

Stock Code : 3592

Raydium

Raydium Semiconductor Corporation

2024 ANNUAL REPORT

Printed on March 30, 2025

Taiwan Stock Exchange Market Observation Post System: <https://mops.twse.com.tw>

Notice to readers: This is a translation of the 2024 annual report of Raydium Semiconductor Corporation. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

1. Spokesperson and Deputy Spokesperson

Spokesperson Name and Title: Patty Lin, Assistant Vice Presidents

Deputy Spokesperson Name and Title: Rich Huang, Vice President

Tel: (03)666-1818

E-mail: Raydium@rad-ic.com

2. Raydium Corp. Headquarters.

Address: 2F, No. 23, Li-Hsing Road, Hsinchu Science Park, Hsinchu City.

Tel: (03)666-1818

3. Transfer Agency

Name: Taishin Securities Co., Ltd.

Address: B1, No. 96, Sec. 1, Chien Kuo N. Rd., Taipei City

Website: <https://www.tssco.com.tw/stocktransfer>

Tel: (02)2504-8125

4. Independent Auditor

Name of CPAs: An-Chih Cheng and Chien-Hui Lu

Name of Accounting Firm: KPMG Taiwan

Address: No.11, Prosperity Road I, Hsinchu Science Park, Hsinchu City, Taiwan

Website: <https://kpmg.com/tw>

Tel: (03)579-9955

5. Overseas Securities Exchange: None.

6. The Company's official website: <https://www.rad-ic.com/>

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Chapter 1 Letter to Shareholders

Dear shareholders,

In 2024, the global economy faced significant challenges, including persistently high inflation, inconsistent interest rate policies among central banks, and ongoing geopolitical tensions and conflicts. While AI-related industries experienced strong growth, consumer markets—including smartphones, TVs, and computers—showed little improvement, and the automotive sector merely maintained its existing scale. Amid these uncertainties, our company demonstrated resilience. Leveraging our strong foundation in large-size display products, deep expertise in AMOLED technology, forward-looking investments in automotive applications, and the ability to quickly adapt to market changes, we achieved our second-highest annual revenue in company history. In 2024, Raydium annual revenue reached NTD 24.377 billion, an increase of 32.9% from the previous year. The gross margin increased to 30.0%. Net profit after tax grew by 45.5% to NTD 2.099 billion, with earnings per share (EPS) reaching NTD 27.67. These achievements are the result of the collective efforts of our entire team and a strong validation of our business strategy.

The display industry continues to evolve rapidly, with technology advancing and applications expanding. AMOLED panels now have over 50% penetration in the smartphone and wearable markets, and their adoption is steadily expanding into tablets, IT devices, and automotive displays. Demand for automotive displays is growing, with a clear trend toward larger screens, particularly for applications in navigation, entertainment, and Advanced Driver Assistance Systems (ADAS). This shift is driving the development of high-brightness, high-contrast, and high-performance display technologies. Additionally, the integration of Touch and Display Driver Integration (TDDI) technology is simplifying display module designs, enhancing user experience, and increasing the overall value of display panels. Meanwhile, LCD technology continues to advance in areas such as lower power consumption, higher refresh rates, and larger screen sizes, delivering an enhanced visual experience.

Additionally, with the rapid advancement of artificial intelligence (AI) technology, AI-powered PCs and smartphones have emerged as new focal points in the market. The enhanced computing power of AI PCs is driving the development of new applications, improving both productivity and entertainment experiences for users. In the foreseeable future, AI agents will serve as personal smart assistants, integrating various applications and services while reshaping the smartphone industry and its surrounding ecosystem. We will continue to closely monitor industry trends and invest resources to create new growth opportunities.

We are committed to developing a diverse range of display technologies, including LCD, AMOLED, Micro LED, and cholesteric liquid crystal display (CH-LCD). In response to market demand, we continuously innovate to enhance high refresh rates, low latency, and low power consumption, delivering smoother and more refined dynamic visual experiences. In addition to offering standalone chips such as display driver ICs, timing controller (TCON) ICs, power management (PWM) ICs, and touch controller ICs, we have also introduced integrated solutions such as TDDI, TED, and LTDI to meet evolving market needs. We remain dedicated to continuous innovation and technological optimization, staying ahead of industry trends and customer demands. By delivering industry-leading solutions, we aim to meet and exceed customer expectations while earning their trust.

In terms of ESG (Environmental, Social, and Corporate Governance), we participated in the 2023 Corporate Governance Evaluation for the first time and ranked within the top 6%–20% among listed companies, highlighting our strong governance performance. Additionally, our bistable cholesteric liquid crystal display (CH-LCD) driver IC and timing controller (TCON) were honored with the 2024 Display Component Technology Award. CH-LCD is an extremely energy-efficient display technology, and this recognition not only affirms our technical expertise but also reinforces our commitment to continuous investment in sustainable innovation.

Looking ahead to 2025, we will remain committed to our ESG development goals, focusing on environmental sustainability, social responsibility, and excellent corporate governance. We will strengthen collaboration with our customers and supply chain partners to ensure stability and agility in supply and demand, enabling us to navigate market uncertainties effectively. We will continue to diversify our supply chain strategy, enhancing resilience and improving our ability to respond to potential risks. At the same time, we are actively investing in next-generation technologies and advancing manufacturing processes to maintain our competitive edge. Through technological innovation and sustainable operations, we aim to enhance corporate value and generate long-term, stable returns for our shareholders. We firmly believe that achieving a balance between economic growth and sustainable development is the key to standing out in an uncertain global environment and shaping a brighter future.

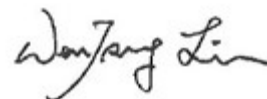
Wishing you all health, happiness and prosperity.

Sincerely,

Chairman and Chief Executive Officer



President



Chapter 2 Corporate Governance Report

2.1 Directors and Management Team

2.1.1 Information on Directors

March 30, 2025; Unit: Thousands of Shares; %

Title & Name	Nationality	Gender Age	Date Elected	Term (Yrs)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees Arrangement		Selected Education & Experiences	Current Positions at the Company and Other Companies
						Shares	%	Shares	%	Shares	%	Shares	%		
Chairman Hermit Huang	R.O.C.	Male 61-70	May 29, 2023	3	2017.6.13	268	0.40	339	0.45	0	0	0	0	<ul style="list-style-type: none"> • EMBA, National Taiwan University • Associate of Electronics, Taipei Institute of Technology • President, Qisda Corporation 	<ul style="list-style-type: none"> • Chief Executive Officer of the Company (Note 2) • Director, AUO Foundation • 9th-term Director, NTUT Industry-Academia Elite Association
Director (Note 1) Konly Venture Corp.	R.O.C.	-	May 29, 2023	3	2007.9.27	11,454	17.11	11,454	15.10	0	0	0	0	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Director, Daxin Materials Corp. • Director, WishMobile, Inc. • Director, Daji Education Development Co., Ltd. • Director, PlayNitride Inc. • Director, Carota Corp.
Representative: Hong-Jye Hong	R.O.C.	Male 51-60	May 29, 2023	3	-	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> • Master of Electrical Engineering, University of Massachusetts • Vice President, AUO Corporation 	<ul style="list-style-type: none"> • Senior Vice President, AUO Corporation • Director, a.u. Vista Inc. • Representative of Corporate • Director, Sintrones Technology Corp. • Representative of Corporate • Director, Carota Corp. • Director, BHTC GmbH
Representative: Amy Ku	R.O.C.	Female 61-70	May 29, 2023	3	-	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> • Master's degree in Human Resource Management, National Central University (Taiwan) • Senior Vice President and Chief Sustainability Officer of AUO Corporation • Chief Executive Officer of AUO Foundation • Chairman of AUO Education Service Corp. 	<ul style="list-style-type: none"> • Senior Vice President and Chief Sustainability Officer of AUO Corporation • Chief Executive Officer of AUO Foundation • Chairman of AUO Education Service Corp.
Director Sheaffer Lee	R.O.C.	Male 61-70	May 29, 2023	3	2011.9.8	526	0.79	526	0.69	14	0.02	0	0	<ul style="list-style-type: none"> • Graduate School of Business Administration, National Chengchi University • Bachelor of Electrical Engineering, National Cheng Kung University • President, Qisda Corporation • Assistant Vice President of Marketing Department, U.S. Acer Incorporated 	<ul style="list-style-type: none"> • None

Title & Name	Nationality	Gender Age	Date Elected	Term (Yrs)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees Arrangement		Selected Education & Experiences	Current Positions at the Company and Other Companies
						Shares	%	Shares	%	Shares	%	Shares	%		
Independent Director Max Cheng	R.O.C.	Male 61-70	May 29, 2023	3	2020.6.2	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> • Master of Accounting, Northern Illinois University • Chief Financial Officer, AUO Corporation • Director, Darwin Precisions Corporation • Director and Deputy General Manager, M.SETEK Co., Ltd. • Director, Lextar Electronics Corp. 	<ul style="list-style-type: none"> • Director, Shirre Lab Corp. • Independent Director, Chenbro Micom Co., Ltd. • Independent Director, Daxin Materials Corp. • Independent Director, Unictron Technologies Corporation
Independent Director Haydn Hsieh	R.O.C.	Male 71-80	May 29, 2023	3	2008.5.16	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> • Graduate School of Business Administration, National Chengchi University • Bachelor of Electrical Engineering, Tatung Institute of Technology • Chairman& CSO, Wistron NeWeb Corporation • Director, Wistron Corporation • Director, AOPEN Incorporated • Director, aEnrich Technology Corporation • Director, Apacer Technology Inc. 	<ul style="list-style-type: none"> • Chairman& CSO, Wistron NeWeb Corporation • Director, Wistron Corporation • Director, aEnrich Technology Corporation • Director, Apacer Technology Inc.
Independent Director Jerry Jou	R.O.C.	Male 61-70	May 29, 2023	3	2018.6.20	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> • PhD, Institute of Electronics, National Chiao Tung University • Director General, Department of International Cooperation and Science Education, Ministry of Science and Technology, Taiwan • Vice President for International Affairs, Office of International Affairs, National Yang Ming Chiao Tung University • Chair, Institute of Electronics, National Yang Ming Chiao Tung University • Professor, Institute of Electronics, National Yang Ming Chiao Tung University • Dean, Faculty of Systems Engineering, National Yang Ming Chiao Tung University • Director, General Center of National Defense Technology Research, National Yang Ming Chiao Tung University 	<ul style="list-style-type: none"> • Professor, Institute of Electronics, National Yang Ming Chiao Tung University • Member, the Fourth Session Advisory Committee, Taiwan Semiconductor Research Institute • 8th-term Director, National Chiao Tung University Alumni Association • Director, 11th Board of Directors, Chu Ming Teaching Foundation • Director, 11th Board of Directors, Chu Ming Academic Foundation

Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship: None.

Note 1: For the representatives of institutional shareholders, please refer to Table 1. "Major Shareholders of Corporate Shareholders."

Note 2: Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest level manager) of the Company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto:

- (1) The Chief Executive Officer is responsible for developing and executing strategies for the Company's long-term sustainability, while the President oversees day-to-day operations and management. Currently, the Chairman of the Board also serves as the Chief Executive Officer. This dual role allows the Chairman to lead the Company's strategic direction, with a focus on building core competitiveness and enhancing long-term shareholder value. This structure is considered both appropriate and necessary.
- (2) To strengthen board independence, the Company has appointed three Independent Directors. Directors who also hold positions as employees or members of senior management make up 14.3% of the Board, which is below the one-third threshold, and in full compliance with corporate governance principles.

1. Major Shareholders of Corporate Shareholders

Name of Corporate Shareholder	Major Shareholders of the Corporate Shareholder (Note)	Shareholding Ratio (%)
Konly Venture Corp.	AUO Corporation	100.00

Note: For institutional shareholders whose major shareholders are corporations, please refer to Table 2.

2. Major Shareholders of the Corporate Shareholder's Corporate Shareholder

Name of Institutional Shareholder	Major Shareholder	Shareholding Ratio (%)
AUO Corporation	Qisda Corporation	6.90
	Trust Holding for Employees for AUO	5.46
	Quanta Computer Inc.	4.61
	Yuanta Taiwan Dividend Plus ETF	4.00
	ADR of AUO	2.38
	New Labor Pension Fund	1.65
	Nan Shan Life Insurance Company, Ltd.	1.56
	Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds	1.12
	J.P. Morgan Chase Bank N.A., Taipei Branch in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	0.96
	Government of Singapore	0.88

Note: The shareholder record date is April 1, 2024.

3. Professional qualifications and independence analysis of directors

Qualifications Name (Note 1)	Professional Qualification and Experience	Independence Analysis	Number of Companies Concurrently Serve as An Independent Director
Chairman Hermit Huang	<ol style="list-style-type: none"> Holds an Executive MBA degree from National Taiwan University. As the former President of Qisda Technology, he cultivated deep industry expertise and built a strong professional network over many years. He is adept at identifying industry development trends and anticipating changes in the market environment. Mr. Huang has served as the Chairman and Chief Executive Officer of Raydium Semiconductor Corporation since 2014. Acting in a managerial capacity within the Board, he actively communicates and interacts with all directors on management strategies and provides operational insights. He possesses expertise in business operations, marketing, and industrial technologies. Industry Experience: Semiconductors; Computers and Peripheral Equipment; Communication Networks 	<ol style="list-style-type: none"> Concurrently serves as the Chief Executive Officer and is a director holding a managerial position. All other items have been verified in accordance with the independence requirements set forth in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission, and he continues to meet the relevant criteria. 	0

Qualifications Name (Note 1)	Professional Qualification and Experience	Independence Analysis	Number of Companies Concurrently Serve as An Independent Director
Director Konly Venture Corp. Representative: Hong-Jye Hong	<ol style="list-style-type: none"> Mr. Hong holds a degree in Electrical Engineering from the University of Massachusetts. He has over 10 years of experience at AUO and currently serves as the Head of Research and Development. Through this role, he has developed extensive industry expertise. Industry Experience: Optoelectronics 	<ol style="list-style-type: none"> Both representatives of the corporate director concurrently serve as Vice Presidents of AUO Corporation. 	0
Director Konly Venture Corp. Representative: Amy Ku	<ol style="list-style-type: none"> Holds a master's degree in Human Resource Management from National Central University. Previously served as Vice President of the Human Resources Center and is currently the Chief Sustainability Officer at AUO. In this role, she leads AUO's sustainability strategy, oversees stakeholder engagement and communication, and promotes a strong culture of corporate sustainability. In recognition of her contributions, she was named one of "Asia's Top Sustainability Superwomen" in 2020. Industry Experience: Optoelectronics 	<ol style="list-style-type: none"> Konly Venture Corp., which holds more than 5% of the Company's issued shares, is the largest shareholder of the Company. Konly Venture Corp. is a wholly owned subsidiary of AUO Corporation. 	0
Director Sheaffer Lee	<ol style="list-style-type: none"> Holds a Master of Business Administration degree from National Chengchi University. Mr. Lee previously served as President and Chief Operating Officer of BenQ Corporation, Chairman of Darfon Electronics Corporation, Director of AUO Corporation., Director of BenQ Asia Pacific Corp., and Director of Gallant Precision Machining Co., Ltd., among others. He brings extensive experience in sales, operations, and corporate management. Industry Experience: Semiconductors; Computers and Peripheral Equipment; Communication Networks 	All items have been verified in accordance with the independence requirements set forth in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission, and he meets all relevant independence criteria.	0
Independent Director Max Cheng	<ol style="list-style-type: none"> Holds a master's degree in Accounting from Northern Illinois University and is a Certified Public Accountant in the Republic of China (Taiwan). Mr. Cheng has more than 20 years of experience at AUO Corporation., during which he served as Chief Financial Officer. He has extensive industry experience and currently serves as an Independent Director at Chenbro Micom Co., Ltd., Daxin Materials Corp., and Unictron Technologies Corp., all of which are listed companies. Industry Experience: Semiconductors; Optoelectronics; Computers and Peripheral Equipment; Communication Networks. 	<ol style="list-style-type: none"> Directors are elected through a candidate nomination system in accordance with the Company's Articles of Incorporation and Corporate Governance Principles. During the nomination and selection process, the Company obtains written declarations, employment history, proof of current employment, and declarations of familial relationships from each 	3

Qualifications Name (Note 1)	Professional Qualification and Experience	Independence Analysis	Number of Companies Concurrently Serve as An Independent Director
Independent Director Haydn Hsieh	<ol style="list-style-type: none"> 1. Holds a Master of Business Administration degree from National Chengchi University. 2. Mr. Hsieh previously served as Special Assistant to the Founder of Acer Incorporated, a marketing salesperson at BenQ Corporation's U.S. branch, and Plant Manager of BenQ's Taoyuan facility. He later held senior leadership positions including President of Acer's Portable Computer Division and President of Wistron NeWeb Corporation. 3. He is currently the Chairman of Wistron NeWeb Corporation. With over 40 years of industry experience, he brings deep practical knowledge and leadership expertise. 4. Industry Experience: Computers and Peripheral Equipment; Communication Networks. 	<p>candidate to verify the independence of the directors, their spouses, and relatives within the second degree of kinship.</p> <ol style="list-style-type: none"> 2. All items have been verified in accordance with the independence requirements stipulated in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies promulgated by the Financial Supervisory Commission, as well as the qualifications set forth in Article 14-2 of the Securities and Exchange Act, both for the two years prior to election and throughout their terms. 	0
Independent Director Jerry Jou	<ol style="list-style-type: none"> 1. Holds a Ph.D. from the Institute of Electronics, National Chiao Tung University. 2. Dr. Jou is currently a professor at National Yang Ming Chiao Tung University. He has over 20 years of teaching and research experience in the field of electrical engineering and electronics, and has been actively working to bridge academic research with industry applications. 3. Industry Experience: Semiconductors. 	<p>Independent Directors are also granted the authority to participate in decision-making and to express opinions in accordance with Article 14-3 of the Securities and Exchange Act, thereby ensuring the independent performance of their duties and responsibilities.</p>	0

Note 1: None of the Company's directors is currently subject to any of the circumstances listed in Article 30 of the Company Act.

4. Board Diversity Policy and Independence

(1) Board Diversity Policy

The Board of Directors is responsible for guiding the Company's strategic direction, supervising management, and being accountable to the Company and its shareholders. Through its corporate governance framework and operational arrangements, the Board ensures that its authority is exercised in accordance with applicable laws, the Articles of Incorporation, and resolutions adopted by the shareholders' meeting.

In accordance with Article 12 of the Company's Articles of Incorporation, the Board shall consist of no fewer than five and no more than nine directors, with the actual number determined by the Board based on the Company's operational scale, the shareholding structure of major shareholders, and practical operational needs, in order to fulfill its governance functions effectively.

The composition of the Board shall take diversity into consideration. Directors concurrently serving as managerial officers of the Company shall not exceed one-third of the total number of Board seats. In addition, the Board shall establish a diversity policy based on the Company's operational needs, business model, and development requirements, which includes but is not limited to the following two dimensions:

- 1) Basic attributes and values: Gender, age, nationality, and cultural background.
- 2) Professional knowledge and skills: Professional background, expertise, and industry experience.

Each Board member shall possess the necessary knowledge, skills, and character to perform their duties. To achieve the Company's corporate governance objectives, the Board as a whole shall possess the following core competencies:

- 1) Business judgment
- 2) Accounting and financial analysis
- 3) Management capability
- 4) Crisis management
- 5) Industry knowledge
- 6) International market perspective
- 7) Leadership
- 8) Decision-making ability

(2) Implementation Status of Board Diversity

The members of the Company's Board of Directors possess diverse and complementary capabilities across multiple industries. Each director also brings relevant industry experience and professional skills, including business management, finance and accounting, marketing, technology, and technical research.

For details on directors' education and professional background, please refer to the section "Information on Directors" on pages 5-7

of this Annual Report.

The current implementation status of the Board Diversity Policy and corresponding diversity objectives for each individual director are summarized in the table below:

Title		Chairman	Director			Independent Director		
Name		Hermit Huang	Hong-Jye Hong	Amy Ku	Sheaffer Lee	Max Cheng	Haydn Hsieh	Jerry Jou
Gender		Male	Male	Female	Male	Male	Male	Male
Age		61-70	51-60	61-70	61-70	61-70	71-80	61-70
Nationality		R.O.C.						
Also Serving as an Employee of the Company		✓						
Independent Director for More Than Three Terms							✓ (Note)	
Professional Background								
Industry Expertise	Semiconductor	✓			✓	✓	✓	✓
	Optoelectronics		✓	✓		✓		
	Computer and Peripheral Equipment	✓			✓	✓	✓	
	Communication network	✓			✓	✓	✓	
Technology		✓	✓	✓	✓	✓	✓	✓

Title	Chairman	Director			Independent Director		
Name	Hermit Huang	Hong-Jye Hong	Amy Ku	Sheaffer Lee	Max Cheng	Haydn Hsieh	Jerry Jou
Finance and Accounting					✓		
Marketing	✓			✓		✓	
Professional Knowledge and Skills							
Sustainability and ESG Management	✓		✓			✓	
Management and Business Judgment	✓	✓	✓	✓	✓	✓	✓
Accounting and Financial Analysis	✓			✓	✓	✓	
Crisis Management Capability	✓	✓	✓	✓	✓	✓	✓
Industry Knowledge	✓	✓	✓	✓	✓	✓	✓
International Market Perspective	✓	✓	✓	✓	✓	✓	✓
Leadership and Decision-Making	✓	✓	✓	✓	✓	✓	✓

Note: Mr. Haydn Hsieh has served as an Independent Director of the Company for three consecutive terms. In view of his professional expertise in business management and corporate governance, which enables him to provide valuable strategic advice and contribute significantly to the Company's operational development, he has been reappointed for the current term. His continued service ensures that the Board receives timely supervision and professional input in the execution of independent director duties.

Diversity Management Objective	Status of Achievement
Directors concurrently serving as managerial officers shall not exceed one-third of board seats	Achieved
Number of Independent Directors	In compliance with legal requirements
At least one Director with a background in finance or accounting	Achieved
At least one Director with an academic background	Achieved
Female directors to comprise one-third of board seats	Plan to increase female representation in the next Board term (Note)
Board members to have industry experience covering at least three different sectors	Achieved

Note: The current Board has one female director, representing 1 out of 7 board seats (14.3%), which does not meet the target of having one-third female representation. To enhance gender equality in the composition of the Board, the Company plans to increase the number of female directors in the next Board term.

(3) Board Independence

■ Structure of the Board of Directors:

The Company has established a director selection mechanism. The nomination and election procedures for all directors are open and fair, and are in compliance with the Company's Articles of Incorporation, Procedures for Election of Directors, Corporate Governance Principles, the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and Article 14-2 of the Securities and Exchange Act.

The current Board consists of three Independent Directors (42.9%) and four Non-Independent Directors (57.1%), including one director who concurrently serves as an employee or managerial officer (14.3%, which does not exceed one-third of all board seats). None of the directors has a spousal or second-degree familial relationship with any other director, in compliance with Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

■ Board Independence:

The Company emphasizes the importance of the independent functioning and transparency of the Board. All directors, including Independent Directors, are independent individuals who exercise their powers autonomously. The three Independent Directors also comply with relevant legal requirements and, in conjunction with the powers of the Audit Committee, effectively oversee the implementation of internal controls, the appointment and independence of certified public accountants, and the fair presentation of financial statements.

In addition, under the Company's Procedures for Election of Directors, a cumulative voting system and candidate nomination system are adopted for the election of directors and Independent Directors. Shareholders holding a certain threshold of shares are entitled to nominate candidates. All candidates are subject to a qualification review and verification against the disqualification conditions specified in Article 30 of the Company Act. The review and announcement procedures are conducted in accordance with the law to safeguard shareholder rights, avoid monopoly or excessive nomination, and maintain board independence.

The Company has established a performance evaluation system for the Board. An internal self-assessment of the Board and individual directors is conducted annually, and the evaluation results are submitted to the Board. The performance evaluation results for 2024 are disclosed on pages 18–19 of this Annual Report.

In order to provide investors with full transparency regarding the operation of the Board of Directors, the following information is disclosed through the Company's Annual Report, official website, and the Market Observation Post System (MOPS):

- Operation status of the Board of Directors
- Material proposals and resolutions passed by the Board
- Continuing education of directors
- Changes in directors' shareholding (including shareholding ratios, share transfers, and pledge settings)

2.1.2 Management Team

March 30, 2025; Unit: Thousands of Shares; %

Title	Nationality	Name	Gender	Date Appointed (Note 1)	Shareholding		Spouse & Minor Shareholding		Education & Experience	Current Positions at the Company and Other Companies
					Shares	%	Shares	%		
Chief Executive Officer	R.O.C.	Hermit Huang	Male	January 1, 2014	339	0.45	0	0	<ul style="list-style-type: none"> •EMBA, National Taiwan University • Associate of Electronics, Taipei Institute of Technology • President, Qisda Corporation 	Chairman of the Company (Note 2) Director, AUO Foundation
President	R.O.C.	WT Lin	Male	October 16, 2017	79	0.10	0	0	<ul style="list-style-type: none"> • Master of Electrical Engineering, National Tsing Hua University • Director General, General Division of Product Development, Chi Mei Optoelectronics Corporation 	Representative of Corporate Director, SiCEV Electronics Co., Ltd. Chairman, Raydium Semiconductor (Kunshan) Co., Ltd. Chairman, Raydium Semiconductor (Hefei) Co., Ltd. (Note 3)
Vice President	R.O.C.	Rich Huang	Male	October 1, 2013	31	0.04	0	0	<ul style="list-style-type: none"> • Master of Electrical Engineering, San José State University • R&D Engineer, Myson Century, Inc. 	Director, Raydium Semiconductor (Kunshan) Co., Ltd.
Vice President	R.O.C.	CJ Wen	Male	March 5, 2012	32	0.04	0	0	<ul style="list-style-type: none"> • Ph.D. in Optics and Photonics, National Central University • Director, Product Planning Division, Sunshine Sports Tech Co., Ltd. 	Representative of Corporate Director, ARK Semiconductor Inc. Director, Raydium Semiconductor (Hefei) Co., Ltd. (Note 3)
Vice President	R.O.C.	Fred Wang	Male	April 2, 2009	40	0.05	0	0	<ul style="list-style-type: none"> • Bachelor of Physics, Tamkang University • Engineering Manager, Integrated Solutions Technology, Inc. 	None
Vice President	R.O.C.	YL Chen	Male	October 1, 2017	47	0.06	0	0	<ul style="list-style-type: none"> • Master of Electrical Engineering, National Taiwan University • Division Director, Himax Technologies, Inc. 	None
Vice President	R.O.C.	SP Tang	Male	October 1, 2017	66	0.09	0	0	<ul style="list-style-type: none"> • Master of Electrical and Control Engineering, National Chiao Tung University • Manager, Myson Century, Inc. 	None
Information Technology Principal	R.O.C.	Alex Yuan	Male	May 12, 2011	43	0.06	0	0	<ul style="list-style-type: none"> • Master of Electronics, National Chiao Tung University • Director, Multimedia Business Division, Alcor Micro Corp., Ltd. 	None
Assistant Vice President	R.O.C.	Patty Lin	Female	February 22, 2011	85	0.11	0	0	<ul style="list-style-type: none"> • EMBA, National Taiwan University • Bachelor of Finance and Cooperative Management, National Taipei University • Manager, Darly Consulting Corporation 	Director, Raydium Semiconductor (SAMOA) Corp. Supervisor, Raydium Semiconductor (Kunshan) Co., Ltd. Supervisor, Raydium Semiconductor (Hefei) Co., Ltd. (Note 3)
Assistant Vice President	R.O.C.	MT Lin	Male	October 1, 2022	30	0.04	0	0	<ul style="list-style-type: none"> • Department of Industrial Engineering and Management, National Yunlun University of Science & Technology • Vice President, Megica Corporation 	None
Assistant Vice President	R.O.C.	JR Shih	Male	April 1, 2023	2	-	0	0	<ul style="list-style-type: none"> • Master of Electronics, National Chiao Tung University • Manager, Himax Technologies, Inc. 	None

Shares held by the manager in the name of others: None.

Managerial officers whose spouses or relatives within the second degree of kinship are serving as supervisors of the Company: None.

Note 1: Refers to the amount of employee remuneration proposed for allocation to managerial officers of the Company.

Note 2: Where the Chairman of the Board and the President (or an equivalent highest-ranking managerial officer) are the same person, spouses, or first-degree relatives, the reasons, rationale, necessity, and corresponding measures are as follows:

1. The position of Chief Executive Officer is responsible for developing and executing long-term sustainability and strategic plans, while the President is responsible for the planning and management of day-to-day operations. The current Chairman concurrently serves as CEO, focusing on sustainable development strategies and strengthening core competitiveness to enhance corporate value. This arrangement is deemed both reasonable and necessary.

2. To enhance Board independence, the Company has appointed three Independent Directors, and the proportion of Directors concurrently holding employee or managerial positions is 14.3%, which does not exceed one-third of the total Board seats and complies with corporate governance principles.

Note 3: Raydium Semiconductor (Hefei) Co., Ltd. was established on February 19, 2025, as a wholly owned subsidiary of the Company through joint investment by Raydium Semiconductor (SAMOA) Corp. and Raydium Semiconductor (Kunshan) Co., Ltd.

2.2 Remuneration of Directors, Supervisors, President, and Vice Presidents in the Most Recent Fiscal Year

2.2.1 Remuneration of Directors and Independent Directors

Unit: NT\$ thousands; %

Title	Name	Remuneration								(A+B+C+D) as % of Net Income (Note 8)		Relevant Remuneration Received by Directors who Are Also Employees						(A+B+C+D+E+F+G) as % of Net Income (Note 8)		Other compensations from non-subsidiary affiliates (Note 9)		
		Compensation (A)(Note 1)		Pension (B) (Note 2)		Directors Remuneration (C)(Note 3)		Allowances (D) (Note 4)				Salary, Bonus, and Allowance (E)(Note 5)		Pension (F) (Note 2)		Employee Compensation (G) (Note 6)						
		the Company	Consolidated Entities (Note 7)	the Company	Consolidated Entities (Note 7)	the Company	Consolidated Entities (Note 7)	the Company	Consolidated Entities (Note 7)	the Company	Consolidated Entities (Note 7)	the Company	Consolidated Entities (Note 7)	the Company	Consolidated Entities (Note 7)	Cash	Stock	Cash	Stock		the Company	Consolidated Entities (Note 7)
Chairman Chief Executive Officer	Hermit Huang																					
Director	Konly Venture Corp. Representative: Hong-Jye Hong	6,000	6,000	0	0	9,837	9,837	200	200	16,037 (0.76%)	16,037 (0.76%)	33,111	33,111	0	0	6,734	0	6,734	0	55,882 (2.66%)	55,882 (2.66%)	None
Director	Konly Venture Corp. Representative: Amy Ku(Note 10)																					
Director	Sheaffer Lee																					
Independent Director	Max Cheng																					
Independent Director	Haydn Hsieh	5,177	5,177	0	0	9,106	9,106	150	150	14,433 (0.69%)	14,433 (0.69%)	0	0	0	0	0	0	0	0	14,433 (0.69%)	14,433 (0.69%)	None
Independent Director	Jerry Jou																					

1. Please describe the remuneration policy, mechanism, criteria, and structure for Independent Directors, and explain the correlation between the remuneration amounts and the responsibilities, risks, and time commitment involved.

The remuneration paid to Independent Directors includes the following:

(1) Fixed Remuneration: Paid quarterly regardless of the Company's operating performance. The amount is determined by the Compensation Committee based on each director's expertise, involvement in Company affairs, and value of contribution. It is benchmarked against local and international industry standards and submitted to the Board for approval. (2) Performance- Linked Remuneration Determined in accordance with the Articles of Incorporation. The Compensation Committee considers prevailing market practices, individual performance, Company performance, future prospects, and risk tolerance before making recommendations, subject to Board approval. (3) Business-related Expenses (Travel Allowance): A travel allowance is paid for attending Board meetings, capped at one payment per day.

2. Other than disclosures in the above table, remuneration paid to directors for providing services (e.g., providing consulting services as a non-employee) to any entity within the consolidated financial statements in the most recent year: None.

Table of compensation range

Range of Remuneration	Name of Director			
	Compensation Paid to Directors (A+B+C+D)		Total Compensation Paid to Directors (A+B+C+D+E+F+G)	
	The Company	Consolidated Entities (Note 7) H	The Company	Consolidated Entities (Note 7) I
Less than NT\$ 1,000,000	Hong-Jye Hong, Amy Ku	Hong-Jye Hong, Amy Ku	Hong-Jye Hong, Amy Ku	Hong-Jye Hong, Amy Ku
NT\$1,000,000 ~ NT\$1,999,999	-	-	-	-
NT\$2,000,000 ~ NT\$3,499,999	Hermit Huang,	Hermit Huang,	-	-
NT\$3,500,000 ~ NT\$4,999,999	Sheaffer Lee, Jerry Jou	Sheaffer Lee, Jerry Jou	Sheaffer Lee, Jerry Jou	Sheaffer Lee, Jerry Jou
NT\$5,000,000 ~ NT\$9,999,999	Max Cheng, Haydn Hsieh Konly Venture Corp.	Max Cheng, Haydn Hsieh Konly Venture Corp.	Max Cheng, Haydn Hsieh Konly Venture Corp.	Max Cheng, Haydn Hsieh Konly Venture Corp.
NT\$10,000,000 ~ NT\$14,999,999	-	-	-	-
NT\$15,000,000 ~ NT\$29,999,999	-	-	-	-
NT\$30,000,000 ~ NT\$49,999,999	-	-	Hermit Huang	Hermit Huang
NT\$50,000,000 ~ NT\$99,999,999	-	-	-	-
Greater than or equal to NT\$100,000,000	-	-	-	-
Total	8 persons (Including 2 representatives of corporate directors)	8 persons (Including 2 representatives of corporate directors)	8 persons (Including 2 representatives of corporate directors)	8 persons (Including 2 representatives of corporate directors)

Note 1: Refers to directors' remuneration for 2024, including director's salary, position allowance, severance payments, various bonuses, and incentive payments.

Note 2: Refers to the amount accrued in 2024.

Note 3: Refers to the amount of directors' remuneration of NT\$18,943,435 resolved for distribution by the Board of Directors on February 25, 2025.

Note 4: Refers to business execution expenses incurred by directors in 2024, including travel allowance, special allowances, various subsidies, accommodation, provision of company cars, and other in-kind benefits.

Note 5: Refers to the remuneration received in 2024 by directors concurrently serving as employees (including those also serving as President, Vice Presidents, other managerial officers, or employees), which includes salary, position allowance, severance payments, various bonuses, incentive payments, travel allowance, special allowances, various subsidies, accommodation, provision of company cars, and other in-kind benefits. It also includes compensation expenses recognized in accordance with IFRS 2 "Share-based Payment," such as stock options, restricted employee shares, and shares subscribed through cash capital increase.

Note 6: Refers to employee remuneration (in the form of shares and cash) received in 2024 by directors concurrently serving as employees. The proposed allocation amount is based on the Board resolution on February 25, 2025, and calculated with reference to the actual allocation ratio of the previous year.

Note 7: Refers to the total amount of all types of remuneration paid to the Company's directors by all entities included in the consolidated financial statements (including the Company).

Note 8: Refers to the net income after tax in 2024 as presented in the Company's separate financial statements.

Note 9: Remuneration received by the Company's directors from investee companies other than subsidiaries or from the parent company shall be disclosed separately.

2.2.2 Remuneration of Supervisors

Since May 16, 2008, the Audit Committee has been responsible for performing the duties and powers of supervisors as stipulated by relevant laws and regulations.

2.2.3 Remuneration of the President and Vice Presidents

Unit: NT\$ thousands; %

Title	Name	Salary (A) (Note 1)		Pension (B) (Note 2)		Bonuses and Allowances (C) (Note 3)		Employee Compensation (D) (Note 4)				(A+B+C+D) as % of Net Income (Note 6)		Other compensations from non-subsidiary affiliates (Note 5)
		the Company	Consolidated Entities (Note 7)	the Company	Consolidated Entities (Note 7)	the Company	Consolidated Entities (Note 7)	the Company		Consolidated Entities (Note 7)		the Company	Consolidated Entities (Note 7)	
								Cash	Stock	Cash	Stock			
Chairman	Hermit Huang	26,600	26,600	756	756	127,961	127,961	36,270	0	36,270	0	191,587 (9.13%)	191,587 (9.13%)	None
Chief Executive Officer	Hermit Huang													
President	WT Lin													
Vice President	Rich Huang													
Vice President	CJ Wen													
Vice President	Fred Wang													
Vice President	YL Chen													
Vice President	SP Tang													
Information Technology Principal	Alex Yuan													

Table of Compensation Ranges

Range of Remuneration	Name of President and Vice President	
	The Company	Consolidated Entities (Note 7)
Less than NT\$ 1,000,000	-	-
NT\$1,000,000 ~ NT\$1,999,999	-	-
NT\$2,000,000 ~ NT\$3,499,999	-	-
NT\$3,500,000 ~ NT\$4,999,999	-	-
NT\$5,000,000 ~ NT\$9,999,999	-	-
NT\$10,000,000 ~ NT\$14,999,999	Alex Yuan, Fred Wang	Alex Yuan, Fred Wang
NT\$15,000,000 ~ NT\$29,999,999	WT Lin, Rich Huang, CJ Wen, YL Chen, SP Tang	WT Lin, Rich Huang, CJ Wen, YL Chen, SP Tang
NT\$30,000,000 ~ NT\$49,999,999	Hermit Huang	Hermit Huang
NT\$50,000,000 ~ NT\$99,999,999	-	-
Greater than or equal to NT\$100,000,000	-	-
Total	8 persons	8 persons

Note 1: Refers to the salary, position allowance, and severance payments received during 2024 by individuals serving in positions at or above Vice President level.

Note 2: Refers to the amount accrued in 2024.

Note 3: Refers to various items received in 2024 by executives at or above the Vice President level, including bonuses, remuneration for serving as directors of overseas subsidiaries, incentive payments, travel allowance, special allowances, other subsidies, housing, company cars, and other in-kind benefits. Also includes compensation expenses recognized in accordance with IFRS 2 "Share-based Payment," such as stock options, restricted shares, and shares subscribed through capital increases.

Note 4: Refers to the proposed allocation amount for employee remuneration based on the resolution of the Board of Directors on February 25, 2025, and calculated with reference to the actual allocation ratio from the previous year.

Note 5: Refers to remuneration received by senior executives (Vice President level and above) from investee companies other than subsidiaries. Such amounts must be disclosed clearly.

Note 6: Refers to the net income after tax for 2024 as reported in the Company's separate financial statements.

Note 7: Refers to the total amount of remuneration paid to the Company's senior executives (Vice President level and above) by all entities included in the consolidated financial statements (including the Company).

2.2.4 Names of Managerial Officers Receiving Employee Remuneration and Allocation Details

Unit: NT\$ thousands

Title		Name	Employee Compensation - in Stock	Employee Compensation - in Cash	Total	Ratio of Total Amount to Net Income(%(Note 2))
Managerial Officer (Note 1)	Chairman and Chief Executive Officer	Hermit Huang	0	43,693	43,693	2.08%
	President	WT Lin				
	Vice President	Rich Huang				
	Vice President	CJ Wen				
	Vice President	Fred Wang				
	Vice President	YL Chen				
	Vice President	SP Tang				
	Information Technology Principal	Alex Yuan				
	Assistant Vice President	Patty Lin				
	Assistant Vice President	MT Lin				
	Assistant Vice President	JR Shih				

Note 1: Refers to the proposed amount of employee remuneration allocated to managerial officers, as resolved by the Board of Directors on February 25, 2025. The proposed amount was calculated based on the actual distribution ratio from the previous year.

Note 2: Refers to the net income after tax for 2024 as reported in the Company's separate financial statements.

2.2.5 Remuneration of the Top Five Highest-Paid Managerial Officers:

The Company is not required to disclose this information as none of the following circumstances apply:

1. The Company incurred a net loss in its parent company only financial statements in any of the past three fiscal years.
2. The Company was ranked in the bottom two tiers in the most recent Corporate Governance Evaluation, or, during the most recent fiscal year or up to the date of this Annual Report, was subject to altered trading methods, trading suspension, delisting, or other circumstances under which the Corporate Governance Evaluation Committee determined the Company to be ineligible for evaluation.

2.2.6 Analysis of the Total Remuneration Paid to Directors, President, and Vice Presidents as a Percentage of Net Profit After Tax, and Explanation of Remuneration Policy, Criteria, Composition, Determination Process, and Its Correlation with Business Performance and Future Risk

1. The remuneration of the Company's Directors, President, and Vice Presidents is solely paid by the Company. No remuneration was received from other entities within the consolidated group.
2. Analysis of the total remuneration paid to the Company's Directors, President, and Vice Presidents as a percentage of net profit after tax based on the parent company only financial statements for the most recent two fiscal years:

Unit: NT\$ thousands

Item	Year	2024		2023	
		Amount	Proportion of Net Income after tax (%)	Amount	Proportion of Net Income after tax (%)
Directors' Compensation		30,470	1.45	23,449	1.62
Executive Compensation (VP and above)		191,587	9.13	133,830	9.28
Net Profit After Tax (Parent Only)		2,098,989	-	1,442,791	-

Analysis: The increase in remuneration paid to Directors and executive officers at or above the Vice President level in 2024 was primarily due to the growth in net profit after tax for the year.

3. Remuneration Policy, Criteria, Composition, Determination Process, and the Correlation with Business Performance and Future Risk

(1) Directors' Remuneration

The remuneration of the Company's Directors includes fixed compensation, performance-based remuneration, and travel allowance.

- **Fixed Compensation:**

In accordance with Article 15 of the Company's Articles of Incorporation, directors' compensation is authorized by the Board of Directors. The amount is determined based on each director's professional expertise, level of involvement in Company operations, and value of contribution. The Remuneration Committee also takes into account local and international industry benchmarks and the results of the internal Board performance evaluation conducted under the "Regulations for Board Performance Evaluation" before submitting the proposal to the Board for approval. Additional compensation is granted to Independent Directors who serve as the Convener of the Audit Committee or the Remuneration Committee, in recognition of their responsibilities.

- **Performance-Based Remuneration:**

According to Article 19 of the Articles of Incorporation, when the Company earns a profit for the year, no more than 1% of such profit may be allocated as directors' remuneration. The Remuneration Committee proposes a distribution plan with reference to general market practices, considering the individual director's performance, the Company's operating results, future outlook, and risk appetite. The final distribution is subject to resolution by the Board of Directors.

- **Travel Allowance:**

Travel allowances are paid based on the actual number of Board meetings attended by each director.

(2) Remuneration for Managerial Officers

The Company's managerial remuneration follows the "Regulations for Compensation of Directors, Independent Directors, and Managerial Officers" and includes base salary, performance-based bonuses, employee stock ownership plans (ESOPs), other incentive programs, and employee profit-sharing.

- **Remuneration Policy:**

Remuneration is determined with reference to market practices in the industry, and adjusted based on individual performance evaluations and level of responsibility. This approach aims to attract, retain, and develop outstanding talent and to strengthen organizational competitiveness.

- **Performance Evaluation Mechanism:**

- Financial Performance Indicators: Based on the Company's annual revenue and profitability, such as gross profit margin, net profit margin, and achievement of other business targets.
- Non-Financial Performance Indicators: Focused on ESG performance, which is evaluated across six ESG dimensions—environmental sustainability, workplace well-being, social engagement, corporate governance, value co-creation, and partnership prosperity. These metrics reflect the Company's contribution to society and overall value through sustainable development outcomes.
- A combination of financial and non-financial indicators is used to enhance the Company's future competitiveness.

- **Incentive Program:**

Incentive programs are designed based on the Company's strategic goals, with performance targets established accordingly. The Company regularly reviews its overall business performance and goal attainment, and rewards are granted based on individual performance and contribution.

In accordance with Article 19 of the Articles of Incorporation, when the Company earns a profit for the year, no less than 1% of the profit shall be allocated as employee compensation.

In summary, the Company offers a market-competitive compensation structure to attract, retain, and develop talent. The system also considers operational risk and corporate governance principles, and does not rely solely on short-term profitability as the basis for compensation and performance evaluation, thereby promoting the Company's sustainable development.

2.3 Implementation of Corporate Governance

2.3.1 Operation of the Board of Directors

The Board of Directors convened 5 (A) meetings from January 1 to December 31, 2024. The attendance of individual directors is as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%) 【B/A】	Remark
Chairman	Hermit Huang	5	0	100	-
Director	Konly Venture Corp. Representative: Hong-Jye Hong	5	0	100	-
Director	Konly Venture Corp. Representative: Amy Ku	5	0	100	-
Director	Sheaffer Lee	5	0	100	-
Independent Director	Max Cheng	5	0	100	-
Independent Director	Haydn Hsieh	5	0	100	-
Independent Director	Jerry Jou	5	0	100	-

Other Disclosures:

- If any of the following circumstances occur during Board operations, the Company shall disclose the date, session, proposal, opinions of all Independent Directors, and the Company's handling of such opinions:
 - Matters specified in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee; therefore, Article 14-3 does not apply. For information regarding matters under Article 14-5 of the Securities and Exchange Act, please refer to the section “Operation Status of the Audit Committee” on page 20 of this Annual Report.
 - Other resolutions passed by the Board of Directors in which Independent Directors expressed objections or reservations with documented or written statements: None.
- Regarding recusals of directors from voting due to conflicts of interest, the names of the directors, contents of motions, reasons for recusals, and results of voting shall be specified:

Board Meeting Date	Director's Name	Proposal and Resolution	Reason for Recusal	Voting Status
January 5, 2024	Hermit Huang, (Chairman)	Approval of 2023 Managerial Performance Bonus Distribution Plan	Also serves as a managerial officer of the Company	Recused from discussion and voting
February 26, 2024		Approval of 2024 Managerial Salary Adjustment Plan		
August 6, 2024		Approval of 2023 Managerial Employee Compensation Distribution Plan		

3. Board Performance Evaluation Cycle, Period, Scope, Method, and Content

The Company adopted its “Regulations for Board Performance Evaluation” on April 15, 2021, under which the Board is required to conduct an internal performance evaluation at least once per year. In 2024, the Board received an overall internal self-assessment rating of “Excellent,” while the evaluations of individual directors, the Audit Committee, and the Remuneration Committee were all rated “Outstanding.” These evaluations affirmed the sound functioning of the Board and its functional committees, compliance with corporate governance standards, and the effectiveness of Board operations in safeguarding shareholder rights.

The regulations further require an external Board performance evaluation to be conducted at least once every three years by an independent professional institution or a team of external experts.

In August 2023, the Company engaged the Taiwan Corporate Governance Association, an independent professional organization, to conduct the external evaluation. The Association confirmed the Company's compliance with corporate governance practices and provided constructive recommendations. A summary of the evaluation findings, recommendations, and the Company's follow-up improvement measures is disclosed on the Company's official website.

Type	Frequency	Period	Scope	Method	Content
Internal Performance Evaluation	Once a year	January 1, 2024 to December 31, 2024	Board of Directors	Internal Self-Evaluation by the Board	<ul style="list-style-type: none"> • Participation in the operation of the company • Improvement of the quality of the board of directors' decision making • Composition and structure of the board of directors • Election and continuing education of the directors • Internal control
			Individual Board Members	Internal Self-Evaluation by Board Members	<ul style="list-style-type: none"> • Alignment of the goals and missions of the company • Awareness of the duties of a director • Participation in the operation of the company • Management of internal relationships and communication • The director's professionalism and continuing education • Internal control
			Audit Committee	Internal Self-Evaluation by the Audit Committee	<ul style="list-style-type: none"> • Participation in the operation of the company • Awareness of the duties of the functional committee • Improvement of the quality of decisions made by the functional committee • Makeup of the functional committee and election of its members • Internal control
			Remuneration Committee	Internal Self-Evaluation by the Remuneration Committee	<ul style="list-style-type: none"> • Participation in the operation of the company • Awareness of the duties of the functional committee • Improvement of the quality of decisions made by the functional committee • Makeup of the functional committee and election of its members

Type	Frequency	Period	Scope	Method	Content
External Performance Evaluation	Once every three years	July 1, 2022 – June 30, 2023	Board of Directors	The Company appointed the Taiwan Corporate Governance Association, an external and independent evaluation institution, to conduct the evaluation through online self-assessments and face-to-face interviews.	<ul style="list-style-type: none"> • Composition of the Board • Guidance of the Board • Authorization of the Board • Supervision of the Board • Communication of the Board • Internal control and risk management • Self-discipline of the Board • Others (e.g., Board meetings and support systems)

4. Goals and Implementation Status for Enhancing Board Functions in the Current and Previous Year

- (1) The Board of Directors serves as the Company’s highest governance body, responsible for guiding corporate strategy, supervising the management team, and being accountable to the Company and its shareholders. The Board exercises its powers in accordance with laws and regulations, the Articles of Incorporation, and resolutions of the shareholders' meeting as part of the corporate governance framework.
- (2) The Company established the Audit Committee on May 16, 2008, to assist the Board in performing its supervisory duties and in fulfilling responsibilities prescribed by the Company Act, the Securities and Exchange Act, and other applicable laws and regulations. To enhance corporate governance and strengthen the Company's risk control framework, the Board resolved on August 6, 2024, to assign the Audit Committee the responsibility of overseeing the Company’s risk management. For details on the operation of the Audit Committee, please refer to pages 20 to 22 of this Annual Report.
- (3) The Company established the Remuneration Committee on November 2, 2011. The Committee is responsible for formulating and periodically reviewing the policies, systems, standards, and structures for evaluating the performance and determining the remuneration of directors and managerial officers. For details on the operation of the Remuneration Committee, please refer to page 31 of this Annual Report.
- (4) The Company purchased Directors’ and Officers’ Liability Insurance (D&O Insurance) for 2024 to mitigate the legal risks faced by directors and enhance corporate governance. The details of the insurance were reported to the Board on August 6, 2024.
- (5) To promote diversity in the composition of the Board, the Company elected a new female director following the full re-election of the 8th-term Board of Directors in 2023.
- (6) In 2024, the Company completed amendments to the following policies and procedures in accordance with relevant laws and regulations: “Procedures for Acquisition or Disposal of Assets,” “Rules of Procedure for Board Meetings,” “Audit Committee Charter,” “Internal Control System,” and the “Corporate Governance Principles.” In line with the Corporate Governance Evaluation Indicators set by the competent authority, the Company continues to enhance governance practices, including the launch of a dedicated ESG section on its official website to ensure timely disclosure and improve information transparency.

2.3.2 Operation Status of the Audit Committee

The Audit Committee convened 4 (A) meetings from January 1 to December 31, 2024. The attendance of individual independent directors is as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%) 【B/A】	Remark
Independent Director (Convener)	Max Cheng	4	0	100	-
Independent Director	Haydn Hsieh	4	0	100	-
Independent Director	Jerry Jou	4	0	100	-

Other Disclosures:

1. For matters specified in Article 14-5 of the Securities and Exchange Act, as well as other resolutions not approved by the Audit Committee but approved by more than two-thirds of all directors, the following details shall be disclosed: the date and session of the Board meeting, the proposal, the date and session of the Audit Committee meeting, the proposal discussed, any dissenting opinions, reservations, or material recommendations from Independent Directors, the resolution of the Audit Committee, and how the Company handled the Audit Committee's opinions.

- (1) All matters specified in Article 14-5 of the Securities and Exchange Act were approved by a majority of all Audit Committee members before being submitted to the Board of Directors for resolution. There were no cases in which the Board passed a resolution on such matters with the consent of more than two-thirds of all directors without prior approval by the Audit Committee.

Date of Board of Directors	Date of Audit Committee	Contents of Motions/Resolution		Resolutions and member opinions
8th Term, 5th Meeting February 26, 2024	6th Term, 3rd Meeting February 26, 2024	<ul style="list-style-type: none"> Approval of the 2023 Internal Control System Effectiveness Assessment and Internal Control Statement Approval of the distribution of 2023 employee compensation and director remuneration Approval of 2023 Financial Statements, Business Report, and 2024 Business Plan Approval of 2023 Earnings Distribution – Cash Dividends Approval of 2023 Earnings Distribution Table Approval of amendments to the “Procedures for Acquisition or Disposal of Assets” Approval of the Independence and Suitability Assessment and Appointment of the 2024 CPA Firm Approval of amendments to the “Rules of Procedure for Board Meetings” Approval of amendments to the “Audit Committee Charter” 	Approved by all Audit Committee members and submitted to the Board for resolution	All proposals were approved unanimously by the attending directors
8th Term, 6th Meeting May 7, 2024	6th Term, 4th Meeting May 7, 2024	<ul style="list-style-type: none"> Approval of the Q1 2024 Consolidated Financial Statements 		

Date of Board of Directors	Date of Audit Committee	Contents of Motions/Resolution	Resolutions and member opinions
8th Term, 6th Meeting May 7, 2024	6th Term, 4th Meeting May 7, 2024	<ul style="list-style-type: none"> Approval of the Q1 2024 Consolidated Financial Statements 	<p>Approved by all Audit Committee members and submitted to the Board for resolution</p> <p>All proposals were approved unanimously by the attending directors</p>
8th Term, 7th Meeting August 6, 2024	6th Term, 5th Meeting August 6, 2024	<ul style="list-style-type: none"> Approval of the Q2 2024 Consolidated Financial Statements Approval of Amendments to the “Authorization Matrix” Approval of investment in ARK Semiconductor Inc. Approval of procurement of non-exclusive licensed software 	
8th Term, 8th Meeting November 5, 2024	6th Term, 6th Meeting November 5, 2024	<ul style="list-style-type: none"> Approved the 2025 audit plan (Note). Approved the addition of “Sustainable Information Management” procedures in the Internal Control and Internal Audit Systems, and amendment to the “Payroll Cycle Control” control process (Note). Approved the 2024 Q3 consolidated financial statements (Note). Approved joint investment with a subsidiary via an intermediate holding company to establish a new subsidiary in mainland China (Note). 	

(2) Other resolutions that were not approved by the Audit Committee but were approved by more than two-thirds of all directors: None.

2. Recusal of Independent Directors Due to Conflicts of Interest

There were no cases in which Independent Directors were required to recuse themselves from voting due to conflicts of interest in 2024.

3. Communication Between Independent Directors and Internal Audit Officers and Accountants

(1) Methods of Communication Between Independent Directors, Internal Audit Officers, and Accountants

- The Company’s internal audit unit is an independent unit under the Board of Directors. It conducts audits in accordance with the annual audit plan and regularly reports the results of audits and the status of improvements to both the Audit Committee and the Board of Directors. The appointment and dismissal of the Chief Internal Auditor are subject to resolutions by the Audit Committee and the Board. Performance evaluations and compensation are determined by the Chairman based on the Company’s performance appraisal and compensation regulations, and the compensation is submitted for approval by the Remuneration Committee and the Board of Directors, in the same manner as managerial officers.
- The Chief Internal Auditor communicates with Independent Directors on a quarterly basis and sends the audit reports and follow-up reports on deficiencies to Independent Directors monthly. Independent Directors also meet with the external accountants quarterly, during which the auditors report on the audit or review of the current financial statements and discuss major accounting issues. In addition, an annual assessment is conducted regarding the independence and competence of the audit firm, and communication is maintained regarding updates to relevant laws and accounting standards.
- To enhance corporate governance, ensure transparency, and fulfill supervisory duties, the Company holds at least one independent communication meeting per year between Independent Directors, the Chief Internal Auditor, and the external accountants (excluding the presence of other Board members or management). In 2024, such meetings were held on May 7. No objections were raised by Independent Directors regarding the matters discussed during these meetings.

(2) Communication Between Independent Directors and Internal Audit

Date of Communication	Communication Items	Suggestions and Results
Audit Committee February 26, 2024	<ul style="list-style-type: none"> Q4 2023 audit results and follow-up actions 2023 Internal Control System Effectiveness Assessment and Internal Control Statement 	No objections raised.
Individual communication meetings May 7, 2024	<ul style="list-style-type: none"> Summary of audit execution (1) Routine: Annual audit (2) Others 	No objections raised.
Audit Committee May 7, 2024	<ul style="list-style-type: none"> Q1 2024 audit results and follow-up actions 	No objections raised.
Audit Committee August 6, 2024	<ul style="list-style-type: none"> Q2 2024 audit results and follow-up actions 	No objections raised.
Audit Committee November 5, 2024	<ul style="list-style-type: none"> Q3 2024 audit results and follow-up actions 2025 Annual Audit Plan Establishment of internal control and internal audit systems for sustainability information management; revision of payroll cycle internal control procedures 	No objections raised.

(3) Communication status between the independent directors and the CPAs

Date of Communication	Communication Items	Suggestions and Results
Audit Committee February 26, 2024	<ul style="list-style-type: none"> Audit results for 2023 financial reports and updates on key regulations Recent updates to auditing standards Auditing Standard No. 600 – Special Considerations for Group Financial Statements 	No objections raised.
Individual communication meetings May 7, 2024	<ul style="list-style-type: none"> Computer-assisted audit findings Guidance and monitoring of internal control implementation in accordance with cybersecurity regulations 	No objections raised.
Audit Committee May 7, 2024	<ul style="list-style-type: none"> Review report on Q1 2024 financial statements 	No objections raised.
Audit Committee August 6, 2024	<ul style="list-style-type: none"> Review report on Q2 2024 financial statements 	No objections raised.
Audit Committee November 5, 2024	<ul style="list-style-type: none"> Review report on Q3 2024 financial statements Communication of key audit matters Audit planning and timeline 	No objections raised.

4. Annual Focus of Audit Committee Work

(1) In accordance with the Company's Audit Committee Charter, the key responsibilities and priorities of the Audit Committee during the year included:

- Regular communication with the Chief Internal Auditor to review audit findings based on the annual audit plan
- Periodic discussions with the CPA firm on the audit or review results of the Company's financial statements
- Review of financial reports
- Evaluation of the effectiveness of the internal control system
- Evaluation of the appointment, dismissal, compensation, independence, and competence of the CPA firm
- Review of major transactions involving assets, derivatives, lending of capital, endorsements, or guarantees
- Supervision of the Company's risk management practices
- Review of other major matters as required by the competent authority

(2) Performance in 2024:

The Audit Committee maintained a 100% attendance rate throughout the year, with all members participating actively. All proposals reviewed were approved by the Audit Committee, and no objections were raised by Independent Directors.

2.3.3 Taiwan Corporate Governance Implementation as Required by the Taiwan Financial Supervisory Commission

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Explanation	
1. Does the Company establish and disclose its corporate governance best practice principles based on the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"?	✓		The Company has adopted its "Corporate Governance Best Practice Principles" in accordance with the guidelines for TWSE/TPEX listed companies. Relevant information is disclosed on the Company's website and the Market Observation Post System (MOPS).	None
2. Shareholding Structure & Shareholders' Rights (1) Has the Company established internal procedures for handling shareholders' proposals, inquiries, disputes, and litigation matters, and implemented them accordingly?	✓		The Company has implemented a spokesperson system in compliance with regulations, providing: (1) spokesperson and acting spokesperson; (2) an investor mailbox (Raydium@rad-ic.com); and (3) a designated section on the Company website to handle shareholders' proposals and disputes. Designated personnel handle legal proceedings filed by shareholders.	None
(2) Does the Company maintain a list of major shareholders and the ultimate beneficial owners of such shareholders?	✓		The Company reports monthly changes in shareholdings of insiders (directors, managers, and shareholders holding more than 10%) on MOPS, and obtains a list of shareholders holding more than 5% on a quarterly basis.	None
(3) Has the Company established and implemented risk management and firewall mechanisms with its affiliates?	✓		The Company's financial and business operations with affiliates are conducted independently. It has adopted the "Regulations for Supervision of Subsidiaries" and "Procedures for Transactions with Related Parties, Specific Companies, and Group Enterprises" to manage risk control and implement firewall mechanisms.	None
(4) Has the Company established internal regulations prohibiting insider trading of undisclosed material information?	✓		The Company has adopted the "Procedures for Handling Material Inside Information and Prevention of Insider Trading" to prohibit insiders from trading securities using undisclosed material information.	None
3. Composition and Responsibilities of the Board of Directors (1) Has the Board of Directors established a diversity policy, set measurable objectives, and implemented such policy?	✓		The Company has formulated and implemented a diversity policy for the composition of its Board of Directors. For details, please refer to pages 7 to 10 of the Annual Report.	None
(2) Other than the Remuneration Committee and the Audit Committee required by law, has the Company voluntarily established other functional committees?	✓		In addition to the legally required Remuneration Committee and Audit Committee that assist the Board in exercising its powers, the Company has not established other functional committees.	The Company will consider establishing additional functional committees based on regulatory requirements and operational needs to continue enhancing corporate governance.

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Explanation	
(3) Has the Company established a performance evaluation policy and methodology for the Board of Directors, conducted evaluations on a regular basis each year, reported the results to the Board, and used them as a reference for the remuneration and reappointment of individual directors?	✓		<ol style="list-style-type: none"> 1. The Board of Directors adopted the “Regulations for Board Performance Evaluation” on April 15, 2021. These regulations stipulate that an internal performance evaluation shall be conducted at least once per year and that an external performance evaluation shall be conducted at least once every three years by an independent professional institution or a team of external experts. 2. The internal performance evaluation for the year 2024 was completed in early 2025. The overall Board was rated as “Excellent,” while individual Board members, the Audit Committee, and the Remuneration Committee were all rated as “Outstanding.” The evaluation results confirmed the effective operation of the Board and its functional committees in alignment with corporate governance requirements, and the evaluation also affirmed their contribution to enhancing Board functions and safeguarding shareholder rights. The results were submitted to the Board on February 25, 2025, and will serve as a reference for determining individual director remuneration and nomination for reappointment. 3. In accordance with the evaluation regulations, the Company engaged the Taiwan Corporate Governance Association, an external professional organization, in August 2023 to conduct the most recent external Board performance evaluation. The Association affirmed the Company’s compliance with applicable corporate governance regulations and provided relevant recommendations. A summary of the evaluation results, recommendations, and the Company’s follow-up actions is available on the Company’s official website. 	None
(4) Does the Company regularly assess the independence of its external auditors?	✓		<ol style="list-style-type: none"> 1. In accordance with Article 29, Paragraph 5 of the Corporate Governance Best Practice Principles and Article 3 of the Audit Committee Charter, the Company evaluates the independence and competence of its CPAs annually with reference to Statement No. 10 of the Norms of Professional Ethics for CPAs and Audit Quality Indicators (AQIs). 2. The evaluation covers the CPAs’ “Declaration of Independence” and AQIs, and follows independence criteria detailed in Note 1 (page 29) of the Annual Report. Key areas include: <ol style="list-style-type: none"> (1) Independence: <p>Evaluations confirm that the CPAs have no financial or business relationship with the Company other than engagement fees, and no violations of independence by their family members. Audit Quality and Suitability</p> (2) Audit Quality and Suitability: <ul style="list-style-type: none"> ■ Evaluation areas include professional expertise, quality control, independence, supervision, and innovation capability. Overall performance was comparable to or slightly better than that of other Big Four accounting firms. Specifically, in terms of innovation, the audit firm has continuously introduced digital audit platforms and analytical tools, which effectively improve audit quality. 	None

Assessment Item	Implementation Status		Reason for Non-implementation
	Yes	No	
	✓		<p>■ Regarding independence, considering that KPMG Taiwan has continuously provided audit services to the Company since its establishment for over 20 years, the potential impact of long-term engagement on independence was noted. However, the firm has implemented a strict internal auditor rotation mechanism to uphold independence, and in 2024, the scheduled internal CPA rotation was completed accordingly.</p> <p>(3) Independence: Evaluations confirm that the CPAs have no financial or business relationship with the Company other than engagement fees, and no violations of independence by their family members. Audit Quality and Suitability</p> <p>(4) Audit Quality and Suitability: ■ Evaluation areas include professional expertise, quality control, independence, supervision, and innovation capability. Overall performance was comparable to or slightly better than that of other Big Four accounting firms. Specifically, in terms of innovation, the audit firm has continuously introduced digital audit platforms and analytical tools, which effectively improve audit quality.</p> <p>■ Regarding independence, considering that KPMG Taiwan has continuously provided audit services to the Company since its establishment for over 20 years, the potential impact of long-term engagement on independence was noted. However, the firm has implemented a strict internal auditor rotation mechanism to uphold independence, and in 2024, the scheduled internal CPA rotation was completed accordingly.</p> <p>■ The CPA firm has been able to complete all financial and tax audit certifications on time, and its overall work performance has been assessed as satisfactory. The evaluation results for the most recent year were discussed and approved by the Audit Committee on February 26, 2024, and were submitted to the Board of Directors for resolution on the evaluation of the independence and suitability of the CPAs.</p> <p>3. Based on the above, the CPAs were deemed highly independent and competent, with reliable audit quality. The 2024 evaluation results were approved by the Audit Committee and the Board on February 25, 2025.</p>

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Explanation	
4. Has the Company appointed a sufficient number of competent corporate governance personnel and designated a Corporate Governance Officer responsible for corporate governance matters (including but not limited to providing information required by Directors and Supervisors for business execution, assisting in legal compliance, handling matters related to Board and Shareholders' meetings according to law, and preparing meeting minutes)?	✓		<ol style="list-style-type: none"> 1. On April 15, 2021, the Board resolved to appoint Assistant Vice President Lin Pei-Yi of the Finance Center as the Corporate Governance Officer to be responsible for supervising and planning corporate governance affairs. Her qualifications meet the requirements of Article 3-1, Paragraph 1 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies. She completed the required continuing education in 2024. The finance unit is also responsible for implementing governance matters to support the Board in fulfilling governance and compliance.. 2. The Corporate Governance Officer's responsibilities include: <ol style="list-style-type: none"> (1) Handling matters related to Board and Shareholders' meetings in accordance with the law. (2) Preparing minutes of Board and Shareholders' meetings. (3) Assisting Directors and Independent Directors with onboarding and continuing education. (4) Providing information required for Directors and Independent Directors to execute their duties. (5) Assisting Directors and Independent Directors in complying with laws and regulations. (6) Reporting to the Board on the compliance of Independent Directors' qualifications at the time of nomination, election, and during their terms. (7) Handling matters related to changes in Directors. (8) Other matters stipulated in the Articles of Incorporation or internal regulations. 3. For key activities related to corporate governance implementation in 2024, please refer to page 29 of the annual report. 	None
5. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a Stakeholders Section on its website? Does it respond appropriately to important CSR topics of concern to stakeholders?	✓		<ol style="list-style-type: none"> 1. The Company values stakeholder feedback and has created a dedicated Stakeholders Section on its website, including a dedicated communication email to maintain open channels. The Company promptly discloses material information that may impact stakeholders. 2. Through a stakeholder list and sustainability questionnaires, the Company collects and ranks key issues of concern from different stakeholder groups to serve as the basis for engagement. 3. Communication with stakeholders in 2024 was reported to the Board on November 5, 2024. For detailed communications and reports, please refer to the Company's website and the 2024 Sustainability Report. 	None
6. Has the Company appointed a professional shareholder services agent to handle shareholders' meeting matters?			The Company has appointed the Stock Affairs Department of Taishin Securities Co., Ltd. as the Company's stock affairs agent to assist in handling shareholders' meeting matters.	None

Assessment Item		Implementation Status			Reason for Non-implementation
		Yes	No	Explanation	
7. Information Disclosure (1) Has the Company established the Company's official website to disclose information regarding its financials, business and corporate governance status?		✓		The Company has established a corporate website (https://www.rad-ic.com/) to disclose important information regarding its financials, business operations, corporate governance, and affiliated companies.	None
(2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investor conferences, etc.)?		✓		The Company has designated dedicated personnel to collect and disclose corporate information and has also established an English-language version of its official website. A spokesperson and an acting spokesperson have been appointed. All material information, investor conference announcements, and related materials are disclosed either on the Company's official website or through the Market Observation Post System (MOPS).	None
(3) Does the Company announce and file its annual financial statements within two months after the end of the fiscal year, and announce and file its first, second, and third quarter financial statements as well as monthly operating results before the required deadlines?		✓		The Company's consolidated and parent company only financial statements for fiscal year 2024 were announced and filed on February 27, 2025, within two months after the end of the fiscal year. The financial reports for the first, second, and third quarters of 2024, along with the Company's monthly revenue figures, were all disclosed via the Market Observation Post System (MOPS) and simultaneously uploaded to the Company's official website, in compliance with the required disclosure deadlines.	None
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices?	Employee Rights	✓		The Company is committed to safeguarding employee rights and enhancing workplace well-being. For detailed information, please refer to Chapter 4, Section 5 "Labor Relations" (pages 83-84) of the annual report. In addition, the Company has established an Employee Welfare Committee responsible for the planning and administration of various employee welfare initiatives.	None
	Employee Wellness	✓			
	Investor Relations	✓		The Company has designated dedicated personnel to promptly disclose financial information and changes in insider shareholding through the Market Observation Post System (MOPS), in accordance with relevant regulations, thereby assisting investors in understanding the Company's operational and financial status.	None
	Supplier Relations	✓		Supplier management procedures have been integrated into procurement operations. Regular supplier evaluations are conducted to facilitate continuous improvement in quality and service, thereby fostering long-term, mutually beneficial partnerships.	None
	Stakeholder Rights	✓		The Company actively discloses the latest information through MOPS and its official website and provides open communication channels to ensure transparent and effective interaction with stakeholders and to safeguard their legal rights.	None

Assessment Item		Implementation Status			Reason for Non-implementation
		Yes	No	Explanation	
	Director Training	✓		Directors are notified from time to time of opportunities for professional training. For details, please refer to “Training Records of the Company's Directors in 2024” (page 30 of this Annual Report).	None
	Implementation of Risk Management Policies	✓		For the Company’s risk management practices, please refer to Chapter 5, Section 6 “Risk Management” (pages 92–95) of this Annual Report.	None
	Customer Relationship Policies	✓		The Company maintains close relationships with its customers to ensure that product reliability and quality meet expectations.	None
	Directors and Officers Liability Insurance	✓		The Company has purchased directors’ and officers’ (D&O) liability insurance for its directors and managerial officers. Insurance coverage is reported to the Board of Directors annually, and the insured amount is reviewed on a regular basis.	None

9. Please describe the improvements made in accordance with the most recent Corporate Governance Evaluation Results released by the Corporate Governance Center of the Taiwan Stock Exchange, and provide the priorities and measures for addressing items that have not yet been improved.
- According to the results of the 10th Corporate Governance Evaluation by TWSE, the Company was ranked in the second tier (top 6% to 20%). The Company continues to strengthen governance and pursue sustainable development. The improvements made in 2023 are mainly as follows:
 - Key improvements made in 2023:
 - (1) Increased Board attendance rate at AGM.
 - (2) Included key shareholder questions and Company responses in AGM minutes.
 - (3) Uploaded full audio and video recording of the AGM.
 - (4) Elected a new female director in the full Board re-election.
 - (5) Established succession planning mechanisms for Directors and key managerial officers; disclosed execution on the Company website.
 - (6) Engaged an external professional agency for Board performance evaluation.
 - (7) Amended the "Audit Committee Charter" to authorize risk oversight; risk management structure, processes, and status are reported to the Board.
 - (8) Disclosed linkage between performance evaluations and remuneration of directors and officers in the annual report.
 - (9) Published English interim financial reports within two months after the Chinese version deadline.
 - (10) Third-party assurance of the sustainability report and published the English version on MOPS and the Company website.
 - (11) Identified key stakeholders, material topics of concerns, and corresponding communication channels, and responses disclosed on the website; disclosure available on the Company website and regularly reported to the Board of Directors.
 - (12)
 - Key improvements completed in 2024:
 - (1) Simultaneous disclosure of material information in both Chinese and English.
 - (2) Revision of the “Operational Standards for Financial Transactions Among Related Parties” and the “Procedures for Acquisition or Disposal of Assets”; major related party transactions are now required to be submitted to the Board of Directors for resolution.
 - (3) Disclosed information on governance, strategy, risk management, metrics, and targets regarding climate-related risks and opportunities, in alignment with the TCFD framework.

Note 1: Standard Evaluation Items for CPAs' Independence

Evaluation Item	Evaluation Result
1. There are no direct or material indirect financial interests between the certifying CPA and the Company.	Met
2. There are no significant and close business relationships between the certifying CPA and the Company.	Met
3. There is no potential employment relationship of the certifying CPA during the audit engagement.	Met
4. There is no lending or borrowing relationship between the certifying CPA and the Company.	Met
5. The certifying CPA has not received any significant gifts or presents (the value of which exceeds general social norms) from the Company or its directors and officers.	Met
6. The certifying CPA has not provided audit services to the Company for more than seven consecutive years.	Met
7. Neither the certifying CPA, their spouse, nor their dependents hold any shares in the Company.	Met
8. Neither the certifying CPA, their spouse, their dependents, nor their audit team members have served as directors, managerial officers, or in other positions that could significantly affect the audit during the audit period or in the past two years, and they are confirmed not to do so in future audit periods.	Met
9. The certifying CPA complies with the independence standards set out in Statement No. 10 of the Norm of Professional Ethics for Certified Public Accountants and has provided a written "Statement of Independence."	Met

Highlights of Corporate Governance Implementation in 2024

Item	Highlights of Implementation
Shareholders' Meeting	<ul style="list-style-type: none"> One annual shareholders' meeting was convened (at least once a year).
Board of Directors	<ul style="list-style-type: none"> Held 5 Board meetings (at least once every quarter) with an attendance rate of 100%. <p>Directors recused themselves from voting on matters involving personal interests in accordance with the Board Meeting Rules.</p>
Functional Committees	<ul style="list-style-type: none"> Held 3 Remuneration Committee meetings (at least twice a year) with an attendance rate of 100%. Held 4 Audit Committee meetings (at least once every quarter) with an attendance rate of 100%. <p>No conflict-of-interest matters requiring recusals occurred during the period.</p>
Board Performance Evaluation	<ul style="list-style-type: none"> Annual internal performance evaluation completed: For 2024, the overall Board was rated as "Good," while individual Board members, the Audit Committee, and the Remuneration Committee were rated as "Excellent," indicating effective governance and alignment with corporate governance requirements. External performance evaluation completed in August 2023 by an independent expert (Taiwan Corporate Governance Association), which affirmed the Company's adherence to governance regulations and provided suggestions. Please refer to the Company website for full results and follow-up improvements.
Director and Corporate Governance Officer Training	<ul style="list-style-type: none"> All Directors completed a minimum of 6 continuing education credits for the year. The Corporate Governance Officer completed 17 hours of training. <p>For more details, please refer to pages 30–31 of this Annual Report.</p>
Directors' Liability Insurance	<ul style="list-style-type: none"> Liability insurance was maintained for Directors and key officers. The insurance period covers July 1, 2024 to July 1, 2025, with coverage amounting to USD 10 million. The renewal status was reported to the Board on August 6, 2024.
Corporate Governance Evaluation Results	<ul style="list-style-type: none"> According to the 10th Corporate Governance Evaluation released by the Taiwan Stock Exchange, the Company was ranked in the second tier (Top 6%–20%) among all listed companies.
Sustainable Finance Products	<ul style="list-style-type: none"> In 2024, the Company invested NT\$20 million in TSMC's 6th unsecured ordinary corporate green bond of 2020 (bond name: P09 TSMC 6A, code: B618C3), which was recognized as a green bond by the Taipei Exchange.

Training Records of the Company's Directors in 2024

Title/Name	Date	Host By	Course Name	Hours	Total Hours	Meets Requirements
Director Hermit Huang	August 3, 2024	Independent Director Association Taiwan	Legal Planning and Risk Management for Cross-Border M&A	3	6	Yes
			How Foreign Institutional Investors View ESG Governance and Investment Duty	3		
Director Hong-Jye Hong	August 7, 2024	Securities and Futures Institute	Key to Enhancing ESG Performance of Corporates	3	6	Yes
	October 7, 2024	The Chinese National Association of Industry and Commerce, Taiwan	2024 Taishin Net Zero Summit	3		
Director Amy Ku	August 3, 2024	Independent Director Association Taiwan	Legal Planning and Risk Management for Cross-Border M&A	3	6	Yes
			How Foreign Institutional Investors View ESG Governance and Investment Duty	3		
Director Sheaffer Lee	June 13, 2024	Independent Director Association Taiwan	Introduction to IFRS Sustainability Disclosure Standards and Net Zero Trends	3	6	Yes
	June 21, 2024	Taiwan Corporate Governance Association	Succession Planning: Employee Incentive Plans and Equity Succession	3		
Independent Director Max Cheng	June 13, 2024	Independent Director Association Taiwan	Introduction to IFRS Sustainability Disclosure Standards and Net Zero Trends	3	15	Yes
	June 19, 2024	Taiwan Institute of Directors	Enhancing International Competitiveness of Taiwanese Enterprises	3		
	June 21, 2024	Taiwan Corporate Governance Association	Succession Planning: Employee Incentive Plans and Equity Succession	3		
	July 3, 2024	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6		
Independent Director Haydn Hsieh	September 20, 2024	Taiwan Corporate Governance Association	Enhancing Corporate Competitiveness through DEI Culture	3	6	Yes
			Legal Risks in the Era of AI and Open Source	3		
Independent Director Jerry Jou	June 21, 2024	Taiwan Corporate Governance Association	Succession Planning: Employee Incentive Plans and Equity Succession	3	6	Yes
	October 23, 2024		2024 Fubon Property Insurance ESG Forum	3		

Note: The continuing education of all Directors of the Company complies with the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies.” All re-appointed Directors received at least 6 hours of training in 2024.

Training Records of the Company's Corporate Governance Officer in 2024

Title/Name	Date	Host By	Course Name	Hours	2024 Training Hours
Corporate Governance Officer Patty Lin	March 6, 2024	Taiwan Corporate Governance Association	2024 Global Economic Outlook	1	17
	June 6, 2024	Taiwan Alliance for Sustainable Development	Entering the New Carbon Era with Sustainability Knowledge	7	

Title/Name	Date	Host By	Course Name	Hours	2024 Training Hours
	June 13, 2024	Taiwan Independent Directors Association	Introduction to IFRS Sustainability Disclosure Standards and Net Zero Trends at Home and Abroad	3	
	June 25, 2024	Taiwan Corporate Governance Association	Post-pandemic Strategy – How Taiwanese Enterprises Should Respond to the Challenges and Opportunities (Part I)	3	
	June 28, 2024		Post-pandemic Strategy – How Taiwanese Enterprises Should Respond to the Challenges and Opportunities (Part II)	3	

Note: The continuing education of the Company's corporate governance officer complies with Article 24 of the "Regulations Governing the Exercise of Powers by Boards of Directors of TWSE Listed and TPEX Listed Companies," with at least 12 hours of training completed in 2024.

2.3.4 Composition, Responsibilities, and Operation of the Remuneration Committee

1. Remuneration Committee Members' Information

Title	Qualifications	Professional Qualification and Experience	Independence Status	Number of Remuneration Committees Served in Other TWSE/TPEX Listed Companies
	Name			
Independent Director (Convener)	Haydn Hsieh	(Note)	(Note)	0
Independent Director	Max Cheng			3
Independent Director	Jerry Jou			0

Note: Please refer to pages 5–7 of this annual report for the professional qualifications and independence of directors.

2. Responsibilities and Annual Priorities of the Remuneration Committee

The Company established the Remuneration Committee on November 2, 2011. The Committee comprises three Independent Directors and holds at least two meetings annually. Committee members shall faithfully perform the following duties with the due care and fiduciary responsibility of a prudent administrator and submit Proposals to the Board of Directors for deliberation:

- (1) Establish and periodically review the policies, frameworks, standards, and procedures for evaluating the performance and determining the remuneration of Directors and managerial officers.
- (2) Conduct regular assessments and determine the remuneration of Directors and managerial officers.

3. Operation of the Remuneration Committee

- (1) The Remuneration Committee comprises 3 members.
- (2) Term of current members: May 29, 2023 to May 28, 2026.
- (3) In 2024, the Remuneration Committee held 3 (A) meetings. Attendance is as follows::

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%) 【B/A】	Remark
Independent Director (Convener)	Haydn Hsieh	3	0	100	-
Independent Director	Max Cheng	3	0	100	-
Independent Director	Jerry Jou	3	0	100	-

Other Required Disclosures:

1. If the Board of Directors does not adopt or modifies the proposals of the Remuneration Committee, the date, meeting session, proposal content, Board resolution, and handling of the Committee’s opinion must be disclosed (e.g., if the approved remuneration is more favorable than recommended, explain the difference and reasons):None.
2. If any member of the Remuneration Committee objects to or expresses reservations about a resolution, and the opinion is recorded or stated in writing, the date, session, proposal content, all members’ opinions, and the handling of those opinions must be disclosed: None.
3. Resolutions, outcomes, and handling of members' opinions for 2024:

Committee Session / Date	Proposal Content and Resolution		Board's Handling of Committee Recommendations	
5th Committee, 2nd Meeting January 5, 2024	<ul style="list-style-type: none"> • Approval of the allocation ratios for 2024 employee and Director remuneration • Approval of performance-based bonuses for managerial officers for fiscal year 2023. 			
5th Committee, 3rd Meeting February 26, 2024	<ul style="list-style-type: none"> • Approval of the periodic review and partial revision of the “Regulations Governing Remuneration for Directors, Independent Directors, and Managerial Officers”. • Approval of the 2024 performance evaluation principles for managerial officers. • Approval of partial amendments to the “Employee Stock Ownership Trust Management Guidelines”. • Approval of 2024 base salary adjustments for managerial officers. 	Approved unanimously by all members of the Remuneration Committee and submitted to the Board of Directors for resolution.	Submitted to the Board of Directors and approved unanimously by all attending directors.	
5th Committee, 4th Meeting August 6, 2024	<ul style="list-style-type: none"> • Approval of the distribution of 2023 employee remuneration to managerial officers. 			

2.3.5 Implementation Status of Sustainable Development and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof

Assessment Item	Implementation Status			Reason for Non-implementation	
	Yes	No	Summary Description		
1 Has the Company established a governance framework for sustainable development, designated a dedicated (or ad-hoc) sustainability unit, authorized senior management by the Board of Directors to carry out relevant tasks, and implemented oversight by the Board?	✓		<p>1. The Company established the “Raydium Sustainable Development Committee” in March 2022 to strengthen sustainability management and implement a dedicated governance structure. A dedicated unit, the Human Resources and Environmental Safety and Health Center, was designated to propose and execute sustainability policies, systems, and plans.</p> <p>2. The Committee is chaired by the Chairman and co-chaired by the President. It oversees five working groups: Business Governance, Partner Prosperity, Environmental Sustainability, Employee Relations, and Social Care. Each group is headed by a center-level executive, and a General Secretary is appointed to coordinate the groups in addressing sustainability issues.</p> <p>3. Each year, the sustainability working groups conduct a comprehensive review and analysis of the ESG report content, confirming the Company’s overall strategies, directions, and goals. For items that fall short of expectations, the groups identify the root causes and propose corrective and improvement measures. The results of implementation are reported to the Board of Directors at regular intervals, at least twice a year. The Board reviews the reported issues, provides strategic guidance, monitors execution progress, and urges the management team to make necessary adjustments. The following table summarizes the sustainability issues reported to the Board in 2024:</p>	None	
			Date of Board Meeting		Topics Reported
			February 26, 2024		<ul style="list-style-type: none"> ■ Progress report on GHG inventory of the Company and its subsidiary, Raydium Semiconductor (Kunshan) Co., Ltd. ■ Climate Change (TCFD) Risk Report
			May 7, 2024		<ul style="list-style-type: none"> ■ Progress of sustainability initiatives: <ol style="list-style-type: none"> (1) Summary of 2023 sustainability report, verification results, and stakeholder engagement (2) 2024 ESG Committee calendar and Q1 sustainability goal implementation ■ Progress report on GHG inventory of the Company and Raydium Semiconductor (Kunshan) Co., Ltd.
August 6, 2024	<ul style="list-style-type: none"> ■ Progress report on GHG inventory of the Company and Raydium Semiconductor (Kunshan) Co., Ltd. 				

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
			<p>November 5, 2024</p> <ul style="list-style-type: none"> ■ Progress of sustainability initiatives: <ol style="list-style-type: none"> (1) Stakeholder communication management performance (2) Tracking of material topics (3) 2024 Sustainability Report preparation plan (4) Stakeholder engagement outcomes and 2025 goal setting (5) Short-, mid-, and long-term targets for climate change (TCFD) ■ Progress report on GHG inventory of the Company and Raydium Semiconductor (Kunshan) Co., Ltd. 	
2 Has the Company conducted a risk assessment of environmental, social, and governance (ESG) topics relevant to its operations based on the principle of materiality, and established corresponding risk management policies or strategies? (Note 2)	✓		<ol style="list-style-type: none"> 1. The information disclosed in the Company's Sustainability Report covers the sustainability performance of its primary business sites for the period from January 1 to December 31, 2024. The scope of the risk assessment is centered on the Hsinchu Headquarters and includes data from the Taipei and Tainan Offices, while overseas operations are excluded. 2. The Company compiled a stakeholder list and distributed sustainability questionnaires to identify and rank stakeholders' concerns regarding sustainability issues. It then assessed both positive and negative, as well as actual and potential, impacts. Senior executives conducted a materiality risk assessment using an ESG impact analysis matrix, evaluating each topic's severity, likelihood of occurrence, and relevance to human rights. Based on the risk scores, a matrix was created to prioritize the topics by impact. Through this process, eight issues were ultimately identified by the senior executive meeting as material topics. 3. For the risk assessment items and corresponding management policies related to the material topics described above, please refer to "7. Other Important Information Regarding the Implementation of Sustainable Development" (pages 44–45) of this annual report. 	None
3 Environmental Topic 3.1 Has the Company established an appropriate environmental management system based on the characteristics of its industry? Please describe:	✓		<ol style="list-style-type: none"> 1. The Company ensures the effectiveness of its environmental safety and health (EHS) management system through regular internal and external audits, thereby enhancing EHS performance. To address potential operational impacts arising from climate change, the Company completed a climate risk survey in 2023, categorized risks based on the survey findings, and formulated corresponding countermeasures. 2. The Company has obtained the following international certifications: <ul style="list-style-type: none"> ■ ISO 14001 Environmental Management System certification (valid from February 26, 2023 to February 26, 2026) ■ ISO 45001 Occupational Health and Safety Management System certification (valid from February 26, 2023 to February 26, 2026) ■ Taiwan Occupational Safety and Health Management System (TOSHMS) certification 	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
			(valid from February 26, 2023 to February 25, 2026). In addition, the Company conducts greenhouse gas (GHG) verification in accordance with the ISO 14064-1 standard.	
<p>3.2 Has the Company committed to improving energy efficiency and using renewable materials with low environmental impact? Please describe the Company’s policies for improving energy efficiency and the use of renewable materials, including but not limited to: baseline data, initiatives, targets, and achievements. °</p>	✓		<p>The Company has established the Green Product Management Guidelines based on the principles of “Nature Conservation” and “Environmental Protection.” The Company is committed to product and service quality, continuous R&D innovation, advancement of technologies and process capabilities, and fulfilling its corporate social responsibility as a global citizen.</p> <p>1. Energy-saving product design highlights are as follows:</p> <ul style="list-style-type: none"> ■ Key products utilize advanced and mature wafer fabrication processes, coupled with optimized IC circuit design technology, to reduce power consumption of ICs generation by generation, resulting in greater energy savings and efficiency. ■ Continuous investment in R&D for energy-efficient product development. ■ Through the use of end products, the new-generation ICs can save approximately 48.56 million kWh of electricity and reduce carbon emissions by about 23,992 metric tons annually, equivalent to the annual electricity consumption of approximately 13,130 households. <p>2. Measures to reduce environmental impact are as follows:</p> <ul style="list-style-type: none"> ■ All production and manufacturing are outsourced to qualified suppliers. In addition to emphasizing quality management, the Company remains attentive to environmental protection issues to minimize environmental impact. ■ The selection and procurement of materials for outsourced manufacturing have maintained 100% compliance with international environmental regulations (e.g., RoHS, halogen-free, and REACH). 	
<p>3.3 Has the Company evaluated the current and future potential risks and opportunities of climate change, and taken corresponding response measures?</p>	✓		<p>1. The Company has designated the Sustainable Development Committee as the highest governing body for climate-related matters. The Chairman of the Board serves as the Chairperson, and the President serves as the Deputy Chairperson. The TCFD Working Group is responsible for identifying and evaluating climate-related risks and opportunities, regularly reviewing response strategies, goals, and management measures, and reporting the implementation results and related plans to the Board of Directors.</p> <p>2. The Company refers to the “Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)” issued by the Financial Stability Board in June 2017 to guide its identification and evaluation of climate-related issues, and takes tangible actions to engage in climate mitigation and adaptation. In 2023, the</p>	None

Assessment Item	Implementation Status		Reason for Non-implementation																			
	Yes	No																				
			<p>Company conducted its first formal assessment of climate-related issues through internal and external data analysis, interdepartmental discussions, and the development of a climate risk and opportunity matrix based on two dimensions—<i>impact level</i> and <i>likelihood of occurrence</i>. These two measures were multiplied to determine the materiality of climate risks and opportunities. Based on this analysis, the Company identified five major climate-related risks and three key opportunities, as shown below:</p> <p>■ Five Major Climate-Related Risks</p> <table border="1"> <thead> <tr> <th>Risk Category</th> <th>Risk Event Description</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Transition Risk</td> <td>Policy and Regulation</td> </tr> <tr> <td>1. Increased pricing of GHG emissions</td> </tr> <tr> <td>2. Strengthened disclosure obligations for emissions</td> </tr> <tr> <td>3. Stricter regulations and requirements for existing products and services</td> </tr> <tr> <td rowspan="2">Technology</td> <td>4. Substitution of current products and services with low-carbon alternatives</td> </tr> <tr> <td>5.1 Changes in rainfall patterns and extreme weather events</td> </tr> <tr> <td rowspan="2">Physical Risk</td> <td>5.2 Rise in average temperatures</td> </tr> </tbody> </table> <p>■ Three Major Climate-Related Opportunities</p> <table border="1"> <thead> <tr> <th>Opportunity Type</th> <th>Opportunity Event</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Resource Efficiency</td> <td>1. High-efficiency production processes through supply chain management</td> </tr> <tr> <td>2. Improved energy efficiency</td> </tr> <tr> <td>Products and Services</td> <td>3. Development and/or expansion of low-carbon products and services</td> </tr> </tbody> </table> <p>3. The Company aims to mitigate and adapt to the potential impacts of climate change on sustainable development by setting management strategies, defining goals, and implementing action plans.</p> <p>4. For more details regarding the Company’s climate-related measures, please refer to the supplementary explanation under “7. Other Important Information Regarding the Implementation of Sustainable Development” (pages 44–45) of this Annual Report.</p>	Risk Category	Risk Event Description	Transition Risk	Policy and Regulation	1. Increased pricing of GHG emissions	2. Strengthened disclosure obligations for emissions	3. Stricter regulations and requirements for existing products and services	Technology	4. Substitution of current products and services with low-carbon alternatives	5.1 Changes in rainfall patterns and extreme weather events	Physical Risk	5.2 Rise in average temperatures	Opportunity Type	Opportunity Event	Resource Efficiency	1. High-efficiency production processes through supply chain management	2. Improved energy efficiency	Products and Services	3. Development and/or expansion of low-carbon products and services
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3.4 Has the Company compiled data on greenhouse gas (GHG) emissions, water consumption, and total waste volume for the past two years, and established policies for reducing GHG emissions, conserving water, or managing other types of waste?			<p>Greenhouse Gas Emissions</p> <p>1. The Company conducts inventories of GHG emissions in accordance with the ISO 14064-1 methodology, covering Scope 1 (direct emissions from owned or controlled sources), Scope 2 (indirect emissions from purchased electricity, heat, or steam), and Scope 3 (other indirect emissions from activities not owned or directly controlled by the Company). All emissions are verified by an independent third party. Please refer to “(5)-1. Climate-related Information – 1-1 Greenhouse Gas Inventory and Assurance Status for the Past Two Years” (page 49) of the Annual Report for further details.</p>																			

Assessment Item	Implementation Status			Reason for Non-implementation																		
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			<p>2. In 2024, the Company signed a renewable energy procurement agreement. The renewable electricity usage reached 72,000 kWh, accounting for 2.6% of gray electricity consumption for the year. The Company aims to achieve RE30 by 2030.</p> <p>Water Consumption</p> <p>1. Water usage is estimated by proportional allocation methods:</p> <ul style="list-style-type: none"> ■ Hsinchu Office: Annual water consumption (tons) = [Daily domestic water usage per person (liters) × actual working days per month × total headcount per month] ÷ 1,000 ■ Taipei and Tainan Offices: Annual water consumption (tons) = Monthly building water consumption (m³) × cost allocation ratio <p style="text-align: right;">unit : tons</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Item</th> <th style="width: 20%;">2024</th> <th style="width: 20%;">2023</th> </tr> </thead> <tbody> <tr> <td>Total Water Consumption (tons)</td> <td style="text-align: center;">11,669</td> <td style="text-align: center;">9,719</td> </tr> <tr> <td>Water Consumption per Capita (tons)</td> <td style="text-align: center;">12.67</td> <td style="text-align: center;">11.53</td> </tr> </tbody> </table> <p>2. The Company does not operate manufacturing lines. Water is primarily used for domestic purposes in offices. Water-saving reminders are regularly communicated to employees. In 2024, total water consumption reached 11,669 metric tons, with per capita usage of 12.67 metric tons, representing a 9.90% increase compared to 2023. The increase was mainly due to regional drought conditions in 2023, during which the Hsinchu Office implemented water rationing measures.</p> <p>Waste Management</p> <p>1. The Company classifies waste into hazardous industrial waste (e.g., waste electronic components) and non-hazardous general business waste (e.g., discarded IT equipment). All waste is processed or recycled by certified contractors. The total volume of waste in the last two years is as follows:</p> <p style="text-align: right;">unit : tons</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Item</th> <th style="width: 20%;">2024</th> <th style="width: 20%;">2023</th> </tr> </thead> <tbody> <tr> <td>Non-hazardous waste</td> <td style="text-align: center;">1.14</td> <td style="text-align: center;">1.81</td> </tr> <tr> <td>Hazardous waste</td> <td style="text-align: center;">24.87</td> <td style="text-align: center;">17.76</td> </tr> </tbody> </table> <p>2. The Company has established policies and implemented various measures to reduce GHG emissions, conserve water, and manage waste, including renewable energy adoption, environmental education, supplier cooperation in chip waste recovery, and environmental audits. In 2023, 7.2068 kg of precious metals were recovered from chip waste, supporting the circular economy and reducing environmental impact.</p> <p>3. All GHG data and environmental performance indicators have been verified by qualified third parties, with results disclosed in the Company's 2024 Sustainability Report.</p>	Item	2024	2023	Total Water Consumption (tons)	11,669	9,719	Water Consumption per Capita (tons)	12.67	11.53	Item	2024	2023	Non-hazardous waste	1.14	1.81	Hazardous waste	24.87	17.76	
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Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
<p>4 Social Topic</p> <p>4.1 Has the Company established management policies and procedures in accordance with relevant laws and international human rights conventions?</p>	✓		<p>1. To protect and safeguard fundamental human rights, the Company and its subsidiaries comply with relevant labor laws and regulations applicable in the regions where they operate. The Company also acknowledges and supports the spirit and core principles of international human rights instruments, including the Universal Declaration of Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights. Based on these, the Company has formulated its Human Rights Policy. In addition, reporting and grievance channels are in place to allow stakeholders to express their concerns and safeguard their rights and interests.</p> <p>2. For details on the Company’s Human Rights Policy and its implementation practices, please refer to Section “7.Other Important Information Regarding the Implementation of Sustainable Development” (pages 43–44) of this annual report.</p>	None
<p>4.2 Has the Company established and implemented reasonable employee welfare measures (including compensation, leave, and other benefits), and are business performance and results appropriately reflected in employee compensation?</p>	✓		<p><u>Employee Compensation</u></p> <p>1. Employees are considered key human capital. To attract and retain talent, the Company offers competitive compensation and incentives, including:</p> <ul style="list-style-type: none"> ■ Market-competitive monthly salary and bonuses for the three major national holidays. ■ Employee profit-sharing and performance bonuses. ■ Intellectual property incentive awards. ■ Employee stock ownership trust. ■ Generous referral bonuses for outstanding talent. <p>2. Employee compensation is determined based on academic background, professional experience, individual expertise, and job performance. Annual salary adjustments for each position take into account industry benchmarks, performance evaluation results, time invested, and job responsibilities. Overall, the Company provides compensation and working conditions that exceed local labor law requirements and remain competitive among IC design companies.</p> <p><u>Performance-Based Compensation</u></p> <p>The Company has adopted a reasonable compensation policy under which annual bonuses are allocated based on operating performance and profitability, ensuring that employees share in the Company’s business achievements.</p> <p><u>Employee Welfare Programs</u></p> <p>The Company offers welfare programs that surpass legal requirements, including flexible leave days to support work-life balance and one day of paid volunteer leave per year to encourage community service. To foster cross-functional relationships, the Company also provides various club activities, exclusive partner merchant discounts, and multiple welfare subsidies. For details, please refer to “Chapter 4. Business Overview – Section 5. Labor Relations – 5.1 Employee Welfare Measures” (page 83) of this annual report.</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
			<p><u>Workplace Diversity and Equality</u></p> <p>The Company complies with government regulations prohibiting discrimination based on race, gender, age, religion, nationality, disability, or political affiliation in both employment and job placement, ensuring fair treatment and the opportunity for individuals to realize their full potential. Gender equality is promoted through equal pay and advancement opportunities. As of the end of 2024, female employees accounted for 19.8% of the workforce, and female managers represented 8.2%. The Company also employed six individuals with disabilities.</p> <p>Due to the nature of the technology industry and the labor market, the majority of male employees are R&D staff with engineering backgrounds, while female employees tend to serve in administrative support roles. Moving forward, the Company continues to recruit talented women in management and R&D positions to improve gender diversity and promote balanced organizational development.</p>	
4.3 Does the Company provide a safe and healthy work environment for employees and conduct regular health and safety education?	✓		<p><u>Occupational Safety and Health Policy</u></p> <p>The Company has passed the ISO 45001 Occupational Health and Safety Management System certification and the Taiwan Occupational Safety and Health Management System (TOSHMS). In accordance with the PDCA principle and the Company’s EHS policy, dedicated occupational safety and health personnel are responsible for the planning, promotion, supervision, and inspection of all safety and health management operations. In compliance with regulations, an Occupational Safety and Health Committee composed of both labor and management representatives has been established at each site. Regular meetings are held to review, coordinate, and make recommendations on safety and health management matters.</p> <p>In April 2024, the Company completed the renewal of its ISO 45001 and TOSHMS certifications, with certificates valid from February 26, 2023, to February 26, 2026. As of the publication date of this annual report, the certifications remain valid.</p> <p><u>Occupational Safety and Health Education and Training</u></p> <p>To enhance employees’ occupational safety and emergency response capabilities, improve their awareness of workplace hazards, and prevent occupational accidents, the Company conducted relevant health and safety training in 2024, with a total of 1,131 participants and 3,698 training hours.</p> <p>Contractors working at Company premises are required to comply with occupational safety and health laws and the Company’s EHS regulations. Before commencing operations, they must complete mandatory safety training and be informed of potential hazards.</p> <p><u>Occupational Incident Management</u></p> <p>To ensure prompt response to occupational incidents, the Company has established the “Incident Investigation and Reporting Procedure.” This requires that for any incidents—including near misses, occupational injuries,</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
			<p>or diseases—measures such as first aid, reporting, investigation, and corrective actions must be implemented. Improvement actions based on root cause analysis are shared across departments to prevent recurrence.</p> <p>In 2024, two occupational injury cases occurred:</p> <ol style="list-style-type: none"> 1. One involved an employee slipping on a wet restroom floor, resulting in a fibula fracture. The Company granted occupational injury leave and arranged remote work to aid recovery. Improvements included increased awareness of drying hands before leaving the restroom, warning signage, and anti-slip tape installation. 2. The second case involved an employee tripping on loose slippers while climbing stairs, causing a dislocated finger. The Company provided care and reinforced stair safety awareness through internal communication. <p>Health Promotion Measures</p> <p>In compliance with the Occupational Safety and Health Act, the Company established a health management procedure. On-site occupational nurses implement health service plans. In 2024, the following health services were provided:</p> <ul style="list-style-type: none"> ■ Annual health check-ups (once per year for employees, every two years for senior executives) ■ Six on-site occupational physician visits (once every two months) ■ Five health promotion sessions (84 participants) ■ Two blood donation drives (34 participants, 52 bags of 250cc) ■ Three flu vaccination sessions (147 participants) ■ Employee Assistance Program (EAP) for counseling services ■ On-site massage services by visually impaired therapists <p>Fire Prevention</p> <p>In accordance with fire safety regulations, the Company conducts regular fire safety education and evacuation drills to cultivate employees' awareness of safety management and emergency response capabilities. In 2024, no hazardous fires or incidents resulting in casualties occurred.</p>	
4.4 Has the Company established effective career development training programs for employees?	✓		<p>The Company places great importance on talent development and has established structured training programs and development frameworks. A integrated learning and development system is in place to help employees enhance both technical and behavioral competencies for job performance and career advancement. For details, please refer to “Chapter 4. Business Overview – Section 5. Labor Relations – 5.2. Employee Training and Development” (page 84) of this Annual Report.</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
4.5 Does the Company comply with relevant regulations and international standards regarding customer health and safety, privacy, marketing and labeling of its products and services, and has it established policies and grievance mechanisms to protect customer rights and interests?	✓		<ol style="list-style-type: none"> 1. The Company has established strict standards for raw materials used in its products and fully complies with various environmental and quality standards set by international advocacy organizations to avoid the use of substances harmful to human health or the environment. 2. The Company has built a quality management system based on a “customer-oriented” and “risk assessment” approach. It obtained ISO 9001 certification in 2006 and conducts internal audits annually. Through management review meetings, the operational status of the system is reported to senior executives to ensure its effectiveness and appropriateness. 3. The Company obtained ISO 14001 environmental management system certification in 2012. During the product development evaluation stage, the use of green raw materials is required. These materials must comply with regulations such as RoHS, halogen-free, REACH, and China VOC to reduce the negative impact on the environment and customer health. 4. For the management of confidential information among the Company, customers, and suppliers, in addition to implementing information security management policies, the Company has also established personnel management regulations and executed confidentiality agreements (contracts and statements) with clients and suppliers. Internal project management systems are in place to further safeguard confidential information. For more details, please refer to “Chapter 4. Business Overview – Section 6. Information Security Management” (pages 85–88) of this Annual Report. 5. The Company has developed a customer-oriented quality system and business philosophy, using objective evaluation systems to assess customer satisfaction with its products and services. This helps identify gaps between customer needs and expectations, serving as a basis for business management and the pursuit of sustainable operations. The Company values customer feedback and conducts satisfaction surveys annually across three key areas: product development, service, and quality. In 2024, the average overall customer satisfaction score reached 8.9. 	None
4.6 Has the Company established supplier management policies requiring suppliers to comply with relevant environmental, occupational health and safety, and labor rights standards? What is the implementation status?	✓		<ol style="list-style-type: none"> 1. The Company has established “Supplier Management Procedures” and selects qualified suppliers based on supplier selection criteria and sustainability risk assessments. In addition to product/process technology reviews, the Company also evaluates suppliers’ quality management systems, hazardous substance management systems, environmental management systems, and occupational health and safety systems. Only suppliers who pass these evaluations are included on the qualified supplier list. 2. To promote a positive supply chain cycle, the Company requires suppliers to maintain safe working environments, respectful labor relations, ethical business practices, and environmental 	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
			<p>protection. Supplier sustainability is managed through code of conduct compliance, risk assessments, audit verification, and continual improvement. New suppliers must sign a "Declaration of Code of Conduct Compliance" to confirm their adherence to the Company's corporate social responsibility (CSR) requirements and responsible supply chain expectations.</p> <p>3. The Company conducts annual supplier performance reviews and on-site audits, focusing on quality management, hazardous substance control, environmental management, labor safety, and CSR systems. If deficiencies are identified, suppliers are required to submit corrective action plans within a specified time and are subject to follow-up reviews.</p> <p>4. Regarding hazardous substance control, suppliers are required to update the Material Safety Data Sheets (SDS) regularly. Materials used in or remaining in final products must undergo periodic third-party testing to verify compliance with customer and regulatory requirements and reduce potential environmental impact.</p> <p>5. All procurement activities follow internal regulations and are limited to qualified and reputable suppliers. The Company will continue to collaborate with suppliers to enhance CSR performance and minimize significant negative environmental impacts within the supply chain.</p>	
5 Has the Company referred to internationally recognized reporting standards or guidelines to compile its sustainability report or other reports disclosing non-financial information? Has such report been verified or assured by a third-party organization?	✓		<p>1. The Company's Sustainability Report is prepared with reference to the Global Reporting Initiative (GRI) Universal Standards 2021 issued by the Global Sustainability Standards Board (GSSB). In addition, to align with international trends and benchmark against leading companies, the Company also refers extensively to international sustainability indicators and external initiatives as the basis for compiling its ESG report.</p> <p>2. To strengthen the accuracy and credibility of the report's data, the Company engaged SGS Taiwan Ltd. to perform a moderate level of assurance in accordance with AA1000 AS V3 Type II. For the year 2024, parts of the report's data were verified by impartial third-party institutions. For unverified data, internationally accepted indicators were adopted; any estimated figures are noted in the respective chapters.</p>	None
<p>6 If the Company has established its own Sustainable Development Principles based on the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe their implementation and any deviations therefrom.</p> <p>The Company has established its own "Sustainable Development Principles" in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies." These principles clearly define the Company's mission and vision for sustainable development and aim to achieve sustainability in the economic, environmental, and social dimensions. All sustainability-related operations of the Company are carried out in accordance with these Principles. There are no material differences between the actual implementation and the stated principles.</p>				

7 Other Important Information Regarding the Implementation of Sustainable Development

(1) The Company's Risk Assessment Items and Management Approaches for Material Topics:

Major Issues	Risk Assessment Items (Key Topics)	Management Approach
Environment	Climate Change Management	<ol style="list-style-type: none"> 1. Conduct GHG inventories for each office based on ISO 14064-1 standards. 2. Obtain third-party verification of inventory results. 3. Develop short-, medium-, and long-term carbon reduction strategies and targets. 4. Identify risks and opportunities using the TCFD framework and formulate climate response strategies to mitigate financial impacts.
Society	Recruitment and Compensation & Benefits	<ol style="list-style-type: none"> 1. Regularly review the competitiveness of the Company's total rewards structure and leave policy framework compared with industry benchmark. 2. Link employee compensation to individual contributions and overall company performance through performance management framework.
	Human Rights and Workplace Diversity & Equality	<ol style="list-style-type: none"> 1. Provide a safe and healthy workplace. 2. Promote work-life balance for employees. 3. Organize human rights protection training programs. 4. Establish diverse communication channels to foster constructive labor-management relations.
	Training and Education	<ol style="list-style-type: none"> 1. Assist employees in enhancing both technical and behavioral competencies through structured training plans and development blueprints. 2. Build a integrated learning and development (L&D) system to support self-learning and training effectiveness assessments. 3. Conduct annual learning needs surveys based on organizational capability development needs to ensure training relevance.
Corporate Governance	R&D and Product/Service Development	<ol style="list-style-type: none"> 1. Conduct regular technical exchanges with clients and end brands, gather market insights, and invest in early-stage R&D. 2. Strengthen collaboration with domestic universities and share R&D results. 3. Encourage innovation and invention to enhance IP competitiveness. 4. Allocate 15–20% of annual revenue to R&D activities.
	Supply Chain Management	Comply with international initiatives and standards, establish related internal guidelines, and evaluate suppliers based on ESG criteria. Require partners to follow Raydium's sustainability policies and undergo periodic reviews to improve supply chain sustainability.
	Information and Privacy Security	<ol style="list-style-type: none"> 1. Enhance company-wide cybersecurity awareness and establish a secure information environment. 2. Protect information assets and safeguard company interests. 3. Ensure the continuity of IT system operations. 4. Strictly protect customer privacy and ensure zero incidents of privacy violation complaints.
	Anti-Corruption and Ethical Business Practices	<ol style="list-style-type: none"> 1. Regularly promote the Company's core value of “integrity” to all employees, and report implementation status to the Board. 2. Strengthen integrity-related training to raise awareness and uphold ethical standards across the organization.

(2) The Company's Human Rights Policy and Concrete Implementation Measures:

Human Rights Policy		Implementation Measures
I	Provide a safe and healthy working environment	Comply with the Act of Gender Equality in Employment and establish “Measures for Prevention, Complaint, and Discipline of Sexual Harassment.”
		Provide annual employee health check-ups and wellness activities to promote physical and mental health awareness.
		Ensure a safe and hygienic workplace for employees and contractors by conducting regular fire drills and environmental disinfection.
		Follow international environmental, safety, and health (EHS) management systems to create a safe working environment and reduce occupational hazards.
II	Eliminate unlawful discrimination and ensure equal employment opportunities	Comply with the Employment Service Act, respect diversity among employees, and uphold the principle of equal pay for equal work, regardless of gender, race, age, ethnicity, or religion.
		Prohibit the use of discriminatory language or requirements in external job postings.

Human Rights Policy		Implementation Measures
II	Eliminate unlawful discrimination and ensure equal employment opportunities	Employees of the Company, subsidiaries, and suppliers are required to respect fundamental human rights and must not engage in inhumane or unreasonable conduct, including sexual harassment or assault, corporal punishment, mental or physical coercion, bullying, public humiliation, or verbal abuse; threats of such conduct are also prohibited.
III	Prohibit child labor	To uphold corporate social responsibility and ethical standards, the Company, its subsidiaries, and suppliers must explicitly prohibit child labor from the recruitment stage, strictly implementing a no-child-labor policy. Only individuals aged 18 or older may be employed, in compliance with international CSR guidelines and relevant government regulations.
IV	Prohibit forced labor	The Company, its subsidiaries, and suppliers must not use forced, bonded (including debt bondage), contract-bound, involuntary, or exploitative prison labor, or engage in slavery or human trafficking. This includes any form of coercion, intimidation, threats, abduction, or deception used to transport, harbor, recruit, transfer, or receive individuals for labor or services.
		No person shall be forced or coerced to perform labor against their will. All working hours, rest periods, leave entitlements, and holidays comply with legal regulations.
		The Company's attendance system includes a reminder function for overtime applications. Overtime compensation is provided, and dedicated personnel conduct monthly reviews and controls of working hours.
V	Safeguard employee well-being	Promote work-life balance by offering benefits and leave policies superior to those mandated by the Labor Standards Act, including the option to apply for work-from-home arrangements and childcare allowances for employees with children under six.
		Provide an Employee Assistance Program (EAP) to support employees' mental well-being.
		Organize diverse activities, such as lounge areas, Family Day events, year-end parties, and interest groups, to promote employee wellness and morale.
<p>(3) In the course of its business operations, the Company actively practices sustainable development in alignment with international trends. It considers global sustainability issues, the relevance to its core business, and the impact of operations on stakeholders to establish the “Raydium Sustainability Policy.” This policy aims to foster progress in the economic, environmental, and social dimensions, thereby achieving the goal of sustainable development.</p>		

(5)-1. Climate-Related Information

1. Implementation Status of Climate-related Disclosures

Item	Implementation status
1. Description of Board and Management Oversight and Governance of Climate-related Risks and Opportunities	<ol style="list-style-type: none"> Oversight and governance by the Board of Directors <ul style="list-style-type: none"> In 2024, the Company reported the results of its climate risk assessment to the Board of Directors, including proposed management strategies and targets. Moving forward, the Company will continue to report annually on climate-related progress and plans, covering carbon reduction strategies, corresponding measures, and outcomes. Oversight and governance by management <ul style="list-style-type: none"> The Sustainability Development Committee is responsible for identifying and responding to climate-related risks and opportunities. Implementation status and results are regularly reported to senior management and disclosed in the Company's annual sustainability report. Supervised by the President, the Environmental Health and Safety (EHS) unit is in charge of assessing and planning strategies for energy use, water resources, and waste management. The unit also formulates climate-related goals and action plans, and regularly reports developments and implementation progress to the President.
2. Description of How Identified Climate-related Risks and Opportunities Affect the Company's Business, Strategy, and Financial Planning (Short-, Medium-, and Long-term)	In 2024, the ESG Sustainability Development Committee convened cross-functional discussions led by responsible departments to identify climate-related risks and opportunities relevant to their areas of operation. Each issue was assessed based on its likelihood of occurrence and potential impact. A climate risk and opportunity matrix was developed accordingly. Based on this assessment process, a total of five climate risks and three climate opportunities were identified, as summarized below:

A. Climate change risk					
Risk type	Impact of climate-related risks on operations				
	Climate-Related Risk Event		Description of Impact to the Company	Impact Horizon	Potential Financial Impact
Transition Risk	Policies and regulations	Increased carbon pricing	<ol style="list-style-type: none"> Suppliers may pass on carbon tax/fee costs to the Company, and if the Company is unable to pass on the increased cost to customers, this may reduce profit margins. Suppliers unable to access preferential carbon rates may raise material costs, affecting product competitiveness. 	Short-term	Increased operating costs
		Enhanced emission disclosure obligations	By 2027, the Company must complete organizational GHG inventory for subsidiaries in consolidated statements, and by 2029 complete verification, in order to set reduction targets.	Mid-term	Increased operating costs
		Regulatory requirements for existing products and services	<ol style="list-style-type: none"> Inability to comply with EU new energy regulations may reduce product competitiveness. Carbon tax or fees could increase operating expenses. 	Short-term	Increased operating costs
	Technology	Substitution with low-carbon products and services	Low-carbon products are becoming mainstream; failure to keep up with evolving technical specifications in R&D may erode market competitiveness.	Mid-term	Increased R&D spending for new/alternative tech
Physical Risk	<ol style="list-style-type: none"> Changes in precipitation and extreme weather patterns Rising average temperatures 		<ol style="list-style-type: none"> Flooding and severe weather could delay raw material or product deliveries. Changes in energy infrastructure may raise costs and reduce power stability, affecting operations. 	Long-term	Increased operating costs, reduced capacity, or disruption

B. Climate-Related Opportunities				
Opportunity Type	Impact of climate-related opportunities on operations			
	Opportunity Event	Description of Opportunity to the Company	Impact Horizon	Potential Financial Impact
Resource Efficiency	Efficient production processes in supply chain	Adjusting supply chain structure based on customer location enables localized, low-cost, and low-carbon service delivery.	Mid-term	Reduced operating costs
	Improved energy efficiency	Select energy-efficient certified products to reduce energy consumption.	Short-term	Reduced operating costs
Products & Services	Development and/or expansion of low-carbon offerings	Develop energy-saving products to seize more business opportunities.	Mid-term	Increased revenue from low-carbon demand
3. Explanation of the Financial Impacts of Extreme Climate Events and Transition Actions	<ol style="list-style-type: none"> The financial impacts of extreme climate events (e.g., operational disruptions due to floods, delays in production scheduling and delivery, or damage to products) and transition actions (e.g., costs related to carbon reduction regulations or green energy transformation within the industry) are described in detail under Section 2 above. To mitigate potential operational impacts of global warming and extreme climate conditions, the Company references the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) published by the Financial Stability Board (FSB) in June 2017. In 2023, the Company initiated a climate risk assessment and categorized key risks based on the findings, followed by the development of corresponding response strategies. Through comprehensive inventory-taking and planning, the Company aims to mitigate and adapt to the potential risks that climate change poses to sustainable operations. Climate-related information and progress are disclosed annually in the Sustainability Report. 			
4. Integration of Climate Risk Identification, Assessment, and Management into the Overall Risk Management Framework	<ol style="list-style-type: none"> The Sustainability Development Committee is the Company’s highest governing body for climate change issues. The TCFD Task Force is responsible for identifying and assessing climate-related risks and opportunities. It regularly reviews and updates response strategies, goals, and management measures, and reports the implementation status and related plans to the Board of Directors. The TCFD Task Force identifies climate-related risks such as policies/regulations, technological development, and historical natural disasters. It distinguishes between physical and transition risks, and assesses each based on likelihood and severity of impact. Risks are then prioritized in terms of materiality. The Company refers to recommendations from international professional institutions to simulate risk scenarios and perform financial impact analysis, from which it develops corresponding mitigation strategies, targets, and action plans. To enhance business resilience and strengthen corporate governance, and to fulfill the Board’s oversight responsibility in risk management, the Company has established a Risk Management Committee. Based on four key dimensions—Finance (F), Operation (O), Strategy (S), and Hazard (H)—the Committee identifies risks that may affect sustainable development. Climate change risk is classified under the “Hazard” category. Management strategies such as control, avoidance, transfer, and retention are adopted to reduce potential risks to the lowest feasible level or to turn such risks into business opportunities. 			
5. If scenario analysis is used to assess the resilience of the Company to climate-related risks, the scenarios, parameters, assumptions, analytical factors, and major financial impacts should be explained.	<ol style="list-style-type: none"> The Company follows guidance from the TCFD Knowledge Hub and classifies key risks and opportunities based on their characteristics. Climate scenarios are developed with reference to recommendations from the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC). The Company adopts Representative Concentration Pathways (RCP) 2.6 and 8.5—representing the worst-case scenarios outlined in IPCC assessment reports—as the analytical basis for assessing physical and transition risks. A financial impact assessment was conducted using the Company’s 2024 (Year 113) revenue as the benchmark. Details of the scenario settings and financial impact assessments are as follows: 			

Scenario analysis	Risk type	Impact of climate-related risks on operations			
		Climate-Related Risk	Assumptions	Financial Impact Assessment	
RCP2.6	Transition risk	Policies and regulations	Increase in greenhouse gas (GHG) emission pricing	Assuming a carbon fee of NTD 300/ton, with 100% of the cost passed on by suppliers to the Company.	Estimated to increase procurement costs by approximately 0.3% of revenue by 2030.
			Strengthened Disclosure Requirements	Compliance with regulatory GHG disclosure may increase costs or affect competitiveness. Assuming renewable energy adoption reaches 30% by 2030.	Estimated additional green electricity cost between 2025–2030 is less than 0.02% of revenue.
			Product and Service Requirements and Regulations	Stricter international energy regulations may render existing products noncompliant with customer or legal efficiency requirements.	Potential decline in competitiveness and revenue, negatively impacting profitability.
	Technology	Substitution with Low-Carbon Products and Services	Adoption of advanced wafer processes and enhancement of low-power IC design capabilities.	Expected increase in costs related to mask tooling and R&D labor input.	
RCP8.5	Physical Risk	Long-term	Changes in Rainfall and Extreme Weather Patterns	Short-duration intense rainfall may cause flooding, affecting production schedules, delivery timelines, or damaging transported products.	Power outages and transportation difficulties may result in operation disruptions, which will cause a decrease in the overall operating income of the Company and affect profits.
			Rising Average Temperatures	<ol style="list-style-type: none"> Gradual replacement of non-Energy Star 8.0 equipment. 100% use of SSDs for NB/PC and storage. All online servers upgraded to SSD-based storage. 	<ol style="list-style-type: none"> Estimated capital expenditure for equipment replacement from 2025–2030 is NTD 138 million. Increased procurement and electricity costs may reduce profit if operations or supply chains are disrupted.
<p>6. If the Company has implemented a transition plan to address and manage climate-related risks, please describe the plan, including the indicators and targets used to identify and manage physical and transition risks.</p>		<p><u>The Company's Climate Risk Management Strategies and Targets:</u></p> <p><u>Strategies</u></p> <ol style="list-style-type: none"> Transition Risk Strategies <ul style="list-style-type: none"> Strengthen collaboration with value chain partners to promote ongoing innovation and integrate energy-efficient design throughout the product lifecycle. Closely monitor international climate change trends and regulatory developments, and proactively disclose information on the Company's climate change actions. Continuously develop low-power consumption products to meet customer demand for low-carbon solutions. Physical Risk Strategies <ul style="list-style-type: none"> Establish mutual support mechanisms among production sites to reduce supply chain disruption risks. Incorporate climate-related risks into the Company's Business Continuity Planning (BCP) and enhance second-source supplier strategies to strengthen supply chain resilience. Reinforce data center backup power systems to ensure continuous and stable system operations. Continue to implement energy-saving and carbon reduction initiatives, and improve overall resource efficiency. Transition Opportunity Strategies <ul style="list-style-type: none"> Optimize existing building infrastructure and energy management practices. Adopt advanced and mature wafer processes and energy-saving circuit designs for key products. Regularly review R&D directions for low-carbon products and co-develop such solutions with customers. 			

	<p>Indicators and Targets</p> <p>1. Climate Action:</p> <ul style="list-style-type: none"> • Procured 72,000 kWh of green electricity in 2024. • Target to reach 5% renewable energy usage in 2025 and 30% (RE30) by 2030. • Achieve net-zero emissions by 2050. <p>2. Carbon inventory:</p> <ul style="list-style-type: none"> • The Company completed GHG inventories from 2022 to 2025 for reporting years 2021 to 2024, while subsidiary Raydium Kunshan completed inventories for 2023 to 2025, covering reporting years 2022 to 2024. All inventories were verified by third-party assurance providers and issued with verification statements. <p>In 2024, 18 suppliers completed third-party GHG verifications. The Company will continue to leverage its influence to encourage suppliers to complete ISO 14064-1 carbon inventories and jointly set Scope 3 emission reduction targets, promoting a sustainable supply chain.</p>																							
<p>7. If the Company uses internal carbon pricing as a planning tool, please explain the basis for price setting.</p>	<p>The Company currently does not implement internal carbon pricing.</p>																							
<p>8. If climate-related targets have been set, please specify the activities covered, GHG emission scopes, planning timeframe, and annual progress. If carbon offsets or Renewable Energy Certificates (RECs) are used to meet targets, please state the source and amount of offsets or RECs used.</p>	<ul style="list-style-type: none"> • Since 2022, the Company has conducted organizational GHG inventories and has completed the inventory of its Taipei, Hsinchu, and Tainan operational sites for the years 2021 through 2024. The subsidiary Raydium Kunshan also began conducting GHG inventories in 2023 and has completed the inventory for 2022 through 2024. All inventory results were verified by SGS in accordance with the ISO 14064:2018 standard. • As part of the ESG sustainability initiative, the Company has set a net-zero emissions goal by 2050. It aims to reduce global warming and environmental pollution through the use of green energy. In 2024, the Company procured 72,000 kWh of renewable electricity. The target is to achieve 5% renewable energy usage in 2025, with a gradual increase in the adoption rate, reaching 30% renewable energy usage by 2030 (RE30). 																							
<p>9. GHG inventory and assurance status, reduction targets, strategies, and concrete action plans (refer to Sections 1-1 and 1-2).</p>	<p>Please refer to Sections 1-1 and 1-2 for detailed disclosures on GHG inventory data, verification status, reduction targets, strategies, and specific action plans.</p>																							
<p>1-1 Greenhouse Gas Inventory and Assurance Status for the Past Two Years</p>																								
<p>1-1-1 Greenhouse Gas Inventory Information</p> <p>The Company conducted greenhouse gas (GHG) emissions inventory in accordance with the ISO 14064-1 standard, covering Scope 1, Scope 2, and Scope 3 emissions. External assurance was obtained. Details are as follows:</p>																								
<table border="1"> <thead> <tr> <th rowspan="2">Item</th> <th colspan="2">Year</th> </tr> <tr> <th>2024</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Scope 1 (metric tons CO₂e/year)</td> <td>121.8364</td> <td>128.7600</td> </tr> <tr> <td>Scope 2 (metric tons CO₂e/year)</td> <td>1,332.4603</td> <td>1,222.1363</td> </tr> <tr> <td>Total Scope 1 and Scope 2 (metric tons CO₂e/year)</td> <td>1,454.2967</td> <td>1,350.8963</td> </tr> <tr> <td>Revenue (NT\$ million)(Note)</td> <td>22,358</td> <td>17,605</td> </tr> <tr> <td>GHG Emission Intensity (Scope 1+2) (CO₂e/NT\$ million)</td> <td>0.065</td> <td>0.077</td> </tr> <tr> <td>Scope 3 (metric tons CO₂e/year)</td> <td>44,552.3219</td> <td>41,759.3291</td> </tr> </tbody> </table>		Item	Year		2024	2023	Scope 1 (metric tons CO ₂ e/year)	121.8364	128.7600	Scope 2 (metric tons CO ₂ e/year)	1,332.4603	1,222.1363	Total Scope 1 and Scope 2 (metric tons CO ₂ e/year)	1,454.2967	1,350.8963	Revenue (NT\$ million)(Note)	22,358	17,605	GHG Emission Intensity (Scope 1+2) (CO ₂ e/NT\$ million)	0.065	0.077	Scope 3 (metric tons CO ₂ e/year)	44,552.3219	41,759.3291
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<p>1-1-2 GHG Assurance Information</p>																								
<table border="1"> <thead> <tr> <th>Year</th> <th>Total GHG Emissions (metric tons CO₂e/year)</th> <th>Scope of Assurance</th> <th>Assurance Provider</th> <th>Assurance Standard</th> <th>Level of Assurance</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>1,454.2967</td> <td rowspan="2">Taipei, Hsinchu, and Tainan Offices</td> <td rowspan="2">SGS Taiwan Ltd.</td> <td rowspan="2">ISO14064:2018</td> <td rowspan="2">Reasonable Assurance</td> </tr> <tr> <td>2023</td> <td>1,350.8963</td> </tr> </tbody> </table>		Year	Total GHG Emissions (metric tons CO ₂ e/year)	Scope of Assurance	Assurance Provider	Assurance Standard	Level of Assurance	2024	1,454.2967	Taipei, Hsinchu, and Tainan Offices	SGS Taiwan Ltd.	ISO14064:2018	Reasonable Assurance	2023	1,350.8963									
Year	Total GHG Emissions (metric tons CO ₂ e/year)	Scope of Assurance	Assurance Provider	Assurance Standard	Level of Assurance																			
2024	1,454.2967	Taipei, Hsinchu, and Tainan Offices	SGS Taiwan Ltd.	ISO14064:2018	Reasonable Assurance																			
2023	1,350.8963																							

1-2 GHG Reduction Targets, Strategies, and Action Plans

■ **Baseline Year and Data for GHG Reduction:**

The Company uses 2021 (FY110) as the baseline year, during which the total Scope 1 and Scope 2 emissions amounted to 1,700.0409 metric tons of CO₂e. By 2024, emissions were reduced by 245.7442 metric tons of CO₂e, representing a 14.46% decrease from the baseline.

■ **Reduction Targets, Strategies, and Implementation Status:**

To further reduce total Scope 1 and Scope 2 emissions, the Company has implemented energy-saving measures and initiatives to improve energy efficiency. In 2024, the Company signed a renewable energy purchase agreement, resulting in the use of 72,000 kWh of green electricity, accounting for 2.6% of total grid power consumption. The Company will continue to increase its use of renewable energy, aiming to reach 30% usage by 2030 (RE30).

2.3.6 Taiwan Corporate Conduct and Ethics Implementation as Required by the Taiwan Financial Supervisory Commission

Assessment Item	Implementation Status			Causes for the Difference	
	Yes	No	Summary		
Establishment of Corporate Conduct and Ethics Policy and Implementation Measures	1. Has the Company established an integrity management policy approved by the Board of Directors, disclosed the policy and practices in internal regulations and external documents, and ensured that the Board and senior management are committed to implementation?	✓		The Company approved the “Integrity Management Policy” and the “Ethical Management Procedures and Code of Conduct” on April 15, 2021. Integrity management has been incorporated into the Company’s core values as the ultimate principle of sustainable operations and the ethical standard for directors, managerial officers, and employees. To promote stakeholder understanding, the relevant policies have been published on the Market Observation Post System and the Company’s website.	None
	2. Has the Company established a risk assessment mechanism for unethical conduct, regularly analyzed and assessed business activities with higher risks of dishonest behavior, and formulated corresponding prevention programs covering items listed in Article 7, Paragraph 2 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”?	✓		<p>1. The Company has established specific internal policies such as the “Integrity Management Policy,” “Ethical Management Procedures and Code of Conduct” “Employee Work Rules,” and “Whistleblower Policy” to provide concrete guidance for preventing unethical behavior. Violations are subject to disciplinary actions.</p> <p>2. The Company regularly analyzes and assesses high-risk business activities and has formulated a prevention program covering the following areas:</p> <ul style="list-style-type: none"> (1) Bribery and corruption (2) Unlawful political contributions (3) Inappropriate charitable donations and sponsorships (4) Offering or accepting unreasonable gifts, hospitality, or other improper benefits (5) Infringement of intellectual property rights including trade secrets, trademarks, patents, copyrights (6) Acts of unfair competition (7) Harm to the rights, health, or safety of consumers or stakeholders during R&D, procurement, manufacturing, delivery, or sale of products or services 	None
	3. Has the Company clearly stipulated operating procedures, codes of conduct, disciplinary and complaint mechanisms in its unethical conduct prevention program, and ensured proper implementation and regular review of the said program?	✓		The Company has established the “Procedures for the Handling of Material Information and Prevention of Insider Trading” “Code of Ethical Conduct for Directors,” “Whistleblower Policy,” “Integrity Management Policy,” and the “Ethical Management Procedures and Code of Conduct.” These policies define ethical standards, conflict of interest avoidance, and rules for business hospitality. A integrity risk assessment mechanism has been implemented, and periodic integrity training and compliance assessments are held to reinforce integrity awareness and compliance.	None

Assessment Item	Implementation Status			Causes for the Difference	
	Yes	No	Summary		
1. Has the Company evaluated the integrity records of business counterparties and included integrity-related clauses in contracts with counterparties?	✓		The Company has established an evaluation mechanism for counterparties, requiring customers and suppliers to sign a Statement of Commitment to Integrity and including integrity-related clauses in contracts to clearly define the rights and obligations of both parties.	None	
2. Has the Company established a dedicated unit under the Board of Directors to promote ethical corporate management and report at least once a year to the Board on its integrity management policies, prevention programs, and supervisory execution status?	✓		The Company has established a dedicated "Integrity Management Task Force" under the Board of Directors, consisting of representatives from Human Resources, Environmental Safety, and Legal departments. This unit is responsible for formulating and supervising the implementation of integrity policies and prevention programs. The unit reports to the Board in the second quarter each year regarding the execution status of the previous year. The 2024 report is scheduled for May 2025.	None	
Implementation of Integrity Management	3. Has the Company established a Conflict of Interest Policy, provided appropriate whistleblowing channels, and ensured proper implementation?	✓	<ol style="list-style-type: none"> The "Integrity Management Policy" and the "Ethical Management Procedures and Code of Conduct" define the Conflict of Interest Policy, which is implemented across all departments. The "Employee Work Rules" also specify related regulations for employees to follow. The "Rules of Procedure for Board Meetings," "Audit Committee Charter," and "Remuneration Committee Charter" explicitly require directors to recuse themselves from discussions and voting in case of conflicts of interest. The Company has disclosed whistleblowing channels internally and on its website. No integrity-related complaints were received in 2024. 	None	
	4. Has the Company established effective accounting and internal control systems to implement ethical corporate management, and has the internal audit unit formulated audit plans based on the risk assessment of unethical conduct or engaged CPAs to conduct audits?	✓		The Company has established robust and effective controls within its accounting and internal control systems, particularly for business activities with higher risks of unethical conduct. Regular self-assessments are conducted annually, and each unit reviews and tracks internal control effectiveness. Audit execution results are reported to the Board quarterly.	None
	5. Does the Company regularly conduct internal and external training on ethical corporate management?	✓		The Company conducts monthly training sessions on "Integrity Management and Legal Compliance" for new employees to ensure their full understanding and adherence to ethical principles. Additionally, annual integrity and compliance training are held both online and in person. In 2024, the participation rate reached 99.8%, with a 100% pass rate (Note: two visually impaired massage therapists were not included in the mandatory training).	None

Assessment Item		Implementation Status			Causes for the Difference
		Yes	No	Summary	
Whistleblowing Mechanism Operation	1. Has the Company established concrete whistleblowing and reward systems, convenient whistleblowing channels, and assigned responsible personnel to handle complaints regarding reported individuals?	✓		<p>1. The Company has established the “Whistleblower Policy,” which defines specific whistleblowing procedures and clearly discloses convenient whistleblowing channels internally and on its website:</p> <ul style="list-style-type: none"> ■ Internal Channels: <ul style="list-style-type: none"> - Integrity Mailbox: Automatically forwards reports to Legal and Internal Audit. - General Manager Mailbox: Allows direct communication with the GM for reports or suggestions. - HR Mailbox: For HR-related issues. ■ External Channel: <ul style="list-style-type: none"> - Whistleblower@rad-ic.com, an independent external email address, automatically forwarded to Legal Department and Internal Audit Office. <p>2. All channels are managed by dedicated personnel who handle and investigate reports to ensure proper treatment.</p> <p>3. If the reported case involves significant violations or may cause material damage, the responsible department will prepare a report and submit it in writing to the Audit Committee for deliberation.</p>	None
	2. Has the Company established SOPs for handling complaints, post-investigation measures, and confidentiality mechanisms?	✓		The Company has stipulated standard procedures for complaint handling, follow-up measures, and confidentiality in both the “Ethical Management Procedures and Code of Conduct” and the “Whistleblower Policy.”	None
	3. Has the Company implemented measures to ensure whistleblowers are not subject to unfair treatment as a result of their reporting?	✓		The Company’s “Whistleblower Policy” explicitly outlines procedures to ensure the confidentiality of the whistleblower’s identity and data. The Company commits to protecting whistleblowers from retaliation or improper treatment resulting from their reports.	None
Enhancing Information	Has the Company disclosed the contents of its integrity management policy and the results of its implementation on its website and the Market Observation Post System?	✓		The Company has uploaded its “Integrity Management Policy” to both its the Company’s official website and the Market Observation Post System. The Company also reports implementation results to the Board annually.	None
<p>If the Company has established its own integrity management policy based on the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies,” please explain its implementation and any differences from the standard guidelines:</p> <p>The Company has established its “Integrity Management Policy,” which upholds integrity as the highest principle for sustainable operations. This policy ensures that the conduct of directors, management, and all employees adheres to ethical standards and is effectively implemented in daily operations.</p> <p>Other important information to understand the Company’s integrity management implementation (e.g., revisions to the policy):</p> <p>The Company continues to monitor developments in relevant integrity management regulations and communicates its commitment to ethical standards to stakeholders on various occasions. Directors, managers, and employees are encouraged to provide suggestions to help review and improve the Company’s integrity policies and initiatives, thereby enhancing the overall effectiveness of its integrity management.</p>					

2.3.7 Other Important Information to Understand the Company's Corporate Governance Operations

1. The Company has established the “Procedures for Handling Material Internal Information and Prevention of Insider Trading” as the basis for handling material information and disclosure mechanisms. All employees are required to comply with this policy to prevent violations or insider trading incidents.
2. Upon appointment, all insiders, including directors, independent directors, and managerial officers, are provided with the latest version of the “Regulatory Compliance Handbook for Directors and Supervisors” published by the competent authority to facilitate compliance with relevant regulations.
3. The Company has appointed three independent directors and established both the Audit Committee and the Remuneration Committee composed entirely of independent directors to strengthen corporate governance.
4. The Company has appointed a dedicated Corporate Governance Officer under the Finance Department to handle various governance-related matters, safeguard shareholders’ rights, and enhance the effectiveness of the Board of Directors.
5. Details of the Company’s corporate governance practices are available on the Market Observation Post System and the Company’s website under “Investor Relations > Corporate Governance.”

2.3.8 Implementation Status of the Internal Control System

1. Internal Control Statement:
Please refer to the “Internal Control Statement – 2024” disclosed on the Market Observation Post System (MOPS):
<https://mopsov.twse.com.tw/mops/web/t06sg20>
2. CPA's Special Audit Report on the Internal Control System (if applicable): Not applicable.

2.3.9 Major Resolutions of the Shareholders’ and Board of Directors’ Meetings in the Most Recent Year and up to the Date of Publication of the Annual Report

1. Major Resolutions of the 2024 Annual General Shareholders’ Meeting and Their Execution Status:
 - Approval of the 2023 Business Report and Financial Statements
Resolution: Approved.
 - Approval of the 2023 Earnings Distribution Proposal
Resolution: Approved. The record date for cash dividend distribution was set as July 7, 2024, and cash dividends of NT\$15.2 per share were distributed on July 29, 2024.
 - Amendment to Certain Articles of the “Procedures for Acquisition or Disposal of Assets”
Resolution: Approved.

2. Important Resolutions of the Board of Directors in 2024 and up to the Date of Printing of the Annual Report:

Date	Major Resolutions
8th Term, 4th Meeting January 5, 2024	<ul style="list-style-type: none"> • Approved the allocation ratios for 2024 employee and Director remuneration. • Approved the distribution of 2023 performance-based bonuses for managerial officers. • Approved title adjustment and appointment of Chief Information Officer.
8th Term, 5th Meeting February 26, 2024	<ul style="list-style-type: none"> • Approved the assessment of the effectiveness of the internal control system for 2023 and the declaration of internal control system (Note). • Approved the distribution of 2023 employee compensation and director remuneration (Note). • Approved the 2023 financial statements, business report, and 2024 business plan (Note). • Approved the cash dividend distribution from 2023 earnings (Note). • Approved the 2023 earnings distribution table (Note). • Approved the amendment to the “Procedures for Acquisition or Disposal of Assets” (Note). • Approved matters related to the 2024 Annual General Shareholders’ Meeting and proposal procedures. • Reviewed and approved the revision of the “Remuneration Policy for Directors, Independent Directors, and Managerial Officers” • Approved the principles for establishing 2024 performance indicators for managerial officers. • Approved amendments to the “Employee Stock Ownership Trust Management Guidelines.” • Approved 2024 base salary adjustments for managerial officers. • Evaluated the independence and suitability of the 2024 audit firm and approved their engagement and fees (Note). • Approved amendments to the “Rules of Procedure for Board Meetings” (Note). • Approved amendments to the “Audit Committee Charter” (Note). • Approved the 2024 annual budget. • Approved renewal of banking credit lines.
8th Term, 6th Meeting May 7, 2024	<ul style="list-style-type: none"> • Approved the 2024 Q1 consolidated financial statements (Note). • Approved renewal of banking credit lines.
8th Term, 7th Meeting August 6, 2024	<ul style="list-style-type: none"> • Approved the 2024 Q2 consolidated financial statements (Note). • Approved the amendment to the “Authority Delegation Table” (Note). • Approved investment in ARK Semiconductor Inc. (Note). • Approved procurement of non-exclusive licensed software (Note). • Approved the distribution of 2023 employee performance-based bonuses for managerial officers. • Approved renewal of banking credit lines.
8th Term, 8th Meeting November 5, 2024	<ul style="list-style-type: none"> • Approved the 2025 audit plan (Note). • Approved the addition of “Sustainable Information Management” procedures in the Internal Control and Internal Audit Systems, and amendment to the “Payroll Cycle Control” control process (Note). • Approved the 2024 Q3 consolidated financial statements (Note). • Approved joint investment with a subsidiary via an intermediate holding company to establish a new subsidiary in mainland China (Note). • Approved amendments to the “Corporate Governance Principles.” • Approved the release of managerial personnel from non-competition restrictions. • Approved renewal of banking credit lines.
8th Term, 9th Meeting January 3, 2025	<ul style="list-style-type: none"> • Approved the distribution of 2024 performance-based bonuses for managerial officers.
8th Term, 10th Meeting February 25,	<ul style="list-style-type: none"> • Approved the assessment of the effectiveness of the internal control system for 2024 and the declaration of internal control system (Note). • Approved the distribution of 2024 employee compensation and director remuneration

Date	Major Resolutions
2025	<p>(Note).</p> <ul style="list-style-type: none"> • Approved the 2024 financial statements, business report, and 2025 business plan (Note). • Approved the cash dividend distribution from 2024 earnings (Note). • Approved the 2024 earnings distribution table (Note). • Approved amendments to the Articles of Incorporation. • Approved the definition of “junior-level employees.” • Approved the release of directors and their representatives from non-competition restrictions. • Approved matters related to the 2025 Annual General Shareholders’ Meeting. • Approved the proposed allocation ratio of employee compensation and director remuneration for 2025. • Reviewed and approved the remuneration policy, system, standards, and structure for Directors and managerial officers. • Approved the principles for establishing 2025 performance indicators for managerial officers. • Approved 2025 salary adjustments for managers. • Approved revisions to the Company's pre-approval policy for non-assurance services (Note). • Evaluated the independence and suitability of the 2025 audit firm and approved their engagement and fees (Note). • Approved engagement of KPMG for consultation on IFRS sustainability disclosure standards and fees (Note). • Approved amendments to the “Seal Management Procedures” (Note). • Approved the establishment of a new representative office in Korea. • Approved the 2025 annual budget. • Approved renewal of banking credit lines.

Note: Matters specified in Article 14-5 of the Securities and Exchange Act.

2.3.10 Major Issues of Record or Written Statements Made by Any Director Dissenting to Important Resolutions Passed by the Board of Directors: None.

2.4 Audit Fees Information

2.4.1 Audit Firm Remuneration Information

Unit: In Thousands of New Taiwan Dollars

Audit Firm Name	CPA Name(s)	Audit Period	Audit Fees	Non-audit Fees	Total	Remark
KPMG Taiwan	An-Chih Cheng	January 1 to December 31, 2024	2,900	830	3,730	Non-audit fees refer to tax certification and English financial reports.
	Chien-Hui Lu					

2.4.2 If the audit firm was changed and the audit fees paid for the year of change were lower than those paid in the year prior to the change, the Company shall disclose the amounts before and after the change, and explain the reasons for the difference: None.

2.4.3 If the audit fees paid decreased by more than 10% compared to the previous year, the Company shall disclose the amount, percentage of decrease, and reasons for the decrease: :None.

2.5 Information on the Change of Certified Public Accountants:

2.5.1 Information on the Former CPAs

Date of Change	February 25, 2025		
Reason for Change and Explanation	Internal business adjustment within the audit firm		
Party Initiating the Termination or Non-renewal of Appointment	Client	CPA	Consignor
	Status		
	Voluntary Termination of Engagement	N/A	N/A
	Non-renewal or Refusal to Continue the Engagement	N/A	N/A
Issuance of audit reports with opinions other than an unqualified opinion in the past two years	None		
Any disagreements with the issuer on the following matters	Yes		Accounting principles or practices
			Disclosure in financial statements
			Audit scope or procedures
			Others
	No	V	
	Explanation		
Other matters that shall be disclosed under Subparagraphs 4 to 7, Item 1, Subparagraph 6, Article 10 of the Regulations Governing Information to be Published in Annual Reports of Public Companies:None.			

2.5.2 Successive CPAs

Audit Firm Name	KPMG Taiwan
CPA Name(s)	CPA An-Chih Cheng and CPA Chun-Yuan Wu
Date of Engagement	February 25, 2025
Consultations with the successor CPA prior to engagement regarding accounting treatment of specific transactions, accounting principles, or the type of audit opinion that might be issued on the financial statements	None
Written opinion from the successor CPA on matters of disagreement with the predecessor CPA	None

2.5.3 Response from the Former CPA Regarding Subparagraphs 1 and 2(3), Paragraph 6, Article 10 of the Regulations:None.

2.6 Employment of the Chairman, President, or Financial and Accounting Managers at the Current Audit Firm within the Past Year: None

2.7 Changes in Shareholdings and Pledged Shares of Directors, Executive Officers, and Shareholders Holding More Than 10% of the Company's Shares

2.7.1 Changes in Shareholdings by Directors, Executive Officers, and Major Shareholders

Unit: Thousands of shares

Title	Name	2024		As of March 30, 2025	
		Net Change in Shareholding	Net Change in Shares Pledged	Net Change in Shareholding	Net Change in Shares Pledged
Chairman and Chief Executive Officer	Hermit Huang	(36)	0	0	0
Corporate Director and Major Shareholder	Konly Venture Corp.	0	0	0	0
Representative of Corporate Director	Hong-Jye Hong	0	0	0	0
Representative of Corporate Director	Amy Ku	0	0	0	0
Director	Sheaffer Lee	0	0	0	0
Independent Director	Max Cheng	0	0	0	0
Independent Director	Haydn Hsieh	0	0	0	0
Independent Director	Jerry Jou	0	0	0	0
President	WT Lin	(15)	0	0	0
Vice President	Rich Huang	0	0	0	0
Vice President	CJ Wen	0	0	0	0
Vice President	Fred Wang	0	0	0	0
Vice President	YL Chen	(25)	0	0	0
Vice President	SP Tang	0	0	0	0
Information Technology Principal	Alex Yuan	(9)	0	0	0
Assistant Vice President	Patty Lin	0	0	0	0
Assistant Vice President	MT Lin	0	0	0	0
Assistant Vice President	JR Shih	0	0	0	0

2.7.2 Stock Trade with Related Party: None.

2.7.3 Stock Pledge with Related Party: None.

2.8 Relationship among the Top Ten Shareholders

March 30, 2025; Unit: Thousands of shares; %

Name (Note 1)	Shares Held		Shares Held by Spouse & Minors		Shares Held in the Name of Others		Name and Relationship between Raydium's Shareholders (Note 2)	
	Shares	%	Shares	%	Shares	%	Name	Relationship
Konly Venture Corp.	11,454	15.10	0	0	0	0	Darly Venture Inc./Darly 2 Venture, Ltd.	The parent companies of both parties are related parties
Konly Venture Corp. Person in Charge: Shuang-Lang (Paul) Peng	0	0	0	0	0	0	Darly Venture Inc./Darly 2 Venture, Ltd.	The parent companies of both parties are related parties
Capital Tip Customized Taiwan Select High Dividend ETF account	6,720	8.86	0	0	0	0	None	None
Fubon Life Insurance Co., Ltd.	3,120	4.11	0	0	0	0	None	None
Darly Venture Inc.	2,300	3.03	0	0	0	0	Darly 2 Venture, Ltd.	The companies shares the same Chairman
							Konly Venture Corp.	The parent companies of both parties are related parties
Darly Venture Inc. Person in Charge: Jasmin Hung	11	0.01	0	0	0	0	Darly 2 Venture, Ltd.	The companies shares the same Chairman
							Konly Venture Corp.	The parent companies of both parties are related parties
KGI Taiwan Premium Selection High Dividend 30 ETF	1,589	2.09	0	0	0	0	None	None
Taiwan Life Insurance Co., Ltd.	1,199	1.58	0	0	0	0	None	None
Darly 2 Venture, Ltd.	993	1.31	0	0	0	0	Darly Venture Inc.	The companies shares the same Chairman
							Konly Venture Corp.	The parent companies of both parties are related parties
Darly 2 Venture, Ltd. Person in Charge: Jasmin Hung	11	0.01	0	0	0	0	Darly Venture Inc.	The companies shares the same Chairman
							Konly Venture Corp.	The parent companies of both parties are related parties
Advanced Starlight Fund Corporation's series of funds Advanced Aggregate International Stock Index	874	1.15	0	0	0	0	None	None
Cong-Meng Huang	834	1.10	0	0	0	0	None	None
Vanguard Emerging Markets Stock Index Fund, A series of Vanguard International Equity Index Funds	819	1.08	0	0	0	0	None	None

Note 1: The top ten shareholders shall be fully disclosed. In the case of corporate shareholders, both the name of the corporate entity and the name of its representative shall be listed separately.

Note 2: For the aforementioned shareholders, including both corporate and individual shareholders, their relationships with one another shall be disclosed in accordance with the applicable financial reporting standards for issuers.

2.9 Consolidated Shareholding in the Same Investee by the Company and Its Affiliates

As of December 31, 2024; Unit: Thousands of Shares; %

Long-Term Investments (Note 1)	Ownership by the Company		Ownership by Directors, Managers and Directly/Indirectly Owned Subsidiaries		Total Ownership	
	Shares	%	Shares	%	Shares	%
Raydium Semiconductor (SAMOA) Corp.	8,100	100.00	-	-	8,100	100.00
Raydium Semiconductor (Kunshan) Co., Ltd			Note2	100.00	-	100.00

Note 1: The Company adopts the equity method for this investment.

Note 2: The Company invests through Raydium Semiconductor (SAMOA) Corp. by capital contribution. No shares are issued for this investment.

Chapter 3 Capital and Shares

3.1 Capital and Shares

3.1.1 Source of Capital

As of March 30, 2025; Unit: Thousands of Shares; NT\$ Thousands

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of Capital	Capital Increase by Assets Other than Cash	Other
Oct. 2003	11	24,000	240,000	6,000	60,000	Initial cash capital	None	10/23/2003; Fu-Chien-Shan-Tzu No. 09223088100
Sep. 2004	11	24,000	240,000	6,100	61,000	Capital increase by cash contribution	None	09/21/2004; Fu-Chien-Shan-Tzu No. 09320043910
Jul. 2005	15	24,000	240,000	15,000	150,000	Capital increase by cash contribution	None	07/01/2005; Fu-Chien-Shan-Tzu No. 09408697820
May 2006	15	60,000	600,000	35,000	350,000	Capital increase by cash contribution	None	05/09/2006; Fu-Chien-Shan-Tzu No. 09575590110
Jul. 2007	18	60,000	600,000	40,000	400,000	Capital increase via warrant conversion	None	07/09/2007; Yuan-Shang-Tzu No. 0960017620
Aug. 2008	10	60,000	600,000	45,500	455,000	Capital increase by earnings appropriation	None	08/05/2008; Yuan-Shang-Tzu No. 0970021896
Aug. 2009	10	60,000	600,000	53,175	531,750	Capital increase by earnings appropriation	None	08/17/2009; Yuan-Shang-Tzu No. 0980022878
Jul. 2010	10	80,000	800,000	64,980	649,800	Capital increase by earnings appropriation	None	07/20/2010; Yuan-Shang-Tzu No. 0990020679
Oct. 2016	10	80,000	800,000	72,230	722,300	Capital increase via stock swap	None	10/11/2016; Chu-Shang-Tzu No. 1050028009
Dec. 2017	10	80,000	800,000	70,320	703,200	Capital reduction by share cancellation	None	12/11/2017; Chu-Shang-Tzu No. 1061000717
Aug. 2019	10	80,000	800,000	72,320	723,200	Issuance of restricted shares	None	08/20/2019; Yuan-Shang-Tzu No. 1080023778
Dec. 2019	10	80,000	800,000	67,003	670,034	Capital reduction by share cancellation	None	12/13/2019; Chu-Shang-Tzu No. 1080036087
May 2020	10	80,000	800,000	66,943	669,434	Capital reduction by cancellation of restricted shares	None	05/14/2020; Chu-Shang-Tzu No. 1090013424
May 2021	10	100,000	1,000,000	66,937	669,368	Capital reduction by cancellation of restricted shares	None	05/17/2021; Chu-Shang-Tzu No. 1100013679
Jan. 2022	10	100,000	1,000,000	75,861	758,618	Capital increase by cash contribution	None	01/20/2022; Chu-Shang-Tzu No. 1110001826
Mar. 2022	10	100,000	1,000,000	75,855	758,552	Capital reduction by cancellation of restricted shares	None	03/11/2022; Chu-Shang-Tzu No. 1110007581

As of March 30, 2025; Unit: Thousands of Shares

Type of Stock	Authorized Share Capital			Remark
	Outstanding Shares	Unissued Shares	Total	
Common Stock	75,855	24,145	100,000	None

Shelf Registration: None.

3.1.2 List of Major Shareholders

As of March 30, 2025; Unit: Shares; %

Shareholder's Name	Shareholding Shares	Shareholding Ratio(%)
Konly Venture Corp.	11,454,429	15.10%
Capital Tip Customized Taiwan Select High Dividend ETF account	6,720,000	8.86%
Fubon Life Insurance Co., Ltd.	3,120,000	4.11%
Darly Venture Inc.	2,299,763	3.03%
KGI Taiwan Premium Selection High Dividend 30 ETF	1,589,000	2.09%
Taiwan Life Insurance Co., Ltd.	1,199,000	1.58%
Darly 2 Venture, Ltd.	992,548	1.31%
Advanced Starlight Fund Corporation's series of funds Advanced Aggregate International Stock Index	874,000	1.15%
Cong-Meng Huang	834,000	1.10%
Vanguard Emerging Markets Stock Index Fund, A series of Vanguard International Equity Index Funds	819,000	1.08%

3.1.3 Dividend Policy and Implementation Status

1. Company Current Dividend Policy as Stipulated in the Company's Articles of Incorporation: Article 19-1:

If the Company records a profit after the annual final accounts, such profit shall first be used to pay taxes and offset accumulated losses. Thereafter, 10% of the remaining profit shall be allocated as legal reserve. However, if the legal reserve has reached the amount of the Company's paid-in capital, such allocation may be waived. Special reserves shall be allocated or reversed in accordance with applicable laws and regulations. The remaining balance, if any, shall be combined with undistributed earnings from previous years and allocated pursuant to a distribution proposal prepared by the Board of Directors. Where dividends and bonuses are distributed, the distribution may be made in whole or in part in the form of new shares, subject to a resolution at the shareholders' meeting. Distributions in the form of cash dividends may be resolved by a special resolution of the Board of Directors and reported to the shareholders' meeting.

The Company adopts a residual dividend policy. Dividend distributions are determined based on the Company's current and future investment environment, capital requirements, domestic and international competitive landscape, and capital budget, with due consideration to shareholder interests, dividend stability, and the Company's long-term financial planning. No less than 10% of the distributable earnings shall be allocated as shareholder dividends each year. Among them, the cash dividend shall not be less than 10% of the total dividends distributed (cash plus stock) for that year.

2. Dividend Distribution Proposed in This Annual Shareholders' Meeting:

On February 25, 2025, the Board of Directors resolved to distribute NT\$1,683,986,017 in cash dividends (NT\$22.2 per share). This matter will be reported at the 2025 Annual Shareholders' Meeting.

3. Disclosure of Any Expected Significant Changes to the Dividend Policy:None.

3.1.4 Impact of the Proposed Capital Increase via Stock Dividend Distribution on the Company's Operating Performance and Earnings Per Share: Not applicable

3.1.5 Employees' and Directors' Remuneration

1. Remuneration Allocation Requirements

Article 19:

According to Article 19 of the Company's Articles of Incorporation, if the Company records profit for the fiscal year (profit refers to income before tax and before the deduction of employee compensation and director remuneration), no less than 1% shall be allocated as employee compensation and no more than 1% as director remuneration. However, if there is any accumulated deficit (including adjustments to undistributed earnings), such amount shall first be retained to offset the deficit.

The aforementioned distribution shall be resolved by the Board of Directors and reported to the shareholders' meeting.

2. Basis for Estimating Current-Year Compensation and Accounting Treatment of Differences

The estimated amounts of employee compensation and director remuneration are calculated based on the profit before tax and before deducting such remuneration, and in accordance with the allocation percentages stipulated in the Company's Articles of Incorporation. These amounts are recognized as operating costs or expenses for the fiscal year.

If there are any differences between the estimated and actual amounts after the financial statements are approved in the following year, such differences are treated as changes in accounting estimates and reflected in the financial results of the subsequent year.

3. Board Resolution on the Distribution of Employee Compensation and Director Remuneration for Fiscal Year 2024

On February 25, 2025, the Board of Directors resolved to distribute the following amounts for fiscal year 2024 (ending December 31, 2024):

- (1) NT\$424,658,083 as employee compensation and NT\$18,943,435 as director remuneration, both in cash. The above amounts are consistent with the expenses recognized in the financial statements.
- (2) The ratio of employee compensation distributed in stock to the sum of after-tax profit and employee compensation under the standalone financial statements is not applicable.

4. Actual Distribution of Employee Compensation and Director Remuneration for Fiscal Year 2023

- (1) For fiscal year 2023, the actual distribution amounted to NT\$270,958,926 as employee compensation and NT\$12,746,510 as director remuneration.
- (2) The actual distribution amounts were consistent with the expenses recognized in the financial statements; no discrepancies were noted.

3.1.6 Repurchase of the Company's Shares: None.

3.2 Corporate Bonds: None.

3.3 Preferred Shares: None.

3.4 Global Depositary Receipt: None.

3.5 Employee Stock Options: None.

3.6 Restricted Employee Shares: None.

3.7 New Shares Issued for Mergers or Acquisitions: None.

3.8 Status of Fund Utilization Plans: None.

3.8.1 Plan Description:

As of the end of the quarter preceding the publication date of this Annual Report, there are no securities offerings or private placements from prior years that remain uncompleted or that were completed within the past three years but whose anticipated benefits have not yet materialized.

3.8.2 Implementation Status:

For the above-mentioned plans, there are no cases where the usage, progress, or results differ from the original expectations as of the end of the quarter preceding the publication of this Annual Report. No explanations or improvement measures are required.

Chapter 4 Overview of Operations

4.1 Business Activities

4.1.1 Business Scope

1. The Main Business Activities of the Company

- (1) F601010 Intellectual Property Rights
- (2) I301010 Software Design Services
- (3) I501010 Product Designing
- (4) CC01080 Electronic Components Manufacturing
- (5) F401010 International Trade
- (6) ZZ99999 Any business activities that are not prohibited or restricted by law, except those that are subject to special approval

Research, development, design, production, manufacturing, and sale of the products below:

- A. Display driver IC
- B. Display Timing Controller IC
- C. Power Management IC
- D. LED Driver IC
- E. Touch Controller IC
- F. EEPROM

The aforesaid operations shall be conducted in accordance with the provisions of the relevant laws and regulations

2. Revenue by Product mix

Unit ; NT\$ thousands

Main Products	Year	2024		2023	
		Amount	%	Amount	%
Display driver IC		23,691,864	97.19	17,698,235	96.47
Others		684,938	2.81	648,387	3.53
Total		24,376,802	100.00	18,346,622	100.00

3. Current Products and Services

The main business of the Company is the design, development and sales of Driver IC, TCON and PMIC for a-Si/LTPS/AMOLED/LED panel. Driver ICs are the key components of panels and can be categorized into driver ICs for large-sized panels and driver ICs for small and medium-sized panels, depending on the size of the panel for applications. Large-sized panels are mainly used in notebook computers (NB), monitors and televisions (TV). Small and medium-sized panels are mainly used in applications such as tablets, smartphones, wearable devices, digital cameras. And for automotive applications, displays panel size range from 1.8" to over 55", which are mainly used in head-up displays (HUD), central information displays (CID), instrument cluster display (Cluster), pillar-to-pillar display, and electronic rear view mirror displays (e-mirror).

4. New Products Planned for Development

- (1) Ultra-high-resolution (8K4K) TV source driver IC
- (2) Driver IC for notebooks with ultra-narrow bezel display panels
- (3) High frame rate notebook driver IC
- (4) Touch IC for touch panel notebooks supporting the active stylus
- (5) Integrated notebook driver IC (TED/LTDI)
- (6) Notebook Driver IC with In-Cell Touch and Display Integration (LTDI)
- (7) QHD Notebook Timing Controller IC

- (8) FHD Notebook Timing Controller IC
- (9) FHD 144Hz Monitor Timing Controller IC
- (10) Ultra-Low Refresh Rate Driver IC for LTPO AMOLED Smartphones
- (11) AMOLED mobile phone on-cell tough display driver integrated
- (12) AMOLED wearable device in-cell ultra-low power consumption TDDI
- (13) Driver IC for AMOLED tablets and notebooks
- (14) Driver IC for AMOLED automotive panels
- (15) AMOLED 3K2K 144Hz Notebook Timing Controller IC
- (16) Mini/Micro LED driver IC
- (17) Automotive In-Cell Touch and Display Driver IC (TDDI)
- (18) Automotive local dimming bridge IC
- (19) Automotive timing control IC
- (20) Automotive in-cell local dimming and Touch and Display Driver IC (TDDI)
- (21) Automotive Local Dimming and Display Driver IC (DDI)
- (22) Automotive cascade TDDI IC
- (23) Automotive Micro LED timing control IC

4.1.2 Industry Overview

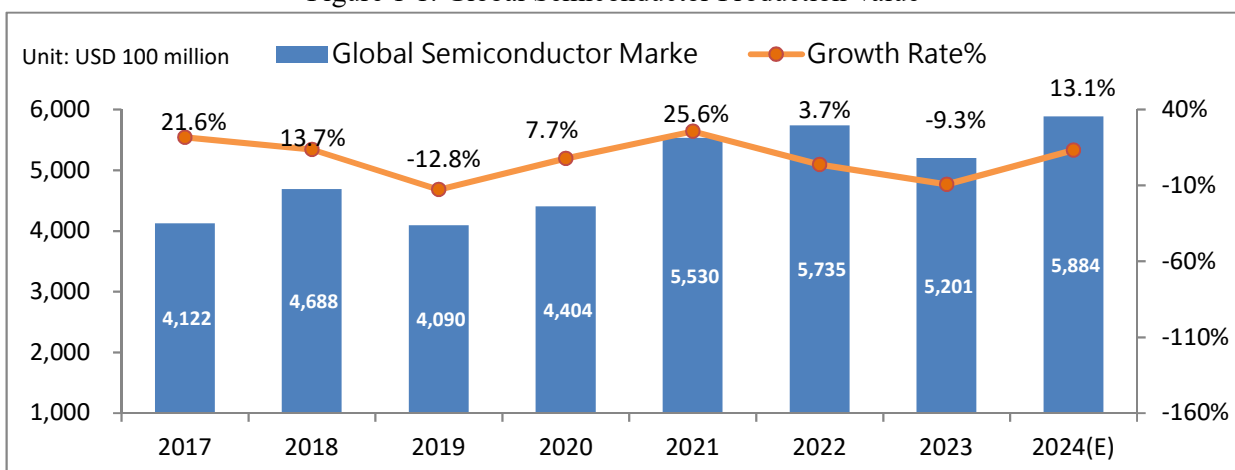
1. Industry Status and Development

In 2024, as inflation eased and inventory adjustments approached completion, restocking momentum in end markets strengthened, driving shipment growth across various types of chips. This enabled the semiconductor market to gradually emerge from the downturn experienced in 2023 and return to a growth trajectory. With the ongoing demand driven by AI-fueled applications such as high-performance computing (HPC) and automotive semiconductors, the global semiconductor industry showed signs of recovery.

According to data released by the World Semiconductor Trade Statistics (WSTS), global semiconductor sales reached USD 627 billion in 2024, representing a 20.5% increase from USD 520.1 billion in 2023 (Figure 1-1). Although the global semiconductor industry has returned to growth, governments around the world have designated semiconductors as a strategic sector, and companies continue to allocate resources and expand capital expenditures, intensifying global industry competition.

According to forecasts by the Market Intelligence & Consulting Institute (MIC), the global semiconductor market is expected to maintain a strong growth trajectory from 2024 to 2025, with demand for AI applications serving as the primary growth driver. As demand for AI chips rapidly increases, the global semiconductor market is projected to reach a scale of USD 700 to 800 billion by 2027 and surpass USD 1 trillion by 2030.

Figure 1-1: Global Semiconductor Production Value

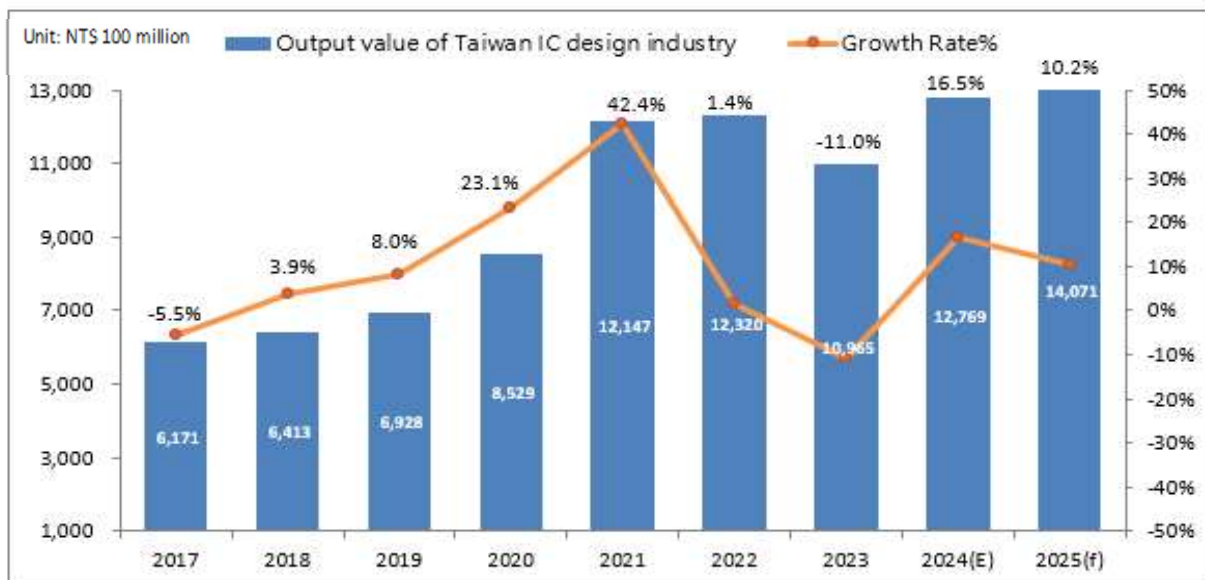


Source: WSTS (2024/12), compiled by Raydium

According to statistics from the Industrial Technology Research Institute (ITRI), Taiwan's semiconductor industry output reached NT\$5.3 trillion in 2024, surpassing the NT\$5 trillion milestone for the first time, with an annual growth rate of 22%, outperforming the global growth rate of 20.5%. Among the segments, the output value of the IC design industry approached NT\$1.28 trillion, representing a year-over-year increase of 16.5% (Figure 1-2). In 2023, IC design growth slowed due to inventory adjustments across the supply chain. However, in 2024, strong demand for AI chips and high-performance computing (HPC) drove recovery. Inventory destocking was largely completed in the first half of the year, while shipment volumes rebounded in the second half, accompanied by a corresponding increase in capacity utilization.

By the end of 2024, global inflation had gradually eased and the economy was steadily recovering, leading to a rebound in end-market demand and strengthening production momentum across related industries. Looking ahead to 2025, market demand is expected to continue growing, supporting sustained growth momentum for the semiconductor industry.

Figure 1-2: Output value of Taiwan's IC industry



Source: International Strategy Center, ITRI (2024/12), compiled by Raydium

Driven by the trend toward a digital and information-driven society, displays have become widely adopted across various sectors, ranging from portable electronic devices to notebook computers and desktop PCs, and further expanding into automotive systems, digital televisions, and ultra-large displays. As a result, display technology in the 21st century has entered an era of comprehensive and diversified applications.

On a display panel, the three most critical semiconductor components are the display driver IC, the timing controller (TCON), and the power management IC (PMIC). Display driver ICs are categorized into two types based on panel size: those for large-sized panels and those for small- to medium-sized panels. For large-sized panels, driver ICs are further divided into source driver ICs and gate driver ICs. The source driver IC, located along the X-axis of the panel, supplies the driving voltage to each row of sub-pixels, determining grayscale, color, and color saturation. The gate driver IC, located along the Y-axis, controls the activation timing of each row of pixels along the X-axis. The TCON receives image signals from the system side (e.g., the graphics card of a notebook) and converts them into the timing signals required by the panel's driver ICs.

The PMIC plays a critical role in display panel design. While the system typically provides a single voltage source, various components on the panel—such as the display driver IC, TCON, level shifter, and LED driver—each require different voltage levels. The PMIC is therefore responsible for converting the single input voltage into multiple output voltages to meet the requirements of all panel components. As such, the efficiency of the PMIC’s voltage conversion has a significant impact on the overall power consumption of the panel. This is particularly important for power-sensitive mobile devices, such as notebook computers, where energy efficiency is a key consideration.

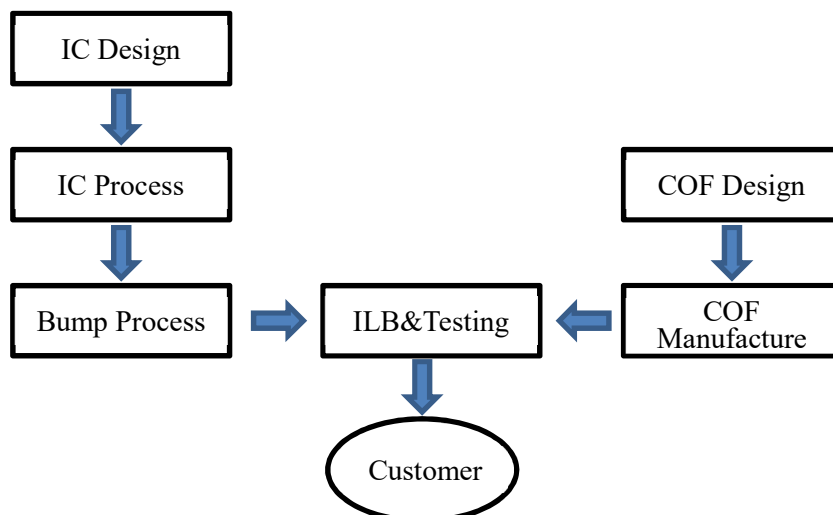
Driver ICs for small- and medium-sized panels continue to evolve toward highly integrated single-chip solutions, incorporating TCON functionality and high-speed interfaces. This integration simplifies FPC and PCB design, enabling the use of highly integrated chips to accommodate the limited space available in end devices, while also reducing power consumption. In addition to being widely used in wearables and smartphones, small- and medium-sized driver ICs are gradually expanding into industrial control information technology and automotive applications. Meanwhile, with the adoption of in-cell touch designs in LCD panels, integrating touch functionality into driver ICs has become mainstream, leading to the development of Touch and Display Driver Integration (TDDI) ICs. These TDDI solutions are now applied across a wide range of markets, from smartphones to tablets, notebook computers, information technology, and automotive displays.

AMOLED panels, known for their high color saturation, lightweight form factor, and flexibility, continue to expand their range of applications. As smartphone screens increase in size and resolution, power consumption has risen accordingly, prompting the adoption of low-power design technologies in driver ICs. To meet the demand for always-on display functionality, AMOLED has been combined with LTPO technology to enable full-time display at ultra-low refresh rates as low as 1Hz, which has gradually become a standard feature in high-end smartphones. Looking ahead, as market demand for longer battery life and smarter displays continues to rise, this technology is expected to further penetrate mid- to high-end models and other mobile devices.

2. Relationship with Up-, Middle- and Downstream Companies

The development and design of integrated circuits is the front-end part of the IC industry system, as they are mainly about the development and design of integrated circuits and the production of layout. The manufacturing process of ICs is divided into a professional division of labor system, in which photomask manufacturing, wafer manufacturing, gold bump manufacturing, wafer testing, grinding and cutting, and packaging are assigned to professional foundries. The finished products are marketed to display panel and manufacturers by the Company. The upstream and downstream structures of the driver IC industry are shown below (Figure 2):

Figure 2: Up-, Middle- and Downstream structure of the driver IC industry



Source: Compiled by Raydium

3. Product Trends

(1) Large-sized driver IC

Through long-term collaboration with our customers, the Company continues to deepen its commitment to technology R&D and strengthen its innovation capabilities. We actively develop highly integrated, low-power chips to support high-end applications, delivering a superior visual experience.

In terms of display technology, efforts continue to focus on improving power efficiency, increasing panel refresh rates, and enhancing overall visual performance. Mini LED local dimming technology enhances contrast, delivering more accurate colors and richer images. Additionally, the thin form factor and refined industrial design of Mini LED panels help drive broader market adoption and increase the penetration rate of local dimming technology, enabling consumers to enjoy higher-quality display experiences.

TV panel applications have gradually expanded beyond traditional video and entertainment into the gaming sector, where rising consumer demand for high-resolution and multifunctional display technologies is driving product refresh rates toward 144Hz. In the desktop monitor market, usage has moved beyond basic office tasks, with refresh rates increasing from 60Hz to 120Hz. This advancement not only delivers smoother motion performance but also helps reduce visual fatigue and enhances user comfort during extended use. The Company has developed display driver ICs and TCONs that support 120Hz high refresh rates for desktop monitors, providing panel customers with more competitive product design solutions.

In the notebook market, to meet consumer demand for slimmer designs and lower power consumption, the Company has adopted next-generation process technologies to effectively reduce power usage, narrow panel bezels, and increase screen-to-body ratios, resulting in a more compact and lightweight product appearance. At the same time, the Company has overcome signal transmission bottlenecks in notebook panels by increasing the operating frequency to 2.6 Gbps, ensuring stable high-speed data transmission. This advancement enables smooth performance for gaming products with refresh rates exceeding 360Hz.

In terms of new technology development, the Company has completed the development of a local dimming LED driver IC, which has been applied to Mini LED panels and supplied to leading international brands. In the area of in-cell touch ICs (LTDI), the Company has successfully developed technologies supporting both finger touch and multiple active stylus protocols. Product development continues to progress, with ongoing efforts to expand the product line and deliver comprehensive solutions.

In summary, while the large-sized panel driver IC market is highly competitive, it still presents significant opportunities and challenges. The Company remains committed to driving technological innovation, maintaining high-quality and competitive product advantages, and providing customer-oriented technical services. Through close collaboration with our customers, we aim to achieve win-win outcomes and foster continued industry advancement.

(2) Small and medium-sized driver IC

Active-Matrix Organic Light-Emitting Diode (AMOLED) panels offer advantages such as a slim form factor, low power consumption, fast response time, high color saturation, and high contrast ratio. They can also be fabricated into flexible, foldable displays. As smartphone displays evolve toward higher screen-to-body ratios and full-screen designs, panel formats have progressed from large notches and small notches to waterdrop, punch-hole, and dynamic island designs, with bezels continuing to shrink. This evolution is driving the application of full-screen display technology. To accommodate the integration of components beneath the screen, several technical challenges must be addressed, including under-display fingerprint recognition, camera-under-display (CUD), and sensor integration.

To meet the demands of high-end smartphones and dynamic display applications, the Company has mass-produced high refresh rate, low-power driver ICs and further reduced digital power consumption through process technology optimization. Panel refresh rates have advanced from 60Hz to 120Hz and 144Hz, with current development moving toward 165Hz. To address the increased power consumption associated with high refresh rates, smartphone brands are progressively adopting LTPO technology, enabling ultra-low refresh rates as low as 1Hz and supporting always-on display functionality. This trend is accelerating the development of low-power display technologies.

In terms of technical collaboration, the Company works closely with panel manufacturers and smartphone brands to continuously optimize compensation technology for camera-under-display (CUD) areas, which has been successfully implemented in the mass production of multiple smartphone models. For AMOLED wearable applications, the Company maintains long-term partnerships with customers to optimize power consumption at the system level. ICs are developed through generational iterations, with ongoing improvements in low-power performance. Leveraging its technological leadership, the Company continues to maintain a high market share among non-Apple brands.

The Company has also been deeply engaged in the development of integrated touch solutions. In 2018, we launched our first AMOLED TDDI (Touch and Display Driver Integration) product, which combined display driving and touch functionality, and was initially applied to wearable devices. As flexible AMOLED panels gradually penetrate the smartphone market, the Company is actively collaborating with panel manufacturers to develop its first TDDI solution for flexible smartphone panels. This solution will support active stylus functionality, expanding applications in the high-end smartphone segment.

In notebook applications, the Company continues to advance the integration of touch and active stylus functionality. In response to the needs of high-end 2-in-1 devices, we have successfully developed corresponding technical solutions. In price-sensitive market segments, On-Cell touch technology remains the mainstream approach, enabling us to offer a diverse range of options to meet varying customer needs.

(3) Automotive driver IC

With the rapid development of smart cockpits and in-vehicle infotainment systems, automotive displays are playing an increasingly important role in vehicle information delivery and human-machine interaction. Their applications are becoming more diverse—providing driving data and vehicle-related information for drivers, while offering entertainment and informational content for passengers. Overall market demand continues to grow, driving the advancement of automotive display technologies.

To enhance the intuitiveness and ease of use of human-machine interfaces, automotive display driver ICs are increasingly integrating touch functionality, evolving into Touch and Display Driver Integration (TDDI) solutions. At the same time, to deliver higher brightness and improved contrast, local dimming functionality has been incorporated into both TDDI and DDI designs, further enhancing display quality and making these solutions fully featured driver IC offerings for automotive applications.

Currently, the primary applications for automotive displays are Center Information Displays (CID) and instrument clusters (Cluster), while Head-Up Displays (HUD) and electronic mirrors (e-Mirrors) are the fastest-growing segments. CID and Cluster panels are evolving toward larger sizes and higher resolutions, with mainstream sizes ranging from 10 to 20 inches and resolutions progressing toward high-end specifications such as QHD. In addition, cockpit-style designs and full-width pillar-to-pillar displays have emerged as new trends, driving automotive display sizes to exceed 30 inches and further expanding application possibilities.

In-Cell Touch technology, known for its narrow bezels and high optical transmittance, has become the mainstream solution for automotive display panels. When combined with Mini LED local dimming bridge ICs, it significantly enhances the visual quality of high-end automotive displays by enabling higher brightness and contrast. The market potential for this technology is substantial and continues to grow.

In addition, to optimize display architecture and enhance overall cost efficiency, TDDI and DDI solutions integrated with local dimming functionality have been gradually adopted in key applications such as Center Information Displays (CID) and instrument clusters (Cluster), strengthening product functionality integration and boosting market competitiveness.

(4) TCON and power management IC

In the development of timing controller ICs (TCON) for notebook applications, the Company has introduced products that support Panel Self Refresh (PSR) functionality in compliance with the latest VESA power-saving standards, as well as high-speed interface specifications such as eDP 1.4b. These products have been successfully mass-produced and are suitable for notebook panels with resolutions such as FHD and WUXGA. Current TCON development efforts are focused on supporting higher resolutions, higher refresh rates, and integrated touch functionality to meet the demands of gaming and high-end notebook markets. In addition, for mainstream FHD applications, the Company has developed a cost-competitive 120Hz solution, providing the market with a high value-for-money option.

In desktop monitor applications, the Company has developed a range of image processing technologies and integrated various point-to-point high-speed interface solutions, further enhancing compatibility and integration with display driver ICs. On the product development front, the Company has completed validation and entered mass production of a Full HD 144Hz TCON designed for gaming monitors. Additionally, we are collaborating with customers to develop solutions that support higher mainstream refresh rates for QHD resolution, in response to growing market demand for high-resolution, high-refresh-rate display products.

In the area of power management ICs (PMICs), the Company provides comprehensive power solutions for LCD panel applications in notebooks, desktop monitors, and LCD TVs. These include high-efficiency, highly integrated PMICs, backlight LED driver ICs, and programmable gamma voltage generators. Additionally, for high-end display applications, the Company is developing more highly integrated power management solutions to enhance overall system performance and reduce power consumption.

Leveraging advancements in TCON and PMIC technologies, the Company offers customers a comprehensive one-stop solution. We assist clients with circuit design, firmware tuning, and online firmware updates to shorten product development cycles and deliver high-performance, cost-effective solutions that meet market demands for high-performance, high-resolution display technologies.

4. Product Competition

In recent years, Mainland China has been doing its best to support the industry supply chain, especially the development of the semiconductor industry. Through international mergers, acquisitions, and the government's support of local companies, Mainland China's overall IC design output value continues to grow. The Taiwanese IC design companies are now moving toward high specification and high technology innovation to achieve high price-performance ratio in order to go faster than their competitors, and to maintain their market share to stay in the leading position.

Moreover, Mainland China's IC design industry is actively recruiting Taiwanese high-end IC design talents through national policy support, which will continue to bring competition and threats to Taiwan's IC design industry, as the upstream and downstream of the industry continue to consolidate and enhance their competitiveness. Therefore, long-term talent cultivation, key technology research and development, and industrial consolidation are going to be the primary issues when trying to strengthen Taiwan's semiconductor industry.

The Company has long placed emphasis on medium and long-term development strategies, and continues to work with upstream and downstream alliances for technology enhancement. The Company emphasizes early stage development to enjoy higher margins and market share and makes early plans to train and nurture talents to develop next-generation products ahead of others so as to achieve simultaneous upgrade advantages.

4.1.3 Technology and R&D

1. R&D Expenses:

The Company's consolidated R&D expenses for 2024 were NT\$3,957,835 thousand, accounting for 16% of revenue.

2. Successfully Developed Technologies or Products

The experience of the Company's product development team is mainly in high voltage circuit design, mixed signal circuit design and touch system development. The technologies developed and applied to mass production products in the last five years are as follows:

Year	R&D Results throughout the Years	Applied Fields
2020	Optical touch control integrated driver IC(Photo Touch)	TV
	High-speed (360Hz) LTPS display driver IC for e-sports	NB
	AMOLED Overdrive driver IC for mobile phones	Mobile Phone
	AMOLED De-Burn-in driver IC for mobile phones	Mobile Phone
	AMOLED touch control integrated driver IC for wearable devices (TDDI)	Wearable
	AMOLED driver IC supporting under-screen camera technology for mobile phones	Mobile Phone
	TCON for TVs, laptops and desktop displays	TV / NB / Monitor
	AMOLED low-ripple power management IC	Wearable
	High-resolution 10-bit driver IC for automotive applications	Automotive
2021	Touch control integrated driver IC (LTDI) for in-cell touch display panels	NB
	Micro LED driver IC	Micro LED
	Cascaded TDDI IC for automotive applications	Automotive
	Local dimming bridge IC for automotive applications	Automotive
	Timing controller (TCON) IC for automotive applications	Automotive
	AMOLED touch control integrated driver IC supporting LTPO flexible wearable devices display (TDDI)	Wearable
	AMOLED driver IC supporting LTPO flexible display for mobile phones	Mobile Phone

Year	R&D Results throughout the Years	Applied Fields
	Single inductor dual output AMOLED power management IC	Wearable
	TCON IC for laptops (eDP1.4PSR2)	NB
	LCD Gaming Monitor TCON IC	Monitor
	LED display driver IC	PID
2022	AMOLED display driver IC supporting LTPO flexible display and Multi-frame rate switching function	Mobile Phone
	AMOLED pixel base Overdrive display driver IC	Mobile Phone
	AMOLED full screen De-Burn-in display driver IC	Mobile Phone
	AMOLED display driver IC for laptops	NB
	Micro LED knob display driver IC for vehicles	Automotive
	Micro LED wearable display driver IC with low power consumption	Wearable
	AMOLED touch controller IC for foldable mobile phone with integrated active stylus	Mobile Phone
	AMOLED touch controller IC for laptops and tablets with integrated active stylus	NB / Tablet
	Scan type LED driver IC for local dimming LED backlight	Automotive
	Up to 1000 zones local dimming bridge IC with eDP interface for large size and high resolution application	Automotive
	Integrated TCON and touch control driver IC (TDDI) for in-cell touch panels	NB
	High-precision 4ch LED driver IC for local dimming	MNT/NB
	2023	LTDI that supports multiple active stylus protocols
High-speed P2P interface driver IC for gaming notebooks		NB
Ultra-high-speed (4 Gbps) low power consumption display driver IC for TV		TV
AMOLED RAM-less display driver IC		Mobile Phone
LTPO AMOLED ultra-low power consumption (1Hz) display driver IC		Mobile Phone
AMOLED WQHD display driver IC		Mobile Phone
AMOLED high pin count display driver IC		Mobile Phone
AMOLED multi-frame overdrive compensating technology for delayed luminescence panel		Mobile Phone
AMOLED wearable TDDI with ultra-low power consumption		Wearable
High-resolution bridge IC with eDP interface and 1,600 zones local dimming for automotive display		Automotive
2024	Level Shifter IC for Touch-Enabled Laptops	NB
	Touch Controller IC (MCU) Supporting Multiple Active Pen Protocols	NB
	Timing Controller and Driver IC (TED) Supporting Overdrive (OD) Compensation	NB
	High-Speed Point-to-Point Interface Driver IC with Multi-Level Delay Compensation	TV/MNT
	AMOLED Tri-Fold Display Compensation by Display Region and Refresh Rate	Mobile Phone
	AMOLED RAM-less (Mux1:1 @ 144Hz) Display Driver IC	Mobile Phone
	AMOLED LTPO RAM-less (Mux1:2) Display Driver IC	Mobile Phone
	AMOLED WQHD Display Driver IC	Mobile Phone
	AMOLED eDP Interface Display Driver IC	Mobile Phone
	AMOLED Display Driver IC for Wearables with Tandem and PLC Applications	Wearable
	AMOLED LVDS Interface TED Automotive Display Driver IC	Automotive
	Automotive Low-Power Touch and Display Integration Driver IC (TDDI)	Automotive

Year	R&D Results throughout the Years	Applied Fields
	Touch and Display Integration Driver IC (TDDI) with Integrated Local Dimming	Automotive
	Display Driver IC (DDI) with Integrated Local Dimming	Automotive
	Timing Controller (TCON) IC with Integrated De-Mura Function	Automotive
	HUD Data Transparency Detection Technology	Automotive
	Low-Power Display Driver IC for Laptops	NB
	Bistable LCD Display Driver IC	EPD
	Timing Controller (TCON) IC for Bistable LCD Displays	EPD

4.1.4 Long-term and Short-term Business Development Plans

1. Short-term Business Development Plans

- (1) Marketing strategies:
 - A. Strengthening existing customer services and business to become a long-term strategic partner of our clients.
 - B. Developing new markets and clients, building marketing channels and partnerships with new clients.
- (2) Production strategies:
 - A. Strengthening the existing partnerships with major outsourcing companies to obtain stable and sufficient production capacity and technical services.
 - B. Developing new domestic and international outsourcing capacity to increase supply sources and flexibility.
 - C. Strengthening inventory management to lessen seasonal fluctuations in industries.
- (3) R&D strategies:
 - A. Increasing the proportion of R&D for mid-range and high-end products.
 - B. Developing new products to achieve the leading position and enjoying high product profitability.
 - C. Building up the Company's own key technologies and patents and investing in new generation product deployment.
 - D. Reducing development time and cost, shortening the duration for the product launch and enhancing competitiveness of new products in terms of price.
- (4) Operational management and financial planning:

Through sound financial planning and operational management, the Company coordinates the allocation of its resources with the goal of maximizing the overall effectiveness of the available resources.

2. Long-term Business Development Plans

- (1) Marketing strategies:
 - A. Strengthening international market capability and increasing strategic cooperation with international clients.
 - B. Strengthening communication and cooperation with brands and panel manufacturers.
- (2) Production strategies:
 - A. Sharing the risk of developing new processes and technologies with supply chain companies.
 - B. Increasing economic scale and reducing production costs.

- (3) R&D strategies:
 - A. Expanding the management team, planning core products, establishing the Company's own key technologies and patents, and continuing to invest in the R&D of new generation products to pursue technological leadership.
 - B. Enhancing product design capabilities, establishing standardized and modularized development technologies, shortening development time and reduce development costs, speeding up the product launch, and improving competitiveness of new products in terms of price.
- (4) Operational management and financial planning:
 - A. Establishing a sound management system, implementing the Company's management philosophy, shaping an excellent corporate culture, and realizing the vision of sustainable management.
 - B. Strengthening the financial structure and corporate structure, building up long-term development strength, and enriching the management team and improving the Company's reputation and image to match the growth of the Company's operation scale.

4.2 Market, Production, and Sales Overview

4.2.1 Market Analysis

1. Main product sales area

Unit: NT\$ thousands; %

Territory	Year	2024	
		Amount	%
Taiwan		4,234,364	17.37
China (including Hong Kong)		19,419,223	79.66
Other countries and regions		723,215	2.97
Total		24,376,802	100.00

2. Market Share

In the large-sized panel driver IC market, the Company ranks among the top three suppliers, excluding Korean panel makers that use in-house IC suppliers, and continues to reliably meet market demand. In the small- to medium-sized panel driver IC segment, the Company focuses on applications such as mid- to high-end smartphones, automotive displays, smart wearables, and tablets, and has achieved significant progress in its AMOLED deployment strategy.

With Chinese AMOLED panel manufacturers continuing to expand their production capacity, the Company's products have experienced steady growth, maintaining a leading position within the cross-strait AMOLED supply chain. Currently, the Company holds the top market share in wearable device applications and ranks among the top three suppliers in the smartphone segment. In addition, market share in IT applications continues to grow, demonstrating the Company's competitive advantage in both AMOLED technology and market development.

3. Market supply and demand situation and growth in the future

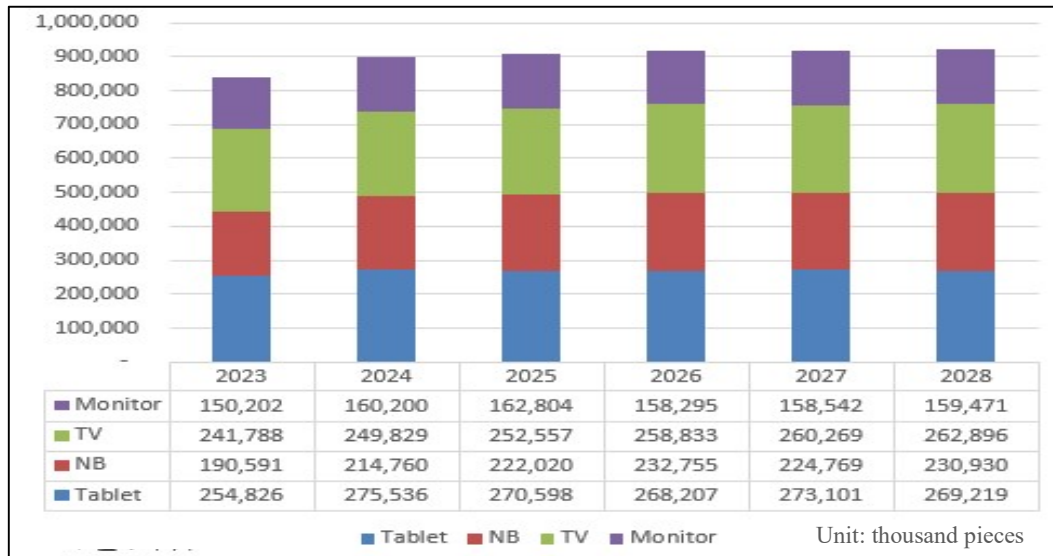
(1) Large-sized panels

According to estimates by global technology research firm Omdia, worldwide shipments of large-sized LCD panels are projected to grow from 837 million units in 2023 to 923 million units in 2028. From 2023 to 2024, the annual growth rate is expected to reach 7.5% (Figure 3). Among the segments, display panel shipments for monitors and TVs are expected to grow by 6.6% and 3.3%, respectively, while notebook and tablet panel shipments are projected to grow by 12.7% and 8.1%, respectively.

In the first half of 2024, brand customers replenished their inventories, driving strong pull-in momentum across various large-sized display panel markets. Entering the third quarter, the market experienced a seasonal stocking surge; however, starting in the fourth quarter, demand correction pressures emerged, leading to a decline in shipment volumes. Despite this, total annual shipments still showed growth compared to 2023. As demand gradually softened quarter by quarter, TV panel prices began to decline, prompting panel manufacturers to gradually reduce capacity utilization starting in the fourth quarter of 2024 to adapt to changing market conditions.

Looking ahead to 2025, amid uncertainties surrounding the potential imposition of additional import tariffs by the United States in the first half of the year, some purchasing demand has shifted forward. Starting from late 2024, demand for display panels across various applications has gradually stabilized, with entry-level product demand also beginning to rise. As a result, the large-sized display panel market in the first quarter of 2025 is expected to experience a "better-than-usual off-season," with overall demand showing steady growth.

Figure 3: Global Large-Sized LCD Shipment Forecast, 2023-2028

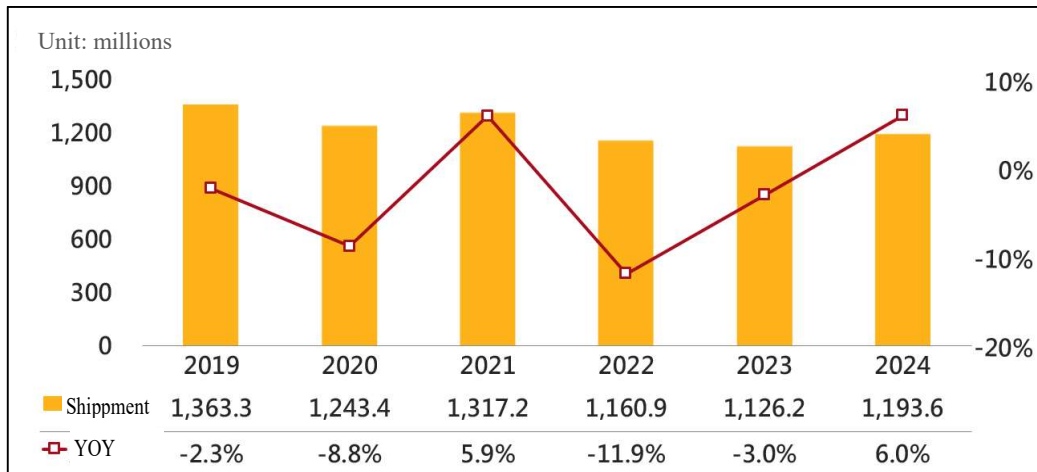


Source: Omdia, Feb. 2025

(2) Small and medium-sized panels

According to statistics published by DIGITIMES (Figure 4), the global smartphone market remained sluggish in 2023. Geopolitical tensions, high inflation, and a weaker-than-expected recovery in demand from the Chinese market, combined with inventory adjustment pressures among channel distributors, led to weak overall shipment performance, with sales reaching a low point. However, as countries gradually implemented inflation control measures and economic stimulus policies, smartphone market demand rebounded significantly in 2024, showing a growth trend that exceeded market expectations.

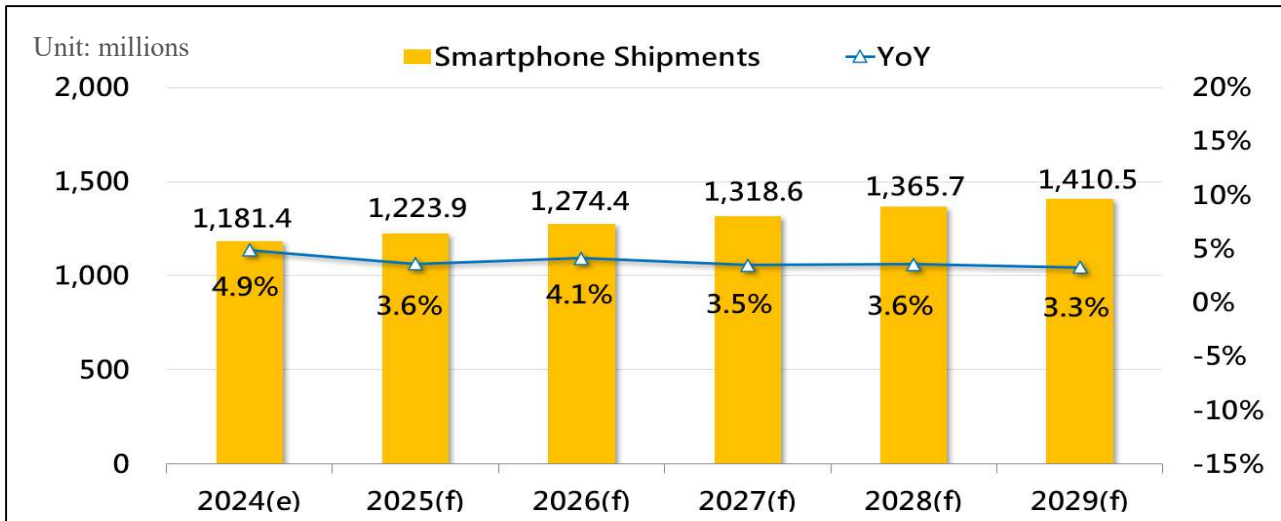
Figure 4: Growth trend of smartphone, 2019-2024



Source: DIGITIMES, Feb. 2025

In 2024, smartphone market demand surged, primarily driven by the rapid advancement of generative AI technologies. According to DIGITIMES forecasts (Figure 5), global smartphone shipments are expected to maintain steady growth from 2025 to 2029. If the trend of AI applications continues to expand, it is likely to further stimulate device replacement demand in the coming years, supporting sustained growth in the smartphone market. As the AI-driven upgrade cycle unfolds, smartphone brands are continuously optimizing product designs, incorporating features such as AI-enhanced photography, high refresh rate displays, low-power standby modes, and full-screen visual experiences—further enhancing the overall user experience.

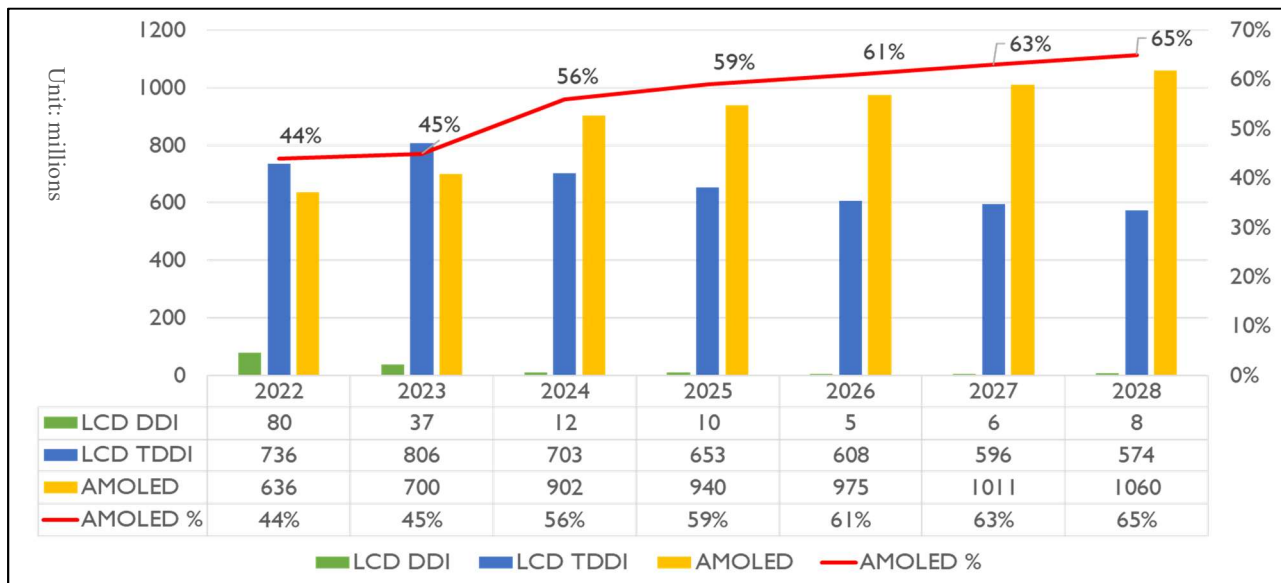
Figure 5: Smartphone Demand Forecast 2024–2029



Source: DIGITIMES, Oct. 2024

In terms of display technology, AMOLED has become the preferred choice for mainstream smartphone models due to its superior image quality and energy efficiency. According to data from Omdia (Figure 6), smartphone brands accelerated the adoption of AMOLED panels in 2024, with penetration exceeding 50%. A leading U.S. smartphone brand has fully implemented AMOLED panels across its newly launched models, and this penetration rate is expected to continue rising. The integration of AMOLED with LTPO technology further reduces power consumption and has been a standard feature in high-end models since the second half of 2023. Recently, the leading U.S. smartphone brand introduced localized high-brightness display technology to enhance visibility under direct sunlight, further accelerating adoption among other smartphone brands.

Figure 6: 2022~2028 AMOLED Penetration Rate in Global Smartphone Market



Source: Omdia, Aug. 2024

Although overall growth in the smartphone market has slowed, AMOLED panels continue to gain market share due to ongoing innovations in technology and applications. Demand for AMOLED smartphones is expected to continue rising in 2025, further solidifying AMOLED’s position in the mainstream market.

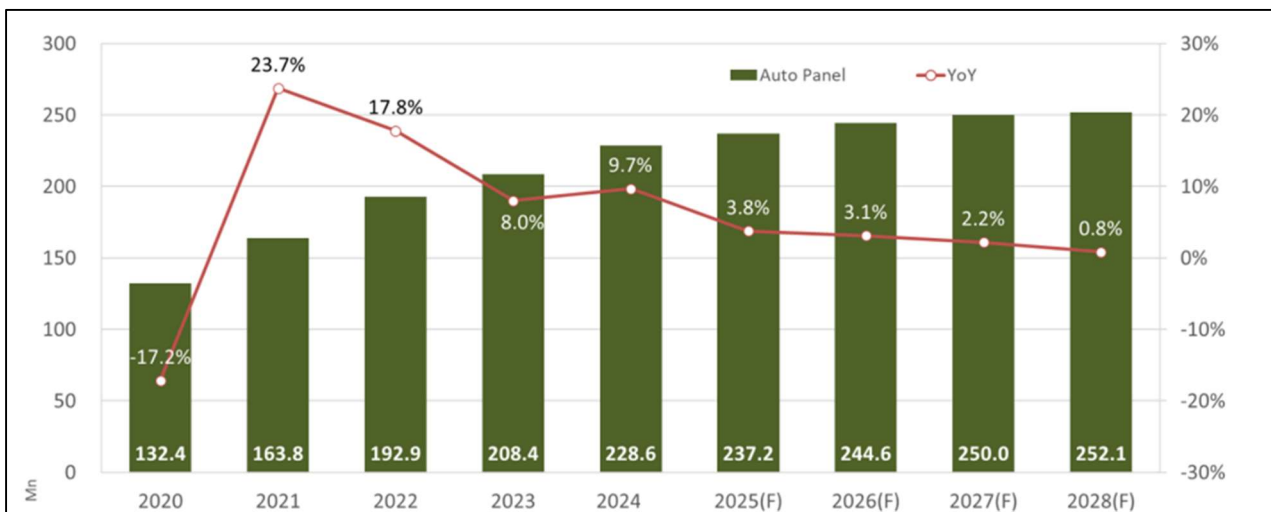
In the foldable smartphone segment, early adoption was limited by high prices and technical challenges. However, consumer interest has remained strong, prompting brands to actively advance supply chain maturity. Since 2023, new models have been launched with slimmer designs and more affordable pricing. In the third quarter of 2024, a major Chinese brand introduced a tri-fold smartphone, drawing significant market attention and boosting sales. The foldable smartphone market is expected to experience rapid growth in 2025.

As the foldable smartphone supply chain matures, flexible AMOLED panels have begun to penetrate tablet and notebook applications. Leveraging their advantages in thinness, high contrast ratio, and low power consumption, flexible AMOLEDs are increasingly being adopted in foldable notebook designs, with growing market demand. Previously, AMOLED production capacity was largely concentrated among Korean manufacturers. In recent years, however, Chinese panel makers have actively expanded production, achieving significant advancements in technology and yield rates, and have become one of the major global suppliers. In 2024, Chinese manufacturers further announced the establishment of 8.6-generation AMOLED production lines, targeting new applications such as tablets, notebooks, and automotive displays. Looking ahead, with stable growth in end-market demand and expanding supply chain capacity, AMOLED panel penetration is expected to continue rising, further enhancing its competitiveness across diverse display applications.

(3) Automotive display panels

According to market research data from TrendForce, global automotive display panel shipments reached 228.6 million units in 2024, representing a 9.7% increase compared to 2023. This growth was driven by the rapid expansion of the electric vehicle market and the increasing number of displays installed per vehicle. However, looking ahead to 2025, growth momentum in the automotive display panel market is expected to slow due to rising geopolitical uncertainties and mounting operational pressures faced by automakers in the U.S., Europe, and Japan. Some manufacturers have begun to shut down facilities and implement workforce reductions. As a result, the annual growth rate is projected to decelerate to 3.8%, with shipments estimated at 237.2 million units (Figure 7).

Figure 7: Amount of Shipment of automotive display Panels, 2020-2028



Source: TrendForce, Mar. 2025

The main growth drivers in the automotive display market include applications such as Center Information Displays (CID), instrument clusters (Cluster), Head-Up Displays (HUD), and full-width pillar-to-pillar displays. With the strong growth of the electric vehicle market in China and the rapid advancement of digitalization and autonomous driving technologies, automotive displays have increasingly become standard equipment in vehicles, further fueling overall market demand.

Currently, mainstream panel sizes in the original equipment Manufacturer (OEM) automotive market range from 10 to 20 inches, typically featuring Full HD or higher resolutions. To enhance the visual experience, the market has begun introducing larger, higher-resolution, curved, and uniquely shaped displays. Automotive display technology is expected to evolve toward higher specifications and greater integration. As this trend becomes increasingly evident, major global panel manufacturers are expanding their investments in the automotive sector, incorporating automotive displays and complete system solutions into their core development strategies. This segment is anticipated to become a key driver of future revenue growth for the panel industry.

4. Competitive Advantage

(1) Excellent R&D team

The Company's R&D team upholds the principle of technological independence and has long been committed to the development and integration of key technologies, including analog circuits, mixed-signal circuits, image processing and algorithm development, and touch systems. With sustained contributions from top talent across multiple fields, the Company has established a strong R&D foundation and continuously develops a wide range of driver ICs, touch ICs, timing controller ICs (TCON), and power management ICs. In addition, the Company is actively developing integrated products such as TDDI, TED, and LTDI, as well as next-generation solutions like Micro LED and Mini LED driver ICs, to maintain its technological leadership in the industry.

(2) Comprehensive Product Solutions

The Company's R&D team, backed by a strong portfolio of patents, has established deep technological capabilities and built substantial entry barriers. Its product portfolio spans large-, medium-, and small-sized display panels and supports a wide range of panel technologies, including a-Si, LTPS, AMOLED, and LED. The Company offers diverse and comprehensive solutions such as high-speed point-to-point interface driver ICs for large-sized panels; LTPO driver ICs for AMOLED small- and medium-sized panels with support for high frame rates up to 144Hz and full-screen standby; ultra-low power TDDI for AMOLED wearable devices; and automotive driver ICs that comply with multiple safety certifications. These can be integrated with the Company's touch ICs, timing controllers (TCON), and power management ICs to provide end-to-end solutions. The Company remains committed to delivering a complete portfolio of display technologies to meet the evolving demands of its global customers.

(3) First-Mover Advantage

The Company is one of the leading suppliers of AMOLED driver ICs to panel manufacturers in Mainland China. As these manufacturers continue to actively invest in AMOLED production lines, with capacity ramp-ups and improving yield rates, their market share is expected to further increase. Alongside the growing penetration of AMOLED panels in end-user products, demand for corresponding driver ICs is projected to rise steadily. This trend is expected to drive continued and stable growth in demand for AMOLED driver ICs.

Due to the distinct differences in manufacturing processes, structural design, and driving mechanisms between AMOLED and TFT-LCD technologies, AMOLED driver ICs require advanced De-mura compensation and panel-specific pixel arrangement algorithms to optimize display performance. These requirements present a high technological entry barrier and necessitate sustained technological accumulation. Moreover, the uniqueness of each AMOLED

panel design makes it difficult to standardize driver IC specifications and the associated algorithmic IPs (internal functional modules within the IC).

To address this, the Company engages in close collaboration with key panel customers from the early stages of specification definition and co-development. By actively incorporating feedback from multiple customers, the Company accelerates the learning curve, enhances product compatibility across different platforms, and establishes strong technological and market barriers that are difficult for competitors to overcome.

(4) Outstanding Quality and Efficient Service

The Company continuously enhances its development timelines, product quality, yield, delivery reliability, and technical service, thereby consistently meeting customer expectations with superior quality and responsiveness. Through these efforts, the Company has successfully supported leading panel manufacturers in Taiwan, Mainland China, Japan, South Korea, and other regions, and has established long-term, trust-based partnerships with many renowned customers by helping them achieve their operational goals.

(5) Quality Customers and Supply Chain Partners

Given that display driver ICs are highly customized products, panel makers typically engage major component suppliers from the early stages of product development to jointly execute the process. The Company maintains direct and close cooperation with key panel customers, allowing it to stay closely aligned with customer requirements, reduce R&D investment risks, and proactively capture market trends. This strategic collaboration enables the Company to lead the development and early deployment of next-generation technologies, drive continuous innovation, and generate sustainable growth momentum for its future operations.

In summary, the Company maintains a strong competitive edge across R&D capabilities, product comprehensiveness, quality and service excellence, and strategic customer and partner relationships.

5. Favorable and Unfavorable Factors in the Long Term

Favorable Factors

(1) Diversified Display Technologies Enabling Broader Applications

With continued advancements and diversification in display panel process technologies—such as a-Si, LTPS, AMOLED, and LED—applications have extended beyond traditional consumer electronics and IT devices to include automotive displays, industrial control systems, medical equipment, airport information signage, and outdoor large-format displays. Each process is optimized for specific application needs, driving the horizontal expansion of the display industry while simultaneously creating new growth opportunities for upstream component suppliers.

(2) Steady Growth in Emerging Applications of Display Driver ICs

As display technologies continue to evolve, Mini LED backlight applications are transitioning from high-end products into the mainstream and have become one of the most promising next-generation technologies. According to Omdia, the shipment volume of Mini LED end products is expected to grow steadily, reaching 18 million units by 2027. Key applications include televisions, monitors, notebook computers, and automotive displays. Mini LED offers advantages such as high brightness, high contrast, local dimming capability, and improved cost efficiency, positioning it as a key alternative to traditional LCDs and a complementary solution to OLED limitations.

The Company provides a complete lineup of display driver ICs covering large-, medium-, and small-sized panels, and has already completed technical and product deployment for Mini LED applications. Looking ahead, the Company will continue to collaborate closely with panel and brand manufacturers to deliver highly integrated, low-power, and market-competitive solutions. As the Mini LED ecosystem expands, the Company is well-positioned to benefit from this trend and further enhance its operating momentum and market standing.

(3) Greater Emphasis on Display Technology and Quality by Brand Manufacturers

To differentiate themselves from competitors, display brand manufacturers are placing increased importance on advanced display technologies and high-performance visual quality. The Company's strong R&D capabilities support the development of high-quality, innovative products that meet the demands of its clients. Given the rapid pace of evolution in the display industry and its application markets, there is growing emphasis on operational efficiency and responsiveness—capabilities that align closely with the Company's strengths.

Unfavorable Factors and Responsive Measures

(1) Industry Consolidation in the Display Panel Sector

The display panel industry is both capital- and technology-intensive, characterized by oligopolistic dynamics and a trend toward increasing concentration among dominant players. As panel makers expand their operational scale, their bargaining power over component suppliers continues to grow.

Responsive Measures:

The Company addresses this challenge by maintaining close partnerships and stable order volumes through strategic alliances with major panel manufacturers, while simultaneously accelerating the development of new technologies to enhance customer value and deepen long-term collaboration.

(2) Increased Functional Integration of Driver ICs

As display panels become essential human-machine interfaces, display driver ICs must integrate more functions or peripheral components. This trend increases design complexity, development costs, and operational risk.

Responsive Measures:

To address these challenges, the Company places greater focus on understanding application markets and enhancing both product planning and customer engagement. Through close collaboration with industry-leading customers, the Company is able to stay at the forefront of technological development while mitigating associated investment risks. The Company also possesses robust capabilities in innovation and system integration. It has been mass producing AMOLED TDDI (Touch and Display Driver Integration) for wearable devices for many years, and its automotive TDDI solutions enhance safety through more intuitive user interfaces. Furthermore, the Company has led the industry in launching smartphone display driver ICs with Camera Under Display (CUD) functionality, enabling full-screen displays, and has completed development of TCON Embedded Driver (TED) solutions for notebook panels.

(3) Pressure from Product Price Reductions

To stimulate end-market demand, electronic device manufacturers frequently adopt price-cutting strategies, which in turn place pressure on upstream component suppliers to lower prices. Without technological leadership or effective supply chain management, display driver IC providers may face erosion in profitability.

Responsive Measures:

By seizing market opportunities and proactively planning the development of next-generation technologies and highly integrated products, the Company sustains its competitive advantage. In parallel, it strengthens strategic partnerships with upstream suppliers to jointly establish a cost-efficient structure that enhances profitability while maintaining product competitiveness.

4.2.2 Main Product Applications and Manufacturing Processes

1. Product Applications

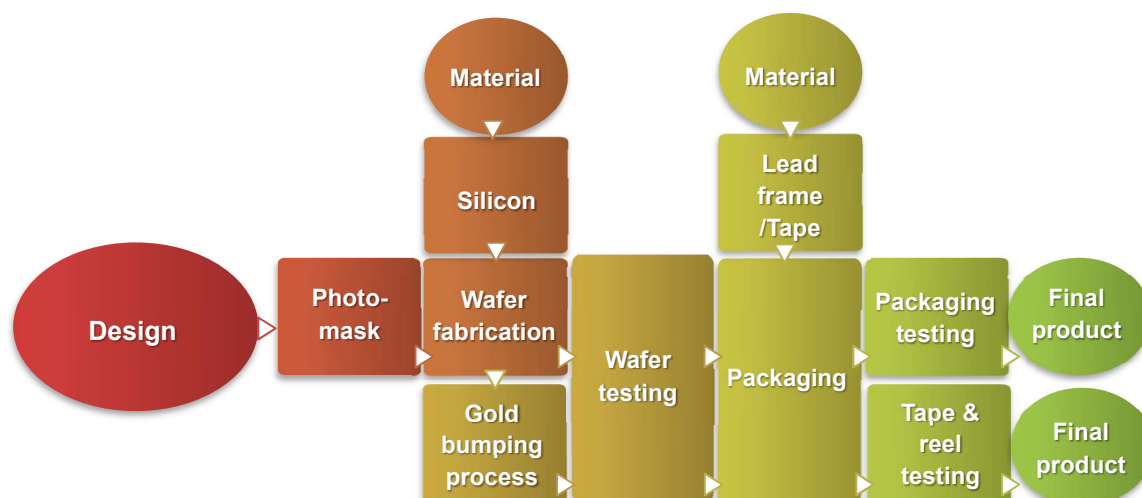
Display driver ICs are mainly used in various type of displays, which can be categorized into computer displays (e.g., Notebook, Monitor, etc.), home audio and video equipment (e.g., TV, etc.), consumer and entertainment products (e.g., smartphones, wearable devices, handheld game console, etc.), and automotive displays. There are kinds of driver ICs for various applications and can be differentiated into the categories shown in the following table by applications and specifications:

Application Category	Applied Products	Panel Size
Television	Flat panel TV, curved TV	24" or above
Desktop monitor	PC monitor, e-sports monitor, industrial monitor	15" or above
Laptop	Laptop, tablet	7"~17.3"
Consumer and entertainment applications	Smartphone, handheld game console	3" or above
Wearable device	Smartwatch, Smart band	0.6"~2"
Digital video cameras and camera applications	Digital video camera, digital camera	2"~5"
Automotive display applications	All kinds of displays for vehicles, such as dashboard, head-up display, central information display, and co-pilot display	1.8"~55"

Source: ITIS Program, ITRI, and Raydium

2. Products Manufacturing Process

The Company is a wafer design company. The wafers are manufactured by our foundry. After initial testing, the wafers produced are sent to the packaging plant for packaging and complete functional testing of the wafers. The following is the flow chart of the product manufacturing process:



4.2.3 Supply of Essential Raw Materials

Material	Suppliers	Market Condition
Wafer	TSMC, VIS, UMC, SMIC	Stable quality and long-term cooperative supply relationships
Tape	Chipbond, LG, JMC	Stable quality and long-term cooperative supply relationships

4.2.4 Major Suppliers and Clients

1. Major Suppliers in the Last Two Calendar Years

Unit: NT\$ thousands; %

Item	2023				2024			
	Name (Note 1)	Amount	Percent	Relation to Raydium	Name (Note 1)	Amount	Percent	Relation to Raydium
1	K	2,766,061	33.71	None	K	5,167,008	41.68	None
2	G	1,451,959	17.69	None	G	1,887,517	15.23	None
3	E	883,665	10.77	None	E	1,341,678	10.82	None
4	B	862,916	10.52	None	B	(Note 2)		None
5	Others	2,241,174	27.31	None	Others	4,000,695	32.27	None
	Net purchase	8,205,775	100.00		Net purchase	12,396,898	100.00	

Analysis on increase or decrease:

Changes in the amount and percentage of procurement from suppliers during the year were mainly due to adjustments in production capacity allocation and product mix.

Note 1: The names of suppliers accounting for 10% or more of the Company's total procurement amount in the two most recent fiscal years and their actual procurement amount and percentage are coded as such because the counterparties are those whose names cannot be disclosed under contractual agreements and are not related parties.

Note 2: It was not disclosed being that the amount failed to exceed 10% of the net purchase.

2. Major Clients in the Last Two Calendar Years

Unit: NT\$ thousands; %

Item	2023				2024			
	Name (Note 1)	Amount	Percent	Relation to Raydium	Name (Note 1)	Amount	Percent	Relation to Raydium
1	Z	3,666,734	19.99	None	Z	3,393,822	13.92	None
2	Y	2,213,075	12.06	None	Y	3,349,810	13.74	None
3	O	2,153,301	11.74	None	O	3,101,037	12.72	None
4	AUSZ	1,964,881	10.71	Subsidiary of AUO Corporation	AUSZ	2,155,856	8.84	Subsidiary of AUO Corporation
	Others	8,348,631	45.50		Others	12,376,277	50.78	
	Net sales	18,346,622	100.00		Net sales	24,376,802	100.00	

Analysis on increase or decrease:

Changes in the amount and percentage of sales to customers during the year were primarily attributable to the increase in revenue.

Note 1: The names of clients accounting for 10% or more of the Company's total sales amount in the two most recent fiscal years and their actual sales amount and percentage are coded as such because the counterparties are those whose names cannot be disclosed under contractual agreements and are not related parties.

4.3 Employees

Unit: Persons; Year; %

Year		2023	2024	Up to the annual report publication date in 2025
Number of Employees (Persons)	R&D	705	808	836
	Management and sales	162	178	163
	Manufacturing	79	82	83
	Total	946	1,068	1,082
Average age(Years)		39.1	37.8	38.7
Average years of service(Year)		5.62	6.00	6.08
Education (%)	Ph.D.	2	2	2
	Masters	67	65	66
	Bachelor's Degree	30	32	31
	Senior High School	1	1	1
	Below Senior High School	0	0	0
	Total	100	100	100

4.4 Environmental Expenditures

Losses (including indemnity) caused by environmental pollution and the total indemnity amount involved in the most recent year up to the date this report is published; accounts of future countermeasures (including improvement actions) and possible expenditures (including loss, disposition, and an estimate of indemnity incurred by a failure to implement countermeasures; if a reasonable estimation cannot be made, the justification shall be provided):

As a professional IC design company engaged in semiconductor research and development, the Company does not operate internal manufacturing processes. All wafer fabrication and packaging/testing operations are outsourced to leading semiconductor foundries and backend service providers. As such, the Company belongs to a low-pollution, low-risk industry and does not directly operate any pollution sources subject to environmental regulations. Furthermore, the Company is committed to environmental protection and occupational health and safety, and provides the necessary resources to maintain a safe and comfortable working environment. There were no environmental-related losses in the past two fiscal years, nor are any such expenditures anticipated in the future.

4.5 Labor Relations

4.5.1 Employee Welfare, Training, Retirement System, and Employee Rights Protection

1. Employee Welfare Measures

The Company offers a comprehensive welfare system, including labor insurance, national health insurance, group insurance, and annual health check-ups to ensure employee well-being. Incentive programs include three major holiday bonuses, intellectual property awards, employee referral bonuses, performance-based bonuses, and performance-based employee remuneration.

In 2023, the Company officially launched the Employee Stock Ownership Trust (ESOT) program to enhance employee engagement, improve talent retention, and support long-term financial planning for retirement.

In addition to compensation, the Company provides flexible leave policies, travel subsidies, childcare allowances, and work-from-home options for childcare. Large-scale events such as sports competitions, Family Day, and year-end banquets are held annually to foster team spirit and a sense of belonging.

The Company has established an Employee Welfare Committee in accordance with the law, which convenes quarterly to deliberate on welfare programs and events such as company trips and family-oriented activities. In addition to traditional holiday bonuses, the Committee also provides

subsidies for childbirth, marriage, funerals, and emergency assistance. As of the end of 2024, the Company supported 24 employee clubs, including badminton, hiking, camping, yoga, wine tasting, trampoline, and more.

To address the declining birth rate and support working mothers, the Company offers reserved parking spaces for pregnant employees and has established well-equipped lactation rooms. Since 2022, employees with children under the age of six may apply for work-from-home arrangements and childcare subsidies. The Company also proactively supports employees returning from parental leave, achieving a 100% reinstatement rate in 2024.

2. Employee Training and Development

The Company values talent cultivation and has implemented the “Training Management Guidelines” as a framework for employee training. These programs are designed to enhance skills and align employee growth with business development goals. In 2024, a total of 6,800 participants completed 20,300 training hours.

(1) New Employee Orientation:

Conducted on the first day of employment, including required and elective courses to help new hires adapt quickly to the Company environment.

(2) Professional Development:

Tailored training programs are provided to employees of various roles and levels to enhance personal value and foster collective growth. External training may be arranged by supervisors or requested by employees, with post-training knowledge sharing or certification as part of internal learning.

(3) Leadership Development:

Since 2021, the Company has implemented the “Leadership Development Program” for managers, covering work instruction, cross-functional collaboration, and more. In addition, bi-monthly book clubs and annual strategic alignment activities (AAA meetings) are held for managers to review past performance and align on future strategies.

3. Retirement System and Implementation

To ensure employee financial security after retirement, the Company complies with the Labor Standards Act and the Labor Pension Act. For employees under the old system, the Company contributes 2% of total monthly salary into a dedicated account at the Bank of Taiwan. Retirement payments are calculated based on years of service and the average salary of the month before retirement, capped at 45 units.

For employees under the new system, the Company contributes 6% of monthly salary to the Bureau of Labor Insurance retirement accounts and supports voluntary contributions per employee request. Retirement benefits are paid as a monthly pension or lump sum based on the accumulated value of the individual retirement account. In 2024, the Company contributed NT\$67,472 thousand to employee retirement funds.

4. Labor-Management Agreements and Employee Rights

The Company fully complies with labor laws and handles labor-management matters in accordance with employment contracts, Employee Work Rules, and internal regulations. Clear policies are in place to define employee rights and responsibilities and protect employee interests. Since its establishment, the Company has maintained harmonious labor relations and, as of the publication date of this Annual Report, has not experienced any major labor disputes or related financial losses.

4.5.2 List of losses due to labor disputes in the most recent year up to the date this report is published, disclosure of the estimated amount, and countermeasures against current and possible future events. If the amount cannot be reasonably estimated, the reason shall be provided: None.

4.6 Information Security Management

4.6.1 Describe the Information Security Risk Management Framework, Information Security Policies, Defined Management Mechanisms, and Investments in Resources for Information Security Management.

1. Information Security Risk Management Framework

With the rapid development of the internet, various hacking tools and malicious software are continually evolving in their attack vectors and methodologies. The increasing frequency of ransomware and cyberattacks highlights that information systems cannot be entirely immune to targeted network attacks from third parties. Such attacks may be carried out through phishing emails, software vulnerabilities, or brute-force cracking, enabling the implantation of malicious programs into the Company's internal network for disruption or data theft. In response to these risks, the Company has developed comprehensive policies, organizational structures, and procedures aimed at mitigating operational risks associated with information security.

- (1) Designated Unit: The Information Engineering Division is responsible for overseeing the Company's information security. Within this division, the Information Security and System Engineering Department has been established, staffed with a department head and several professional engineers. This team is tasked with planning, implementing, and promoting information security management, as well as enhancing security awareness across the organization.
- (2) Supervisory Unit: Internal audits of information security are conducted by the Audit Office, while external audits are performed by independent auditors. Regular internal and external audits are carried out to assess the effectiveness of implementation and monitor improvements, thereby reducing information security risks.
- (3) Management Unit: Recognizing the critical importance of information security, the Company has established comprehensive policies and standard procedures. The responsible management unit submits a written monthly report to the General Manager detailing the status of information security governance and implementation for the previous month.

2. Information Security Policies

- (1) To comprehensively raise information security awareness and establish a secure information environment, in order to protect the Company's intellectual property and interests, and to ensure the continuous operation of all departmental information systems.
- (2) Safeguard the confidentiality, integrity, and availability of the Company's trade secrets and operational information, thereby strengthening operational efficiency and quality.
- (3) The Company continues to invest substantial resources in the research and development of advanced technologies—an essential pillar of its long-term competitiveness. In light of the escalating threats in today's cyber landscape, the protection of confidential information is recognized as a collective responsibility shared by all employees.
- (4) The Company has established an Information Security Task Force to promote cross-departmental integration, strengthen consensus, and enhance the implementation of information security measures throughout the organization.

3. Information Security Management

To ensure the security of trade secrets and other confidential information, the Company has established an Information Security Management Policy, which includes regulations on information security management, password policies, email usage guidelines, backup management, system recovery planning, and software management procedures. The Company continuously monitors and evaluates its network and system architecture to enhance overall security protection mechanisms. The responsible management unit analyzes and manages abnormal events and submits written reports to the General Manager on a monthly basis, outlining the status of information security governance and implementation.

To enhance the integrity of information security, the Company has joined the cybersecurity joint defense and notification mechanism of TWCERT/CC (Taiwan Computer Emergency Response Team/Coordination Center). An internal information security awareness section has also been established to promote cybersecurity knowledge through regular campaigns, ad-hoc announcements, and social engineering simulation exercises. These initiatives aim to instill correct cybersecurity knowledge and practices among employees and elevate overall organizational vigilance. In 2024, the Company implemented a **Privileged Access Management (PAM)** system to manage and monitor high-level accounts, mitigating the risk of lateral movement attacks. Additionally, the Company introduced a **whitelist-based outbound email control policy** to reduce the risk of data leakage and further strengthen the Company’s cybersecurity defenses.

Moreover, in line with the Company’s **Information Security Incident Management Policy** and **Offsite Backup Strategy**, offsite backup and cybersecurity incident response drills were conducted in 2024 to ensure business continuity and organizational preparedness.

Specific management measures

Information Security Control Item	Risk Description	Mitigation Measures
Information Security Policy and Awareness Training	Whether the policy aligns with operational needs and legal requirements, and is approved and periodically reviewed by management.	The information security policy is reviewed and revised annually, approved by senior management, and reported to the Board of Directors. Through security bulletins, training, and social engineering drills, employee awareness is enhanced.
System Maintenance and Access Control	Whether access control effectively restricts system access to prevent unauthorized access.	Application system account and permission management mechanisms are in place to ensure proper authorization and prevent unauthorized access.
Physical, Environmental, and Communication Security	Loss, damage, or theft of assets may impact organizational operations.	Multi-layer firewall isolation reduces external threats and mitigates security risks. External DDoS protection and abnormal behavior monitoring help ensure communication security and business continuity.
Operational Security	Prevent malicious software and technical vulnerabilities from affecting information processing facilities.	Mechanisms such as firewalls, email filtering, malware detection, and multi-factor authentication are in place, along with regular vulnerability scanning and patching to ensure system security.
Information Security Incident Management	Whether a unified and effective information security incident management mechanism is in place.	An information security incident response policy has been established to ensure proper handling and reporting procedures.
Business Continuity Management – Information Security Aspects	Ensure availability of information systems and reduce operational disruption risk.	Local and offsite backups and redundancy for critical systems and data are in place, with encryption and integrity protections to reduce security risks.

4. Confidential Information Management

The Company places strong emphasis on the protection of confidential information. In addition to adhering to established management procedures for the proper handling of trade secrets and confidential data, the Company also provides comprehensive employee training to ensure the protection of stakeholder interests. To manage confidential information exchanged among the Company, customers, and suppliers, the following measures have been established in addition to the Company's existing information security policies:

- (1) **Personnel Management Regulations:** Confidentiality obligations are clearly defined for employees upon onboarding and departure. Strict access control systems are in place to manage physical entry.
- (2) **Non-Disclosure Agreements (NDAs):** The Company enters into NDAs or confidentiality declarations with customers and suppliers to ensure mutual compliance with confidentiality requirements.
- (3) **Product Development Management:** All product development follows standardized procedures supported by an internal Product Development Management System. Role-based access controls are applied at each stage to maintain process integrity and safeguard project-related information.
- (4) **Highly Confidential Project Control:** For projects involving particularly sensitive customer information, the Company has established the *Customer Confidential Information Asset Management Guidelines*. Dedicated control zones are set up to ensure complete isolation of personnel, IT equipment, and documents. Encrypted areas within these zones provide an additional layer of protection to prevent information leakage.

5. Investments in Resources for Information Security Management

To implement the principles of the Company's information and communications security policy, the following resources have been allocated:

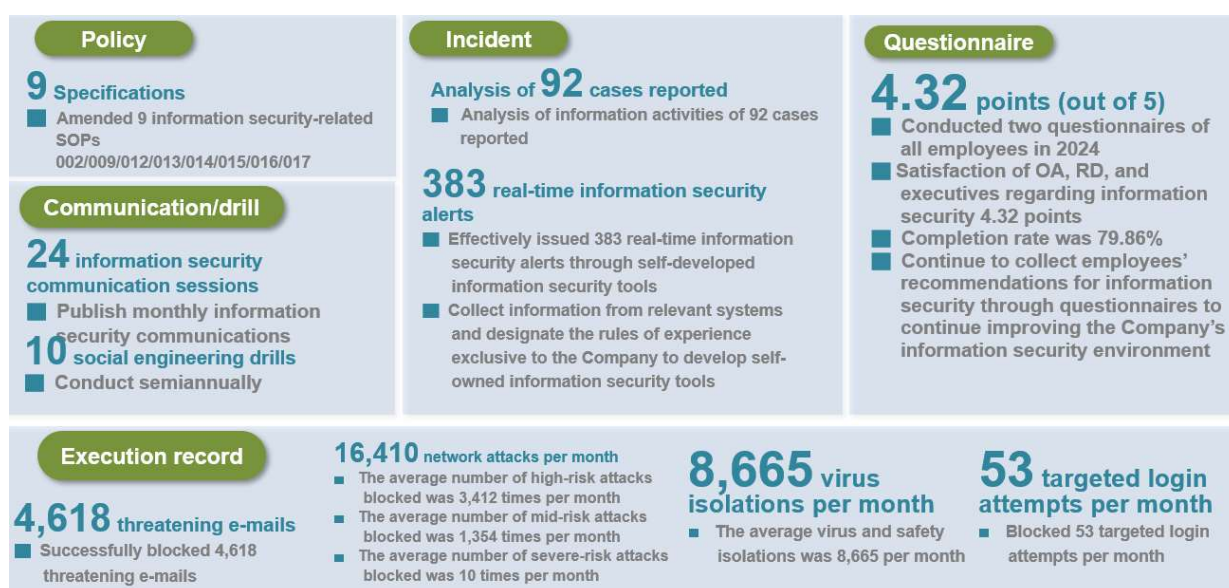
- (1) **Hardware Infrastructure:** Deployment of critical security devices such as firewalls, email antivirus systems, spam filtering tools, web activity monitoring solutions, and intrusion prevention systems (IPS).
- (2) **Software Solutions:** Implementation of endpoint protection platforms (EPP), backup management software, file audit systems, multi-factor authentication (MFA), privileged access management (PAM), compliance and security monitoring tools, and data loss prevention (DLP) systems.
- (3) **Telecommunication Services:** Adoption of multiple redundant network lines and distributed denial-of-service (DDoS) mitigation services to ensure continuous network availability and resilience.
- (4) **Operational Manpower Deployment:** Daily monitoring of system statuses, execution of weekly scheduled backups and offsite storage of backup media, implementation of at least two cybersecurity awareness programs per quarter, annual disaster recovery (DR) simulations, and annual internal and external audits covering the full information lifecycle.
- (5) **Information Security Personnel:** A dedicated Chief Information Security Officer (CISO) and a team of specialized cybersecurity professionals are responsible for the design of the security architecture, ongoing security operations and monitoring, incident response and forensic investigations, and periodic review and revision of information security policies. The CISO submits a monthly report on the Company's cybersecurity posture to the General Manager.

6. Information Security Management Performance

- (1) To ensure the appropriateness and direction of its information security policies, the Company has established a dedicated information security unit responsible for formulating information security policies and objectives, executing information operations security management plans, and regularly reviewing the policies. In addition, the Company continuously evaluates the implementation of its information security measures through internal and external audit mechanisms and makes necessary improvements accordingly. To date, no major deficiencies have

been identified. In 2024, a total of nine information security-related regulations were revised in line with the Company’s information security policies. Since 2022, the execution status has been reported to the Board of Directors annually, with the most recent report delivered on August 6, 2024.

- (2) To enhance employees’ awareness of information security, in addition to regular awareness campaigns, the Company began conducting unannounced social engineering drills each quarter starting in 2024. The results of these drills are reviewed and used to implement improvements, thereby strengthening information security awareness across all departments and employees. In 2024, the Company did not experience any major information security incidents or incur any related losses.
- (3) The Company is committed to implementing effective information security management. The results of information security measures implemented in 2024 are as follows:



4.6.2 List Any Losses Suffered by the Company in the Most Recent Fiscal Year and up to the Annual Report Publication Date due to Significant Information Security Incidents, the Possible Impacts Therefrom, and Measures Being or to Be Taken. If a Reasonable Estimate Cannot be Made, an Explanation of the Facts of Why It Cannot be Made Shall be Provided.

As of the publication date of this Annual Report, the Company has not experienced any significant information security incidents that resulted in financial losses. No material adverse impacts have been identified, and no extraordinary remediation measures were required.

4.7 Important Contracts

Contract Type	Party	Contract Term	Content	Restrictions
Rental agreement	Shin Kong Life Insurance Co., Ltd.	2022/5/1~2027/4/30	Office rental	None
Sales and Purchase Agreement	Winsome Development Company Limited	2023/11/2~2027/12/31	Purchase of Real Estate and Parking Space	None
Rental agreement	AUO Corporation	2024/1/1~2025/3/31	Office rental	None
Rental agreement	Qisda Corporation	2024/1/1~2025/12/31	Office rental	None

Chapter 5 Review of Financial Conditions, Financial Performance, and Risk Management

5.1 Analysis of Financial Status

5.1.1 Consolidated Assets, Liabilities, and Equity for the Most Recent Two Years

Unit: NT\$ thousands; %

Item	Year	2024	2023	Difference	
				Change, by Amount	%
Current Assets		18,333,466	17,155,051	1,178,415	7
Property, Plant, and Equipment		409,274	483,682	(74,408)	(15)
Intangible Assets		511,807	376,500	135,307	36
Other Assets		1,167,384	1,492,185	(324,801)	(22)
Total Assets		20,421,931	19,507,418	914,513	5
Current Liabilities		7,596,350	7,329,781	266,569	4
Non-current Liabilities		733,076	959,489	(226,413)	(24)
Total Liabilities		8,329,426	8,289,270	40,156	0
Common Stock		758,552	758,552	0	0
Capital Surplus		4,712,933	4,712,933	0	0
Retained earnings		6,737,706	5,780,404	957,302	17
Other equity		(116,686)	(33,741)	(82,945)	246
Total Equity		12,092,505	11,218,148	874,357	8

5.1.2 Description of major changes: (Defined as the change in the previous and current period is more than 20% and the amount of change is NT\$10 million or more)

1. Increase in intangible assets: Mainly due to the addition of computer software.
2. Decrease in other assets: Mainly due to the termination of long-term supply agreements with suppliers or the return of guarantee deposits by suppliers in accordance with contracts, resulting in a decrease in prepayments and refundable deposits.
3. Decrease in non-current liabilities: Mainly due to the return of guarantee deposits in accordance with production capacity guarantee contracts signed with customers.
4. Decrease in other equity: Mainly due to the increase in unrealized loss of financial assets at fair value through other comprehensive income.

5.1.3 Impact of Significant Changes in Financial Position in the Most Recent Two Years and Future Response Plans

Based on the above analysis, the significant changes in the Company's financial position over the past two years are primarily attributed to normal business operations.

5.2 Analysis of Financial Status

5.2.1 Analysis of Financial Performance

Unit: NT\$ thousands; %

Item	Year	2024	2023	Difference	
				Change, by Amount	%
Operating Revenue		24,376,802	18,346,622	6,030,180	33
Operating Costs		17,063,862	13,035,858	4,028,004	31
Gross Profit		7,312,940	5,310,764	2,002,176	38
Operating Expenses		5,184,357	3,932,218	1,252,139	32
Operating Income		2,128,583	1,378,546	750,037	54
Non-operating Income and Expenses		296,395	168,195	128,200	76
Income before Income Tax		2,424,978	1,546,741	878,237	57
Income Tax Expense		325,989	103,950	222,039	214
Net Income		2,098,989	1,442,791	656,198	45

5.2.2 Description of major changes: (Defined as the change in the previous and current period is more than 20% and the amount of change is NT\$10 million or more)

1. Increase in operating revenue / operating cost / gross profit / operating income / income before tax / net income after tax: Mainly due to the increase in market demand during the year.
2. Increase in operating expenses: Mainly due to the increase in personnel expenses..
3. Changes in non-operating income and expenses: Mainly due to the increase in foreign exchange gains resulting from exchange rate fluctuations.
4. Increase in income tax expense: Mainly due to the increase in income before tax for the year.

5.2.3 Sales Volume Forecast and the Basis Therefor, and Describe the Effect upon the Company's Financial Operations as well as Measures to be Taken in Response

The Company's main products are driver IC. Our business is based on product sales forecasts, progress of new product development and client production demand forecasts, taking into account our fab's capacity planning and business development strategies. The Company is currently financing its operating expenses through its own funds. There is no shortage of funds in the short term. We have solid relationships with upstream manufacturers for the products we need to sell, so the supply of products needed for sales should be in good condition.

5.3 Analysis of Cash Flow

5.3.1 Cash Flow Analysis for the Current Year

Unit: NT\$ thousands

Cash at Beginning of Year	Net Cash Flows from Operating Activities in 2024	Net Cash Flows from Investing and Financing Activities in 2024	Cash Surplus Amount (Including Foreign Exchange Adjustments)	Remedy for Liquidity Shortfall	
				Investment Plan	Financial Plan
5,380,259	2,952,630	-2,849,210	5,485,507	-	

1. Operating activities: Mainly due to the increase in operating income in the current period.
2. Investment activities: Mainly due to the increase in time deposit certificates with an original maturity of more than three months and financial assets at fair value through other comprehensive income.
3. Financing activities: Mainly due to the distribution of cash dividends, repayment of short-term borrowings, and return of capacity guarantee deposits.

5.3.2 Corrective Measures to Be Taken in Response to Illiquidity: There is no shortage of cash.

5.3.3 Liquidity Analysis for the Coming Year: The Company has sufficient liquidity in the coming year to meet its future operating expenses and capital expenditures and does not need to raise external funds.

5.4 Major Capital Expenditure Items:

On a consolidated basis, the Company and its subsidiaries incurred approximately NT\$441 million in capital expenditures for the acquisition of property, plant and equipment and intangible assets in 2024, representing 1.81% of net sales, which had no material impact on the Company's financial and business operations.

5.5 Long-term Equity Investment Policy and Results :

5.5.1 Long-term Equity Investment Policy in the Most Recent Fiscal Year

The Group's investments are made for long-term strategic purposes. In the future, we will continue to evaluate our investment plans carefully based on the principle of long-term strategic investment.

5.5.2 Primary Reasons for Gains or Losses from Long-term Equity Investments in the Most Recent Fiscal Year and Improvement Plans

In view of the continuous increase in revenue contribution from clients in Mainland China, the Company, through a third-region holding company, invested in and established a wholly owned subsidiary—Raydium Semiconductor (Kunshan) Co., Ltd. (hereinafter referred to as “Raydium Kunshan”) in September 2018. In 2024, the Company recognized an investment gain of NT\$98,869 thousand, representing an increase of NT\$131,901 thousand compared to the investment loss of NT\$33,032 thousand recognized in the previous year. The increase was mainly attributable to the recovery of market conditions and the resulting business growth, which turned the subsidiary’s operations from loss to profit. In accordance with the “Regulations for the Supervision and Management of Subsidiaries,” the Company continues to obtain Raydium Kunshan’s financial statements on a monthly basis, monitors its operational and financial status, and provides guidance to support its business expansion and financial structure improvement. The operational risk of Raydium Kunshan has limited impact on the Company.

5.5.3 Investment Plans for the Next Fiscal Year

To respond to growing customer demand in Mainland China and further expand market share, the Company’s Board of Directors approved in November 2024 the establishment of a new operating base in China. Through a joint investment by a third-region holding company and Raydium Kunshan, the Company will establish a new wholly owned subsidiary—Raydium Semiconductor (Hefei) Information Technology Co., Ltd. (hereinafter referred to as “Raydium Hefei”) in February 2025. This new subsidiary will further strengthen the Company’s operating presence in Mainland China, enhance connectivity with local clients, and provide more immediate, efficient, and localized services. The Company aims to grow together with clients and the supply chain in the region, creating a mutually beneficial, win-win-win outcome.

5.6 Risk Management

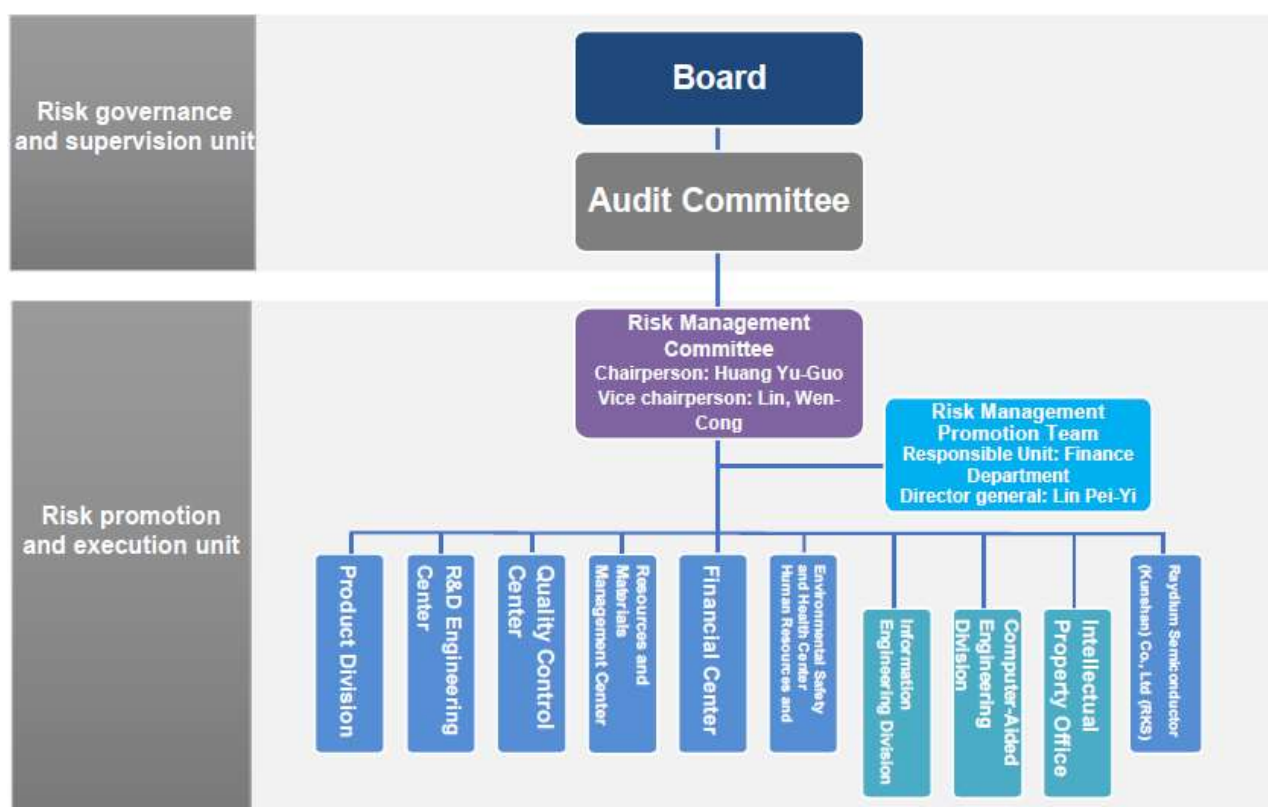
To achieve sound operations, enhance corporate governance, and implement the risk management and supervision function of the Board, the Company has established a Risk Management Committee to carry out risk identification and grasp relevant risks that may affect sustainable corporate development based on four major aspects of finance (F), operation (O), strategy (S), and hazard (H). The Company minimized the possible risks through risk control, avoidance, transfer, retention, and relevant management strategies and countermeasures and even transformed them into business opportunities.

5.6.1 Risk Management Policies and Procedures

To ensure the sound operation of the Company and its subsidiaries, enhance corporate governance, and implement the risk management and supervisory function of the Board, the Company complies with the "Risk Management Best Practice Principles for TWSE/TPEX Listed Companies" jointly established by TWSE and TPEX, and Board approved the amendments to the "Risk Management Policy and Procedures" in November 2023 to serve as the supreme guideline for the risk management of each unit.

5.6.2 Risk Management Organization Structure

1. The Board of Directors is the highest governing body for risk management; the Audit Committee is the risk supervision unit; executives of each operating unit formed the Risk Management Committee. The Chairman/CEO and President are the chairperson and vice chairperson, and the CFO is the director general for guiding the operations.
2. The Company promotes a top-down risk management culture. Through the specified risk management declaration and commitment of the governing body and senior management, it established and supported risk management promotion and execution units and provided risk management-related professional training for all employees to integrate management awareness into daily decision-making and operating activities, shaping a comprehensive corporate risk management culture.



5.6.3 Scope of Risk Management

The scope of the Company's risk management includes, but is not limited to:

1. Strategy: Refers to risks of material impact on the Company, including but not limited to, regulatory compliance, domestic and overseas economic or policy factors, technological and industrial changes, market demand, and competition.
2. Operation: Refers to risks resulting in loss of the Company, including but not limited to, supply chain management, research and development innovation, quality management, information security, talent recruitment, or excessive concentration of sales and procurement.
3. Finance: Refers to risks of material impact on the Company, including but not limited to, changes in interest rates and exchange rates, financing or investments.
4. Hazardous events: Refers to risks resulting in significant loss of the Company, including but not limited to, natural disasters, infectious diseases, climate change, energy supply disruption, fire or chemical spills, and other insufficiencies of precautionary measures.

5.6.4 Risk Management Procedures

The Company's risk management procedures include processes such as risk identification, risk analysis, risk assessment, risk response, and risk monitoring and review.

5.6.5 Operation of the Risk Management Committee in 2024 (Including BCP Drills)

The Company actively promotes the implementation of risk management mechanisms and provides regular annual reports to the Board of Directors on its operation. The most recent report to the Board was presented on February 25, 2025. The operation of the Risk Management Committee in 2024 is summarized as follows:

Time	Implementation Status
Feb. 2024	<ul style="list-style-type: none"> • Convened the first Risk Management Committee meeting in 2024 to confirm the results of the 2024 risk identification. • Reported the implementation progress of the Risk Management Committee to the Board on February 26, 2024
May. 2024	<ul style="list-style-type: none"> • Convened the second Risk Management Committee meeting in 2024 to conduct quarterly tracking of risk items and their implementation status.
Aug. 2024	<ul style="list-style-type: none"> • Convened the third-quarter Risk Management Committee meeting in 2024 to conduct quarterly tracking of risk items and their implementation status. • Reported the implementation progress of the Risk Management Committee to the Board on August 6, 2024
Sep. 2024	<ul style="list-style-type: none"> • Completed an on-site earthquake BCP drill in September 2024.
Nov. 2024	<ul style="list-style-type: none"> • Convened the fourth-quarter Risk Management Committee meeting in 2024 to conduct quarterly tracking of risk items and their implementation status.
Dec. 2024	<ul style="list-style-type: none"> • Completed the 2025 risk education and training • Established the Company's 2025 risk management objectives with reference to the opinions of the Audit Committee. • Conducted the 2025 risk identification and analysis for each unit

5.7 Analysis of Risk Management

5.7.1 Risks Associated with Interest Rate Fluctuation, Foreign Exchange Volatility, and Inflation:

In recent years, domestic interest rates have tended to increase in line with domestic and international economic developments, but are still relatively low. The Company is conservative in its use of capital and invests its capital mainly in short-term time deposits and money market fund subscriptions. In addition, the Company operates mainly with its own capital and does not rely much on bank loans; therefore, interest expenses have a limited impact on operations and profit and loss at this stage.

The Company is also actively applying for financing lines with the correspondent banking institutions as a source of working capital and is closely monitoring the global economic development to assess whether to use hedging instruments to hedge against the risk of interest rate increases in a timely manner.

1. Interest Rate:

The Company and its subsidiaries are conservative in their use of capital and invests their capital mainly in short-term time deposits and money market fund subscriptions. In addition, the Company operates mainly with its own capital and does not rely much on bank loans; therefore, interest expenses have a limited impact on operations and profit and loss at this stage.

Response Measures:

The Company establishes and maintains good credit relationships with banks and observes and identifies the trend of interest rate changes in the market to obtain favorable interest rate terms when there is a need for capital for the expansion of the Company's operations in the future. It also uses other financial instruments appropriately through sound financial planning to reduce the risk of interest rate changes.

2. Foreign exchange rates:

The Company's products are mainly exported, and most of the sales revenue and payments for raw materials purchases are denominated in USD. However, receivables denominated in USD are still larger than those of payables, so fluctuations in exchange rates still have potential impact on the Company's profit or loss. The Company adopts the natural hedge method of offsetting foreign currency receipts and payments, and keeps an eye on the exchange rate fluctuations and foreign currency capital needs, and adjusts its foreign currency positions and exchange timing in a timely manner.

Response Measures:

The Company takes the following response measures to address the impact of fluctuations in foreign exchange rates on earnings: In order to address the financial risks that may arise from fluctuations in foreign exchange rates, the Company takes the following specific measures in addition to continuing to hedge its foreign currency debts and liabilities through recurring foreign currency purchase and sale transactions, which have a natural hedging effect:

- The financial personnel keeps in touch with financial institutions and collects real-time exchange rate information in accordance with international political and economic developments in order to keep abreast of exchange rate trends.
- The financial personnel maintains an appropriate foreign exchange position based on the future trend of the exchange rate and judge the appropriate time to buy and sell foreign currencies in order to reduce the impact of exchange rate fluctuations on the Company's profitability.

- If necessary, the Company will hedge the risk of exchange rate fluctuations by entering into stable hedging transactions with financial institutions of good credit standing in advance, based on the principle of hedging rather than investment transactions, and by strengthening risk control in accordance with the "Procedures for Engaging in Derivatives Trading".

3. Inflation:

The Company and its subsidiaries maintain close and good interaction with suppliers and clients, and pay close attention to fluctuations in raw material prices and inflation in order to reflect changes in cost and prices in selling prices in a timely manner so as to reduce the impact of inflationary changes.

5.7.2 Policy regarding High-risk Investments, Highly Leveraged Investments, Loans to Other Parties, Endorsements/Guarantees, and Derivatives Transactions, Main Reasons for the Profit (Loss) Generated Thereby, and Response Measures to Be Taken in the Future:

The Company and its subsidiaries have always focused on the development of their own businesses while operating in a pragmatic manner. Their financial policies are prudent and conservative, and they do not engage in high-risk, high-leverage investments. In addition, when the Company engages in the loans of funds to others, endorsement and guarantee, and derivatives trading, it always complies with relevant laws and regulations as well as the procedures established by the Company.

Risk Item	Implementation Status	Policies and Response Measures:
High-risk and highly leveraged investments	The Company and its subsidiaries did not engage in high-risk or highly leveraged investments in the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report.	The Company and its subsidiaries focus on the operation of their businesses and no funds are used for high-risk, high-leverage investments.
Loans of funds to others	The Company and its subsidiaries did not engage in affairs involving loans of funds to others in the most recent fiscal year and during the most recent fiscal year up to the date of publication of the prospectus.	If the Company and its subsidiaries lend funds to others in the future, they will comply with the "Operational Procedures for Loaning Funds to Others" established by the Company and make public announcements and reports as required by law.
Endorsements/guarantees	In the most recent fiscal year and up to the date of publication of the annual report, the Company has provided a guarantee line for the purchase of materials and financing by its subsidiary, Raydium Semiconductor (Kunshan) Co., Ltd., and the actual amount spent is within the line.	If the Company and its subsidiaries make endorsements/guarantees for others, they will comply with "Operational Procedures for Endorsements/Guarantees for Others" established by the Company and make public announcements and reports as required by law.
Derivatives trading	Neither the Company nor its subsidiaries engaged in any forward foreign exchange transactions in the most recent fiscal year or up to the date of publication of this Annual Report.	If the Company and its subsidiaries engage in derivatives trading, they will comply with "Operational Procedures for Engaging in Derivatives Trading" established by the Company and make public announcements and reports as required by law. In the future, the Company will regularly evaluate and adjust its hedging strategies accordingly in response to changes in operating conditions and market trends.

5.7.3 Future R&D Plans and Expected R&D Spending:

1. R&D Work to Be Carried Out in the Future

The R&D projects for new technologies focus on enhancing the Company's existing technological capabilities and responding to future trends in product technology requirements in the market.

	Project in Development	Purpose of Development
1	High-speed interface driver IC	Develop large-sized panel driver IC
2	Drive IC with integrated timing controller	Develop system driver IC for notebooks
3	NB solution for active stylus touch	Develop control IC for capacitive touch panels used in notebooks
4	LCD panel integrated power management IC	Develop large-sized panel PMIC
5	LCD panel backlight driver IC	Develop high-efficiency LED driver IC for notebooks
6	LCD timing control IC (TCON)	Develop timing control IC for desktop display and notebook applications
7	AMOLED display driver IC	Develop driver IC for wearable devices and high-end smartphones
8	AMOLED timing control IC (TCON)	Development of timing control IC for tablet and notebook panels
9	AMOLED Tandem, Demura, DBI Technologies	Develop integrated driver IC for wearables and smartphones
10	AMOLED integrated on-cell TDDI	Develop integrated driver IC exclusive for wearable devices and smartphones
11	AMOLED Automotive Display Cascade TED (TCON Embedded Driver) IC	Develop driver IC for automotive AMOLED displays
12	LCD Automotive Display TED (TCON Embedded Driver) IC	Develop driver ICs for automotive LCD displays
13	Automotive TDDI with local dimming function	Develop automotive TDDI with local dimming
14	Automotive Cascade Touch and Display Driver Integration (TDDI) IC	Develop automotive integrated touch and display driver IC for large-sized, high-resolution application
15	Automotive timing control IC	Develop automotive display timing controller IC for high-contrast, high-resolution application
16	Automotive Micro LED timing control IC	Develop automotive Micro LED timing control IC
17	Automotive Micro LED driver IC	Develop automotive Micro LED driver IC
18	Bistable LCD Driver IC	Develop driver IC for electronic paper (EPD)
19	Bistable LCD Timing Control IC (TCON)	Develop timing control IC for electronic paper (EPD)

2. Further Expenditures Expected for R&D Work

The Company expects to invest in R&D in accordance with the progress of new product and technology development, and to maintain a certain level of growth depending on operating conditions. The further expenditures expected for R&D work in the coming year will account for approximately 15% to 20% of revenue to ensure the Company's competitive advantage.

5.7.4 Risk Associated with Changes in the Political and Regulatory Environment:

The Company's operations are conducted in accordance with the relevant domestic and foreign laws and regulations, and it pays attention to the development trend of domestic and foreign policies and changes in laws and regulations at all times, and adjusts its internal systems to fully grasp and respond to changes in the market environment. To date, the Company's financial operations have not been materially affected by changes in domestic or foreign policies or laws.

5.7.5 Impact of Technology and Industry Changes (incl. Cybersecurity) on Operations and Responses:

The Company closely monitors technological advancements and industry developments relevant to its sector. Through close collaboration with clients, it actively tracks emerging industry trends. In addition, the Company continuously strengthens its own R&D capabilities, files patents to protect various innovative concepts and designs, and actively explores new market applications.

As a result, technological and industry changes have not had any adverse impact on the Company to date.

In terms of information and communication security, the Company continues to enhance its cybersecurity defense capabilities. In 2022, the Company completed the development of Business Continuity Plans (BCPs) for scenarios such as “hacker intrusion” and “data center failure.” In May 2023, the Company conducted its first BCP drill for a hacker intrusion scenario to refine its emergency response mechanisms. In 2024, the Company further completed the annual offsite backup drill for critical systems, ensuring that emergency procedures can be promptly activated in the event of an incident. This enables the rapid recovery of the ERP system and critical data, effectively shortening response time, reducing operational risks, and minimizing potential losses.

For further details on the Company’s information security management, please refer to the Company’s website and pages 85 to 88 of this Annual Report.

5.7.6 Changes in Corporate Image and Impact on Company’s Crisis Management:

Since the establishment of the Company, the Company has focused on its business operations, attached importance to internal management, and complied with relevant laws and regulations; up to now, no incident has happened which seriously affected its corporate image.

5.7.7 Risks Associated with Mergers and Acquisitions : The Company currently has no plans for mergers and acquisitions.

5.7.8 Risks Associated with Facility Expansion:

The Company and its subsidiaries are professional IC design companies and the manufacturing, packaging and testing of products are all outsourced; therefore, the Company and its subsidiaries have no actual need of plant expansion.

5.7.9 Risks Associated with Purchase Concentration and Sales Concentration:

1. Risks Associated with Consolidation of Purchasing Operations:

The main raw materials used by the Company are wafers. Due to the complex design and manufacturing process of semiconductors, in order to improve the level of control of the wafer manufacturing capacity and yield, to avoid cost increase in production process such as photomask remanufacturing and trial production, and to shorten R&D time and time-to-market in order to gain competitive advantage in the market, the IC design industry tries to choose the same system process foundry for production. Therefore, the consolidation of purchasing materials is a common phenomenon in the IC design industry. Regarding the cooperation between the Company and the foundry, the Company has considered two or more suppliers to provide stable quality and equivalent capacity of ICs for our partnership with foundries.

2. Risks Associated with Consolidation of Sales Operations:

The Company’s main product is display driver ICs. In addition to actively expanding both domestic and overseas customer bases—including markets in Taiwan, Mainland China, Japan, and South Korea—the Company continues to diversify its clientele to effectively mitigate the risk of customer concentration.

5.7.10 Risks Associated with Sales of Significant Numbers of Shares by the Company’s Directors and Major Shareholders Who Own 10% or more of the Company’s Total Outstanding Shares: Not applicable.

5.7.11 Risks Associated with Change in Management: Not applicable.

5.7.12 Risks Associated with Litigations: Not applicable.

5.7.13 Other Material Risk: None.

5.8 Other Material Events: None.

Chapter 6 Special Disclosure

6.1 Summary of Affiliated Companies (as of December 31, 2024):

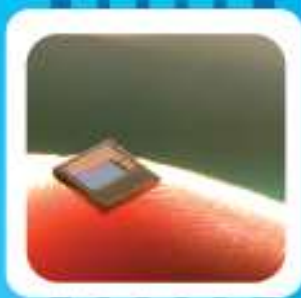
Please refer to the 2024 disclosures in the “Related Party Disclosure Statements” section on the Market Observation Post System (MOPS):

https://mopsov.twse.com.tw/mops/web/t57sb01_q10

6.2 Private Placement Securities: None.

6.3 Other Necessary Information: None.

6.4 Any Events that Had Significant Impacts on Shareholders’ Rights or Security Prices as Stated in Item 2 Paragraph 3 of Article 36 of Securities and Exchange Act: None.



Raydium