



JMC ELECTRONICS CO.,LTD.

2024

Annual Report

Websites for query of annual report:
<https://mops.twse.com.tw>
<http://www.jmct.com.tw>

Publish on April 18,2025

- I. Names, titles, contact numbers and Emails of spokesperson and deputy spokesperson of the Company:
Spokesperson: HUANG, MEI-HSUEH
Title: Manager
Tel.: (07)962-0668
Email: stock.service@jmct.com.tw
Deputy spokesperson: CHEN, SUNG-CHOU
Title: Head of Marketing Senior Manager
Tel.: (07)962-0668
Email: stock.service@jmct.com.tw
- II. Address and telephone numbers of headquarters, branch company and factory:
Address of headquarters: No. 8, Xinkaifa Rd., Nanzi Dist., Kaohsiung City, Taiwan
Tel.: (07)962-0668
Address of Branch Company: None
Tel.: None
Factory address: No. 8, Xinkaifa Rd., Nanzi Dist., Kaohsiung City, Taiwan
Tel.: (07)962-0668
- III. Name, address, website and telephone number of stock transfer agency:
Agency: SinoPac Securities Stock Agency Department
Address: 3 F, No. 17, Bo'ai Rd., Zhongzheng Dist., Taipei City, Taiwan
Tel.: (02)2381-6288
Website: <http://securities.sinopac.com/>
- IV. Names of certified public accountants of the financial report of recent year, name of accounting firm, address, website and telephone number:
Names of accountants: Wang, Chao-Chun and Wen S. Chen
Name of Accounting firm: Deloitte Taiwan
Address: 3F, No. 88, Chenggong 2nd Road, Qianjin District, Kaohsiung
Tel.: (07)530-1888
Website: <http://www.deloitte.com.tw>
- V. Place of overseas securities trading and how to search overseas securities information: None
- VI. Company website: <http://www.jmct.com.tw>

Table of Contents

I.	Letter to Shareholders.	1
II.	Corporate Governance Report.....	4
	(I). Information regarding directors, general manager, deputy general manager, assistant managers, and heads of each department and branches.	4
	(II). Remuneration paid to directors, general manager and deputy general manager in recent years.....	19
	(III). Corporate governance.....	26
	(IV). Information regarding fee of certified public accountants.....	103
	(V). Information regarding change of accountants	103
	(VI). Employment of chairman, general manager, and manager in charge of finance or accounting of the Company to the accounting firm where the certified public accountants work or its affiliates in recent year.	104
	(VII). Changes (transfer and pledge) of equity of directors, managers and shareholders with shareholding ratio exceeding ten percent in recent years and as of the date of publication of the annual report.	104
	(VIII). Information regarding top-10 shareholders in terms of shareholding ratio who are related parties or have kinship including spouses and the second degree of kinship.....	106
	(IX). Shares held by the Company and its directors and managers as well as enterprise(s) directly or indirectly controlled by the Company and consolidated calculation of comprehensive shareholding ratios.	106
III.	Fundraising Status.....	107
	(I). Capital and shares	107
	(II). Handling status of corporate bond.....	110
	(III). Handling status of special share.....	111
	(IV). Handling status of overseas depository receipts.	111
	(V). Handling status of employee subscription right voucher.	111
	(VI). Handling status of new share that restricts employees' rights.	111
	(VII). Handling status of new shares issued by other companies merged or accepted	111
	(VIII). Execution status of capital application plan:	111
IV.	Overview of Operation.....	112
	(I). Business content.....	112
	(II). Overview of market and production & sales.....	124
	(III). Information of employees in recent two years and as of the date of publication of the annual report.....	132
	(IV). Information regarding environmental protection expenditure	132
	(V). Labor-capital relationship.	132

(VI).	Information security management:	135
(VII).	Important contracts:.....	137
V.	Review and Analysis of Financial Status and Financial Performance and Risk Issues.....	138
(I).	Financial status:.....	138
(II).	Financial performance.....	139
(III).	Cash flows	140
(IV).	Influence of major capital expenditure on financial business in recent years.....	140
(V).	Reinvestment policies in recent years, main reasons for profit or loss, improvement plan, and investment plan for the next year.....	140
(VI).	Risk issues	141
(VII).	Other important events.....	145
VI.	Special Notes.....	146
(I).	Related information of affiliates	146
(II).	Handling status of private placement of valuable securities in recent years and as of the date of publication of the annual report	146
(III).	Status of subsidiaries' holding or disposal of the Company's stock in recent years and as of the date of publication of the annual report	
(IV).	Other necessary supplementary clarifications.....	146
VII.	Occurrence of events having a major influence on the shareholders' equity or securities prices specified in subparagraph 2, paragraph 3 of Article 36 of the Securities Exchange Act in recent years and as of the date of publication of the annual report.	147

I. Letter to Shareholders

Ladies and gentlemen,

Thank you for participating in the regular Shareholders' Meeting of the Company of 2025 in the midst of pressing affairs. Now, the business report of 2024 is hereby reported as follows:

(I). Operating results of 2024

The gradual recovery of the global economy, coupled with accelerated inventory replenishment by customers and increased demand from major sporting events, drove strong revenue performance in the first half of the year. However, as the impact of these sporting events subsided, customer demand softened, and panel manufacturers in China implemented production reduction plans, leading to a slowdown in overall demand for display panels. Consequently, profitability declined across the panel and component supply chain, including JMC's Tape-COF production. In 2024, JMC recorded a total sales volume of 476,157K pieces, generating revenue of NT\$1,959,533 thousand.

Unit: NT\$ Thousand

Item	2024		2023		Difference	
	Amount	%	Amount	%	Amount	%
Operating revenue	1,959,533	100	1,765,433	100	194,100	11
Gross profit	47,539	2	39,026	2	8,513	22
Gross profit margin	2%	-	2%	-	-	-
Operating income(lose)	(106,072)	(5)	(101,660)	(6)	(4,412)	(4)
Profit before tax	17,018	1	1,785	-	15,233	853
Profit after tax	13,187	1	7,477	1	5,710	76

(II). Analysis of financial revenue and expenditure as well as profitability

Item	2024	2023
Debt To Assets Ratio	34%	41%
Liquidity Ratio	192%	102%
Quick Ratio	148%	80%
Net Profit Margin	1%	1%
EPS	NT\$0.16	NT\$0.09

(III). Status of research and development

JMC continuously developed subtractive technology to the precision of 20um pitch and 18um pitch and improved its quality and efficiency to lower cost and improve market competitiveness of the products.

On the basis of the process technology expertise and products cultivated using the unique semi-additive method of JMC with fine pitches below 20um pitch especially 18um, 16um and 14um pitch, the Company improved product design capacity through

cooperation with customers and comprehensively supplied fine-pitch COF used in LCD driver ICs needed by customers' handheld device products and smartphones.

JMC developed 2-Metal front-end process technology which would be applied in LCD driver IC with high pint-count and fine-pitch design requirements. Besides, through cooperation with customers, JMC utilized 2-Metal process technology to develop light, thin, short and small IC substrates and extend such characteristics in the application of advanced LED carriers and other types of IC carriers to create new-type IC package.

(IV). Overview of business plan of 2025

Following the production reduction plans and inventory adjustments in the second half of 2024, inventory levels are expected to return to a healthier state. Anticipated interest rate cuts are likely to support a gradual global economic recovery. Additionally, China's introduction of various stimulus policies to stabilize the market is expected to drive consumer spending and investment, boosting demand in the consumer electronics industry.

Looking ahead, JMC's operational strategy will center on the application of 1-Metal Semi (semi-additive process) and 1-Metal Sub (etching process) in Tape-COF for various panel driver ICs. Meanwhile, the newly established 2-Metal production line will focus on developing LED substrates and other IC substrates, expanding product applications and broadening the customer base. This approach aims to ensure both business stability and sustainable growth for the Company.

(V). Future development strategies

The International Monetary Fund (IMF) forecasts a global economic growth rate of 3.2% in 2025, while the International Data Corporation (IDC) presents an even more optimistic outlook. Benefiting from the rising demand for artificial intelligence (AI) and high-performance computing (HPC), the semiconductor industry is expected to experience significant growth. JMC remains committed to developing niche products and advanced technologies, deepening its presence in the 1-Metal Tape-COF sector for packaging applications. Additionally, the Company will continue advancing 2-Metal ultra-thin fine-line IC substrates, designed for compatibility with various IC packaging applications.

JMC's 1-Metal Tape-COF, produced using the subtractive process, is primarily used in large-size LCD TV driver ICs. Leveraging Sumitomo Metal Mining Co., Ltd. (SMM)-built equipment, the Company maintains a cost advantage in the large LCD TV market, where cost efficiency is crucial.

Furthermore, JMC's proprietary semi-additive process technology is applied to driver ICs for handheld devices and smartphones. The Company is dedicated to enhancing the yield and efficiency of 1-Metal 18/16 μ m pitch products, maximizing production capacity, reducing costs, and driving profitability. These efforts will support JMC's goal of gradually expanding its market presence.

In terms of innovation in process and technology development, JMC has successfully established its 2-Metal production line after years of research and process innovation. This achievement positions JMC as a supplier of Tape-COF and ultra-thin fine-line IC substrates with comprehensive technological capabilities, encompassing Subtractive, Semi-Additive, and 2-Metal processes. The Company's ability to collaborate with customers in developing advanced technologies, along with its strong execution of strategic initiatives, will play a key role in driving mid-to-long-term operational performance.

JMC is pursuing vertical integration across the supply chain. The Company actively collaborates with upstream material suppliers to develop new materials, fostering long-term, mutually beneficial partnerships among raw material suppliers, JMC, and its customers. The Company is also expanding its presence in the domestic market while strengthening its global footprint, positioning itself as a globally competitive and well-recognized supplier of Tape-COF and ultra-thin fine-line IC substrates for IC packaging, with the goal of deepening long-term customer relationships.

(VI). Influence from external competitive environment, legal environment and overall business environment

In response to ongoing uncertainties surrounding the U.S.-China tariff trade war and the pace of China's economic recovery, JMC will continue to enhance its product development capabilities, accelerate time-to-market for new products, and implement a market expansion strategy with a strong focus on exports. The Company will also work closely with customers, actively assisting in problem-solving and providing real-time services to seize market opportunities that best align with customer needs.

Regarding corporate social responsibility, JMC's corporate governance philosophy focuses on creating a safe and healthy work environment, conserving social resources, and building a high-quality service team with leading technology and top talent that exceed customer expectations. The Company aims to establish itself as a professional manufacturer and service provider in the COF industry.

Finally, we sincerely appreciate the long-term support and encouragement from our shareholders, customers, and suppliers. JMC's management team remains dedicated to maintaining technological leadership and delivering innovative value-added services. We will continue to enhance our core technologies and competitiveness, stay attuned to market insights and trends, and swiftly adapt to the ever-evolving global economic landscape, striving for sustainable operation.

Chairman: Wan, Wen-Tsai

General Manager: Huang, Mei-Hsueh

II. Corporate Governance Report

(I). Information regarding directors, general manager, deputy general manager, assistant managers, and heads of each department and branches:

A. Director's information

Title	Nationality or Place of Registration	Name	Gender and Age	Date First Elected	Date Elected (on Board)	Term of Office	Shareholding when elected		Current shareholding		Shares currently held by spouse and minor children		Shares held in the name of others		Main experience (education)	Concurrent position(s) currently held in the Company and other companies	Other managers and directors regarding spouse or relative of second degree of kinship		Remark
							Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Title	Relation	
Chairman	ROC	Chang Wah Electromaterials Inc.	N/A				35,531,390	42.81%	35,531,390	42.81%	N/A	N/A		Department of Machinery Engineering, National Chin-Yi Institute of Technology Engineer of Hui Tung Weight Scale MFG. Co. Ltd.	Chairman & general manager of Tian Zheng International Precision Machinery Co., Ltd. Chairman of Master Machinery Technology Co., Ltd. Chairman of Omnitrek Technology Co., Ltd. Director of Wenzheng Investment Co., Ltd. Director of Tian Zheng Holding Co., Ltd.(SAMOA). Representative of Dongguan Tian Zheng Precision Machinery Co., Ltd.	None	None	None	—
	ROC	Representative: WAN, WEN-TSAI	Male 60-70	Mar. 3, 2023	May. 29, 2024	3	-	-	-	-	-	-	-						
Vice Chairman	ROC	Chang Wah Electromaterials Inc.	N/A				35,531,390	42.81%	35,531,390	42.81%	N/A	N/A		The Hong Kong Polytechnic University General Manager of Poeschl Electronics General Manager of Taiwan SUMICO Precision Molds Co., Ltd.	Chairman & General Manager of Chang Wah Technology Co., Ltd. Corporate Director Representative of Advanced Echem Materials Company Limited Director of Suzhou Xinsongke Semiconductor Materials Co., Ltd.	None	None	None	—
	HK	Representative: HONG, CHUAN-CHENG	Male 50-60	Mar. 27, 2017	May. 29, 2024	3	16,600	0.02%	16,600	0.02%	-	-	-	Taiwan Co., Ltd. General Manager of Sumiko Electronics General Manager of Taiwan SUMICO Technologies Co., Ltd. General Manager of Chang Wah Technology Co., Ltd.	Director of Chengdu Xingsheng Semiconductor Materials Co., Ltd. Director of Chengdu Xingsheng New Materials Co., Ltd. Director of Malaysian SH Electronics Sdn.Bhd Director of SH Asia Pacific Pte. Ltd. Corporate Director Representative of Silver Connection Co., Ltd.	None	None	None	—
Director	ROC	Yeyo Technology Co., Ltd.	N/A				15,000	0.02%	15,000	0.02%	N/A	N/A		Department of Economics, Tamkang University Lead of Audit Team, Diwan & Co Lead of Finance Team, WAH LEE INDUSTRIAL CORP	Manager of Chang Wah Electromaterials Inc.	None	None	None	—
	ROC	Representative: PAN, CHAO-YI	Female 50-60	May. 29, 2024	May. 29, 2024	3	-	-	-	-	-	-	-						
Director	ROC	Chipmos Technologies Inc.	N/A				8,300,000	10.00%	8,300,000	10.00%	N/A	N/A		Bachelor, Physics, Soochow University Vice President, Assembly Production Group, ChipMOS TECHNOLOGIES INC.	Senior Vice President and Spokesperson of Chipmos Technologies Inc. for Corporate Strategy and Investor Relations.	None	None	None	—
	ROC	Representative: Jesse Huang	Male 50-60	Aug. 15, 2018	Nov. 05, 2024	3	-	-	-	-	-	-	-						
Independent director	ROC	YANG, SHUN-CHING	Male 60-70	Jun 15, 2011	May. 29, 2024	3	31,540	0.04%	31,540	0.04%	-	-	-	Department of Physics of Chinese Culture University Assistant Manager of Siliconware Precision Industries Co., Ltd. General Manager of Lingsen Precision Industries, Ltd.	Director of Lingsen Precision Industries, Ltd. Independent Director of Megawin Technology Co., Ltd. Independent Director of FITTECH CO., LTD	None	None	None	—
	ROC	SU, ERH-LANG	Male 60-70	Dec. 17, 2012	May. 29, 2024	3	-	-	-	-	-	-	-	Department of Law, Fu Jen Catholic University Attorney at Law, 5Suns Law Attorney, Chien Yeh & Associates Attorney, DTT Attorneys - At-Law	Independent Director of Nang Kuang Pharmaceutical Co., Ltd. Independent Director of Bin Chuan Enterprise Co., Ltd. Independent Director of AUROMA INDUSTRIES, INC	None	None	None	—
Independent director	ROC	CHEN, CHIH-HUNG	Male 60-70	May. 29, 2024	May. 29, 2024	3	-	-	-	-	-	-	-	Kuoichi Senior Vocational High School Communications Engineering President, SHI JONG ENTERPRISE CO., LTD.	None	None	None	None	—
	ROC																		

Note: If the chairman of a company and general manager or person with an equivalent post (top manager) are a same person, are spouse to each other, or relatives of first degree of kinship, relevant information including reason, rationality, necessity and responsive measures shall be explained (e.g. increase of number of independent directors; there shall be more than half of directors not taking concurrent posts as employee or manager) ; None.

1. Major shareholders of corporate shareholders:

March 29, 2025; unit: share

Name of corporate shareholder	Major shareholders of corporate shareholder (Note)
Yenyo Technology Co., Ltd.	Huang, Chia-Neng (98.44%)
	Huang, Xing-Lan (0.86%)
	Liao, Fang-Lu (0.64%)
	Huang, Yu-Li (0.03%)
	Huang, Chu-Jan (0.03%)
Chang Wah Electromaterials Inc.	Wah Lee Industrial Corp (27.27%)
	Xinxin Investment Co., Ltd. (7.88%)
	Yenyo Technology Co., Ltd. (5.97%)
	Chang Wah Technology Co., Ltd. (4.85%)
	Beisijie Investment Co., Ltd. (3.00%)
	JMC Electronics Co., Ltd. (1.90%)
	UBS Europe SE investment account under the custody of Citi Commercial Bank (1.74%)
	JPMorgan Chase Bank N.A., Taipei Branch in custody for JP Morgan Securities Investment Account (1.63%)
	Standard Chartered Custody Standard Chartered Bank (Hong Kong) - Stock Trading (0.93%)
	Chase Bank Trust Fanjiade Group Emerging Market Fund Investment Special Account (0.74%)
Chipmos Technologies Inc.	Siliconware Precision Industries Co., Ltd. (10.85%)
	First Bank Trust ChipMOS Technologies Depository Receipt Special Account (9.97%)
	Yanyuan Investment Co., Ltd. (5.67%)
	Chunghwa Post Co., Ltd. (2.16%)
	Chipmos Technologies Inc. agrees to buy back shares (1.38%)
	JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds (1.10%)
	HSBC Bank (Taiwan) is entrusted to manage the investment account of ENSIGN PEAK Consulting Co., Ltd.(1.02%)
	HSBC Bank (Taiwan) is entrusted with the custody of Arcadian Emerging Markets Equity Small Cap Fund Co., Ltd. Investment Account (0.95%)
	The Shanghai Commercial & Savings Bank, Ltd. (0.94%)
	First Commercial Bank in custody for Capital TIP Taiwan Semiconductor Dividend Yield ETF (0.94%)

Note 1: Fill out names of major shareholders of this corporate shareholder (top 10 regarding shareholding ratio) and their shareholding ratios.

Note 2: If the corporate shareholder is an unincorporated organization, names and shareholding ratios of shareholders disclosed above shall be names and contribution or donation ratios of contributors or donors (relevant announcements of Judicial Yuan can be queried as reference). If the donor has already passed away, "Deceased" shall be marked.

2. Main shareholders of major shareholders (legal persons) of corporate shareholder:

March 29, 2025; unit: share

Name of legal person	Major shareholder of legal person (Note)
Wah Lee Industrial Corp	Kangtai Investment Co., Ltd. (7.71%)
	Fushi Investment Co., Ltd. (6.17%)
	DSWL Investment Co., Ltd. (4.91%)
	Taipei Fubon Commercial Bank Co., Ltd. is entrusted with the custody Fuh Hwa Taiwan Technology Dividend Highlight ETF (3.59%)
	Dinpool Co., Ltd. (3.20%)
	BANK OF TAIWAN in Custody for Yuanta Taiwan High Dividend Low Volatility ETF (3.00%)
	Zamplus Investment Co., Ltd. (2.78%)
	Wah Hong Industrial Corp. (2.43%)
	Chang, Jui-Chin (2.22%)
	CTBC Bank Trust Property Special Account for ESOP Meeting of Wah Lee Industrial Corp (2.20%)
Xinxin Investment Co., Ltd.	Huang, Chia-Neng (99.095%)
	Huang, Si-Ying (0.3%)
	Huang, Pei-Wen (0.3%)
	Huang, Yu-Chieh (0.3%)
	Huang, Chun-Chieh (0.005%)
Yenyo Technology Co., Ltd.	Huang, Chia-Neng (98.44%)
	Huang, Xing-Lan (0.86%)
	Liao, Fang-Lu (0.64%)
	Huang, Yu-Li (0.03%)
	Huang, Chu-Jan (0.03%)
Chang Wah Technology Co., Ltd.	Chang Wah Electromaterials Inc. (47.80%)
	Yenyo Technology Co., Ltd. (3.78%)
	Beisijie Investment Co., Ltd. (3.72%)
	Huang, Hsiu-Chuan (3.32%)
	Xingzheng Investment Co., Ltd. (1.95%)
	Xinxin Investment Co., Ltd. (1.69%)
	Tai, Sung-Chi (1.45%)
	JMC Electronics Co., Ltd. (1.45%)
	Tai, Sung-Wen (1.13%)
	Shuangchen Investment Co., Ltd. (1.05%)
Beisijie Investment Co., Ltd.	Chang, Shu-Hui (82.48%)
	Huang, Si-Ying (6.19%)
	Huang, Pei-Wen (6.19%)
	Huang, Yu-Chieh (5.05%)
	Huang, Yu-Li (0.05%)
	Huang, Chu-Jan (0.05%)
JMC Electronics Co., Ltd.	Chang Wah Electromaterials Inc. (42.81%)
	Chipmos Technologies Inc. (10.00%)
	Huang, Chia-Neng (2.96%)
	ASUS Inc. (1.00%)
	Li, Sheng-Zhe (0.94%)
	Hung, Tien-Tsai (0.94%)
	Li, Wan-Hsia (0.59%)
	Huang, Mei-Hsueh (0.50%)
	Li, Mei-Lien (0.48%)
Hung, Yi-Hsiang (0.39%)	
UBS Europe SE investment account under the custody of Citi Commercial Bank	Unincorporated organization, N/A
JPMorgan Chase Bank N.A., Taipei Branch in custody for JP Morgan	Unincorporated organization, N/A

Name of legal person	Major shareholder of legal person (Note)
Securities Investment Account	
Standard Chartered Custody Standard Chartered Bank (Hong Kong) - Stock Trading	Unincorporated organization, N/A
Chase Bank Trust Advanced Starlight and Advanced Zonghe International Stock Index Foundation Special Investment Account	Unincorporated organization, N/A
Siliconware Precision Industries Co., Ltd.	ASE Technology Holding Co., Ltd. (100.00%)
Yanyuan Investment Co., Ltd.	Siliconware Precision Industries Co., Ltd. (27.94%)
	United Microelectronics Corporation (26.78%)
	King Yuan Electronics Co (14.55%)
	Unimicron Technology Corp. (11.64%)
	Coretronic Corporation (11.06%)
	Sigurd Microelectronics Corp. (5.70%)
	Xun Jie Investment Co., Ltd. (2.33%)
Chunghwa Post Co., Ltd.	Ministry of Transportation and Communications, R.O.C. (100.00%)
The Shanghai Commercial & Savings Bank, Ltd	TASSBURY INVESTMENTS CO., S.A.(4.67%)
	BRIGHT HONEST INVESTMENT LIMITED (3.82%)
	TILSBURY INVESTMENTS INC.(3.53%)
	Taishin International Bank in custody for Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF (2.77%)
	FUBON LIFE INSURANCE CO.,LTD (2.68%)
	SHEEN PERFECT ENTERPRISES LIMITED (2.66%)
	MAGNETIC HOLDINGS LIMITED (2.65%)
	LOGAN INVESTMENTS ENTERPRISES LTD.(2.47%)
	HONG DA INVESTMENT CO.,LTD (1.39%)
	JPMorgan Chase Bank N.A., Taipei Branch in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds (1.06%)
	Norges Bank (1.06%)
	Yuanta Taiwan Value High Dividend ETF (1.05%)
	Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Funds (1.03%)

Note 1: Fill out names of major shareholders of this legal person (top 10 regarding shareholding ratio) and their shareholding ratios.

Note 2: If the legal person is an unincorporated organization, names and shareholding ratios of shareholders disclosed above shall be names and contribution or donation ratios of contributors or donors (relevant announcements of Judicial Yuan can be queried as reference). If the donor has already passed away, "Deceased" shall be marked

3. Directors' professional knowledge and independence:

(1) Information disclosure of directors' professional qualifications and independent directors' independence:

Name	Condition	Professional qualification and experience (Note 1)	Independence status (Note 2)	Number of other public companies where the director holds a concurrent post of independent director
Wan, Wen-Tsai	Graduated from the Department of Machinery Engineering, National Chin-Yi Institute of Technology with operation and strategic management experience in the electronics industry, Wan served as engineer of Hui Tung Weight Scale MFG. Co., Ltd, and is now holding a position of chairman & general manager of Tian Zheng International Precision Machinery Co., Ltd. Furthermore, he served as director and general manager in other companies in the machinery technology industry. Specialized in industry technology, Wan possesses knowledge on marketing and industry, leadership, decision-making power, and operation management experience in the metal and machinery industries, and complies with qualification of possession of work experience in corporate business for more than five years. Additionally, Wan is not involved in any circumstance stipulated in Article 30 of the Company Act.	<p>1. Representative assigned by Chang Wah Electromaterials Inc. which is a corporate director holding more than 5% of shares already issued by the Company.</p> <p>2. Other information has already been verified according to the independence elements listed in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission (FSC), and relevant independence requirements are still met.</p>	None	
Hong, Chuan-Cheng	Graduated from The Hong Kong Polytechnic University, Hung served as general manager of Possehl Electronics and Taiwan SUMICO, thus accumulating experience in operation and strategic management of the semiconductor industry; currently, Hung serves as chairman of Chang Wah Technology and holds a concurrent post of director of multiple subsidiaries of Chang Wah with abundant knowledge on corporate governance, marketing and industry, leadership, decision-making ability and operation management experience. Therefore, Hung is capable of coming up with suggestions on corporate governance and operation management at due time. Hung complies with qualification of possession of work experience in corporate business for more than five years, and is not involved in any circumstance stipulated in Article 30 of the Company Act.	<p>1. Representative assigned by Chang Wah Electromaterials Inc. which is a corporate director holding more than 5% of shares already issued by the Company.</p> <p>2. Other information has already been verified according to the independence elements listed in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission (FSC), and relevant independence requirements are still met.</p>	None	

Name \ Condition	Professional qualification and experience (Note 1)	Independence status (Note 2)	Number of other public companies where the director holds a concurrent post of independent director
Pan, Chao-Yi (member and convener of Sustainable Development Committee)	<p>Graduated from the Department of Economics of Tamkang University, she has worked as the audit team leader of Diwan & Coand the financial manager of WAH LEE INDUSTRIAL CORP; currently she is the manager of Chang Wah Electromaterials Inc. with relevant management capabilities and practical experience in business, finance, and operational planning, helping to improve the operational quality of the company's board of directors and provide relevant business strategies.</p> <p>Pan complies with qualification of possession of work experience in corporate business for more than five years, and is not involved in any circumstance stipulated in Article 30 of the Company Act</p>	<p>1. Representative assigned by Yenyo Technology Co., Ltd which is a corporate director holding more than 5% of shares already issued by the Company.</p> <p>2. Other information has already been verified according to the independence elements listed in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission (FSC), and relevant independence requirements are still met.</p>	None
Jesse Huang	<p>Graduated from the Department of Physics of Soochow University, served as vice president, assembly production group of ChipMOS Technologies Inc. and is currently the senior vice president strategy and investor relations & spokesperson of ChipMOS Technologies Inc. Huang complies with qualification of possession of work experience in corporate business for more than five years, and is not involved in any circumstance stipulated in Article 30 of the Company Act.</p> <p>Mr. Jesse Huang is familiar with the scientific and technological development of semiconductor packaging industry and specialized in production management with insight for industrial development and scientific and technological applications.</p>	<p>1. Representative assigned by ChipMOS Technologies Inc. which is a corporate director holding more than 5% of shares already issued by the Company.</p> <p>2. Other information has already been verified according to the independence elements listed in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission (FSC), and relevant independence requirements are still met.</p>	None

Name \ Condition	Professional qualification and experience (Note 1)	Independence status (Note 2)	Number of other public companies where the director holds a concurrent post of independent director
<p>Yang, Shun-Ching (independent director / member and convener of Audit Committee / member of Remuneration Committee)</p>	<p>Graduated from Department of Physics of Chinese Culture University, Yang has successively served as assistant manager of Siliconware Precision Industries Co., Ltd. and general manager of Lingsen Precision Industries, Ltd., and later served as director of Lingsen Precision Industries, Ltd, dedicated to the operation and strategic management of the semiconductor electronic technology industry.</p> <p>Yang complies with qualification of possession of work experience in corporate business for more than five years, and is not involved in any circumstance stipulated in Article 30 of the Company Act.</p>	<p>He is an independent director and complies with independence status.</p> <p>Candidate nomination system is adopted for the appointment of directors of the Company according to Articles of Association of the Company and "Corporate Governance Best Practice Principles". Each director's written statement, work experience, and current employment certificate as well as relative relation table provided have already been verified as complying with independence status upon nomination and review; to be specific, relatives including but not limited to directors themselves, spouses and second degree of kinship haven't served as directors, supervisors or employees of the Company or its affiliates; the directors themselves, spouses, relatives within the second degree of kinship hold 31,540 shares already issued by the Company or hold them in the name of others, taking up 0.04% of total shares of the Company; they haven't served as directors, supervisors or employees of companies with specific relation with the Company; they haven't provided services of commerce, law, finance and accounting for the Company or its affiliates in recent 2 years, and therefore the amount of rewards obtained is zero. Besides, during two years before appointment and during the term of office, they have complied with the qualification elements stipulated in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission and Article 14-2 of Securities Exchange Act. Additionally, the independent directors have already independently executed relevant authorities according to the power granted for the full participation in decision-making and expression of opinions in Article 14-3 of the Securities Exchange Act.</p>	<p>2</p>

Name / Condition	Professional qualification and experience (Note 1)	Independence status (Note 2)	Number of other public companies where the director holds a concurrent post of independent director
Su, Erh-Lang (independent director / member of Audit Committee/ member of Remuneration Committee/ member of Sustainable Development Committee)	<p>Graduated from the Department of Law, Fu Jen Catholic University; currently serve as the managing partner of Shang Chih Law Firm, the independent director of Nan Kuang Pharmaceutical Co., Ltd, the independent director of BIN CHUAN ENTERPRISE CO., LTD., and the independent director of Aurona Industries, Inc.; ever served as the lawyer of Deloitte.</p> <p>Su complies with qualification of possession of work experience in inlaw for more than five years, and is not involved in any circumstance stipulated in Article 30 of the Company Act.</p>	<p>He is an independent director and complies with independence status.</p> <p>Candidate nomination system is adopted for the appointment of directors of the Company according to Articles of Association of the Company and "Corporate Governance Best Practice Principles". Each director's written statement, work experience, and current employment certificate as well as relative relation table provided have already been verified as complying with independence status upon nomination and review; to be specific, relatives including but not limited to directors themselves, spouses and second degree of kinship haven't served as directors, supervisors or employees of the Company or its affiliates; the directors themselves, spouses, relatives within the second degree of kinship (or through utilization of name of others) haven't held shares of the Company; they haven't served as directors, supervisors or employees of companies with specific relation with the Company; they haven't provided services of commerce, law, finance and accounting for the Company or its affiliates in recent 2 years, and therefore the amount of rewards obtained is zero. Besides, during two years before appointment and during the term of office, they have complied with the qualification elements stipulated in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission and Article 14-2 of Securities Exchange Act. Additionally, the independent directors have already independently executed relevant authorities according to the power granted for the full participation in decision-making and expression of opinions in Article 14-3 of the Securities Exchange Act.</p>	3

Name \ Condition	Professional qualification and experience (Note 1)	Independence status (Note 2)	Number of other public companies where the director holds a concurrent post of independent director
Chen, Chih-hung (independent director / member of Audit Committee/ member and convener of Remuneration Committee/ member of Sustainable Development Committee)	Graduated from the Department of Electronic Communication, Kuochi Senior Vocational High School; currently serve as the general manager of SHI JONG ENTERPRISE CO., LTD., Chen complies with qualification of possession of work experience in corporate business for more than five years, and is not involved in any circumstance stipulated in Article 30 of the Company Act.	He is an independent director and complies with independence status. Candidate nomination system is adopted for the appointment of directors of the Company according to Articles of Association of the Company and "Corporate Governance Best Practice Principles". Each director's written statement, work experience, and current employment certificate as well as relative relation table provided have already been verified as complying with independence status upon nomination and review; to be specific, relatives including but not limited to directors themselves, spouses and second degree of kinship haven't served as directors, supervisors or employees of the Company or its affiliates; the directors themselves, spouses, relatives within the second degree of kinship (or through utilization of name of others) haven't held shares of the Company; they haven't served as directors, supervisors or employees of companies with specific relation with the Company; they haven't provided services of commerce, law, finance and accounting for the Company or its affiliates in recent 2 years, and therefore the amount of rewards obtained is zero. Besides, during two years before appointment and during the term of office, they have complied with the qualification elements stipulated in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by the Financial Supervisory Commission and Article 14-2 of Securities Exchange Act. Additionally, the independent directors have already independently executed relevant authorities according to the power granted for the full participation in decision-making and expression of opinions in Article 14-3 of the Securities Exchange Act.	None

Note 1: Professional qualifications and experience: Explain the professional qualifications and experience of individual directors and supervisors. If members of the Audit Committee have expertise in accounting or finance, their accounting or financial background and work experience shall be explained. Additionally, it is required to indicate if they are involved in any circumstance stipulated in Article 30 of the Company Act.

Note 2: The independence status of independent directors shall be explained, including but not limited to the followings: Whether the independent directors themselves, spouses and relatives within the second degree of kinship serve as directors, supervisors or employees of the Company or its affiliates; shares of the Company held by independent directors themselves, spouses and relatives within the second degree of kinship (or in the name of others) and shareholding ratios; whether they serve as directors, supervisors or employees of companies having specific relation with the Company (with reference to the provisions of Article 3, Paragraph 1, Subparagraphs 5-8 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies"); remuneration amount obtained from services provided for the Company or its affiliates in recent 2 years, involving commerce, law, finance and accounting, etc.

4. Diversification and independence of Board of Directors:

(A) Diversification of the Board of Directors:

The Company's "Corporate Governance Best Practice Principles" sets out policies to strengthen the functions of the Board of Directors and a policy on the diversification of Board members.

The Board of Directors of the Company shall guide the Company's strategies, supervise the management, and take responsibility for the Company and the shareholders. Each work and arrangement under the corporate governance system shall be performed to ensure that the Board of Directors exercises its authorities and powers according to laws and regulations, provisions of the Articles of Association, or resolutions made by the Shareholders' Meeting.

As for the structure of the Board of Directors, seven or more directors shall be determined appropriately based on the scale of business development of the Company and the shareholding conditions of major shareholders, and in consideration of the practical operation demand.

The composition of the members of the Board of Directors should be diversified except that the number of directors holding a concurrent post of manager of the Company shall better not exceed one third of total directors. Also, proper diversified guidelines are drafted based on the corporate operation, business types and development demands. It is advisable to include but not limited to the standards regarding the following two aspects:

- a. Basic conditions and values: Gender, age, nationality, culture, etc.
- b. Professional knowledge and skills: Professional background (e.g., law, accounting, industry, finance, marketing or technology), professional skills, industry experience, etc.

Attention shall be paid to the gender equality among members of the Board of Directors who shall also generally possess the knowledge, skills and quality needed for execution of their duties. In order to achieve the ideal goal of corporate governance, the Board of Directors shall have the following capacity as a whole:

- a. Operational judgment
- b. Accounting and financial analysis ability
- c. Operation management ability
- d. Crisis handling capacity
- e. Industrial knowledge
- f. Outlook on international market
- g. Leadership
- h. Decision-making ability

(B) Implementation of Board diversity

Currently, the Board of Directors of the Company are specialists with different professional backgrounds or fields and comply with the diversification policy. In 2024, the average age of members of the incumbent Board of Directors is 62. Directors aged above 60 take up 57% while those aged below 60 take up 43% respectively in the Board of Directors; no director holds a concurrent post of employee in the Company, and therefore the number of directors with identity of employee takes up 0%; there are 3 independent directors in total, taking up 43% of all 7 directors; the consecutive tenure of these 3 independent directors hasn't exceeded three sessions. Currently, there is 1 female director who takes up 14% of all directors; besides local directors in Taiwan, there is another director coming from Hong Kong, China. The industry experience, distribution of seniority of

detailed in the following table of “Execution Status of the Diversification Policy Regarding Members of the Incumbent Board of Directors in 2024”. The Company remains committed to promoting gender equality on the Board of Directors. To support its goal of enhancing board diversity, the Company has incorporated into its Corporate Governance Best Practice Principles a guideline that female directors should ideally comprise one-third of the Board seats. In alignment with this objective, one additional female director was appointed during the Board re-election held on May 29, 2024. As of now, the Board is composed of 86% male (6 members) and 14% female (1 member). The Company will continue to make its best efforts to increase the representation of female directors prior to the next Board re-election in order to achieve its diversity target. The specific management objectives of the diversification policy of the Board of Directors as well as fulfillment conditions of such objectives are as follows:

Management objective	Fulfillment condition
Number of independent directors exceeds one third of total directors.	Fulfilled
Number of directors holding a concurrent post of manager of the Company shall better not exceed one third of total directors.	Fulfilled
Adequate diversified professional knowledge and skills	Fulfilled
Women account for one-third of board seats	Not Fulfilled

The execution status of the diversification policy regarding members of the incumbent Board of Directors in 2024 is detailed as follows:

Core diversification item	Gender	Nationality	Age			Seniority of independent director			Industrial experience				Proficiency		
			51-60	61-70	71-80	Below 3 years	3-9 years	Above 9 years	Semiconductor product and material	Metal and machinery	Semiconductor product and material	Metal and machinery	Industrial technology	Accounting	Risk management
Name of director															
Chairman Wan, Wen-Tsai	Male	Taiwan		v					v	v	v	v	v		v
Vice Chairman Hong, Chuan-Cheng	Male	HK	v						v		v	v			v
Director Pan, Chao-Yi	Female	Taiwan	v						v			v		v	v
Director Jesse Huang,	Male	Taiwan	v						v		v	v			v
Independent Director Yang, Shun-Ching	Male	Taiwan			v		v		v		v	v			v
Independent Director Su, Erh-Lang	Male	Taiwan		v			v		v			v			v
Independent Director Chen, Chih-hung	Male	Taiwan		v			v		v		v	v			v

(C) Independence of the Board of Directors:

a. Structure of the Board of Directors:

The Company establishes a director selection system and the election and appointment procedures of all directors are open and fair, and comply with the provisions of “Articles of Association”, “Measures for Election of Directors”, “Corporate Governance Best Practice Principles”, “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” and “Article 14-2 of the Securities Exchange Act”. The composition of the incumbent Board of Directors includes 3 independent directors (43%) and 4 non-independent directors (57%). The number of independent directors exceeds one third of total shareholders, and no director has kinship of spouse or the second degree of kinship with each other, and therefore it complies with the circumstances stipulated in Paragraphs 3 and 4 of Article 26-3 of the Securities Exchange Act.

b. Independence of the Board of Directors:

The Board of Directors of the Company guides the corporate strategies, supervises the management, and takes responsibilities for the Company and shareholders. As for each work and arrangement regarding corporate governance system, the Board of Directors exercises its authorities based on laws and regulations, Articles of Association of the Company or resolutions made by the Shareholders’ Meeting. The Board of Directors of the Company emphasizes on the functions of independent operation and transparency. Independent directors also independently exercise their authorities in the Audit Committee and review if the Company has existing or potential risks to control according to the provisions of relevant laws and regulations so as to practically supervise the effective implementation of the internal control of the Company, selection and appointment of certified public accountants and their independence, and appropriate preparation of financial statements. Additionally, cumulative voting system and candidate nomination system are adopted as election and appointment methods of directors (including independent directors) according to “Measures for Election of Directors” of the Company. Shareholders are encouraged to get involved in this process. Shareholders holding a certain number of shares may propose a list of candidates, and relevant work shall be conducted and announced according to law so as to safeguard shareholders’ interests and maintain independence. The Company has established a performance evaluation system for the Board of Directors. Internal self-evaluation of the Board of Directors and assessment and self-evaluation among members of the Board of Directors are executed once every year. Furthermore, in order to enable the investors to fully comprehend other operation conditions of the Board of Directors, the Company has also disclosed relevant information in its annual report, official website or MOPS:

- (a) Operation conditions of the Board of Directors and functional committees;
- (b) Proposals and results of resolutions of the Board of Directors;
- (c) Conditions of continuing education of directors;
- (d) Announcements of applications of directors for changes in shareholding.

5. Succession planning for Board members and key management personnel:

(A) Succession planning for Board members :

The nomination of directors and independent directors is conducted in accordance with the Company's Rules for Election of Directors and Corporate Governance Best Practice Principles, which stipulate that Board composition should reflect diversity. Based on the Company's operations, business model, and development needs, a diversity policy has been established, covering various aspects including, but not limited to, fundamental qualities and values, as well as professional knowledge and skills.

The Company's Board succession plan includes internal and external talent selection based on the following criteria:

- Capability in corporate planning, decision-making, and leadership;
- Values that align with the Company's core principles;
- Experience relevant to the industries in which the Company operates; and
- Ability to contribute to a Board that functions effectively and meets the Company's needs.

Board succession candidates are identified through the following approaches:

- a. Recommendations from current Board members;
- b. Nominations by shareholders;
- c. Reference to Board performance evaluation results to assess suitability for reappointment.

The Company also continuously develops managerial personnel by strengthening their strategic thinking, financial analysis, and leadership capabilities; while ensuring they are familiar with Board operations. These individuals are considered key potential candidates for future Board succession.

(B) Succession Plan for key management personnel:

The Company assigns management personnel according to the organizational hierarchy, with responsibilities across key business and operational functions. Deputies are designated for key positions, and annual training programs are provided alongside occasional job rotations. In addition, the Company leverages government subsidy programs to support employee self-development, strengthen managerial capabilities, and cultivate a global perspective.

The Company is dedicated to talent development and the identification of high-potential employees. Through practical experience and training programs conducted by both internal and external instructors, employees gain insights into industry trends, technological advancements, and best practices from leading enterprises. These initiatives help ensure employees stay current with the latest management concepts and industry dynamics. In addition, monthly sessions are held among managers to facilitate the exchange of practical insights on business and management topics.

Employee performance evaluations are conducted on a quarterly basis. Through continuous observation and performance reviews, the Company gains a clearer understanding of areas where employees can improve, as well as their individual development needs. The evaluation results also serve as a reference for future succession planning.

B. Information regarding general manager, deputy general manager, assistant managers and heads of each department and branches:

March 29, 2025; unit: share

Title	Nationality	Name	Gender	Date Elected (on Board)	Shareholding		Shares currently held by spouse and minor children		Shares held in the name of others		Main experience (education)	Concurrent position(s) currently held in other companies	Other managers and directors regarding spouse or relative of second degree of kinship			Remark
					Share number	Shareholding ratio	Share number	Shareholding ratio	Share number	Shareholding ratio			Title	Name	Relation	
General Manager	ROC	LI, Wan-Hsia (Note 1)	Female	Jul. 1, 2014	490,530	0.59%	-	-	-	-	Department of Chemical Engineering of National Taiwan University Deputy General Manager of Asia Microelectronics Co., Ltd. General Manager of Simpal Electronics Co., Ltd.	None	-	-	-	-
General Manager	ROC	Huang, Mei-Hsueh (Note 1)	Female	Jul. 1, 2014	415,000	0.50%	-	-	-	-	Department of Chemical Engineering of Kaohsiung Junior College of Technology Division Chief of Asia Microelectronics Co., Ltd. Deputy General Manager of Simpal Electronics Co., Ltd	None	-	-	-	-
Head of R&D Engineering Division	ROC	Hsia, Chih-Hsiung	Male	Apr. 1, 2014	25,560	0.03%	-	-	-	-	Institute of Chemical Engineering of National Cheng Kung University R&D Director of Engineering Department of Asia Microelectronics Co., Ltd. Manager of R&D Department of Simpal Electronics Co., Ltd.	None	-	-	-	-
Head of Design Engineering Division	ROC	Tsai, Jin Bao	Male	Apr. 1, 2014	-	-	-	-	-	-	Institute of Materials of I-Shou University Design Director of Engineering Department of Asia Microelectronics Co., Ltd. Manager of Design Department of Simpal Electronics Co., Ltd	None	-	-	-	-
Head of Process Engineering Division	ROC	Lin, Chien-Yi	Male	Apr. 1, 2014	620	0.00%	-	-	-	-	Institute of Chemical Engineering of Feng Chia University Process Director of Engineering Department of Asia Microelectronics Co., Ltd. Manager of Engineering Department of Simpal Electronics Co., Ltd.	None	-	-	-	-

Title	Nationality	Name	Gender	Date Elected (on Board)	Shareholding		Shares currently held by spouse and minor children		Shares held in the name of others		Main experience (education)	Concurrent position(s) currently held in other companies	Other managers and directors regarding spouse or relative of second degree of kinship			Remark
					Share number	Shareholding ratio	Share number	Shareholding ratio	Share number	Shareholding ratio			Title	Name	Relation	
Head of Administration Division	ROC	Ko, Sheng-Tung	Male	Dec. 29, 2014	-	-	-	-	-	-	Law Department of National Chung Hsing University Manager of HR Department of Simpal Electronics Co., Ltd. Chief of Administration Division of Flexium Interconnect Inc	None	-	-	-	-
Head of Marketing Division	ROC	Chen, Sung-Chou	Male	Apr. 1, 2014	6,640	0.01%	-	-	-	-	Department of Business Administration of Feng Chia University Director of Business Department of Asia Microelectronics Co., Ltd. Manager of Business Department of Simpal Electronics Co., Ltd.	None	-	-	-	-
Manager of Finance & Accounting Department	ROC	Chiang, Wei-Wei (Note 2)	Female	Aug. 10, 2023	1,000	0.00%	-	-	-	-	Department of Accounting, Providence University Team Leader, Deloitte Touche Tohmatsu Limited Associate Manager of Finance & Accounting Department of JMC Electronics Co., Ltd.	None	-	-	-	-
Manager of Finance & Accounting Department	ROC	Yang, Chien-Yi	Female	Aug. 8, 2024	-	-	-	-	-	-	Department of Accounting, MCU Assistant Manager of the Audit Department of KPMG Accounting officer of ThinFlex Corporation. Corporate Governance Manager of CHUN YU WORKS & CO., LTD.	None	-	-	-	-

If the general manager or person with an equivalent post (top manager) and the chairman are a same person, are spouse to each other, or relatives of first degree of kinship, relevant information including reason, rationality, necessity and responsive measures shall be explained (e.g. increase of number of independent directors; there shall be more than half of directors not taking concurrent posts as employee or manager) : None.

Note1: On March 6, 2025, the board of directors approved that Ms. Li, Wan-Hsia would be transferred from general manager to technical expert from March 31, 2025, and Ms. Huang, Mei-Hsueh, deputy general manager, would be appointed as general manager of the company from April 1, 2025.

Note2: On August 8, 2024, with the approval of the board of directors, the position of Manager of the Finance and Accounting Department of Chiang, Wei-Wei was adjusted.

(II). Remuneration paid to directors, general manager and deputy general manager in recent years:

A. Remuneration paid to directors, general manager and deputy managers in 2024:
 1. Remuneration of directors (including independent directors) (disclose aggregate remuneration information, with the names indicated for each remuneration range)

Unit: NT\$ Thousand; %

Title	Name	Director's remuneration				Total of items A, B, C and D and ratios over net income after tax		Relevant remuneration received by concurrent employees				Total of items A, B, C, D, E, F and G and ratios over net income after tax		Compensation from Nonconsolidated Affiliates or Parent Company
		Salary (A)	Severance pay and pensions (B)	Director reward (C)	Business execution fees (D)	The Company	All companies in the financial report	Remuneration, bonus and allowances (E)	Severance pay and pensions (F)	Employee reward (G)	The Company	All companies in the financial report	None	
Chairman	Chang Wah Electromaterials Inc. Representative: Wan,Wei-Tsai	All companies in the financial report	-	92	18	1,310	-	-	-	1,310	1,310	9.93%	9.93%	None
		The Company	-	92	18	9.93%	-	-	-	9	9	0.07%	0.07%	None
Vice Chairman	Yenyo Technology Co., Ltd. Representative: Huang,Chi a-Neng (NOTE1)	All companies in the financial report	-	-	9	9	-	-	-	9	9	0.07%	0.07%	None
		The Company	-	-	9	9	0.07%	-	-	75	75	0.57%	0.57%	None
Director	Chipmos Technologies Inc. Representative: Hsu, Yuan-Feng (NOTE2)	All companies in the financial report	-	-	15	15	-	-	-	15	15	0.11%	0.11%	None
		The Company	-	-	15	15	0.11%	-	-	29	29	0.22%	0.22%	None
Director	Yenyo Technology Co., Ltd. Representative: Jesse Huang (NOTE2)	All companies in the financial report	-	26	3	29	-	-	-	29	29	0.22%	0.22%	None
		The Company	-	26	3	9	0.07%	-	-	9	9	0.07%	0.07%	None

Title	Name	Director's remuneration				Relevant remuneration received by concurrent employees				Total of items A, B, C, D, E, F and G and ratios over net income after tax		Compensation from Nonconsolidated Affiliates or Parent Company			
		Salary (A)	Severance pay and pensions (B)	Director reward (C)	Business execution fees (D)	Remuneration, bonus and allowances (E)	Severance pay and pensions (F)	Employee reward (G)		The Company	All companies in the financial report	None	None		
Independent Director	Ke, Yong-Siang(NOTE1)	222	-	-	9	-	-	-	-	-	231	231	1.75%	1.75%	None
Independent Director	Yang, Shun-Ching	551	-	-	18	-	-	-	-	-	569	569	4.31%	4.31%	None
Independent Director	Hong, Chia-Yu(NOTE1)	212	-	-	9	-	-	-	-	-	221	221	1.68%	1.68%	None
Independent Director	Su, Erh-Lang(NOTE1)	355	-	-	9	-	-	-	-	-	364	364	2.76%	2.76%	None
Independent Director	Chen, Chih-hung(NOTE1)	355	-	-	9	-	-	-	-	-	364	364	2.76%	2.76%	None

1. Please explain remuneration payment policy, system, standard and structure for independent directors, as well as relevancy of factors including responsibilities assumed, risks, and input time to the amount of remuneration paid. The remuneration of independent directors of the Company shall be handled according to "Remuneration Administrative Measures" of the Company. The Company shall pay each independent director a fixed monthly remuneration if the Company has profit or loss. The Remuneration Committee will come up with suggestion and then submit it to the Board of Directors for a resolution.

2. Except information disclosed in the preceding table, remuneration received by directors of the Company in recent years for the provision of services to all the companies in the financial report (e.g., serving as consultant other than employee in parent company/all companies in the financial report/reinvestment enterprises): None.

Note 1: The company re-elected directors at the shareholders' meeting on May 29, 2024. The legal director, Mr. Huang, Chia-Neng, the representative of Yenyo Technology Co., Ltd. resigned and was replaced by Ms. Pan, Chao-Yi ; Independent directors Mr. Ke, Yong-Siang and Mr. Hong, Chia-Yu resigned while Mr. Su, Erh-Lang and Mr. Chen, Chih-hung took office.

Note 2: On November 5, 2024, the former representative of corporate director, Mr. Hsu, Yuan-Feng, was reappointed by Chipmos Technologies Inc. for Mr. Jesse Huang.

Note 3: The Board of Directors approved the distribution of NT\$ 175,000 for director remuneration for the year 2024 on March 06, 2025.

Remuneration Scale of the Directors

Scale of remuneration paid to each director of the Company	Name of director			
	Total of the first four items (A+B+C+D)		Total of the first seven items (A+B+C+D+E+F+G)	
	The Company	All companies in the financial report H	The Company	All companies in the financial report H
Under than NT\$1,000,000	Representative of Chang Wah Electromaterials Inc.: Hong, Chuan-Cheng Representative of Yenyo Technology Co., Ltd.: Huang, Chia-Neng /Pan, Chao-Yi Representatives of Chipmos Technologies Inc.: Hsu, Yuan-Feng, /Jesse Huang Ke, Yong-Siang, Yang, Shun-Ching, Hong, Chia-Yu, Su, Erh-Lang, Chen, Chih-hung	Representative of Chang Wah Electromaterials Inc.: Hong, Chuan-Cheng ; Representative of Yenyo Technology Co., Ltd.: Huang, Chia-Neng /Pan, Chao-Yi ; Representatives of Chipmos Technologies Inc.: Hsu, Yuan-Feng, / Jesse Huang ; Ke, Yong-Siang, Yang, Shun-Ching, Hong, Chia-Yu, Su, Erh-Lang, Chen, Chih-hung	Representative of Chang Wah Electromaterials Inc.: Hong, Chuan-Cheng ; Representative of Yenyo Technology Co., Ltd.: Huang, Chia-Neng /Pan, Chao-Yi ; Representatives of Chipmos Technologies Inc.: Hsu, Yuan-Feng, / Jesse Huang ; Ke, Yong-Siang, Yang, Shun-Ching, Hong, Chia-Yu, Su, Erh-Lang, Chen, Chih-hung	Representative of Chang Wah Electromaterials Inc.: Hong, Chuan-Cheng ; Representative of Yenyo Technology Co., Ltd.: Huang, Chia-Neng /Pan, Chao-Yi ; Representatives of Chipmos Technologies Inc.: Hsu, Yuan-Feng, / Jesse Huang ; Ke, Yong-Siang, Yang, Shun-Ching, Hong, Chia-Yu, Su, Erh-Lang, Chen, Chih-hung
NT\$1,000,000(inclusive) ~ NT\$2,000,000(exclusive)	Representative of Chang Wah Electromaterials Inc.: Wan, Wen-Tsai	Representative of Chang Wah Electromaterials Inc.: Wan, Wen-Tsai	Representative of Chang Wah Electromaterials Inc.: Wan, Wen-Tsai	Representative of Chang Wah Electromaterials Inc.: Wan, Wen-Tsai
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)	-	-	-	-
NT\$10,000,000(inclusive) ~ NT\$15,000,000(exclusive)	-	-	-	-
NT\$15,000,000(inclusive) ~ NT\$30,000,000(exclusive))	-	-	-	-
NT\$30,000,000(inclusive) ~ NT\$50,000,000(exclusive)	-	-	-	-
NT\$50,000,000(inclusive) ~ NT\$100,000,000(exclusive)	-	-	-	-
NT\$100,000,0000 or more	-	-	-	-
Total	11 persons	11 persons	11 persons	11 persons

Note 1: The content of remuneration disclosed in this table is different from the concept of income in the income tax act, and therefore the purpose of this table is for information disclosure instead of taxation.

2. Remuneration paid to general manager and deputy general manager in 2024 (disclose aggregate remuneration information, with the names indicated for each remuneration range)

Unit: NT\$ Thousand

Title	Name	Salary (A)		Severance pay and pensions (B)		Bonus and allowances (C)		Employee reward (D)				Total of items A, B, C and D and ratios over net income after tax (%)		Compensation from Nonconsolidated Affiliates or Parent Company
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company		All companies in the financial report		The Company	All companies in the financial report	
								Cash	Stock	Cash	Stock			
General Manager	Li, Wan-Hsia (Note 1)	2,640	2,640	108	108	-	-	-	-	-	-	2,748 20.84%	2,748 20.84%	None
Deputy General Manager	Huang, Mei-Hsueh (Note 1)	2,130	2,130	108	108	-	-	-	-	-	-	2,238 16.97%	2,238 16.97%	None

Note: Employee reward of NT\$ 351,000 was approved by the Board of Directors of the Company on March 06, 2025, but payment details haven't been approved yet.

Note 1: On March 6, 2025, the board of directors approved that Ms. LI, Wan-Hsia would be transferred from general manager to technical expert from March 31, 2025, and Ms. Huang, Mei-Hsueh, deputy general manager, would be appointed as general manager of the company from April 1, 2025.

Remuneration Scale

Scale of remuneration paid to each general manager and deputy general manager of the Company	Name of general manager and deputy general manager	
	The Company	All companies in the financial report E
Under 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)	Li, Wan-Hsia, Huang, Mei-Hsueh	Li, Wan-Hsia, Huang, Mei-Hsueh
NT\$3,500,000(inclusive) ~ NT\$5,000,000(exclusive)		
NT\$5,000,000(inclusive) ~ NT\$10,000,000(exclusive)		
NT\$10,000,000(inclusive) ~ NT\$15,000,000(exclusive)		
NT\$15,000,000(inclusive) ~ NT\$30,000,000(exclusive)		
NT\$30,000,000(inclusive) ~ NT\$50,000,000(exclusive)		
NT\$50,000,000(inclusive) ~ NT\$100,000,000(exclusive)		
NT\$100,000,000 or more		
Total	2 persons	2 persons

*The content of remuneration disclosed in this table is different from the concept of income in the income tax act, and therefore the purpose of this table is for information disclosure instead of taxation.

2.1 Compensation of the top five most highly compensated executives (disclose aggregate remuneration information, with the names indicated for each remuneration range)

Unit: NT\$ Thousand

Title	Name	Salary (A)		Severance pay and pensions (B)		Bonus and allowances (C)		Employee reward (D)				Total of items A, B, C and D and ratios over net income after tax (%)		Compensation from Nonconsolidated Affiliates or Parent Company
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company		All companies in the financial report		The Company	All companies in the financial report	
								Cash	Stock	Cash	Stock			
General Manager	Li, Wan-Hsia (Note 1)	2,640	2,640	108	108	-	-	-	-	-	-	2,748 20.84%	2,748 20.84%	None
Deputy General Manager	Huang, Mei-Hsueh (Note 1)	2,130	2,130	108	108	-	-	-	-	-	-	2,238 16.97%	2,238 16.97%	None
Senior Manager	Hsia, Chih-Hsiung	1,340	1,340	-	-	200	200	-	-	-	-	1,540 11.68%	1,540 11.68%	None
Senior Manager	Chen, Sung-Chou	1,340	1,340	-	-	200	200	-	-	-	-	1,540 11.68%	1,540 11.68%	None
Senior Manager	Lin, Chien-Yi	1,340	1,340	-	-	200	200	-	-	-	-	1,540 11.68%	1,540 11.68%	None
Senior Manager	Tsai, Jin Bao	1,340	1,340	-	-	200	200	-	-	-	-	1,540 11.68%	1,540 11.68%	None

Note 1: On March 6, 2025, the board of directors approved that Ms. LI, Wan-Hsia would be transferred from general manager to technical expert from March 31, 2025, and Ms. Huang, Mei-Hsueh, deputy general manager, would be appointed as general manager of the company from April 1, 2025.

3. Names of managers distributed with employee reward and distribution conditions

(1) Names of managers distributed with employee reward and distribution conditions

2024; Unit: NT\$ /share

	Title	Name	Stock amount	Cash amount	Total	Ratio of total amount over net income after tax (%)
Managers	General Manager	LI, Wan-Hsia	0	0	0	0%
	Deputy General Manager	Huang, Mei-Hsueh				
	Head of R&D Engineering Senior Manager	Hsia, Chih-Hsiung				
	Head of Design Engineering Senior Manager	Tsai, Jin Bao				
	Head of Process Engineering Senior Manager	Lin, Chien-Yi				
	Head of Administration Senior Manager	Ko, Sheng-Tung				
	Head of Marketing Senior Manager	Chen, Sung-Chou				
	Manager of Finance & Accounting Department	Yang, Chien-Yi				

Note: Passed in a resolution of the Board of Directors on November 7, 2024.

(2) Names of managers distributed with employee reward and distribution conditions in recent year (2024): The Board of Directors of the Company approved employee reward of NT\$ 351,000 on March 06 ,2025 and its total amount takes up 2.66% of net income after tax, but the payment details haven't been approved yet.

B. The ratio of total amount of remuneration paid by the Company and all companies in the consolidated statements to the directors, general manager and deputy general manager of the Company over the net income after tax in recent two years as indicated in the individual or separate financial reports are compared and explained respectively and then analyzed, and remuneration payment policy, standards and portfolios, remuneration stipulation procedure, and relevancy to operational performance and future risks are explained:

1. Analysis of ratio of total amount of remuneration paid to the directors, supervisors, general manager and deputy general manager over the net income after tax in recent two years:

Title	2024		2023	
	The Company	All companies in the financial report	The Company	All companies in the financial report
Ratio of total amount of director reward over the net income after tax	24.24%	24.24%	34.57%	34.57%
Ratio of total amount of remuneration of general manager and deputy manager over the net income after tax	37.81%	37.81%	64%	64%

2. Remuneration payment policy, standards and portfolios, remuneration stipulation procedure, and relevancy to operational performance and future risks:

(1) Director reward:

The Company has already established a Remuneration Committee according to the provisions of the competent authority. Proposal for director reward is submitted to the Board of Directors for discussion and approval after relevant provisions stipulated in "Remuneration Administrative Measures" are followed, and the Remuneration Committee refers to the normal payment level in the same trade and considers directors' attendance rate, degree of participation of directors in the corporate operation and value contributed, and reasonableness of relevancy to the Company's operational performance and the future risks.

(2) Remuneration of general manager and deputy manager:

The Company has already established a Remuneration Committee according to the provisions of the competent authority. The remuneration of general manager and deputy general manager (including salary, bonus, etc.) is proposed by the Remuneration Committee according to law to the Board of Directors for discussion and approval, and the remuneration is stipulated according to the Company's policy in current year and its profits as well as personal performance. The Company will timely review the remuneration system at any time based on its actual operation status and relevant laws and regulations so as to realize the goal of balance between the Company's sustainable management and risk control.

(3) Future risks:

Policy adopted by the Company for the payment of remuneration to directors, general manager and deputy general manager as well as procedure for establishment of remuneration have a positive relation with operational performance and future risks.

3. Linkage of performance assessment of directors of the Company with remuneration:

In accordance with the provisions of Article 21 and Article 24 of the Articles of Association of the Company, the Board of Directors of the Company authorized with director reward will negotiate and determine the specific amount according to the degree of participation of directors in the operation of the Company as well as value contributed together with the normal level in the same trade. If the Company obtains profits in current year, it may appropriate 1% of the aforesaid profits as director reward based on relevant resolution passed by the Board of Directors. The Company appropriated 1% of its profits as director reward in 2024 as stipulated, with a specific amount of NT\$ 175,000. Additionally, the results of performance assessment of the Board of Directors shall be used as reference upon selection or nomination of directors according to the provisions of "Measures for Performance Assessment of the Board of Directors" of the Company; also, the results of performance assessment of individual directors (not including independent directors) are used as reference for the establishment of director reward distribution.

C. The Company's operational performance has already been duly reflected in employee reward:

In accordance with Article 24 of the Articles of Association of the Company, if the Company obtains profits in current year, it shall appropriate 2%~16% of the profits as employee reward. The Board of Directors will decide to distribute it in form of stock or cash. The objects of payment include employees of subordinate companies that comply with certain conditions. The appropriation of employee profit sharing onus by the Company in recent three years is shown below:

Unit: NT\$

Item \ Year	2022	2023	2024
Distribution ratio	2%	2%	2%
Distribution amount	1,967,080	36,800	350,886

(III). Corporate governance:

A. Operation of the Board of Directors:

1. Information regarding operation of the Board of Directors:

(1) 6 meetings (A) of the Board of Directors were convened in 2024 and the attendance status of the directors is shown below:

(2) Attendance rate of the Board of Directors in 2024 (Total number of times actually attended by all directors/Total number of times required of all directors)=42/42*100% =100%

The attendance rate was thus above 85% (including 85%).

Title	Name	Attendance in person (B)	Attendance by proxy	Attendance rate in person (%) [B/A]	Remark
Chairman	Chang Wah Electromaterials Inc. Representative: Wan, Wen-Tsai	6	0	100.00	Reappointed on May29, 2024 6 meetings to be attended
Vice Chairma	Chang Wah Electromaterials Inc. Representative: Hong, Chuan-Cheng	6	0	100.00	Reappointed on May29, 2024 6 meetings to be attended
Vice Chairma	Yenyo Technology Co., Ltd. Representative: Huang, Chia-Neng	3	0	100.00	Removed on May 29, 2024 3 meetings to be attended
Director	Yenyo Technology Co., Ltd. Representative: Pan,Chao-Yi	3	0	100.00	Newly appointed on May 29, 2024 3 meetings to be attended
Director	Chipmos Technologies Inc. Representative: Hsu, Yuan-Feng	5	0	100.00	Reappointed on May29, 2024 Removed on Nov. 5, 2024 5 meetings to be attended
Director	Chipmos Technologies Inc. Representative: Jesse Huang	1	0	100.00	Newly appointed on Nov. 5, 2024 1 meetings to be attended
Independent director	Ke, Yong-Siang	3	0	100.00	Removed on May 29, 2024 3 meetings to be attended
Independent director	Hong, Chia-Yu	3	0	100.00	Removed on May 29, 2024 3 meetings to be attended
Independent director	Yang, Shun-Ching	6	0	100.00	Reappointed on May 29, 2024 6 meetings to be attended
Independent director	Su,Erh-Lang	3	0	100.00	Newly appointed on May 29, 2024 3 meetings to be attended
Independent director	Chen,Chih-hung	3	0	100.00	Newly appointed on May 29, 2024 3 meetings to be attended

Other matters to be recorded:

(I). If any of the following circumstances exists in the operation of the Board of Directors, date and stage of board meeting, content of proposals, all independent directors' opinions, and the Company's handling of these opinions shall be explained:

(1) Matters listed in Article 14-3 of the Securities Exchange Act:

Detailed in "(X) Important Resolutions of the Shareholders' Meeting and the Board of Directors of Recent Years as of Publication Date of Annual Report" below.

(2) Other matters resolved by the Board of Directors with independent directors' opposing or reserved opinions and relevant record or written statement beyond the preceding matters: Not involved.

(II). As for the execution of recusal of any director from any proposal where this director is a stakeholder, name of director, content of proposal, reason for recusal due to conflict of interest and voting status shall be explained:

Date of Board of Directors Meeting	Name of Director	Motion	Reason	Participation and Voting
2024.02.22	Wan, Wen-Tsai Hong, Chuan-Cheng Huang, Chia-Neng	The proposal for subsequent confirmation of acquisition and disposal of valuable securities.	The director himself is the legal representative of the investment target company.	The directors were recused from the discussion and voting
2024.03.14	Wan, Wen-Tsai Hong, Chuan-Cheng Hsu, Yuan-Feng Yang, Shun-Ching	Approve the review of the qualifications of nominees for directors (including independent directors).	Involving directors' own interests	The directors were recused from the discussion and voting
2024.08.08	Hong, Chuan-Cheng	The Vice Chairman of the Company is proposed to be authorized as the authorized person for the financial seal used by the Company's bank account	Involving directors' own interests	The directors were recused from the discussion and voting
2024.11.07	Wan, Wen-Tsai Hong, Chuan-Cheng Pan, Chao-Yi Jesse Huang	Approve the proposal for discussion of payment of director remuneration, and payment details and date in 2023.	Involving directors' own interests	The directors were recused from the discussion and voting
	Yang, Shun-Ching Su, Erh-Lang Chen, Chih-hung	Review of the remuneration of the company's independent directors	Involving directors' own interests	The directors were recused from the discussion and voting

(III). Information regarding cycle, period, scope, method and content of self-evaluation (or evaluation for colleagues) of the Board of Directors of the Company and execution conditions of evaluation of the Board of Directors filled out are shown below: 2. Appraisal and execution status of results of performance evaluation of the Board of Directors and functional committees (Audit Committee and Remuneration Committee)

(IV). Objectives for the strengthening of functions of the Board of Directors (e.g., establishment of Audit Committee, improvement of information transparency, etc.) in current year and recent years as well as evaluation of execution conditions of these objectives:

Objectives for strengthening of functions of the Board of Directors	Evaluation of execution conditions
1. Establishing an Audit Committee	The Company elected and appointed three independent directors in the regular Shareholders' Meeting held on May 11, 2018, and established an Audit Committee the same day. In each meeting of the Board of Directors convened in 2024, all 3 independent directors attended these meetings in person.

2. Improving information transparency	The Company has already designated specific personnel to take charge of online application work in MOPS and handling of search and disclosure of corporate information to ensure that information that may affect the decision-making of shareholders and stakeholders can be timely and appropriately disclosed.
3. Setting up channels to communicate with stakeholders	The Company has appointed spokesperson and deputy spokesperson and set up special zones on its official website to raise questions. Shareholders owning proposing right may submit proposals to the Company in annual shareholders; meeting according to the provisions of relevant laws and regulations.
4. Improving elements of the Board of Directors in each aspect	Members of the Board of Directors of the Company attach importance to diversified elements and possess knowledge, skills and quality needed for performing their duties, including different professional backgrounds of law, accounting and industry. They would listen to the reports from the business team and offer guidance and suggestions in board meetings, and maintain good communication with the business team so as to create the best interests for the shareholders.
5. Encouraging directors to engage in continuing education every year	Directors of the Company participated in refresher courses designed for directors in 2024 and all directors' continuing education reached the recommended hours.
6. Purchasing liability insurance for directors	The Company has already renewed liability insurance for directors and submitted it to the Board of Directors.

Note: Attendance in person (%) is calculated according to the number of meetings of the Board of Directors convened during term of office and meetings actually attended by the directors.

2. Appraisal and execution status of results of performance evaluation of the Board of Directors and functional committees (Audit Committee and Remuneration Committee): The Company has established a performance evaluation system for the Board of Directors, and the Board of Directors passed "Rules for Performance Evaluation of Board of Directors" on November 12, 2020 to implement corporate governance, improve the functions of the Board of Directors, and establish performance objectives to strengthen the operating efficiency of the Board of Directors. The results of performance evaluation for the Board of Directors will be concluded before the end of the first quarter of the next year.

(1) Evaluation cycle, evaluation period, evaluation scope, evaluation method, and evaluation contents:

Evaluation cycle (Note1)	Evaluation period (Note2)	Evaluation scope (Note3)	Evaluation method (Note4)	Evaluation contents (Note5)
Executed once every year	Evaluation of performance of the Board of Directors in a period from January 1, 2024 to December 31, 2024	Performance evaluation of the Board of Directors, individual Board members, and functional committees	Internal self-evaluation of the Board of Directors, self-evaluation of Board members, and Internal self-evaluation of the functional committees	<p>The measurement items adopted in the performance evaluation of the Board of Directors of the Company shall include at least the following aspects:</p> <ol style="list-style-type: none"> 1. Participation in the Company's operation 2. Improvement in decision-making quality of the Board of Directors (functional committees) 3. Composition and structure of the Board of Directors (functional committees) 4. Election and continuing education of directors 5. Internal control <p>The measurement items adopted in the performance evaluation of Board members of the Company shall include at least the following aspects:</p>

				<ol style="list-style-type: none"> 1. Understanding of the Company's goals and missions 2. Understanding of the directors' responsibilities 3. Participation in the Company's operation 4. Management and communication of internal relations 5. Expertise and continuing education of directors 6. Internal control <p>The measurement items adopted in the performance evaluation of the functional committees of the Company shall include at least the following five aspects:</p> <ol style="list-style-type: none"> 1. Participation in the Company's operation 2. Understanding of the functional committees' responsibilities 3. Improvement in the functional committees' decision-making quality 4. Composition of the functional committees and election of members 5. Internal control
--	--	--	--	---

Note 1 The execution cycle of evaluation of the Board of Directors shall be filled out, e.g., once every year.

Note 2 The period covering the evaluation of the Board of Directors shall be filled out. For example, the performance of the Board of Directors in a period from January 1, 2024 to December 31, 2024 is evaluated.

Note 3 The evaluation scope includes the performance evaluation of the Board of Directors, individual Board members, and functional committees.

Note 4 The evaluation methods include internal self-evaluation of the Board of Directors, self-evaluation of the Board members, peer evaluation, and employment of external professional agencies, experts, or other appropriate methods for performance evaluation.

Note 5 The evaluation contents shall include at least the following items according to the evaluation scope:

- a. The performance evaluation of the Board of Directors covers at least participation in the Company's operation, improvement in the Board of Directors' decision-making quality, composition and structure of the Board of Directors, election and continuing education of directors, internal control, etc.
- b. The performance evaluation of individual Board members covers at least understanding of the Company's goals and missions, understanding of the directors' responsibilities, participation in the Company's operation, management and communication of internal relations, expertise and continuing education of directors, internal control, etc.
- c. The performance evaluation of functional committees covers at least participation in the Company's operation, understanding of the functional committees' responsibilities, improvement in the functional committees' decision-making quality, composition of the functional committees and election of members, internal control, etc.

(2) Results of performance evaluation of the Board of Directors in 2024:

- (A) Basis: Provisions of "Rules for Performance Evaluation of Board of Directors" of the Company
- (B) Evaluation method: Internal self-evaluation of the Board of Directors and self-evaluation of the Board members
- (C) Evaluation period: January 1, 2024-December 31, 2024
- (D) Evaluation scope: Board of Directors, individual Board members, and functional committees
- (E) Evaluation contents and results:

The evaluation results are presented with 5 grades, and the principles governing these grades are as follows:

Figure 1: Extremely poor (Strong disagree); figure 2: Poor (Disagree); figure 3: Medium (Ordinary); figure 4: Excellent (Agree); figure 5: Very excellent (Strongly agree).

a. Overall performance evaluation of the Board of Directors:

The performance evaluation indicators of the Board of Directors contain 5 aspects. There are 45 indicators in total. The total score was 4.93 points, and it was graded as “Excellent”, indicating: The Board of Directors took duly responsibility for guiding and supervising the corporate strategies, major business, and risk management; the Board of Directors’ decision-making quality was favorable, the overall operation was complete, and the requirements for corporate governance were met.

5 aspects for self-evaluation	Evaluation items	Score
A. Participation in the Company’s operation	12 items	4.83
B. Improvement in the Board of Directors’ decision-making quality	12 items	4.92
C. Composition and structure of the Board of Directors	7 items	5.00
D. Election and continuing education of directors	7 items	5.00
E. Internal control	7 items	5.00
Total	45 items	4.93

b. Self-evaluation of the Board members:

The performance evaluation indicators of the Board members contain 6 aspects. There are 23 indicators in total. The total score was 4.85 points, and it was graded as “Excellent”, indicating directors’ positive comments on the operating efficiency and effect of each evaluation indicator.

6 aspects for self-evaluation	Evaluation items	Score
A. Understanding of the Company’s goals and missions	3 items	4.71
B. Understanding of the directors’ responsibilities	3 items	4.95
C. Participation in the Company’s operation	8 items	4.82
D. Management and communication of internal relations	3 items	4.81
E. Expertise and continuing education of directors	3 items	4.95
F. Internal control	3 items	4.90
Total	23 items	4.85

- c. Overall performance evaluation of the functional committees: The performance evaluation indicators of the functional committees contain 5 aspects. There are 23 indicators in total. The total score was 5 points, and it was graded as “Very excellent”, indicating the functional committees’ positive comments on the operating efficiency and effect of each evaluation indicator.

1. Evaluation results of the Audit Committee:

5 aspects for self-evaluation	Evaluation items	Score
A. Participation in the Company’s operation	4 items	5.00
B. Understanding of the functional committees’ responsibilities	7 items	5.00
C. Improvement in the functional committees’ decision-making quality	7 items	5.00
D. Composition of the functional committees and election of members	3 items	5.00
E. Internal control	3 items	5.00
Total	24 items	5.00

2. Evaluation results of the Remuneration Committee:

5 aspects for self-evaluation	Evaluation items	Score
A. Participation in the Company’s operation	4 items	5.00
B. Understanding of the functional committees’ responsibilities	7 items	5.00
C. Improvement in the functional committees’ decision-making quality	7 items	5.00
D. Composition of the functional committees and election of members	3 items	5.00
E. Internal control	3 items	5.00
Total	24 items	5.00

- (F) Improving measures: Based on the performance evaluations of the Board of Directors and its functional committees, which received scores ranging from 5 (“Very excellent”) to 4 (“Excellent”), the results indicate that both the Board and the committees are operating effectively. The Company will continue to refine and strengthen the Board’s functions in line with the evaluation results to further enhance corporate governance.

B. Operation of the Audit Committee:

1. 5 meetings (A) of the Audit Committee were convened in 2024 and the attendance status of independent directors is shown below:

Title	Name	Attendance in person (B)	Attendance by proxy	Actual attendance rate as a nonvoting party (B/A) (Note 1 and Note 2)	Remark
Convener	Yang, Shun-Chin	5	0	100.00	Reappointed on May 29, 2024 5 meetings to be attended
Committee member	Ke, Yong-Siang	3	0	100.00	Removed on May 29, 2024 3 meetings to be attended
Committee member	Hong, Chia-Yu	3	0	100.00	Removed on May 29, 2024 3 meetings to be attended
Committee member	Su, Erh-Lang	2	0	100.00	Newly appointed on May 29, 2024 2 meetings to be attended
Committee member	Chen, Chih-hung	2	0	100.00	Newly appointed on May 29, 2024 2 meetings to be attended
<p>(I) If any of the following circumstances exists in the operation of the Audit Committee, date and stage of meeting of the committee, content of proposals, independent directors' opposing or reserved opinions or contents of major suggestions, resolution results of the Audit Committee, and the Company's handling of these opinions shall be explained:</p> <p>(A) Matters listed in Article 14-5 of the Securities Exchange Act: Detailed in "(5) Operation Status in Current Year".</p> <p>(B) Other resolved matters not approved by the Audit Committee but approved by more than two thirds of all directors beyond the preceding matters: Not involved.</p> <p>(II) As for the execution of recusal of any independent director from any proposal where this director is a stakeholder, name of independent director, content of proposal, reason for recusal due to conflict of interest and voting status shall be explained: None.</p> <p>(III) Communication of independent directors with internal audit officer and accountant:</p> <p>(A) Separate communication of independent directors with the internal audit officer in 2024 Minutes of the first symposium between independent directors and the internal audit officer of JMC Electronics Co., Ltd. in 2024 Date: November 7, 2024 Attendants: Independent director Yang, Shun-Ching, Independent director Su, Erh-Lang, Independent director Chen, Chih-hung, and Internal audit officer Liu, Shu-Yuan Brief: 1. Internal Control and Audit Plan (1) Reporting of the execution status of audit in the 1st to 3rd quarter of 2024 (2) Discuss the self-assessment and implementation methods of the internal control system for the year 2024. (3) Discuss the 2025 audit plan. (4) Report audit recommendations and implementation status of the company. Suggestion from independent directors: None.</p> <p>(B) Separate communication of independent directors with CPAs in 2024 Minutes of the first symposium between independent directors and CPAs of JMC Electronics Co., Ltd. in 2024 Date: December 17, 2024 Attendants: Independent director Yang, Shun-Ching, Independent director Su, Erh-Lang, Independent director Chen, Chih-hung, and CPA Wang, Chao-Chun. Brief: 3. Communication meeting with the governance unit in 2024: Audit planning (1) Auditing scope and method (2) Identification of significant risks (3) Key auditing items (4) Other important auditing items in financial statements (5) Non-audit services performed (6) Transparency reports and Audit Quality Indicators (AQIs) (7) Three carbon fee sub-regulations officially announced by the Ministry of Environment</p>					

- (8) Implementation timeline for the Sustainable Development Action Plans of TWSE/TPEX-listed companies
- (9) IFRS 18: Presentation and disclosure of financial statements
- (10) Tax-related regulations
- (11) Securities laws and regulations
- (12) Declaration of Independence

Suggestion from independent directors: None.

- (C) Communication of independent directors with internal audit officer in the Board of Directors and the Audit Committee (including pre-meeting):

Date	Communication highlights
2024.03.14	1. Audit Business Execution Report for the 4th Quarter of 2023 2. Report of Declaration of Internal Control System in 2023 3. Suggestion from independent directors: None
2024.05.09	1. Audit Business Execution Report for the 1st Quarter of 2024 2. Suggestion from independent directors: None
2024.08.08	1. Audit Business Execution Report for the 2nd Quarter of 2024 2. Suggestion from independent directors: None
2024.11.07	1. Audit Business Execution Report for the 3rd Quarter of 2024 2. Audit Plan of 2025 3. Suggestion from independent directors: None

- (D) The audit officer shall deliver the audit report to independent directors by email within one month after the report is completed.
- (E) The Company has already provided contact numbers and emails for the direct contact and communication between independent directors and the internal audit officer.

Note 1: If an independent director leaves office before the ending date of the year, the date of exit shall be specified in the remark column. In this case, the attendance in person (%) shall be calculated based on the number of meetings of the Audit Committee convened during this independent director's tenure as well as the actual number of meetings attended by this independent director.

Note 2: Before the ending date of the year, if an independent director is reelected, both new and former independent directors shall be filled out and it shall be specified in the remark column that this independent is the formerly appointed, newly appointed or reappointed as well as date of reelection. In this case, the attendance in person (%) shall be calculated based on the number of meetings of the Audit Committee convened during this independent director's tenure as well as the actual number of meetings attended by this independent director.

2. Key work of the year

- (1) The Audit Committee of the Company comprises 3 independent directors. The professional qualifications and experience of the committee members are detailed in the preceding "(I) Information regarding directors-3. Information disclosure of directors' professional knowledge and independence". The Audit Committee aims at assisting the Board of Directors in performing its supervision of the Company's quality and integrity during the execution of relevant accounting, audit and financial reporting flow as well as financial control. Matters deliberated by the Audit Committee mainly include:
- Financial statements
 - Auditing and accounting policies and procedures
 - Internal control system as well as relevant policy and procedures
 - Trading of major assets or derivatives
 - Major capital lending endorsement or guarantee
 - Raising or issuing of valuable securities
 - Financial derivatives and cash investments
 - Abidance by laws and regulations

- Existence of related party transactions and possible conflict of interest between managers and directors
 - Appeal reports
 - Anti-fraud plans and anti-fraud investigation reports
 - Information security
 - Risk management of the Company
 - Qualifications, independent and performance evaluation of certified public accountants
 - Appointment, dismissal or remuneration of certified public accountants
 - Appointment and dismissal of finance, accounting or internal audit officer
 - Performance of duties of the Audit Committee
 - Performance self-evaluation questionnaire of the Audit Committee
 - Evaluation of effectiveness of internal control system
- (2) The Audit Committee evaluated the effectiveness of the policies and procedures of the Company's internal control system (including finance, operation, risk management, information security, outsourcing, abidance by laws and regulations and other relevant control measures) and reviewed the periodic reports from the Company's audit department, certified public accountants and the management, including risk management and abidance by laws and regulations. With reference to Internal Control-Integrated Framework released by The Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 2013, the Audit Committee concluded that the Company's risk management and internal control system were effectiveness, and the Company already taken a necessary control mechanism to supervise and correct illegal behaviors.
- (3) Review of financial report
The Board of Directors prepared business report, financial statements and earnings distribution proposal of the Company for the year 2024. The financial statements were entrusted to accountants Wang, Chao-Chun and Wen S. Chen from Deloitte & Touche for the completion of audit and the issuance of audit report. The Audit Committee reviewed and concluded that no nonconformity existed in the aforesaid business report, financial statements and earnings distribution proposal.
- (4) Appointment of certified public accountants
The Audit Committee is granted with the duty to supervise the independence of the certified accounting firm to ensure the fairness of the financial statements. Generally speaking, except tax related services or specifically approved items, the certified accounting firm shall not provide other services for this Company. All the services provided by the preceding accounting firm must be approved by the Audit Committee. In order to ensure the independence of the certified accounting firm, the Audit Committee formulated an independence evaluation form with reference to Article 47 of the Accountants Act as well as contents of Code of Ethics for Professional Accountants No. 10 Notice: "Integrity, Impartiality, Objectivity and Independence" to evaluate if the accountants are related parties with the Company or have business contacts or financial interest relations with the Company regarding the independence, professionalism and competence of the accountants. It

was deliberated and passed in the twelfth meeting of the 3rd Audit Committee on November 9, 2023 and the thirteenth meeting of the 5th Audit Committee on November 9, 2023 that there was no doubt about the independence and competence of accountants Wang, Chao-Chun and Wen S. Chen from Deloitte Taiwan and they were adequate to serve as the financial and tax certified public accountants of the Company.

(5) Operation in the current year:

Audit Committee	Convening date	Content of proposal	Matters listed in the Securities Exchange Act §14-5	Independent directors' opposing or reserved opinions or contents of major suggestions	Resolution results of the Audit Committee	The Company's handling of opinions of the Audit Committee	Resolved matters not approved by the Audit Committee but approved by more than two thirds of all directors beyond the preceding matters
13 th meeting of the 3 rd Audit Committee	Feb. 22, 2024	1. Discuss the change in the appointment of certified public accountants for 2024. 2. Proposal for amendment to "Rules of Procedure for Shareholders' Meetings". 3. Proposal for subsequent confirmation of acquisition and disposal of valuable securities.	V V V	None	The chair inquired all attending committee members who raised no objection and the competent department submitted it to the Board of Directors for discussion.	Approved and passed by all attending directors	None
14 th meeting of the 3 rd Audit Committee	Mar. 14, 2024	1. Discussion of financial report of the Company in 2023. 2. Discussion of business report of the Company in 2023. 3. Discussion of profit distribution in 2023. 4. Discuss the distribution of cash from capital surplus. 5. Proposal for statement of internal control system of the Company in 2023. 6. Proposal for amendment to "Management of Operation of Board Meeting".	V V V V V	None	The chair inquired all attending committee members who raised no objection and the competent department submitted it to the Board of Directors for discussion.	Approved and passed by all attending directors	None

Audit Committee	Convening date	Content of proposal	Matters listed in the Securities Exchange Act §14-5	Independent directors' opposing or reserved opinions or contents of major suggestions	Resolution results of the Audit Committee	The Company's handling of opinions of the Audit Committee	Resolved matters not approved by the Audit Committee but approved by more than two thirds of all directors beyond the preceding matters
15 th meeting of the 3 rd Audit Committee	May 09, 2024	1. Discussion of financial report of the Company in the 1 st quarter of 2024. 2. Proposal for amendment to "Audit Committee Charter". 3. Proposal for amendment to "Approval Authority Table".	V V V	None	The chair inquired all attending committee members who raised no objection and the competent department submitted it to the Board of Directors for discussion.	Approved and passed by all attending directors	None
1 st meeting of the 4 th Audit Committee	Aug. 08, 2024	1. Discussion of financial report of the Company in the 2 nd quarter of 2024. 2. Appointment of head of Finance and accounting department	V V	None	The chair inquired all attending committee members who raised no objection and the competent department submitted it to the Board of Directors for discussion.	Approved and passed by all attending directors	None
2 th meeting of the 4 th Audit Committee	Nov. 07, 2024	1. Discussion of financial report of the Company in the 3 rd quarter of 2024. 2. Proposal for appointment and remuneration of CPAs in 2024. 3. Proposal for formulation of audit plan for 2025. 4. Formulating the "Risk Management Policy and Procedure". 5. Formulating the "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties". 6. Formulating the "Management of Sustainability Information". 7. Establish the "Sustainable Development Committee" and formulate the "Sustainable Development Committee Charter".	V V V V V V V	None	The chair inquired all attending committee members who raised no objection and the competent department submitted it to the Board of Directors for discussion.	Approved and passed by all attending directors	None

C. Composition, responsibilities and operation of the Remuneration Committee:

1. Membership information of the Remuneration Committee

Membership Information of Remuneration Committee

March 29, 2025

Identity	Name	Condition	Professional qualifications and experience	Independence status	Number of other public companies where they hold a concurrent post of member of remuneration committee
Independent director (convener)	Chen, Chih-hung		Note	Note	0
Independent director	Yang, Shun-Ching		Note	Note	2
Independent director	Su, Erh-Lang		Note	Note	3

Note: Detailed in “A. Information regarding directors-3. Information disclosure of directors’ professional knowledge and independence”.

2. Information regarding operation of “Remuneration Committee” of the Company:

(1) The Remuneration Committee of the Company comprises three members.

(2) Tenure of committee members of this tenure: The Company appointed the members of the fifth Board of Directors on August 8, 2024 with tenure from August 8, 2024 to May 28, 2027. In 2024, 3 meetings (A) of the Remuneration Committee were convened with attendance status of members as follows:

Title	Name	Attendance in person (B)	Attendance by proxy	Attendance rate in person (B/A)	Remark
Convener	Chen, Chih-hung	1	0	100.00	Newly appointed on Aug.8, 2024. 1 meetings to be attended
Committee member	Ke, Yong-Siang	2	0	100.00	Removed on May.29, 2024. 2 meetings to be attended
Committee member	Hong, Chia-Yu	2	0	100.00	Removed on May.29, 2024. 2 meetings to be attended
Committee member	Yang, Shun-Ching	3	0	100.00	Reappointed on Aug.8, 2024. 3 meetings to be attended
Committee member	Su, Erh-Lang	1	0	100.00	Newly appointed on Aug.8, 2024. 1 meetings to be attended

Note: Attendance in person (%) is calculated according to the number of meetings of the Remuneration Committee convened during term of office and meetings actually attended by the committee members.

3. Periodic review of remuneration by the Remuneration Committee:

The function of the Remuneration Committee of the Company is to evaluate the remuneration policies and systems for directors and managers of the Company in a professional and objective position. It shall convene at least two meetings a year and may convene meetings at any time as needed. The Remuneration Committee may offer suggestions to the Board of Directors as reference for its decision-making.

(1) Authorities of the Remuneration Committee of the Company

(A) Periodically review the organization procedure of the Remuneration Committee of the Company and offer suggestions on correction.

- (B) Establish and periodically review the annual and long-term performance objectives of directors and managers of the Company as well as remuneration policies, systems, standards and structure.
 - (C) Periodically evaluate the fulfillment conditions of the performance objectives of directors and managers of the Company and establish content and amount of their individual remuneration.
- (2) The Remuneration Committee shall abide by the following standards when performing its authorities.
- (A) Ensure that remuneration arrangements of the Company comply with relevant laws and regulations and are enough to attract excellent talents.
 - (B) The performance evaluation and remuneration of directors and managers shall be determined with reference to the normal payment level in the same trade and in consideration of time spent by them, responsibilities borne, fulfillment of personal objectives, performance in other positions served, and remuneration paid by the Company to those of equivalent positions in recent years. Additionally, the reasonableness of linkage of individual performance with the Company's operational performance and future risks shall be evaluated based on the fulfillment conditions of the Company's short-term and long-term business objectives as well as its financial status.
 - (C) The Remuneration Committee shall not guide directors and managers to adopt behaviors beyond the Company's risk appetite for the purpose of pursuing higher remuneration.
 - (D) As for the ratios of dividends paid to directors and senior managers for their short-term performance as well as payment time of some changed remuneration, decisions shall be made in consideration of industry characteristics and the business nature of the Company.
 - (E) Members of the Remuneration Committee shall not join the discussion and voting of decisions made on their personal remuneration.

4. Information regarding meetings of the Remuneration Committee:
Information regarding meetings of the Remuneration Committee in recent year and review and evaluation of the Company's remuneration is shown below:

Name of meeting	Date	Content of proposal	Resolution result of the Remuneration Committee	Handling of opinion
11 th meeting of the 4 th Remuneration Committee	Mar. 14, 2024	1. Approve the discussed proposal for distribution of employee remuneration and director remuneration in 2023.	The chair inquired all attending committee members who raised no objection and the competent department submitted it to the Board of Directors for discussion.	N/A
12 th meeting of the 4 th Remuneration Committee	May 09, 2024	1. Promotion and salary adjustment case for the company's deputy general manager. 2. The company's five division chiefs were promoted to associate managers and their salaries were adjusted.	The chair inquired all attending committee members who raised no objection and the competent department submitted it to the Board of Directors for discussion.	N/A

Name of meeting	Date	Content of proposal	Resolution result of the Remuneration Committee	Handling of opinion
1 th meeting of the 5 th Remuneration Committee	Nov . 07, 2024	<ol style="list-style-type: none"> 1. Approve the discussed proposal for the work plan of the Remuneration Committee of the Company in 2025. 2. Approve the proposal for discussion of payment of director remuneration, and payment details and date in 2023. 3. Approve the proposal for discussion of employee remuneration and yearend bonus paid to managers. 4. Approved the salary and remuneration package for the company's independent director. 5. Approve the monthly salary structure and payment amount for the head of the finance and accounting department. 	The chair inquired all attending committee members who raised no objection and the competent department submitted it to the Board of Directors for discussion.	N/A

D. Information regarding membership information and operation of Nomination Committee: N/A. The Company has not set up a nomination committee yet.

E. Execution status of corporate governance, deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof:

Assessment item	Execution status		Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	
(I). Has the Company followed "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" to establish and disclose its corporate?	✓		No significant deviation
(II). Shareholding Structure & Shareholders' Rights (1) Has the Company established Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes, and litigation matters? If yes, have these procedures been implemented accordingly?	✓		No significant deviation

Assessment item	Execution status		Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of
	Yes	No	
(2) Has the Company possessed a list of major shareholders of actually controlled companies and beneficial owners of these major shareholders?	✓		The Company entrusts its daily shareholders' work to professional stock affairs agency. Meanwhile, specially-assigned personnel are in charge of handling relevant affairs, and mastering the list of major shareholders of actually controlled companies and beneficial owners of these major shareholders.
(3) Has the Company built and executed a risk management system and firewall between the Company and its affiliates	✓		As for business contacts between the Company and its affiliates, price conditions and payment terms have already been clearly established in principles of fairness and reasonableness. Additionally, the Company has already established "Administrative Measures for Trading of Group Enterprises, Specific Companies and Related Parties" to standardize the trading with affiliates. Furthermore, the Company has already clearly divided the management responsibilities for personnel, assets and finance among affiliates, and each affiliate has established independence finance and business systems without co-use of loan limit, thus effectively realizing risk control.

Assessment item	Execution status		Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of
	Yes	No	
(4) Has the Company established internal rules prohibiting insider trading on undisclosed information?	✓		The Company has established “Procedures for Handling of Major Internal Information and Prevention of Insider Trading” to prohibit the insiders of the Company from trading valuable securities by utilizing the undisclosed information in the market. In 2024, the Company issued quarterly reminders to directors and insiders that they are prohibited from trading the Company’s shares or other equity-linked securities on the open market during blackout periods—defined as 30 days prior to the announcement of the annual financial report and 15 days prior to the announcement of quarterly financial reports.

Assessment item	Execution status		Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of
	Yes	No	
<p>(III). Composition and Responsibilities of the Board of Directors</p> <p>(1) Has the Company established a diversification policy and specific management objectives and guidelines for its Board of Directors and have them been implemented accordingly?</p>	✓		<p>No significant deviation</p>
			<p>The election and appointment of directors of the Company have already been stipulated in "Articles of Association" and "Measures for Election of Directors" of the Company. Meanwhile, the overall configuration of the Board of Directors shall be taken into account. Policy for strengthening of functions of the Board of Directors has been stipulated in "Corporate Governance Best Practice Principles" of the Company. The composition of the Board of Directors shall be diversified except that the number of directors holding a concurrent post of manager of the Company shall better not exceed one third of total directors. Also, proper diversified guidelines are drafted based on the corporate operation, business types and development demands. It is advisable to include but not limited to the standards regarding the following two aspects:</p> <p>I. Basic conditions and values: Gender, age, nationality, culture, etc.</p> <p>II. Professional knowledge and skills: Professional background (e.g., law, accounting, industry, finance, marketing or technology), professional skills, industry experience, etc.</p> <p>Attention shall be paid to the gender equality among members of the Board of Directors who shall also generally possess the</p>

Assessment item	Execution status		Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of
	Yes	No	
			<p>knowledge, skills and quality needed for execution of their duties. In order to achieve the ideal goal of corporate governance, the Board of Directors shall have the following capacity as a whole:</p> <ol style="list-style-type: none"> 1. Operational judgment 2. Accounting and financial analysis ability 3. Operation management ability 4. Crisis handling capacity 5. Industrial knowledge 6. Outlook on international market 7. Leadership 8. Decision-making ability <p>The specific management objectives and fulfillment conditions of the diversification policy of composition of the Board of Directors of the Company as well as the implementation status of this policy by members of the Board of Directors are detailed on pages 14 and 17.</p>

Assessment item	Execution status		Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of
	Yes	No	
(2) Other than the Remuneration Committee and the Audit Committee set up by the Company according to law, is the Company willing to set up other various kinds of functional committees?	✓		On November 7, 2024, the Board of Directors resolved to establish the Sustainable Development Committee. The committee is responsible for advancing the Company's corporate sustainability initiatives and strengthening corporate governance, with the aim of achieving sustainable operations.
(3) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis, reported the results of the performance to the Board of Directors, and used the results as reference for the director reward and renewal?	✓		The Company has already established a performance evaluation system for the Board of Directors. The Board of Directors passed "Measures for Performance Evaluation of the Board of Directors" on November 12, 2020 and has conducted performance evaluation periodically every year. The evaluation results of 2024 were already submitted to the meeting of the Board of Directors convened on March 6, 2025 and used as reference for the director reward and renewal (e.g., consideration given to the attendance rate of directors and scope of their responsibilities).

Assessment item	Execution status		Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of
	Yes	No	
(4) Has the Company regularly evaluated the independence of its certified public accountants?	✓		<p>In order to ensure the independence of the certified accounting firm, the Company requests the certified public accountants to issue statement of independence every year, and the Board of Directors regularly evaluates the independence of these accountants every year. The Audit Committee formulated an independence evaluation form with reference to Article 47 of the Accountants Act as well as contents of Code of Ethics for Professional Accountants No. 10 Notice: "Integrity, Impartiality, Objectivity and Independence" to evaluate if the accountants are related parties with the Company or have business contacts or financial interest relations with the Company regarding the independence, professionalism and competence of the accountants. As for evaluation of independence of certified public accountants of the Company in 2024, the Finance & Accounting Department already completed "Evaluation Form of Independence and Competence of Accountants"(Please see Note 1) (evaluation contents established with reference to Article 47 of the Accountants Act as well as contents of Code of Ethics for Professional Accountants No. 10 Notice). It was deliberated and passed in the twelfth meeting of the 3rd Audit Committee on November 9, 2023 and the thirteenth meeting of the 5th Audit Committee on November 9, 2023 that there was no doubt about the independence and competence of accountants Wang</p>

Assessment item	Execution status		Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of
	Yes	No	
(IV). Has the Company appointed competent and appropriate corporate governance personnel and corporate officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors, assisting directors' compliance of law, handling matters related to meetings of the Board of Directors and the Shareholder's Meeting according to law, and recording minutes of board)?	✓		No significant deviation
		Chao-Chun and Wen S. Chen from Deloitte Taiwan and they were adequate to serve as the financial and tax certified public accountants of the Company.	
		The Company appointed finance officer to serve as corporate governance officer in the board meeting on August 10, 2023 to be in charge of corporate governance affairs (including but not limited to handling of matters related to the meetings of the Board of Directors, the Audit Committee, the Remuneration Committee and the Shareholders' Meeting according to law; assisting directors' assumption of duty and continuing education; provision of data needed for the directors' execution of business; assisting directors' compliance of law, etc. As the top officer in charge of corporate governance related matters, the finance officer has engaged in the management work of finance, stock affairs and procedures for more than three years. Please see Note 2 for details.	

Assessment item	Execution status		Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of
	Yes	No	
(V). Has the Company established channels of communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) or created a special zone for stakeholders on its official website, and properly responded to the issues of important corporate social responsibilities concerned by its stakeholders?	✓		The Company has established a spokesperson and deputy spokesperson system and disclosed the spokespersons' contact numbers in MOPS. Additionally, the Company has set up a website (https://www.jmct.com.tw/) which contains special zones for investors, corporate governance, corporate social responsibilities and stakeholders for the reference of shareholders and stakeholders. Also, the Company has set up a contact platform for the stakeholders as a communication channel to handle stakeholders' suggestions, doubts and disputed matters and ensure their interests. Please see Note 3 for the details of stakeholder's identity, issues concerned, communication channels and ways to respond.
(VI). Has the Company appointed a professional registrar for its Shareholders' Meetings?	✓		The company appointed the Stock Service Department of the SinoPac Securities Co., Ltd. to handle the affairs of the shareholders meeting.
(VII). Information disclosure (1) Has the Company established a corporate website to disclose information regarding its finance, business, and corporate governance?	✓		The Company has already established a website (https://www.jmct.com.tw/) to disclose information regarding the Company's finance, business and corporate governance. This website contains special zones for investors, corporate governance, corporate social responsibilities and stakeholders for the reference of shareholders and stakeholders. Also, the Company has set up a contact platform for the stakeholders as

Assessment item	Execution status		Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of
	Yes	No	
			a communication channel to handle stakeholders' suggestions, doubts and disputed matters and ensure their interests. A special zone for investors has been set up on the Company's website to disclose information regarding finance, business and corporate governance of the Company at any time. Additionally, relevant information will be uploaded to "MOPS" in the future. Special personnel is designated by the Company to be in charge of disclosing major information of the Company and entering such information to MOPS as scheduled. Also, spokesperson system has been implemented as stipulated.
(2) Has the Company used any other information disclosure channels (e.g. maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors' conferences, etc.)?	✓		
(3) Has the Company announced and reported the annual financial statements within two months after the end of the fiscal year, and announced and reported the first, second, and third quarter financial statements as well as the operating status of each month before the prescribed deadline?		✓	The Company has declared announced financial statements as well as the operating status of each month according to the provisions of "Operating Matters to Be Handled by Listed Valuable Securities Issuers"; the Company hasn't announced and reported the annual financial statements within two months after the end of the fiscal year, and announced the work in advance before the prescribed deadline.
(VIII). Has the Company disclosed other important information to facilitate a better understanding of its corporate governance practices (e.g. including but not limited to employees' rights and care,	✓		1. Employees' rights and care: The Company has already ensured employees' rights and care according to the provisions of the Labor Standard Law. Additionally, the Company provides a healthy, safe and human-oriented work environment for the employees, as well as arranges

Assessment item	Execution status		Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of
	Yes	No	
	Summary		
investor relations, supplier relations, rights of stakeholders, records of further education of directors and supervisors, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and the Company's purchasing of liability insurance for directors and supervisors)?		<p>periodical employee physical checkups, establishes employee welfare committee, convene labor-capital meetings periodically, etc. to safeguard employees' rights.</p> <p>2. Investor relations and rights of stakeholders: The Company values the investors' rights and interests and announce the relevant information to the website of MOPS designated by the competent authority in a real-time manner according to relevant provisions. Additionally, the Company has appointed spokesperson, deputy spokesperson and stock affairs staff to answer questions raised by investors regarding the Company at any time.</p> <p>3. Supplier relations: The Company has maintained good supply relations with all suppliers. The quality and delivery period presented by each supplier has been normal over the years and no situation like shortage or interruption of source has ever occurred.</p> <p>4. Rights of stakeholders: The Company and its stakeholders have performed their rights and obligations according to the provisions of contracts and relevant operating procedures to safeguard the two sides' legitimate rights and obligations.</p> <p>5. Directors' further education: Directors and independent directors of the Company have professional backgrounds and practical operation and management experience, and engage in further education of courses related to corporate governance periodically.</p>	

Assessment item	Execution status		Deviations from Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of
	Yes	No	
			<p>6. Implementation of risk management policies and risk evaluation measures: The internal control system and administrative rules and regulations for major business of the Company have been passed by the resolutions made by the Board of Directors or Shareholders' Meeting.</p> <p>7. Implementation of customer relations policies: The Company sticks to the Ethical Corporate Management Best Practice Principles, and maintains good supply relations with customers. Also, the Company designates personnel to continuously communicate with customers and solve problems regarding delivery of customers' orders on time, quality requirements and product after-sales services.</p> <p>8. The Company's purchasing of liability insurance for directors: Directors of the Company have all exercised their authorities according to law during term of office and the Company has already purchased liability insurance for its directors.</p>
			<p>(IX). Please describe the improvements based on the results of corporate governance evaluation announced by the Corporate Governance Center of Taiwan Stock Exchange Corporation in recent years and indicate matters and measures of priority for those not improved yet:</p> <p>(1) Improvements:</p> <ol style="list-style-type: none"> 1. The Company has been invited to hold at least two investor conferences. 2. The minutes of the shareholders' meeting record the important contents of shareholders' questions and the company's responses. <p>(2) Priorities and measures:</p> <ol style="list-style-type: none"> 1. The Company will disclose the English version of its interim financial reports within two months after the filing deadline of the Chinese version in 2025.

Note 1: Certified Public Accountant Independence and Competency Assessment Form 2024

Assessment Item	Outcome
1. As of the most recent audit engagement, there has been no instance of the CPAs serving for five consecutive years without rotation.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. The CPAs have no significant financial interests in the Company.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. The CPAs avoid any inappropriate relationships with the Company.	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. The CPAs ensure that their assistants uphold integrity, impartiality, and independence.	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. The CPAs may not audit financial statements of entities they have served within the past two years.	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. The CPAs' names and licenses shall not be used by others.	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. The CPAs do not hold any shares in the Company or its affiliates.	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. There are no lending arrangements between the CPAs and the Company or its affiliates.	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. There are no joint investments or profit-sharing arrangements between the CPAs and the Company or its affiliates.	<input type="checkbox"/> Yes <input type="checkbox"/> No
10. The CPAs do not concurrently hold any regular positions or receive fixed compensation from the Company or its affiliates.	<input type="checkbox"/> Yes <input type="checkbox"/> No
11. The CPAs are not associated with any management functions involving the decision-making of the Company or its affiliates.	<input type="checkbox"/> Yes <input type="checkbox"/> No
12. The CPAs do not engage in any business that may impair their independence.	<input type="checkbox"/> Yes <input type="checkbox"/> No
13. The CPAs have no spousal, direct blood, or direct in-law relationships with the Company's management personnel.	<input type="checkbox"/> Yes <input type="checkbox"/> No
14. The CPAs have not received any business-related commissions.	<input type="checkbox"/> Yes <input type="checkbox"/> No
15. To date, the CPAs have not been subject to any penalties or incidents that may impair their independence.	<input type="checkbox"/> Yes <input type="checkbox"/> No
16. The CPAs comply with the independence requirements set forth in Bulletin No.10 of the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and have provided written "Declaration of Independence."	<input type="checkbox"/> Yes <input type="checkbox"/> No

Note 2: Appointment, authorities, business promotion and further education of corporate governance officer

1. Appointment and scope of authority of corporate governance officer:
 The Company appointed finance officer to serve as corporate governance officer in the board meeting on August 10, 2023 to be in charge of corporate governance affairs (including but not limited to handling of matters related to the meetings of the Board of Directors, the Audit Committee, the Remuneration Committee and the Shareholders' Meeting according to law; assisting directors' assumption of duty and continuing education; provision of data needed for the directors' execution of business; assisting directors' compliance of law, etc. As the top officer in charge of corporate governance related matters, the finance officer has engaged in the management work of finance, stock affairs and procedures for more than three years.

2. Business promotion of the corporate governance officer in 2024
 - (1) Provide information regarding further education courses for the directors irregularly, and remind the directors to complete these courses and report the further education status as stipulated in accordance with the provisions of “Key Points for Promotion of Further Education of Directors and Supervisors of TWSE/TPEX Listed Companies.
 - (2) Evaluate and purchase “Director Liability Insurance” for directors and report the underwritten content to the Board of Directors.
 - (3) Convene irregular communication meetings for accountants, independent directors, audit officer and finance officer to implement the internal audit and internal control systems. The minutes of these communication meetings are detailed in the web pages of the Company.
 - (4) Handle matters related to the meetings of the Board of Directors and committees according to laws and regulations: Inform all directors and committee members to attend seven days before convening of meetings of the Board of Directors and relevant committees, and provide sufficient meeting documents to facilitate directors to comprehend the relevant contents of proposals; if a director or the legal person this director represents has a stake in the meeting matters, the corporate governance officer will remind this director before the meeting and ask he/she to excuse himself/herself for conflict of interest; send meeting minutes to each director within twenty days after the meeting.
 - (5) Be in charge of releasing major information or announcements on important resolutions after the meeting of the Board of Directors or the Shareholders’ Meeting the same day and guaranteeing the legitimacy and correctness of the information disclosed so as to assure investors’ information equivalence.
 - (6) The Company conducts performance evaluation of the Board of Directors periodically every year according to its “Measures for Performance Evaluation of the Board of Directors”.
 - (7) Provide directors with information concerning new laws and regulations on business execution, corporate governance or business operation irregularly.
 - (8) Handle matters related to regular Shareholders’ Meeting according to law: Register date of the Shareholders’ Meeting every year according to the term stipulated in relevant law, and prepare and report meeting date, meeting handbook and meeting minutes before prescribed term.
 - (9) Review the fulfillment conditions of corporate governance appraisal indexes of the Company item by item every year and come up with improvement plans and responsive measures for indexes not scored yet.
 - (10) Provide operating information regarding the Company’s business or finance according to directors’ requirements and maintain smooth contact and communication between directors and each business officer.

3. Records of further education of corporate governance officer of the Company in 2024:

Sponsor	Name of course	Date	Hours	Total hours in current year
The Institute of Internal Auditors-Chinese Taiwan	You must know the key points and impacts of IFRS S1/S2 on internal control and internal audit.	Apr. 10, 2024	6	6

Note 3: Identity of stakeholders, issues concerned, communication channels and ways to respond in 2024

Identity of stakeholder	Issue concerned	Communication channel	Frequency	Way to respond
Shareholders and investors	Operational performance	<ul style="list-style-type: none"> ◆ MOPS ◆ Special zone for investors on the Company's website ◆ Annual regular Shareholders' Meeting ◆ Investors' conference ◆ Inquire the spokesperson 	Real-time / irregular	<ul style="list-style-type: none"> ◆ Annual regular Shareholders' Meeting ◆ Annual investors' conference ◆ Announcement in MOPS and publicity at the Company's website ◆ Contact window: Miss Lan from Finance & Accounting Department (E-mail: stock.service@jmct.com.tw)
Customers	Customer services	◆ Customer service specialist	Real-time / irregular	<ul style="list-style-type: none"> ◆ Real-time response to customers ◆ Contact window: Miss Lin from Marketing & Business Division (E-mail: Mendy.Lin @jmct.com.tw)
Suppliers	Provision of relevant resources and services needed for the corporate operation	◆ Tel./email	Real-time / irregular	<ul style="list-style-type: none"> ◆ Real-time feedback of problems to suppliers ◆ Contact window: Mr. Chang from Purchasing Department (E-mail: Jerry.Chang@jmct.com.tw)
Government agencies	Abidance by government regulations	<ul style="list-style-type: none"> ◆ MOPS ◆ Official document 	Real-time /irregular	<ul style="list-style-type: none"> ◆ Announcement in MOPS ◆ Correspondence of official documents ◆ Contact window: Miss Lan from Finance & Accounting Department (E-mail:stock.service@jmct.com.tw)
Employees	Employees are the cornerstone of a company's sustainable operations and an important key to sustainable operations.	<ul style="list-style-type: none"> ◆ Welfare Committee Meeting ◆ Labor-Management Meeting ◆ Personnel Evaluation Committee ◆ Employee Mailbox/Grievance Hotline 	At least once per quarter /Real-time	<ul style="list-style-type: none"> ◆ Department heads communicate and have meetings with colleagues irregularly. ◆ The employee benefit committee provides multiple benefit measures every year. ◆ Contact window: Miss Sue from Administration Division (E-mail:sue.su@jmct.com.tw)

F. Execution status of promotion of sustainable development, deviations from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof:

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	
(I). Has the Company established a governance structure to promote sustainable development and set up full-time (part-time) unit to promote sustainable development which is handled by senior management authorized by the Board of Directors and supervised and guided by the Board of Directors?	✓		No significant deviation
(II). Has the Company implemented risk evaluation of issues related to corporate operation including environment, society and corporate	✓		No significant deviation

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons there of
	Yes	No	
governance according to materiality principle and established relevant risk management policies or strategies? (Note 2)			Practice Principles”, “Procedures for Ethical Management and Guidelines for Conduct”, “Code of Ethics” and “Regulations on Corporate Social Responsibilities” (renamed as “Sustainable Development Best Practice Principles” after amendment) as rules of ethics and responsibilities to be followed by directors, managers and all employees in commercial conducts. Besides the clarification of relevant rules and regulations on attendance management, performance assessment, and reward and punishment to each new colleague, the Company has always remembered to publicity its policies and relevant management regulations to them in order to realize the combination with corporate ethics. Furthermore, the Company organizes education and training programs for the employees irregularly to strengthen the employees’ professional skills, and enhance officers’ ability so as to create high-performance achievements for the team and implement corporate social responsibilities in daily management.
(III). Environmental issues (1) Has the Company established an environmental management system as appropriate for its industrial features?	✓		No significant deviation

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons there of
	Yes	No	
(2) Is the Company dedicated to improving the energy utilization efficiency and using recycled materials with a low impact on environmental burden?	✓		No significant deviation
			<p>Summary</p> <p>1. Use of energy: Save 1% of electricity every year according to the requirements of Bureau of Energy. The measures are as follows: 1-1 The operation of the air compressor adopts PLC continuous control and automatic loading and unloading 1-2 Replace existing energy consuming ice water engines that have been in operation for over 18 years with new high-efficiency ice water engines 1-3 Installation of a variable frequency drive (VFD) on the 2F PCW circulation pump for etching operations In 2024, the Company saved 820,681.465KWH electricity in total with a savings amount of NT\$ 3,118,590.</p> <p>2. Recycled materials: In order to improve the resource recycling and re-utilization efficiency, the Company has continuously implemented each energy-saving measures. For example, ERP and double-sided paper printing have been adopted to reduce the use of paper so as to comply with the implementation of policies for less paper and less wastes. Additionally, the Company has implemented water resource recycling policy which refers to the utilization of purified wastewater in the processes, recycling of the wastewater to the cooling tower for circulation and then use of the processed water for toilet flushing. The Company has utilized wastewater generated by RO and recycled it to the cooling tower for circulation as well as used for toilet water flushing and air pollution washing tower so as to realize water-saving effect. In 2018, the new pure water system substantially improved water output efficiency. In 2024, the recycling and utilization amount of RO condensate water reached 62,020t. In 2024, the total tap water consumption reached 561,631t. In 2024, the percentage of water recycled in the water consumption in the same period reached 11.10%.</p>

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of
	Yes	No	
(3) Has the Company evaluated the potential risks and opportunities brought by climate change at present and in the future and have it taken relevant responsive measures?	✓		No significant deviation
(4) Has the Company gathered statistics of greenhouse gas emission, water consumption and total weight of wastes in the past two years and established policies for the reduction of greenhouse gas emissions and	✓		No significant deviation

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons there of									
	Yes	No										
water consumption or administration of other wastes?		<p>specialized in economy and environmental protection are now commencing researches for the purposes of inhibiting the increase of greenhouse gases and realizing stable economic development at the same time. Therefore, greenhouse gas is an inevitable issue enterprises must face now. An enterprise may find a new path for its sustainable management in an operation environment with stricter carbon emission restrictions only by getting to know the issues concerning greenhouse gases as early as possible and realizing its own position in such background.</p> <p>The Company has obtained ISO 14064-1 GHG inventory audit since 2013; currently, all the external audits of the Company regarding greenhouse gases are entrusted to an eligible, fair third party (DNV GL). According to the inventory results:</p> <p>Greenhouse gas emissions in recent 2 years: Unit: Metric ton of CO₂e</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Scope 1</th> <th>Scope 2</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>215.4553</td> <td>17247.9977</td> </tr> <tr> <td>2024</td> <td>86.8428</td> <td>18554.887</td> </tr> </tbody> </table> <p>The dates of GHG inventory audit statement were September 20, 2024, indicating the completion of GHG inventory audits in 2023 respectively. The verification data for 2024 is detailed in our company's 2024 Sustainability Report.</p>	Year	Scope 1	Scope 2	2023	215.4553	17247.9977	2024	86.8428	18554.887	
Year	Scope 1	Scope 2										
2023	215.4553	17247.9977										
2024	86.8428	18554.887										

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of																		
	Yes	No																			
			<p>Summary</p> <p>Water consumption in recent 2 years: Unit: Metric ton</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total water consumption</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>428,912</td> </tr> <tr> <td>2024</td> <td>541,893</td> </tr> </tbody> </table> <p>Wastes generated in recent 2 years: Unit: Metric ton</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Hazardous waste</th> <th>Non-hazardous waste</th> <th>Total wastes</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>1,136.06</td> <td>126.56</td> <td>1,262.62</td> </tr> <tr> <td>2024</td> <td>1,386.18</td> <td>132.21</td> <td>1,518.39</td> </tr> </tbody> </table> <p>As for waste reduction processing, the Company has classified and screened waste plastics that can be recycled from the original common enterprise wastes with intermediary treatment: In 2023, total recycling income of NT\$ 268,000 was obtained for the Company. In 2024, total recycling income of NT\$ 293,000 was obtained for the Company.</p> <p>1. Human rights policy: The Company complies with labor laws in all regions where it operates to protect the legal rights of its employees. It also upholds internationally recognized human rights standards in the workplace, including the United Nations Global Compact, the Universal Declaration of Human Rights, and the International Labour Organization (ILO)</p>	Year	Total water consumption	2023	428,912	2024	541,893	Year	Hazardous waste	Non-hazardous waste	Total wastes	2023	1,136.06	126.56	1,262.62	2024	1,386.18	132.21	1,518.39
Year	Total water consumption																				
2023	428,912																				
2024	541,893																				
Year	Hazardous waste	Non-hazardous waste	Total wastes																		
2023	1,136.06	126.56	1,262.62																		
2024	1,386.18	132.21	1,518.39																		
(IV). Social issues (1) Has the Company established relevant management	✓		No significant deviation																		

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of				
	Yes	No					
policies and procedures based on relevant laws, regulations, and international conventions on human rights?			<p>Declaration on Fundamental Principles and Rights at Work. The Company is committed to respecting and protecting labor rights, ensuring that all employees are treated fairly, equitably, and with dignity.</p> <ol style="list-style-type: none"> 1. No employment of children under the age of 16 2. Fair compensation and benefits 3. Prohibition of all forms of forced labor 4. Open and diverse communication channels 5. Respect for employees' freedom of association and the right to collective bargaining 6. A safe and healthy working environment 7. Zero tolerance for discrimination, harassment, and retaliation <p>2. The Company's human right management policies and measures</p> <p>3. The Company's human right management policies and measures are summarized as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Human Right Management Policy</th> <th style="width: 40%;">Measures</th> </tr> </thead> <tbody> <tr> <td>Eliminate unlawful discrimination to ensure equal job opportunities</td> <td> <ul style="list-style-type: none"> ● The Company follows local government labor laws and regulations, including the Labor Standards Act and the Act of Gender Equality in Employment, and has established appropriate management practices and procedures for internal communication and promotion. </td> </tr> </tbody> </table>	Human Right Management Policy	Measures	Eliminate unlawful discrimination to ensure equal job opportunities	<ul style="list-style-type: none"> ● The Company follows local government labor laws and regulations, including the Labor Standards Act and the Act of Gender Equality in Employment, and has established appropriate management practices and procedures for internal communication and promotion.
Human Right Management Policy	Measures						
Eliminate unlawful discrimination to ensure equal job opportunities	<ul style="list-style-type: none"> ● The Company follows local government labor laws and regulations, including the Labor Standards Act and the Act of Gender Equality in Employment, and has established appropriate management practices and procedures for internal communication and promotion. 						

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons there of
	Yes	No	
			<p>● Provide a fair work environment and eliminate unfair or differential treatment based on gender, race, socio-economic class, nationality, age, marital and family status, language, religion, political party, appearance and height, mental or physical disabilities, etc.</p> <p>● The Company is committed to protecting the basic human rights of its employees, complying with relevant labor laws and regulations, and safeguarding the legitimate rights and interests of its employees.</p> <p>● Comply with the government's labor laws and regulations, international standards and human right policy of the Company. Do not force or coerce personnel to perform tasks involuntarily.</p> <p>● The Company has established the "Sexual Harassment Prevention Measures, Complaints and Disciplinary Measures" and a sexual harassment complaint channel.</p> <p>● Employee information is kept confidential and managed by dedicated personnel. Approval is required for information to be accessed by different departments.</p> <p>4. The Company arranged a total of 421 hours trainings on human rights protection in 2024.</p>

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons there of
	Yes	No	
(2) Has the Company established and implemented reasonable employee welfare measures (include salary and compensation, leave and others), and appropriately linked operational performance or achievements with employee salary and compensation?	✓		No significant deviation

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons there of
	Yes	No	
(3) Has the Company provided a safe and healthy environment to its employees and periodically implemented safety and health education to employees?	✓		No significant deviation
(4) Has the Company established an effective career competence training program for its employees?	✓		No significant deviation
(5) Has the Company followed relevant regulations and international rules and formulated relevant policies	✓		No significant deviation

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons there of
	Yes	No	
and appeal procedures to protect consumers' or customers' interests regarding issues like customer health and safety, customer privacy, marketing and labeling concerning products and services?			The Company values product quality and consumers' rights and interests, and has established written provisions including "Customer Complaint Notice" for the purpose of solving and handling problems appealed by customers as soon as possible.
(6) Has the Company established supplier management policy and requested the suppliers to comply with related standards on the topics of	✓		<p>1. Specific practice of supply chain management</p> <p>The Company has established administrative measures for supplier evaluation to evaluate the quality of materials provided by the suppliers, green product management, prices, delivery period and services and ensure that these suppliers are sufficiently capable of providing materials to the Company. Additionally, the Company implements periodical audits over the suppliers to effectively control the quality of incoming materials.</p> <p>The Company also appraises suppliers periodically and suppliers who fail to reach the stipulated grades based on the appraisal results will be removed from "List of Eligible Suppliers".</p>
			No significant deviation

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons there of						
	Yes	No							
environmental, occupational safety and health or labor rights, and what is the execution status?		<p>On the basis of cooperation, the Company implements requirements for sustainable development in the daily management of supply chain through evaluation, audit, performance evaluation, interviews and communication of suppliers. Additionally, the Company has convened meetings with units in charge of quality management and relevant business to authenticate and manage relevant existing risks like insufficient production capacity, quality problems or supply chain interruption of the suppliers based on the actual demands, and reported the management performance of supply chain to the heads of responsible departments every quarter.</p> <table border="1"> <thead> <tr> <th>Supplier evaluation</th> <th>Supplier audit</th> <th>Supplier training</th> </tr> </thead> <tbody> <tr> <td> <p>1. The suppliers of the Company must pass supplier appraisal and the Company must publicize code of conduct of suppliers to them.</p> <p>2. The suppliers shall be legitimate companies verified and approved by the government with required legality documents.</p> </td> <td> <p>1. The Company classifies its suppliers as ISO certified supplier and non-ISO certified supplier based on audits. Suppliers are required to conduct self-evaluation, and later on-the-spot audit or document audit will be performed. Furthermore, periodical annual</p> </td> <td> <p>1. The Company passes on its concept and requirements to the suppliers irregularly through various forms of visit, meeting and communication. The Company plans to invite suppliers to participate in the training of issues and course regarding sustainable</p> </td> </tr> </tbody> </table>	Supplier evaluation	Supplier audit	Supplier training	<p>1. The suppliers of the Company must pass supplier appraisal and the Company must publicize code of conduct of suppliers to them.</p> <p>2. The suppliers shall be legitimate companies verified and approved by the government with required legality documents.</p>	<p>1. The Company classifies its suppliers as ISO certified supplier and non-ISO certified supplier based on audits. Suppliers are required to conduct self-evaluation, and later on-the-spot audit or document audit will be performed. Furthermore, periodical annual</p>	<p>1. The Company passes on its concept and requirements to the suppliers irregularly through various forms of visit, meeting and communication. The Company plans to invite suppliers to participate in the training of issues and course regarding sustainable</p>	
Supplier evaluation	Supplier audit	Supplier training							
<p>1. The suppliers of the Company must pass supplier appraisal and the Company must publicize code of conduct of suppliers to them.</p> <p>2. The suppliers shall be legitimate companies verified and approved by the government with required legality documents.</p>	<p>1. The Company classifies its suppliers as ISO certified supplier and non-ISO certified supplier based on audits. Suppliers are required to conduct self-evaluation, and later on-the-spot audit or document audit will be performed. Furthermore, periodical annual</p>	<p>1. The Company passes on its concept and requirements to the suppliers irregularly through various forms of visit, meeting and communication. The Company plans to invite suppliers to participate in the training of issues and course regarding sustainable</p>							

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons there of
	Yes	No	
	Summary		
			development such as occupational safety fire protection or green environmental protection, energy conservation and carbon reduction.
		audit and special audit of major issues are also involved. 2. The suppliers' auditing personnel shall comply with relevant qualifications and receive continuous education and training.	
		2. Definitions of scoring results of supplier appraisal and responsive measures	
		Grade	Annual audit
		A 86-100	Qualification certification audit of new supplier Eligible: This supplier can be included in List of Eligible Suppliers and trading with this supplier can begin. Excellent: It is suggested that the purchasing department might increase purchasing volume.
		B 71-85	Conditionally eligible: This supplier can be included in List of Eligible Suppliers but coaching shall be strengthened. Good: Normal purchasing

Promotion item	Execution status (Note 1)		Summary	Deviations from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons there of
	Yes	No		
			<p>C 60-70</p> <p>Supplier to be coached: This supplier can be included in List of Eligible Suppliers for continuous trading only after the insufficiency discovered in audit is traced, improved and then closed.</p> <p>Ineligible: Products can be purchased from this supplier again only after this supplier completes all improving measures.</p> <p>D Below 59</p> <p>To be coached: 1. The insufficiency discovered in audit must be traced, improved and then closed. 2. Purchasing within a limited quantity</p> <p>Ineligible: 1. The supplier must be audited again within three months. 2. It is suggested that the purchasing department should reduce the purchasing volume or stop purchasing from this supplier until the situation is improved. 3. If the supplier fails in three audits, this supplier must be removed from the List of Eligible Suppliers.</p> <p>3. Execution status (suppliers of main raw materials): In 2024, we audited a total of 46 key suppliers of raw materials, materials, and processing tools, with an audit coverage rate of 28.57%. The audit results show that all audited suppliers meet the relevant standards, and there has been no termination of cooperation due to substantial deficiencies or negative impacts during the reporting period.</p>	

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons there of
	Yes	No	
			4. The Company has established “Code of Conduct for Suppliers” and the contents of its provisions are detailed on the website of the Company.
(V). Has the Company prepared reports that disclose its non-financial information like sustainability report with reference to the international universal report preparation criteria or guidelines? Have the preceding reports acquired confirmation or guarantee opinion from third-party verification unit?		✓	The Company began preparing Sustainability Reports in 2023; however, external assurance by an independent verification body has not yet been obtained.
(VI). If the Company has established Sustainable Development Best Practice Principles according to “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies”, please explain its operation and difference from the principles formulated: In order to practice corporate social responsibilities, the Company has established “Regulations on Corporate Social Responsibilities” (renamed as “Sustainable Development Best Practice Principles”) and joined all the colleagues to exert efforts to realize the objectives of “Implementation of Corporate Governance”, “Development of a Sustainable Environment”, “Maintenance of Social Welfare” and “Strengthening of Information Disclosure of Enterprise’s Sustainable Development”.			The Company began preparing Sustainability Reports in 2023.

Promotion item	Execution status (Note 1)		Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons there of
	Yes	No	
(VII). Other important information that facilitates a better understanding of the Company's implementation of promotion of sustainable development: The Company sticks to the concept of "What is taken from the society is used for the society" and will dedicate to the social work in the future. Please check the special zone for corporate sustainability activities on the website of the Company for details (http://www.jmct.com.tw/JMC_TC/L5900.html).		Summary	

Note 1 If the execution status is checked as "Yes", please specifically explain the important policies, strategies and measures taken as well as execution status; if the execution status is checked as "No", please explain the deviations and reasons thereof in the column in "Deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof" and explain the future plans for adoption of relevant policies, strategies and measures.

Note 2 Materiality principle refers to the material influence of issues related to environment, society and corporate governance on the investors and other stakeholders of the Company.

Note 3 Employee welfare measures, retirement system and their implementation status

(1) Employee welfare measures and implementation status

Besides welfare and payments handled for all employees of the Company according to labor and health insurance measures, including labor and health insurance, maternity insurance, disease-risk policy and medical treatment, the Company has also established an employee benefit committee. In addition to the provision of employees' basic welfare guarantee granted by the Labor Standard Law and organizing of activities like travel to employees in order to adjust their physical and mental states, better their life quality and enhance their friendship, the Company also provides various kinds of cash gifts periodically and subsidies for weddings and funerals every year.

a. Welfare facilities

The Company has established staff restaurant, healthcare room, nursing room, AED, blood pressure machine, special parking spaces for pregnant women, contracted kindergarden and many appointed stores. The management of occupational health and safety management system is implemented based on the authentication of hazard factors and the assessment and control of risks and opportunities to prevent occurrence of accidents by means of systematic operation, reduce the risk of harm to employees, and improve the safety environment. Occupational injury cases were reduced in the plant area based on good safety and health control.

b. Welfare subsidies

All employees are entitled to labor insurance, health insurance, group insurance (including accident insurance), medical insurance, cancer insurance and employee travel insurance, etc. Employees also enjoy benefits such as marriage subsidy, maternity subsidy, funeral subsidy, birthday cash gift, seasonal dinner bonus, education and training, and employees' physical checkups.

- c. Other subsidies
 - The Company provides maternity leave, pregnancy care leave, parental leave, etc. according to the provisions of laws and regulations.
- (2) Employees' further education and training

In order to cultivate employees' morality and improve their quality, professional ability and work efficiency, in addition to orientation training courses and various kinds of education and training arranged to new employees upon their entry, the Company also provides professional technical training for employees based on different functions and business demands so as to enhance employees' academic skills and benefit the achievement of their work tasks.
- (3) Retirement system and implementation status

In order to provide employees with a comfortable retirement life, the Company has legally formulated labor retirement measures, established a labor retirement reserve fund supervision committee, and periodically appropriated and deposited retirement reserves in a special account at the central trust bureau every month according to a ratio of 2% of the total amount of remuneration expenses to safeguard workers' rights and interests. The Company also adopted the new retirement policy issued by the government since June 1, 2005 and appropriated 5% of total employees' remuneration to employees' individual pension accounts; if employees voluntarily pay retirement pension, the Company will withhold and remit retirement pension from employees' monthly salary to the individual retirement pension accounts opened at the bureau of labor insurance based on the voluntary payment ratio.

The Company applies the provisions of the labor pension regulations as follows:

 - a. Voluntary retirement

Employees having any of the following circumstances may apply for voluntary retirement: (Those who choose the application of the labor pension regulations shall handle retirement according to the same provisions in the regulations.)

 - i. Working for fifteen years and above and aged 55 or above
 - ii. Working for twenty-five years and above
 - iii. Working for ten years and above and aged 60 and above
 - b. Compulsory retirement

The Company shall not force an employee to retire unless this employee otherwise has any of the following circumstances:

 - i. Aged 65 and above
 - ii. Mental incapacity or physical disability to result in the incompetence for the work.

Regarding the age stipulated in the subparagraph 1 of the preceding paragraph, the Company shall apply to the central competent authority for the approval of adjustment of the retirement of workers engaged in special types of work involving danger and great strength, but the retirement age shall not be lower than 55.
 - c. Pension payment standards:
 - i. If the working seniority before and after the issuance of the Labor Standard Law is applied, or if the provisions of "Labor Standard Law" on pension is continuously applied according to the labor pension regulations, or the working seniority before the application of the labor pension regulations is preserved, the pension payment standards shall be calculated according to the provisions of Article 84-2 and Article 55 of the Labor Standard Law.

- ii. If the mental incapacity or physical disability of an employee who has the working seniority stipulated in the preceding paragraph and is under compulsory retirement according to the provisions of Article 35, Paragraph 1, Subparagraph 2 is caused due to execution of his work, extra twenty percent of pension will be increased according to the provisions of Article 55, Paragraph 1, Subparagraph 2 of the Labor Standard Law.
- iii. As for employees who are subject to the provisions of labor pension regulations, the Company will pay 6% of their monthly salaries to their individual retirement accounts.
- d. Agreed payment of pension:
 - The pension payable by the Company to the employees shall be paid within thirty days since the dates of retirement of the employees.
- (4) Safeguarding status of measures for the safeguarding of employees' rights and interests
 - In addition to the formulation of work rules according to provisions of laws and regulations to clearly standardize each working condition and safeguard employees' rights and interests, the Company has also established an employee welfare committee according to laws and regulations, and therefore employees' rights and interests can be fairly and reasonably handled according to the aforesaid channels; so far, no damage has been caused to the rights and interests of the employees of the Company.
- (5) Status of labor-capital agreement
 - The labor-capital relationship of the Company has always been harmonious with unimpeded communicating channels. Also, the Company abides by the provisions of relevant laws and regulations and hasn't been involved in any labor dispute or any situation requires Status of labor-capital agreement.
- (6) In accordance with Article 24 of the Articles of Association of the Company, if the Company obtains profits in current year, it shall appropriate 2%~16% of the profits as employee reward. The Board of Directors will decide to distribute it in form of stock or cash. The objects of payment include employees of subordinate companies that comply with certain conditions; the Company may appropriate 1% of the aforesaid profits as director reward. Proposals for distribution of employee reward and director reward shall be reported to the Shareholders' Meeting. However, when the Company has accumulated losses, amount for compensation of such losses shall be reserved in advance, and then employee reward and director reward may be appropriated according to the preceding ratios.

Note 4 Measures for the protection of employees' work environment and personal safety:

- (1) Occupational health and safety management system (ISO 45001)
 - Relying on the annual production management system, each unit involved in work safety management shall report and communicate their work and the Company executes the inspection of achievements and review of insufficiency so as to expect the continual optimization of technologies. Besides continuous implementation of safety observation and execution of occupational safety and health management plan, the Company also implements irregular safety and health check and audit as well as safety supervision and guidance by senior officers. In 2020, the Company obtained the verification of ISO 45001 (international occupational health and safety management system).
 - The management of occupational health and safety management system is implemented based on the authentication of hazard factors and the assessment and control of risks and opportunities to prevent occurrence of accidents by means of systematic operation, reduce the risk of harm to employees, and improve the safety environment. In 2024, occupational injury cases were reduced in the plant area based on good safety and health control.

(2) Execution achievements of occupational health and safety

i. Work environment monitoring

Master the actual status of the work environment in the workplaces and evaluate the exposure condition of the workers' work environment and implement planning, sampling, monitoring and analysis. In order to protect workers from suffering harms from hazardous substances in workplaces, the Company provides a healthy and comfortable work environment for them, and executes monitoring of work environment with frequency of 2 times per year to gradually learn the staff's actual exposure status.

ii. Equipment safety management

The Company implements equipment classification and lists dangerous machinery and equipment for management and detailed examinations according to law so as to ensure safe operations of the machinery equipment. The Company has no dangerous equipment, but has 4 forklift trucks as dangerous machinery.

iii. Occupational safety education and training

A healthy and safe work environment is the achievement of the joint efforts of the Company and its employees. Besides the improvement of safety management of hardware, the Company also ensures that officers at each level and all employees must receive necessary work safety education and training to improve their safety awareness. Such education and training are also provided for training students, contractors, temporary workers and even contractors and suppliers that enter the production areas.

In order to strengthen employees' awareness to maintain the safety of the workplaces and implement work safety systems and regulations, we continuously host various kinds of related education and training activities.

Work Safety Education, Training and Advocacy

Year	Person-times	Man-hours
2022	986	3,618
2023	880	2,713
2024	1,328	4,246

Professional Work Safety Management Personnel

Licensed Work Safety Management Personnel in 2024		
Occupational safety (health) management specialist	1	Operator of forklift truck with load above 1 metric ton
Occupational safety and health administrator	3	Operator of fixed base crane with load above 3 metric tons
Class-A occupational health and safety work officer	2	Organic solvent work officer
Labor health service care and nursing staff	1	Specific chemical substance work officer
First-aid staff	18	Other personnel
		1

Work Safety Performance of the Company in Recent Three Years-Statistics of Injuries Causing Employees' Disability

Year	Death and major disability accident	Temporary complete disability accident
2022	Male: 0; female: 0	Male: 0; female: 1
2023	Male: 0; female: 0	Male: 2; female: 0
2024	Male: 0; female: 0	Male: 1; female: 0

The number of fires in the current year, the number of deaths and injuries, and the ratio of deaths and injuries to the total number of employees as stated in the 2024 fiscal year, as well as the relevant improvement measures in response to fires

Number of fire incidents	number of deaths and injuries	the ratio of deaths and injuries to the total number of employees	the relevant improvement measures in response to fires
0	0	0%	NA

Table 2-2-3

Climate-Related Information of TWSE/TPEX Listed Company

1. **Related Development of Climate Change Associated Risks to the Company**

Item	Implementatio
<p>1. Describe how the board of directors and management oversee and govern climate-related risks and opportunities.</p>	<p>■ The Board of Directors serves as the highest decision-making and supervisory body for the Company's climate change response. It regularly reviews climate-related strategies and major decisions, and oversees the implementation and effectiveness of the Company's sustainability initiatives.</p> <p>■ Dedicated task units are responsible for formulating and executing specific action plans, including the preparation of sustainability reports, community engagement initiatives, and greenhouse gas (GHG) inventories with third-party verification. These units provide regular updates to the Sustainable Development Committee.</p> <p>■ The Sustainable Development Committee was established in November 2024 to review climate change response strategies, annual sustainability plans, and draft sustainability reports. It also oversees the execution performance of all sustainability task units.</p> <p>■ Each task unit under the Sustainable Development Committee is responsible for formulating and implementing specific action plans. These units regularly report their progress and results to the Committee, serving as a key reference for Board-level decision-making. Activities include the preparation of the sustainability report and reporting of implementation status to the Board of Directors.</p>
<p>2. Describe the impact of identified climate risks and opportunities on the business's short, medium, and long-term finances, strategy, and operations.</p>	<p>■ The Sustainable Environment Task Unit is responsible for assessing the potential short-, medium-, and long-term risks and opportunities posed by climate change to the Company's operations and financial performance. Based on these assessments, the unit proposes appropriate adaptation strategies and actionable recommendations.</p> <p>■ The Corporate Governance Task Unit leverages scenario analysis to develop climate response strategies and recommend resource allocation plans. These efforts aim to strengthen the Company's adaptive capacity</p>

Item	Implementation
	<p>and financial resilience.</p> <ul style="list-style-type: none"> ■ All climate change response plans are reviewed by the Sustainable Development Committee and submitted to the Board of Directors for approval and implementation. ■ Sustainability development plans and their associated budgets are formulated and submitted to the Board for approval prior to execution.
<p>3. Describe the financial impact of extreme weather events and transformative actions.</p>	<p>The Sustainable Environment Task Unit analyzes the potential financial impacts of extreme weather events (e.g., droughts, heavy rainfall, high temperatures) on operations and proposes preventive and transition strategies. For further details, please refer to Section 3.1, “Climate Change Response,” in the 2024 Sustainability Report.</p> <p>The unit also evaluates the capital investments required for transition efforts—such as those for low-carbon equipment and process optimization—which serve as a reference for the Company’s medium- and long-term financial planning.</p>
<p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p>	<ul style="list-style-type: none"> ■ The Corporate Governance Task Unit supports the establishment of processes for integrating climate-related risks into the Company’s overall risk management framework. ■ The Sustainable Environment Task Unit regularly collects and evaluates risk factors, assessing both the likelihood and potential impact. Based on these assessments, the unit proposes appropriate mitigation, acceptance, or control measures. For instance, it develops the Company’s sustainability development plan, which serves as a guide for implementing energy conservation and carbon reduction initiatives. ■ Following a comprehensive review by the Sustainable Development Committee, these risk management measures are incorporated into the Company’s overall risk control framework and are subject to regular review and updates.

Item	Implementatio
<p>5. If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analysis factors and major financial impacts used.</p>	<p>1. Based on the assessments and reports of the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA) regarding climate emission pathways.</p> <p>2. Evaluate the potential operational impacts arising from carbon emission-related expenses under carbon pricing trends across the following temperature control scenarios:</p> <ol style="list-style-type: none"> 1. High-emission scenario, with temperature rise above 3°C No additional carbon reduction actions beyond existing national policies Global carbon price: US\$2.63 per metric ton 2. Medium-emission scenario, with temperature rise above 1.8°C Prior to 2030, countries do not actively pursue low-carbon transitions, but still aim to limit temperature rise to below 2°C Global carbon price: US\$231.86 per metric ton 3. Low-emission scenario, with temperature rise above 1.5°C Global target of net-zero emissions by 2050 Global carbon price: US\$268.13 per metric ton <p>Key financial impacts:</p> <ol style="list-style-type: none"> 1. Plant shutdowns leading to revenue decline. 2. Equipment damage resulting in property loss. 3. Increased electricity consumption, procurement of renewable energy certificates (RECs), and capital expenditures for energy transition equipment, all contributing to higher operating expenses.
<p>6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</p>	<p>■ The Sustainable Environment Task Unit also formulates action plans to enhance energy efficiency, reduce carbon emissions, and improve resource utilization. These plans are supported by measurable performance indicators.</p> <p>■ The President is responsible for reviewing and promoting the implementation of these action plans, while the Sustainable Development Committee oversees execution and reports performance outcomes to the Board of Directors.</p>

Item	Implementation
	<p>■ The Company establishes climate-related risk and opportunity indicators, along with corresponding action plans, to ensure a proactive and effective response to environmental challenges. It consistently meets the Bureau of Energy's annual electricity savings target of 1%, and has set a long-term goal of achieving carbon neutrality by 2050.</p> <p>■ The Company continues to disclose key greenhouse gas (GHG) emissions data through its Sustainability Report. Since 2023, the Company has published an annual Sustainability Report and conducted GHG inventories, with a long-term implementation timeline planned through 2050.</p>
<p>7. If internal carbon pricing is used as a planning tool, describe the basis for setting the price.</p>	<p>■ Although an internal carbon pricing mechanism has not yet been introduced, the Company continues to monitor global and domestic developments and will evaluate implementation based on future needs.</p>
<p>8. If climate-related targets have been set, the activities covered, it's important to specify the activities that are covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved every year. If you plan to use carbon credits or renewable energy certificates (RECs) to achieve your targets, you should also mention the source and quantity of the carbon credits or RECs that will be offset.</p>	<p>■ The Sustainable Environment Task Unit sets GHG emissions reduction targets that encompass both direct and indirect emission sources.</p> <p>■ Short-term targets include achieving an annual electricity savings rate of 1% and improving overall energy efficiency. The long-term target is to achieve carbon neutrality by 2050.</p>
<p>9. Greenhouse gas inventory and Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan (fill out separately in point 1-1 and 1-2 as below).</p>	<p>■ Since 2013, the Company has obtained ISO 14064-1 verification, with third-party certification conducted by an independent verification body.</p> <p>■ The Sustainable Environment Task Unit is responsible for conducting the GHG inventory process, regularly compiling emissions data as a foundation for developing carbon reduction strategies and action plans.</p> <p>■ The GHG inventory and external verification for 2024 are scheduled for completion in 2025.</p>

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

1-1-1 Greenhouse gas inventory information

Describe the emissions volume (metric tons CO₂e), intensity (metric tons CO₂e/NT\$ million), and data coverage of greenhouse gases for the two most recent fiscal years.

Emissions scope

The Company refers to the requirements of the ISO 14064-1:2018 standard and the World Council for Sustainable Development/World Resources Institute (WBCSD/WRI) Greenhouse Gas Inventory Protocol, using the Company's location as the scope, and adopting the operational control law definition. All emission sources covered within the scope are 100% owned and controlled by the Company. Any organizational scope setting or changes must be approved by the Greenhouse Gas Inventory Promotion Committee. The greenhouse gas inventory targets are JMC Electronics Co., LTD. First factory ((1st-4th Fl of No. 6; 1st-4th Fl of No. 8; 1st-4th Fl of No. 10, 1st - 2nd of No.12 Xinkaifa Rd, Nanzi Dist., Kaohsiung City) in identifying direct and indirect emission sources.

Year	Scope 1 (Metric tons CO ₂ e)	Scope 2 (Metric tons CO ₂ e)	Scope 3 (Metric tons CO ₂ e)	Total Emissions (Metric tons CO ₂ e)	Density (Metric ton of CO ₂ e/million dollar)	Assurance Institutions	Description of assurance status (Certification certificate)
2023	215.4553	17,247.9977	-	17,463.4530	9.89	DNV GL Business Assurance Co., Ltd.	Verified on September 20, 2024 by a third-party verification statement, and declaration was obtained on October 18, 2024.
2024	86.8428	18,554.887	-	18,641.7298	9.51	DNV GL Business Assurance Co., Ltd.	Assurance process is scheduled to be completed by Jun 2025.

Note 1. Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (scope 3, i.e., emissions from Company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).

Note 2. The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under sub paragraph 2 of Paragraph 1, Article 2 of the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies. Other indirect emissions information may be voluntarily disclosed.

Note 3. Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4. The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least the data calculated in terms of revenue (NT\$ 1 million) shall be disclosed.

1-1-2 Greenhouse gas assurance information

Describe the status of assurance for the two most recent fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

2024:

Company	Scope	Assurance Organization	Description of Assurance Status
The Company	Scope1 Scope2	DNV GL Business Assurance Co., Ltd	Assurance process is scheduled to be completed by Jun 2025

2023:

Company	Scope	Assurance Organization	Description of Assurance Status
The Company	Scope1 Scope2	DNV GL Business Assurance Co., Ltd	Obtained reasonable assurance from assurance agency under ISO14064-3:2019.

Note 1. This information shall be disclosed in compliance with the schedule prescribed in the order issued under subparagraph 3, Paragraph 1, Article 4 of the Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report, it shall note "Complete assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it shall note "Complete assurance information will be disclosed on the Market Observation Post System (MOPS)," and shall disclose the complete assurance information in the annual report of the following fiscal year.

Note 2. Assurance institutions shall meet the directions regarding the assurance of sustainability reports prescribed by the TWSE and TPEX.

Note 3. When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

Describe the value, objectives, strategies and action plan of GHG emission reduction programme and status.

The Company conducts its GHG inventories in accordance with the updated ISO 14064-1:2018 standard. As the IPCC released its Sixth Assessment Report in 2023, the Company adopted this latest version for its 2023 GHG calculations. Consequently, the base year has been revised to 2023.

Year	Total Emission	Unit	Difference Description	Electricity consumption (KWH)	Revenue (million)	Emission volume density (Metric ton of CO2e/million dollar)	Electricity volume density (KWH/ million dollar)
2022	17,385.5525	Metric tons CO2e	Capacity reduction	34,453,618	2,112.837	8.23	16,306.80
2023	17,463.4530	Metric tons CO2e	Base year	34,914,975	1,765.433	9.89	19,777.00
2024	18,641.7298	Metric tons CO2e	Annual production volume increased	37,560,500	1,959.533	9.51	19,168.09

Reduction Strategy

Promote clean energy and reduce electricity usage.

Improve equipment efficiency, maintain equipment well, and reduce refrigerant leakage.

Carbon reduction targets

The carbon reduction target is set to meet the energy bureau's 1% energy-saving target every year.

Specific action plan

Annual analysis of the effectiveness of energy conservation measures: Approved by the Energy Bureau after review by the Industrial Technology Research Institute.
2023

1. The operation of the air compressor adopts PLC continuous control and automatic loading and unloading. (Estimated greenhouse gas reduction: 487.8225 metric tons of CO2e/year)

2. Replace existing energy consuming ice water engines that have been in operation for over 18 years with new high-efficiency ice water engines. (Estimated greenhouse gas reduction: 186.4566 metric tons of CO₂e/year)

2024

1. Installation of a variable frequency drive (VFD) on the 1.2F PCW circulation pump for etching operations.

Note 1. This information shall be disclosed in compliance with the schedule prescribed in the order issued under subparagraph 4, Paragraph 1, Article 4 of the Regulations.

Note 2. The base year shall be the fiscal year in which the greenhouse gas inventory is completed based on the consolidated financial reporting scope. For example, under the order issued under subparagraph 2, Paragraph 1, Article 4 of the Regulations, a company with a capital of NT\$10 billion shall complete the inventory for its 2024 annual consolidated financial report in 2025, so the base year will be 2024. If a company has disclosed its inventory in its consolidated financial report in an earlier year, it may take the earlier fiscal year as its base year. The data for the base year may also be calculated based on a single fiscal year or the average of multiple fiscal years.

Note 3. When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

G. Performance status of business integrity management, deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof:

Assessment item	Execution status		Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reason there of
	Yes	No	
(1). Establishment of integrity policies and solutions (1) Has the Company established integrity policies approved by the Board of Directors and disclosed, in a memorandum or external correspondence, the policies and practices it has in place to maintain business integrity? Are its Board of Directors and senior management actively implementing these policies and practices?	✓		In order to implement business integrity policies and actively prevent dishonest conduct, the Company has already established "Ethical Corporate Management Best Practice Principles", "Code of Ethics" and "Procedures for Ethical Management and Guidelines for Conduct" to specifically standardize the matters that shall draw attention from the Board of Directors, the management and all employees during execution of their work, and disclosed them on its website (http://www.jmct.com.tw). Relevant personnel have actively implemented these rules.
(2) Has the Company established an evaluation mechanism for the risks of dishonest conduct to periodically analyze and evaluate business activities that	✓		The Company has established relevant prevention plans in "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", and "Code of Ethics" which have already covered the preventive measures for the following conducts: 1. Bribery; 2. Provision of illegal political contributions;

Assessment item	Execution status		Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason there of
	Yes	No	
<p>have a relatively high risk of dishonest conduct and established plans for prevention of such dishonest conduct accordingly that at least covers the preventive measures indicated in Paragraph 2 of Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?</p>			<p>3. Improper charitable donations or sponsorship; 4. Provision or acceptance of unreasonable gifts, treatments or other illegitimate interests; 5. Infringement upon business secrets, trademarks, patent rights, copyrights and other intellectual property rights; 6. Engagement in unfair competition; 7. Direct or indirect damages caused by products and services to consumers' or other stakeholders' rights, interests, health and safety during R&D, procurement, manufacturing, provision or sales.</p>
<p>(3) Has the Company clearly established, implemented, and executed operating procedures, guidelines for conduct and actions to punish and appeal violations in the plans for prevention of dishonest conduct, and periodically reviewed and corrected the preceding plans?</p>	✓		<p>The Company has already established "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", and "Code of Ethics" as well as operating procedures for the prevention of dishonest conduct, including operating procedures, guidelines for conduct, and established rules for advocacy, reward and punishment, appeal and disciplinary actions. By establishing the preceding principles and rules, the Company standardizes matters that shall draw attention from personnel during execution of their work, prohibits the provision or acceptance of illegitimate interests, executes the prevention of dishonest conduct, and provides the employees with irregular education, training and advocacy.</p> <p>No significant deviation</p>

Assessment item	Execution status		Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reason there of
	Yes	No	
(II). Implementation of ethical corporate management (1) Has the Company evaluated the integrity records of counterparties with which it has business relationship and clearly stipulated integrity clauses in the contracts signed with these counterparties?	✓		No significant deviation
(2) Has the Company established a unit specializing in the promotion of ethical corporate management and subordinate to the Board of Directors, and has this unit reported its integrity policies, plans for prevention of dishonest conduct and implementation supervision conditions to the Board of Directors	✓		No significant deviation

Assessment item	Execution status			Summary	Remarks	Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason there of	
	Yes	No	Execution status				
			Yes				No
periodically (at least once a year)?							
			V	No violations of the policy have occurred.			
			V	No violations of the policy have occurred.			
			V	No such donations were made.			
			<p>No employee has accepted any improper benefits.</p> <p>No facilitation payments were provided or promised by the Company.</p> <p>Political donations must be handled in accordance with applicable regulations. If the annual cumulative amount exceeds NT\$250,000, prior approval from the Board of Directors is required. However, the total amount must not exceed the statutory limit prescribed by the Income Tax Act.</p> <p>Charitable donations or sponsorships must be handled in accordance with applicable regulations. If the annual cumulative amount exceeds NT\$1 million, prior approval from the Board of</p>				
			V	No such donations were made.			

Assessment item	Execution status			Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason there of
	Yes	No	Summary	
			<p>Directors is required. However, the total amount must not exceed the statutory limit prescribed by the Income Tax Act.</p> <p>Directors, managers, and other stakeholders who attend or are present at Board meetings and have a conflict of interest—either personally or on behalf of a represented legal entity—must disclose the key details of such conflicts during the meeting. If the conflict may harm the Company's interests, they must refrain from participating in the discussion and voting, recuse themselves from these proceedings, and may not act as a proxy to vote on behalf of other directors. Directors are also expected to uphold self-discipline and avoid inappropriate mutual support.</p>	
			<p style="text-align: center;">V</p>	<p>In 2024, all directors duly recused themselves from any proposals involving conflicts of interest.</p>

Assessment item	Execution status			Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reason there of
	Yes	No	Summary	
			<p>The Company has designated the Administration Division as the dedicated unit responsible for establishing and implementing procedures for the management, protection, and confidentiality of trade secrets, trademarks, patents, copyrights, and other intellectual property. This unit also regularly reviews implementation outcomes to ensure the continued effectiveness of these procedures.</p> <p>Employees are strictly prohibited from disclosing trade secrets or intellectual property.</p> <p>The Company prohibits unfair competition and takes measures to prevent its products and services from causing harm to stakeholders during business operations.</p>	<p>The Administration Division is responsible for managing patents, and its procedures are in full compliance with relevant regulations.</p> <p>No violations of the policy have occurred.</p> <p>No violations of the policy have occurred.</p>
		V	V	V

Assessment item	Execution status			Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reason there of
	Yes	No	Summary	
		V	V	

Assessment item	Execution status			Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reason there of
	Yes	No	Summary	
			<p>Before establishing business relationships, the Company shall assess the legality, integrity policies, and any history of unethical conduct of agents, suppliers, customers, or other business partners. This is to ensure that all parties engage in fair and transparent practices and do not demand, offer, or accept bribes.</p> <p>During business dealings, employees must clearly communicate the Company's integrity policy and related regulations to counterparties, and explicitly reject any form of improper benefit—whether directly or indirectly offered, promised, requested, or received.</p> <p>Employees must avoid engaging in transactions with parties known for dishonest business practices.</p>	<p>No violations of the policy have occurred.</p> <p>No violations of the policy have occurred.</p> <p>No violations of the policy have occurred.</p>
		V	V	V

Assessment item	Execution status			Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reason there of
	Yes	No	Summary	
			<p>Before entering into contracts, the Company shall thoroughly assess the counterparty's integrity and ensure that compliance with the Company's integrity policy is included as part of the contract terms.</p> <p>The Company encourages both internal and external parties to report any unethical conduct or misconduct. Rewards may be granted based on the severity and nature of the reported case. Internal personnel found to have made false or malicious accusations will be subject to disciplinary action, including termination in serious cases.</p> <p>The Company has established and announced dedicated reporting mailboxes and hotlines on both the intranet and official website, and may also</p>	<p>No reports were received during the reporting period.</p>
			<p>V</p>	<p>A grievance section is available on the Company's intranet, and a stakeholder section is provided on the corporate</p>

Assessment item	Execution status			Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reason there of
	Yes	No	Summary	
			<p>engage independent third-party institutions to provide such channels. These are made available for use by both internal and external parties.</p> <p>The personnel responsible for handling reports must provide a written statement ensuring the confidentiality of the whistleblower's identity and the content of the report. The Company is also committed to protecting whistleblowers from any form of retaliation.</p> <p>If any employee is found to engage in dishonest behavior that affects the Company, and such behavior involves illegal activities, the Company shall notify the judicial and prosecutorial authorities. If the matter involves public officials or government agencies, the relevant anti-corruption authorities must also be informed.</p>	<p>website. No reports were received during the reporting period.</p> <p>No reports were received during the reporting period.</p> <p>There have been no such incidents involving Company personnel.</p>

Assessment item	Execution status		Summary	Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reason there of
	Yes	No		
			<p>Employees who are involved in serious violations of integrity shall be dismissed or terminated in accordance with applicable laws and Company policies.</p> <p>The Company regularly conducts internal and external training on integrity management.</p>	<p>There have been no such violations by Company personnel.</p> <p>As of September 2024, a total of 3,338 participants attended internal and external integrity-related training sessions (including courses on regulatory compliance, ISO, occupational safety and health, information security, and ESG), totaling 5,533.5 training hours.</p>
(3) Has the Company adopted any policy for the prevention of conflicts of interest, provided proper statement channels, and implemented and executed them?	✓		<p>The Company has already established "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", and "Code of Ethics", formulated the measures for prevention of conflicts of interest, and set up a website (http://www.jmct.com.tw/) which contains special zones for investors, corporate governance, corporate social responsibilities and stakeholders for the reference of shareholders and stakeholders. Also, the Company has set up a specific mailbox (stock.service@jmct.com.tw).</p>	No significant deviation

Assessment item	Execution status		Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reason there of
	Yes	No	
(4) Has the Company established effective accounting system and internal control system to implement ethical corporate management, and has the internal audit unit drafted relevant audit plan based on the evaluation results of the risk of dishonest conduct to check the abidance by the plans for prevention of dishonest conduct, or entrusted accountants to execute the audit?	✓		No significant deviation
(5) Has the Company organized internal and external education and training on a regular basis to maintain its ethical corporate management?	✓		No significant deviation

Assessment item	Execution status		Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reason thereof
	Yes	No	
			business integrity (including legal compliance, on-the-job education and training of common sense for general safety, health and hazards, ISO related course advocacy, 5S advocacy, and relevant courses involving accounting systems and regulations as well as internal control) with 3,338 person-times and 5,533.5 hours of education and training in total.
(III). Operation of the Company's whistleblowing system (1) Has the Company established specific whistleblowing and rewarding systems, set up channels that facilitate whistleblowing, and assigned proper dedicated personnel for the reported objects?	✓		The Company has established "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", "Code of Ethics" and relevant personnel administrative measures, and set up employee suggestion box as well as specific mailbox (stock.service@jmtc.com.tw). Such kind of rigorous whistleblowing mechanism facilitates employees to pass on messages in a safe and confidential manner.
(2) Has the Company established any standard operating procedures for the investigation of reports accepted as well as subsequent measures and relevant confidentiality mechanism after completion of investigation?	✓		No significant deviation
			1. The company has stipulated the acceptance of reporting cases in the "Ethical Management and Guidelines for Conduct" Principles, investigation procedures, follow-up measures for investigation reports, protection of whistleblowers, etc. 2. Acceptance principle: (1) The whistleblower's name and I.D. number (whistleblowing reports may be submitted anonymously), and an address, telephone number and e-mail address where it can be reached. (2) The informed party's name or other information sufficient to distinguish its identifying features. (3) Specific facts available for investigation.
			No significant deviation

Assessment item	Execution status		Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason there of
	Yes	No	
			<p>3. Investigation procedures and follow-up measures after completion of investigation:</p> <p>(1) An information shall be reported to the department head if involving the rank and file and to an independent director or supervisor if involving a director or a senior executive.</p> <p>(2) The responsible unit of this Corporation and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.</p> <p>(3) If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or this Corporation's policy and regulations of ethical management, this Corporation shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, this Corporation will report to the competent authority, refer said person to judicial authority for investigation, or institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.</p> <p>(4) Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.</p> <p>(5) With respect to a confirmed information, this Corporation shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.</p>

Assessment item	Execution status		Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reason there of
	Yes	No	
(3) Has the Company taken measures to protect whistleblower from improperly disposal due to whistleblowing?	✓		No significant deviation
(IV). Enhancement of information disclosure Has the Company disclosed the contents and promotion effect of its Ethical Corporate Management Best Practice Principles on its website and MOPS?	✓		No significant deviation

Assessment item	Execution status		Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason there of
	Yes	No	
(V). If the Company has established Ethical Corporate Management Best Practice Principles in accordance with “Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies), please explain its operation as well as deviations from the principles established: The Company has established “Ethical Corporate Management Best Practice Principles” and its operation has been performed according to these principles.		Summary	
(VI). Other important information that facilitates a better understanding of the Company’s implementation of ethical corporate management: (e.g., details of the Company’s review and correction of its Ethical Corporate Management Best Practice Principles): The Company will pay attention to the development of relevant regulations on ethical corporate management at home and abroad at any time and encourage directors, managers and employees to offer their suggestions so as to review and improve its integrity policies and promoting measures and thus improve the implementation effect of its ethical corporate management.			

H. Other important information to facilitate a better understanding of the Company’s corporate governance: None.

I. Execution status of internal control system

1. Statement of Internal Control System:

JMC Electronics Co., Ltd.
Statement of Internal Control System

Date: March 06, 2025

Based on the findings of self-assessment, the Company states the following with regard to its internal control system during 2024:

- (1) The Company knows clearly that its Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system, and it has already established this system. The purpose of the internal control system is to provide reasonable assurance of the effectiveness and efficiency of our operations (including profitability, performance, and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws, and regulations.
- (2) An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Furthermore, the effectiveness of an internal control system may be subject to change due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
- (3) The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each component covers certain items. Please refer to the "Regulations" for the preceding items.
- (4) The Company has evaluated the design and operating effectiveness of its internal control system according to the aforementioned Regulations.
- (5) Based on the findings of such evaluation, the Company believes that, as of December 31, 2024, it has maintained an effective internal control system in all material aspects (including the supervision and management of our subsidiaries) to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws, and regulations.
- (6) This Statement is an integral part of the Company's annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of Securities Exchange Act.
- (7) This Statement was passed by the Board of Directors in their meeting held on March 06, 2025, with none of the seven attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

JMC Electronics Co., Ltd.

Chairman: Wan, Wen-Tsai

Signature or Seal

General Manager: Li, Wan-Hsia

Signature or Seal

2. Review report of internal control of project review by accountants: None.

2. Review report of internal control of project review by accountants: None.
- J. Important resolutions of the Shareholders' Meeting and the Board of Directors in recent years and as of the date of publication of the annual report:
1. Important resolutions of the Shareholders' Meeting:

Name of meeting	Date	Important resolutions	Execution status
Regular Shareholders' Meeting	May 29, 2024	1. Resolution on the recognition of business report and financial statements of the Company of 2023 passed	Already completed.
		2. Resolution on the recognition of earnings distribution proposal of the Company of 2023 passed	September 14, 2024 was established as the distribution base date and October 3, 2024 was established as the payment date. The earnings were already distributed according to the aforesaid schedule (cash dividend of NT\$0.1231569 per share distributed).
		3. Resolution on the proposal for amendment to "Rules of Procedure for Shareholders' Meetings" passed	Already announced on MOPS and operated according to the corrected contents.
		4. Resolution the company's proposed cash distribution from capital surplus	September 14, 2024 was established as the distribution base date and October 3, 2024 was established as the payment date. The earnings were already distributed according to the aforesaid schedule (cash dividend of NT\$0.1768431 per share distributed).
		5. Resolution to conduct a full re-election of the Board of Directors (including three independent directors) was passed.	Seven directors, including three independent directors, were elected and their registration was approved by the Industrial Development Bureau of the Ministry of Economic Affairs on June 6, 2024.
		6. Resolution on the proposal for amendment to "Release the Prohibition on Directors from Participation in Competitive Business" passed	Already announced on MOPS and operated according to the corrected contents.

2. Important resolutions of the Board of Directors:

Information Regarding Resolutions of the Board of Directors and Operation Status in 2024 and 2025			
Name of meeting	Date	Content of proposal	All independents' opinions and the Company's handling of these opinions
14 th meeting of the 5 th Board of Directors	February 22, 2024	<ol style="list-style-type: none"> Change of appointment of certified public accountants for the year 2024. Approve the proposal for amendment to "Rules of Procedure for Shareholders' Meetings". Approve the revision of the "Board of Directors Performance Evaluation Measures". Approve the proposal of a comprehensive re-election of directors and nominating candidates for directors. Approve to lift the restriction on non-competition of new directors. Approve the proposal for discussion of date, place and reason for the convening of regular Shareholders' Meeting in 2024. 	None

Information Regarding Resolutions of the Board of Directors and Operation Status in 2024 and 2025			
Name of meeting	Date	Content of proposal	All independents' opinions and the Company's handling of these opinions
		7. The proposal for subsequent confirmation of acquisition and disposal of valuable securities.	
15 th meeting of the 5 th Board of Directors	March 14, 2024	<ol style="list-style-type: none"> 1. Approve the proposal for distribution of employee reward and director reward in 2023. 2. Approve the financial report of the Company in 2023. 3. Approve the business report of the Company in 2023. 4. Approve the proposal for earnings distribution in 2023. 5. Approve the company's proposed cash distribution from capital surplus. 6. Approve the proposal for statement of internal control system of the Company in 2023. 7. Approve the proposal for amendment to "Rules of Procedure of Board of Directors". 8. Approve the increase of the reasons for convening the 2024 regular shareholders meeting. 9. Approve the review of the qualifications of nominees for directors (including independent directors). 	None
16 th meeting of the 5 th Board of Directors	May 9, 2024	<ol style="list-style-type: none"> 1. Approve the proposal for discussion of the financial report of the Company in the 1st quarter of 2024.. 2. Approve the proposal for amendment to "Audit Committee Charter". 3. Approved the promotion proposal of the company's deputy general manager. 4. Approved the promotion of five directors to senior manager. 5. Approved the amendment to the " Approval Authority Table ". 	None
1 st meeting of the 6 th Board of Directors	May 29, 2024	<ol style="list-style-type: none"> 1. Approved the election of chairman and vice chairman. 	None
2 nd meeting of the 6 th Board of Directors	August 8, 2024	<ol style="list-style-type: none"> 1. Approve the proposal for discussion of the financial report of the Company in the 2nd quarter of 2024. 2. Approve the proposal for discussion of relevant details concerning the distribution of cash dividends in 2024. 3. Approved the appointment of members of the 5th Remuneration Committee. 4. The Vice Chairman of the Company is proposed to be authorized as the authorized person for the financial seal used by the Company's bank account. 5. Approve the appointment of the head of the finance and accounting department. 	None
3 rd meeting of the 6 th Board of Directors	November 7, 2024	<ol style="list-style-type: none"> 1. Approve the proposal for discussion of the financial report of the Company in the 3rd quarter of 2024. 2. Approve the proposal for appointment and remuneration of CPAs in 2025. 3. Approve the proposal for formulation of audit plan for 2025. 4. Approve the formulation of "Risk Management Policies and Procedures". 5. Approve the formulation of "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties". 	None

Information Regarding Resolutions of the Board of Directors and Operation Status in 2024 and 2025			
Name of meeting	Date	Content of proposal	All independents' opinions and the Company's handling of these opinions
		<ol style="list-style-type: none"> 6. Approve the formulation of "Management of Sustainability Information". 7. Approved the establishment of the "Sustainable Development Committee" and the establishment of the "Sustainable Development Committee Charter". 8. Approved the appointment of members of the Sustainable Development Committee. 9. Approve the discussed proposal for the work plan of the Remuneration Committee of the Company in 2025. 10. Approve the proposal for discussion of payment of director remuneration, and payment details and date in 2023. 11. Approve the proposal for discussion of employee remuneration and yearend bonus paid to managers. 12. Approved the review of the remuneration of the company's independent directors. 13. Approve the monthly salary structure and payment amount of the newly appointed head of the finance and accounting department of the company 14. Approve the proposal for discussion of proposal for the budget of 2025. 15. Approve the financing limit of financial institutions in 2025. 	
4 th meeting of the 6 th Board of Directors	March 6, 2025	<ol style="list-style-type: none"> 1. Approve the proposal for distribution of employee reward and director reward in 2024. 2. Approve the employee incentive bonus proposal. 3. Approve the financial report and business report of the Company in 2024. 4. Approve the proposal for earnings distribution in 2024. 5. Approve the proposal for statement of internal control system of the Company in 2024. 6. Approve the revision of the company's "Internal Control System for payroll and personnel cycle". 7. Approve the revision of the company's "Articles of Association". 8. Approve the revision of the company's "Salary Management Regulations". 9. Approve the proposal to by-election the sixth term of independent directors. 10. Approve the review of the qualifications of nominees for independent directors. 11. Approve to lift the restriction on non-competition of directors. 12. Approve the increase of the reasons for convening the 2025 regular shareholders meeting. 13. Approve the change of the company's general manager. 	None

K. Major contents of record or written statement regarding different opinions of directors or supervisors on the important resolutions passed by the Board of Directors in recent years and as of the date of publication of the annual report: None.

(IV). Information regarding fee of certified public accountants:

A. Information regarding fee of certified public accountants

Unit of amount: NT\$ Thousand

Name of accounting firm	Name of accountant	Audit period	Audit fee	Non-audit fee	Total	Remark
Deloitte Taiwan	Wang, Chao-Chun	2024	2,500	200	2,700	The non-audit fee is incurred for tax certification.
	Wen S. Chen					

B. The accounting firm is replaced and the audit fee paid in this year is less than that in the previous year: None.

C. The audit fee is decreased by more than ten percent compared with that in previous year: None.

(V). Information regarding change of accountants:

A. Former accountants

Change date	February 22, 2024		
Reason and explanation	In order to meet the internal rotation needs of Deloitte Taiwan Certified Public Accountants, it is proposed that the certified public accountants will be replaced by CPA Wang, Chao-Chun and CPA Wen S. Chen from the original CPA Liu, Yu-Xiang and CPA Wang, Chao-Chun with effect from the first quarter of 2024.		
Explanation of termination or non acceptance of appointment by the appointor or accountant	Parties		
	Situation	Accountants	Appointer
	Proactively terminate appointment	None	None
	No longer accepting (continuing) appointments	None	None
Opinions on checking reports other than unqualified reports issued within the last two years and the reasons therefor	None		
Any disagreement with the Issuer	Yes	None	Accounting Principles or Practices
		None	Disclosure of Financial Reports
		None	Scope or Steps of Checking
		None	Others
	None	✓	
	Description: None		
Other disclosure matters (Matters that should be disclosed under Article 10, Paragraph 6, Items 4-7 to 1-7 of these Guidelines)	None		

B. Succeeding accountants

Name of accounting firm	Deloitte Taiwan
Name of accountant	CPA Wang, Chao-Chun and CPA Wen S. Chen
Date of appointment	February 22, 2024
Consultation on accounting methods or principles for specific transactions and possible opinions and results on financial reports before appointment	None
The written opinion of the successor accountant on the differing opinions of the previous accountant	None

C. Reply letter from former accountants to the matters indicated in Item 1 and Item 2-3 of Subparagraph 6 of Article 10 of this standard: N/A

(VI). Employment of chairman, general manager, and manager in charge of finance or accounting of the Company to the accounting firm where the certified public accountants work or its affiliates in recent year: None.

(VII). Changes (transfer and pledge)of equity of directors, managers and shareholders with shareholding ratio exceeding ten percent in recent years and as of the date of publication of the annual report:

A. Changes of equity of directors, managers and major shareholders:

Unit: Share

Title	Name	2024		As of March 29, 2025	
		Increase (decrease) of shares held	Increase (decrease) of shares pledged	Increase (decrease) of shares held	Increase (decrease) of shares pledged
Chairman	Chang Wah Electromaterials Inc. Representative: Wan, Wen-Tsai	-	-	-	-
Vice Chairman	Chang Wah Electromaterials Inc. Representative: Hong, Chuan-Cheng	-	-	-	-
Corporate director and major shareholder holding 10% of shares	Chang Wah Electromaterials Inc.	-	-	-	-
Corporate director	Yenyo Technology Co., Ltd.	-	-	-	-
Vice Chairman (Note 1)	Yenyo Technology Co., Ltd. Representative: Huang, Chia-Neng	-	-	-	-
Vice Chairman (Note 1)	Yenyo Technology Co., Ltd. Representative: Pan,Chao-Yi	-	-	-	-
Corporate director	Chipmos Technologies Inc.	-	-	-	-
Corporate director representative(Note 2)	Chipmos Technologies Inc. Representative: Hsu, Yuan-Feng	-	-	-	-

Title	Name	2024		As of March 29, 2025	
		Increase (decrease) of shares held	Increase (decrease) of shares pledged	Increase (decrease) of shares held	Increase (decrease) of shares pledged
Corporate director representative(Note 2)	Chipmos Technologies Inc. Representative: Jesse Huang	-	-	-	-
Independent director (Note 1)	Ke, Yong-Siang	-	-	-	-
Independent director (Note 1)	Hong, Chia-Yu	-	-	-	-
Independent director	Yang, Shun-Ching	-	-	-	-
Independent director (Note 1)	Su,Erh-Lang	-	-	-	-
Independent director (Note 1)	Chen,Chih-hung	-	-	-	-
General manager (Note 4)	Li, Wan-Hsia	-	-	-	-
Deputy general manager(Note 4)	Huang, Mei-Hsueh	-	-	-	-
Head of R&D Engineering Division	Hsia, Chih-Hsiung	-	-	-	-
Head of Design Engineering Division	Tsai, Jin Bao	(8,300)	-	-	-
Head of Process Engineering Division	Lin, Chien-Yi	-	-	-	-
Head of Administration Division	Ko, Sheng-Tung	-	-	-	-
Head of Business Division	Chen, Sung-Chou	-	-	-	-
Manager of Finance & Accounting Department(Note 3)	Chiang, Wei-Wei	-	-	-	-
Manager of Finance & Accounting Department	Yang,Chien-Yi	-	-	-	-

Note 1: On May 29, 2024, the Board of Directors was re-elected. Mr. Huang, Chia-Neng, Mr. Ke, Yong-Siang and Mr. Hong, Chia-Yu resigned and Ms. Pan,Chao-Yi, Mr. Su,Erh-Lang and Mr. Chen,Chih-hung took office.

Note 2: On November 5, 2024, Chipmos Technologies Inc. changed its representative to Mr. Jesse Huang, and the original representative Mr. Hsu, Yuan-Feng resigned on the same day.

Note 3: On August 08, 2024, Chiang, Wei-Wei 's position as the manager of the finance and accounting department was adjusted through the approval of the board of directors.

Note 4: On March 6, 2025, the board of directors approved that Ms. LI, Wan-Hsia would be transferred from general manager to technical expert from March 31, 2025, and Ms. Huang, Mei-Hsueh, deputy general manager, would be appointed as general manager of the company from April 1, 2025..

- B. The objects of equity transfer by directors, managers and major shareholders are related parties: None.
- C. The objects of equity pledge by directors, managers and major shareholders are related parties: None.

(VIII). Information regarding top-10 shareholders in terms of shareholding ratio who are related parties or have kinship including spouses and the second degree of kinship:

Name (Note 1)	Shares held		Shares currently held by spouse and minor children		Total shares held in the name of others		Name or designation and relation of top-10 shareholders who are related parties or have kinship including spouses and the second degree of kinship (Note 3)		Remark
	Number	Ratio	Number	Ratio	Number	Ratio	Name	Relation	
Chang Wah Electromaterials Inc.	35,531,390	42.81%	-	-	-	-	None	None	None
Chang Wah Electromaterials Inc. Representative: Huang, Chia-Neng	16,600	0.02%	-	-	-	-	None	None	None
Chipmos Technologies Inc.	8,300,000	10.00%	-	-	-	-	None	None	None
Chipmos Technologies Inc. Representative: Cheng, Shih-Chieh	-	-	-	-	-	-	None	None	None
Huang, Chia-Neng	2,455,140	2.96%	-	-	-	-	None	None	None
ASUS Inc.	830,000	1.00%	-	-	-	-	None	None	None
ASUS Inc. Representative: Shih, Chung-Tang	-	-	-	-	-	-	None	None	None
Li, Sheng-Che	778,000	0.94%	-	-	-	-	None	None	None
Hung, Tien-Tsai	777,000	0.94%	-	-	-	-	None	None	None
Li, Wan-Hsia	490,530	0.59%	-	-	-	-	None	None	None
Huang, Mei-Hsueh	415,000	0.50%	-	-	-	-	None	None	None
Li, Mei-Lien	395,000	0.48%	-	-	-	-	None	None	None
Hung, Yi-Hsiang	320,000	0.39%	-	-	-	-	None	None	None

Note 1 All the top-10 shareholders shall be presented. As for corporate shareholders, their names and names of their representatives shall be presented separately.

Note 2 Calculation of shareholding ratios refers to the calculation of shareholding ratios in the name of shareholders themselves, spouses, minor children or others.

Note 3 Shareholders presented above include legal persons and natural persons, and their mutual relations shall be disclosed according to the criteria for preparation of the issuer's financial report.

(IX). Shares held by the Company and its directors and managers as well as enterprise(s) directly or indirectly controlled by the Company and consolidated calculation of comprehensive shareholding ratios: None.

III. Fundraising Status

(I) Capital and shares:

A. Sources of capital stock in recent years and as of the date of publication of the annual report:

March 29, 2025; unit: 1,000 shares; NT\$ Thousand

Month/year	Issue price (NT\$)	Authorized capital stock		Paid-in capital stock		Remark		
		Number of shares	Amount	Number of shares	Amount	Source of capital stock	Stock capital compensated for with property other than cash	Others
Sep. 2020	10	111,000	1,110,000	83,000	830,000	Capital decrease of NT\$ 170,000,000 in cash	None	Note 1

Note 1: Approved by J.S.S.Zi No. 1090008932 Letter issued by the Ministry of Economic Affairs on September 14, 2020.

March 29, 2025; unit: share

Type of share	Authorized capital stock			Remark
	Shares circulated outside	Unissued shares	Total	
Ordinary share	83,000,000	28,000,000	111,000,000	Listed stock

For fundraising and issuing of valuable securities approved under an overall application system, approved amount and relevant information regarding valuable securities scheduled for issuance or already issued: None.

B. List of major shareholders (shareholders with equity ratio reaching five percent and above shall be specified. If there are fewer than ten shareholders reaching this standard, names of shareholders with equity ratios ranking the top 10, shares held and shareholding ratios shall be disclosed)

March 29, 2025

Name of major shareholder	Share	Number of shares held (share)	Shareholding ratio (%)
Chang Wah Electromaterials Inc.		35,531,390	42.81%
Chipmos Technologies Inc.		8,300,000	10.00%
HUANG, CHIA-NENG		2,455,140	2.96%
ASUS Inc.		830,000	1.00%
Li, Sheng-Che		778,000	0.94%
Hung, Tien-Tsai		777,000	0.94%
Li, Wan-Hsia		490,530	0.59%
Huang, Mei-Hsueh		415,000	0.50%
Li, Mei-Lien		395,000	0.48%
Hung, Yi-Hsiang		320,000	0.39%

- C. Dividend policy of the Company and execution status:
1. Dividend policy determined in the Articles of Association:
The Company adopts a residual dividend policy in consideration of the overall environment and industry growth features as well as its long-term financial planning and for the purposes of sustainable management and stable development. To be specific, the Company mainly measures the annual capital demand according to its future capital budget planning. After capital needed for financing is reserved with priority, the remaining earnings will be distributed in forms of cash dividend and stock dividend. The distribution steps are shown as follows:
 - (1) Determine the best capital budget.
 - (2) Determine the capital needed for financing in the aforesaid capital budget.
 - (3) Determine the amount of capital needed for financing to be paid using the reserved earnings.
 - (4) The remaining earnings may be distributed to the shareholders in form of dividend after a proper amount is reserved to fulfill the operational demand. The balance of earnings proposed for distribution shall not be lower than ten percent of the distributable earnings of the Company in current year, and the cash dividends shall not be lower than ten percent of total dividends proposed for distribution.
 2. Status of distribution of dividends proposed in this Shareholders' Meeting:
The distributable earnings of the Company reached NT\$ 613,814,432 in 2024. The proposal for distribution of earnings in 2024 was already approved by relevant resolution of the Board of Directors on March 06, 2025, and it was planned to distribute cash dividend of NT\$ 0.20 per share. The resolution would be made in the regular Shareholders' Meeting on May 27, 2025.
 3. Description of expected major change in dividend policy: None.
- D. Influence of stock grants proposed in this Shareholders' Meeting on the Company's operational performance and EPS: N/A
- E. Employee reward and director reward:
1. Percentage or scope of employee reward and director reward specified in the Articles of Association: Please refer to the explanation in the aforesaid "(C) Dividend policy of the Company and execution status".
 2. Estimation basis of employee reward and director reward in current period, basis for calculation of shares distributed for employee reward as well as accounting treatment in case of deviation of amount actually distributed from the estimated amount:
When a major change occurs to the payment amount resolved by the Board of Directors, the originally presented annual expenses will be adjusted according to this change. If the amount is still changed after the publication date of the annual financial report, it will be handled as accounting estimate change and will be adjusted and entered into accounts next year.
 3. Distribution of rewards approved by the Board of Directors:
 - (1) If the amount of employee reward and director reward distributed in form of cash or stock in 2024 was deviated from the estimated amount of annual fees recognized, the amount deviated, reason and handling status shall be disclosed:
The Board of Director approved the employee reward distribution of the Company in 2024, with an amount of NT\$ 350,886. The employee reward was paid in cash. The amount of director reward distributed reached

NT\$ 175,443 in cash. The employee reward and director reward proposed for distribution were consistent with the account amount.

- (2) Amount of employee reward distributed in stock as well as ratio in the total amount of net income after tax and employee reward presented in individual or separate financial report of current period: None.
 4. If the actual distribution status (including distributed shares, amount and share price) of employee reward and director reward in the previous year (2023) was deviated from the rewards of employees, directors and supervisors recognized, the amount deviated, reason and handling status shall be disclosed: None.
- F. Repurchase of corporate shares by the Company: None.

(II) Handling status of corporate bond

December 31, 2024

Type of corporate bond		First Secured Convertible Corporate Bond in Taiwan
Date of issuance		October 25, 2021
Face value		Face value per bond is NT\$ (same below) 100,000
Place of issuance and trading		Issued in Taiwan and listed in Gre Tai Securities Market
Issue price		NT\$ 106.63
Total amount		NT\$ 500,000,000
Interest rate		Nominal interest rate as 0%
Term		5-year term with due date of October 25, 2026
Guarantor		Taishin International Bank Co., Ltd.
Trustee		Land Bank of Taiwan Co., Ltd.
Underwriter		Taishin Securities Co., Ltd.
Certified lawyer		Chiu, Li-Fei
Certified accountant		Deloitte & Touche Certified public accountants in recent years: Wang, Chao-Chun and Wen S. Chen Certified public accountants in the latest period: L Wang, Chao-Chun and Wen S. Chen
Repayment method		Lump-sum repayment of principal upon maturity
Unpaid principal		NT\$ 500,000,000
Clause of redemption or premature repayment		Detailed in measures for issuance and conversion
Qualifying clause		None
Name of credit rating agency, date of rating, and corporate bond rating result		None
Attached other rights	Amount of converted (swap or share subscription) ordinary shares, overseas depository receipts or other valuable securities as of December 31, 2024	0
	Measures for issuance and conversion (swap or share subscription)	Please refer to bond issuance data in the special zone for bonds and credits in MOPS.
Issuance and conversion, measures for swap or share subscription, possible dilution of equity due to issuance conditions, and influence of issuance conditions on the existing shareholders' equity		Assume that the creditors of this convertible corporate bond request conversion in full amount according to the current conversion price of NT\$ 59.2, and the maximum dilution ratio would be approximately 9.24% and the dilution limit should be limited.
Name of agency entrusted for custody of swap object		None

Information of Convertible Corporate Bond

Type of corporate bond		First Secured Convertible Corporate Bond in Taiwan	
Item		Year	
		2024	As of March 31, 2025
Market value of convertible corporate bond	Max	123.50	102
	Min	101.05	100.75
	Average	110.19	101.34
Conversion price		NT\$ 59.2	NT\$ 59.2
Date of issuance (handling) and conversion price upon issuance		Date of issuance: October 25, 2021 Conversion price upon issuance: NT\$ 63.5	Date of issuance: October 25, 2021 Conversion price upon issuance: NT\$ 63.5
Way to perform conversion obligation		Issuance of new share	Issuance of new share

(III) Handling status of special share: None.

(IV) Handling status of overseas depository receipts: None.

(V) Handling status of employee subscription right voucher: None.

(VI) Handling status of new share that restricts employees' rights: None.

(VII) Handling status of new shares issued by other companies merged or accepted: None.

(VIII) Execution status of capital application plan:

Analysis of valuable securities issued or privately placed in all previous times as not completed yet, or already completed in recent years but with planned effect not presented yet as of the quarter before the date when the annual report was published: N/A since each capital increase plan (in cash) of the Company in recent three years has been fully executed and the planned effect has been presented.

IV. Overview of Operation

(I) Business content

A. Business content of the Company

1. Scope of business

(1) Main content of business operated by the Company

- (A) Electronic component manufacturing industry
- (B) Electronic material wholesale industry
- (C) International trade industry
- (D) Business not prohibited or restricted by business laws and regulations besides licensed business

(2) Main products and business ratios at present

Unit: NT\$ Thousand; %

Name of product	2023		2024	
	Sales value	Ratio (%)	Sales value	Ratio (%)
Reel to Reel chip on Film (Tape-COF for short)	1,727,959	98	1,929,263	98
Others	37,474	2	30,270	2
Total	1,765,433	100	1,959,533	100

(3) New products planned for development

- (A) Thick copper (12um) Tape-COF used for heat dissipation of driver IC of LCD monitor
- (B) Development of subtractive technology to 20um pitch and increase the market competitiveness of COF products with specification above 20um pitch.
- (C) On the basis of the process technology expertise and products cultivated using the unique semi-additive method of JMC with fine pitches below 20um pitch especially 18, 16 and 14um pitch, the Company improved product design capacity through cooperation with customers and comprehensively supplied fine-pitch COF used in LCD driver ICs needed by customers' handheld device products and smartphones.
- (D) Development of 2-Metal Substrate technology. The Company developed various types of light, thin, short, and small high-end IC carrier boards through cooperation with clients.
- (E) Development of a new generation of substrates through cooperation with raw material manufacturers

2. Industry overview

(1) Current industry conditions and development

According to the latest *World Economic Outlook* by the International Monetary Fund (IMF), global economic growth is projected to reach 3.1% in 2024, with a slight increase to 3.2% in 2025. While this remains weaker compared to the 3.8% average growth rate recorded between 2000 and 2019, it nonetheless demonstrates a degree of resilience. The upward revision of the 2024 growth forecast is primarily driven by the strength of the U.S. economy and potential fiscal stimulus measures in China. However, in 2025, global economic growth is expected to face greater challenges, including escalating geopolitical tensions, fluctuations in commodity prices, and the potential spillover risks from China's real estate market issues affecting other regions. For advanced economies, the growth rate is projected to be 1.4% in 2025, slightly below the 1.5% forecast for 2024. Among them, the U.S. is expected to remain the leading major economy,

though its growth rate is anticipated to decline from 2.1% in 2024 to 1.8% in 2025. Meanwhile, emerging markets will continue to drive global economic expansion, with a projected growth rate of 4.2% in 2025, led by India (6.5%) and China (4.8%).

The internet economy is expected to remain a key driver of global growth in 2024 and 2025. Market research reports indicate that the global e-commerce market is set to reach US\$7.4 trillion by 2025, a significant increase from US\$5.7 trillion in 2023. This growth is largely fueled by the widespread adoption of digital payment technologies, improvements in logistics infrastructure, and increasing internet penetration in emerging markets. In particular, the proliferation of smartphones and the rapid deployment of 5G networks across Asia and Africa are expected to further accelerate digital economic growth. However, the IMF has also warned that rising protectionism and geopolitical economic fragmentation could pose risks to the stability of cross-border e-commerce and global digital supply chains. Additionally, cybersecurity concerns are becoming a top priority for both businesses and governments in order to ensure the sustainable development of the digital economy. The IMF has urged nations to strengthen international cooperation and establish regulatory frameworks while advancing digital transformation, aiming to mitigate potential digital risks and share the benefits of development.

In 2024, the global TV panel market showed signs of recovery, with shipments reaching 235 million units—an annual increase of 1.9%—while shipment area expanded by 4.9%. This recovery was primarily driven by increased stocking demand for major sporting events, China's "trade-in" policy incentives, and production capacity controls by panel manufacturers, prompting downstream suppliers to build up inventory. In particular, the continued growth in demand for large-sized panels has contributed to an increase in the global average TV panel size from 50 inches in 2023 to 51.1 inches in 2024, reflecting consumers' preference for high-end large-screen products. However, the market also faced supply chain challenges, including rising transportation costs due to logistics disruptions in the Red Sea region and increasing panel prices for TV brands, which led to pricing standoffs between manufacturers and brands. Despite these obstacles, the market demonstrated structural upgrades, with resilience particularly evident in the growing demand for mid-to-high-end products.

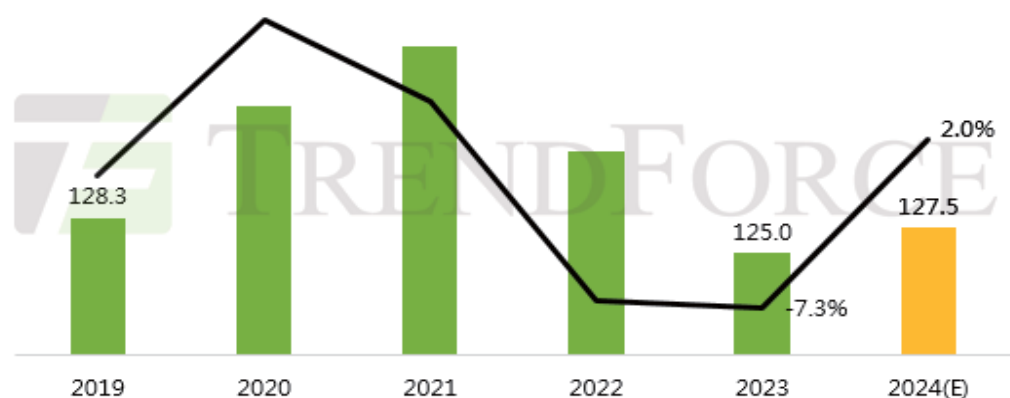
Looking ahead to 2025, the TV panel market is expected to sustain its recovery momentum, with shipments projected to exceed 240 million units and shipment area continuing to expand. Driven by China's trade-in policy and ongoing consumption upgrades, the Chinese market will remain a key growth driver. The global average TV size is expected to reach 52 inches, reflecting steady growth in demand for larger panels. At the high end of the market, the adoption of Mini LED and Micro LED technologies will further enhance product appeal. Notably, as Micro LED prices gradually decline to more consumer-accessible levels, the penetration of high-end TVs is expected to increase. However, supply-demand dynamics still require close monitoring. UBS forecasts a potential 0.3% supply shortage for large-sized LCD panels in 2025, which could drive up prices and add pressure to the

supply chain. Despite ongoing logistics challenges and pricing negotiation standoffs, the combination of policy support, technological innovation, and major sporting events is expected to sustain steady growth in the TV panel market, creating new development opportunities in 2025.

According to the latest research by TrendForce, global monitor shipments declined by 7.3% in 2023, reaching only 125 million units, falling below the pre-pandemic level. This downturn was primarily driven by a significant contraction in commercial demand, leading to sharp declines in shipments for major business-focused monitor brands. Dell, HP, and Lenovo recorded year-on-year declines of 20.4%, 20.7%, and 21.4%, respectively—each dropping by more than 20%. However, some consumer brands bucked the trend and achieved growth despite the overall market decline. AOC/Philips, benefiting from strong demand in China’s esports market, recorded an 8.8% year-on-year increase in shipments, while Acer achieved a 6.7% growth by increasing the refresh rate of its products to 100Hz.

In 2025, global monitor shipments are projected to grow by 2% year-on-year, reaching approximately 128 million units due to the low base effect from 2023, the gradual global economic recovery, and the regular PC replacement cycle. Among major brands, Lenovo is adopting the most aggressive approach in the commercial segment, setting an ambitious annual shipment growth target of approximately 20%, while AOC/Philips, MSI, ASUS, and Acer aim for growth rates exceeding 10%. By contrast, Samsung Electronics, LG Electronics, and BenQ have adopted a more conservative strategy, focusing on profitability and high-end product lines. Additionally, part of the PCs purchased during the pandemic is expected to enter their replacement cycle between the second half of 2024 and 2025, further driving demand in the monitor market.

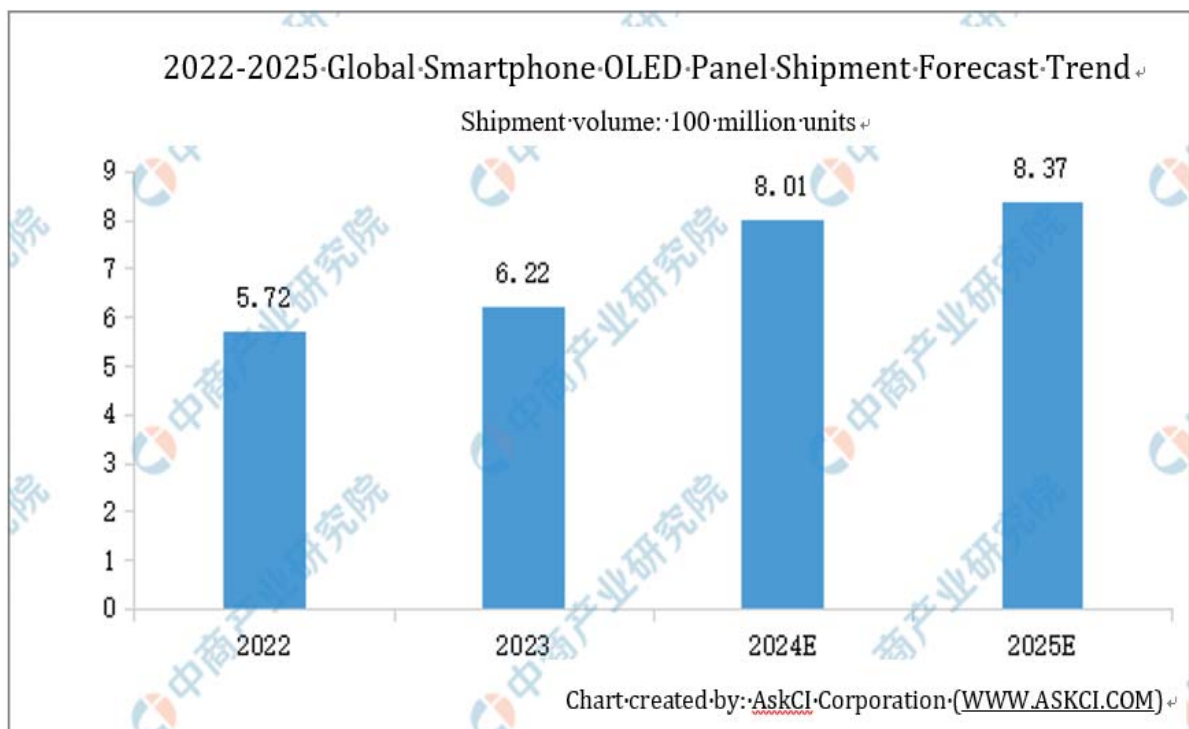
Figure. Global monitor shipment from 2019 to 2024 (Unit: million unit)



Source: TrendForce, Feb., 2024 Monitor Shipment Annual Growth Rate

According to the latest report, the OLED smartphone panel market is expected to maintain its growth momentum in 2024, with annual shipments increasing by 21% year-on-year and revenue rising by 3%. Demand remains strong, particularly in the flexible OLED and foldable OLED segments, which are projected to grow by 13% and 26%

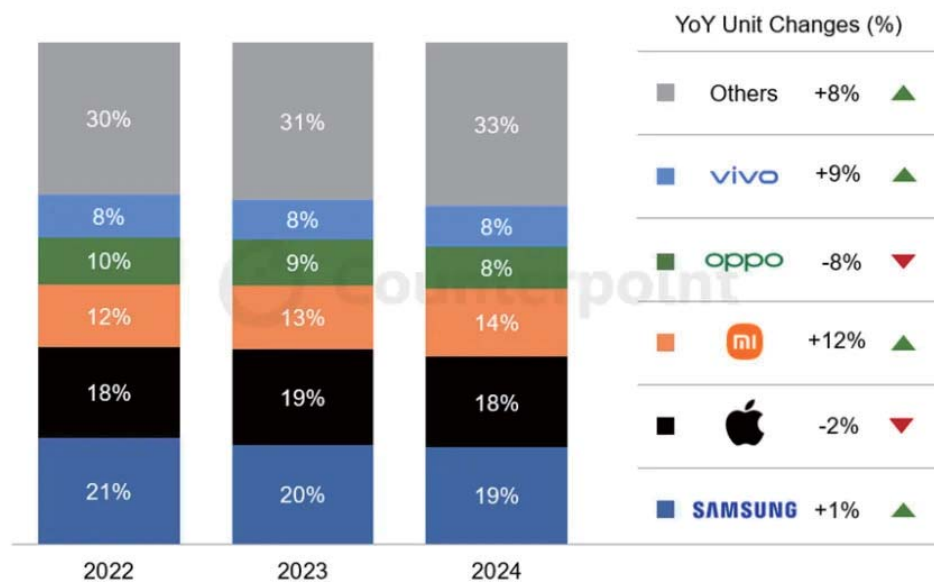
year-on-year, respectively. Meanwhile, shipments of rigid OLED panels are anticipated to grow by 46% year-on-year, driven by price reductions and increasing demand in the lower-end market. Forecasts for 2025 indicate that the global OLED panel market will continue to be propelled by technological advancements and the expansion of high-end smartphones. The penetration rate of flexible OLED is expected to rise further, while demand for foldable OLED panels will continue to grow, especially with a higher adoption rate in premium smartphone models. Additionally, as OLED panel prices stabilize and Chinese panel suppliers improve their capacity utilization, brand procurement strategies are becoming increasingly polarized. On one hand, high-end brands such as Apple and Samsung will continue to dominate the flexible and foldable OLED panel markets. On the other hand, mid-range and entry-level brands are shifting toward rigid OLED or more cost-competitive LCD panels. Overall, global panel market revenue in 2024 is expected to decline by 4% year-on-year, with flexible OLED panel revenue decreasing by 6%, while the revenue decline for rigid OLED panels is expected to narrow to just 1%.



In terms of brand competitions, in 2024, Apple's OLED panel procurement share is expected to decline to 29%, while its revenue share will slightly decrease to 50%. Meanwhile, Huawei is set to expand its market presence, benefiting from the strong sales of its Mate60 and Nova12 series, with its OLED panel market share projected to grow beyond the 7% recorded in 2023. Samsung is set to strengthen its global leadership, driven by the strong performance of its foldable smartphones, with shipments anticipated to grow by 49% year-on-year in 2024. Other brands, including Honor, OPPO, Xiaomi, and vivo, are actively expanding their presence in the high-end market. With strong demand in China and emerging markets, these brands are steadily increasing their procurement of flexible and foldable OLED panels. Notably, as Chinese panel manufacturers adjust their pricing strategies upward, global brands are showing a more cautious

approach toward flexible OLED procurement, leading some mid-range models to shift back to rigid OLED or LCD solutions. Overall, the OLED smartphone market is expected to become increasingly polarized between 2024 and 2025, with heightened competition in both the high-end and low-end segments. Technological advancements such as foldable designs, high-brightness displays, and energy-efficient panels will be key market drivers.

Global Smartphone Sell-through Market Share of Top 5 OEMs, 2022 - 2024



Source: Counterpoint Research Market Pulse Early Look, December 2024
 Notes: OPPO includes OnePlus; Percentage totals may not add up to 100% due to rounding

According to the latest market report, global smartphone panel shipments are projected to reach 2,066 million units in 2024, reflecting a 6.7% year-on-year increase. This growth is primarily driven by rising demand in the repair market, the expansion of the second-hand smartphone market, and the increasing adoption of foldable and flexible OLED technologies. However, as global supply and demand gradually return to normal cycles, shipments are expected to decline slightly by 1.7% in 2025, reaching 2,032 million units. Flexible OLED is set to remain the core of the high-end market, with shipments expected to grow by 13% in 2024, while foldable OLED is projected to surge by 26% year-on-year. Meanwhile, rigid OLED will see a significant 46% increase in shipments, benefiting from its cost advantages. In contrast, LCD panel demand will continue to decline due to pricing pressures and technological limitations, retaining relevance only in the entry-level segment. In terms of market revenue, total smartphone panel revenue is expected to decline by 4% year-on-year in 2024, following an 8% drop in 2023. Flexible OLED panel revenue is projected to decrease by 6%, while the decline in rigid OLED panel revenue will narrow to just 1%, indicating that rigid OLED remains competitive in terms of pricing. Additionally, Chinese panel manufacturers are steadily improving capacity utilization, with a gradual upward adjustment in pricing strategies, further solidifying their dominance in the global market. China's panel suppliers are expected to hold a 68.8% market share in 2024 and exceed 70% in 2025, underscoring their increasingly vital role in the global smartphone

supply chain.

2021–2025 Market Share of Mobile Phone Panel Shipments by Region



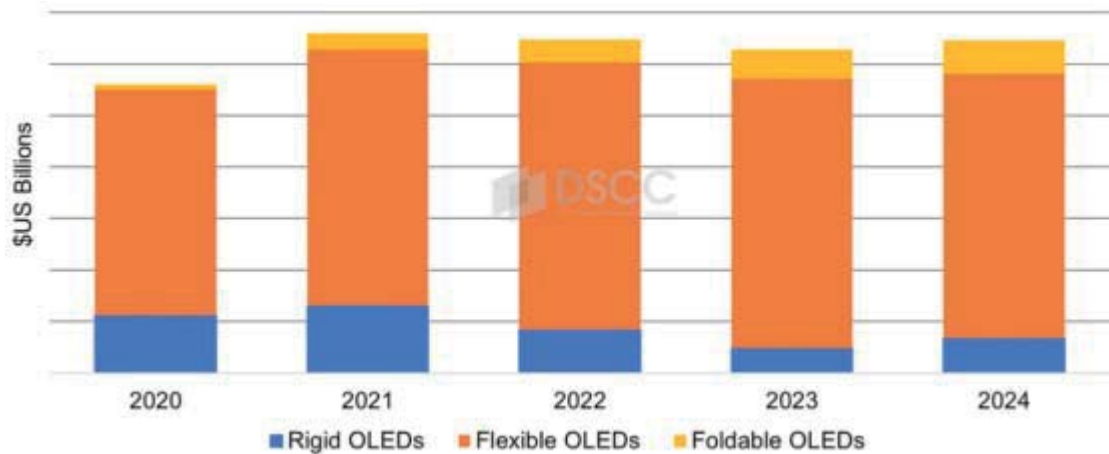
Source: TrendForce, Nov. 2024



Among major suppliers, BOE remains the global leader in shipments, with an estimated 593 million units in 2024 and a further increase to 610 million units in 2025, reflecting an annual growth of 2.8%. Samsung Display (SDC), benefiting from demand for Apple’s high-end models, is expected to ship 376 million units in 2024. However, as Apple diversifies its supplier base, Samsung’s shipments may see a slight decline to 365 million units in 2025, down 3.1% year-on-year. HKC, leveraging the efficiency of its G8.6 generation production lines, is projected to ship 219 million units in 2024 and rise to 230 million units in 2025, marking an annual increase of 4.8%. CSOT, continuing to strengthen collaborations with both domestic and international brands, is expected to ship 191 million units in 2024, with a slight uptick to 192 million units in 2025.

Chinese panel manufacturers are accelerating advancements in high-end technologies, particularly in the mass production and cost optimization of foldable and flexible OLED panels, steadily expanding their market share. By 2024, Chinese manufacturers are expected to account for 75% of global foldable OLED panel shipments. In contrast, the influence of Korean rigid AMOLED panels is diminishing, primarily due to weaker cost competitiveness and the increasing penetration of flexible OLEDs in the mid-range market. Meanwhile, Taiwanese panel manufacturers, such as Innolux and Tianma, remain competitive in the entry-level segment, demonstrating consistent performance, particularly in the repair and second-hand device markets.

Overall, the competitive landscape of the smartphone panel market is expected to further diverge from 2024 to 2025. The high-end segment will be dominated by flexible and foldable OLEDs, while the low-end market will focus on price competition for rigid OLED and select LCD panels. Moving forward, technological innovation and supply chain optimization will be the key drivers of market growth.



Micro LED technology is entering a critical phase of rapid development between 2024 and 2025, with the global market expected to reach several billion U.S. dollars and a compound annual growth rate (CAGR) exceeding 80%. As technological breakthroughs accelerate and production costs gradually decline, Micro LED adoption is expanding across various applications, including premium displays, 8K TVs, AR/VR wearables, smartphones, and automotive displays. At CES 2024, Micro LED emerged as a key highlight, with leading international players such as Samsung, AUO, Innolux, and TCL CSOT showcasing their latest products. These ranged from large-format displays to miniature display modules, underscoring the technology’s diverse application potential. Despite its promising market outlook, the commercialization of Micro LED still faces challenges, including micron-scale chip fabrication, the maturity of mass transfer technology, and improvement in production yield. To overcome these hurdles, global manufacturers and research institutions are accelerating R&D efforts and forging strategic collaborations. For instance, Porotech, in partnership with Foxconn and PSMC, has established the world’s first 8-inch Micro LED mass production facility, set to commence operations in July 2025 with a projected monthly capacity of five million 0.1-inch microdisplays. The launch of this facility is expected to significantly advance Micro LED industrialization and expedite its adoption across multiple end markets. Additionally, companies such as LG Display and BOE are actively investing in transparent Micro LED displays, further expanding the boundaries of its technological applications.

Micro LED technology is also demonstrating immense potential in automotive displays, thanks to its high brightness, low power consumption, and superior transparency—making it particularly well-suited for autonomous driving and smart cockpit applications. For example, Micro LED enhances outdoor visibility, provides wide viewing angles, and offers excellent adaptability to various environmental conditions. With the rapid growth of the electric vehicle (EV) market, an increasing number of vehicles are adopting Micro LED technology as the next-generation display standard. Furthermore, advancements in transparent display technology are unlocking new opportunities for Micro LED in head-up displays (HUDs) and vehicle window applications. Beyond automotive applications, Micro LED is experiencing strong growth momentum in AR/VR devices, 8K displays, and wearables. Market forecasts indicate that Micro LED adoption

in wearable devices will reach new heights by 2025, particularly in premium smartwatches and medical monitoring devices, where its low power consumption and high-resolution feature position it as an ideal replacement for OLED panels. According to a report by Futuresource Consulting, the global micro-pitch LED market was valued at US\$320 million in 2022 and is projected to grow to US\$2.04 billion by 2027, representing a CAGR of 44.8%. Of which, Micro LED is expected to surpass Mini LED by 2025, becoming the dominant display technology. Overall, with its exceptional performance and broad range of applications, Micro LED is rapidly penetrating high-end markets. It is poised to be a revolutionary breakthrough in display technology between 2024 and 2025, offering more efficient, energy-saving, and multifunctional visual solutions for end users.



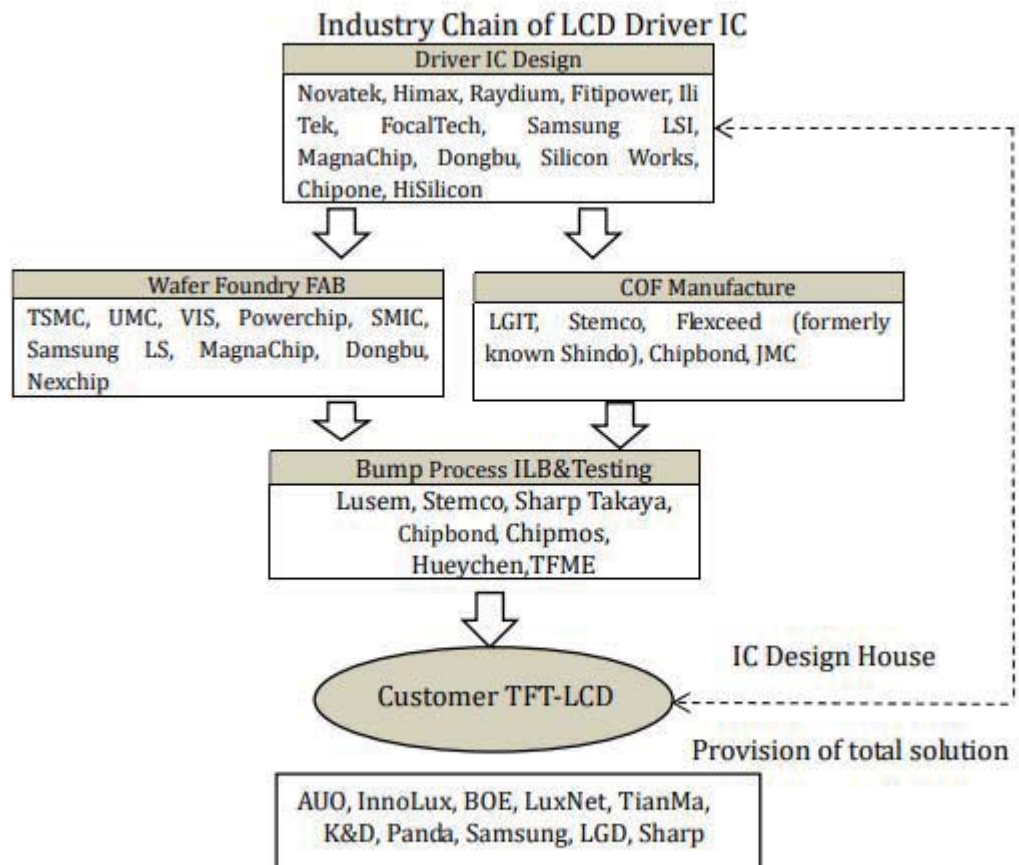
With panel inventory fully depleted, the display market has gradually regained stable demand in 2025, exhibiting a strong growth trajectory. Major U.S. brand customers, in particular, have further expanded the adoption of OLED technology beyond smartphones to tablets and laptops, accelerating the maturity and growth of the mid-sized OLED market. This trend has significantly increased OLED panel penetration, driving the industry to expedite technological advancements. The Company remains committed to the research and development of fine-line flexible COF (Chip on Film) technology, delivering high-efficiency solutions for the OLED tablet and smartphone markets to meet the stringent performance and reliability standards of next-generation display applications.

Furthermore, Micro LED technology has advanced significantly in 2025, with market demand continuing to rise, particularly in high-end packaging processes. The Company continues to focus on refining fine-line technology and has successfully developed a high-precision, high-conductivity 2-Metal substrate to meet customer needs for advanced substrates. These

innovations have driven the adoption of Micro LED technology in AR/VR devices, automotive displays, and premium commercial displays. Looking ahead, the Company will continue to spearhead technological innovation, facilitating the widespread adoption of high-end display technologies and providing strong support for the industry's long-term development and market competitiveness.

(2) Relevancy of upper, middle and lower reaches of the industry

The Tape-COF of the Company is a key component for driver IC package of LCD display. The driver IC industry structure can be divided into upstream IC design, middle-reaches IC substrate and wafer manufacturing, and downstream IC package and testing. The industry the Company belongs to is indicated in the following diagram. In consideration of the relevancy of upper, middle and lower reaches of the industry, the Company is located at the middle reaches of the driver IC industry. The association diagram of this industry is presented as follows:



(3) Various development trends of products

As panel technology advances toward higher resolution and pixel density, along with the increasing demand for thinner and more compact chips, the circuit design of driver ICs is becoming increasingly refined, with reductions in pitch and spacing. To align with this trend, packaging substrate designs must also be enhanced to support high-density packaging technologies. In the smartphone market, driver ICs that were traditionally based on COG (Chip on Glass) technology are now transitioning to COF (Chip on Film) technology, driven by the demand for lighter, thinner devices with higher display density and screen-to-body ratios. This shift has created new market opportunities for COF products. Looking ahead, COF driver ICs for handheld devices and smartphones are expected to adopt 1-Metal (single-layer) COF with an 18/16 μ m pitch and 2-Metal (dual-layer) COF as mainstream designs.

In terms of processing technology, supporting finer spacing is one of the key development priorities for Tape-COF. Currently, domestic and international manufacturers primarily employ extended subtractive processes to achieve fine-pitch production, with 22 μ m pitch technology already in mass production and ongoing development for 20 μ m pitch. For pitches below 20 μ m, the semi-additive process is expected to be more effective. Industry players have started adopting this approach to expand market share in the sub-22 μ m product segment.

In terms of materials, the base material of Tape-COF, 2PI (a dual-layer structure consisting of one polyimide layer and one metal layer), is crucial for enabling fine-pitch designs. Currently, standard products primarily employ processes of sputtering followed by electroplating to form the copper foil. In the LCD TV driver IC sector, increasing copper foil thickness can improve thermal conductivity, as the heat generated by the chip is dissipated through the reel-to-reel substrate. At present, most Tape-COF suppliers use 8 μ m copper as the standard thickness. However, with growing demand for improved heat dissipation, copper thickness may be increased to 12 μ m to enhance thermal performance.

Looking ahead to 2025, the global semiconductor market is projected to grow by 12.5%, reaching a valuation of US\$687 billion. This growth is primarily driven by the rising demand for artificial intelligence (AI) and high-performance computing (HPC). From cloud data centers and end-user devices to specific industry sectors, major application markets are undergoing specification upgrades. Against this backdrop, demand for COF driver ICs and Tape-COF is expected to continue rising, with ongoing technological advancements to meet increasingly stringent application requirements.

(4) Competition status

In an ever-evolving global economy and an increasingly competitive industry, the Company is committed to developing niche products and technologies, with a strong focus on advancing Tape-COF for packaging applications. We continue to develop Tape-COFs applicable to various IC packaging needs, with our current products primarily used in LCD driver IC packaging, mainly for large-sized LCD TVs. At the same time, we have

developed 2-Metal COF substrates, which can be applied to a range of high-end IC products, including premium 8K/4K TV display panels, various thin-film IC substrates, and high-end LED substrates. To enhance our competitiveness, we focus on optimizing the semi-additive process to improve the production yield and efficiency of 1-Metal 18/16 μ m pitch substrates, maximizing production capacity while reducing costs to drive greater profitability. In terms of new process and technology development, we are actively advancing the implementation of 2-Metal processes, aiming to become a supplier of Tape-COF and flexible IC substrates with comprehensive technological capabilities, encompassing Subtractive, Semi-Additive, and 2-Metal processes. By collaborating with customers on advanced technology development and executing effective strategic initiatives, we strive to enhance the Company's mid-to-long-term operational performance.

Regarding vertical supply chain integration, we actively collaborate with upstream material suppliers to develop new materials, fostering long-term partnerships with both raw material suppliers and customers to create a mutually beneficial situation. While strengthening our presence in the domestic market, we are also expanding into international markets, striving to become a globally competitive and well-recognized manufacturer of Tape-COF for IC packaging, while establishing long-term strategic relationships with our customers. Looking ahead to 2025, the global semiconductor market is projected to sustain its growth trajectory, particularly driven by increasing demand for AI and HPC, which will further accelerate demand for high-end IC packaging substrates. Additionally, with advancements in display technology, the market for 8K/4K ultra-high-definition TVs and high-end LED applications is expected to expand further. To address these market demands, we will continue to strengthen our technological research and product innovation, ensuring the supply of high-quality, high-performance IC packaging substrates. Through these efforts, we aim to solidify and enhance our market position.

3. Technology and R&D overview

(1) R&D overview

The Company will continue to develop subtractive technology and promote it to 20 μ m pitch, and improve its quality and efficiency so as to reduce costs and increase the market competitiveness of COF products above 20 μ m pitch.

On the basis of the process technology expertise and products cultivated using the unique semi-additive method of JMC with fine pitches below 20 μ m pitch especially 18, 16 and 14 μ m pitch, the Company improved product design capacity through cooperation with customers and comprehensively supplied fine-pitch COF used in LCD driver ICs needed by customers' handheld device products and smartphones.

We have developed 2-Metal advanced process technology, which, in addition to being applied to high pin-count, fine-pitch LCD driver ICs, is also pioneering the adoption of Sn (tin) as the final metal finish for Mini and Micro LED dual-panel circuit boards, replacing the conventional Ni/Au (nickel/gold) coating. This innovation significantly reduces substrate costs and has successfully passed reliability certification by customer.

(2) Research and development personnel and their education and work experience

December 31, 2024; unit: Person; %, year

Education	Number of persons	Ratio (%)	Average seniority for employment by the Company (years)	Average seniority of relevant work experience (years)
Doctor/Master	14	19%	6.62	9.26
University/Junior college	60	80%		
High school and vocational high school (and below)	1	1%		
Total	75	100%		

(3) R&D expenses invested in recent years and as of the date of publication of the annual report

Unit: NT\$ Thousand

Year	2024	As of March 31, 2025
R&D expenses	61,307	17,779

(4) Technologies or products successfully developed

- (A) 20 um Pitch Tape-COF of semi-additive process
- (B) 18um Pitch Tape-COF of semi-additive process
- (C) 16um Pitch Tape-COF of semi-additive process
- (D) 12um Thick-copper Tape-COF of semi-additive process
- (E) 22um Pitch Tape-COF of subtractive process
- (F) Double-sided Driver IC Tape-COF of 2-Metal process
- (G) Double-sided Micro-LED Tape-BT of 2-Metal process

4. Long-term and short-term business development plans

(1) Short-term development plan

(A) Marketing strategies

- a. Strengthen technical capabilities in product development: Enhance development technologies based on customer needs and gradually expand into export markets to increase market share.
- b. Shorten new product development time: Accelerate new product development to quickly meet current customer demands and enhance market competitiveness.
- c. Improve after-sales service: Strengthen after-sales support by proactively assisting customers in resolving issues, delivering real-time service, and securing a competitive advantage.

(B) Product development strategies

- a. Develop niche products and technologies: Specialize in the IC substrate sector by developing innovative high-end IC substrates that are lighter, thinner, shorter, and more compact, catering to various IC packaging applications.
- b. Expand production capacity strategically: Adjust production capacity based on workload and business conditions, while enhancing yield to effectively meet customer demand.
- c. Strengthen supply chain collaboration: Secure stable and competitive raw material sources upstream and enhance partnerships with downstream customers to co-develop new products

- (C) Operation and financial strategies
- a. Enhance product planning and management: Strengthen product planning and management capabilities to effectively align with customer design requirements and ensure the production of tailored solutions.
 - b. Establish a foreign exchange risk control mechanism: Implement a control mechanism for foreign exchange losses in raw material procurement to mitigate accounts payable risks.
 - c. Optimize capital acquisition: Gain a deep understanding of various financial instruments to secure low-cost funding and strengthen the Company's financial structure.

(2) Long-term business development plan

- (A) Advance semi-additive process technology: Leverage existing semi-additive process technologies and products while collaborating with IC design companies to enhance product design capabilities, ensuring a comprehensive supply of Tape-COF tailored to customer needs.
- (B) Develop 2-Metal substrate technology: Partner with customers to develop new high-end IC substrates that are lighter, thinner, shorter, and more compact, addressing market demand for HPC and AI applications.
- (C) Integrate the supply chain vertically: Actively collaborate with upstream material suppliers to develop new materials and establish long-term partnerships with customers, creating mutually beneficial partnerships across the supply chain.
- (D) Expand international market presence: Strengthen relationships with domestic customers while expanding globally to become a competitive and well-recognized manufacturer of high-end IC packaging substrates, fostering long-term strategic partnerships with customers.
- (E) Leverage capital markets for financial strength: Utilize capital markets effectively to access diverse funding sources, supporting business growth and reinforcing the Company's financial structure.

(II) Overview of market and production & sales

A. Market analysis

1. Regions of sales of main commodities:

Unit: NT\$ Thousand; %

Region of sales		2023		2024	
		Sales amount	%	Sales amount	%
Domestic sales		873,696	49	989,664	51
Overseas sales	Asia	891,737	51	969,869	49
	Others	-	-	-	-
	Subtotal	891,737	51	969,869	49
Total		1,765,433	100	1,959,533	100

2. Market share

Amid ongoing transformations in the global display technology market, LCD, OLED, and Micro LED technologies are coexisting, each delivering unique value across various applications. LCD technology remains a cornerstone for large-sized TVs and mainstream display markets due to its well-established production lines and relatively lower costs. However, as Korean manufacturers Samsung and LG Display, along with Taiwanese manufacturers Innolux and AUO, gradually phase out some of their LCD production lines, industry consolidation has intensified, improving the supply-demand balance. In early 2023, LCD TV panel prices rebounded with recovering demand but declined in the third and fourth quarters due to slowing market momentum. In 2024, LCD TV panel shipments are expected to reach 242 million units, reflecting a 3.4% year-over-year increase, while total shipment area is projected to grow by 8.6%, driven by the trend toward larger screens. Meanwhile, the IT display market remains sluggish under the weight of geopolitical tensions and inflationary pressures. Weak demand for laptops and monitors has led to price declines, prompting manufacturers to adopt just-in-time production strategies to manage inventory, stabilize prices, and maintain competitiveness in challenging conditions. With the shift toward larger screens, the high-end LCD TV market is gaining traction. The increasing adoption of 8K TVs, for example, has emerged as a major industry highlight, driving technological upgrades in display panels. Panel manufacturers are flexibly adjusting production capacity to navigate market fluctuations while strengthening partnerships with end-user brands and exploring new profit models. Additionally, LCD technology continues to play a key role in the automotive and public display sectors, with significant potential in the mid-to-lower-end market segments.

OLED technology is steadily expanding beyond smartphones into laptops, TVs, automotive displays, and other applications. According to the latest data, China's flexible OLED panel shipments surged by 116% year-over-year in 2023, capturing 49.2% of the global market share, demonstrating its strong presence in the high-end display segment. The smartphone market remains the primary driver of OLED adoption, with OLED penetration expected to exceed 55% by 2024. Although OLED adoption in the IT sector is still in its early stages, advancements in technology and cost reductions are fueling explosive growth. By 2025, the penetration rate of mid-sized OLED panels is projected to reach 5.1%, with supply capacity expected to expand nearly tenfold by 2028. In the OLED TV market, the outlook for 2024 is also drawing significant attention. Following two consecutive years of decline, OLED TV shipments are expected to rebound to 6.9 million units, driven by major events such as the 2024 Paris Olympics. While this figure remains below the 2021 peak of 7.7 million units, it signals a recovery in consumer demand. To meet growing demand for high-quality displays, OLED manufacturers are accelerating technological advancements, including high refresh rate screens and energy-efficient designs, further strengthening OLED's position in the premium display market. Additionally, the automotive sector is emerging as a new blue ocean for OLED. As autonomous driving and smart cockpit technologies continue to evolve, high-brightness, low-power, and wide-viewing-angle OLED panels present unique advantages for in-vehicle displays. Looking ahead, as production costs decline, the automotive OLED market is expected to expand rapidly.

Micro LED technology, as the next-generation display technology, has garnered significant attention from major global manufacturers due to its exceptional brightness, resolution, and contrast. Compared to OLED and LCD, Micro LED not only offers superior performance but also boasts greater lifespan and energy efficiency. Leading global manufacturers are actively accelerating their investments in Micro LED technology to secure a competitive edge in the market. For instance, in the high-end TV market, Micro LED displays are gradually entering commercial adoption, catering to premium users' demand for outstanding image quality. Meanwhile, small-sized Micro LED displays are emerging in applications such as AR and XR. However, the high cost remains the biggest barrier to widespread adoption. Currently, the price of a 10.1-inch Micro LED panel is approximately US\$5,800, while a 14.6-inch panel costs as much as US\$10,000, restricting its use primarily to high-end applications. As manufacturers increase investments and drive technological advancements, production costs for Micro LED are expected to decline, enabling broader applications. In particular, its flexibility and high transparency make it a key driver of growth in the automotive display and wearable device markets. Taiwanese manufacturers, such as Innolux and AUO, are actively expanding into the automotive and public display sectors to capitalize on Micro LED opportunities. Industry experts believe that if cost challenges can be effectively addressed, Micro LED is poised to become a mainstream display technology within the next decade, creating significant value in the high-end market.

The global display technology market is evolving with the coexistence of LCD, OLED, and Micro LED technologies, forming a diverse and competitive landscape. LCD technology remains a stable force in the mainstream market, while OLED is rapidly expanding into the high-end segment. Meanwhile, Micro LED, with its superior performance, demonstrates significant growth potential. In this era of multi-technology convergence, manufacturers must adapt their strategies to market demands, drive technological innovation, and maintain strict cost control to achieve sustainable growth in an increasingly competitive environment. As technology continues to advance, the global display market will encounter both new opportunities and challenges.

Currently, there are seven major Tape-COF suppliers: Korea's Stemco (Samsung) and LGIT (LGD), Japan's Flexceed (formerly Shindo), China's Sunlord and Qitai, and Taiwan's Chipbond and the Company. As one of the two Taiwanese suppliers, the Company recorded a sales volume of approximately 470 million PCS in 2024. It is estimated that the Company's shipments account for around 10% to 15% of the global driver IC substrate market share.

3. Competitive niches

(1) Professional operation team with solid technologies

The Company is led by a professional management team with deep technical expertise and extensive industry experience, offering keen insights into manufacturing processes, market positioning, and sales strategies. By leveraging efficient production and sales management along with advanced manufacturing technologies, the team swiftly responds to customer needs while continuously strengthening the Company's core competitiveness, ensuring its leading position in the market.

- (2) **Emphasis on research and development with abundant production experience**
Since our former ultimate parent company, SMM, established a tape-based high-end film IC substrate R&D center at the Ome plant in Japan in 1990, the Company has remained committed to technological innovation in related products. Since 2004, we have made substantial investments in research, development, and manufacturing, building a strong technical foundation and extensive production expertise. Over the years, we have continuously advanced our manufacturing technologies, ensuring stable and reliable product quality, which has earned the trust of customers worldwide. At the same time, we continue to invest in the development of new technologies and processes to further enhance our market competitiveness.
- (3) **Short product development period to quickly satisfy customer requirements**
High-end IC packaging substrates are highly customized products, especially in the early stages of driver IC development, where close collaboration with customers is essential to complete the design-in process. Utilizing our in-house R&D, testing, and validation capabilities, the Company has established a comprehensive operational framework and reliability verification process, enabling us to swiftly address product stability issues and shorten development cycles. Upon receiving customer specifications, we can rapidly deliver samples to ensure compliance with product requirements and accelerate time-to-market. At the same time, we maintain close partnerships with leading domestic driver IC manufacturers, leveraging market insights and cutting-edge technologies to further strengthen our competitive edge.
- (4) **Strengthening of product process management and improvement of capacity for product yield**
The Company has been deeply engaged in the Tape-COF industry for many years, accumulating extensive technical expertise and manufacturing experience while focusing on enhancing product quality and production yield. High yield rates not only improve production efficiency but also directly drive profitability. We employ rigorous process management and continuously refine advanced manufacturing technologies to reduce unit production costs and enhance our products' market competitiveness. Delivering stable, high-quality, and reliable products is the foundation of customer trust and a key competitive edge in expanding our market presence.
- (5) **Leading process technologies**
The Company is one of the few industry suppliers with capabilities in subtractive, semi-additive, and 2-metal processes. Notably, in the semi-additive process, the Company's Tape-COF achieve a minimum pitch of 14 μ m, setting a global benchmark in technology. This exceptional technical expertise strengthens the Company's competitive position and establishes it as a leader in industry innovation.
By capitalizing on a professional management team, a strong R&D foundation, rapid product development capabilities, and industry-leading manufacturing technologies, the Company has successfully built a strong market competitive advantage. Moving forward, we will continue to drive technological innovation and enhance quality, delivering higher-value solutions to our customers while maintaining our leadership in the global high-end IC substrate market.

4. Advantages and disadvantages of future development vision and countermeasures
- (1) Advantages
- (A) Broadened product application fields and continuously expanded market scale
The application fields of panels are continuously expanded. For example, storage NB, panel display, LCD TV, cellphone, camera and other optical products are all panel application fields. With the improvement of technologies and reduction of production cost, the scope of application will be continuously expanded so as to drive the growth of application demands for driver IC package materials.
- (B) Taiwan becomes an important place for global panel and IC design and production and the supply chain is localized.
Taiwan has already become a manufacturing center of global panel display and IC manufacturing industries. With the continuous expansion of the overall production scale of the global panel industry, the upstream and downstream panel industry supply chain market will be driven. The manufacturers of Taiwan play a very important role in the aforesaid product supply chain so as to gradually improve the independence of Taiwan in the manufacturing of key components in the panel industry. Therefore, the localization trend of driver IC supply chain will bring huge business opportunities to local tape suppliers.
- (C) Close partnership with customers
Since Tape-COF is a highly customized component, it can be developed and produced only after the driver IC design house provides specification first. Therefore, the Company is highly associated with IC design house. Once a partnership is established with the customers, the Company cannot be easily replaced.
- (D) Highly capital and technology intensive and relatively high entry threshold
The semiconductor industry is highly capital- and technology-intensive, requiring substantial investment in testing equipment and the ability to swiftly adapt to technological advancements. High capital and R&D barriers, coupled with the necessity of customer certification before mass production, make market entry challenging for new competitors. With years of industry experience, the Company has established mature technologies, stays on top of packaging trends, and has earned the trust and certification of major domestic and international customers, demonstrating strong market competitiveness.
- (2) Disadvantages
- (A) Trend of continuous priced reduction of information products remains unchanged and product prices are facing declining pressure.
In order to stipulate the terminal consumer market, information product providers continuously adopt low-price strategies and also require the upstream component suppliers to reduce prices. Therefore, the component manufacturers are facing the pressure of shrinkage of gross profit rate. Under the low-cost trend, the profitability will be

affected if the Company cannot maintain our leading position in technical terms, or no favorable upstream and downstream industry chain management is adopted to control cost.

Countermeasures:

Besides closely cooperating with existing manufacturers and establishing long-term stable partnership with them, the Company continuously improves its technologies and processes and betters its product yield so as to lower unit production cost and enhance price competitiveness. Additionally, based on the market development trends, the Company will intensify its design capacity, raise technological threshold and improve yield so as to widen the technological gap with the competitive enterprises and avoid price competition.

(B) Low independence regarding key raw materials

The main raw materials used for production of Tape-COF have to rely on supplies from foreign manufacturers, and therefore it is relatively difficult to control the cost of these raw materials, which does not benefit price competition.

Countermeasures:

The Company closely cooperates with existing manufacturers and establishes long-term stable partnership with them to research and develop a new generation of substrates through joint cooperation to control the stability of supply of raw materials. Also, the Company purchases forward exchange in advance to avoid the risk of change in exchange rate. Additionally, the Company also continuously improves process yield, avoids improper wastage and accurately controls production cost.

(C) It is more difficult to develop tape IC substrates used for packages due to IC circuit spacing micronization.

Since light, thin, short and small products are pursued, and the penetration rate of LCD TV with super-high picture quality, it becomes more difficult to develop tape IC substrates used for packages with the micronization of circuit process technology applied in driver IC products.

Countermeasures:

The Company has continuously cooperated with driver IC factories and utilized unique semi-additive process technology to successfully develop Tape-COF products with 18um and 16um pitch, boasting leading technology in the industry; besides, more advanced Tape-COF products like 2-Metal Tape-COF, still have been continuously developed and the Company is expected to provide products needed by the customers ahead of other enterprises in the industry.

(D) Both sales and purchase are valued using foreign currency and thus the profitability can be easily affected by change in foreign exchange.

Although the products of the Company are mainly sold locally in Taiwan, customers used USD for pricing. However, JPY is mainly used for pricing of raw materials purchased. Therefore, fluctuation of exchange rate has a certain influence on the Company's profitability.

Countermeasures:

Our finance department closely monitors exchange rate trends and gathers relevant data to mitigate the impact of fluctuations. When setting prices, we take exchange rate movements into account to ensure stable profitability. Besides, we employ hedging tools such as pre-sale or pre-order forward foreign exchange contracts to effectively reduce exchange rate risk.

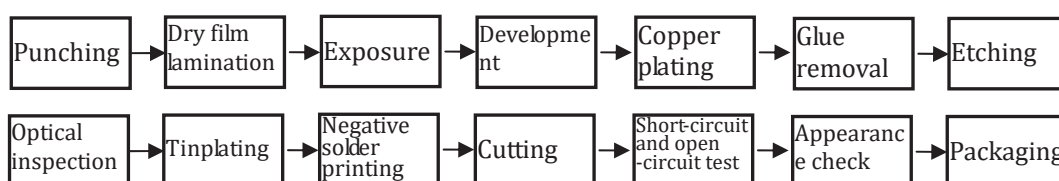
B. Important usage of major product and production process

1. Important usage of main product

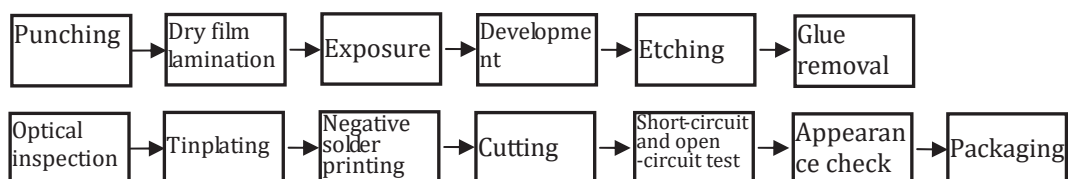
Main product	Main usage or function
Tape-COF	LCD display driver IC package

2. Production process of main product

Semi-additive method:



Subtractive method:



C. Supply status of main raw material

Main raw material	Supplier	Supply status
2PI (1 polyimide layer and 1 metal layer)	Sumitomo Metal Mining Co., LTD	Good and stable

D. Based on the number of customers and their purchase amount and ratio that accounted for more than 10% of the total sales in the past two years, any changes that had occurred are explained as follows.

1. Major Suppliers in the past two years

Unit: NT\$ Thousand; %

Item	2023				2024				As of the previous quarter of 2025			
	Name	Amount	Ratio in net purchasing amount in current year (Percent)	Relation with the issuer	Name	Amount	Ratio in net purchasing amount in current year (Percent)	Relation with the issuer	Name	Amount	Ratio in net purchasing amount as of the previous quarter of current year	Relation with the issuer
1	SMM	360,954	45	None	SMM	373,373	41	None	SMM	100,296	45	None
	Others	448,817	55		Others	529,164	59		Others	120,703	55	
	Net purchasing amount	809,771	100		Net purchasing amount	902,537	100		Net purchasing amount	220,999	100	

Explanation of change (increase/decrease):

The main supplier of the Company in recent two years is SMM, and the increase in input materials is due to market demand.

2. Major Customers in the past two years

Unit: NT\$ Thousand; %

Item	2023				2024				As of the previous quarter of 2025			
	Name	Amount	Ratio in net selling amount in current year (Percent)	Relation with the issuer	Name	Amount	Ratio in net selling amount in current year (Percent)	Relation with the issuer	Name	Amount	Ratio in net selling amount as of the previous quarter of current year	Relation with the issuer
1	Company A	574,091	33	None	Company A	711,191	36	None	Company A	212,370	49	None
2	Company B	306,554	17	None	Company B	377,464	19	None	Company B	63,757	15	None
3	Company C -	174,648	10	None	Company D	208,686	11	None	Company D	56,537	13	None
4	-	-	-	-	Company C	175,387	9	None	-	-	-	-
	Others	710,140	40		Others	486,805	25		Others	104,875	23	
	Net selling amount	1,765,433	100		Net selling amount	1,959,533	100		Net selling amount	437,539	100	

Explanation of change (increase/decrease):

The increase in sales to Company C was primarily driven by growing end-market demand for wearable products.

(III) Information of employees in recent two years and as of the date of publication of the annual report

Unit: Person; %

Year		End of 2023	End of 2024	As of March 31, 2025
Number of employees	R&D personnel	68	75	71
	Indirect personnel	86	83	77
	Direct personnel	434	452	447
	Total	588	610	595
Average age		35.76	35.58	35.76
Average service seniority		7.05	7.17	7.26
Education distribution ratio	Master's degree and above	4.25	4.10	4.03
	University and junior college	57.48	62.30	61.51
	Senior high school	37.07	32.46	33.45
	Below senior high school	1.20	1.14	1.01

(IV) Information regarding environmental protection expenditure:

The possible estimated amount of losses suffered from environmental pollution (including compensation as well as violation of environmental protection regulations based on the results of environmental protection audit; date of disposal, disposal document number, provisions of regulations violated, contents of regulations violated and content of disposal should be specified) at present and in the future as well as responsive measures were disclosed in recent years and as of the date of publication of the annual report. If such losses could not be reasonably estimated, the facts related to the failure for reasonable estimation should be explained:

No environmental pollution has occurred in the recent year and as of the publication date of the annual report.

(V) Labor-capital relationship

A. Employees' welfare measures, further education, training and retirement system and their implementation status as well as status of labor-capital agreement and measures for safeguarding of each of employees' rights and benefits:

1. Employee welfare measures and implementation status:

Besides welfare and payments handled for all employees of the Company according to labor and health insurance measures, including labor and health insurance, maternity insurance, disease-risk policy and medical treatment, the Company has also established an employee benefit committee. In addition to the provision of employees' basic welfare guarantee granted by the Labor Standard Law and organizing of activities like travel to employees in order to adjust their physical and mental states, better their life quality and enhance their friendship, the Company also provides various kinds of cash gifts periodically and subsidies for weddings and funerals every year.

(1) Welfare facilities

The Company has established staff restaurant, healthcare room, nursing room, AED, blood pressure machine, special parking spaces for pregnant women, contracted kindergarten and many appointed stores. The management of occupational health and safety management system is implemented based on the authentication of hazard factors and the assessment and control of risks and opportunities to prevent occurrence of accidents by means of systematic operation, reduce the risk of harm to employees, and improve the safety environment. Occupational injury cases were reduced in the plant area based on good safety and health control.

(2) Welfare subsidies

All employees are entitled to labor insurance, health insurance, group insurance (including accident insurance), medical insurance, cancer insurance and employee travel insurance, etc. Employees also enjoy benefits such as marriage subsidy, maternity subsidy, funeral subsidy, birthday cash gift, seasonal dinner bonus, education and training, and employees' physical checkups.

(3) Other subsidies

The Company provides maternity leave, pregnancy care leave, paternity leave, parental leave, etc. according to the provisions of laws and regulations.

2. Employees' further education and training

In order to cultivate employees' morality and improve their quality, professional ability and work efficiency, in addition to orientation training courses and various kinds of education and training arranged to new employees upon their entry, the Company also provides professional technical training for employees based on different functions and business demands so as to enhance employees' academic skills and benefit the achievement of their work tasks.

3. Retirement system and implementation status

In order to provide employees with a comfortable retirement life, the Company has legally formulated labor retirement measures, established a labor retirement reserve fund supervision committee, and periodically appropriated and deposited retirement reserve fund in a special account at the central trust bureau every month according to a ratio of 2% of the total amount of remuneration expenses to safeguard workers' rights and interests. The Company also adopted the new retirement policy issued by the government since June 1, 2005 and appropriated 6% of total employees' remuneration to employees' individual pension accounts; if employees voluntarily pay retirement pension, the Company will withhold and remit retirement pension from employees' monthly salary to the individual retirement pension accounts opened at the bureau of labor insurance based on the voluntary payment ratio.

The Company applies the provisions of the labor pension regulations as follows:

(1) Voluntary retirement:

Employees having any of the following circumstances may apply for voluntary retirement: (Those who choose the application of the labor pension regulations shall handle retirement according to the same provisions in the regulations.)

(A) Working for fifteen years and above and aged 55 or above

(B) Working for twenty-five years and above

(C) Working for ten years and above and aged 60 and above

(2) Compulsory retirement:

The Company shall not force an employee to retire unless this employee otherwise has any of the following circumstances:

(A) Aged 65 and above

(B) Mental incapacity or physical disability to result in the incompetence for the work.

Regarding the age stipulated in the subparagraph 1 of the preceding paragraph, the Company shall apply to the central competent authority for

the approval of adjustment of the retirement of workers engaged in special types of work involving danger and great strength, but the retirement age shall not be lower than 55.

(3) Pension payment standards:

(A) If the working seniority before and after the issuance of the Labor Standard Law is applied, or if the provisions of "Labor Standard Law" on pension is continuously applied according to the labor pension regulations, or the working seniority before the application of the labor pension regulations is preserved, the pension payment standards shall be calculated according to the provisions of Article 84-2 and Article 55 of the Labor Standard Law.

(B) If the mental incapacity or physical disability of an employee who has the working seniority stipulated in the preceding paragraph and is under compulsory retirement according to the provisions of Article 35, Paragraph 1, Subparagraph 2 is caused due to execution of his work, extra twenty percent of pension will be increased according to the provisions of Article 55, Paragraph 1, Subparagraph 2 of the Labor Standard Law.

(C) As for employees who are subject to the provisions of labor pension regulations, the Company will pay 6% of their monthly salaries to their individual retirement accounts.

(4) Agreed payment of pension:

The pension payable by the Company to the employees shall be paid within thirty days since the dates of retirement of the employees.

4. Safeguarding status of measures for the safeguarding of employees' rights and interests

In addition to the formulation of work rules according to provisions of laws and regulations to clearly standardize each working condition and safeguard employees' rights and interests, the Company has also established an employee welfare committee according to laws and regulations, and therefore employees' rights and interests can be fairly and reasonably handled according to the aforesaid channels; so far, no damage has been caused to the rights and interests of the employees of the Company.

5. Status of labor-capital agreement

The labor-capital relationship of the Company has always been harmonious with unimpeded communicating channels. Also, the Company abides by the provisions of relevant laws and regulations and hasn't been involved in any labor dispute or any situation requires labor-capital negotiation.

6. In accordance with Article 24 of the Articles of Association of the Company, if the Company obtains profits in current year, it shall appropriate 2%~16% of the profits as employee profit sharing bonus. The Board of Directors will decide to distribute it in form of stock or cash. The objects of payment include employees of subordinate companies that comply with certain conditions; the Company may appropriate 1% of the aforesaid profits as directors' remuneration. Proposals for distribution of employee profit sharing bonus and directors' remuneration shall be reported to the Shareholders' Meeting. However, when the Company has accumulated losses, amount for compensation of such losses shall be reserved in advance, and then employee profit sharing bonus and directors' remuneration may be appropriated according to the preceding ratios.

B. The possible estimated amount of losses suffered from labor disputes (including violation of the Labor Standard Law based on the results of labor examinations; date of disposal, disposal document number, provisions of regulations violated, contents of regulations violated and content of disposal should be specified) at present and in the future as well as responsive measures were disclosed in recent years and as of the date of publication of the annual report. If such losses could not be reasonably estimated, the facts related to the failure for reasonable estimation should be explained:

The Company emphasizes on employees' welfare at ordinary times and the labor-capital relationship is harmonious. No major labor dispute has occurred to the Company in recent years and as of the date of publication of the annual report.

(VI) Information security management:

A. Explain information security risk management structure, information security policies, specific management schemes and resources allocated for information security management.

1. Framework of Information security risk management :



(1) The company has a dedicated information security unit, with Manager Lin Jiaren as the information security supervisor and a dedicated information security person member.

(2) The information security policy is regularly reviewed and revised based on the current situation to ensure the effective operation of the information security management system.

(3) Information security promotion and information security incident handling are implemented by the Information Department.

2. Information security policy and specific management measures:

JMC regularly reviews the Company's information security processes to strengthen or enhance the mitigation of various information-related risks. Throughout 2024, no major cyberattacks or incidents were detected, and no issues were identified that could have had, or may have, a significant adverse impact on the Company's operations. In addition, no material violations concerning customer privacy or the loss of customer data were reported.

Risk Management	<ul style="list-style-type: none"> ● Endpoint protection software is installed on personal computers and servers, centrally managed through a unified console, with regular updates of threat definition files. ● Operating system vulnerabilities are regularly patched via WSUS, with scheduled reboots to apply the updates. ● A Unified Threat Management (UTM) system is in place to prevent malicious attacks. ● Regular disaster recovery drills and cybersecurity exercises are conducted.
-----------------	--

Information Operation Security	<ul style="list-style-type: none"> ● A backup plan is in place, utilizing offsite backups to ensure information security. ● A virtualization platform has been implemented to support high availability mechanisms. ● Core system performance is monitored via SYSLOG.
Device Security	<ul style="list-style-type: none"> ● The use of personal computer devices within the plant is strictly prohibited. ● USB access is disabled on all company computers; users must submit a formal application to request access. ● A mechanism is in place to strictly prevent unauthorized external devices from connecting to the Company's network.
Supplier Information Security	<ul style="list-style-type: none"> ● All departments are required to sign non-disclosure agreements (NDAs) with suppliers. ● Information security requirements for suppliers are clearly defined to prevent supply chain disruptions caused by cybersecurity incidents.
Site Security	<ul style="list-style-type: none"> ● Computers of guests and visitors are subject to access control upon entry to the facility; mobile phones, USB drives, and 3C (computer, communication, and consumer electronics) products are restricted in production lines and laboratories. ● Office areas and controlled zones are managed through a zoned access control system. Access to server rooms is strictly controlled and monitored for anomalies, with regular reviews and continuous improvements.
Human Resource Security	<ul style="list-style-type: none"> ● All Company personnel are required to sign NDAs, and cybersecurity awareness is included in new employee orientation. ● Information system accounts and access permissions are reviewed and controlled by the IT department. ● Regular cybersecurity awareness campaigns are conducted to strengthen employees' information security awareness.

3. Quantified resources dedicated to information security management:

(1) Total number of personnel assigned: 2

(2) Information security resource expenditure for 2024:

Item No.	Investment Item	Amount Invested (NT\$)
1	Endpoint protection	261 thousand
2	Firewall maintenance	900 thousand
3	Email filtering and attack protection (annual subscription)	118 thousand

B. Specify losses suffered from major information security events, possible influence and responsive measures in recent years and as of the date of publication of the annual report. If they could not be reasonably estimated, the facts related to the failure for reasonable estimation should be explained: None.

(VII) Important contracts:

Nature of contract	Party concerned	Starting and ending time of contract	Main content	Restrictive clause
Permanent technical authorization contract	Sumitomo Metal Mining Co., Ltd.	Effective since April 1, 2014	Permanent authorization of semi-additive technology	Manufactured and developed only within the territory of the ROC
Lease contract	Chang Wah Electromaterials Inc.	April 1, 2017~March 31, 2027	Plant leasing	None
Lease contract	Chang Wah Technology.Co.,Ltd.	September 1,2023~August 31,2026	Plant Rent	None
Loan contracts for “Stay-Taiwan” project	Taishin Bank	March 27, 2020~March 15, 2027	Middle- and long-term financing	None
	CTBC Bank	November 28, 2019~November 15, 2026	Middle- and long-term financing	None
	Chang Hwa Bank	December 23, 2019~December 15, 2026	Middle- and long-term financing	None

V. Review and Analysis of Financial Status and Financial Performance and Risk Issues

(I) Financial status:

Unit: NT\$ Thousand

Item \ Year	End of 2024	End of 2023	Deviation	
			Amount	%
Current assets	1,152,146	1,173,870	(21,724)	(2%)
Real estate, plants and equipment	1,407,187	1,776,171	(368,984)	(21%)
Other assets	1,522,377	1,302,517	219,860	17%
Total assets	4,081,710	4,252,558	(170,848)	(4%)
Current liabilities	599,231	1,149,076	(549,845)	(48%)
Other liabilities	794,351	573,422	220,929	39%
Total liabilities	1,393,582	1,722,498	(328,916)	(19%)
Capital stock	830,000	830,000	-	-
Capital reserve	625,489	640,167	(14,678)	(2%)
Retained earnings	778,354	744,571	33,783	5%
Other equity	454,285	315,322	138,963	44%
Total equity	2,688,128	2,530,060	158,068	6%
<p>1. Analysis and explanation of changes of increase/decrease ratios:</p> <p>(1) Decrease of Real estate, plants and equipment was primarily attributable to the recognition of depreciation expenses.</p> <p>(2) Decrease of current liabilities and Increase of other liabilities were primarily due to the reclassification of corporate bonds from current liabilities to other liabilities based on their repayment schedule.</p> <p>(3) Increase of other equity was mainly resulted from the evaluation of financial assets for investment in valuable securities.</p> <p>2. Future responsive plans for those with significant influence: None.</p>				

(II) Financial performance:

A. Comparative analysis of financial performance

Unit: NT\$ Thousand

Item \ Year	2024	2023	Deviation	
			Amount	%
Net operating income	1,959,533	1,765,433	194,100	11%
Operating cost	1,911,994	1,726,407	185,587	11%
Gross operating profit	47,539	39,026	8,513	22%
Operating expenses	153,611	140,686	12,925	9%
Operating income (loss)	(106,072)	(101,660)	(4,412)	4%
Non-operating revenue and expenditure	123,090	103,445	19,645	19%
Net profit before tax	17,018	1,785	15,233	853%
Income tax expense (benefit)	3,831	(5,692)	9,523	(167%)
Net profit after tax	13,187	7,477	5,710	76%
Other comprehensive profit (loss)	169,781	129,936	39,845	31%
Total comprehensive profit (loss)	182,968	137,413	45,555	33%
Analysis and explanation of changes of increase/decrease ratios: (1) Increase of gross operating profit was mainly increase of net operating income. (2) Increase of income tax expense(benefit) was primarily due to income tax expenses arising from temporary differences related to foreign exchange gains. (3) Increase of other comprehensive profit(loss) was mainly resulted from the evaluation of financial assets for investment in valuable securities.				

B. Estimated sales volume and its basis as well as possible influence on the Company's future financial business and responsive plan

The Company hasn't issued financial budget, and thus estimated sales volume and its basis are not applied. Besides, no major abnormality has occurred to the Company's overall operation, it is thus not required to draft a responsive plan.

(III) Cash flows:

A. Analysis of changes of cash flows in recent years

Unit: NT\$ Thousand

Item	2024	2023	Increase (decrease)
Net cash inflows from operating activities	422,216	362,860	59,356
Net cash outflows from investing activities	146,788	100,928	45,860
Net cash outflows from financing activities	322,196	526,647	(204,451)
Analysis of changes: (1) Increase of net cash inflows from operating activities: Mainly driven by growth in operating revenue and enhanced profitability from foreign exchange gains. (2) Increase of net cash outflows from investing activities: Mainly resulting from the investment securities. (3) Decrease of net cash inflows from financing activities: Mainly resulting from the repayment of long-term borrowings.			

B. Plan for implementation of insufficient liquidity: The Company has relatively abundant capital now and hasn't been involved in insufficient liquidity.

C. Analysis of cash liquidity in the next year

Unit: NT\$ Thousand

Beginning cash balance	Estimated net cash flows from operating activities in the whole year	Estimated net cash flows from investing and financing activities in the whole year	Estimated remaining (insufficient) cash amount	Remedial measure for estimated cash insufficiency	
				Investment plan	Financing plan
601,803	196,623	(321,004)	477,422	-	-
Analysis and explanation: 1. Analysis of estimated changes of cash flows in 2025 (1) Operating activities: Sales were estimated to be maintained, to result in the net cash inflows from operating activities (2) Investing and financing activities: The estimated repayment of bank financing resulted in the net cash outflows from overall investing and financing activities. 2. Remedial measure for estimated cash insufficiency and liquidity analysis: N/A					

(IV) Influence of major capital expenditure on financial business in recent years: None.

(V) Reinvestment policies in recent years, main reasons for profit or loss, improvement plan, and investment plan for the next year: None.

(VI) Risk issues:

A. Influence of interest rate, change in exchange rate, and inflation on the Company's profit or loss as well as future responsive measures

1. Influence of change in interest rate on the Company's profit or loss and future responsive measures

The interest expenditure of the Company reached NT\$ 18,199,000 and NT\$ 23,275,000 in 2024 and 2023 respectively, taking up 0.93% and 1.32% of operating income in each period respectively, and thus it didn't have a significant influence on the Company's profit or loss.

2. Influence of change in exchange rate on the Company's profit or loss and future responsive measures

Currently, the products sold by the Company are mainly priced in USD, while JPY is used for pricing of raw materials purchased. Therefore, fluctuation of exchange rate has a certain influence on the Company's profitability. The net exchange gain of the Company reached NT\$ 37,726,000 and NT\$11,466,000 respectively in 2024 and 2023, taking up 1.93% and 0.65% of operating income in each period respectively; the Company searches information on change in exchange rate at any time, master the trends of exchange rates, makes judgments on change in exchange rate, and take hedging strategies in due time to avoid the risk of change in exchange rate, and reduce the adverse influence of change in exchange rate on the Company's profit or loss.

3. Influence of inflation on the Company's profit or loss and future responsive measures

The Company hasn't been involved in any situation in which a major adverse influence of inflation has been imposed on the Company's profit or loss as of the date of publication of the annual report. In addition to the close observation of market price fluctuation and active development of the sources of supply of raw materials to lower production cost, the Company maintains good relationship with customers and reflect production cost to the customers in due time. Therefore, the Company is still capable of effectively controlling the influence of inflation on its profitability at present.

B. Policies for engaging in high-risk and high-leverage investments, lending of funds to others, endorsement guarantee and derivatives trading, main reasons for profit or loss, and future responsive measures.

1. The Company has always dedicated to its own business, run business in principle of practicality, and adopted steady and conservative financial policies and has never engaged in high-risk and high-leverage investments.

2. The Company didn't offer endorsement guarantee for others or lend funds to others as of the publication date of annual reports in 2024 and 2025. If the Company has the need to offer endorsement guarantee or lend funds to others in the future, it will handle the matter according to its "Procedures for Endorsement Guarantee" and "Procedures for Lending Funds to Others".

3. The financial derivatives of the Company are all implemented for the purpose of avoiding the risk of exchange rate fluctuation. Relevant trades of the Company were executed according to its "Procedures for Acquisition or Disposal of Assets" as of the publication date of annual reports in 2024 and 2025.

C. Future R&D plans and estimated investments in R&D expenses

The Company is engaged in the manufacturing of advanced Tape-COF IC substrate used for driver IC packages of LCD displays, and all the R&D activities are closely combined with panel factories and driver IC factories. It is expected to invest NT\$ 63,399,000 in the R&D expenses in 2025.

Future R&D and technological development directions:

1. Continuously develop subtractive technology to the precision of 20um pitch and 18um pitch and improve its quality and efficiency to lower cost and improve market competitiveness of COF products with 20um pitch and above.
2. Improve the product design capacity on the basis of the process technology expertise and products of fine pitches below 20um pitch, especially 18um, 16um and 14um pitch using semi-additive method and through cooperation with customers so as to comprehensively supply fine-pitch COF used in LCD driver ICs needed by customers' handheld device products and smartphones
3. Develop 2-Metal advanced process technology. Pioneer the adoption of Sn (tin) as the final metal finish for Mini and Micro LED dual-panel circuit boards, replacing the conventional Ni/Au (nickel/gold) coating. This advancement significantly reduces substrate costs. The technology has successfully passed reliability certification by international customer LSMC, and the Micro LED 0303 (0.3mm × 0.3mm) pixel unit size substrates have been successfully developed and verified by customers in alignment with their volume production plans.
4. Collaborate with material suppliers to develop next-generation substrates designed for UV laser processing, intended for use in Micro LED substrates with pixel unit sizes of 0202 (0.2mm × 0.2mm) and 0101 (0.1mm × 0.1mm).

D. Influence of changes of important domestic and foreign policies and laws on the Company's financial business and responsive measures

The Company has always adhered to integrity principle for its operation and followed regulations issued by relevant governments and institutions at home and abroad. In addition to the execution of business according to existing laws and regulations, the Company also pays close attention to the trends, formation, legislation progress and detailed connotations of important domestic and foreign policies related to its operation, and then actively works out responsive measures in due time on this basis. The Company hasn't been involved in the influence of its finance and business due to changes of important domestic and foreign policies and laws in recent years and as of the date of publication of the annual report.

E. Influence of changes of technology (including information security risks) and industry on the Company's financial business and responsive measures

1. The Company has already completed several improvements for information security of its information system architecture
 - (1) Timely patching of vulnerabilities in information and communication equipment to reduce the risk of hacker intrusions.
 - (2) Encryption of external communications to safeguard data in transit and lower the risk of data breaches.
 - (3) Active participation in cybersecurity communities and seminars to exchange threat intelligence and best practices.

- (4) Implementation of cloud-based email filtering and attack prevention systems to block malicious emails and harmful files before they reach the Company's network.
2. Estimated reinforcement plans to be established in current year
 - (1) Based on operational needs, the Company is implementing advanced real-time continuous monitoring, endpoint data collection, and enhanced cross-correlation analysis to detect suspicious activities.
 - (2) Regular cybersecurity training sessions are held to raise employee awareness and help prevent phishing and ransomware threats.
 - (3) The Company's public-facing corporate website has been migrated to a secure data center to ensure uninterrupted and stable system operations.

The Company is committed to achieving the goal of not being affected by emerging risks and attacks amid the every-changing network security threats and strengthening real-time protection against any network attacks or events so as to avoid causing major adverse influence on the Company's financial business.

The Company hasn't discovered any network attack or event to have an adverse influence on the Company's financial business in recent years and as of the date of publication of the annual report.

- F. Influence of change of corporate image on the enterprise's crisis management and responsive measures

The Company has observed the provisions of relevant laws and regulations, actively strengthened internal management and improved management quality and performance, and maintained a harmonious labor-capital relationship to continuously sustain an excellent corporate image since its establishment. The Company hasn't been involved in any situation that affects its corporate image in recent years and as of the date of publication of the annual report.

- G. Expected benefits and possible risks of merger and acquisition and responsive measures: The Company hasn't been involved in any merger and acquisition in recent years and as of the date of publication of the annual report.

- H. Expected benefits and possible risks of enlargement of plants and responsive measures: The Company has increased plants for the expansion of production capacity through comprehensive evaluation of appropriate industry and market prospects and cost with the expectation of increasing its profits.

- I. Risks existing in centralized purchasing or sale and responsive measures
1. Centralized purchasing

The main raw material used by the Company for the production of advanced Tape-COF IC substrates is 2PI (1 polyimide layer and 1 metal layer). The main supplier of 2PI is Sumitomo Metal Mining Co., Ltd. (hereinafter referred to as SMM), taking up 41% of net purchasing amount of the Company in 2024

Currently, there are only two 2PI suppliers in the world, i.e. SMM from Japan and Toray. SMM is a main supplier in the market, while Toray mainly supplies to Stemco (Samsung) of South Korea. Additionally, the quality, technology and production capacity of 2PI supplied by SMM have already been verified and approved by the Company during the development of processes and machines, and SMM is a raw material supplier recognized and designed by the Company's

customers. Furthermore, the Company was formerly an affiliate of SMM and has maintained good partnership with SMM for many years. The delivery status of relevant supplier has been favorable, no situation such as shortage, interruption or delay of supply has occurred to influence the Company's production and source of supply has been stable in recent three years.

2. Centralized sale

Due to the characteristics of IC design industry, the products of the Company require mutual coordination from upstream and downstream manufacturers from design to certification. In this case, in order to obtain stable and reliable production capacity, shorten the marketing time of products, and consider factors like process technology, quality yield and delivery period coordination, IC design manufacturers would choose to use suppliers in the same semiconductor process as much as possible. Therefore, it is often the case that upstream and downstream manufacturers establish long-term strategic alliance. Since the industry where the Company belongs is a technology- and capital-intensive industry with relatively high entry threshold, a trend of strong industry customers becoming stronger has appeared. In addition, there are only seven enterprises owning Tape-CFO product processes in the world at present, and they have their respective production and sales systems due to different terminal display panel enterprises. In consideration of confidentiality of industry IC design, coordination degree of processes and time-consuming of product certification and testing, few enterprises would substantially change their manufacturers. With the production lines of the Company becoming increasingly complete and product quality continuously being recognized by the customers as well as the competitiveness of product prices, the Company needs backup from enough supply chain manufacturers and thus would not easily replace manufacturers which have coordinated with the Company favorably for a long run and been certified and trusted by the customers in order to satisfy the quick delivery services of the downstream terminal customers. For the purpose of effectively spreading the possible risks brought by centralized sale, the Company is dedicated to the development of new customers and new processes. After the products of the Company are recognized by the customers and then successively put under volume production and delivery in the future, the Company's dependence on a single customer can be effectively lowered so as to spread the risk of centralized sale.

J. Influence and risks of massive transfer or replacement of equity held by directors, supervisors or major shareholders holding more than ten percent of shares on the Company, and responsive measures: None.

K. Influence and risks of change of managerial right on the Company, and responsive measures

The Company hasn't been involved in any situation or risk of change of managerial right in recent years and as of the date of publication of the annual report.

L. Litigation or non-litigation events

1. Major influence possibly caused by the results of major litigation, non-litigation or administrative dispute events of the Company already judged and confirmed or still pending to the shareholders' equity or securities prices in recent years and as of the date of publication of the annual report

As of the most recent year and the date of publication of the annual report, the only pending lawsuit is the criminal lawsuit on breach of business secrets filed by Chipbond Technology Corporation against JMC Electronics Co., Ltd. to a procuratorial organ in March, 2014, and Chipbond Technology Corporation asked for criminal and civil compensation for damages at NT\$1 billion in September, 2019, and asked for additional damages in August, 2021, which is now being heard by a court; Chipbond Technology Corporation filed a civil action about exclusion of infringement on business secrets against the Company in September, 2016, with the main contents that the Company was not allowed to use or leak business secrets acquired from Chipbond Technology Corporation, should destroy related files and documents, and forbid persons involved from working in the Company within specific periods, and should destroy products infringing upon business secrets and of the claim for damages at NT\$17.65137 billion, and Chipbond Technology Corporation asked for more damages later; the court rejected the appeal of Chipbond Technology Corporation on December 29, 2023, but Chipbond instituted an appeal according to law. The company commissioned a lawyer to issue a legal opinion on the aforementioned lawsuit and later the lawyer assessed that this lawsuit didn't have an adverse influence on the Company so far. In addition, the management of the Company also made a judgment that it hadn't imposed any significant influence on the Company's business and finance yet. However, the aforesaid case hasn't been ruled by the court, and the result of the lawsuit is to be heard by the judicial authority as of March 6, 2025.

2. Major influence possibly caused by the results of major litigation, non-litigation or administrative dispute events of directors, supervisors, general manager and substantial principal of the Company, major shareholders holding more than ten percent of shares and subordinate companies already judged and confirmed or still pending to the shareholders' equity or securities prices in recent years and as of the date of publication of the annual report

Directors of the Company, Chang Wah Electromaterials Inc. as a major shareholder holding more than ten percent of shares, and general manager Li, Wan Hsia(NOTE)are currently involved in a pending civil lawsuit brought up by Chipbond against them concerning the exclusion of infringement upon its business secrets. Please refer to the description of "L. Litigation or non-litigation events 1." above.

NOTE: On March 6, 2025, the board of directors approved that Ms. LI, Wan-Hsia would be transferred from general manager to technical expert from March 31, 2025, and Ms. Huang, Mei-Hsueh, deputy general manager, would be appointed as general manager of the company from April 1, 2025.

M. Other important risks and responsive measures: None.

(VII) Other important events: None.

VI. Special Notes

- (I). Related information of affiliates: None.
- (II). Handling status of private placement of valuable securities in recent years and as of the date of publication of the annual report: None.
- (III). Status of subsidiaries' holding or disposal of the Company's stock in recent years and as of the date of publication of the annual report: None.
- (IV). Other necessary supplementary clarifications: None.

VII. Occurrence of events having a major influence on the shareholders' equity or securities prices specified in subparagraph 2, paragraph 3 of Article 36 of the Securities Exchange Act in recent years and as of the date of publication of the annual report

As of the most recent year and the date of publication of the annual report, the only pending lawsuit is the criminal lawsuit on breach of business secrets filed by Chipbond Technology Corporation against JMC Electronics Co., Ltd. to a procuratorial organ in March, 2014, and Chipbond Technology Corporation asked for criminal and civil compensation for damages at NT\$1 billion in September, 2019, and asked for additional damages in August, 2021, which is now being heard by a court; Chipbond Technology Corporation filed a civil action about exclusion of infringement on trade secrets against the Company in September, 2016, with the main contents that the Company was not allowed to use or leak business secrets acquired from Chipbond Technology Corporation, should destroy related files and documents, and forbid persons involved from working in the Company within specific periods, and should destroy products infringing upon business secrets and of the claim for damages at NT\$17.65137 billion, and Chipbond Technology Corporation asked for more damages later; the court rejected the appeal of Chipbond Technology Corporation on December 29, 2023, but Chipbond instituted an appeal according to law. The company commissioned a lawyer to issue a legal opinion on the aforementioned lawsuit and later the lawyer assessed that this lawsuit didn't have an adverse influence on the Company so far. In addition, the management of the Company also made a judgment that it hadn't imposed any significant influence on the Company's business and finance yet. However, the aforesaid case hasn't been ruled by the court, and the result of the lawsuit is to be heard by the judicial authority as of March 6, 2025. The Company will release important statements regularly to notify the latest progress of the case within 10 days after the end of each quarter after being listed; where the court has made a judgment or had significant lawsuit progress, the Company shall disclose such information in a real-time manner. The Company has assessed that these changes hadn't had significant influence on shareholders' equity or securities price.

JMC Electronics Co., Ltd.

Chairman: Wan, Wen-Tsai



2024
Annual Report