,747
Current liabilities	Before Distribution	395,822	696,476	1,191,797	760,536	1,076,249	1,398,417
	After distribution	520,808	940,838	1,558,340	1,010,259	(Note 2)	N/A
Non-current liabilities		84,777	85,933	84,261	972,321	930,756	134,450
Total liabilities	Before Distribution	480,599	782,409	1,276,058	1,732,857	2,007,005	1,532,867
	After distribution	605,585	1,026,771	1,642,601	1,982,580	(Note 2)	N/A
Equity attributable to owners of parent company		1,688,470	1,903,739	2,302,300	2,431,878	2,481,351	3,387,880
Share capital		833,239	833,239	833,239	833,239	833,239	856,168
Capital reserves	Before Distribution	377,196	327,202	310,911	466,556	503,650	1,136,032
	After distribution	327,202	310,911	310,911	466,556	(Note 2)	N/A
Retained earnings	Before Distribution	500,772	673,729	986,617	1,180,269	1,075,478	1,246,457
	After distribution	425,780	445,658	620,074	930,546	(Note 2)	N/A
Other equity		(22,737)	136,018	237,982	86,164	167,795	210,587
Treasury Stocks		-	(66,449)	(66,449)	(134,350)	(98,820)	(98,820)
Total equity	Before Distribution	1,688,470	1,903,739	2,302,300	2,431,878	2,481,351	3,387,880
	After distribution	1,563,484	1,659,377	1,935,757	2,182,155	(Note 2)	N/A

Note 1. The financial information from 2019 to 2023 has been audited by CPAs

Note 2. Distribution of earnings for 2023 is subject to the approval of the shareholders.

Note 3. Financial information has been audited and attested or reviewed by a CPA

Unit: NT\$ Thousands of (except earnings per share)

Item \ Year	Financial information for the most recent five years(Note 1)					Current Year Current Year Financial information as of March 31, 2024 (Note 2)
	2019	2020	2021	2022	2023	
Operating revenue	1,032,376	1,506,320	2,604,316	2,248,713	1,205,311	723,154
Gross operating profit	466,038	738,774	1,217,183	1,077,532	624,486	373,833
Operating Income	83,504	301,125	635,778	464,896	85,423	182,731
Non-operating income and expense	10,475	(5,347)	12,561	137,125	75,418	26,440
Pre-tax net profit	93,979	295,778	648,339	602,021	160,841	209,171
Income from continuing operations	83,441	246,844	541,223	499,039	138,173	170,860
Profit for the year	83,441	246,844	541,223	499,039	138,173	170,860
Other comprehensive income (after tax)	(5,815)	159,860	101,700	(90,662)	88,390	42,911
Total comprehensive income for the year	77,626	406,704	642,923	408,377	226,563	213,771
Net income attributable to owners of parent company	83,441	246,844	541,223	499,039	138,173	170,860
Comprehensive income attributable to owners of parent company	77,626	406,704	642,923	408,377	226,563	213,771
Earnings per share	1.00	3.01	6.64	6.15	1.70	2.07

* If a company has prepared a financial report, it shall also prepare a condensed balance sheet and a statement of comprehensive income for the most recent five years.

Note 1. The financial information from 2019 to 2023 has been audited by CPAs

Note 2. Financial information has been audited and attested or reviewed by a CPA.

2. Condensed balance sheet and statement of comprehensive income - International Financial Reporting Standards

Unit: NT\$ Thousand

Item	Year	Financial information for the most recent five years(Note 1)					Current Year Financial information as of March 31, 2024 (Note 3)
		2019	2020	2021	2022	2023	
Current assets		1,230,142	1,528,624	2,136,301	2,499,466	2,318,892	N/A
Property, plant and equipment		297,441	367,939	393,652	704,339	793,092	
Intangible assets		3,036	2,760	3,931	27,604	26,391	
Other assets		601,246	747,466	1,002,800	897,992	1,289,257	
Total assets		2,131,865	2,646,789	3,536,684	4,129,401	4,427,632	
Current liabilities	Before Distribution	358,618	657,117	1,152,535	727,782	1,018,296	
	After distribution	483,604	901,479	1,519,078	977,505	(Note 2)	
Non-current liabilities		84,777	85,933	81,849	969,741	927,985	
Total liabilities	Before Distribution	443,395	743,050	1,234,384	1,697,523	1,946,281	
	After distribution	568,381	987,412	1,600,927	1,947,246	(Note 2)	
Share capital		833,239	833,239	833,239	833,239	833,239	
Capital reserves	Before Distribution	377,196	327,202	310,911	466,556	503,650	
	After distribution	327,202	310,911	310,911	466,556	(Note 2)	
Retained earnings	Before Distribution	500,772	673,729	986,617	1,180,269	1,075,478	
	After distribution	425,780	445,658	620,074	930,546	(Note 2)	
Other equity		(22,737)	136,018	237,982	86,164	167,795	
Treasury Stocks		-	(66,449)	(66,449)	(134,350)	(98,820)	
Total equity	Before Distribution	1,688,470	1,903,739	2,302,300	2,431,878	3,387,880	
	After distribution	1,563,484	1,659,377	1,935,757	2,182,155	(Note 2)	

* If a company has prepared a financial report, it shall also prepare a condensed balance sheet and a statement of comprehensive income for the most recent five years.

Note 1. The financial information from 2019 to 2023 has been audited by CPAs

Note 2. Distribution of earnings for 2023 is subject to the approval of the shareholders.

Note 3. Not applicable as parent company only financial statements for the first quarter of 2024 are not available.

Unit: NT\$ Thousands of (except earnings per share)

Item \ Year	Financial information for the most recent five years (Note 1)					Current Year Financial information as of March 31, 2024 (Note 2)
	2019	2020	2021	2022	2023	
Operating revenue	935,563	1,404,066	2,464,209	2,169,547	1,206,794	N/A
Gross operating profit	438,918	699,082	1,152,938	1,006,115	541,861	
Operating Income	123,678	318,017	632,877	453,262	82,447	
Non-operating income and expense	(27,307)	(26,961)	17,008	145,019	75,371	
Pre-tax net profit	96,371	291,056	649,885	598,281	157,818	
Income from continuing operations	83,441	246,844	541,223	499,039	138,173	
Net income (loss)	83,441	246,844	541,223	499,039	138,173	
Other comprehensive income for the year (Net Income after Tax)	(5,815)	159,860	101,700	(90,662)	88,390	
Total comprehensive income for the year	77,626	406,704	642,923	408,377	226,563	
Earnings per share	1.00	3.01	6.64	6.15	1.70	

* If a company has prepared a financial report, it shall also prepare a condensed balance sheet and a statement of comprehensive income for the most recent five years.

Note 1. The financial information from 2019 to 2023 has been audited by CPAs

Note 2. Not applicable as parent company only financial statements for the first quarter of 2024 are not available.

(II) Names and Auditing Opinions of CPAs in the Most Recent Five Years

- The CPAs' names and auditing opinions for the most recent five years. Except for the unqualified opinion auditing report, the auditing opinions shall be described in details.

Year	Accounting firm	Attesting CPA	Audit Opinion
2019	PwC Taiwan	Tzu-Meng Liu, Yung-Chih Lin	An audit report of unqualified opinion
2020	PwC Taiwan	Tzu-Meng Liu, Yung-Chih Lin	An audit report of unqualified opinion
2021	PwC Taiwan	Yung-Chih Lin, Tzu-Meng Liu	An audit report of unqualified opinion
2022	PwC Taiwan	Yung-Chih Lin, Tzu-Yu Lin	An audit report of unqualified opinion
2023	PwC Taiwan	Hui-Yu Hsu, Tzu-Yu Lin	An audit report of unqualified opinion

- Former CPAs and their successors shall state the reasons for the replacement of CPAs in the most recent five years if there is any: Internal job adjustment has been conducted in accordance with the "Procedures for Reviewing Financial Reports of Listed Companies.

II. Financial Analysis of Most Recent Five Years:

1. Consolidated financial analysis - International Financial Reporting Standards

Year Analysis Item (Note 4)		Financial Analysis for the Most Recent Five Fiscal Years					Current Year Financial information as of March 31, 2024 (Note 3)
		2019	2020	2021	2022	2023	
Financial structure (%)	Debt-asset ratio	22.16	29.13	35.66	41.61	44.72	31.15
	Long-term capital to property, plant, and equipment ratio	419.95	392.25	439.39	293.20	360.30	351.10
Liquidity analysis (%)	Current Ratio	376.31	254.62	202.00	368.39	261.74	222.70
	Quick Ratio	323.38	199.66	140.04	274.01	158.27	132.50
	Interest coverage ratio	161.37	619.78	1,444.96	57.05	15.59	96.99
Operating ability	Receivables turnover ratio (times)	1.78	3.17	3.39	2.65	1.91	4.31
	Average receivable turnover days	205.05	115.14	107.66	137.73	191.09	84.69
	Inventory turnover ratio (times)	2.05	2.15	2.22	1.45	0.59	1.12
	Payables turnover ratio (times)	2.21	2.29	2.39	2.19	1.08	1.81
	Average inventory turnover days	178.04	169.76	164.41	251.72	618.64	325.89
	Property, plant and equipment turnover ratio (times)	2.56	3.39	5.16	3.32	1.37	3.06
	Total asset turnover ratio (times)	0.44	0.62	0.83	0.58	0.28	0.61
Profitability	Return on assets (%)	3.58	10.18	17.29	13.11	3.40	3.67
	Return on equity (%)	4.69	13.74	25.74	21.08	5.62	5.82
	Net profit before tax to paid-in capital ratio (%) (Note 2)	11.28	36.31	79.60	74.73	19.30	23.88
	Net income ratio (%)	8.08	16.39	20.78	22.19	11.46	23.63
	Earnings per share (NT\$) (Note 5)	1.00	3.01	6.64	6.15	1.70	2.07
Cash Flow	Cash flow ratio (%)	71.20	46.57	12.77	79.21	19.47	0.31
	Cash flow adequacy ratio (%)	135.34	131.69	77.46	75.15	57.70	N/A
	Cash reinvestment ratio (%)	1.25	11.66	(Note 1)	6.57	(Note 1)	(Note 1)

Year		Financial Analysis for the Most Recent Five Fiscal Years					Current Year Financial information as of March 31, 2024 (Note 3)
		2019	2020	2021	2022	2023	
Leverage	Operating Leverage	5.58	2.45	1.05	1.15	1.67	1.08
	Financial Leverage	1.01	1.00	1.00	1.02	1.15	1.01

Reasons for changes in various financial ratios for the most recent two years (Analysis is not be required if such changes are within 20%)

1. Long-term funds as a percentage of property, plant, and equipment increased: primarily due to increased operating profits and appreciation in financial assets leading to an increase in equity..
2. Current ratio and quick ratio decreased: mainly due to the purchase of financial assets and real estate with cash, resulting in a decrease in current assets and an increase in non-current assets, thus reducing the current ratio and quick ratio.
3. Interest coverage ratio decreased: due to a decrease in operating profits, while interest expenses from monthly amortization of corporate bonds remained constant, thus decreasing the interest coverage ratio.
4. Accounts receivable turnover decreased and average collection period increased: primarily due to higher accounts receivable balances as of December 31, 2023 and 2022, with a decrease in revenue for 2023 by 46.4% compared to 2022.
5. Inventory turnover decreased and average days of inventory increased: The turnover rate in 2023 decreased compared to 2022, primarily due to a 50.40% decrease in cost of goods sold in 2023 compared to 2022. Additionally, there was a significant increase in inventory at the end of 2023 due to extensive stocking and production in preparation for shipments in 2024.
6. Fixed asset turnover and total asset turnover decreased: This was attributed to the decline in revenue.
7. Cash flow ratio decreased: This was mainly due to a decrease in operating profit.

* If the company has a parent-company-only financial report, it should prepare a parent-company-only financial ratio analysis.

Note: 1. Negative numbers are not shown.

Note: 2. Calculated by share capital at the end of this period.

Note: 3. Financial information has been audited and attested or reviewed by a CPA.

Note: 4. At the end of the Annual Report, the following formula shall be listed:

1. Financial structure
 - (1) Debt-asset Ratio = Total Liabilities / Total Assets.
 - (2) Long-term capital to property, plant, and equipment ratio = (Equity + non-current liabilities) / Net property, plant and equipment
2. Liquidity analysis
 - (1) Current Ratio = Current Assets / Current Liabilities.
 - (2) Quick Ratio = (Current Assets - Inventories - Prepaid expenses) / Current Liabilities.
 - (3) Interest coverage ratio = Net profit before income tax and interest expenses / Interest expenses.
3. Operating ability
 - (1) Receivables (including accounts receivable and notes receivable) turnover ratio = Net sales / Average receivables (including accounts receivable and notes receivable)
 - (2) Average collection days = 365 / Receivables turnover rate.
 - (3) Inventory turnover rate = Cost of sales / Average inventory.

- (4) Payables (including accounts payables and notes payables) turnover ratio = $\text{Costs of goods sold} / \text{Average payables (including accounts payables and notes payables)}$.
 - (5) Average days for sale = $365 / \text{Inventory turnover rate}$.
 - (6) Property, plant and equipment turnover rate = $\text{Net sales} / \text{Average net property, plant and equipment}$.
 - (7) Total asset turnover ratio = $\text{net sales} / \text{average total assets}$.
4. Profitability
 - (1) Return on assets = $[\text{Net income} + \text{Interest expenses} \times (1 - \text{Tax rate})] / \text{Average total assets}$.
 - (2) Return on equity = $\text{Net income} / \text{Average total equity}$.
 - (3) Net profit margin = $\text{Net income} / \text{Net sales}$.
 - (4) Earnings per share = $(\text{Net income attributable to owners of the parent company} - \text{Preferred stock dividend}) / \text{Weighted average number of issued shares}$. (Note 6)
 5. Cash Flow
 - (1) Cash flow ratio = $\text{Cash flows from operating activities} / \text{Current Liabilities}$.
 - (2) Net cash flow adequacy ratio = $\text{Net cash flow from operating activities for most recent five years} / (\text{Capital expenditures} + \text{Inventory additions} + \text{Cash dividends})$ of most recent five years.
 - (3) Cash reinvestment ratio = $(\text{Net cash flow from operating activities} - \text{Cash dividends}) / (\text{Gross value of property, plant and equipment} + \text{Long-term Investment} + \text{Other non-current assets} + \text{Working capital})$ (Note 7)
 6. Leverage
 - (1) Operating leverage = $(\text{Net revenue} - \text{Variable operating costs and expenses}) / \text{Operating income}$ (Note 8).
 - (2) Financial leverage = $\text{Operating income} / (\text{Operating income} - \text{Interest expenses})$.

Note: 5. In calculating earnings per share with the formula mentioned above, special attention shall be paid to the following matters:

1. It is based on the weighted average common shares, rather than the issued shares at the end of the year.
2. In the event of cash capital increase or treasury stock, the weighted average number of shares shall be calculated with an outstanding period.
3. In the case of capital increase out of earnings or capital surplus, the annual and semi-annual earnings per share shall be adjusted retrospectively to the ratio of capital increase, without considering its issuance duration.
4. If the cumulative preferred shares are non-convertible, then the dividend of the year (whether paid or not) shall be deducted from net income after tax, or included in the net loss after tax. If the preferred shares are non-cumulative, the preferred share dividends should be deducted from the net income after tax. No adjustment is required if the company has loss after tax.

Note: 6. In calculating cash flow, special attention should be paid to the following matters:

1. Net cash flow from operating activities refers to the net cash inflow from operating activities in the cash flow statement.
2. Capital expenditure refers to the annual cash outflows from capital investments.
3. The increase in inventory is taken into account when the balance at the end of period is higher than the balance at the beginning of period. Otherwise, it is taken as zero.
4. Cash dividends include cash dividends for common shares and preferred shares.
5. Gross PP&E refers to the total value of PP&E before the deduction of accumulated depreciation.

Note: 7. The issuer shall classify various operating costs and operating expenses into fixed and variable properties. If there is an estimate or subjective judgment, attention should be paid to its rationality and consistency.

Note: 8. If the company's stock is not denominated or the denomination is not NT\$10, the calculation of the paid-in capital ratios shall be based on the equity attributable to owners of the parent company in the balance sheet.

2. Financial analysis of parent company only financial statements - International Financial Reporting Standards

Year Analysis Item (Note 4)		Financial Analysis for the Most Recent Five Fiscal Years					Current Year Financial information as of March 31, 2024 (Note 2)
		2019	2020	2021	2022	2023	
Financial Structure (%)	Debt-asset ratio	20.80	28.07	34.90	41.11	43.96	N/A
	Long-term capital to property, plant, and equipment ratio	567.67	517.41	584.86	345.27	420.39	
Liquidity Analysis (%)	Current Ratio	343.02	232.63	185.36	343.44	227.72	
	Quick Ratio	298.25	183.88	126.24	257.58	138.06	
	Interest coverage ratio	168.02	609.90	1522.98	56.77	15.32	
Operating Ability	Receivables turnover ratio (times)	1.97	3.66	3.68	2.86	1.96	
	Average receivable turnover days	185.28	99.73	99.18	127.62	186.22	
	Inventory turnover ratio (times)	2.27	2.44	2.40	1.64	0.80	
	Payables turnover ratio (times)	2.09	2.23	2.34	2.23	1.26	
	Average inventory turnover days	160.79	149.59	152.08	222.56	456.25	
	Property, plant and equipment turnover ratio (times)	3.06	4.22	6.47	3.95	1.61	
	Total asset turnover ratio (times)	0.41	0.59	0.80	0.57	0.28	
Profitability	Return on assets (%)	3.65	10.35	17.52	13.24	3.44	
	Return on equity (%)	4.69	13.74	25.74	21.08	5.62	
	Net profit before tax to paid-in capital ratio (%) (Note 3)	11.57	35.78	79.79	74.27	18.94	
	Net income ratio (%)	8.92	17.58	21.96	23.00	11.45	
	Earnings per share (NT\$)	1.00	3.01	6.64	6.15	1.70	
Cash Flow	Cash flow ratio (%)	80.44	52.15	3.84	80.00	14.91	
	Cash flow adequacy ratio (%)	127.71	134.56	77.75	79.03	60.19	
	Cash reinvestment ratio (%)	1.65	12.90	(Note 1)	6.10	(Note 1)	
Leverage	Operating Leverage	3.55	2.20	1.82	1.09	1.49	
	Financial Leverage	1.00	1.00	1.00	1.02	1.15	

Year Analysis Item (Note 4)	Financial Analysis for the Most Recent Five Fiscal Years					Current Year Financial information as of March 31, 2024 (Note 2)
	2019	2020	2021	2022	2023	

Reasons for changes in various financial ratios for the most recent two years (Analysis is not be required if such changes are within 20%)

1. Long-term funds as a percentage of property, plant, and equipment decreased: primarily due to increased operating profits and appreciation in financial assets leading to an increase in equity.
2. Current ratio and quick ratio decreased: mainly due to the purchase of financial assets and real estate with cash, resulting in a decrease in current assets and an increase in non-current assets, thus reducing the current ratio and quick ratio.
3. Interest coverage ratio decreased: due to a decrease in operating profits, while interest expenses from monthly amortization of corporate bonds remained constant, thus decreasing the interest coverage ratio.
4. Accounts receivable turnover decreased and average collection period increased: primarily due to higher accounts receivable balances as of December 31, 2023 and 2022, with a decrease in revenue for 2023 by 46.4% compared to 2022.
5. Inventory turnover decreased and average days of inventory increased: The turnover rate in 2023 decreased compared to 2022, primarily due to a 50.40% decrease in cost of goods sold in 2023 compared to 2022. Additionally, there was a significant increase in inventory at the end of 2023 due to extensive stocking and production in preparation for shipments in 2024.
6. Fixed asset turnover and total asset turnover decreased: This was attributed to the decline in revenue.
7. Cash flow ratio decreased: This was mainly due to a decrease in operating profit.

* If the company has a parent-company-only financial report, it should prepare a parent-company-only financial ratio analysis.

Note 1. Negative numbers are not shown.

Note 2. Not applicable as parent company only financial statements for the first quarter of 2024 are not available.

Note 3. Calculated by share capital at the end of this period.

Note 4. At the end of the Annual Report, the following formula shall be listed:

1. Financial structure

(1) Debt-asset Ratio = Total Liabilities / Total Assets.

(2) Long-term capital to property, plant, and equipment ratio = (Equity + non-current liabilities) / Net property, plant and equipment

2. Liquidity analysis

(1) Current Ratio = Current Assets / Current Liabilities.

(2) Quick Ratio = (Current Assets - Inventories - Prepaid expenses) / Current Liabilities.

(3) Interest coverage ratio = Net profit before income tax and interest expenses / Interest expenses.

3. Operating ability

(1) Receivables (including accounts receivable and notes receivable) turnover ratio = Net sales / Average receivables (including accounts receivable and notes receivable)

(2) Average collection days = 365 / Receivables turnover rate.

(3) Inventory turnover rate = Cost of sales / Average inventory.

(4) Payables (including accounts payables and notes payables) turnover ratio = Costs of goods sold / Average payables (including accounts payables and notes payables).

(5) Average days for sale = 365 / Inventory turnover rate.

(6) Property, plant and equipment turnover rate = Net sales / Average net property, plant and equipment.

(7) Total asset turnover ratio = net sales / average total assets.

4. Profitability

- (1) Return on assets = $[\text{Net income} + \text{Interest expenses} \times (1 - \text{Tax rate})] / \text{Average total assets}$.
- (2) Return on equity = $\text{Net income} / \text{Average total equity}$.
- (3) Net profit margin = $\text{Net income} / \text{Net sales}$.
- (4) Earnings per share = $(\text{Net income attributable to owners of the parent company} - \text{Preferred stock dividend}) / \text{Weighted average number of issued shares}$. (Note 6)

5. Cash Flow

- (1) Cash flow ratio = $\text{Cash flows from operating activities} / \text{Current Liabilities}$.
- (2) Net cash flow adequacy ratio = $\text{Net cash flow from operating activities for most recent five years} / (\text{Capital expenditures} + \text{Inventory additions} + \text{Cash dividends})$ of most recent five years.
- (3) Cash reinvestment ratio = $(\text{Net cash flow from operating activities} - \text{Cash dividends}) / (\text{Gross value of property, plant and equipment} + \text{Long-term Investment} + \text{Other non-current assets} + \text{Working capital})$ (Note 7)

6. Leverage

- (1) Operating leverage = $(\text{Net revenue} - \text{Variable operating costs and expenses}) / \text{Operating income}$ (Note 8).
- (2) Financial leverage = $\text{Operating income} / (\text{Operating income} - \text{Interest expenses})$.

Note 5. In calculating earnings per share with the formula mentioned above, special attention shall be paid to the following matters:

1. It is based on the weighted average common shares, rather than the issued shares at the end of the year.
2. In the event of cash capital increase or treasury stock, the weighted average number of shares shall be calculated with an outstanding period.
3. In the case of capital increase out of earnings or capital surplus, the annual and semi-annual earnings per share shall be adjusted retrospectively to the ratio of capital increase, without considering its issuance duration.
4. If the cumulative preferred shares are non-convertible, then the dividend of the year (whether paid or not) shall be deducted from net income after tax, or included in the net loss after tax. If the preferred shares are non-cumulative, the preferred share dividends should be deducted from the net income after tax. No adjustment is required if the company has loss after tax.

Note 6. In calculating cash flow, special attention should be paid to the following matters:

1. Net cash flow from operating activities refers to the net cash inflow from operating activities in the cash flow statement.
2. Capital expenditure refers to the annual cash outflows from capital investments.
3. The increase in inventory is taken into account when the balance at the end of period is higher than the balance at the beginning of period. Otherwise, it is taken as zero.
4. Cash dividends include cash dividends for common shares and preferred shares.
5. Gross PP&E refers to the total value of PP&E before the deduction of accumulated depreciation.

Note 7. The issuer shall classify various operating costs and operating expenses into fixed and variable properties. If there is an estimate or subjective judgment, attention should be paid to its rationality and consistency.

Note 8. If the company's stock is not denominated or the denomination is not NT\$10, the calculation of the paid-in capital ratios shall be based on the equity attributable to owners of the parent company in the balance sheet.

III. For Audit Committee's report on financial statements for the most recent fiscal year: please refer to Page 156.

IV. As for the annual financial report of the most recent year: please refer to Pages 172~251.

V. Parent Company Only Financial Statements for the Most Recent Fiscal Year, Certified by CPAs: Please refer to Pages 252~349 .

VI. Impact of financial difficulties of the company and affiliated companies on the financial status of the company in the most recent year, up to the publication date the Annual Report: None.

III. Audit Committee's Report on Financial Statements for the Most Recent Fiscal Year

ALL RING TECH CO., LTD.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements and the proposal for distribution of earnings. Hui-Yu Hsu and Tzu-Yu Lin; the CPAs from PricewaterhouseCoopers Taiwan (PwC Taiwan) was retained to audit the Company's Financial Statements and have issued an audit report relating to the Financial Statements. We have examined the Company's 2021 Business Report, Financial Statements, and the proposal for distribution of earnings that have been approved by the Board of Directors. We hereby respectfully prepare and present this Report in accordance with Article 14-4 of Security Exchange Act and Article 219 of Company Act for your review.

To

2024 Shareholders' Meeting of All Ring Tech Co., Ltd.

ALL RING TECH CO., LTD.

Convener of the Audit Committee: Ming-Hsien Li

February 26, 2024

Chapter 7 Review and Analysis of Financial Position and Financial Performance, and Listing of Risks

I. Financial Position

Unit: NT\$ Thousand

Item	Year		Difference	
	2023	2022	Increase (decrease) amount	%
Current assets	2,817,012	2,801,717	15,295	0.55
Property, plant and equipment	925,367	829,440	95,927	11.57
Intangible assets	26,880	28,162	(1,282)	(4.55)
Other assets	719,097	505,416	213,681	42.28
Total assets	4,488,356	4,164,735	323,621	7.77
Current liabilities	1,076,249	760,536	315,713	41.51
Non-current liabilities	930,756	972,321	(41,565)	(4.27)
Total liabilities	2,007,005	1,732,857	274,148	15.82
Share capital	833,239	833,239	0	0
Capital reserves	503,650	466,556	37,094	7.95
Retained earnings	1,075,478	1,180,269	(104,791)	(8.88)
Other equity	167,795	86,164	81,631	94.74
Treasury Stocks	(98,820)	(134,350)	35,530	(26.45)
Total Shareholders' Equity	2,481,342	2,431,878	49,464	2.03

Explanation of increased or decreased percentage (except for difference less than 20%):

1. Increase in other assets: This was due to the addition of investments in financial assets.
2. Increase in current liabilities: At year-end, more raw materials were purchased to meet orders, resulting in an increase in accounts payable.
3. Increase in other equity: This was caused by the transfer of unrealized gains or losses on financial assets from other comprehensive income to other equity.
4. Decrease in treasury stock: This occurred due to the transfer of treasury stock to employees for stock options.

II. Financial Performance

(I) Comparison and Analysis of Financial Performance

Item \ Year	2023	2022	Increase (decrease) amount	Percentage of the changes (%)
Operating revenue	1,205,311	2,248,713	(1,043,402)	(46.40)
Operating cost	580,825	1,171,181	(590,356)	(50.41)
Gross operating profit	624,486	1,077,532	(453,046)	(42.04)
Operating expense	539,063	612,636	(73,573)	(12.01)
Operating profit	85,423	464,896	(379,473)	(81.63)
Non-operating income and expense	75,418	137,125	(61,707)	(45.00)
Pre-tax profit from continuing operation	160,841	602,021	(441,180)	(73.28)
Income tax expense	22,668	102,982	(80,314)	(77.99)
Profit for the year	138,173	499,039	(360,866)	(72.31)
Other comprehensive income of this period (loss)	88,390	(90,662)	179,052	(197.49)
Total comprehensive income of this period	226,563	408,377	(181,814)	(44.52)

Explanation of increased or decreased percentage (except for difference less than 20%):

1. Operating revenue, operating costs, operating gross profit, and operating profit decreased primarily due to the clearance of semiconductor inventory and delays in customer capital expenditure plans, resulting in a decline in revenue for the current year.
2. Decrease in non-operating income and expenses primarily due to less exchange gains from currency fluctuations compared to the previous year.
3. Other comprehensive loss mainly attributed to valuation gains on held-to-maturity securities.
4. Total comprehensive income for the period mainly driven by valuation gains on held-to-maturity securities.

(II) Expected sales volume for the next fiscal year and its basis, as well as potential impacts on the company's future financial operations and response plans: The semiconductor manufacturing industry benefits from the demand for chips in the AI field, with significant economic activity growth compared to the previous year by early 2024. Multiple sectors such as AI automotive technology, AI PCs, AI chips, and everyday AI applications are progressing simultaneously, resulting in a significant increase in demand for production equipment from our customers. It is expected that this will significantly enhance the company's operational performance.

III. Review and Analysis of Cash Flow

(I) Analysis of cash flow changes of the most recent year:

Unit: NT\$ Thousand

Item	Year	2023	2022	Change	
				Amount	%
Net cash inflow from operating activities		209,579	602,388	(392,809)	(65.21)
Net cash flows used in investing activities		(406,106)	(355,876)	(50,230)	14.11
Inflow (Outflow) of net cash from financing activities		(256,681)	499,266	(755,947)	(151.41)

Main reasons for cash flow changes for the most recent year:

- (1) Operating activities of 2023, there was a decrease in net cash inflows from operating activities compared to 2022, mainly due to weakened operating performance.
- (2) Financing activities of 2023, there was a net cash outflow from financing activities, primarily due to the distribution of cash dividends.

(II) Corrective Measures for Insufficient Liquidity: Not applicable.

(III) Analysis on cash flow liquidity in upcoming Year (2024)

Unit: NT\$ Thousand

Beginning Cash Balance	Net cash flow from operations of the whole year	Net cash flow from investment and financing activities of the whole year	Cash balance (Deficiency) Amount	Countermeasures for cash deficiency	
				Investing plan	Financial plan
798,510	(899,256)	(143,246)	(349,792)	-	Collection and Issuance of Securities

(1) Analysis of cash flow in 2024

- ① Business activities: In response to the demand for shipments, it is necessary to prepare materials in advance, and there is a time difference between procurement payments and sales receipts. Therefore, due to the inability to coordinate cash inflows and outflows, it results in a non-financing operating capital gap.
- ② Investment activities: In response to the increased capital expenditures of semiconductor manufacturers and packaging testing companies, the company is expanding its business locations to serve customers nearby. Capital expenditure items are mainly used for the renovation and office equipment expenses of locations such as Taichung, Changhua, and Chiayi.
- ③ Financing activities: It is planned to carry out fundraising plans to supplement operating funds.

- (2) Remedial Measures for Expected Cash Shortages and Liquidity Analysis: If the company fails to raise funds, based on the company's capital needs for the year 2024, the company will utilize bank loans to support its operating capital gap. Calculated based on the company's borrowing rate of approximately 1.955%, it is estimated that an interest expense of NT\$ 8,960 thousand will be incurred in 2024, and it is expected that interest expenses of approximately NT\$29,325 thousand will be incurred annually thereafter. Therefore, choosing to raise and issue securities increases the stability of medium and long-term funds, enhances the company's medium and long-term competitiveness, and has positive effects on improving financial structure and debt repayment ability.

IV. Effect upon Financial Operations of Major Capital Expenditures in the Most Recent Fiscal Year:

1. Utilization and Funding Sources of Significant Capital Expenditures: Acquisition of land and factories in the Hsinchu Science Park and Taichung Industrial Zone, as well as the establishment of an office in Nanzi; purchased with internal funds.
2. Expected potential benefits: By providing services closer to customers in the northern region, there will be effective business expansion.

V. Reinvestment Policy and the Main Reasons for Profits/ Losses thereof, Improvement Plan, and One-Year Investing Plan:

Unit: NT\$ thousand

Description Item	Investment amount	Policy	Main reasons for profit or loss	Improvement plan	Other future investment plans
Uniring Tech Co., Ltd.	NT\$ 230,000 thousand	To disperse business risks and expand business over consumer electronics	After the completion of the model development, the company's net profit greatly increased	N/A	N/A
PAI FU INTERNATIONAL LIMITED	NT\$ 59,270 thousand	Invested in Kunshan All Ring Tech Co., Ltd., and All Ring Tech (Kunshan) Co., Ltd.	The investment of All Ring Technology precision machine stable profit, making PAI FU company as a business benefit in 2023	N/A	N/A
IMAGINE GROUP LIMITED	NT\$ 223,876 thousand	Invested in All Ring Tech (Kunshan) Co., Ltd.	The investment of All Ring Technology precision machine stable profit, make IMAGINE company as a business interest in 2023	N/A	N/A

VI. Risk Factors

(I) Risk factors

1. Impacts of fluctuations in interest rates, foreign exchange rates and inflation on the company's profitability and future countermeasures

(1) Impact from Interest Rate Changes

Item	2023 (NT\$thousand ; %)
Net interest gain/loss	10,055
Net currency exchange gain/loss	857
Ratio of net interest income/expense to net revenue	0.83%
Ratio of net interest income/expense to net income before tax	6.25%
Ratio of currency exchange gain/loss to net revenue	0.07%
Ratio of currency exchange gain/loss to net income before tax	0.53%

According to the above table, the interest and exchange gains or losses for the year 2023 have a negligible impact on both pre-tax net profit and revenue.

(2) Impact from Exchange Rate Changes

The exported sales quotation and oversea raw materials purchases of the Company are both traded in U.S. dollars. Because the recurring offset of sales and purchases has the effect of a hedge against exchange rate changes, the revenue and profit should not be greatly affected. In order to strengthen the risk management of exchange rate fluctuations, the following countermeasures have been taken:

- A. By the nature hedging, the foreign currency receivables from the sales are used to pay for the foreign currency payables for the purchases. Accordingly, the assessment shall focus only on foreign currency. The forecast of the exchange rate trend shall allow settling or paying off foreign currency purchases and operating financial instruments promptly, reducing exchange rate risks.
- B. The financial staffs shall keep track of exchange rate fluctuations by monitoring international financial situations, maintaining close contact with bank exchange personnels, and collecting financial information provided by banks and investment institutions.
- C. When the business staff offers price and bargains, he shall also weigh the exchange rate fluctuations and adjust the product price accordingly.

(3) Impact from Inflation

The prices of raw materials required by the Company are stable. The easing inflation nowadays shall not affect much the future profit and loss of the Company.

2. The policies, main reasons for profits/losses, and future countermeasures for high-risk, high-leverage investments, lending funds to other parties, endorsements/guarantees, and derivatives trading
 - (1) Engagement in any high risk and high-leverage investments: None.
 - (2) Policies, main reasons and future countermeasures for capital lending to others
 - A. Policy

Lending capital to others shall be handled in accordance with the company's "Procedures for Lending of Capital to Others."
 - B. Main reasons

To keep in operation the company's sub-subsidiary, All Ring Tech (Kunshan) Co., Ltd. (hereinafter referred to as All Ring Tech (Kunshan)), the company's sub-subsidiary, Kunshan All Ring Tech Co., Ltd. (hereinafter referred to as Kunshan All Ring Tech) shall, under the approval of the Board of Directors, lend a capital of RMB 8 million or less to All Ring Tech (Kunshan) with a one-year period. As of the publication date the Annual Report, the loan balance was RMB 0.
 - C. Future countermeasures: None.
 - (3) Policies, main reasons and future counter measures for endorsements:
 - A. Policy

Endorsements/guarantees shall be handled in accordance with the company's "Procedures for Endorsements and Guarantees."
 - B. Main reasons

The subsidiary, Uniring Tech Co., Ltd., intended to apply to a financial institution for a loan required for its working capital turnover. The Company has endorsements both at NT\$30,000 thousand with an one-year period, in accordance with the Board's resolution on February 26 , 2024.
 - C. Future countermeasures: None.
3. Future R&D plans and estimated R&D expenses
 - (1) Future R&D plans

To maintain the long-term advantages in R&D capabilities, the Company has filed the patents for key core technologies to the Intellectual Property Bureau. In addition, the Company has continued to invest largely in R&D, recruit outstanding R&D engineers, and make sure that training programs have been implemented as planned. These policies shall advance the R&D capabilities of the Company to a technical advantage over industrial competitors. To this end, the Company has set up the goal to develop five new types of automatic machines every year. The R&D strategies are listed as follows:

- A. To grasp fully the market and the needs of customers. With the satisfaction of customers in mind, the R&D professionals that the Company has trained shall continue to cultivate mainstream technologies.
 - B. The development of successful R&D technical processes is regulated by the standard of the quality assurance system, to ensure that the technology-developing experience is being passed on.
 - C. To cultivate ample interaction with research institutes and academic units. With the aid and guide by the leading experts and scholars, the R&D capabilities can be strengthened step by step.
 - D. To build a strategic alliance with technical developers, in order to guide the R&D direction or develop new technologies, and reduce R&D costs and risks.
 - E. To collaborate with foreign professional equipment manufacturers on developing new products. The gradual transfer of technologies shall make possible the independence of the Company in the long term.
- (2) The Company has upheld the belief that core technologies must be developed by its R&D personnels. To this end, NT\$618,506 thousand has been allocated for R&D development in 2024.
4. Effect on the company's financial operations of relevant policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response
5. The company has paid great attention to changes in major domestic/overseas policies and regulations and has taken necessary actions in response to these changes. Present changes in major domestic/overseas policies and regulations have no significant impact on the company's financial business.

Impact of changes in technologies (including information security risk) and industries on the company's finance and business, and the countermeasures thereof

R&D and manufacturing semiconductor testing equipment is the company's main development target recently, continuous research and development and innovation for the company among the main competitive niche of frontline testing equipment factory, the company has set a clear research and development plan, the company stably invest R&D funds and actively cultivate R&D personnel every year, so that the company can be in the industry in stable leading position, the company's operating performance also maintained a steady growth trend, so technology changes have a positive effect on the company's financial business. In response to the risk of changes in the industry, the company constantly communicate with customers and customize and improve the needs of customers. Through understanding of customer process, further expand the product line, extend the development project to other equipment required, thereby reducing the uncertainty of product development and improving product opening The timing and success rate, and has been affirmed by international semiconductor manufacturers. On the basis of product understanding, continue to optimize, increase machine efficiency and reduce production costs, through the advantages of

independent process R&D technology and stable mass production experience to cope with the trend of the industry.

Due to the growing network development and increasing threats to network and information security, the Company has set up an Information Security Enforcer, which manages the Information Security Executive Team and the Information Security Emergency Processing Team, which sets out an information security plan for a number of information security-related issues and regularly evaluates the effectiveness of implementation. Preventing external malicious intrusions, stealing sensitive information and the kidnapping of ransomware databases through irregular information training and advocacy, as well as through system audit to check whether there is abnormal information flow, avoid the outflow of R&D results, to ensure the company's operations, accounting and other important systems For effective operation, please refer to Page 142~144 for detailed implementation and workarounds.

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

The company commits to maintaining a high degree of professional ethics and management operations. No unethical behavior will be allowed under the established integrity standards. In the event of a crisis, the relevant analysis shall be conducted, and countermeasures shall be taken to minimize the impact and smooth the operation.

7. Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken

In the most recent year up to the date this report is published, the Company has had no plans for mergers and acquisitions. The benefits of any future merger and acquisition plans will be evaluated carefully to ensure the shareholders' interests.

8. Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken

The construction of new plant Nanzi office has been completed. This new plant is set to meet the growth of downstream industries and demands on new products. The company's revenue and customer satisfaction are expected to increase, while its competitiveness in the market is strengthened. No relevant risks are to be concerned with.

9. Risks on concentrated sources of sales/purchases, and the countermeasures thereof

- (1) Purchase:

The Company maintains a steady long-term collaboration with suppliers. Once a certain supplier fails to be a stable supplier or fails to deliver on time, the Company will first seek other suppliers or suitable alternative materials. All suppliers have no market monopoly over the main raw materials provided to the Company. Instead, a long-term, stable partnership of good quality has been established between the Company and the suppliers. Meanwhile, the Company also reviews the quality of supplied raw materials from time to time, and inquiries about other good suppliers in order to disperse the risk of concentrated purchase.

(2) Sales:

To avoid the impact from the environmental fluctuations in specific industries, the company has, in addition to developing manufacturing equipment for passive components (resistance, capacitance, and inductance) and semiconductor equipment, succeeded to expand its business on LEDs and testing equipment. Furthermore, judging from the fact that the top ten sale customers of the company for the past three years are mostly well-known manufacturers, and from the fact that the capital expenses of large semiconductor package companies have gone up to meet the current trend toward thin and light electronic products, there is no risk of concentrated sales at the present moment.

10. The impact, risks and countermeasures of a large number of transfer or replacement of shares of directors or major shareholders holding more than 10% shares on the company.

There is no described circumstance in the most recent year up to the publication date of this report.

11. Impact and risk of change in management right, and the countermeasures thereof:

There is no such concern in the most recent fiscal year up to the date this report is published.

12. Other significant risks, and mitigation measures being or to be taken

There is no such concern in the most recent fiscal year up to the date this report is published.

(II) Litigations and Non-Litigations

1. For litigations that have been settled or are still ongoing, and non-litigations or administrative disputes, which occurred during the most recent two years up to the date this report is published, the Company shall disclose the disputed facts, monetary amount involved, proceeding starting date, main involved parties, and the current handling status if these matters have a significant impact on the shareholders' interests or securities prices: None.
2. For the Company's Directors, Supervisors, President, person in charge, and shareholders who own 10% or more of the company's stock having, in the most recent two years up to the publication date of the Annual Report, been involved in litigation cases that have been settled or are still ongoing, and non-litigation cases or administrative disputes, the company shall disclose their possible impacts on the shareholders' equity or securities prices: None.
3. For the company's Directors, managerial officers, and shareholders who own 10% or more of the company's stock having, in the most recent two years up to the publication date of the Annual Report, been involved in the affairs specified in Article 157 of the Securities Exchange Act, the company shall disclose how it handles the matter at the present moment: None.

- (III) Facts regarding the hard-up financial standing and loss of credit standing suffered by the directors, managers and shareholders taking 10% or more of the company's shares in recent year and the period as of the publication date of the Annual Report: If any, please specify the impact on the financial standing of the Company: None.

VII. Other Important Matters:

(I) Succession Planning and Operation of Board Members

1. The Articles of Association of the Company stipulates that the candidate nomination system shall be adopted for the election of directors, and the Code of Practice for Corporate Governance and the Measures for the Election of Directors stipulate that the composition of the board of directors shall consider diversification, and the diversification policy shall be formulated according to the company's own operation, operation type and development needs, including but not limited to two major standards, namely, basic conditions and values, professional knowledge and skills.
2. The Company's succession plan for directors establishes a database of directors candidates according to the following criteria:
 - (1) Honesty, responsibility, innovation and decision-making, consistent with the core values of the company, and professional knowledge and skills helpful to the company's operation and management.
 - (2) Having industrial experience related to the business of the Company.
 - (3) Continuously providing an effective, coordinated, diversified board of directors that meets the needs of the Company.
3. The Company's performance evaluation measures by the "Board Self-Evaluation or Peer Evaluation Method" include the control of the company's objectives and tasks, the recognition of responsibilities, the participation in operation, the internal relationship management and communication, professional functions and further study, internal control and specific opinions, etc., so as to confirm the effective operation of the board of directors and evaluate the performance of directors, which can be used as a reference for selecting directors in the future.

(II) Succession Planning and Operation of Important Management

The company is led by the Chairman, President, and various senior executives, guiding the group's colleagues to achieve outstanding results in research and development, business, management, manufacturing, and finance. Successors for the Chairman and President positions are selected based on personality traits, professional competence, alignment with the company, and their willingness to take on the role, with appropriate consideration given to their willingness to succeed in the company. According to their professional abilities and qualifications, appropriate training and development are provided, with appropriate guidance throughout the process. During this process, flexible arrangements and space are given to potential successors, enhancing their performance and reputation both within and outside the organization, and assisting in establishing teams that complement their abilities and providing suggestions for the company's future development direction, with the aim of facilitating a smooth transition.