

Stock Code : 3592

Raydium

Raydium Semiconductor Corporation

2025 ANNUAL REPORT

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Notice to readers: This is a translation of the 2025 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: LIN, PEI-YI, Assistant Vice President

Deputy Spokesperson Name and Title: HUANG, YAO-YU, 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 Chun-Yuan Wu

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 2025, the global economy faced multiple challenges. Trade protectionism and tariff policies continued to reshape international supply chains, while geopolitical developments continued to affect regional economic and trade relations. In such a volatile environment, business resilience has become a critical competitive strength. In response, Raydium remained focused on customer needs and maintained a diversified supply chain strategy, supported by forward-looking technology deployment and a broad product portfolio that continued to underpin overall operating momentum. For the year, consolidated revenue totaled NT\$22.397 billion, representing a year-on-year decrease of 8.1%. Under the pressure of a high comparison base and the appreciation of the New Taiwan dollar, revenue did not achieve the targeted growth. Nevertheless, amid the macroeconomic and industry headwinds described above, the Company maintained annual revenue above NT\$20 billion, demonstrating a relatively stable operating foundation. Gross margin was 28.5%, down 1.5 percentage points from the previous year. Consolidated net profit after tax was NT\$1.383 billion, a decrease of 34.1% year on year, and basic earnings per share were NT\$18.24.

As growth in the display market continues to expand across increasingly diversified applications, demand for high-resolution, high-refresh-rate, and low-power solutions has grown steadily in large-size notebooks, commercial displays, and gaming monitors. Leveraging our years of experience in large-size LCD display semiconductors, we continue to deepen collaboration with brand customers and customers in emerging markets, while strengthening our technical support and system integration capabilities. In small- and medium-size AMOLED applications, wearable devices and compact displays continue to broaden their use cases, while foldable smartphones are gradually becoming a key market focus. Their flexible form factors and rising requirements for superior display quality are driving demand for high-performance display driver ICs with advanced compensation capabilities. These high technical barriers also highlight our competitive strengths in AMOLED driver ICs. AMOLED applications are also gradually extending into large-size IT displays. Compared with TFT-LCD, these emerging AMOLED applications impose higher requirements on display driver ICs and timing controller (TCON) ICs, particularly in transmission bandwidth and low-power design capabilities. In automotive displays, the adoption of smart cockpits and advanced driver assistance systems (ADAS) continues to increase market demand for high reliability, wide-temperature operation, and display stability. This, in turn, has further elevated the importance of display driver ICs, Bridge ICs, and touch and display driver integration (TDDI) solutions in automotive applications.

Amid the rapid advancement of artificial intelligence, displays are playing an increasingly important role as critical interfaces for perception and interaction in smart devices. AI PCs, AI smartphones, and smart wearable devices are integrating functions such as high-speed computing, voice control, and visual recognition, placing higher demands on display systems in terms of real-time responsiveness, power efficiency, and seamless human-machine interaction. This trend is further increasing demand for greater integration and design flexibility in display driver ICs. We also continue to invest in emerging display technologies. Micro LED technology, with its advantages of high brightness, high contrast, long battery life, and energy efficiency, is gradually expanding its application scope. Our wearable Micro LED display driver IC received the “2025 Hsinchu Science Park Outstanding Innovation Product Award,” laying an important foundation for next-generation interactive display technologies.

On the ESG front, we have initiated alignment with the IFRS Sustainability Disclosure Standards, expanded the scope of our carbon footprint assessment, and incorporated low-carbon and energy-efficient concepts into product design. At the same time, we continue to foster a diverse and inclusive corporate culture, strengthen our corporate governance and risk management mechanisms, and enhance information transparency and decision-making quality. By integrating sustainability into our operating and governance framework, we are reinforcing an important foundation for further improving governance maturity and operational resilience.

Looking ahead to 2026, amid rapid changes in the global economy, trade policies, and technological development, uncertainty has become the norm. Risks will continue to coexist with potential opportunities, constantly testing corporate judgment and adaptability. Only by strengthening strategic agility and operational flexibility, adjusting business deployment in a timely manner, and enhancing organizational resilience can companies achieve long-term, sustainable, and steady growth. Raydium will continue to deepen its partnerships with customers by providing value-added products and professional services in response to market needs, thereby fostering long-term collaboration and creating shared value. At the same time, we will strengthen collaboration with supply chain partners to build a resilient and flexible supply network, leveraging diversified deployment to address potential risks and ensure supply stability. We will also continue to invest in research and development, drive technological innovation, and enhance our core technical capabilities to support our long-term competitive advantages.

We remain committed to balancing economic performance with sustainable development and to enhancing our long-term competitiveness through ESG practices. With the continued support of our shareholders, our team will continue to execute our business plans diligently, create stable investment returns for shareholders, and work together toward our sustainable development goals.

To all shareholders

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 29, 2026; 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 HUANG, YU-KUO | 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 | 15.10 | 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, Daji Education Development Co., Ltd. • Director, PlayNitride Inc. • Director, Carota Corp. • Supervisor, Star River Energy Co., Ltd. • Supervisor, Starshining Energy No. 2 Corporation |
| Representative: HONG, HONG-JYE | 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 Subsidiary • Representative of Corporate Director, Sintrones Technology Corp. • Representative of Corporate Director, Carota Corp. |
| Representative: KU, HSIU-HUA | 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) • Vice President, Human Resources Center, AUO Corporation | <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 LI, HSI-HUA | R.O.C. | Male 71-80 | May 29, 2023 | 3 | 2011.9.8 | 526 | 0.69 | 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 CHENG, WEI-SHUN | 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. • Director, Shirre Lab Corp. | <ul style="list-style-type: none"> • Independent Director, Chenbro Micom Co., Ltd. • Independent Director, Daxin Materials Corp. • Independent Director, Unictron Technologies Corporation |
| Independent Director HSIEH, HUNG-PO | 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 • SVP & GM, Computer & Consumer BU, Acer Inc. • Director, AOPEN Incorporated • Director, Apacer Technology Inc. | <ul style="list-style-type: none"> • Chairman & CSO, Wistron NeWeb Corporation • Representative of Corporate Director, Wistron Corporation • Director, aEnrich Technology Corporation |
| Independent Director CHOU, SHIH-CHIEH | 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 • 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 | 6.92 |
| | Trust Holding for Employees for AUO | 5.81 |
| | Quanta Computer Inc. | 4.63 |
| | Taiwan Cooperative Bank, Ltd. | 2.99 |
| | ADR of AUO | 2.30 |
| | New Labor Pension Fund | 1.73 |
| | Nan Shan Life Insurance Company, Ltd. | 1.49 |
| | Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds | 1.09 |
| | Vanguard Total International Stock Index Fund, A Series Of Vanguard Star Funds | 1.03 |
| | Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II | 0.65 |

Note: The shareholder record date is March 30, 2025.

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 HUANG, YU-KUO | <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, HONG-JYE | <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 Senior Vice President of an AUO subsidiary. 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 Senior Vice Presidents of AUO Corporation. | 0 |
| Director Konly Venture Corp. Representative: KU, HSIU-HUA | <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 LI, HSI-HUA | <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 CHENG, WEI-SHUN | <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 HSIEH, HUNG-PO | <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. | <ol style="list-style-type: none"> 1. candidate to verify the independence of the directors, their spouses, and relatives within the second degree of kinship. 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 CHOU, SHIH-CHIEH | <ol style="list-style-type: none"> 1. Holds a Ph.D. from the Institute of Electronics, National Chiao Tung University. 2. Dr. Chou 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. | <ol style="list-style-type: none"> 1. 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. | 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 | | HUANG, YU-KUO | HONG, HONG-JYE | KU, HSIU-HUA | LI, HSI-HUA | CHENG, WEI-SHUN | HSIEH, HUNG-PO | CHOU, SHIH-CHIEH |
| Gender | | Male | Male | Female | Male | Male | Male | Male |
| Age | | 61-70 | 51-60 | 61-70 | 71-80 | 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 | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | |
| Finance and Accounting | | | | | ✓ | | | |
| Marketing | | ✓ | | | ✓ | | ✓ | |
| Sustainability and ESG Management | | ✓ | | ✓ | | | ✓ | |

| Title | Chairman | Director | | | Independent Director | | |
|-----------------------------------|---------------|----------------|--------------|-------------|----------------------|----------------|------------------|
| Name | HUANG, YU-KUO | HONG, HONG-JYE | KU, HSIU-HUA | LI, HSI-HUA | CHENG, WEI-SHUN | HSIEH, HUNG-PO | CHOU, SHIH-CHIEH |
| Professional Knowledge and Skills | | | | | | | |
| Management and Business Judgment | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Accounting and Financial Analysis | ✓ | | | ✓ | ✓ | ✓ | |
| Crisis Management Capability | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Industry Knowledge | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| International Market Perspective | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Leadership and Decision-Making | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

Note: Although HSIEH, HUNG-PO has served as an Independent Director of the Company for three consecutive terms, his extensive practical management experience and expertise in corporate governance have made substantial contributions to the Company's development. The Company plans to conduct a full re-election of directors in May 2026, after which the Company will comply with the requirement that no independent director shall serve more than three consecutive terms.

| 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 | In progress (Note) |
| Board members to have industry experience covering at least three different sectors | Achieved |

Note: The Company currently has one female director (14%). The Company plans to achieve the target of one-third female representation in phases. It is expected that the number of female directors will increase to two upon the full re-election of directors in 2026, thereby increasing female representation on the Board and further implementing the Company's gender diversity policy.

(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 2025 are disclosed on pages 20–21 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 29, 2026; 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. | HUANG, YU-KUO | 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 | <ul style="list-style-type: none"> • Chairman of the Company (Note 2) • Director, AUO Foundation |
| President | R.O.C. | WEN, CHI-JAIN (Note3) | 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, Orise Technology Co., Ltd. • Director Project Management Division, TPO Displays Corp. • R&D Engineer, Electronics Research and Service Organization, ITRI | <ul style="list-style-type: none"> • Chairman, Raydium Semiconductor (Kunshan) Co., Ltd. • Chairman, Raydium Semiconductor (Hefei) Co., Ltd. |
| Chief Technology Officer | R.O.C. | LIN, WEN-TSUNG (Note3) | 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 | <ul style="list-style-type: none"> • Representative of Corporate Director, SiCEV Electronics Co., Ltd. • Representative of Corporate Director, ARK Semiconductor Inc. • Director, Raydium Semiconductor (Hefei) Co., Ltd. |
| Vice President | R.O.C. | HUANG, YAO-YU | 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. | <ul style="list-style-type: none"> • Director, Raydium Semiconductor (Kunshan) Co., Ltd. |
| Vice President | R.O.C. | WANG, SHIH-CHUNG | Male | April 2, 2009 | 40 | 0.05 | 0 | 0 | <ul style="list-style-type: none"> • Dual EMBA, National Tsing Hua University and The University of Texas at Arlington • Bachelor of Physics, Tamkang University • Engineering Manager, Integrated Solutions Technology, Inc. | <ul style="list-style-type: none"> • None |
| Vice President | R.O.C. | CHEN, YING-LIEH | 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. | <ul style="list-style-type: none"> • None |
| Vice President | R.O.C. | TANG, SHANG-PING | 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. | <ul style="list-style-type: none"> • None |
| Information Technology Principal | R.O.C. | YUAN, CHIH | 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. | <ul style="list-style-type: none"> • None |
| Assistant Vice President | R.O.C. | LIN, PEI-YI | 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 | <ul style="list-style-type: none"> • 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. | SHIH, JUN-REN | Male | April 1, 2023 | 2 | - | 0 | 0 | <ul style="list-style-type: none"> • Master of Electronics, National Chiao Tung University • Manager, Himax Technologies, Inc. | <ul style="list-style-type: none"> • None |

| Title | Nationality | Name | Gender | Date Appointed (Note 1) | Shareholding | | Spouse & Minor Shareholding | | Education & Experience | Current Positions at the Company and Other Companies |
|---|-------------|--------------|--------|-------------------------|--------------|------|-----------------------------|------|--|--|
| | | | | | Shares | % | Shares | % | | |
| Assistant Vice President | R.O.C. | LO, SHIN-TAI | Male | April 1, 2025 | 11 | 0.01 | 17 | 0.02 | <ul style="list-style-type: none"> • Ph.D. in Electrical Engineering, National Taiwan University • Senior Division Director, Raydium Semiconductor Corporation | 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: WEN, CHI-JAIN was promoted to President on February 1, 2026; LIN, WEN-TSUNG was redesignated from President to Chief Technology Officer on the same date.

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) | | the Company | Consolidated Entities (Note 7) | | | |
| | | | | | | | | | | | | | Cash | Stock | Cash | Stock | | | | | | |
| Chairman Chief Executive Officer | HUANG, YU-KUO | | | | | | | | | | | | | | | | | | | | | |
| Director | Konly Venture Corp. Representative: HONG, HONG-JYE | 6,000 | 6,000 | 0 | 0 | 6,350 | 6,350 | 200 | 200 | 12,550 (0.90%) | 12,550 (0.90%) | 23,553 | 23,553 | 0 | 0 | 5,200 | 0 | 5,200 | 0 | 41,303 (2.98%) | 41,303 (2.98%) | None |
| Director | Konly Venture Corp. Representative: KU, HSIU-HUA | | | | | | | | | | | | | | | | | | | | | |
| Director | LI, HSI-HUA | | | | | | | | | | | | | | | | | | | | | |
| Independent Director | CHENG, WEI-SHUN | | | | | | | | | | | | | | | | | | | | | |
| Independent Director | HSIEH, HUNG-PO | 5,218 | 5,218 | 0 | 0 | 6,351 | 6,351 | 150 | 150 | 11,719 (0.85%) | 11,719 (0.85%) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 11,719 (0.85%) | 11,719 (0.85%) | None |
| Independent Director | CHOU, SHIH-CHIEH | | | | | | | | | | | | | | | | | | | | | |

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, HONG-JYE, KU, HSIU-HUA | HONG, HONG-JYE, KU, HSIU-HUA | HONG, HONG-JYE, KU, HSIU-HUA | HONG, HONG-JYE, KU, HSIU-HUA |
| NT\$1,000,000 ~ NT\$1,999,999 | - | - | - | - |
| NT\$2,000,000 ~ NT\$3,499,999 | HUANG, YU-KUO, LI, HSI-HUA | HUANG, YU-KUO, LI, HSI-HUA | LI, HSI-HUA | LI, HSI-HUA |
| NT\$3,500,000 ~ NT\$4,999,999 | CHENG, WEI-SHUN, HSIEH, HUNG-PO, CHOU, SHIH-CHIEH | CHENG, WEI-SHUN, HSIEH, HUNG-PO, CHOU, SHIH-CHIEH | CHENG, WEI-SHUN, HSIEH, HUNG-PO, CHOU, SHIH-CHIEH | CHENG, WEI-SHUN, HSIEH, HUNG-PO, CHOU, SHIH-CHIEH |
| NT\$5,000,000 ~ NT\$9,999,999 | Konly Venture Corp. | Konly Venture Corp. | Konly Venture Corp. | 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 | - | - | HUANG, YU-KUO | HUANG, YU-KUO |
| 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 2025, including director's salary, position allowance, severance payments, various bonuses, and incentive payments.

Note 2: Refers to the amount accrued in 2025.

Note 3: Refers to the amount of directors' remuneration of NT\$12,701,160 resolved for distribution by the Board of Directors on February 24, 2026.

Note 4: Refers to business execution expenses incurred by directors in 2025, 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 2025 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 2025 by directors concurrently serving as employees. The proposed allocation amount is based on the Board resolution on February 24, 2026, 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 2025 as presented in the Company's parent company only 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 Chief Executive Officer | HUANG, YU-KUO | 27,886 | 27,886 | 756 | 756 | 90,201 | 90,201 | 28,775 | 0 | 28,775 | 0 | 147,618 (10.67%) | 147,618 (10.67%) | None |
| President | WEN, CHI-JAIN (Note 8) | | | | | | | | | | | | | |
| Chief Technology Officer | LIN, WEN-TSUNG (Note 8) | | | | | | | | | | | | | |
| Vice President | HUANG, YAO-YU | | | | | | | | | | | | | |
| Vice President | WANG, SHIH-CHUNG | | | | | | | | | | | | | |
| Vice President | CHEN, YING-LIEH | | | | | | | | | | | | | |
| Vice President | TANG, SHANG-PING | | | | | | | | | | | | | |
| Information Technology Principal | YUAN, CHIH | | | | | | | | | | | | | |

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 | WANG, SHIH-CHUNG ; YUAN, CHIH | WANG, SHIH-CHUNG ; YUAN, CHIH |
| NT\$15,000,000 ~ NT\$29,999,999 | HUANG, YU-KUO ; WEN, CHI-JAIN (Note8) ; LIN, WEN-TSUNG (Note8) ; HUANG, YAO-YU ; CHEN, YING-LIEH ; TANG, SHANG-PING | HUANG, YU-KUO ; WEN, CHI-JAIN (Note8) ; LIN, WEN-TSUNG (Note8) ; HUANG, YAO-YU ; CHEN, YING-LIEH ; TANG, SHANG-PING |
| NT\$30,000,000 ~ NT\$49,999,999 | - | - |
| 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 2025 by individuals serving in positions at or above Vice President level.

Note 2: Refers to the amount accrued in 2025.

Note 3: Refers to various items received in 2025 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 24, 2026, 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 2025 as reported in the Company's parent company only 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).

Note 8: WEN, CHI-JAIN was promoted to President on February 1, 2026; LIN, WEN-TSUNG was redesignated from President to Chief Technology Officer on the same date.

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 | HUANG, YU-KUO | 0 | 35,341 | 35,341 | 2.55% |
| | President | WEN, CHI-JAIN (Note 3) | | | | |
| | Chief Technology Officer | LIN, WEN-TSUNG (Note 3) | | | | |
| | Vice President | HUANG, YAO-YU | | | | |
| | Vice President | WANG, SHIH-CHUNG | | | | |
| | Vice President | CHEN, YING-LIEH | | | | |
| | Vice President | TANG, SHANG-PING | | | | |
| | Information Technology Principal | YUAN, CHIH | | | | |
| | Assistant Vice President | LIN, PEI-YI | | | | |
| | Assistant Vice President | SHIH, JUN-REN | | | | |
| | Assistant Vice President | LO, SHIN-TAI | | | | |

Note 1: Refers to the proposed amount of employee remuneration allocated to managerial officers, as resolved by the Board of Directors on February 24, 2026. 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 2025 as reported in the Company's parent company only financial statements.

Note 3: WEN, CHI-JAIN was promoted to President on February 1, 2026; LIN, WEN-TSUNG was redesignated from President to Chief Technology Officer on the same date.

Note 4: LO, SHIN-TAI assumed the position of Assistant Vice President on April 1, 2025.

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 | 2025 | | 2024 | |
|---------------------------------------|-----------|--|-----------|--|
| | Amount | Proportion of Net Income after tax (%) | Amount | Proportion of Net Income after tax (%) |
| Directors' Compensation | 24,269 | 1.75 | 30,470 | 1.45 |
| Executive Compensation (VP and above) | 147,618 | 10.67 | 191,587 | 9.13 |
| Net Profit After Tax (Parent Only) | 1,383,386 | - | 2,098,989 | - |

Analysis: The decrease in remuneration paid to Directors and executive officers at or above the Vice President level in 2025 was primarily due to the decline 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, 2025. The attendance of individual directors is as follows:

| Title | Name | Attendance in Person(B) | By Proxy | Attendance Rate (%) 【B/A】 | Remark |
|----------------------|---|-------------------------|----------|---------------------------|--------|
| Chairman | HUANG, YU-KUO | 5 | 0 | 100 | - |
| Director | Konly Venture Corp. Representative: HONG, HONG-JYE | 5 | 0 | 100 | - |
| Director | Konly Venture Corp. Representative: KU, HSIU-HUA | 5 | 0 | 100 | - |
| Director | LI, HSI-HUA | 5 | 0 | 100 | - |
| Independent Director | CHENG, WEI-SHUN | 5 | 0 | 100 | - |
| Independent Director | HSIEH, HUNG-PO | 5 | 0 | 100 | - |
| Independent Director | CHOU, SHIH-CHIEH | 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 23-25 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 3, 2025 | HUANG, YU-KUO, (Chairman) | Approval of 2024 Managerial Performance Bonus Distribution Plan | Also serves as a managerial officer of the Company | Recused from discussion and voting |
| February 26, 2025 | | Approval of 2025 Managerial Salary Adjustment Plan | | |
| August 5, 2025 | | Approval of 2024 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 2025, the overall self-assessment results for the Board and individual directors were rated "Excellent," while the Audit Committee, the Remuneration Committee, and the Sustainability Development Committee were all rated "Outstanding." These results indicate the sound functioning of the Board and its functional committees, compliance with corporate governance requirements, and the effectiveness of Board operations in strengthening Board functions and 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. The Company conducted its first external Board performance evaluation in 2023. In view of the full re-election of directors scheduled for May 2026, the Company engaged the Taiwan Corporate Governance Association in late 2025 to conduct the external evaluation ahead of schedule. Through exchanges between the Association and the incumbent directors who are familiar with the Board's operations, the Company obtained recommendations for further enhancement, which will serve as a foundation for the transition to the next Board term. The Association affirmed the Company's corporate governance performance. Relevant recommendations and the Company's follow-up improvement measures are disclosed on the Company's official website.

| Type | Frequency | Period | Scope | Method | Content |
|---------------------------------|-------------|--------------------------------------|--------------------------------------|--|---|
| Internal Performance Evaluation | Once a year | January 1, 2025 to December 31, 2025 | 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 |
| | | | Sustainability Development Committee | Internal Self-Evaluation by the | <ul style="list-style-type: none"> • Participation in the operation of the company • Awareness of the duties of |

| Type | Frequency | Period | Scope | Method | Content |
|---------------------------------|------------------------|-------------------------------------|--|---|---|
| | | | | Sustainability Development Committee | <ul style="list-style-type: none"> the functional committee Improvement of the quality of decisions made by the functional committee Makeup of the functional committee and election of its members |
| External Performance Evaluation | Once every three years | September 1, 2024 – August 31, 2025 | Board of Directors and Functional Committees | 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 and Oversight of the Board Board Authorization and Risk Management Board Communication and Collaboration Board Self-Discipline and Continuous Improvement |

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 management 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 23-25 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 34-35 of this Annual Report.
- (4) The Company established the Sustainability Development Committee on November 4, 2025, to oversee and coordinate the promotion of the Company's sustainability-related affairs. For details on the operation of the Sustainability Development Committee, please refer to pages 36-37 of this Annual Report.
- (5) The Company purchased Directors' and Officers' Liability Insurance (D&O Insurance) for 2025 to mitigate the legal risks faced by directors and enhance corporate governance. The details of the insurance were reported to the Board on August 5, 2025.

- (6) To enhance gender diversity on the Board, the Company plans to increase the number of female directors to two following the full re-election of the 9th-term Board of Directors in 2026, thereby implementing the Board diversity policy in a concrete manner.
- (7) In 2025, the Company completed amendments to the “Articles of Incorporation,” “Seal Management Procedures,” “Internal Control System – Payroll Cycle,” “Procedures for the Preparation and Assurance of Sustainability Reports,” and the “Sustainability Development Principles,” and adopted the “Organizational Charter of the Sustainability Development Committee.” The Company also continues to optimize its operations in line with ESG evaluation indicators and updates information on the ESG section of its official website on a timely basis to enhance information transparency.

2.3.2 Operation Status of the Audit Committee

The Audit Committee convened 4 (A) meetings from January 1 to December 31, 2025. 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) | CHENG, WEI-SHUN | 4 | 0 | 100 | - |
| Independent Director | HSIEH, HUNG-PO | 4 | 0 | 100 | - |
| Independent Director | CHOU, SHIH-CHIEH | 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, 10th Meeting February 25, 2025 | 6th Term, 7th Meeting February 25, 2025 | <ul style="list-style-type: none"> • Approval of the 2024 Internal Control System Effectiveness Assessment and Internal Control Statement • Approval of the distribution of 2024 employee compensation and director remuneration • Approval of 2024 Financial Statements, Business Report, and 2025 Business Plan • Approval of 2024 Earnings Distribution – Cash Dividends • Approval of 2024 Earnings Distribution Table • Approval of amendments to the Company's policy on pre-approved non-assurance services • Approval of the evaluation of independence and competence of the CPA firm for 2025 and the related engagement fees • Approval of engaging KPMG to provide advisory consulting services on the IFRS Sustainability Disclosure Standards and the related engagement fees • Approval of amendments to certain provisions of the "Seal Management Procedures" | Approved by all Audit Committee members and submitted to the Board for resolution | All proposals were approved unanimously by the attending directors |

| Date of Board of Directors | Date of Audit Committee | Contents of Motions/Resolution | Resolutions and member opinions |
|--|--|---|--|
| 8th Term, 11th Meeting May 6, 2025 | 6th Term, 8th Meeting May 6, 2025 | <ul style="list-style-type: none"> • Approval of the Q1 2025 Consolidated Financial Statements • Approved amendments to the “Payroll Cycle” Internal Control System and Internal Audit System. • Approved the adoption of the “Procedures for the Preparation and Assurance of Sustainability Reports” | <p style="text-align: center;">Approved by all Audit Committee members and submitted to the Board for resolution</p> <p style="text-align: center;">All proposals were approved unanimously by the attending directors</p> |
| 8th Term, 12th Meeting August 5, 2025 | 6th Term, 9th Meeting August 5, 2025 | <ul style="list-style-type: none"> • Approval of the Q2 2025 Consolidated Financial Statements | |
| 8th Term, 13th Meeting November 4, 2025 | 6th Term, 10th Meeting November 4, 2025 | <ul style="list-style-type: none"> • Approved the 2026 audit plan. • Approved the Q3 2025 consolidated financial statements • Approved amendments to certain provisions of the “Sustainability Development Principles”. • Approved the engagement of KPMG ADVISORY SERVICES CO., LTD. to provide non-assurance services • Approved the engagement of KPMG Deal Advisory Limited to provide non-assurance services. | |

(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 2025.

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. External accountants attend Audit Committee meetings on a quarterly basis, during which they report to Independent Directors 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 2025, such meetings were held on May 6. 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 25, 2025 | <ul style="list-style-type: none"> Q4 2024 audit results and follow-up actions 2024 Internal Control System Effectiveness Assessment and Internal Control Statement | No objections raised. |
| Individual communication meetings May 6, 2025 | <ul style="list-style-type: none"> Summary of audit execution <ol style="list-style-type: none"> Routine: Annual audit Others | No objections raised. |
| Audit Committee May 6, 2025 | <ul style="list-style-type: none"> Q1 2025 audit results and follow-up actions | No objections raised. |
| Audit Committee August 5, 2025 | <ul style="list-style-type: none"> Q2 2025 audit results and follow-up actions | No objections raised. |
| Audit Committee November 4, 2025 | <ul style="list-style-type: none"> Q3 2025 audit results and follow-up actions 2026 Annual Audit Plan | No objections raised. |

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

| Date of Communication | Communication Items | Suggestions and Results |
|--|---|-------------------------|
| Audit Committee February 25, 2025 | <ul style="list-style-type: none"> Audit results for 2024 financial reports and updates on key regulations Explanation of key audit matters Updates on key securities and capital market regulations | No objections raised. |
| Individual communication meetings May 6, 2025 | <ul style="list-style-type: none"> Computer-assisted audit findings IFRS 18 – Presentation and Disclosure in financial statements | No objections raised. |
| Audit Committee May 6, 2025 | <ul style="list-style-type: none"> Review report on Q1 2025 financial statements | No objections raised. |
| Audit Committee August 5, 2025 | <ul style="list-style-type: none"> Review report on Q2 2025 financial statements | No objections raised. |
| Audit Committee November 4, 2025 | <ul style="list-style-type: none"> Review report on Q3 2025 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 2025:

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 7-10 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? | ✓ | | The Company established the Sustainability Development Committee on November 4, 2025, to oversee and coordinate the promotion of the Company's sustainability-related affairs. | None |

| 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 2025 was completed in early 2026. The overall Board and individual Board members were rated as “Excellent,” while the Audit Committee, the Remuneration Committee, and the Sustainability Development 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 also affirmed their contribution to enhancing Board functions and safeguarding shareholder rights. The results were submitted to the Board on February 24, 2026, and will serve as a reference for determining individual director remuneration and nomination for reappointment. 3. To align with the full re-election of directors scheduled for May 2026, the Company engaged the Taiwan Corporate Governance Association in 2025 to conduct the external Board performance evaluation ahead of schedule. 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 improvement measures 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 31-32) 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.</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 | Explanation | |
| | ✓ | | <ul style="list-style-type: none"> ■ 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 CPA rotation mechanism to uphold independence, and in 2024, the scheduled internal CPA rotation was completed accordingly. <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:</p> <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. ■ Regarding independence, considering that KPMG Taiwan has continuously provided 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 the CPA rotation was completed in February 2025. ■ All financial statement audits and tax certification engagements for each period were completed on schedule, and the overall work performance was satisfactory. <p>3. Based on the above, the CPAs were deemed highly independent and competent, with reliable audit quality. The 2025 evaluation results were approved by the Audit Committee and the Board on February 24, 2026.</p> | None |

| 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"> 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 2025. The finance unit is also responsible for implementing governance matters to support the Board in fulfilling governance and compliance.. The Corporate Governance Officer's responsibilities include: <ol style="list-style-type: none"> Handling matters related to Board and Shareholders' meetings in accordance with the law. Preparing minutes of Board and Shareholders' meetings. Assisting Directors and Independent Directors with onboarding and continuing education. Providing information required for Directors and Independent Directors to execute their duties. Assisting Directors and Independent Directors in complying with laws and regulations. Reporting to the Board on the compliance of Independent Directors' qualifications at the time of nomination, election, and during their terms. Handling matters related to changes in Directors. Other matters stipulated in the Articles of Incorporation or internal regulations. For key activities related to corporate governance implementation in 2025, please refer to page 32 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"> 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. 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. Communication with stakeholders in 2025 was reported to the Board on November 4, 2025. For detailed communications and reports, please refer to the Company's website and the 2025 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 2025 were announced and filed on February 26, 2026, within two months after the end of the fiscal year. The financial reports for the first, second, and third quarters of 2025, 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 93-94) 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 2025” (page 32-33 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 104–109) 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 11th 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.
 - Key improvements completed in 2025(12th term):
 - (1) The Board of Directors approved the “Corporate Value Enhancement Plan,” and related information has been disclosed.
 - (2) The sustainability report was submitted to and approved by the Board of Directors, strengthening sustainability information governance.
 - (3) Established the Sustainability Development Committee and disclosed its operation status.
 - (4) Established a greenhouse gas (GHG) emissions reduction management policy and disclosed implementation progress
 - (5) Purchased renewable energy certificates and disclosed related investments.
 - (6) Established a personal data protection policy and conducted Company-wide training.
 - (7) Established a customer rights protection policy and a grievance and communication mechanism.
 - (8) Implemented employee career development and training programs.
 - (9) Conducted the Company’s first employee satisfaction survey.
 - Key improvements planned for 2026:
 - (1) Conduct employee opinion surveys on a regular basis, and disclose implementation status and improvement measures.
 - (2) Establish and disclose the human rights due diligence process and its implementation.
 - (3) Enhance disclosure of investor engagement activities.
 - (4) Continue to increase female Board representation to implement the Board diversity policy.

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 |

| Evaluation Item | Evaluation Result |
|---|-------------------|
| 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 2025

| Item | Highlights of Implementation |
|--|--|
| Shareholders' Meeting | <ul style="list-style-type: none"> One Annual Shareholders' Meeting was convened (at least once a year), with the Chairperson and all three Independent Directors in attendance and an overall director attendance rate of 73.27%. |
| Board of Directors | <ul style="list-style-type: none"> Held 5 Board meetings (at least once every quarter) with an attendance rate of 100%. Directors recused themselves from voting on matters involving personal interests in accordance with the Board Meeting Rules. |
| Functional Committees | <ul style="list-style-type: none"> Held 4 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%. Established the Sustainability Development Committee in November 2025 and held 1 meeting (at least once a year) with an attendance rate of 100%. <p>No conflict-of-interest matters requiring recusals occurred during the reporting period.</p> |
| Board Performance Evaluation | <ul style="list-style-type: none"> Completed the annual internal performance evaluation: For 2025, the overall Board and individual Board members were rated as "Good," while the Audit Committee, the Remuneration Committee, and the Sustainability Development Management Committee were rated as "Excellent," indicating sound overall operations, compliance with corporate governance requirements, and effective enhancement of Board functions and protection of shareholders' rights. Completed the external performance evaluation conducted once every three years: In view of the full re-election of directors scheduled for May 2026, the Company engaged the Taiwan Corporate Governance Association, an independent professional organization, in late 2025 to conduct the external Board performance evaluation ahead of schedule. Through in-depth exchanges between the Association and incumbent directors familiar with the Board's operations, the Company obtained recommendations for further enhancement, which, together with feedback from operational experience, will serve as references for optimizing the functions of the next Board and facilitating the succession of corporate governance practices. The Association affirmed the Company's corporate governance performance. Please refer to the Company's website for the evaluation summary, recommendations, and follow-up improvements. |
| Director and Corporate Governance Officer Training | <ul style="list-style-type: none"> All Directors completed at least 6 hours of continuing education during the year. The Corporate Governance Officer completed a total of 12 hours of training. <p>For more details, please refer to pages 32–33 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, 2025 to July 1, 2026, with insured coverage amounting to USD 10 million. The renewal status was reported to the Board on August 5, 2025. |
| Corporate Governance Evaluation Results | <ul style="list-style-type: none"> According to the 11th Corporate Governance Evaluation released by the Taiwan Stock Exchange, the Company was ranked in the second tier (top 6%–20%) among TWSE-listed companies. |
| Purchase of T-RECs (Renewable Energy Certificates) | <ul style="list-style-type: none"> In 2025, the Company purchased and completed the transfer of 190 T-RECs generated from solar power as a concrete action to support the development of renewable energy in Taiwan. |

Training Records of the Company's Directors in 2025

| Title/Name | Date | Host By | Course Name | Hours | Total Hours | Meets Requirements |
|------------------------|--------------|---|--|-------|-------------|--------------------|
| Director HUANG, YU-KUO | May 29, 2025 | Independent Director Association Taiwan | New Chapter in China-U.S. Relations: Taiwan's Economic Impact and Global Economic Industrial Responses under | 3 | 6 | Yes |

| Title/Name | Date | Host By | Course Name | Hours | Total Hours | Meets Requirements |
|---------------------------------------|--------------------|---|--|-------|-------------|--------------------|
| | | | New Trumpism | | | |
| | | | Key Responses for Corporate Global Expansion | 3 | | |
| Director HONG, HONG-JYE | August 7, 2025 | Institute of Financial Law and Crime Prevention | Sustainability Trend Analysis and Corporate Risks and Opportunities | 3 | 6 | Yes |
| | October 29, 2025 | | Operating and Management Model Transformation under Emerging Technologies | 3 | | |
| Director KU, HSIU-HUA | August 29, 2025 | Independent Director Association Taiwan | New Chapter in China-U.S. Relations: Taiwan's Economic Impact and Global Economic Industrial Responses under New Trumpism | 3 | 6 | Yes |
| | | | Key Responses for Corporate Global Expansion | 3 | | |
| Director LI, HSI-HUA | June 19, 2025 | Taiwan Institute for Sustainable Energy | Labor and Human Rights Trends in Global Supply Chains and Corporate Practice Sharing | 3 | 6 | Yes |
| | November 13, 2025 | Independent Director Association Taiwan | Major Overhaul of Financial Statements: A Comprehensive Guide to IFRS 18 "Presentation and Disclosure in Financial Statements" | 3 | | |
| Independent Director CHENG, WEI-SHUN | March 13, 2025 | Taiwan Institute of Directors | Analysis and Outlook of Policy Directions Following Trump's Return to the White House | 3 | 12 | Yes |
| | April 11, 2025 | | Corporate Governance Upgrade: Building a New Landscape of Talent Competitiveness | 3 | | |
| | July 9, 2025 | Taiwan Stock Exchange | 2025 Cathay Sustainable Finance and Climate Change Summit | 6 | | |
| Independent Director HSIEH, HUNG-PO | September 26, 2025 | Taiwan Corporate Governance Association | Current Global Economic Conditions and the Effects of Trump's New Policies | 3 | 6 | Yes |
| | | | Cybersecurity Governance and Management under Geopolitical Risks | 3 | | |
| Independent Director CHOU, SHIH-CHIEH | May 27, 2025 | The Greater Chinese Financial Development Association | Trump Tariffs 2.0: Challenging U.S. Dollar Dominance | 3 | 6 | Yes |
| | June 23, 2025 | | The Arrival of the AI Era: Opportunities and Challenges for Corporate Intelligent Transformation | 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 2025.

Training Records of the Company's Corporate Governance Officer in 2025

| Title/Name | Date | Host By | Course Name | Hours | 2025 Training Hours |
|--|-----------------|---|--|-------|---------------------|
| Corporate Governance Officer LIN, PEI-YI | August 11, 2025 | Taiwan Stock Exchange | CDP Alignment with IFRS S2: Issue Analysis Seminar – Enhancing Climate-Related Disclosure to Strengthen Corporate Climate Resilience | 6 | 12 |
| | August 22, 2025 | The Chinese National Association of Industry and Commerce, Taiwan | 2025 Taishin-Shin Kong Net Zero Summit Forum | 3 | |
| | August 29, 2025 | Taiwan Stock Exchange | CDP Alignment with IFRS S2: Issue Analysis Report Release Conference – Enhancing Climate-Related Disclosure to Strengthen Corporate Climate Resilience | 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 2025.

2.3.4 Composition, Responsibilities, and Operation of the Remuneration Committee

1. Remuneration Committee Members' Information

| Title | Qualifications Name | Professional Qualification and Experience | Independence Status | Number of Remuneration Committees Served in Other TWSE/TPEX Listed Companies |
|-----------------------------------|------------------------|---|------------------------|--|
| Independent Director(Convener) | HSIEH, HUNG-PO | (Note) | (Note) | 0 |
| Independent Director | CHENG, WEI-SHUN | | | 3 |
| Independent Director | CHOU, SHIH-CHIEH | | | 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) Periodically review the development and succession planning for the senior management team.

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 2025, the Remuneration Committee held 4 (A) meetings. Attendance is as follows:

| Title | Name | Attendance in Person(B) | By Proxy | Attendance Rate (%) 【B/A】 | Remark |
|------------------------------------|---------------------|----------------------------|----------|------------------------------|--------|
| Independent Director (Convener) | HSIEH, HUNG-PO | 4 | 0 | 100 | - |
| Independent Director | CHENG, WEI-SHUN | 4 | 0 | 100 | - |
| Independent Director | CHOU, SHIH-CHIEH | 4 | 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 2025:

| Committee Session / Date | Proposal Content and Resolution | | Board's Handling of Committee Recommendations |
|--|---|--|---|
| 5th Committee, 5th Meeting January 3, 2025 | • Approval of performance-based bonuses for managerial officers for fiscal year 2024. | Approved unanimously by all members of the | Submitted to the Board of Directors and approved |

| Committee Session / Date | Proposal Content and Resolution | | Board's Handling of Committee Recommendations |
|---|---|--|---|
| 5th Committee, 6th Meeting February 25, 2025 | <ul style="list-style-type: none"> • Approval of the allocation ratios for 2025 employee and Director remuneration • Approval of the 2025 performance evaluation principles for managerial officers. • Approval of the periodic review of the policies, frameworks, standards, and structure for the remuneration of Directors and managerial officers. • Approval of 2025 base salary adjustments for managerial officers. | Remuneration Committee and submitted to the Board of Directors for resolution. | unanimously by all attending directors. |
| 5th Committee, 7th Meeting May 6, 2025 | <ul style="list-style-type: none"> • Approval of the remuneration of Mr. LO, SHIN-TAI, Assistant Vice President. | | |
| 5th Committee, 8th Meeting August 5, 2025 | <ul style="list-style-type: none"> • Approval of the distribution of 2024 employee remuneration to managerial officers. | | |

2.3.5 Composition, Responsibilities, and Operation of the Sustainability Development Committee

1. Sustainability Development Committee Members' Information

| Title | Qualifications | Professional Qualification and Experience | Independence Status | Number of Sustainability Development Committee Memberships Served in Other TWSE/TPEX Listed Companies |
|----------|----------------------------|--|---------------------|---|
| | Name | | | |
| Convener | HUANG, YU-KUO | Please refer to pages 5–7 of this annual report for the professional qualifications and independence of directors. | N/A | 0 |
| Member | LIN, WEN-TSUNG (Note 1) | <ol style="list-style-type: none"> 1. Holds a master's degree in Electrical Engineering from National Tsing Hua University. 2. Previously served as General Director, Product Development Headquarters, Chimei Electronics Corporation, and is currently the Chief Technology Officer of the Company. 3. Extensive industry and technology expertise, as well as capabilities in marketing, sustainable development management, and the ability to conduct management administration and operational judgments. | | 0 |
| Member | WEN, CHI-JAIN (Note 1) | <ol style="list-style-type: none"> 1. Holds a Ph.D. in Optics and Photonics from National Central University. 2. Previously served as Director, Product Planning Division, Orise Technology Co., Ltd., and Director at TPO Displays Corp., and is currently the President of the Company. 3. Extensive industry and technology expertise, as well as capabilities in marketing, sustainable development management, and the ability to conduct management administration and operational judgments. | | 0 |
| Member | LIN, PEI-YI | <ol style="list-style-type: none"> 1. Holds an Executive MBA degree from National Taiwan University. 2. Previously served as Manager of Dali Management Consulting Co., Ltd., and is currently Assistant Vice President of the Company's Finance Center and concurrently serves as Corporate Governance Officer. 3. Professional expertise in industry, sustainable development management, management administration and operational judgment, as well as accounting and financial analysis. | | 0 |
| Member | WU, NAI-YIN | <ol style="list-style-type: none"> 1. Holds a master's degree in Human Resource Management from National Central University. 2. Previously served as Director of Human Resources at AUO Corporation, and is currently Senior Director of the Company's Human Resources and ESH Center. 3. Capabilities in sustainable development management, as well as the ability to conduct management administration and operational judgments. | | 0 |

Note 1: Due to a change in duties, Mr. Lin, Wen-Tsung ceased to serve as a member of the Committee. Mr. Wen, Chih-Jian was appointed as his successor, effective February 1, 2026, for a term lasting until the expiration of the 8th-term Board of Directors.

2. Responsibilities and Annual Priorities of the Sustainability Development Committee

The Company established the Sustainability Development Committee on November 4, 2025. The Committee comprises four members, with the Chairman serving as the Convener. The Committee shall convene at least once a year. Committee members shall faithfully perform the following duties with the due care of a good administrator and submit their recommendations to the Board of Directors for discussion:

- (1) Promote and strengthen the Company's sustainability development policies, annual plans, and strategies.
- (2) Review, track, and revise the implementation status and effectiveness of sustainability development.
- (3) Supervise matters related to sustainability information disclosure and review the Sustainability Report.
- (4) Oversee the execution of duties under the Company's sustainability best practices and other sustainability-related tasks resolved by the Board of Directors.

3. Operation of the Sustainability Development Committee

- (1) The Sustainability Development Committee comprises 4 members.
- (2) Term of current members: November 4, 2025, to May 28, 2026.
- (3) In 2025, the Sustainability Development Committee held 1(A) meetings. Attendance is as follows:

| Title | Name | Attendance in Person(B) | By Proxy | Attendance Rate (%) 【B/A】 | Remark |
|----------|----------------|-------------------------|----------|------------------------------|---|
| Convener | HUANG, YU-KUO | 1 | 0 | 100 | - |
| Member | LIN, WEN-TSUNG | 1 | 0 | 100 | Effective February 1, 2026, WEN, CHI-JAIN, President, assumed the position. |
| Member | LIN, PEI-YI | 1 | 0 | 100 | - |
| Member | WU, NAI-YIN | 1 | 0 | 100 | |

Other Required Disclosures:

1. If the Board of Directors does not adopt or modifies the proposals of the Sustainability Development Committee, the date, meeting session, proposal content, Board resolution, and handling of the Committee's opinion must be disclosed (including the differences and reasons): None.
2. If any member of the Sustainability Development 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 2025:

| Committee Session / Date | Proposal Content and Resolution | | Board's Handling of Committee Recommendations |
|---|--|---|--|
| 1st Committee, 1st Meeting December 2, 2025 | <ul style="list-style-type: none"> • Proposal to adopt the IFRS Sustainability Disclosure Standards and a plan to streamline subsequent implementation. | Approved unanimously by all members of the Sustainability Development Committee and submitted to the Board of Directors for resolution. | Submitted to the Board of Directors and approved unanimously by all attending directors. |

2.3.6 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 originally designated the Human Resources and Environmental Safety and Health Center as the dedicated unit responsible for promoting sustainable development, with related matters carried out by the Sustainability Executive Committee and various task forces, under the oversight of the Board with respect to relevant policies, strategies and implementation. To strengthen the sustainable development governance framework and enhance the Board's oversight function, the Board approved the establishment of a new functional committee, the Sustainability Development Committee, on November 4, 2025. For information on its composition, duties and operation, please refer to pages 36-37 of this Annual Report.</p> <p>2. The Sustainability Executive Committee is chaired by the Chairman, with the President serving as Vice Chair. It comprises five working groups: Business Governance, Partner Prosperity, Environmental Sustainability, Employee Relations, and Social Care. Each working group is headed by a center-level executive, and a Secretary General is appointed to coordinate the efforts of the working groups in promoting issues related to corporate sustainability.</p> <p>3. Each year, the working groups conduct a review and analysis of the Company's overall ESG strategies, directions and goals. For items not achieved as planned, the groups propose corrective and improvement measures. The results of implementation are reported to the Board of Directors on a regular basis, at least twice a year. In 2025, the Company reported to the Board three times on matters including the establishment of the Procedures for the Preparation and Assurance of Sustainability Reports, the schedule and progress of greenhouse gas inventory and verification for the Company and its subsidiary Raydium Semiconductor (Kunshan) Co., Ltd., the review of the 2024 Sustainability Report, amendments to the Sustainability Development Principles, the establishment of the Sustainability Development Committee and adoption of its organizational charter, appointment of the members of the first committee, and stakeholder communication management performance.</p> <p>4. The Board of Directors regularly oversees the implementation of sustainable development initiatives, provides guidance on relevant reported matters, monitors execution progress, and urges the management team to make timely reviews and adjustments.</p> | None |

| Assessment Item | Implementation Status | | | Reason for Non-implementation |
|--|-----------------------|----|---|-------------------------------|
| | Yes | No | Summary Description | |
| 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, 2025. 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, and analyzed the positive and negative impacts, as well as actual and potential impacts, of each issue. Thereafter, through senior executive meetings, an ESG issue operational impact risk assessment matrix was used to evaluate risks by considering factors including severity, likelihood of occurrence and human rights issues. Based on the assessment results, a materiality matrix was prepared to rank the degree of positive and negative impacts of each issue, and eight material topics were ultimately selected. 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 50–51) 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 complies with relevant regulations, including the Environmental Protection Act, the Climate Change Response Act, and the FSC’s “Sustainability Development Roadmap for TWSE/TPEX Listed Companies,” and has established a systematic environmental management system, which is promoted by the Environmental Safety and Health Department. Through regular internal and external audits and verification, the Company ensures the effective operation of the system. The Company has also completed a climate change risk assessment to identify transition risks and physical risks, and has formulated corresponding response measures for key risk items. 2. As of the printing date of this Annual Report, the Company’s international certifications related to environmental management remain valid, as described below: <ul style="list-style-type: none"> ■ ISO 14001:2015 Environmental Management System: The certification scope covers the Company’s operating sites in Taipei, Hsinchu and Tainan, with the certificate valid from March 6, 2026 to February 26, 2029. ■ ISO 14064-1:2018 Greenhouse Gas Inventory: The Company engages an independent third-party institution each year to conduct external verification and issue a verification statement to ensure the accuracy of inventory data. | None |

| Assessment Item | Implementation Status | | | Reason for Non-implementation |
|---|-----------------------|--------|---|-------------------------------|
| | Yes | No | Summary Description | |
| <p>3.2 Has the Company committed to improving energy efficiency and using renewable materials with low environmental impact?</p> <p>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 and continues to enhance energy efficiency and reduce environmental impacts through energy-saving product design, development of energy-efficient products, procurement and use of renewable energy, and materials management in compliance with environmental regulations.</p> <p>1. Target: The Company targets achieving RE30 (renewable energy usage accounting for 30% of total electricity consumption) by 2030 and plans to increase renewable energy usage year by year.</p> <p>2. Implementation Measures:</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 IC power consumption generation by generation, resulting in greater energy savings and efficiency. ■ The Company continues to invest in the development of energy-saving products to improve product energy efficiency. ■ The Company has entered into renewable energy procurement agreements and will increase renewable energy usage year by year. ■ The Company's production and manufacturing are primarily outsourced to suppliers. The procurement and selection of materials for outsourced production have maintained 100% compliance with international environmental laws and regulatory requirements, including RoHS, halogen-free and REACH. <p>3. Achievement Status</p> <ul style="list-style-type: none"> ■ In 2025, renewable energy usage amounted to 190,000 kWh, representing 7.1% of the Company's total electricity consumption for the year. ■ Through the use of end products, the new-generation ICs can save approximately 48.56 million kWh of electricity and reduce carbon emissions by approximately 23,992 metric tons annually, equivalent to the annual electricity consumption of approximately 13,130 households. <p>4. Energy Use: The Company's energy use data for the most recent two years covers its Taipei, Hsinchu and Tainan offices. Energy sources include electricity, diesel and gasoline. Energy usage is summarized below:</p> | |
| | | | Unit: GJ | |
| Energy Source | | 2025 | 2024 | |
| Electricity | | 8,948 | 9,969 | |
| Diesel | | 103 | 122 | |
| Gasoline | | 245 | 249 | |
| Total Energy Consumption | | 9,296 | 10,340 | |
| Annual Revenue (NT\$ million) | | 20,004 | 22,358 | |

| Assessment Item | Implementation Status | | | Reason for Non-implementation | | | | | | | | | |
|---|-----------------------|-------|---|------------------------------------|------|------|---------------------|-----|-----|---|------|-------|--|
| | Yes | No | Summary Description | | | | | | | | | | |
| | | | <table border="1"> <tr> <td>Energy Intensity (GJ/NT\$ million)</td> <td>0.46</td> <td>0.46</td> </tr> <tr> <td>Number of Employees</td> <td>999</td> <td>921</td> </tr> <tr> <td>Per Capita Energy Intensity (GJ/person)</td> <td>9.31</td> <td>11.23</td> </tr> </table> <p>In addition, the Company’s renewable energy usage in 2024 and 2025 was 72,000 kWh and 190,000 kWh, representing approximately 2.5% and 7.4%, respectively, of total annual energy consumption. Per capita energy intensity in 2025 was 9.31 GJ/person, a decrease of 17.12% from 2024, demonstrating the effectiveness of the Company’s continued efforts to improve energy efficiency.</p> | Energy Intensity (GJ/NT\$ million) | 0.46 | 0.46 | Number of Employees | 999 | 921 | Per Capita Energy Intensity (GJ/person) | 9.31 | 11.23 | |
| Energy Intensity (GJ/NT\$ million) | 0.46 | 0.46 | | | | | | | | | | | |
| Number of Employees | 999 | 921 | | | | | | | | | | | |
| Per Capita Energy Intensity (GJ/person) | 9.31 | 11.23 | | | | | | | | | | | |
| 3.3 Has the Company evaluated the current and future potential risks and opportunities of climate change, and taken corresponding response measures? | ✓ | | <ol style="list-style-type: none"> The Sustainability Executive Committee and the TCFD Working Group are responsible for identifying and assessing climate-related risks and opportunities, regularly reviewing response strategies, targets and management measures, and reporting implementation status to the Board of Directors. Since 2023, the Company has conducted assessments of climate-related issues through internal and external data analysis, cross-functional communication and discussions, and evaluated such issues based on impact severity and likelihood of occurrence. A climate risk and opportunity matrix was prepared to prioritize materiality, through which the Company identified five major climate-related risks and three major climate-related opportunities. The Company has incorporated the identified risks and opportunities into its management strategies, targets and action plans. For details regarding the identification results, impacts on the business model and value chain, financial impacts and scenario analysis, please refer to “(VI)-1 Climate-related Information — 2. Strategy” (pages 52–55) of this Annual Report.. | None | | | | | | | | | |
| 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> <ol style="list-style-type: none"> The Company conducts inventories of greenhouse gas (GHG) emissions in accordance with the ISO 14064-1 methodology, covering Scope 1, Scope 2 and Scope 3 emissions, and obtains external verification. Using 2021 as the base year for greenhouse gas reduction, the Company’s Scope 1 and Scope 2 greenhouse gas emissions in 2025 decreased by 25.31% compared with the base year. The Company promotes emissions reduction through energy conservation management, improved energy efficiency and the adoption of renewable energy, and has set RE30 as its medium-term target for 2030. For related information, please refer to “(VI)-1 Climate-related Information — 4. Metrics and Targets” (page 57-59) of this Annual Report. | None | | | | | | | | | |

| Assessment Item | Implementation Status | | | Reason for Non-implementation | | | | | | | | | | | | | | | | | | | | | | | | |
|--------------------------------|-----------------------|--------|---|-------------------------------|------|------|-------------------------|--------|--------|-----------|------|------|------------------------------|-------|-------|------|------|------|--------------------------------|------|------|----------------------------|-------|-------|-----------|-------|-------|--|
| | Yes | No | Summary Description | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | <p><u>Water Consumption</u></p> <p>1. Water usage is estimated using a proportional allocation method:</p> <p style="text-align: right;">unit : tons</p> <table border="1"> <thead> <tr> <th>Item</th> <th>2025</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Total Water Consumption</td> <td>11,867</td> <td>11,669</td> </tr> <tr> <td>Intensity</td> <td>0.59</td> <td>0.52</td> </tr> <tr> <td>Water Consumption per Capita</td> <td>11.90</td> <td>12.67</td> </tr> </tbody> </table> <p>Note: Calculation methods are as follows:</p> <p>(1) Annual water consumption (tons) = Σ (monthly headcount at the Hsinchu Office \times daily water consumption at the Hsinchu Office \times monthly working days at the Hsinchu Office) + Σ (monthly leased area ratio of the Taipei and Tainan Offices \times monthly building water consumption)</p> <p>(2) Intensity = total consumption \div revenue in NT\$ million</p> <p>(3) Water consumption per capita = total water consumption \div number of employees</p> <p>2. The Company does not operate manufacturing lines. Water is primarily used for office purposes, and its management policy is based on improving the efficiency of water resource use in office areas.</p> <p>3. Specific measures include the use of water-saving certified equipment, pipeline inspections to prevent water leakage, and a plan to fully adopt water-saving faucets bearing the Water Conservation Label in 2026, with water-saving rates for individual handwashing facilities expected to reach 30% to 50%.</p> <p><u>Waste Management</u></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"> <thead> <tr> <th>Item</th> <th>2025</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Non-hazardous industrial waste</td> <td>1.91</td> <td>1.14</td> </tr> <tr> <td>Hazardous industrial waste</td> <td>26.52</td> <td>24.87</td> </tr> <tr> <td>Intensity</td> <td>0.001</td> <td>0.001</td> </tr> </tbody> </table> <p>Note: Intensity = total waste weight \div revenue in NT\$ million.</p> <p>2. The Company's waste management policy is based on the principles of resource recycling, circular reuse, and proper waste treatment and disposal. Waste is handled by qualified disposal and recycling contractors, and irregular audits are conducted to ensure compliance with applicable regulations throughout the waste disposal process.</p> <p>3. To promote the circular economy, the Company collaborates with partners to recover precious metals from chip waste. In 2025, gold recovery amounted to 10.98 kilograms, reducing environmental impact through recycling</p> | Item | 2025 | 2024 | Total Water Consumption | 11,867 | 11,669 | Intensity | 0.59 | 0.52 | Water Consumption per Capita | 11.90 | 12.67 | Item | 2025 | 2024 | Non-hazardous industrial waste | 1.91 | 1.14 | Hazardous industrial waste | 26.52 | 24.87 | Intensity | 0.001 | 0.001 | |
| Item | 2025 | 2024 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Water Consumption | 11,867 | 11,669 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Intensity | 0.59 | 0.52 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Water Consumption per Capita | 11.90 | 12.67 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Item | 2025 | 2024 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Non-hazardous industrial waste | 1.91 | 1.14 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hazardous industrial waste | 26.52 | 24.87 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Intensity | 0.001 | 0.001 | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Assessment Item | Implementation Status | | | Reason for Non-implementation | | | | | | | | | | | | | | | | |
|--------------------------|--|------------------------|--|-------------------------------|-----------------------|-------|--|--------------------------|------------------|------------------------|--|--------------------------|----------------|------------------------|--|-----------------------|--|---------|--|--|
| | Yes | No | Summary Description | | | | | | | | | | | | | | | | | |
| | | | <p>mechanisms.</p> <p>4. In 2025, the Company’s waste recycling rate reached 77%, demonstrating tangible results in resource-oriented waste management.</p> <p><u>Verification Status</u></p> <p>The verification status of various information items as of the publication date of this Annual Report is as follows:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Verification Standard</th> <th>Scope</th> <th>Certificate Validity / Verification Status</th> </tr> </thead> <tbody> <tr> <td>Greenhouse Gas Emissions</td> <td>ISO 14064-1:2018</td> <td>Taiwan operating sites</td> <td> <ul style="list-style-type: none"> Verified annually by a third-party institution with a verification statement issued. The 2025 verification has been completed. </td> </tr> <tr> <td>Environmental Management</td> <td>ISO 14001:2015</td> <td>Taiwan operating sites</td> <td> <ul style="list-style-type: none"> Certificate valid from February 26, 2026 to February 26, 2029. </td> </tr> <tr> <td>Green Electricity Use</td> <td>National Renewable Energy Certification Center</td> <td>Hsinchu</td> <td> <ul style="list-style-type: none"> Total renewable energy usage increased from 72,000 kWh in 2024 to 190,000 kWh in 2025. </td> </tr> </tbody> </table> | Item | Verification Standard | Scope | Certificate Validity / Verification Status | Greenhouse Gas Emissions | ISO 14064-1:2018 | Taiwan operating sites | <ul style="list-style-type: none"> Verified annually by a third-party institution with a verification statement issued. The 2025 verification has been completed. | Environmental Management | ISO 14001:2015 | Taiwan operating sites | <ul style="list-style-type: none"> Certificate valid from February 26, 2026 to February 26, 2029. | Green Electricity Use | National Renewable Energy Certification Center | Hsinchu | <ul style="list-style-type: none"> Total renewable energy usage increased from 72,000 kWh in 2024 to 190,000 kWh in 2025. | |
| Item | Verification Standard | Scope | Certificate Validity / Verification Status | | | | | | | | | | | | | | | | | |
| Greenhouse Gas Emissions | ISO 14064-1:2018 | Taiwan operating sites | <ul style="list-style-type: none"> Verified annually by a third-party institution with a verification statement issued. The 2025 verification has been completed. | | | | | | | | | | | | | | | | | |
| Environmental Management | ISO 14001:2015 | Taiwan operating sites | <ul style="list-style-type: none"> Certificate valid from February 26, 2026 to February 26, 2029. | | | | | | | | | | | | | | | | | |
| Green Electricity Use | National Renewable Energy Certification Center | Hsinchu | <ul style="list-style-type: none"> Total renewable energy usage increased from 72,000 kWh in 2024 to 190,000 kWh in 2025. | | | | | | | | | | | | | | | | | |

| 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 uphold and protect fundamental human rights, the Company, its subsidiaries, and its suppliers strictly comply with the labor laws and regulations in their respective operating locations. We are committed to adhering to international human rights conventions, including the Universal Declaration of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights (UNGPs). Based on these principles, the Company has established its formal "Human Rights Policy." The Human Resources and EHS (Environmental, Health, and Safety) Center is the designated unit responsible for the management and monitoring of human rights risks. Furthermore, the Company has established diverse grievance and whistleblowing channels, ensuring that stakeholders can effectively voice their concerns and protect their rights. The designated unit regularly reviews the implementation and effectiveness of these mechanisms to ensure continuous improvement.</p> <p>2. In fiscal year 2025, the Company conducted a comprehensive Human Rights Due Diligence (HRDD) process. The scope of this initiative encompassed employees of the Company and its subsidiaries, as well as our supply chain partners. The assessment prioritized material human rights issues, including forced labor, child labor, workplace discrimination, occupational health and safety, and wages and working hours. Following the completion of these risk assessments, the Company has continued to implement and enhance mitigation and remedial measures. These actions are driven through a multi-faceted approach involving employee training programs, robust grievance mechanisms, and rigorous supplier management systems to ensure a safe and equitable environment for all stakeholders.</p> <p>3. 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 50–51) 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</p> | None |

| Assessment Item | Implementation Status | | Reason for Non-implementation |
|---|-----------------------|----|--|
| | Yes | No | |
| | | | <p>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> 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> 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 93-94) of this annual report.</p> <p><u>Workplace Diversity and Equality</u> 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 2025, female employees accounted for 19.8% of the workforce, and female managers represented 9.0%. 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> 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 January 2026, the Company completed the renewal</p> |

| Assessment Item | Implementation Status | | Reason for Non-implementation |
|-----------------|-----------------------|----|--|
| | Yes | No | |
| | | | <p>of its ISO 45001 certification, with the certificate valid from March 6, 2026 to February 26, 2029. As of the publication date of this annual report, the certification remains valid.</p> <p><u>Occupational Safety and Health Education and Training</u> 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 2025, with a total of 451 participants and 1,353 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> 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, 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 2025, neither the Company nor its contractors recorded any fatalities resulting from occupational injuries, serious occupational injuries, or occupational diseases.</p> <p><u>Health Promotion Measures</u> 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 2025, 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) ■ Twelve on-site occupational physician visits exceeding regulatory requirements (once per month) ■ Four health promotion sessions (70 participants) ■ Two blood donation drives (31 participants, 48 bags of blood donated, 250 cc per bag) ■ Two self-paid influenza vaccination sessions (200 participants) ■ Employee Assistance Program (EAP) for counseling services ■ On-site massage services by visually impaired therapists <p><u>Fire Prevention</u> 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 2025, no hazardous fires or incidents resulting in casualties occurred.</p> |

| Assessment Item | Implementation Status | | | Reason for Non-implementation |
|--|-----------------------|----|--|-------------------------------|
| | Yes | No | Summary Description | |
| 4.4 Has the Company established effective career development training programs for employees? | ✓ | | The Company places great importance on talent development and has established structured training programs and development frameworks. An 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 93-94) of this Annual Report. | None |
| 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 95–98) 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. 6. To ensure customer complaints are properly handled, the Company has established the Customer-Related Management Procedure and Customer Complaint Handling Procedures and has set up a dedicated customer suggestion and complaint mailbox (Sales@rad-ic.com). Customers may contact the | None |

| Assessment Item | Implementation Status | | | Reason for Non-implementation |
|--|-----------------------|----|--|-------------------------------|
| | Yes | No | Summary Description | |
| | | | Company through this channel with any suggestions or complaints regarding products or services. In 2025, all customer complaints were handled in accordance with the complaint handling mechanism, and service quality continued to be enhanced through follow-up and corrective measures. | |
| 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, occupational health and safety systems, and corporate social responsibility practices. 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 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. 3. The Company conducts annual supplier performance reviews and on-site audits, focusing on quality management, hazardous substance control, environmental management, labor rights, 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. 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. 5. In accordance with the Company’s sustainable procurement policy, the Company continues to promote sustainable supply chain management and requires suppliers to comply with relevant ESG requirements in areas including environmental protection, occupational safety and health, labor rights, information and communication security, and privacy protection. Suppliers are also expected to continuously improve corporate social responsibility performance and reduce potential negative impacts of the supply chain on the environment and society. For related implementation details, please refer to Chapter 4, “Partnership and Co-prosperity,” of the Company’s 2025 Sustainability Report. | None |

| Assessment Item | Implementation Status | | | Reason for Non-implementation |
|--|-----------------------|----|---|-------------------------------|
| | Yes | No | Summary Description | |
| 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 2025, 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." Taking into consideration domestic and international sustainability trends, the relevance to the Company's core business, and the impact of its overall operations on stakeholders, the Company has also formulated a "Sustainable Development Policy" to promote economic, environmental, and social progress. All sustainability-related operations of the Company are carried out in accordance with these Principles and Policy. 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: | | |
| <p>The Company implements a robust Human Rights Due Diligence (HRDD) process and extends these risk management practices to its supply chain to ensure all business operations align with international human rights standards. Our HRDD framework consists of four key stages:</p> <ol style="list-style-type: none"> Identification and Assessment: Identifying potential human rights risks within the Company and its supply chain, and performing risk assessments on material human rights issues. Mitigation and Remediation: Implementing corresponding mitigation or remedial measures based on assessment results to minimize human rights risks. Tracking and Review: Periodically tracking the implementation and effectiveness of improvement actions to serve as a basis for future management and strategy adjustments. Communication and Disclosure: Continuously refining human rights management through grievance channels, internal management mechanisms, and external reporting. <p>In 2025, the Company completed human rights due diligence and risk assessments covering employees and suppliers. Key issues included forced labor, child labor, workplace discrimination, occupational health and safety, and wages</p> | | |

and working hours. All areas were assessed as low risk, with no material human rights violations or forced labor incidents identified.

The Company has integrated human rights risk management into its supplier sustainability management framework. In 2025, sustainability audits and self-assessments were completed by 100% of key suppliers. The assessments covered labor, human rights, health and safety, environment, and ethics, with all scores exceeding 90.

| 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. |
| | | 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. |

(3) Support for Domestic Cultural Development

The Company is committed to fostering a vibrant local cultural ecosystem and promoting social harmony through active resource investment. In 2025, the Company invested NT\$ 3,011,638 in domestic cultural initiatives, reaching a cumulative engagement of over 6,000 participants. Our key initiatives include:

- Empowering Local Performing Arts: During our Family Day, we invited the "Tenma Circus Theatre" to perform circus acrobatics, musical shows, and street performances, providing a professional stage for local artists and enhancing cultural accessibility for employees and their families.
- Cultural Sponsorship and Film Promotion: The Company actively supported domestic film screenings and sponsored the "One Song Orchestra," a renowned Taiwanese musical ensemble, to contribute to the sustainability of the local arts and film industries.
- Cultivating an Aesthetic Workplace: We established the "Ding-Yue Space," a dedicated reading environment within our office, and hosted a series of "Celebrity Speaker" sessions, inviting prominent cultural figures to share their insights. These efforts aim to integrate arts into the workplace and facilitate cultural exchange between the enterprise and society.

(6)-1. Climate-Related Information (in accordance with IFRS S2)

The climate-related information disclosed in this section primarily pertains to the Company. Climate risk and opportunity assessments, as well as environmental performance indicators such as energy consumption, cover the Company’s headquarters in Hsinchu and its offices in Taipei and Tainan, excluding overseas operations. Greenhouse gas inventory and verification information are disclosed based on the actual scope of inventory and verification conducted in each respective year.

1. Governance

(1) The role of the governing bodies in overseeing climate-related risks and opportunities

The Board of Directors serves as the highest governing body for the Company’s response to climate change and is responsible for overseeing the management of climate-related risks and opportunities, ensuring their integration into the Company’s overall business strategy and key decision-making processes. To strengthen its sustainability governance framework and enhance the Board’s oversight function, the Company established the “Sustainability Development Committee” as a functional committee upon approval by the Board of Directors on November 4, 2025. The committee assists in promoting the Company’s sustainability (including climate change) policies, annual plans, and strategies, and is responsible for reviewing and monitoring implementation progress, as well as overseeing sustainability-related disclosures. The Board of Directors regularly receives reports on climate-related matters, including the results of climate risk and opportunity assessments, decarbonization strategies and management targets, as well as specific mitigation measures and their implementation performance.

(2) The role of management in assessing and managing climate-related risks and opportunities

The Company has established a Sustainability Development Execution Committee, chaired by the Chairman, with the head of the Human Resources and Environmental Health and Safety (EHS) Center serving as the Secretary-General, and comprising senior managers from relevant business units. The committee is responsible for coordinating and promoting climate change and other sustainability-related initiatives. Its primary responsibilities include formulating short-, medium-, and long-term sustainability objectives and annual key initiatives; planning and implementing ESG programs; establishing and monitoring key performance indicators (KPIs); and regularly reviewing progress and performance outcomes.

2. Strategy

(1) Climate-related risks and opportunities that could reasonably be expected to affect the Company’s prospects

With reference to the Task Force on Climate-related Financial Disclosures (TCFD) framework, the Company has conducted climate-related assessments since 2023. Through internal and external data collection, cross-functional discussions, and structured risk assessment procedures, climate-related risks and opportunities are analyzed and prioritized based on their potential impact and likelihood of occurrence. Based on the assessment results, the Company’s key climate-related risks are categorized into policy and regulatory risks, transition risks, and physical risks. Climate-related opportunities are primarily associated with resource efficiency and products and services. These risks and opportunities are further classified according to their time horizons as follows:

| Short Term | Medium Term | Long Term |
|--|--|--|
| <ul style="list-style-type: none"> • Transition Risks: Increased greenhouse gas pricing and evolving regulatory requirements for existing products and services. • Opportunities: Improvements in energy efficiency. | <ul style="list-style-type: none"> • Transition Risks: Enhanced disclosure requirements for emissions and the substitution of existing products and services with low-carbon alternatives. • Opportunities: More efficient production processes through supply chain management, and the development and/or expansion of low-carbon products and services. | <ul style="list-style-type: none"> • Physical Risks: Changes in precipitation patterns, increased frequency of extreme weather events, and rising average temperatures. |

(2) Current and anticipated impacts of climate-related risks and opportunities on the Company's business model and value chain

(I) Climate-related Risks

| Climate Risk | | Impact on Business Model | | Impact on Value Chain | | |
|------------------|---|--|--|--|--|---|
| | | Current | Anticipated | Current | Anticipated | |
| Transition Risks | Policy and Regulatory | Increased GHG pricing | As a fabless IC design company, the Company has relatively limited direct impact. | Increased carbon costs for suppliers may be reflected in procurement prices, thereby increasing operating costs and affecting profitability. | No material direct impact at present. | Additional costs arising from carbon fees, carbon taxes, or related mechanisms imposed on upstream suppliers may affect procurement conditions and product price competitiveness. |
| | | Enhanced emissions disclosure requirements | The Company has conducted GHG inventories in accordance with ISO 14064-1 and obtained third-party verification. | Insufficient disclosure of carbon management or high product carbon intensity may affect market competitiveness and influence product design and long-term investment decisions. | Ongoing collection of relevant carbon emissions data. | Increasing requirements for supply chain carbon disclosure may affect supplier management, collaboration stability, and delivery efficiency. |
| | | Regulatory requirements for existing products and services | No material direct impact at present. | Failure to comply with international energy regulations or customer energy-efficiency requirements may affect product competitiveness and operating performance. | No material direct impact at present. | More stringent international energy regulations and rising customer requirements may affect product specifications, design direction, and market demand. |
| | Technology | Substitution with low-carbon products and services | No material direct impact at present. | Failure to keep pace with low-carbon product trends may weaken market competitiveness and increase R&D investment requirements. | No material direct impact at present. | Continuous collaboration with value chain partners will be required to drive innovation, adopt advanced and mature wafer fabrication processes, and enhance energy-efficient circuit design capabilities. |
| Physical Risks | Changes in precipitation patterns, increased frequency of extreme weather events, and rising temperatures | No material direct impact at present. | Rising energy costs or unstable power supply may affect equipment operations and increase maintenance and operating costs. | No material direct impact at present. | Flooding, extreme weather, or high temperatures affecting supplier production and logistics may lead to delivery delays, reduced capacity, or risks of operational disruption. | |

(II) Climate-related Opportunities

| Climate Opportunity | | Impact on Business Model | | Impact on Value Chain | |
|---------------------|--|---|--|--|---|
| | | Current | Anticipated | Current | Anticipated |
| Resource Efficiency | Efficient production processes through supply chain management | The Company has adjusted its supply chain configuration based on customer locations. | Localization and shorter supply chains may reduce operating costs and enhance delivery efficiency. | Operational efficiency has been improved through optimized supply chain configuration. | Shorter transportation distances may reduce logistics and carbon costs while enhancing supply chain resilience. |
| | Energy efficiency | Climate and carbon-related considerations have become key factors in the Company's competitiveness. | Adoption of advanced and mature wafer fabrication processes and energy-efficient circuit design may reduce product power consumption and increase the proportion of energy-efficient products. | Currently mainly affects the Company's own operations and product design. | May further drive supply chain partners to improve energy efficiency. |

| Climate Opportunity | | Impact on Business Model | | Impact on Value Chain | |
|-----------------------|--|---|---|--|---|
| | | Current | Anticipated | Current | Anticipated |
| Products and Services | Development and/or expansion of low-carbon products and services | The Company continues to adopt advanced energy-efficient processes and invest in the development of energy-saving products. | Increasing market demand for low-carbon and energy-efficient products may create new business opportunities and enhance revenue growth. | Already reflected in product design and R&D direction. | May drive customers and suppliers across the value chain to transition toward low-carbon products and services. |

(3) Impacts of climate-related risks and opportunities on the Company’s strategy and decision-making

The Company has incorporated climate change considerations into its sustainability management and business decision-making processes. In response to identified risks and opportunities, the Company adjusts its approaches to supply chain management, product development, energy management, and resource allocation. Key actions are as follows:

(I) Transition Risks

- Continuously advancing energy-efficient design, low-carbon product development, and greenhouse gas management to address increasing carbon costs, disclosure requirements, and product regulatory expectations.
- Closely monitoring international climate trends, regulations, and customer requirements for energy efficiency, and integrating these factors into product design, R&D direction, and supply chain management.
- Strengthening the collection, inventory, and management of supplier carbon emissions data to mitigate the risk of cost pass-through from the supply chain.

(II) Physical Risks

- Optimizing supply chain configuration and promoting shorter supply chains to improve operational efficiency and reduce logistics and carbon costs.
- Enhancing energy efficiency by reducing energy consumption through equipment upgrades, energy-efficient design, and energy management initiatives.
- Collaborating with customers to develop low-carbon and energy-efficient products, capturing market opportunities and strengthening product competitiveness.

(4) Impacts of climate-related risks and opportunities on the Company’s current and anticipated financial position, financial performance, and cash flows

| Category | Impact on the Company | Financial Impact |
|-------------------------------|---|---|
| Transition Risks | <ul style="list-style-type: none"> • Increasing carbon costs, disclosure requirements, and product regulatory expectations may lead to higher supply chain carbon costs, management expenses, and product development costs. • If suppliers pass through carbon costs into procurement prices, it may increase material costs and affect profitability. | <ul style="list-style-type: none"> • Assuming a carbon price of NTD 300 per ton and full cost pass-through from suppliers, the estimated increase in carbon-related costs by 2030 would account for approximately 0.3% of revenue. • Assuming renewable energy accounts for 30% of total electricity consumption by 2030, the incremental renewable energy costs from 2025 to 2030 are estimated to be within 0.02% of revenue. |
| Physical Risks | <ul style="list-style-type: none"> • Extreme weather events, high temperatures, or unstable power supply may result in delivery delays, operational disruptions, or increased maintenance and operating costs. • Changes in the energy mix may also increase equipment replacement and energy costs. | <ul style="list-style-type: none"> • Estimated capital expenditures for replacing servers, notebooks, and PCs from 2025 to 2030 are approximately NTD 138 million. |
| Climate-related Opportunities | <ul style="list-style-type: none"> • Enhancing energy efficiency, optimizing supply chain configuration, and promoting shorter supply chains may reduce operating costs and improve delivery efficiency. • Continued development of low-carbon and energy-efficient products may enhance product value and market competitiveness. | <ul style="list-style-type: none"> • In 2025, renewable energy consumption reached 190,000 kWh, accounting for approximately 7.4% of total energy consumption. • Next-generation ICs are estimated to save approximately 48.56 million kWh of electricity annually, reducing carbon emissions by approximately 23,992 metric tons. |

(5) Climate resilience: climate-related scenario analysis and assessment

The Company conducts climate-related scenario analysis with reference to the TCFD Knowledge Hub, taking into account guidance from the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC). The analysis adopts the RCP2.6 and RCP8.5 scenarios to assess the potential impacts of transition and physical risks on the Company's operations and financial performance. Based on the scenario analysis, the Company evaluates the effectiveness of its existing management measures and identifies areas for further enhancement, in order to assess its overall climate resilience.

| Scenario | Risk Type | Climate Risk | Key Assumptions | Key Impacts and Resilience Assessment |
|----------|-----------------|--|---|---|
| RCP2.6 | Transition Risk | Increased GHG pricing | Assuming a carbon price of NTD 300 per ton, with 100% cost pass-through from suppliers. | The estimated increase in carbon-related costs by 2030 would account for approximately 0.3% of revenue. The Company will continue to strengthen supplier carbon management and decarbonization assessments to mitigate cost pass-through risks. |
| | | Enhanced emissions disclosure requirements | Assuming renewable energy accounts for 30% of total electricity consumption by 2030, with continued implementation of GHG inventory, verification, and reduction management. | The incremental renewable energy costs from 2025 to 2030 are estimated to be within 0.02% of revenue. The Company will continue to enhance its GHG inventory, verification, and energy management systems to strengthen disclosure and management capabilities. |
| | | Regulatory requirements for existing products and services | International energy efficiency and low-carbon regulations are expected to become more stringent. Failure to meet customer or regulatory requirements may affect competitiveness. | May impact product sales and profitability. The Company will continue to invest in the development of low-power, high-efficiency products to enhance market competitiveness. |
| | | Substitution with low-carbon products and services | Ongoing investment in energy-efficient circuit design and low-carbon product development. | Increased costs related to mask development and manpower are expected. The Company will continue to increase the proportion of energy-efficient products to align with low-carbon transition trends. |
| RCP8.5 | Physical Risk | Changes in precipitation patterns and extreme weather events | Heavy rainfall, flooding, and other extreme weather events may affect supply chain scheduling, delivery timelines, and logistics. | May result in operational disruptions, delivery delays, and potential revenue decline. The Company has mitigated such risks through supply chain diversification, secondary sourcing, and business continuity planning (BCP). |
| | | Rising average temperatures | Higher temperatures may increase equipment replacement needs, energy consumption, and maintenance requirements. | Estimated capital expenditures for replacing servers, notebooks, and PCs from 2025 to 2030 are approximately NTD 138 million, with potential increases in energy costs. The Company will continue to promote equipment upgrades and energy management to enhance operational resilience under high-temperature scenarios. |

3. Risk Management

In accordance with its sustainability governance framework, the Company's Sustainability Executive Committee (including its working groups) is responsible for identifying, assessing, prioritizing, and monitoring climate-related risks and opportunities, and regularly reports the implementation status to management and the Sustainability Development Committee. The main process includes establishing project task forces, identifying a list of climate-related risks and opportunities, conducting risk and opportunity assessments, developing scenarios, performing financial impact analysis, and formulating management strategies, targets, and action plans accordingly.

The Company establishes evaluation criteria based on the nature, likelihood, and potential impact of risks and opportunities, and conducts a materiality assessment. Climate-related risks are categorized into transition risks and physical risks and are assessed based on factors including operations, environmental impact, human rights, corporate reputation, and regulatory compliance. Climate-related opportunities are assessed based on factors including financial and operational impact, environmental impact, and extent of benefits. The Company also develops scenarios with reference to data from the International Energy Agency and the Intergovernmental Panel on Climate Change, and identifies material issues through a risk and opportunity matrix. Based on the assessment, the Company identified five material climate-related risks and three material climate-related opportunities, which serve as the basis for subsequent scenario analysis, strategy formulation, and action planning. The Company's monitoring approach for climate-related risks and opportunities includes the following:

- (1) Risk monitoring process: Climate-related risks and opportunities identified by each functional unit and their management status are regularly monitored and reviewed.
- (2) Risk management reporting: The Sustainability Executive Committee and relevant management mechanisms regularly report implementation status to management and the Sustainability Development Committee to ensure effective execution of risk management measures.
- (3) Monitoring mechanism: For material climate-related risks and opportunities, tracking, review, and adjustment mechanisms are established, and cross-functional coordination and performance reviews are conducted to continuously strengthen the Company's management of climate-related risks and opportunities.

The Company has incorporated the management of climate-related risks and opportunities into its existing sustainability and risk management mechanisms. The assessment results serve as the basis for climate scenario analysis and are further integrated into strategic planning, supply chain management, energy management, and business continuity management to enhance the Company's resilience and adaptability to climate change

4. Metrics and Targets

(1) Cross-industry metrics (climate-related metrics)

1.1 Greenhouse Gas Emissions, Reduction, and Energy Management Metrics

(I) Greenhouse Gas Inventory and Assurance

- The Company conducts greenhouse gas (GHG) inventories in accordance with ISO 14064-1, covering Scope 1, Scope 2, and Scope 3 emissions, and obtains external assurance. Details are as follows:

Unit: tCO₂e

| Item \ Year | GHG Emissions | |
|-----------------|---------------|-------------|
| | 2025 | 2024 |
| Scope 1 | 91.6738 | 121.8364 |
| Scope 2 | 1,178.1508 | 1,332.4603 |
| Scope 3 | 53,421.4340 | 44,552.3219 |
| Total Emissions | 54,691.259 | 46,006.619 |
| Intensity | 2.73 | 2.06 |

Note: Intensity = total emissions ÷ revenue (NTD million)

- The assurance status of the Company's greenhouse gas emissions for the most recent two years is as follows:

| Year | Total Emissions (tCO ₂ e/year) | Assurance Boundary | Assurance Provider | Assurance Standard | Assurance Opinion |
|------|---|-------------------------------------|--------------------|--------------------|---|
| 2025 | 54,691.259 | Taipei, Hsinchu, and Tainan offices | SGS Taiwan Ltd. | ISO14064: 2018 | Reasonable assurance for Scope 1 and Scope 2; limited assurance for Scope 3 |
| 2024 | 46,006.619 | | | | |

(II) Greenhouse Gas Reduction Targets, Strategies, and Action Plans

- Base Year and Baseline Emissions:

The Company has set 2021 as the base year for greenhouse gas (GHG) reduction. Total Scope 1 and Scope 2 emissions in the base year were 1,700.0409 tCO₂e. In 2025, Scope 1 and Scope 2 emissions decreased by 430.1997 tCO₂e compared to the base year, representing a reduction of 25.31%.

- Reduction Targets, Strategies, Action Plans, and Progress:

To continuously reduce Scope 1 and Scope 2 emissions, the Company has adopted energy management, enhanced energy efficiency, and the integration of renewable energy as its primary reduction strategies. The Company conducts annual GHG inventories and obtains external assurance to monitor emissions performance and review improvement measures. In 2025, Scope 1 and Scope 2 emissions decreased by 25.31% compared to the base year, demonstrating the effectiveness of the Company's emissions reduction initiatives.

1.2 Linkage of remuneration to climate-related targets

To strengthen management accountability for sustainability and climate-related issues, the Company has incorporated ESG performance into the evaluation of management and linked it to annual compensation decisions. In alignment with its sustainability strategy, the Company has established six key ESG pillars—environmental sustainability, employee well-being, social engagement, corporate governance, value creation, and partnership development—as the basis for sustainability management and performance tracking.

Climate-related management objectives are primarily incorporated under the environmental sustainability pillar, covering key areas such as energy conservation and carbon reduction, greenhouse gas management, resource efficiency enhancement, and environmental risk management. The Company regularly reviews the progress of ESG targets and considers the results as a reference in management performance evaluations and compensation decisions, thereby enhancing management's focus on and execution of sustainability and climate-related initiatives.

(2) Industry-based metrics

The Company makes reference to sustainability disclosure topics and industry-based metrics applicable to the semiconductor industry, and discloses relevant information based on its business model and operational characteristics. As a fabless IC design company without in-house manufacturing facilities, the Company outsources wafer fabrication, packaging, and testing processes to external partners. Therefore, certain industry-based metrics related to manufacturing operations are not fully applicable. The Company discloses the relevant industry-based metrics that are material to its operations and management as follows:

| Topic | Metric | Category | Unit of Measure | Code | Response |
|------------------------------------|--|-----------------------|-----------------------------------|--------------|--|
| Greenhouse Gas Emissions | (1) Gross global Scope 1 emissions; (2) Total emissions from perfluorinated compounds (PFCs) | Quantitative | Metric tons (t) CO ₂ e | TC-SC-110a.1 | <ul style="list-style-type: none"> Scope 1 emissions were 91.6738 tCO₂e in 2025 and 121.8364 tCO₂e in 2024. PFC emissions, primarily from refrigerants used in air conditioning systems, laboratory equipment (e.g., high-temperature furnaces), office refrigerators, and laboratory cooling systems, were 26.5792 tCO₂e in 2025 and 21.8970 tCO₂e in 2024. |
| Greenhouse Gas Emissions | Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and performance analysis | Discussion & Analysis | N/A | TC-SC-110a.2 | <ul style="list-style-type: none"> The Company has set 2021 as the base year, with total Scope 1 and Scope 2 emissions of 1,700.0409 tCO₂e. In 2025, Scope 1 and Scope 2 emissions decreased by 430.1997 tCO₂e (-25.31%) compared to the base year. The Company promotes emissions reduction through energy management, energy efficiency improvements, and renewable energy adoption, and has set net zero emissions by 2050 as its long-term target. |
| Energy Management in Manufacturing | (1) Total energy consumed; (2) Percentage grid electricity; (3) Percentage renewable energy | Quantitative | GJ, % | TC-SC-130a.1 | <ul style="list-style-type: none"> As a fabless IC design company, manufacturing processes are outsourced; therefore, this metric is not fully applicable. Total energy consumption for operations was 9,296 GJ in 2025, of which electricity accounted for 8,948 GJ (96.3%). In 2024, total energy consumption was 10,340 GJ, of which electricity accounted for 9,969 GJ (96.4%). Renewable energy consumption was 190,000 kWh in 2025 (7.4%) and 72,000 kWh in 2024 (2.5%). |
| Water Management | (1) Total water withdrawn and percentage in regions with high or extremely high baseline water stress; (2) Total water consumed and percentage in such regions | Quantitative | 1,000 m ³ , % | TC-SC-140a.1 | <ul style="list-style-type: none"> As a fabless IC design company, the Company has no manufacturing water usage; water consumption is limited to office use. Total water consumption was 11,867 metric tons, equivalent to approximately 11.867 thousand cubic meters, in 2025 and 11,669 metric tons, equivalent to approximately 11.669 thousand cubic meters, in 2024. Operations are located in Taiwan, which is not classified as a region with high or extremely high water stress. |

| Topic | Metric | Category | Unit of Measure | Code | Response |
|------------------------------|--|--------------|-------------------|--------------|---|
| Product Lifecycle Management | Percentage of products by revenue containing IEC 62474 declarable substances | Quantitative | % | TC-SC-410a.1 | <ul style="list-style-type: none"> During product development, the Company requires all materials to comply with relevant regulations, including RoHS, halogen-free requirements, REACH, and China VOC standards, and continues to strengthen hazardous substance management. Product material disclosures are provided based on customer requirements (e.g., SDS), and automotive products are reported through IMDS and CAMDS platforms. The Company currently does not track revenue associated with products containing IEC 62474 declarable substances; therefore, this metric is not disclosed in quantitative form. |
| | Processor energy efficiency at the system level for (1) servers, (2) desktops, and (3) laptops | Quantitative | Varies by product | TC-SC-410a.2 | <ul style="list-style-type: none"> The Company's primary products are display driver ICs and do not fall within system-level processors for servers, desktops, or laptops; therefore, this metric is not applicable. The Company continues to enhance product energy efficiency through advanced and mature wafer processes, energy-efficient circuit design, and low-power product development. In 2025, next-generation key products achieved energy consumption reductions of 15%–40%, and energy-efficient OLED products accounted for approximately 48% of total shipments. |

(3) Disclosure of climate-related targets

The Company has established a long-term climate-related strategic target of achieving net zero emissions by 2050, with RE30 (renewable energy accounting for 30% of total electricity consumption) set as a medium-term target for 2030. These targets are developed based on the Company's operational characteristics and its assessment of climate-related risks and opportunities, and serve as the basis for its medium- to long-term management direction. Key focus areas include greenhouse gas emissions reduction, enhancement of energy efficiency, increased use of renewable energy, development of low-carbon products, and continuous improvement of related management mechanisms.

The Company regularly reviews the progress of its climate-related targets and monitors implementation through its sustainability governance framework. The results are used as a basis for ongoing strategic adjustments and management enhancements, with the aim of reducing exposure to climate-related risks, strengthening operational resilience, and enhancing long-term sustainable competitiveness.

2.3.7 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 | |
| Implementation of Integrity Management | 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 2025 report is scheduled for May 2026. | None |
| | 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 2025. | 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 2025, the participation rate and completion rate both reached 100%, and a perfect score of 100 was required to pass the assessment. The course content included integrity and anti-corruption, the Trade Secrets Act, and an introduction to the Personal Data Protection Act. | 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 Disclosure | 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> | | | | | |

2.3.8 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.”

2.3.9 Implementation Status of the Internal Control System

1. Internal Control Statement:
Please refer to the “Internal Control Statement – 2025” 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.

2.3.10 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 2025 Annual Shareholders’ Meeting and Their Execution Status:
 - Approval of the 2024 Business Report and Financial Statements
Resolution: Approved.
 - Approval of the 2024 Earnings Distribution Proposal
Resolution: Approved. The record date for cash dividend distribution was set as July 9, 2025, and cash dividends of NT\$22.2 per share were distributed on July 30, 2025.
 - Amendment to Certain Articles of the “Articles of Incorporation”
Resolution: Approved.
 - Proposal to Release the Company’s Directors and Their Representatives from Non-Competition Restrictions
Resolution: Approved.
2. Important Resolutions of the Board of Directors in 2025 and up to the Date of Printing of the Annual Report:

| Date | Major Resolutions |
|---|--|
| 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, 2025 | <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 (Note). • 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). |

| Date | Major Resolutions |
|---|--|
| | <ul style="list-style-type: none"> • Approved amendments to the Articles of Incorporation. • Approved the definition of basic-level employees of the Company. • Approved the release of directors and their representatives from non-competition restrictions. • Approved matters related to the 2025 Annual Shareholders' Meeting. • Approved the allocation ratio of employee compensation and director remuneration for 2025. • Reviewed the policies, systems, standards, and structure for the remuneration of Directors and managerial officers. • Approved the principles for establishing 2025 performance indicators for managerial officers. • Approved 2025 salary adjustments for managers officers. • 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. |
| <p>8th Term, 11th Meeting May 6, 2025</p> | <ul style="list-style-type: none"> • Approved the Q1 2025 consolidated financial statements (Note). • Approved amendments to the internal control system and internal audit system for the "Payroll Cycle" (Note). • Approved the adoption of the "Procedures for Sustainability Report Preparation and Assurance" (Note). • Approved the remuneration of managerial officers. • Approved renewal of banking credit lines. |
| <p>8th Term, 12th Meeting August 5, 2025</p> | <ul style="list-style-type: none"> • Approved the Q2 2025 consolidated financial statements (Note). • Approved the 2024 Sustainability Report. • Approved the distribution of 2024 employee compensation for managerial officers. • Approved renewal of banking credit lines. |
| <p>8th Term, 13th Meeting November 4, 2025</p> | <ul style="list-style-type: none"> • Approved the 2026 audit plan (Note). • Approved the Q3 2025 consolidated financial statements (Note). • Approved amendments to the "Sustainable Development Best Practice Principles" (Note). • Approved the establishment of the "Sustainable Development Management Committee" and the adoption of the "Organizational Charter of the Sustainable Development Management Committee." • Approved the appointment of the first-term members of the "Sustainable Development Management Committee." |
| <p>8th Term, 14th Meeting January 9, 2026</p> | <ul style="list-style-type: none"> • Approved the change of the Company's President and the appointment of the Chief Technology Officer. • Approved the appointment of the Company's President. • Approved the adjustment and appointment of the members of the "Sustainable Development Management Committee." • Approved the Company's adoption of the IFRS Sustainability Disclosure Standards and the simplified follow-up implementation reporting. • Approved the amendment to the Company's "Organizational Charter of the Remuneration Committee." • Approved the distribution of 2025 performance-based bonuses for managerial officers. |
| <p>8th Term, 15th Meeting February 24, 2026</p> | <ul style="list-style-type: none"> • Approved the assessment of the effectiveness of the internal control system for 2025 and the declaration of internal control system (Note). • Approved the distribution of 2025 employee compensation and director remuneration (Note). • Approved the 2025 financial statements, business report, and 2026 business plan (Note). • Approved the cash dividend distribution from 2025 earnings (Note). • Approved the 2025 earnings distribution table (Note). • Approved the amendment to the "Procedures for Engaging in Derivatives |

| Date | Major Resolutions |
|------|---|
| | <p>Transactions” (Note).</p> <ul style="list-style-type: none"> • Approved the election of eight directors, including four independent directors. • Approved the nomination of candidates for directors and independent directors. • Approved the release of the Company’s newly elected directors and their representatives from non-competition restrictions. • Approved matters related to the 2026 Annual Shareholders’ Meeting. • Approved the periodic review of the policies, systems, standards, and structure for the remuneration of directors and managerial officers. • Approved the allocation ratio of employee compensation and director remuneration for 2026 and the definition of basic-level employees of the Company. • Approved the principles for establishing 2026 performance indicators for managerial officers. • Approved 2026 salary adjustments for managerial officers. • Evaluated the independence and suitability of the 2026 audit firm and approved their engagement and fees (Note). • Approved the procurement of non-exclusive licensed software by the Company (Note). • Approved the release of managerial personnel from non-competition restrictions. • Approved the 2026 annual budget. • Approved renewal of banking credit lines. |

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

2.3.11 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, 2025 | 2,850 | 1,873 | 4,723 | Non-audit fees mainly refer to tax certification, English financial reports, and advisory services on the IFRS Sustainability Disclosure Standards. |
| | Chun-Yuan Wu | | | | | |

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 | Status | Client | Consignor |
| | Voluntary Termination of Engagement | CPA | N/A |
| | Non-renewal or Refusal to Continue the Engagement | CPA | 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 | 2025 | | As of March 29, 2026 | |
|--|---------------------|----------------------------|------------------------------|----------------------------|------------------------------|
| | | Net Change in Shareholding | Net Change in Shares Pledged | Net Change in Shareholding | Net Change in Shares Pledged |
| Chairman and Chief Executive Officer | HUANG, YU-KUO | 0 | 0 | 0 | 0 |
| Corporate Director and Major Shareholder | Konly Venture Corp. | 0 | 0 | 0 | 0 |
| Representative of Corporate Director | HONG, HONG-JYE | 0 | 0 | 0 | 0 |
| Representative of Corporate Director | KU, HSIU-HUA | 0 | 0 | 0 | 0 |
| Director | LI, HSI-HUA | 0 | 0 | 0 | 0 |
| Independent Director | CHENG, WEI-SHUN | 0 | 0 | 0 | 0 |
| Independent Director | HSIEH, HUNG-PO | 0 | 0 | 0 | 0 |
| Independent Director | CHOU, SHIH-CHIEH | 0 | 0 | 0 | 0 |
| President (Note 2) | WEN, CHI-JAIN | | | | |
| Chief Technology Officer (Note 2) | LIN, WEN-TSUNG | 0 | 0 | 0 | 0 |
| Vice President | HUANG, YAO-YU | 0 | 0 | 0 | 0 |
| Vice President | WANG, SHIH-CHUNG | 0 | 0 | 0 | 0 |
| Vice President | CHEN, YING-LIEH | 0 | 0 | 0 | 0 |
| Vice President | TANG, SHANG-PING | 0 | 0 | 0 | 0 |
| Information Technology Principal | YUAN, CHIH | 0 | 0 | 0 | 0 |
| Assistant Vice President | LIN, PEI-YI | 0 | 0 | 0 | 0 |
| Assistant Vice President | SHIH, JUN-REN | 0 | 0 | 0 | 0 |
| Assistant Vice President (Note 3) | LO, SHIN-TAI | 0 | 0 | 0 | 0 |

Note 1: Refers to incumbents as of the publication date of this Annual Report. °

Note 2: WEN, CHI-JAIN was promoted to President on February 1, 2026; LIN, WEN-TSUNG was redesignated from President to Chief Technology Officer on the same date.

Note 3: LO, SHIN-TAI assumed the position of Assistant Vice President on April 1, 2025.

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 29, 2026; 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 Inc. | The parent companies of both parties are related parties |
| Konly Venture Corp. Person in Charge: PENG, SHUANG-LANG (Paul) | 0 | 0 | 0 | 0 | 0 | 0 | Darly Venture Inc./Darly 2 Venture Inc. | The parent companies of both parties are related parties |
| Darly Venture Inc. | 2,300 | 3.03 | 0 | 0 | 0 | 0 | Darly 2 Venture Inc. | 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 Inc. | The companies shares the same Chairman |
| | | | | | | | Konly Venture Corp. | The parent companies of both parties are related parties |
| HSBC Bank (Taiwan) Limited (Custodian for CIM Investment Fund ICAV) | 1,500 | 1.98 | 0 | 0 | 0 | 0 | None | None |
| Jinn Shin Construction Co., Ltd. | 1,200 | 1.58 | 0 | 0 | 0 | 0 | None | None |
| Darly2 Venture, Inc. | 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 |
| Darly2 Venture, Inc. 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 |
| First Commercial Bank (Custodian for Capital TIP Taiwan Semiconductor Dividend Yield ETF) | 987 | 1.30 | 0 | 0 | 0 | 0 | None | None |
| CTBC Bank Co., Ltd. (Trustee for Raydium Semiconductor Corp. ESOT) | 981 | 1.29 | 0 | 0 | 0 | 0 | None | None |
| HUANG, CONG-MENG | 854 | 1.13 | 647 | 0.85 | 0 | 0 | HUANG SU, CHONG-MIN | Spouse |
| Ronly Venture Corporation | 669 | 0.88 | 0 | 0 | 0 | 0 | None | None |
| HUANG SU, CHONG-MIN | 647 | 0.85 | 854 | 1.13 | 0 | 0 | HUANG, CONG-MENG | Spouse |

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, 2025; 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.(Note1) | 10,550 | 100.00 | - | - | 10,550 | 100.00 |
| Raydium Semiconductor (Kunshan) Co.,Ltd(Note 2) | | | Note2 | 100.00 | Note2 | 100.00 |
| Raydium Semiconductor (Hefei) Co., Ltd(Note2) | | | Note2 | 100.00 | Note2 | 100.00 |

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

Note 2: An indirectly wholly-owned subsidiary of the Company 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 29, 2026; 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 29, 2026; 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 29, 2026; Unit: Shares; %

| Shareholder's Name | Shareholding | Shares | Shareholding Ratio |
|---|--------------|------------|--------------------|
| Konly Venture Corp. | | 11,454,429 | 15.10% |
| Darly Venture Inc. | | 2,299,763 | 3.03% |
| HSBC Bank (Taiwan) Limited (Custodian for CIM Investment Fund ICAV) | | 1,500,000 | 1.98% |
| Jinn Shin Construction Co., Ltd. | | 1,200,000 | 1.58% |
| Darly2 Venture, Ltd. | | 992,548 | 1.31% |
| First Commercial Bank (Custodian for Capital TIP Taiwan Semiconductor Dividend Yield ETF) | | 987,000 | 1.30% |
| CTBC Bank Co., Ltd. (Trustee for Raydium Semiconductor Corp. ESOT) | | 981,254 | 1.29% |
| HUANG, CONG-MENG | | 854,000 | 1.13% |
| Ronly Venture Corporation | | 669,000 | 0.88% |
| HUANG SU, CHONG-MIN | | 647,000 | 0.85% |

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 24, 2026, the Board of Directors resolved to distribute NT\$1,107,486,300 in cash dividends (NT\$14.6 per share). This matter will be reported at the 2026 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. Of the aforementioned employee compensation, no less than 1% shall be allocated as compensation to entry-level employees. 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 2025

On February 24, 2026, the Board of Directors resolved to distribute the following amounts for fiscal year 2025 (ending December 31, 2025):

- (1) NT\$274,133,361 as employee compensation and NT\$12,701,160 as director remuneration, both in cash. The above amounts are consistent with the expenses recognized in the financial statements.
- (2) In accordance with the Articles of Incorporation, not less than 1% of the aforementioned employee compensation shall be allocated as compensation to entry-level employees. For 2025, no less than NT\$2,741,334 was allocated for compensation to entry-level employees (at an allocation ratio of not less than 1%). Details of the distribution are authorized to be determined by the Chairman based on actual performance evaluation results.
- (3) The ratio of employee compensation distributed in stock to the sum of after-tax profit and employee compensation under the parent company only financial statements is not applicable.

4. Actual Distribution of Employee Compensation and Director Remuneration for Fiscal Year 2024

- (1) For fiscal year 2024, the actual distribution amounted to NT\$424,658,083 as employee compensation and NT\$18,943,435 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 | 2025 | | 2024 | |
|-------------------|------|------------|--------|------------|--------|
| | | Amount | % | Amount | % |
| Display driver IC | | 21,583,286 | 96.37 | 23,691,864 | 97.19 |
| Others | | 813,883 | 3.63 | 684,938 | 2.81 |
| Total | | 22,397,169 | 100.00 | 24,376,802 | 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 panels. 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, display panel sizes 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) Source Driver with pixel copy for monitors
- (2) High channel sink type source driver for notebooks
- (3) High frame rate source driver for notebooks
- (4) Highly integrated notebook driver IC combining touch, display, and level shifter (ADDI)
- (5) High frame rate QHD timing controller (TCON) for monitor
- (6) Timing controller with touch timing application for WU/FHD notebook
- (7) Level Shifter IC for AMOLED Panel
- (8) Ultra-high refresh rate driver IC for AMOLED smartphones
- (9) Driver IC for AMOLED smartphone under-display camera (CUD) solutions

- (10) On-Cell TDDI (Touch and Display Driver Integration) for AMOLED smartphones (TDDI)
- (11) Ultra-low-power In-Cell TDDI for AMOLED wearable devices (TDDI)
- (12) Source driver IC for AMOLED tablets and notebooks
- (13) AMOLED 3.2K×2K 144Hz TCON for tablets and notebooks (TCON)
- (14) AMOLED 3.2K×2K 144Hz TED (TCON Embedded Driver) for tablets and notebooks (TED)
- (15) AMOLED touch IC for notebooks
- (16) TDDI for AMOLED automotive panels (TDDI)
- (17) Automotive AMOLED TED (TCON Embedded Driver) solution (TED)
- (18) Micro LED TDDI for wearable devices (TDDI)
- (19) Mini/Micro LED driver ICs
- (20) In-Cell TDDI for automotive applications (TDDI)
- (21) Automotive local dimming bridge IC
- (22) Automotive timing controller IC (TCON)
- (23) Automotive In-Cell local dimming TDDI solution (TDDI)
- (24) Automotive local dimming display driver IC (DDI)
- (25) Automotive cascade TDDI IC
- (26) Automotive Micro LED timing controller IC

4.1.2 Industry Overview

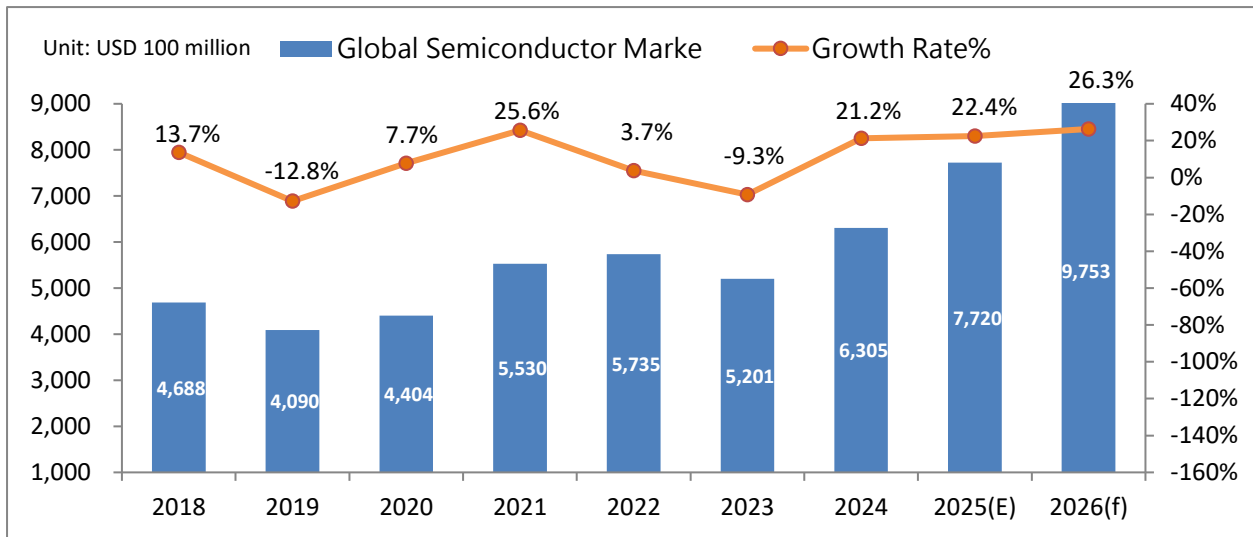
1. Industry Status and Development

In 2025, the global semiconductor market continued to expand, driven by the rapid growth of artificial intelligence (AI) and cloud computing demand. According to World Semiconductor Trade Statistics (WSTS), the global semiconductor market reached US\$772.2 billion in 2025, representing a year-on-year growth of 22.4%. This underscores a structural shift in the industry, transitioning from a cyclical recovery phase to AI-driven secular growth.

Amid accelerating AI server deployments, demand for high-end logic chips and memory components increased significantly, further driving price recovery and value expansion in high-bandwidth memory (HBM) and high-capacity DRAM. Meanwhile, SEMI projects that the global semiconductor manufacturing equipment market will reach approximately US\$110 billion in 2025. This reflects continued capital investment by leading foundries and memory manufacturers in advanced process technologies and packaging capacity expansion, with industry-wide capital expenditures and competitive intensity remaining at elevated levels.

Looking ahead, supported by the rapid proliferation of AI applications and a recovery in the memory market, the semiconductor industry is expected to evolve toward higher-end and more diversified applications. Beyond AI and data center demand, growth drivers such as automotive electronics, the Internet of Things (IoT), 5G communications, and smart devices will continue to underpin semiconductor demand. WSTS forecasts that the global semiconductor market will reach US\$975.4 billion in 2026, representing a year-on-year growth of approximately 26.3%, with total market size poised to surpass the US\$1 trillion milestone.

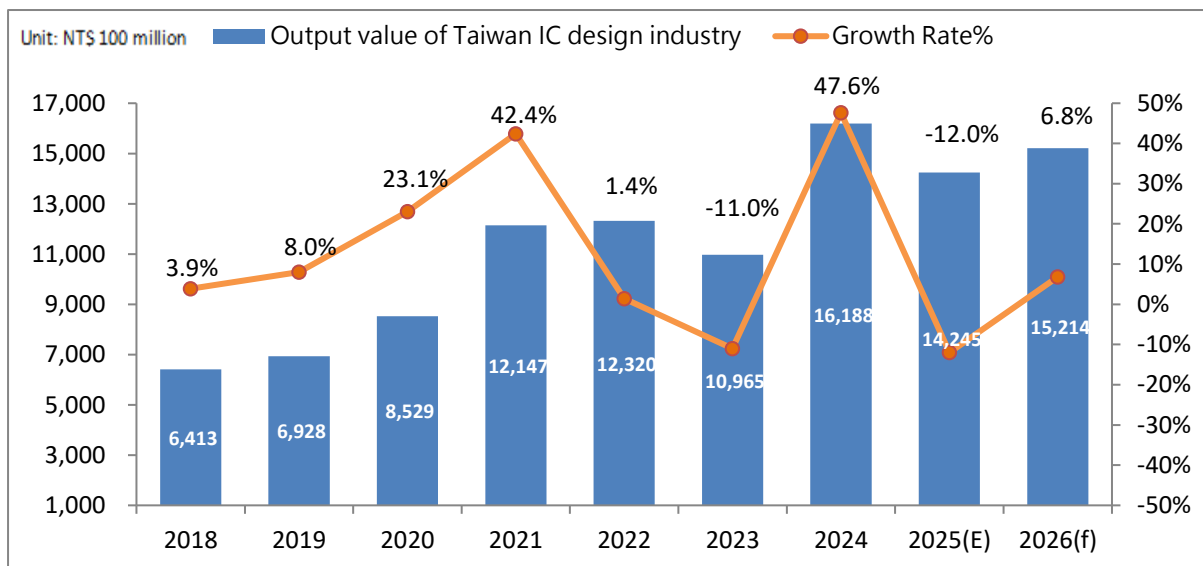
Figure 1-1: Global Semiconductor Production Value



Source: WSTS (2025/12), compiled by Raydium

According to statistics from Industrial Technology Research Institute (ITRI), Taiwan’s semiconductor industry output reached NT\$6.5 trillion in 2025, representing a year-on-year growth of 22.7%, and is projected to surpass NT\$7 trillion in 2026. Within this, the IC design segment recorded output of NT\$1.42 trillion in 2025 (see Figure 1-2). Following a high base in 2024 driven by robust AI-related demand, growth momentum in the IC design sector moderated in 2025, as certain consumer electronics markets entered a demand correction phase. Nevertheless, overall industry output remained at historically elevated levels. According to ITRI’s projections, Taiwan’s IC design industry output is expected to recover to approximately NT\$1.52 trillion in 2026, representing a year-on-year growth of around 6.8%. Overall, supported by the long-term structural growth of artificial intelligence and high-performance computing (HPC) applications, Taiwan’s IC design industry is expected to maintain solid and sustainable growth momentum.

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



Source: International Strategy Center, ITRI (2025/12), compiled by Raydium

With the continued proliferation of digital applications, display technologies have become widely adopted across a broad range of end markets, including portable devices, notebook PCs, desktop monitors, automotive applications, digital TVs, and ultra-large display systems. This widespread

adoption is driving ongoing technological advancement toward higher resolution, higher refresh rates, greater system integration, and improved power efficiency.

Within display panels, driver ICs, timing controller ICs (TCON), and power management ICs (PMIC) represent critical semiconductor components. Driver ICs can be broadly categorized into those used for large-size panels and those for small- and medium-size panels. For large-size panel applications, driver ICs are further divided into source driver ICs and gate driver ICs.

Source driver ICs are positioned along the X-axis of the panel and are responsible for providing the driving voltage to each column of sub-pixels, thereby determining grayscale levels, color accuracy, and color saturation. In contrast, gate driver ICs are located along the Y-axis and primarily control the switching sequence of each row of pixels across the panel.

The primary function of the TCON is to receive image signals transmitted from the system side (such as a notebook PC's graphics processor) and convert them into the timing signals required by the panel driver ICs.

PMICs also play a critical role in panel design. While system-level architectures typically provide a single voltage input, various panel components—including driver ICs, TCON, level shifters, and LED drivers—require multiple distinct voltage levels. As such, PMICs are responsible for converting a single input voltage into multiple regulated outputs to meet the specific requirements of each component. The efficiency of this voltage conversion process has a direct impact on overall panel power consumption. This is particularly critical for power-sensitive applications such as portable devices, including notebook PCs, where energy efficiency is a key design consideration.

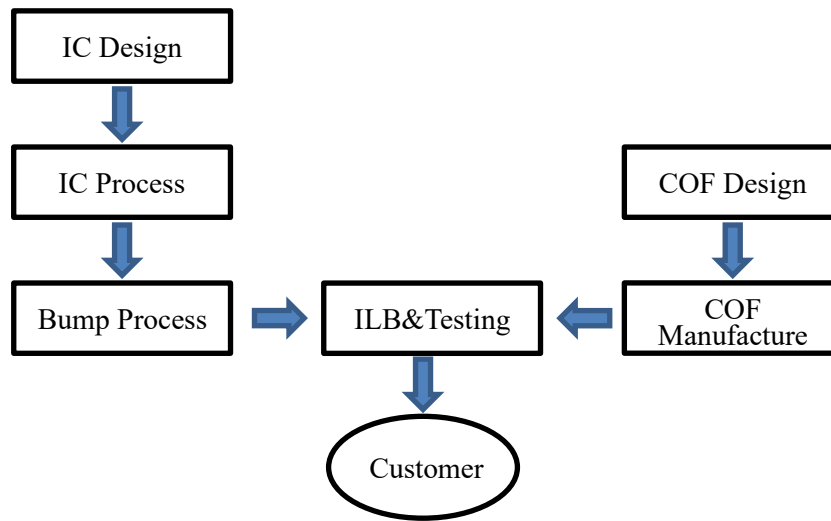
Driver ICs for small- and medium-size panels continue to evolve toward highly integrated single-chip solutions. By incorporating TCON functionality and high-speed interfaces, these solutions simplify FPC and PCB design, addressing the space constraints of end devices while also supporting lower power consumption. Applications have expanded beyond wearables and smartphones to include tablets, notebook PCs, industrial control systems, and automotive displays. In parallel, with the adoption of in-cell touch technology in LCD panels, the integration of touch functionality into driver ICs has become mainstream. This has further evolved into touch and display driver integration (TDDI), with application scope continuing to broaden across multiple end markets.

AMOLED panels, characterized by high color saturation, ultra-thin form factors, and flexibility, have become a key technology trend in small- and medium-size displays. As smartphone screen sizes and resolutions continue to increase, alongside rising demand for low-power display solutions, driver IC designs are concurrently incorporating advanced power-saving technologies. To support always-on display requirements, the integration of AMOLED with LTPO technology has gradually emerged as a key development trend in high-end smartphones. Looking ahead, driven by advancements in high refresh rate displays, diverse foldable form factors, and under-display camera technologies, smartphone OEMs are expected to impose increasingly stringent requirements on AMOLED panels in terms of display calibration, driver integration, and system-level optimization. As a result, overall technological barriers to entry are expected to rise further.

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

The Company possesses comprehensive solution development capabilities in large-size panel applications, with a product portfolio spanning timing controllers (TCON), source driver ICs, and power management ICs (PMIC). These solutions are widely applied across various display segments, including televisions, public information displays (PID), mid-size monitors, and notebook PCs. Leveraging a highly integrated product portfolio, the Company continues to enhance overall system performance and strengthen its competitive positioning, delivering more comprehensive and value-added display solutions to its customers.

In the TV panel segment, the Company continues to optimize product performance, increasing display refresh rates from 120Hz to 165Hz. To address demand for high-resolution displays, its solutions support high-speed data reception of up to 4Gbps. Through the adoption of current pre-emphasis technology, the Company effectively reduces overall power consumption while maintaining display stability. In OLED TV development, the Company has introduced DRD (Double Rate Driving) architecture to enhance data processing efficiency. This approach enables customers to reduce system costs and improve design flexibility, while preserving display quality and image stability.

In the desktop monitor segment, the Company continues to address growing demand from gaming applications by strengthening its low-latency system architecture and high-bandwidth data transmission capabilities. It has also introduced resolution and refresh rate trade-off technology, enabling flexible switching between display modes based on different usage scenarios, thereby balancing image quality and motion smoothness. For notebook display applications, the Company is actively adopting high-speed point-to-point transmission technologies to deliver highly integrated display solutions. In addition, for In-Cell Touch designs, the Company integrates ALDI and MCU system capabilities to help customers streamline system architecture and shorten development cycles. Looking ahead, the Company will continue to deepen its expertise in high-speed circuit design and highly integrated IC development, further enhancing product value-added and overall display performance.

In terms of next-generation technology development, the Company continues to advance its high-speed circuit design capabilities and extend its core technologies into lightweight gaming-oriented applications. At the same time, it is actively developing highly integrated IC solutions to enhance product value-added while reducing inter-IC transmission power consumption. These efforts are aimed at further strengthening product functionality and overall display performance.

(2) Small and medium-sized driver IC

AMOLED panels offer several key advantages, including ultra-thin form factors, low power consumption, fast response times, high color saturation, and superior contrast ratios, while also enabling flexible display designs. As smartphone displays continue to evolve toward higher screen-to-body ratios and full-screen configurations, panel designs are becoming increasingly sophisticated, requiring the integration of technologies such as under-display fingerprint sensors, cameras (CUD), and various sensing components, which present additional technical challenges.

To address the performance requirements of high-end smartphones and dynamic display applications, the Company has achieved volume production of high refresh rate, low-power driver ICs, while further reducing digital power consumption through process technology optimization. Panel refresh rates have advanced from 60Hz to 120Hz, 144Hz, and 165Hz, and are currently progressing toward ultra-high refresh rates of 240Hz. To balance display performance and power efficiency, leading smartphone brands are increasingly adopting LTPO technology, driving small- and medium-size driver ICs toward higher levels of integration. As technologies such as high refresh rate displays, foldable form factors, and under-display cameras continue to evolve, smartphones are placing increasingly stringent demands on AMOLED panels in terms of display calibration, driver integration, and system-level optimization.

In terms of technology collaboration, the Company continues to deepen partnerships with panel manufacturers and smartphone OEMs, focusing on optimizing compensation technologies for under-display camera (CUD) regions. These solutions have been successfully adopted across multiple smartphone models and have reached mass production scale. In the AMOLED wearable segment, the Company has maintained long-term co-development with customers, optimizing power efficiency at the system level. Leveraging its technological leadership, the Company continues to maintain a strong market share among non-Apple Inc. ecosystems. In addition, for Micro LED wearable applications, the Company has successfully partnered with customers to achieve mass production deployment and is actively advancing next-generation product development.

The Company has also maintained long-term investment in the development of touch integration solutions. In 2018, it launched its first AMOLED TDDI (Touch and Display Driver Integration) solution, integrating display driver and touch functionalities into a single chip, with initial applications in wearable devices. As AMOLED flexible panels continue to penetrate the smartphone market, the Company has completed AMOLED touch IC validation with leading smartphone OEMs and has initiated mass production planning for new design-in projects. At the same time, it has further strengthened collaboration with panel manufacturers to develop its first touch and display driver integration solution for smartphone flexible panels, featuring active stylus support, thereby expanding into high-end smartphone applications.

In notebook applications, the Company has introduced a highly integrated AMOLED solution that combines TCON IC, driver IC, and touch IC into a single platform. It has also further launched a TED (Touch and Display) solution for notebooks to expand its multi-application portfolio. Looking ahead, the Company will continue to advance the integration of touch and active stylus functionalities, addressing demand for high-end 2-in-1 devices with tailored technology solutions. In more price-sensitive segments, the Company will continue to prioritize On-Cell touch technology, providing customers with a diverse range of cost-performance optimized options.

(3) Automotive driver IC

With the rapid development of smart cockpits and in-vehicle infotainment systems, automotive displays are playing an increasingly critical role in information delivery and human-machine interaction. In-vehicle display applications have evolved from traditional instrument clusters to integrated platforms supporting diverse information and entertainment functionalities. As vehicle electrification and intelligence continue to advance, demand for automotive display technologies is correspondingly accelerating, driving further innovation and adoption across the sector.

Driven by the continued expansion of the new energy vehicle (NEV) and smart vehicle markets, automakers are actively adopting advanced display technologies, including OLED, Mini LED backlighting, and high refresh rate displays, to enhance visual performance and human-machine interface (HMI) experience. To further improve user interaction and operational convenience, automotive display driver ICs are increasingly integrating touch functionality, evolving toward touch and display driver integration (TDDI) solutions. At the same time, local dimming functionality has been incorporated into both TDDI and DDI architectures to enhance image quality while further strengthening system integration capabilities.

At present, central information displays (CID) and instrument clusters remain the dominant applications in the automotive display market, while head-up displays (HUD) and electronic mirrors (e-Mirrors) have emerged as faster-growing segments in recent years. Driven by the evolution of smart cockpit design, display panels are increasingly moving toward larger sizes and higher resolutions. Mainstream display sizes typically range from 10 to 20 inches, with resolutions progressively advancing to high-end specifications such as QHD. In addition, integrated cockpit architectures and full-width pillar-to-pillar displays have become key emerging trends, with display sizes in certain premium vehicle models now exceeding 30 inches.

In addition, in-cell touch technology, with its advantages of narrow bezels and high optical transmittance, has become a key technology trend in automotive display panels. When combined with Mini LED local dimming and integrated designs incorporating bridge ICs and display driver ICs, these solutions help enhance brightness, contrast, and overall visual performance of automotive displays. Furthermore, TDDI and DDI solutions integrating local dimming functionality are being progressively adopted in key applications such as CIDs and instrument clusters. This enables optimized display architectures and improved cost efficiency, thereby further strengthening the competitiveness of automotive display solutions.

(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, China has continued to promote semiconductor self-sufficiency, accelerating the development of its IC design industry through policy support, industrial subsidies, and international M&A activities. These initiatives have driven sustained growth in overall industry output. In response, Taiwan-based IC design companies are actively advancing toward higher-specification and innovation-driven development, enabling products with strong price-performance advantages and enhanced market competitiveness. At the same time, they are expanding collaboration with global brand customers and panel manufacturers, leveraging these partnerships to widen the competitive gap and maintain leading positions in the market.

In addition, supported by government policies, China-based IC design companies are strengthening vertical integration across the semiconductor value chain and actively recruiting experienced IC design talent from Taiwan, further enhancing their technological capabilities and competitive positioning. This trend is creating increasing competitive pressure for Taiwan's IC design industry. As a result, long-term talent development, continued investment in critical technology R&D, and effective industry strategy integration will be key priorities for Taiwan's semiconductor sector in addressing intensifying competitive challenges.

The Company places strong emphasis on its mid- to long-term development strategy, fostering long-term partnerships with upstream and downstream industry players to continuously enhance its technological capabilities. This approach enables new products to achieve higher margins and stronger market share upon commercialization. At the same time, the Company has made sustained investments in talent development programs, actively cultivating R&D talent and accelerating the development of next-generation technologies and products to ensure synchronized technology advancement. In addition, the Company leverages AI tools to enhance operational and management efficiency, thereby maintaining its competitive advantage in the market.

4.1.3 Technology and R&D

1. R&D Expenses:

The Company's consolidated R&D expenses for 2025 were NT\$3,851,628 thousand, accounting for 18% 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 |
|------|--|----------------|
| 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 |

| Year | R&D Results throughout the Years | Applied Fields |
|---|--|---|
| | 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 |
| | 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 | |

| Year | R&D Results throughout the Years | Applied Fields |
|------|---|----------------|
| | 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 |
| | 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 |
| 2025 | Level shifters (LSF) supporting AMOLED panels | NB |
| | Integrated display and touch IC with level shifter (ADDI + LSF) | NB |
| | High-speed point-to-point interface driver IC supporting tri-gate panel architectures | MNT |
| | Dual-channel LVDS timing controller (TCON) for gaming monitor applications | MNT |
| | AMOLED RAM-less (Mux 1:2) display driver IC with embedded RRAM | Mobile phone |
| | AMOLED LTPO RAM-less (Mux 1:1) integrated display driver IC | Mobile phone |
| | AMOLED FHD Real RGB integrated display driver IC | Mobile phone |
| | AMOLED DSI v2.2 technology for ARP and VHM applications | Mobile phone |
| | AMOLED integrated display driver IC for wearable applications, supporting tandem structures and demura compensation | Wearable |
| | AMOLED TCON for notebook applications (eDP 1.5 with PSR2 support) | NB |
| | AMOLED touch IC for rigid smartphones with active stylus support | Touch |
| | Automotive TDDI with integrated ISP interface | Automotive |
| | Automotive TDDI with integrated eDP interface | Automotive |
| | Integrated driver IC for automotive HUD display applications | Automotive |
| | De-warping technology for automotive panoramic head-up display (PHUD) applications | Automotive |
| | Active-matrix bistable LCD timing controller IC | 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 | 2025 | |
|-----------------------------|------|------------|--------|
| | | Amount | % |
| Taiwan | | 3,467,614 | 15.48% |
| China (including Hong Kong) | | 18,096,005 | 80.80% |
| Other countries and regions | | 833,550 | 3.72% |
| Total | | 22,397,169 | 100% |

2. Market Share

In the large-size panel driver IC market, excluding Korean panel makers that adopt in-house IC solutions, the Company ranks among the top three suppliers and continues to maintain stable supply to meet market demand. In the small- and medium-size panel driver IC segment, the Company focuses on mid- to high-end applications, including smartphones, automotive displays, smart wearables, tablets, and notebook PCs, and has achieved meaningful progress in its AMOLED business.

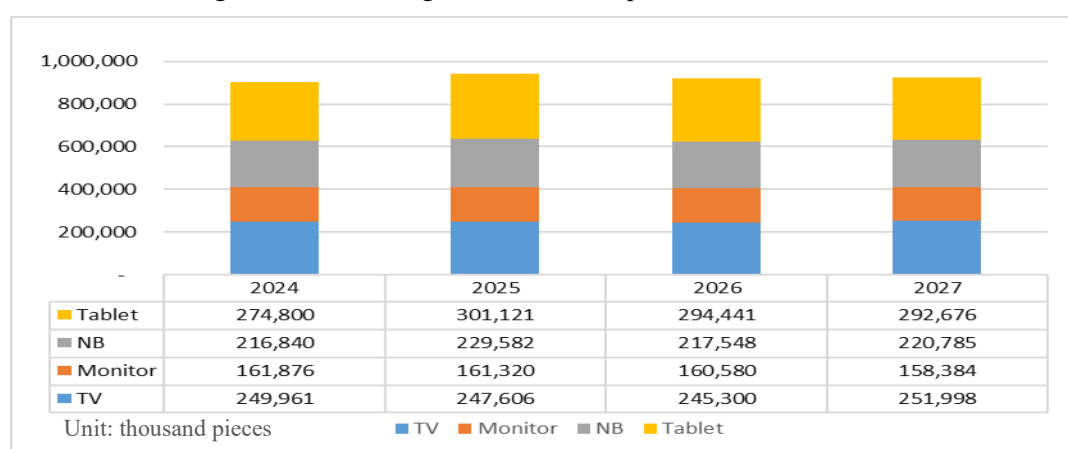
As China-based AMOLED panel makers continue to expand production capacity, the Company has maintained steady product growth and strengthened its leading position within the cross-strait AMOLED supply chain. Currently, the Company ranks as the market leader in wearable device applications and is among the top three suppliers in the smartphone segment. In addition, its market share in IT-related applications continues to increase, demonstrating the Company's competitive advantages in both AMOLED technology and market expansion.

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

(1) Large-sized panels

According to forecasts by Omdia, global shipments of large-size LCD panels are expected to increase from 903 million units in 2024 to 924 million units by 2027, indicating a stable overall market trajectory. The year-on-year growth rate for the 2024–2025 period is projected to be approximately 4.0%. By application, market growth in 2025 is primarily driven by tablets and notebook PCs, with year-on-year growth rates of 9.6% and 5.9%, respectively (see Figure 3). In contrast, desktop monitors and TVs are expected to experience slight corrections due to demand normalization. Overall, large-size display panels remain a key application segment for display driver ICs.

Figure 3: Global Large-Sized LCD Shipment Forecast, 2024-2027



Source: Omdia, TrendForce Dec. 2025

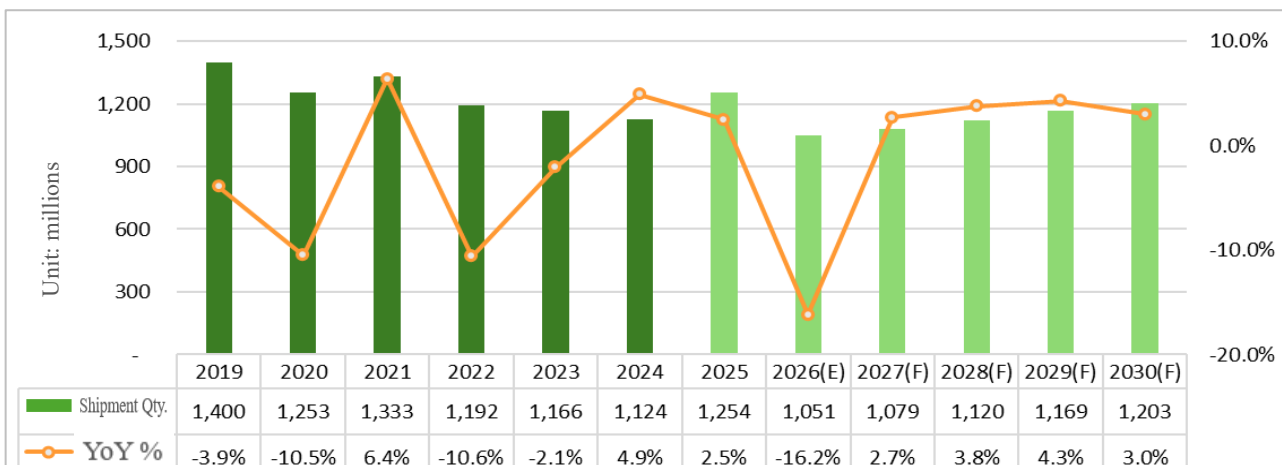
Global shipments of large-size panels are projected to reach approximately 940 million units in 2025, with overall demand remaining stable. Across key application segments, TV shipments are expected to decline slightly for the full year, primarily due to front-loaded procurement by brand vendors in the first half. The desktop monitor market is gradually stabilizing as inventory levels return to healthier ranges. Notebook PC panel shipments are anticipated to post modest growth, supported by a recovery in enterprise demand, new product launches, and the emergence of AI PCs. Meanwhile, tablet demand continues to strengthen, driven by ongoing growth in education, multimedia entertainment, and mobile productivity use cases, as well as new product introductions and upgrades by major brands.

As demand for AI infrastructure continues to accelerate, memory manufacturers are increasingly reallocating capacity toward high-bandwidth memory (HBM) and server-grade high-capacity DRAM. This concentration of production has tightened supply for commodity DRAM, keeping prices elevated and placing upward pressure on end-product pricing for consumer electronics, which in turn impacts demand for applications such as notebook PCs and monitors. Amid rising memory costs and ongoing adjustments in end-market demand, market expectations suggest that growth momentum for large-size panel demand will moderate in 2026. Nonetheless, overall demand is expected to remain relatively stable, with shipments projected at approximately 920 million units. On the other hand, continued advancements in high-end display technologies—including higher resolutions, higher refresh rates, and AMOLED—are driving an ongoing shift toward premium product mix. This structural upgrade is expected to support the long-term growth trajectory of the display driver IC market.

(2) Small and medium-sized panels

According to the latest data from TrendForce (see Figure 4), the global smartphone market in 2025 is expected to maintain its recovery trend. However, growth momentum has moderated amid ongoing macroeconomic uncertainties and still-cautious consumer spending, with full-year shipments estimated at approximately 1.254 billion units, representing year-on-year growth of around 2.5%, indicating a transition toward a more moderate growth profile. Meanwhile, as memory supply resources continue to shift toward high-bandwidth memory (HBM) and high-capacity DRAM, related component costs are expected to remain elevated, creating pressure on both smartphone supply and end-market demand. As a result, global smartphone shipments in 2026 are projected to decline to approximately 1.051 billion units, representing a year-on-year decrease of 16.2%. Thereafter, as the market gradually rebalances and stabilizes, global smartphone shipments are expected to recover progressively from approximately 1.079 billion units in 2027 to 1.203 billion units by 2030, with annual growth rates ranging from approximately 2.7% to 4.3%. Overall, while the smartphone market is expected to face near-term adjustments driven by supply chain and cost pressures, the industry is still positioned for steady medium- to long-term growth.

Figure 4: Growth trend of smartphone, 2019-2030

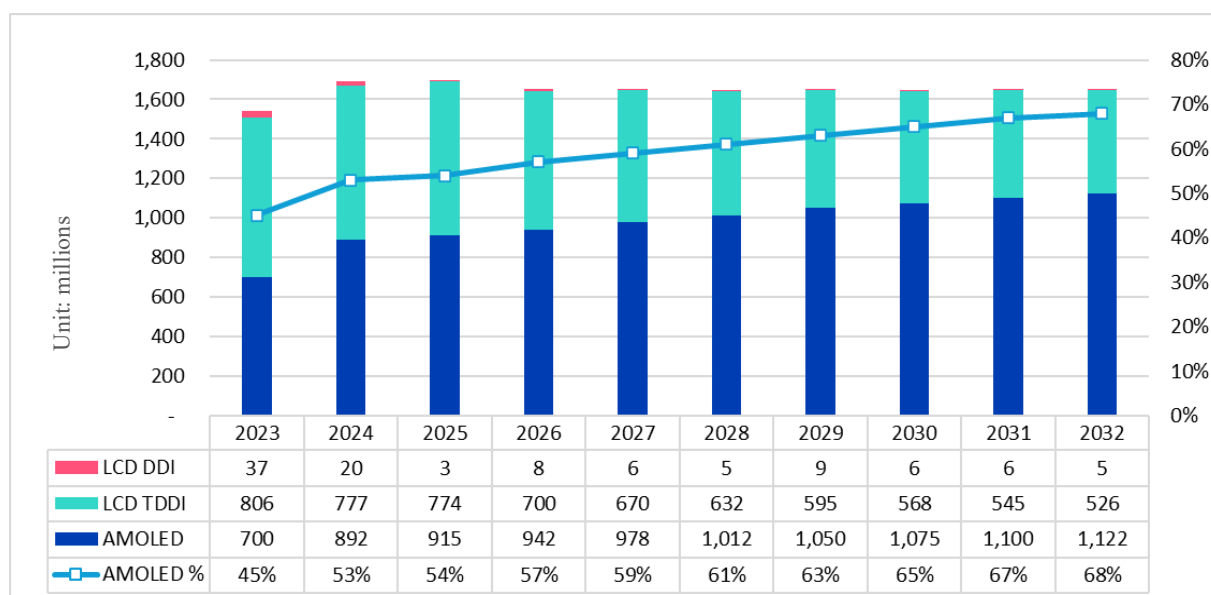


Source: TrendForce, Feb. 2026

From a regional perspective, demand in China remains relatively subdued, reflecting the diminishing impact of handset subsidy programs and ongoing structural pressures in domestic consumption. In contrast, markets outside China are experiencing a gradual recovery, supported by easing inflation, progressively accommodative monetary policies, and improving consumer confidence. Overall, the macro environment is becoming more stable, with geopolitical risks not escalating further. In addition, the onset of rate-cut cycles in the U.S. and Europe is expected to provide support for end-market consumer demand.

In terms of display technology, AMOLED has become a key display solution for smartphones, driven by its superior image quality and power efficiency advantages. According to data from Omdia (see Figure 5), smartphone brands continued to accelerate AMOLED adoption in 2025, with penetration reaching 54%, reflecting the expanding use of AMOLED panels across the smartphone market. As premium smartphone models place increasing emphasis on display performance, power efficiency, and product design differentiation, AMOLED penetration is expected to continue rising.

Figure 5: AMOLED Penetration Rate in Global Smartphone Market



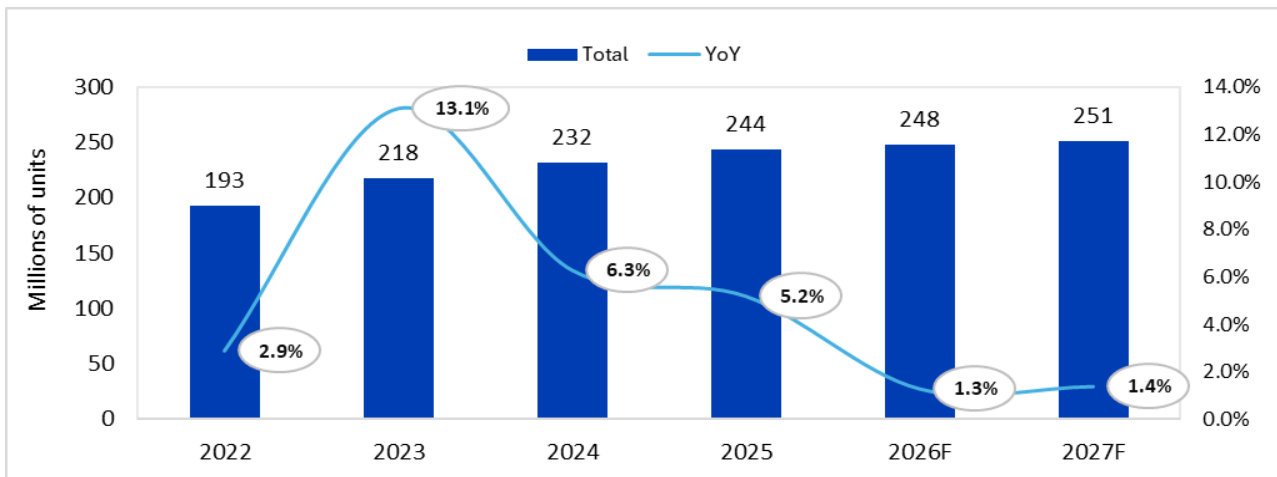
Source: Omdia, Nov. 2025

In addition, as supply chain maturity continues to improve, foldable smartphone designs are evolving toward thinner form factors and greater product diversity, driving increased market attention and demand growth. In 3Q24, China-based smartphone brands introduced tri-fold smartphone models, while in 2025 several leading vendors continued to launch both bi-fold and tri-fold devices, highlighting the ongoing growth potential of the foldable smartphone market. As foldable smartphone adoption expands, flexible AMOLED panels are also gradually penetrating adjacent applications such as tablets and notebook PCs. Leveraging advantages including lightweight design, high contrast ratios, and low power consumption, flexible AMOLED technology is further being adopted in foldable notebook designs, supporting the growth of emerging applications. On the supply side, China-based manufacturers have actively expanded AMOLED capacity in recent years. Supported by ongoing technology upgrades and yield improvements, these suppliers have become one of the major global sources of AMOLED panels. In 2025, Gen 8.6 AMOLED production lines commenced operations, targeting new applications including tablets, notebook PCs, and automotive displays. Looking ahead, supported by stable end-market demand growth and continued capacity expansion across the supply chain, AMOLED panel penetration is expected to increase further, strengthening its competitiveness across diversified display applications.

(3) Automotive display panels

According to market data from Omdia, global automotive display panel shipments in 2025 are expected to benefit from continued growth in the electric vehicle (EV) market, as well as an increasing number of displays per vehicle. Full-year shipments are projected to reach approximately 244 million units, representing a year-on-year growth of 5.2%. Looking ahead to 2026, as EV subsidy programs are gradually phased out across major markets and the global automotive supply chain undergoes restructuring, overall growth in the automotive sector is expected to moderate. As a result, growth momentum in the automotive display panel market is also likely to soften, with year-on-year growth projected to decelerate to 1.3% and total shipments estimated at approximately 248 million units (see Figure 6).

Figure 6: Amount of Shipment of automotive display Panels, 2022-2027



Source: Omdia, Nov. 2025

Key growth drivers in the automotive display market include central information displays (CID), instrument clusters, head-up displays (HUD), and pillar-to-pillar displays spanning the full cockpit width. Supported by strong growth in China’s electric vehicle market, as well as the rapid advancement of digitalization and autonomous driving technologies, automotive displays are increasingly becoming standard features in vehicles. In parallel, the development of smart cockpit architectures is driving a continued increase in the number of in-vehicle displays. Beyond driver-centric displays, passenger-side and rear-seat entertainment displays are being progressively adopted, positioning display systems as a central component of the vehicle’s human-machine interface (HMI) and information integration platform.

In the OEM automotive market, mainstream display sizes are steadily increasing, with most panels concentrated in the 10- to 20-inch range at FHD or higher resolutions. To further enhance visual experience, larger-size, higher-resolution, curved, and irregular-shaped displays are being progressively introduced. Looking ahead, automotive display technologies are expected to evolve toward higher specifications and greater system integration. As this trend becomes increasingly evident, leading global panel manufacturers are actively expanding their presence in the automotive segment, positioning automotive displays and integrated system solutions as key strategic priorities. Automotive displays are therefore expected to remain a major growth driver for the panel industry’s future revenue expansion.

4. Competitive Advantage

(1) Excellent R&D team

The Company's R&D team adheres to a technology self-sufficiency strategy, with deep expertise in analog and mixed-signal circuit design, image processing and algorithm development, as well as touch system technologies. Through the long-term collaboration of cross-disciplinary engineering talent, the Company has established a solid R&D foundation. Building on these capabilities, the Company continues to develop a comprehensive portfolio of driver ICs, touch ICs, timing controller ICs (TCON), and power management ICs (PMIC), while actively expanding into integrated solutions (including TDDI, TED, and LTDI) and next-generation technologies such as Micro LED and Mini LED. This approach enables the Company to maintain its leading position within the industry.

(2) Comprehensive Product Solutions

Leveraging its long-standing technological expertise and comprehensive patent portfolio, the Company has established a full-spectrum product offering spanning large-, medium-, and small-size panels, as well as automotive display applications. It provides diversified solutions across a wide range of panel technologies, including a-Si, LTPS, AMOLED, and LED. Its product portfolio includes high-speed point-to-point interface driver ICs for large-size panels; AMOLED driver ICs for small- and medium-size panels supporting refresh rates of up to 240Hz and LTPO technology with always-on display capability; ultra-low-power TDDI solutions for AMOLED wearable devices; high-speed eDP interface solutions for notebook applications; and automotive-grade driver ICs compliant with multiple safety certification standards. These solutions can be further integrated with touch ICs, timing controller ICs (TCON), and power management ICs (PMIC). Through this comprehensive portfolio, the Company is committed to delivering end-to-end display solutions to meet diverse customer requirements across multiple applications.

(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 backlighting applications are gradually expanding from premium segments into the mainstream market, positioning Mini LED as one of the most promising emerging display technologies over the next several years. According to projections by Omdia, shipments of Mini LED end products are expected to continue growing through 2026 and reach approximately 23.5 million units by 2029, with key applications spanning TVs, desktop monitors, notebook PCs, and automotive displays. Mini LED technology offers several advantages, including high brightness, superior contrast, local dimming capability, and improving cost efficiency. As such, it is well positioned to both replace conventional LCD solutions and complement OLED by addressing its application limitations, thereby playing a critical role in the future display ecosystem.

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) Increasing Functional Integration of Display Panel 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:

The Company will continue to deepen its understanding of end-market applications, strengthen product planning, and enhance customer engagement. Through close collaboration with leading customers, the Company aims to stay aligned with the latest technology trends while mitigating associated investment risks. At the same time, the Company has established solid development and mass production foundations across key segments, including wearable devices, automotive displays, under-display camera (CUD) applications, and notebook integrated driver IC solutions. These capabilities support the Company in maintaining its technological leadership and system integration advantages.

(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

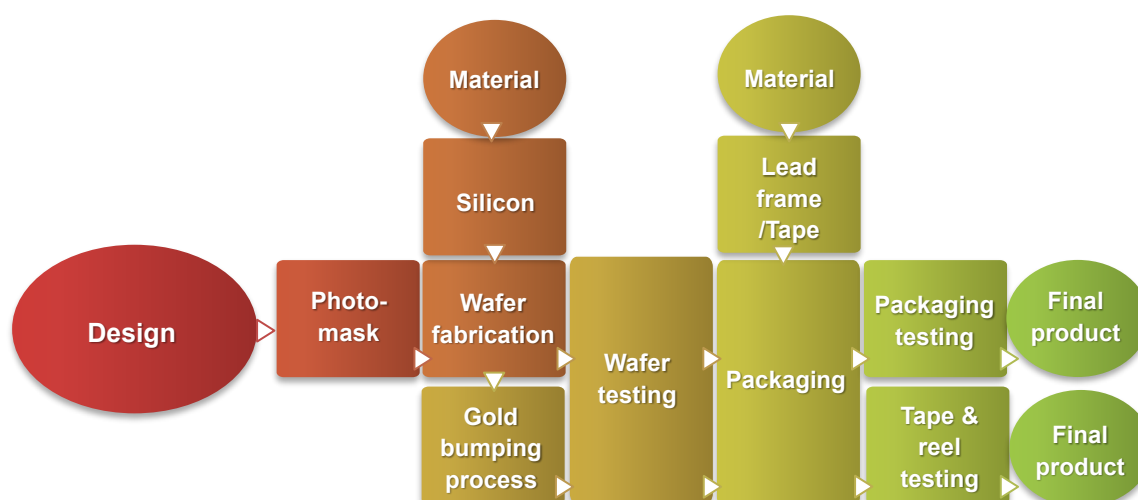
Display driver ICs are mainly used in various type of displays, which can be categorized into computer displays (e.g., Notebook, Monitor, etc.), home audio and video equipment (e.g., TV, etc.), consumer and entertainment products (e.g., smartphones, wearable devices, handheld game console, etc.), and 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, STEMCO | 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 | 2024 | | | | 2025 | | | |
|------|---------------|------------|---------|---------------------|---------------|------------|---------|---------------------|
| | Name (Note 1) | Amount | Percent | Relation to Raydium | Name (Note 1) | Amount | Percent | Relation to Raydium |
| 1 | K | 5,167,008 | 41.68 | None | K | 3,497,829 | 30.51 | None |
| 2 | G | 1,887,517 | 15.23 | None | G | 1,784,199 | 15.57 | None |
| 3 | B | 1,341,678 | 10.82 | None | B | (Note 2) | | None |
| 4 | Others | 4,000,695 | 32.27 | | Others | 6,181,049 | 53.92 | |
| | Net purchase | 12,396,898 | 100.00 | | Net purchase | 11,463,077 | 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 | 2024 | | | | 2025 | | | |
|------|---------------|------------|---------|---------------------|---------------|------------|---------|---------------------|
| | Name (Note 1) | Amount | Percent | Relation to Raydium | Name (Note 1) | Amount | Percent | Relation to Raydium |
| 1 | Z | 3,393,822 | 13.92 | None | O | 2,588,857 | 11.56 | None |
| 2 | O | 3,349,810 | 13.74 | None | Z | 2,469,775 | 11.03 | None |
| 3 | Y | 3,101,037 | 12.72 | None | Y | (Note 2) | | None |
| 4 | Others | 14,532,133 | 59.62 | | Others | 17,338,537 | 77.41 | |
| | Net sales | 24,376,802 | 100.00 | | Net sales | 22,397,169 | 100.00 | |

Analysis on increase or decrease:

Changes in the amount and percentage of sales to major customers during the year were primarily attributable to changes in revenue and customer sales mix.

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.

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

4.3 Employees

Unit: Persons; Year; %

| Year | | 2024 | 2025 | Up to the annual report publication date in 2026 |
|----------------------------------|--------------------------|-------|-------|--|
| Number of Employees (Persons) | R&D | 808 | 910 | 814 |
| | Management and sales | 178 | 178 | 283 |
| | Manufacturing | 82 | 83 | 84 |
| | Total | 1,068 | 1,171 | 1,181 |
| Average age (Years) | | 37.8 | 39.0 | 39.0 |
| Average years of service (Years) | | 6.00 | 6.00 | 6.1 |
| Education (%) | Ph.D. | 2 | 2 | 2 |
| | Masters | 65 | 66 | 66 |
| | Bachelor's Degree | 32 | 31 | 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 environment-related losses in the past two fiscal years, and no such expenditures are 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 2025, 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 67% reinstatement rate in 2025.

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 2025, a total of 10,000 participants completed 21,121 training hours, with an average of 21 training hours per person.

- (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 2025, the Company contributed NT\$74,397 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:

| Company Name | Description of Event | Countermeasures and Improvement Measures |
|-----------------------------------|---|--|
| Raydium Semiconductor Corporation | <ul style="list-style-type: none"> • Date of Disposition: September 19, 2025 • Disposition No.: Zhu-Huan-Zi No. 1140031247 • Legal Provision Violated: Paragraph 6, Article 30 of the Labor Standards Act. • Nature of Violation: Failure to maintain detailed daily attendance records to the minute. • Penalty: An administrative fine of NT\$ 20,000. | <ul style="list-style-type: none"> • Enhanced Communication: Reinforce internal communication with employees to ensure that paper-based logs are mandatorily completed in the event of forgotten access cards. • Standardized Procedures: Reiterate the requirement for employees to complete "Business Trip/Outing Forms" for any off-site work activities during business hours to ensure the accuracy and integrity of attendance data. |

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 2025, the Company conducted penetration testing through an external cybersecurity team to remediate identified vulnerabilities. Additionally, the Company continued to refine the 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 (hacker attack simulation drills) were conducted in 2025 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

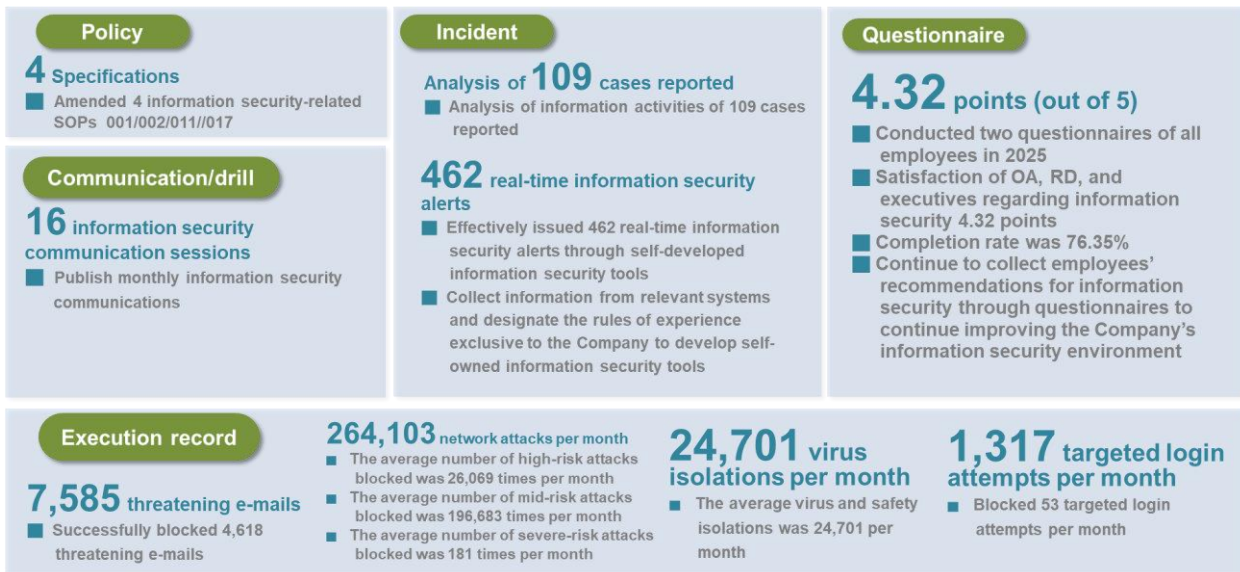
To implement the principles of the Company's information and communications security policy, the following resources have been allocated:

- (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 2025, a total of four 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 5, 2025.
- (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 2025. The results of these drills are reviewed and used to implement improvements, thereby strengthening information security awareness across all departments and employees. In 2025, 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 2025 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 Intellectual Property Management

4.7.1 Intellectual Property Management Plan

The Company regards intellectual property as a critical core of its corporate competitiveness. In response to the global trend of the semiconductor IC design industry toward higher specifications and advanced technological innovation, the Company continues to strengthen its core competitiveness through talent cultivation, key technology research and development, and upstream and downstream industry integration. To establish a comprehensive intellectual property protection framework, the Company closely integrates its intellectual property strategy with product development and technological innovation, and enhances the protection effectiveness of product value and technological achievements through systematic management and inventory. In addition, through a well-established intellectual property management system, the Company continuously improves patent quality as an important foundation for addressing future industry competition and legal risks.

1. Intellectual Property Management Strategy

To implement intellectual property management and align with the Company's goals of sustainable operation and innovative development, the Company is committed to establishing a comprehensive intellectual property management system, strengthening the protection and utilization of R&D achievements, and enhancing employees' awareness of intellectual property protection. Meanwhile, by continuously promoting innovative R&D and intellectual property portfolio development, the Company enhances its competitive advantages while ensuring regulatory compliance and risk control to reduce infringement risks. In addition, by promoting intellectual property proposals and patent applications, establishing classification and grading as well as maintenance system, conducting regular reviews and optimization of intellectual property deployment, and strengthening education and training and system operation, the Company continuously improves the overall effectiveness and quality of intellectual property management.

2. Intellectual Property Management System:

To effectively manage and protect R&D achievements, in addition to clearly stipulating employees' confidentiality obligations and ownership of intellectual property rights in the Employment Contracts and the Non-Disclosure Agreements, the Company has also established regulations governing the review of intellectual property proposals and related incentive programs. Through institutionalized management and appropriate incentive programs, the Company continuously promotes technological innovation and R&D momentum. The specific management measures are as follows:

(1) Patent Management

The Company has established relevant regulations for the review of intellectual property proposals and, based on such regulations, has implemented mechanisms for proposal submission and review. In addition, an electronic patent management system has been introduced to manage matters such as application submissions, procedural tracking, and annuity maintenance. Through digitalized operations, the Company is able to more effectively monitor its patent portfolio and ensure that R&D achievements receive timely and appropriate legal protection.

(2) Trade Secret Protection and Information Security Safeguards

The Company places great importance on the protection of trade secrets and regards it as a critical responsibility shared by all employees. The relevant management measures are as follows:

- **Contractual Obligations:** All employees are required to sign the Employment Contracts and the Non-Disclosure Agreements upon onboarding, clearly stipulating the ownership of intellectual property rights and confidentiality obligations. When cooperating with external entities such as industry, government, academia, and research institutions, strict Non-Disclosure Agreements (NDAs) are also executed.

- **Management Standards:** For business secrets and key technological achievements, access control management are implemented, and appropriate controls are applied to the access, use, and transmission of information to reduce the risk of information leakage.

(3) Trademark Portfolio and Brand Maintenance

To enhance brand recognition and safeguard brand rights and interests, the Company applies for trademark registration for marks with specific commercial purposes in accordance with the laws and regulations of each jurisdiction. Through trademark portfolio planning, the Company strengthens brand asset management and maintains its competitive position in the market.

(4) External Publication of Works

To balance technical exchange and the protection of confidential information, employees who intend to publish papers, reports, or other public information related to their duties must first submit such materials for review by an internal review committee. External publication is only permitted after confirming that no trade secrets are disclosed and that patent application strategies are not adversely affected.

To ensure the effective operation of the intellectual property management system, the Company will determine and provide the necessary resources required to support the establishment, implementation, and maintenance of the system based on actual needs, such as education and training programs. At the same time, the Company continuously monitors risks and opportunities related to intellectual property management in both internal and external environments and adopts appropriate response measures as necessary. Furthermore, through the planning and promotion of continuous improvement process, the Company regularly reviews the operation and effectiveness of the system to ensure that the intellectual property management system aligns with the Company’s overall development objectives and expected benefits.

4.7.2 Implementation Status

- 1. The Company reported intellectual property-related matters to the Board of Directors on August 5, 2025.**
- 2. The major implementation results in recent years are as follows:**
 - (1) Established regulations for the review of intellectual property proposals and related incentive programs, closely linked with operational objectives.
 - (2) Completed digitalized document management and archiving in 2022.
 - (3) Established a dynamic inventory review for patent maintenance in 2022.
 - (4) Incorporated intellectual property courses into new employee training programs.
 - (5) As of the end of December 2025, the implementation results of patents and trademarks are as follows:
 - Number of valid patents worldwide: 346; number of applications pending: 85.
 - Number of registered trademarks worldwide: 10.

4.8 Important Contracts

| Contract Type | Party | Contract Term | Content | Restrictions |
|------------------------------|------------------------------------|----------------------------|---|--------------|
| Sales and Purchase Agreement | Winsome Development Co., Ltd. | 2023/11/2~2027/12/31 | Purchase of Real Estate and Parking Space | None |
| Rental agreement | AUO Corporation | 2025/4/1~2025/12/31 | Office rental | None |
| Rental agreement | Powertech Technology Inc. | 2025/12/26~2029/12/31 | Office rental | None |
| Rental agreement | Shin Kong Life Insurance Co., Ltd. | 2022/5/1~2027/4/30(Note) | Office rental | None |
| | | 2024/1/1~2027/4/30 (Note) | Office rental | None |
| | | 2026/2/01~2031/1/31 (Note) | Office rental | None |
| Rental agreement | Qisda Corporation | 2026/1/1~2026/12/31 | Office rental | None |

Note: Lease agreements with Shin Kong Life Insurance Co., Ltd. are executed separately for each floor; therefore, the lease terms differ.

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 | 2025 | 2024 | Difference | |
|--------------------------------|------|------------|------------|-------------------|------|
| | | | | Change, by Amount | % |
| Current Assets | | 17,335,644 | 18,333,466 | (997,822) | (5) |
| Property, Plant, and Equipment | | 567,644 | 409,274 | 158,370 | 39 |
| Intangible Assets | | 646,374 | 511,807 | 134,567 | 26 |
| Other Assets | | 1,109,581 | 1,167,384 | (57,803) | (5) |
| Total Assets | | 19,659,243 | 20,421,931 | (762,688) | (4) |
| Current Liabilities | | 7,694,303 | 7,596,350 | 97,953 | 1 |
| Non-current Liabilities | | 445,083 | 733,076 | (287,993) | (39) |
| Total Liabilities | | 8,139,386 | 8,329,426 | (190,040) | (2) |
| Common Stock | | 758,552 | 758,552 | 0 | 0 |
| Capital Surplus | | 4,712,933 | 4,712,933 | 0 | 0 |
| Retained earnings | | 6,462,155 | 6,737,706 | (275,551) | (4) |
| Other equity | | (413,783) | (116,686) | (297,097) | 255 |
| Total Equity | | 11,519,857 | 12,092,505 | (572,648) | (5) |

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 property, plant and equipment: Mainly due to the addition of construction in progress for real property at Tai Yuen Hi-Tech Industrial Park.
2. Increase in intangible assets: Mainly due to the addition of computer software.
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 | 2025 | 2024 | Difference | |
|-----------------------------------|------|------------|------------|-------------------|------|
| | | | | Change, by Amount | % |
| Operating Revenue | | 22,397,169 | 24,376,802 | (1,979,633) | (8) |
| Operating Costs | | 16,010,423 | 17,063,862 | (1,053,439) | (6) |
| Gross Profit | | 6,386,746 | 7,312,940 | (926,194) | (13) |
| Operating Expenses | | 4,862,767 | 5,184,357 | (321,590) | (6) |
| Operating Income | | 1,523,979 | 2,128,583 | (604,604) | (28) |
| Non-operating Income and Expenses | | 42,595 | 296,395 | (253,800) | (86) |
| Income before Income Tax | | 1,566,574 | 2,424,978 | (858,404) | (35) |
| Income Tax Expense | | 183,188 | 325,989 | (142,801) | (44) |
| Net Income | | 1,383,386 | 2,098,989 | (715,603) | (34) |

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. Decrease in operating income: Mainly due to the decrease in revenue resulting from weaker overall demand momentum.
2. Change in non-operating income and expenses: Mainly due to higher foreign exchange losses resulting from exchange rate fluctuations.
3. Decrease in income tax expense: Mainly due to lower 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 ICs. Our business is based on product sales forecasts, progress of new product development and client production demand forecasts, taking into account foundry capacity planning and business development strategies. The Company currently funds its operations with its own funds. The Company does not expect any 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 required for sales is expected to remain stable.

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 2025 | Net Cash Flows from Investing and Financing Activities in 2025 | Cash Surplus Amount (Including Foreign Exchange Adjustments) | Remedy for Liquidity Shortfall | |
|---------------------------|--|--|--|--------------------------------|----------------|
| | | | | Investment Plan | Financial Plan |
| 5,485,507 | 1,198,633 | (3,586,311) | 3,096,560 | - | - |

1. Operating activities: Mainly due to cash inflows generated from operating activities during the current period.
2. Investing activities: Mainly due to time deposits with original maturities of more than three months, as well as additions of computer software and construction in progress related to real property at Tai Yuen Hi-Tech Industrial Park.
3. Financing activities: Mainly due to the combined effect of cash dividend distribution, return of capacity guarantee deposits, and increase in short-term borrowings.

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\$686 million in capital expenditures for the acquisition of property, plant and equipment and intangible assets in 2025, representing 3.06% 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 and its subsidiary Raydium Kunshan, jointly invested in and established a wholly owned subsidiary—Raydium Semiconductor (Hefei) Co., Ltd. (hereinafter referred to as “Raydium Hefei”) in February 2025.

In 2025, the Company recognized investment gains from Raydium Kunshan and Raydium Hefei of NT\$21,949 thousand and NT\$3,346 thousand, respectively, totaling NT\$25,295 thousand, representing a decrease of NT\$73,574 thousand compared to the previous year. The decrease was mainly attributable to weaker overall market demand. In accordance with the **Regulations for the Supervision and Management of Subsidiaries**, the Company continues to obtain the subsidiaries’ financial statements on a monthly basis and monitors their operational and financial status. The operational risks of these subsidiaries have limited impact on the Company.

5.5.3 Investment Plans for the Next Fiscal Year: None.

5.6 Risk Management

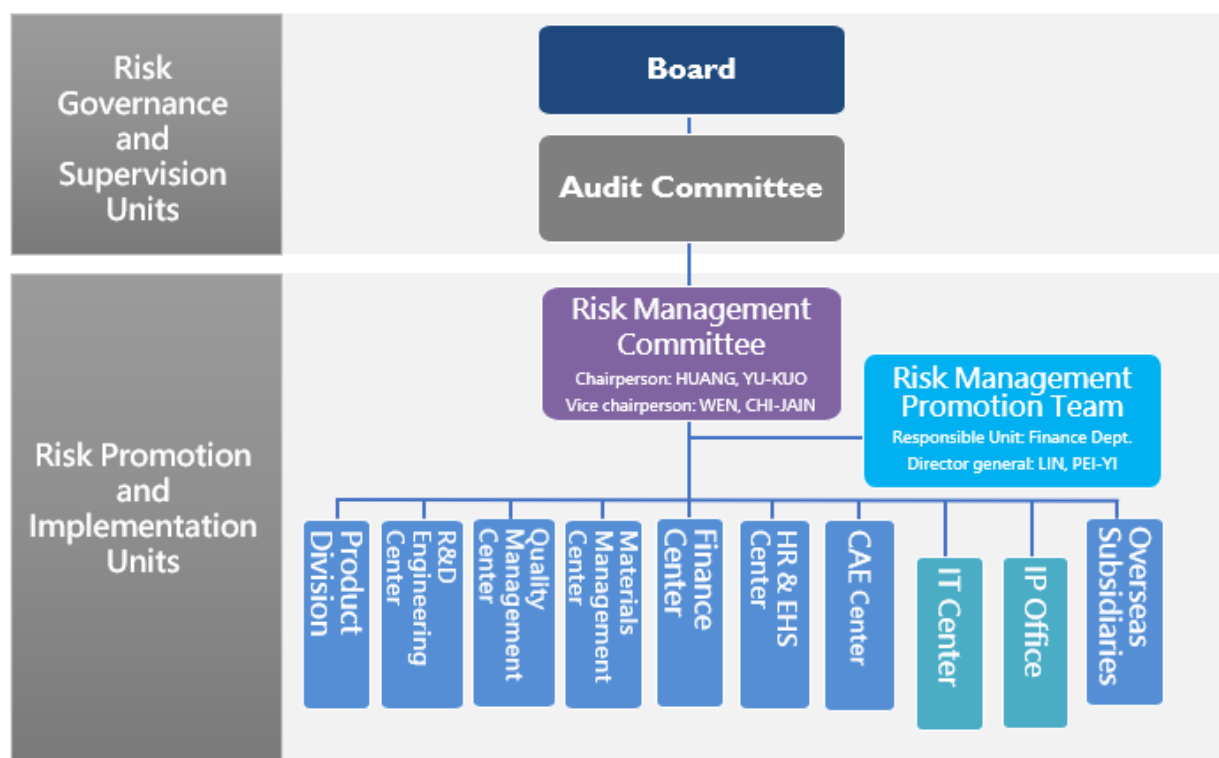
To ensure sound operations, enhance corporate governance, and implement the Board’s risk management and supervisory function, the Company has established a Risk Management Committee to carry out risk identification and monitor relevant risks that may affect sustainable corporate development based on four major aspects: finance (F), operations (O), strategy (S), and hazards (H). The Company minimizes potential 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 the Board approved the amendments to the “Risk Management Policy and Procedures” in November 2023 to serve as the highest guiding principle 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; the highest-ranking executives of each operating unit form the Risk Management Committee. The Chairman/CEO and President are the chair and vice chair, and the CFO is the executive secretary responsible for coordinating 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, risk monitoring and review.

5.6.5 Operation of the Risk Management Committee in 2025 (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 24, 2026. The operation of the Risk Management Committee in 2025 is summarized as follows:

| Time | Implementation Status |
|-----------|--|
| Feb. 2025 | <ul style="list-style-type: none"> • Convened the first Risk Management Committee meeting in 2025 to analyze the preliminary risk identification results for 2025. • Reported the implementation progress of the Risk Management Committee to the Board on February 25, 2025 |
| May 2025 | <ul style="list-style-type: none"> • Convened the second Risk Management Committee meeting in 2025 to conduct quarterly tracking of risk items and their implementation status. |
| Jul. 2025 | <ul style="list-style-type: none"> • Convened the third Risk Management Committee meeting in 2025 to conduct quarterly tracking of risk items and their implementation status. |
| Aug. 2025 | <ul style="list-style-type: none"> • Reported the implementation progress of the Risk Management Committee to the Board on August 5, 2025 |
| Oct. 2025 | <ul style="list-style-type: none"> • Completed a hacker intrusion BCP drill in October 2025. |
| Nov. 2025 | <ul style="list-style-type: none"> • Convened the fourth Risk Management Committee meeting in 2025 to conduct quarterly tracking of risk items and their implementation status. |
| Dec. 2025 | <ul style="list-style-type: none"> • Completed the 2026 risk management education and training. • Conducted the 2026 risk identification and analysis for each unit, incorporating "sustainability risks and opportunities" into the scope of identification. |

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 focus on their core business operations. Their financial policies are prudent and conservative, and they do not engage in high-risk or highly leveraged investments. All fund utilization is carried out after careful evaluation.
- The Company and its subsidiaries have not engaged in loans of funds to others. Should there be any need for such transactions in the future, they will comply with the "Operational Procedures for Lending Funds to Others" established by the Company.
- To meet the procurement and financing needs of its subsidiary, Raydium Semiconductor (Kunshan) Co., Ltd., the Company has provided endorsement and guarantee credit lines. The actual utilization amounts are within the approved limits. All related operations are conducted in accordance with the "Procedures for Endorsements/Guarantees for Others" established by the Company.
- The derivatives transactions undertaken by the Company and its subsidiaries are all for hedging purposes, primarily through forward foreign exchange transactions to mitigate the impact of foreign currency receipts and payments and exchange rate fluctuations on operations. No speculative trading is conducted. All related operations are carried out in accordance with the "Operational Procedures for Engaging in Derivatives Trading" established by the Company. In the future, the Company will regularly review and make timely adjustments to its hedging strategies in response to operational needs and market changes.

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 | Driver 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 |

| Project in Development | | Purpose of Development |
|------------------------|---|---|
| 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 applications |
| 15 | Automotive timing control IC | Develop automotive display timing controller IC for high-contrast, high-resolution applications |
| 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,” and has since dynamically adjusted the corresponding response mechanisms based on operational conditions. For critical systems, the Company conducts annual offsite backup drills, 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 reducing operational risks and minimizing potential losses. In October 2025, the Company completed an on-site BCP drill for a hacker intrusion scenario.

For further details on the Company's information security management, please refer to the Company's website and pages 95-98 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, 2025):

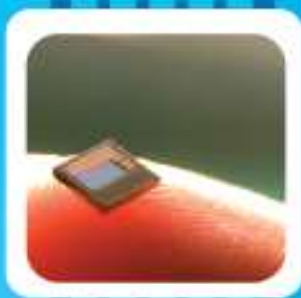
Please refer to the 2025 disclosures in the “Related Party Disclosure Statements” section on the Market Observation Post System (MOPS):

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