TUL CORPORATION
TSE：6150

2024
Annual Report

TUL Corporation

Web www.tul.com.tw

TWSE https://mops.twse.com.tw

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I. Company Spokesperson:
Name: Chou Chung-Hsin
Job Title: Executive Assistant to the General Manager
Tel: (02)8698-3000 ext.8232
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Spokesperson:
Name: Hsieh Wen-Pi
Title: Deputy General Manager, Finance and Accounting
Tel: (02)8698-3000 ext.8503
Email: Margaret_Hsieh@tul.com.tw

II. Head Office, Branch Office, Factory Address, and Telephone
Head Office: 7-7F, No. 79, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City
Baochang Factory: 1 to 4 Floor, No. 431-433 Baochang Road, Xizhi District, New Taipei City
Tel: (02)8698-3000

III. Name, address, website, and phone number of the stock transfer agency:
Name: Shareholder Services Department, Fubon Securities Co., Ltd.
Address: 11F, No. 17, Hsuchang Street, Taipei City
Website: www.fubon.com.
Tel: (02)2361-1300

IV. Name of the auditor for the most recent annual financial report, name of the firm, address, website, and phone number:
Accountants' Names: Chiu Meng-Chieh, Chang Ching-Hsia
Office Name: Deloitte Taiwan
Address: 20F, 100 Songren Road, Taipei City
Website: www.deloitte.com.tw
Tel: (02)2725-9988

V. There is currently no trading venue available for the listing and trading of overseas securities, and there is also no established method to access information about these securities.

VI. The Company's website: www.tul.com.tw

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Chapter 1 Shareholder Report

Ladies and gentlemen, shareholders, good day.

Over the past year, due to the ongoing Russia-Ukraine war and the Israel-Hamas conflict, disrupted supply chains and energy supply have continued to hinder the recovery of global economic growth. In the United States, although the Federal Reserve's interest rate hikes have reached their endpoint, the consumer electronics market and the industrial computer industry have not improved throughout the year. Additionally, key chip suppliers, including AMD and Intel, deviated from their usual patterns by not releasing new products in the first three quarters to stimulate market demand, resulting in operational outcomes that fell short of expectations. Despite facing an unfavorable business environment, the Company team has continued its efforts to improve operational performance. In addition to adjusting the inventory levels of both the Company and its channel partners to a healthy state, the team has also been working on improving the issue of poor product gross margins.

As we enter 2025, deglobalization has become the primary risk consideration for global business operations. The subsequent developments of the Russia-Ukraine war and their potential to revive the European market represent another significant factor influencing this year. The Company's challenge is how to effectively leverage the advantages of its own production base in Taiwan to turn the crisis into an opportunity in the face of tariff impositions. Furthermore, it is essential to capitalize on the business opportunities arising from Europe's recovery and post-war reconstruction. The year 2024 was the first year of full development for generative AI. The market in 2025 will only be larger. The management team is also working hard to develop and explore solutions and business opportunities in the generative AI inference sector. We hereby express our gratitude for the enthusiastic support of our shareholders. The operational results for the past year are reported as follows:

I. **2024** Annual Business Report

(I) Implementation Overview and Results of the Business Plan

Due to the aforementioned macroeconomic factors and the upstream chip manufacturers not releasing new products, the company’s operating revenue in 2024 decreased by 13% compared to 2023. However, operating gross profit increased by 7.62% thanks to the clearance of old inventory. Inflation and interest rate hikes caused expenses and interest costs to rise compared to 2023, resulting in a loss increase of 41.33% compared to the previous year.

Unit: in NT$1,000

Account	2024	2023	Discrepancies	Growth Rate (%)
Operating revenue	4,696,299	5,412,091	(715,792)	(13.23)
Gross operating profit	187,512	174,229	13,283	7.62
Net operating profit (loss)	(197,281)	(165,548)	(31,733)	19.17
Net income (loss)	(198,304)	(140,309)	(57,995)	41.33

(II) Implementation Status of Operating Income and Expenses and Analysis of Profitability

Unit: in NT$1,000

Item		2024	2023
Revenus and expenditure	Operating revenue	4,696,299	5,412,091
	Gross operating profit	187,512	174,229
	Net income (loss)	(198,304)	(140,309)
Profitability	Return on total assets (%)	(3.99)	(3.01)
	Return on equity (%)	(12.90)	(8.27)
	Net profit margin (%)	(4.22)	(2.59)
	Basic earnings per share	(4.10)	(2.84)

(III) Research and development status:

1. The Company continues its collaboration with AMD to launch the highly efficient Navi 4 GPU in the current PC industry. This GPU is used in 3D gaming hardware for DirectX® 12 Ultimate accelerated graphics cards, AI artificial intelligence/machine learning high-speed floating-point computation, and AMD Liquid VR/AR hardware acceleration interfaces. It supports rapid computation formats such as DirectX, Mantle, Vulkan 1.3, OpenCL 2.0, and OpenGL 4.0. Supports DP 2.1a/DSC 1.2b/HDMI 2.1b 8K120 high-definition output.
2. Collaborated with AMD to establish the ROCm open-source platform. Utilize the complete GPGPU ecosystem for AI applications.
3. For the digital home appliance market, we have collaborated with media advertising vendors to develop dedicated digital devices for advertising walls, such as multi-screen output PCIe/MXM display cards.
4. Continuing to prioritize the application of IPC (industrial computer) display cards, including MXM display cards, PCIe, and interposer multi-screen display cards. This product is a customized product developed by TUL Corporation. upon customer's demand. We develop high-speed image capture devices to assist 3D camera manufacturers in providing comprehensive solutions.
5. The Intel ThunderBolt 4/5 and USB4 high-speed I/O transmission interfaces include an eGPU case, fast 10G Ethernet, an 8K 120Hz Video port, and various Dock box outputs.
6. Customized product Xilinx FPGA (high-density programmable chips) hardware design and software development.

II. Summary of the 2025 annual business plan, future company development strategies, and the impact of external competitive, regulatory, and macroeconomic environments

(I) Business Policy and Development Strategy

1. Close collaboration has been established with the manufacturer and agents to improve control over raw materials and maintain the integrity of the supply chain.
2. Strengthen and implement a strategy of multi-site production and short supply chains to mitigate the risks arising from trade wars.

3. Continuously expanding the industrial graphics cards market and developing new products, hoping to continue to increase gross profit and mitigate the risk of product homogenization.
4. Continuously expand investment in and development of software and drivers for customized products.
5. Continue to expand investment in the field of precision medicine and diversified testing: Assisting customers in the production of in vitro diagnostic devices (IVD) through a semi-automated pneumatic assembly line.
6. Expanding the application of graphics cards in rendering and generative AI inference, as well as AI applications in various fields, and developing and providing system solutions.
7. When it comes to handling electronic waste, reuse key components, and refine and recycle other parts.

(II) Expected sales volume and its basis

Taking into account the Company's operational plan and industry development trends, we estimate that the sales volume in 2025 will be approximately 600K.

In response to global market changes, the Company will continue to deepen its presence in the existing gaming, esports, and creator graphics card markets, while also investing in the development of the live streaming, immersive experience, and the rapidly growing generative AI inference markets. In terms of R&D capabilities, the primary focus is to apply and leverage the Company's years of accumulated graphics card development expertise for industrial applications. Regarding generative AI, the emphasis is on cultivating and enhancing hardware system integration and platform software development capabilities. In addition to graphics cards, the Company is actively engaged in the research and development of new products, such as Intel ThunderBolt 4/5 high-speed I/O transmission solutions, as well as customized products and FPGA development. The methods include customizing graphics cards for industrial use and developing new applications, such as generative AI and professional rendering, primarily to enhance the Company's total addressable market (TAM) and gross profit margin on sales. Additionally, the Company aims to diversify its products year by year to mitigate the potential impact of a downturn in any single industry on revenue. In the area of smart manufacturing services, after purchasing a factory and office in 2021, the Company has begun to meet clients' production needs in Taiwan. In addition to its existing electronic products, the Company has expanded into providing OEM/ODM manufacturing services for optics and precision medicine. This move allows the Company to enter two of the largest and fastest-growing market segments in recent years. It not only diversifies the Company's operational risks but also provides more growth momentum amid geopolitical tariff politics.

Wishing you good health and all the best.

TULCorporation
ChairmanChangMao-Sung

Chapter 2 Corporate Governance

I. Information on Director, Manager, Deputy Manager, Assistant, Department Managers

(I) Director information

1. Director

April 22, 2025

Job title	Nationality	Name	Gender and age	Date of appointment	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the Company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
							Shares	%%	Shares	%%	Shares	%%	Shares	%%			Job title	Name	Relationship	
Chairman	R.O.C	Chang Mao-Sung	Male 67	2023.6.14	3 years	2002.05.20	1,319,919	2.73%	1,319,919	2.73%	0	0	0	0	Person in charge of Tongxin Tang Ginseng Pharmacy Deputy CEO of the Traditional Chinese Medicine Department of Weigong Hospital Graduated from China Medical University College of Medicine	Person in charge of Tongxin Tang Ginseng Pharmacy Independent Director of BaaS Innovation Co., Ltd.	No	No	No	-
Director	R.O.C	Liu Feng-Lan	Female 59	2023.6.14	3 years	2000.05.19	2,606,833	5.39%	2,629,833	5.44%	0	0	0	0	Ming Chuang University Business Administration Alstrong Scientific International Ltd. Accounting Manager	No	General Manager Deputy General Manager	Chen Chien-Wei Liu Jing-Kuan	Spouse Second-degree Kinship	-
Director	R.O.C	Lee Che-Yu	Male 49	2023.6.14	3 years	2015.6.15	0	0	0	0	0	0	0	0	Master's degree from National Chengchi University Chief Financial Officer of Great Giant Fibre Garment Co., Ltd.	CEO and Chief Financial Officer of Great Giant Fibre Garment Co., Ltd. Independent Director of Brighten Optix Corp.	No	No	No	-
Director	R.O.C	Huang Yin-Shui	Male 64	2023.6.14	3 years	2023.6.14	8,454	0.02%	8,454	0.02%	265	0	0	0	Department of Applied Physics, Tamkang University R&D Manager of Assura Engineering Ltd. R&D Manager of United Technologies	Tul Corporation Vice President	No	No	No	
Independent Director	R.O.C	Teng Fu-Chi	Male 65	2023.6.14	3 years	2017.6.13	0	0	0	0	0	0	0	0	National Chengchi University Entrepreneur Management Research Class Chairman of Tainet Communication System Corp.	Vice Chairman, Chief Strategy Officer of Advanced Power Electronics Co., Ltd. Chairman of Future Technology Consulting (B.V.I.), Inc. Corporate director representative of Tainet Communication System Corp. Corporate chairman representative of Green Power Semiconductor Corporation Corporate director representative of Wuxi Orangechip Microelectronics Technology Co., Ltd.	No	No	No	-

Job title	Nationality	Name	Gender and age	Date of appointment	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the Company and/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
							Shares	%%	Shares	%%	Shares	%%	Shares	%%			Job title	Name	Relationship	
																Corporate director representative of Fuhong Investment Corporation Limited Corporate chairman representative of Xinpu Star Entrepreneurship Investment Director of Guide Star Entrepreneurship Investment Corporation Limited Director of Taiwan Star Venture Capital Corporate director representative of Zhengda Star Venture Capital Corporate director representative of Future Technology Consulting (B.V.I.), Inc. Corporate director representative of Perfect Prime Limited (SAMOA) Director of Data Image Co., Ltd. Independent Director of Caswell, Inc.				
Independent Director	R.O.C	Wang Kung-Jeng	Male 64	2023.6.14	3 years	2023.6.14	0	0	0	0	0	0	0	0	PhD in Industrial Engineering from the University of Wisconsin, USA National Taiwan University of Science and Technology Special Appointment Professor of Industrial Management and Vice Dean of the College of Management	National Taiwan University of Science and Technology Distinguished Professor in the Department of Industrial Management and Director of the College of Industry Innovation at Graduate Institute of Intelligent Manufacturing Independent Director of Ledtech Electronics Corporation Independent Director of Tai-Shing Electronics Corporation	No	No	No	-
Independent Director	R.O.C	Su Wen-Hsu	Male 64	2023.6.14	3 years	2023.6.14	0	0	0	0	0	0	0	0	Department of Industrial Management, National Taiwan University of Science and Technology Vice President, Asia-Pacific Region, LSI Corporation General Manager of Chander Electronics Corp.	Chief Operating Officer of TuneON Technology Co., Ltd. Executive Vice President and Special Assistant to the Chairman at Alder Optomechanical Corp.	No	No	No	-

2. Major shareholders of the corporate shareholder: None.
3. Disclosure of Information Regarding the Professional Qualifications and Experience of Director and Independence of Independent Director:

Qualifications / Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Chang Mao-Sung	● Relevant work experience in business, law, finance, accounting, or corporate operations: Currently serves as the Chairman of the Company, Independent Director of BaaS Innovation Co., Ltd., and person in charge of Tongxin Tang Ginseng Pharmacy. Former chairman of the Company. ● There are no specific situations under Article 30 of the Company Act.	N/A	1
Liu Feng-Lan	● Relevant work experience in business, law, finance, accounting, or corporate operations: Current Director of the Company/Member of the Sustainable Development Committee. Former Director of the Company, Accounting Manager at Alstrong Scientific International Ltd. ● There are no specific situations under Article 30 of the Company Act.	N/A	0
Lee Che-Yu	● Relevant work experience in business, law, finance, accounting, or corporate operations: Chartered Financial Analyst (CFA), Financial Risk Manager (FRM), and Certified Public Accountant (CPA) in Taiwan. Current Director/Member of the Nomination Committee of the Company, Vice Chairman and CFO of Great Giant Fibre Garment Co., Ltd., and Independent Director of Brighten Optix Corp. Former Chief Financial Officer of Great Giant Fibre Garment Co., Ltd. ● There are no specific situations under Article 30 of the Company Act.	N/A	1
Huang Yin-Shui	● Relevant work experience in business, law, finance, accounting, or corporate operations: ● Current Vice President of Research and Development Center and Director of the Company. ● Former R&D Manager of United Technologies and R&D Assistant at ATrend ● There are no specific situations under Article 30 of the Company Act.	N/A	0

Qualifications / Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Teng Fu-Chi	● Relevant work experience in business, law, finance, accounting, or corporate operations: Current positions include Independent Director/Audit Committee Member/Remuneration Committee Member of our Company, Vice Chairman of Advanced Power Electronics Co., Ltd., Chairman of Future Technology Consulting (B.V.I.), Inc., Legal Representative Director of Tainet Communication System Corp., Legal Representative Chairman of Green Power Semiconductor Corporation, Legal Representative Director of Wuxi Orangechip Microelectronics Technology Co., Ltd., Legal Representative Director of Fuhong Investment (Ltd.), Legal Representative Chairman of Xinpu Star Entrepreneurship Investment (Ltd.), Director of Starmet Ventures Inc., Director of Tai Ke Star Entrepreneurship Investment (Ltd.), Legal Representative Director of Zheng Da Star Entrepreneurship Investment (Ltd.), Legal Representative Director of Future Technology Consulting (B.V.I.), Inc., Legal Representative Director of Perfect Prime Limited (SAMOA), Director of Data Image, and Independent Director of Caswell, Inc. Former Chairman of Tainet Communication System Corp. ● There are no specific situations under Article 30 of the Company Act.	● The independent director, his/her spouse, and relatives within the second degree of kinship do not serve as directors, supervisors, or employees of the Company or any of its affiliated enterprises; do not hold any shares in the Company; and do not serve as directors, supervisors, or employees of any company having a specific relationship with the Company. ● In the past two years, there have been no instances where I have received compensation for providing business, legal, financial, accounting, or any other services to our Company or related enterprises.	1

Qualifications / Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Wang Kung-Jeng	• Lecturers for public or private colleges or universities with relevant disciplines needed for business, legal, financial, accounting, or company operations: The individual currently serves as an independent director and a member of the Audit Committee, Remuneration Committee, and Nomination Committee in the Company. Additionally, they hold positions as an independent director in Tai-Shing Electronics Corporation and Ledtech, as well as being a special professor in the Department of Industrial Management at National Taiwan University of Science and Technology. • There are no specific situations under Article 30 of the Company Act.	• The independent director, his/her spouse, and relatives within the second degree of kinship do not serve as directors, supervisors, or employees of the Company or any of its affiliated enterprises. Neither the independent director, nor his/her spouse or relatives within the second degree of kinship, whether directly or through others in name, hold any shares in the Company. Furthermore, the independent director does not serve as a director, supervisor, or employee of any company that has a specific relationship with the Company. • In the past two years, there have been no instances where I have received compensation for providing business, legal, financial, accounting, or any other services to our Company or related enterprises.	2
Su Wen-Hsu	• Relevant work experience in business, law, finance, accounting, or corporate operations: The individual currently serves as an independent director, Audit Committee member, Remuneration Committee member, and Nomination Committee member of the Company. They also hold the position of Chief Operating Officer at TuneON Technology Co., Ltd., as well as Executive Vice President and Special Assistant to the Chairman at Alder Optomechanical Corp. Former Taiwan Regional Director at Super Micro, an American semiconductor company, and Vice President of the Asia-Pacific region at LSI, another American semiconductor company. • There are no specific situations under Article 30 of the Company Act.	• The independent director, his/her spouse, and relatives within the second degree of kinship do not serve as directors, supervisors, or employees of the Company or any of its affiliated enterprises. Neither the independent director, nor his/her spouse or relatives within the second degree of kinship, whether directly or through others in name, hold any shares in the Company. Furthermore, the independent director does not serve as a director, supervisor, or employee of any company that has a specific relationship with the Company. • In the past two years, there have been no instances where I have received compensation for providing business, legal, financial, accounting, or any other services to our Company or related enterprises.	0

4. Diversity and Independence of the Board of Directors:

(1) Diversity of the Board of Directors:

Article 20 of the Company's "Corporate Governance Best Practice Principles" clearly stipulates that the composition of the Board of

Directors should take into account diversity, without restrictions on gender, age, or nationality. In addition to having the necessary knowledge and skills to perform their duties (such as law, accounting, industry, finance, Marketing or technology), in order to achieve the ideal goal of corporate governance, the overall Board of Directors should possess capabilities including operational judgment, accounting and financial analysis capabilities, business management capabilities, crisis management capabilities, industry knowledge, international market outlook, leadership capabilities, and decision-making capabilities and other diversified professional backgrounds.

The current Board of Directors consists of seven members, including three independent directors. The Company places great importance on gender equality in the composition of its Board. At present, male directors account for 86% (6 members) and female directors 14% (1 member). Moving forward, the Company aims to actively seek female professionals with industry experience to join the Board, with the goal of increasing female representation to one-third of the total number of directors.

The Company's implementation of diversity of board members is as follows:

Names of Director	Job title	Simultaneously, while working as an employee of our Company	Gender	Age			Term and tenure of independent director		Industrial experience			Professional competence			
				41 to 50 years old	51 to 60 years old	61 to 70 years old	Under 3 years	3 to 9 years	Finance	Electronic	Manufacture	Legal	Finance	Industry	Science and technology
Chang Mao-Sung	Chairman		Male			V				V				V	V
Liu Feng-Lan	Director		Female		V					V			V	V	
Lee Che-Yu	Director		Male	V					V	V	V		V	V	V
Huang Yin-Shui	Director	V	Male			V				V	V			V	V
Teng Fu-Chi	Independent director		Male			V		V	V	V	V		V	V	V
Wang Kung-Jeng	Independent director		Male			V	V			V	V			V	V
Su Wen-Hsu	Independent director		Male			V	V			V	V			V	V

(2) Independence of the Board of Directors:

Of the current 7 Board of Directors, 3 independent director account for 42.9%, and their independence is as follows: (Note 1)

Code / Name	1	2	3	4	5	6	7	8	9	10	11	12	Remarks
Wang Kung-Jeng	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Complies with independence standards
Teng Fu-Chi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Complies with independence standards
Su Wen-Hsu	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Complies with independence standards

Note 1: Code Explanation: Check the blank space below each criterion code if the following conditions are met in the two years before appointment and during tenure. ✓

(1) Not an employee of the Company or its related enterprises.

(2) Not a director or supervisor of the Company or its related enterprises (however, if serving as an independent director of a subsidiary where the Company or its parent company holds directly or indirectly more than fifty percent of voting rights, this restriction does not apply).

(3) Not myself, spouse, minor children, or any natural person shareholder who holds more than one percent of the total issued shares of the Company or is among the top ten shareholders, whether directly or through another person's name.

(4) Not the spouse, second-degree relatives, or direct blood relatives within five degrees of the individuals listed in the preceding three categories.

(5) Not a director, supervisor, or employee of a legal person shareholder holding directly more than five percent of the total issued shares of the Company, or a director, supervisor, or employee of the top five legal person shareholders.

(6) Not a director, supervisor, or employee of another company where more than half of the directorships or voting rights are controlled by the same person who controls directorships or voting rights in the company.

(7) Not a director, supervisor or employee of another company or institution who is the same person or spouse as the company's chairman, general manager or person with equivalent positions.

(8) Not a director, supervisor, manager or shareholder holding more than 5% of the shares of a specific company or institution that does not have financial or business dealings with the Company.

(9) Not a professional, sole proprietorship, partner, director (trustee), supervisor (director), manager, or consultant providing business, legal, financial, accounting, or other services to the Company or related enterprises, nor their spouses. However, members of the Remuneration Committee who perform their duties in accordance with Article 7 of the Regulations for the Establishment and Exercise of Functions of the Remuneration Committee as stipulated by stock market listing rules or through securities firms for buying and selling company stocks are exempt from this restriction.

(10) No spousal or second-degree relative relationship exists with any other director. (Securities and Exchange Act, Article 26-3, Paragraphs 3 to 4)

(11) There are no specific situations under Article 30 of the Company Act.

(12) The Company Act does not stipulate that government officials, legal entities, or their representatives are eligible for election under Article 27.

(II) General Manager, Deputy General Manager, Assistant Manager, and Heads of Departments and Branches

April 22, 2025

Job title	Nationality	Name	Gender	Date of appointment to position	Shares held		Shareholding of spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions concurrently held in other companies at present	Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
					Shares	Shareholding%	Shares	Shareholding%	Shares	Shareholding%			Job title	Name	Relationship	
General Manager	R.O.C	Chen Chien-Wei	Male	2000.11.06	0	0	2,629,833	5.44	0	0	National Taiwan University and Fudan University Executive MBA (EMBA) Research Institute Deputy General Manager of United Technologies	Chairman of Technology Created Medicine Corporation Chairman of Sparkle Computer Co., Ltd. Chairman of IOTU Corporation Corporate Chairman Representative of Rigo Global Co., Ltd. Independent Director of AEWIN Technologies Co., Ltd. Independent Director of Advanced Power Electronics Co., Ltd.	Vice President	Liu Jing-Kuan	Second-degree Kinship	
Executive Vice President	R.O.C	Chen Jei-Wen	Male	2019.3.1	0	0	490	0	0	0	International Business, National Taiwan University Sales Manager at Dayi Software Corp	Corporate Representative Director of IOTU Corporation	Vice President	Chiu Szu-Chia	Spouse	
Vice President of HW R&D Center	R.O.C	Huang Yin-Shui	Male	2014.1.16	8,454	0.02	265	0	0	0	R&D Manager of Assura Engineering Ltd. R&D Manager of United Technologies	No	No	No	No	
Vice President of the Manufacturing Center	R.O.C	Liu Jing-Kuan	Male	2014.1.16	0	0	0	0	0	0	Kaohsiung Polytechnic Institute's Electronic Engineering Department Engineer at United Technologies	No	General Manager	Chen Chien-Wei	Second-degree Kinship	
Vice President of Discrete Graphics	R.O.C	Chiu Szu-Chia	Female	2017.7.01	490	0	0	0	0	0	TaiwanTech School of Management Sales Manager of TUL Corporation	No	Executive Vice President	Chen Jei-Wen	Spouse	
Vice President of Product Management Center	R.O.C	Chen Wei-Kai	Male	2017.7.01	0	0	0	0	0	0	National Taiwan University of Science and Technology's Executive Master's Program in Advanced Technology Research and Development Crystal Peak Optoelectronics Marketing and Procurement Manager	No	No	No	No	
Deputy Chief Financial Officer (CFO)	R.O.C	Hsieh Wen-Pi	Female	2016.5.4	72	0	0	0	0	0	Soochow University's Department of Accounting Accounting Manager at Concord Chemical Industrial Co., Ltd.	No	No	No	No	
Vice President of Information Center and Quality Assurance Center	R.O.C	Lin Yueh	Male	2021.04.06	0	0	0	0	0	0	Santa Clara University Special Assistant to the General Manager of TUL Corporation	No	No	No	No	

Note 1: The information in this table should be disclosed for the general manager, deputy general managers, assistants, and the chiefs of all the Company's divisions and branch units, including all persons in positions equivalent to general manager, deputy general manager, or assistant, regardless of job title.

Note 2: Specify experience and qualifications related to the current position. If during a period specified above, the person has served in a position at a CPA firm that serves as external auditor/attestor, specify the position held and the duties for which the person was responsible.

Note 3: If the general manager or an equivalent position is the same person as the Chairman, or if they are spouses or first-degree relatives, the reasons, rationality, necessity, and corresponding measures must be disclosed: None.

(III) Remuneration paid to Director, supervisors, general manager and deputy general manager in the most recent year 2024

1. Remuneration to Ordinary Director and Independent Director (Individual Disclosure of Names and Remuneration Items)

December 31, 2024 Unit: in NT$1,000

Job title	Name	Remuneration to Director								Sum of A+B+C+D and ratio to net income after tax (%)		Remuneration received by Director for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income after tax (%)		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		Base compensation (A)		Retirement pay and pension (B)		Remuneration to Director (C)		Expenses and perquisites (D)				Salary, rewards, and special disbursements (E)		Retirement pay and pension (F)		Remuneration to employee (G)						
																The Company		All consolidated entities				
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	Amount in cash	Amount in stock	Amount in cash	Amount in stock	The Company	All consolidated entities	
Chairman	Chang Mao-Sung	2,110	2,110	0	0	0	0	36	36	2,146/-1.08	2,146/-1.08	0	0	0	0	0	0	0	0	2,146/-1.08	2,146/-1.08	No
Director	Liu Feng-Lan	0	0	0	0	0	0	36	36	36/-0.02	36/-0.02	0	0	0	0	0	0	0	0	36/-0.02	36/-0.02	No
	Lee Che-Yu	0	0	0	0	0	0	36	36	36/-0.02	36/-0.02	0	0	0	0	0	0	0	0	36/-0.02	36/-0.02	No
	Huang Yin-Shui	0	0	0	0	0	0	36	36	36/-0.02	36/-0.02	2,080	2,080	103	103	0	0	0	0	2,219/-1.12	2,219 /-1.12	No
Independent director	Teng Fu-Chi	360	360	0	0	0	0	36	36	396/-0.2	396/-0.2	0	0	0	0	0	0	0	0	396/-0.2	396/-0.2	No
	Wang Kung-Jeng	360	360	0	0	0	0	30	30	390/-0.2	390/-0.2	0	0	0	0	0	0	0	0	390/-0.2	390/-0.2	No
	Su Wen-Hsu	360	360	0	0	0	0	36	36	396/-0.2	396/-0.2	0	0	0	0	0	0	0	0	396/-0.2	396/-0.2	No

1. Please describe the policy, system, standards and structure in place for paying remuneration to Director and describe the relationship of factors such as the duties and risks undertaken and time invested by the Director to the amount of remuneration paid.
   In addition to the fixed remunerations for independent director and transportation expenses for attending board meetings paid on a monthly basis, the Company may also allocate additional remuneration to independent director based on their level of involvement and contribution to the Company's operations and takes into account performance evaluation results of the Director. The remuneration allocated for independent director is determined separately from the Directors' remuneration based on the annual profit. The compensation for independent director is subject to review and approval by the Remuneration Committee before being submitted to the Board of Directors for resolution. The remuneration amount allocated to the aforementioned independent director, after being reviewed and approved by the Remuneration Committee, is submitted to the Board of Directors for resolution.
2. In addition to what is disclosed in the above table, the remuneration received by the Director of the Company for providing services (e.g. for serving as a non-employee consultant) to any consolidated entities within the financial statements in the most recent fiscal year: None.

Ranges of remuneration paid to each of the Company's Director	Names of Director			
	Sum of A+B+C+D		Sum of A+B+C+D+E+F+G	
	The Company	All consolidated entities	The Company	All consolidated entities
Less than NT$1,000,000	Liu Feng-Lan, Teng Fu-Chi, Lee Che-Yu, Huang Yin-Shui, Wang Kung-Jeng, Su Wen-Hsu		Liu Feng-Lan, Teng Fu-Chi, Lee Che-Yu, Wang Kung-Jeng, Su Wen-Hsu	
NT$1,000,000 (incl.)～NT$2,000,000 (excl.)	No	No	No	
NT$2,000,000 (incl.)～NT$3,500,000 (excl.)	Chang Mao-Sung		Chang Mao-Sung, Huang Yin-Shui	
NT$3,500,000 (incl.)～NT$5,000,000 (excl.)	No	No	No	No
NT$5,000,000 (incl.)～NT$10,000,000 (excl.)	No	No	No	No
NT$10,000,000 (incl.)～NT$15,000,000 (excl.)	No	No	No	No
NT$15,000,000 (incl.)～NT$30,000,000 (excl.)	No	No	No	No
NT$30,000,000 (incl.)～NT$50,000,000 (excl.)	No	No	No	No
NT$50,000,000 (incl.)～NT$100,000,000 (excl.)	No	No	No	No
NT$100,000,000 or above	No	No	No	No
Total	7	7	7	7

2. Remuneration for Supervisors: Our Company has established an Audit Committee, therefore there is no remuneration for supervisors.
3. Remuneration to General Manager(s) and Deputy General Manager(s) (Disclosure of aggregate remuneration plus disclosure of names by remuneration range)

Unit: in NT$1,000

Job title	Name	Salary (A)		Retirement pay and pension (B)		Bonuses and special disbursements (C)		Employee profit-sharing compensation (D)				Sum of A+B+C+D and ratio to net income (loss) after tax (%)		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities		The Company	All consolidated entities	
								Amount in cash	Amount in stock	Amount in cash	Amount in stock			
General Manager	Chen Chien-Wei	17,152	17,152	851	851	0	0	0	0	0	0	18,003/-9.09	18,003/-9.09	0
Vice President Manager	Huang Yin-Shui													
	Liu Jing-Kuan													
	Chiu Szu-Chia													
	Hsieh Wen-Pi													
	Chen Jei-Wen													
	Chen Wei-Kai													
	Lin Yueh													

General manager(s) and deputy general manager(s) compensation range table

Ranges of remuneration paid to each of the Company's general manager(s) and deputy general manager(s)	Names of General Manager(s) and deputy general manager(s)	
	The Company	All consolidated entities
Less than NT$1,000,000	Chen Chien-Wei	Chen Chien-Wei
NT$1,000,000 (incl.)～NT$2,000,000	No	No
NT$2,000,000 (incl.)～NT$3,500,000	Chen Jei-Wen, Huang Yin-Shui, Liu Jing-Kuan, Chiu Szu-Chia, Hsieh Wen-Pi, Chen Wei-Kai, Lin Yueh	Chen Jei-Wen, Huang Yin-Shui, Liu Jing-Kuan, Chiu Szu-Chia, Hsieh Wen-Pi, Chen Wei-Kai, Lin Yueh
NT$3,500,000 (incl.)～NT$5,000,000	No	No
NT$5,000,000 (incl.)～NT$10,000,000	No	No
NT$10,000,000 (incl.)～NT$15,000,000	No	No
NT$15,000,000 (incl.)～NT$30,000,000	No	No
NT$30,000,000 (incl.)～NT$50,000,000	No	No
NT$50,000,000 (incl.)～NT$100,000,000	No	No
NT$100,000,000 or above	No	No
Total	8	8

4. The compensation of the top five highest-paid executives

Job title	Name	Salary (A)		Retirement pay and pension (B) (Note 3)		Bonuses and special disbursements (C)		Employee profit-sharing compensation (D)				Sum of A+B+C+D and ratio to net income (loss) after tax (%)		Remuneration received from investee enterprises other than subsidiaries or from the parent company
								The Company		All consolidated entities				
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	Amount in cash	Amount in stock	Amount in cash	Amount in stock	The Company	All consolidated entities	
Executive Vice President	Chen Jei-Wen	2,220	2,220	108	108	0	0	0	0	0	0	2,328/-1.18%	2,328/-1.18%	0
Deputy general manager	Liu Jing-Kuan	2,080	2,080	103	103	0	0	0	0	0	0	2,183/-1.1%	2,183/-1.1%	0
Deputy general manager	Huang Yin-Shui	2,080	2,080	103	103	0	0	0	0	0	0	2,183/-1.1%	2,183/-1.1%	0
Deputy general manager	Chiu Szu-Chia	2,080	2,080	103	103	0	0	0	0	0	0	2,183/-1.1%	2,183/-1.1%	0
Deputy general manager	Lin Yueh	2,080	2,080	103	103	0	0	0	0	0	0	2,183/-1.1%	2,183/-1.1%	0

5. Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officers in 2024:

December 31, 2024 Unit: in NT$1,000

	Job title	Name	Amount in stock	Amount in cash	Total	Proportion of total amount to net profit after tax (%)
Managerial officers	General Manager	Chen Chien-Wei	0	0	0	0
	Executive Vice President	Chen Jei-Wen				
	Vice President of R&D Center	Huang Yin-Shui				
	Vice President of the Manufacturing Center	Liu Jing-Kuan				
	Vice President of Sales Department	Chiu Szu-Chia				
	Vice President of Product Management Center	Chen Wei-Kai				
	Deputy Chief Financial Officer (CFO)	Hsieh Wen-Pi				
	Vice President of Information Center and Quality Assurance Center	Lin Yueh				

(IV) A comparative analysis of the ratio of the total remuneration paid to the Company's Director, supervisors, general manager and deputy general manager to the after-tax net income (loss) in the last two years by the Company and all companies in the consolidated statement, and an explanation of the policies, standards and policies for paying remuneration. Combination, remuneration setting process and correlation with operating performance and future risks:

1. Analysis of the total remuneration paid to the Company’s Director, supervisors, general manager and deputy general manager in the last two years as a proportion of the after-tax net profit (loss)
   The remuneration paid to Director, general managers and deputy general managers by the Company and all companies in the consolidated statements accounted for 2.52% and 13.82% of the after-tax net loss in 2023 respectively; in 2024 they accounted for 1.74% and 9.09% of the after-tax net loss respectively.
2. The policy, standard and combination of remuneration payment, the procedures for setting remuneration and its correlation with operating performance and future risks
   (1) Remuneration Policy, Standards, and Structure:
       Managerial officers remuneration

A. The appointment, dismissal and remuneration of the Company's managers shall be handled in accordance with the Company's regulations. The remuneration standard is determined by the Company's remuneration committee based on the overall consideration of the individual's ability, contribution to the Company, annual performance and operating performance. The consideration is oriented towards the practice and operational management capabilities, business operating performance indicators and comprehensive management indicators that include the Company's core values. And measure special contributions or whether there are major negative events, include them in performance evaluations, and pass them by resolution of the Board of Directors.

B. The overall salary package mainly includes three parts: basic salary, bonuses, employee dividends, and benefits. As for the standard of remuneration payment, the basic salary is based on the market conditions of the position held by the employee; bonuses and employee dividends are paid based on the achievement of employees and department goals or the Company's operating performance; as for the welfare design, it is based on compliance with legal provisions. Based on the premise and taking into account the needs of employees, we design welfare measures that employees can share.

Remuneration to Director:

A. The Director of the Company do not receive fixed remuneration, but only receive attendance fees based on the actual number of meetings attended. The chairman's salary and remuneration is composed of basic salary, allowances, supervisor's bonus, etc., and is awarded based on his academic experience and performance. If the director is also an employee, he or she will be paid in accordance with the provisions of the previous paragraph on the manager's remuneration.

B. Independent Director receive a fixed monthly remuneration and attendance fees based on the actual number of meetings attended. The aforementioned fixed remuneration is based on each independent director's operational participation and contribution value to the Company, and with reference to the payment situation of listed companies in the same industry and related industries. After the remuneration committee evaluates and discusses the recommendations, it is submitted to the Board of Directors for decision.

C. According to Article 33 of the Company's Articles of Association, if the Company makes a profit during the year, the Board of Directors shall allocate no more than 3% as Directors' remuneration. Directors' remuneration is allocated based on the individual performance evaluations of each director for the year, as well as their grasp of the Company's goals and missions, and their level of participation in operations.

The Company's final accounts showed losses in 2023 and 2024, so no remuneration was paid to the Director.

(2) Procedure for Determining Remuneration:
The Company has established a Remuneration Committee, which conducts an annual evaluation of the salaries and compensation of directors and managers. This evaluation takes into account the performance assessment results of the Board of Directors as well as the internal performance evaluation results of the Company, in order to achieve compensation fairness. After formulating recommendations, these are submitted to the Board of Directors for resolution.

(3) Correlation Between Business Performance and Future Risks:
The performance evaluation and compensation of the Company's directors and managerial officers are determined not only with reference to industry standards, but also based on the Company's operating results and the individual's contribution to performance. A comprehensive assessment is made, taking into account the amount and method of compensation, potential future risks to the Company, and the level of responsibility undertaken. These factors are closely linked to the overall performance and business responsibilities of the individuals.

II. Corporate governance operations

(I) Operation of the Board of Directors

In fiscal year 2024, the Company's Board of Directors held a total of seven meetings (A). The attendance of directors is summarized as follows:

Job title	Name	Actual attendance rate Times (B)	No. of meetings attended by proxy	Actual attendance rate (%) (B/A)	Remarks
Chairman	Chang Mao-Sung	7	-	100.00%	
Director	Liu Feng-Lan	7	-	100.00%	
Director	Huang Yin-Shui	7	-	100.00%	
Director	Lee Che-Yu	7	-	100.00%	
Independent director	Wang Kung-Jeng	6	1	86.00%	
Independent director	Teng Fu-Chi	7	-	100.00%	
Independent director	Su Wen-Hsu	7	-	100.00%	
Other information required to be disclosed: I. If any of the following circumstances exists, specify the board meeting date, meeting session number, content of the motion(s), the opinions of all the independent director, and the measures taken by the Company based on the opinions of the independent director: (I) Matters listed in Article 14-3 of the Securities and Exchange Act: Not applicable.					

The Company has established an audit committee, and the provisions of Article 14-5 of the Securities and Exchange Act shall apply.

(II) In addition to the matters referred to above, any dissenting or qualified opinion of an independent director that is on record or stated in writing with respect to any board resolution: None.

II. The status of implementation of recusals of Director with respect to any motions with which they may have a conflict of interest: specify the director's name, the content of the motion, the cause for recusal, and whether and how the director voted:

Date/Issue	Motion content	Names of Director who should be recused	Reasons for recusal due to interests	Resolution result
March 14, 2024 10th Term, 5th Meeting	Proposal to release the prohibition on Director from participation in new non-competitions	Independent Director Teng Fu-Chi	As a party involved	Except for the Director who did not participate in the discussion and voting and who were withdrawn in accordance with the law, the other Director present agreed to pass the resolution.
May 3, 2024 10th Term, 6th Meeting	Proposal to release the prohibition on Director from participation in new non-competitions	Independent Director Su Wen-Hsu	As a party involved	Except for the Director who did not participate in the discussion and voting and who were withdrawn in accordance with the law, the other Director present agreed to pass the resolution.
August 8, 2024 10th Term, 8th Meeting	Proposal for the appointment of members to the Sustainable Development Committee	Director Liu Feng-Lan	For appointment	Except for the Director who did not participate in the discussion and voting and who were withdrawn in accordance with the law, the other Director upon consultation with the Chairman present agreed to pass the resolution.
	Proposal for the appointment of members to the Nomination Committee	Director Lee Che-Yu Independent Director Wang Kung-Jeng Independent Director Su Wen-Hsu	For appointment	1. Except for the Director who did not participate in the discussion and voting and who were withdrawn in accordance with the law, the other Director upon consultation with the Chairman present agreed to pass the resolution. 2. Su Wen-Hsu, Independent Director, was elected as the convener and

				chairperson of the Nomination Committee.
December 26, 2024 10th Term, 11th Meeting	Issuance of year-end bonus for managers for 2024	Director Huang Yin-Shui	Concurrent Manager	Except for the Director who did not participate in the discussion and voting and who were withdrawn in accordance with the law, the other Director present agreed to pass the resolution.
	Evaluate and determine the salary and remuneration package for the Company's Director and general manager in 2025	Chairman Chang Mao-Sung Independent Director Teng Fu-Chi Independent Director Wang Kung-Jeng Independent Director Su Wen-Hsu	Chairman, Independent Director remuneration	Except for the Director who did not participate in the discussion and voting and who were withdrawn in accordance with the law, the other Director present agreed to pass the resolution.

III. Implementation of evaluations of the Board of Directors:

Evaluation cycle	Evaluation period	Scope of evaluation	Method of evaluation	Evaluation content
Executed once a year	January 1, 2024 to December 31, 2024	Board of Directors	Internal self-evaluation of the Board of Directors	The performance evaluation metrics of the Board of Directors include the following five major aspects: 1. Degree of participation in company operations. 2. Improve the quality of board decision-making. 3. Board composition and structure. 4. The appointment of Director and ongoing education. 5. Internal control.
		Individual Director	Self-assessment of board members	The performance evaluation metrics of the individual board members include the following six major aspects: 1. Understanding of company goals and mission. 2. Understanding of director responsibilities. 3. Degree of participation in company operations. 4. Internal relationship management and communication. 5. Director's professionalism and

				ongoing education. 6. Internal control.
		Functional committees	Self-assessment of the Audit Committee members	The performance evaluation metrics of the Audit Committee include the following five major aspects: 1. Degree of participation in company operations. 2. Perception of functional committee responsibilities. 3. Quality of decision-making in functional committees. 4. Functional committee composition and member selection. 5. Internal control.
			Self-assessment of the Remuneration Committee members	The performance evaluation metrics of the Remuneration Committee include the following four major aspects: 1. Degree of participation in company operations. 2. Perception of functional committee responsibilities. 3. Quality of decision-making in functional committees. 4. Functional committee composition and member selection.

IV. Give an evaluation of the targets that were adopted for strengthening of the functions of the board during the current and immediately preceding fiscal years (e.g., establishing an audit committee, increasing information transparency, etc.) and the measures taken toward achievement thereof:

1. The operation of the Company’s Board of Directors is conducted in accordance with the “Board of Directors' Meeting Regulations” and relevant laws and regulations. The Company has also established an Audit Committee and a Remuneration Committee to assist the Board in managing corporate affairs. To enhance the competencies of Board members, the Company encourages self-study and organizes external training sessions for directors. All directors complete at least 12 hours of training upon their initial appointment and continue with a minimum of 6 hours of ongoing education.
2. To deepen and realize the vision of sustainable development, the Company established a Sustainable Development Committee in August 2024. This committee oversees corporate social responsibility, sets sustainability directions and goals, and proposes and implements related management policies and concrete action plans.
3. In line with the Company’s corporate governance development, the Nomination Committee was established in August 2024 to formulate and review the composition, qualifications, and selection criteria for directors and executive officers.
4. The Company is also committed to improving information transparency. In addition to disclosing relevant information in the Market Observation Post System in accordance with the law, it also discloses various operating information and financial information in the annual report and the Company website, effectively improving the level of information transparency.

(II) Operation of the Audit Committee: From January 1, 2024 to December 31, 2024, the Audit Committee convened a total of six meetings (A). Attendance of the independent directors is as follows:

<table>
<tr><th>Job title</th><th>Name</th><th>No. of meetings attended in person (B)</th><th>No. of meetings attended by proxy</th><th>Attendance rate (%) (B/A)</th><th>Remarks</th></tr>
<tr><td>Independent director</td><td>Teng Fu-Chi</td><td>6</td><td>-</td><td>100.00%</td><td></td></tr>
<tr><td>Independent director</td><td>Wang Kung-Jeng</td><td>5</td><td>1</td><td>83.33%</td><td></td></tr>
<tr><td>Independent director</td><td>Su Wen-Hsu</td><td>6</td><td>-</td><td>100.00%</td><td></td></tr>
<tr><td colspan="6">The Company's Audit Committee consists of three independent directors. The key points of its annual review work are as follows:
I. Audited financial statements.
II. Matters related to annual earnings distribution.
III. Assessment of the effectiveness of internal control systems through auditing.
IV. Audit plan.
V. Significant asset acquisition transactions.
VI. Proposals involving Directors' own interests.
VII. Raising, issuing or privately placing securities of equity.
VIII. Appointment of CPA.
IX. Amendments to the internal control system.
Other information required to be disclosed:
I. If any of the following circumstances exists, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent director, the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the audit committee:
(I) Any matter under Article 14-5 of the Securities and Exchange Act:</td></tr>
</table>

Date/session	Motion content	Audit Committee Resolution result	Company's response to Audit Committee recommendations
March 14, 2024 4th Session, 4th Meeting	Adoption of 2023 Business Reports, Parent Company Only Financial Statements and Consolidated Financial Statements	All attending committee members agreed to approve the proposal as submitted	All attending Director agreed to approve the proposal as submitted
	Internal Control System Statement of the Company for the Year 2023	All attending committee members agreed to approve the proposal as submitted	All attending Director agreed to approve the proposal as submitted
	Assessment of the independence and	All attending	All attending

		competence of the Company's CPA	committee members agreed to approve the proposal as submitted	Director agreed to approve the proposal as submitted	
		Attesting CPA remuneration case	All attending committee members agreed to approve the proposal as submitted	All attending Director agreed to approve the proposal as submitted	
		Proposal to release the prohibition on Director from participation in new non-competitions	Except for the members who recused themselves from discussion and voting according to the law, all other attending members agreed to approve the proposal as presented.	All attending Director agreed to approve the proposal as submitted	
		Company proposal for capital increase through private placement of common shares	All attending committee members agreed to approve the proposal as submitted	All attending Director agreed to approve the proposal as submitted	
	May 3, 2024 4th Session, 5th Meeting	The Company's consolidated financial statements for the first quarter of fiscal year 2024	All attending committee members agreed to approve the proposal as submitted	All attending Director agreed to approve the proposal as submitted	
		Proposal to release the prohibition on Director from participation in new non-competitions	Except for the members who recused themselves from discussion and voting according to the law, all other attending (including proxy) members agreed to approve the proposal as presented	All attending Director agreed to approve the proposal as submitted	

June 21, 2024 4th Session, 6th Meeting	Strategic investment project for diversified business development	All attending committee members agreed to approve the proposal as submitted	All attending Director agreed to approve the proposal as submitted
August 8, 2024 4th Session, 7th Meeting	Company's consolidated financial statements for the first half of the fiscal year 2024	All attending committee members agreed to approve the proposal as submitted	All attending Director agreed to approve the proposal as submitted
November 12, 2024 4th Session, 8th Meeting	Company's consolidated financial statements for the first three quarters of fiscal year 2024	All attending committee members agreed to approve the proposal as submitted	All attending Director agreed to approve the proposal as submitted
	Amendments to certain procedures and cycles of the Company's 'Internal Control System' and 'Internal Audit Implementation Rules'	All attending committee members agreed to approve the proposal as submitted	All attending Director agreed to approve the proposal as submitted

(II) In addition to the matters referred to above, any matter that was not approved by the audit committee but was approved by a two-thirds or greater majority resolution of the Board of Directors: None.

II. Implementation of recusals of independent director with respect to any motions with which they may have a conflict of interest: specify the independent director's name, the content of the motion, the cause for recusal, and whether and how the independent director voted:.

Date/Issue	Motion content	Names of Independent Director who should be recused	Reasons for recusal due to interests	Resolution result
March 14, 2024 4th Session, 4th Meeting	Proposal to release the prohibition on Director from participation in new non-competitions	Independent Director Teng Fu-Chi	As a party involved	Except for the members who recused themselves from discussion and voting according to the law, all other attending members agreed to approve the proposal as presented.
May 3, 2024 4th Session, 5th Meeting	Proposal to release the prohibition on Director from participation in new non-competitions	Independent Director Su Wen-Hsu	As a party involved	Except for the members who recused themselves from discussion and voting according to the law, all other attending members agreed to approve the proposal as

				presented.

III. Communication between the independent director and the chief internal audit officer and the CPAs that serve as internal auditor (including any significant matters communicated about with respect to the state of the Company's finances and business and the method(s) and outcomes of the communication.)

Specify details:

(I) Our internal audit director regularly attends audit committee meetings and communicates audit report findings with committee members. Currently, communication is good.

(II) Our CPA and Audit Committee members hold regular meetings at least twice a year, where the accountant reports to the Audit Committee on the planning, results, and other matters related to the audit or review of our Company as required by relevant laws and regulations. Currently, the communication between the Audit Committee and the CPA is good.

(III) When deemed necessary by the Audit Committee members, they may communicate with the accountant and audit director at any time through email, phone, or in-person meetings.

(IV) In terms of communication, the independent director and the internal audit director have the following situation:

Date	Meeting	Key points of discussion	The outcome of discussion
2024/3/14	Audit Committee	Audited sales report Deliberation on the Internal Control Statement for the Year 2023	No dissenting opinions After deliberation, the decision is submitted to the Board of Directors for resolution
2024/5/3	Audit Committee	Audited sales report	No dissenting opinions
2024/8/8	Audit Committee	Audited sales report	No dissenting opinions
2024/11/12	Audit Committee	Audited sales report Amendments to certain procedures and cycles of the Company's 'Internal Control System' and 'Internal Audit Implementation Rules'	No dissenting opinions After deliberation, the decision is submitted to the Board of Directors for resolution
2024/12/26	Audit Committee	Audited sales report Drafting the audit plan for 2025	No dissenting opinions After deliberation, the decision is submitted to the Board of Directors for resolution

(V) The communication between independent director and the accountant is as follows:

Date	Meeting	Key points of discussion	The outcome of discussion
2024/3/14	Audit Committee	Audit scope explanation Significant accounting estimates Identification of significant risks and communication of key audit matters Regulatory updates	No dissenting opinions
2024/12/26	Audit Committee	Audit scope explanation Significant accounting estimates Identification of significant risks and communication of key audit matters- revenue	No dissenting opinions

			Recent regulatory amendments 2023 Audit Quality Index (AQI) Report		

(III) Corporate Governance Implementation Status and Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons

Evaluation item	Operation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
I. Has the Company established and disclosed its 'Corporate Governance Best Practice Principles' based on the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies?	V		The Company has established corporate governance best practices and disclosed them on the Company's website.	No differences.
II. Company's Ownership Structure and Shareholders' Equity				
(I) Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	V		Currently, shareholder proposals and related matters are handled by the spokesperson and deputy spokesperson. In cases involving legal issues, legal and attorney assistance will be sought.	No differences.
(II) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	V		The Company constantly monitors the shareholdings of Director, executives, and major shareholders, and endeavors to obtain the list of major shareholders and their ultimate controllers through historical shareholder registries as much as possible.	No differences.
(III) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	V		According to the 'Subsidiary Monitoring Procedures' established by the Company, we carry out monitoring operations on subsidiaries and conduct regular audits.	No differences.
(IV) Has the Company established internal rules prohibiting insider trading of securities based on	V		The Company has established the 'Internal Handling of Material Information and Prevention of Insider Trading Management	No differences.

Evaluation item	Operation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
undisclosed information?			Procedures' and conducts at least one internal training session annually to educate employees on preventing insider trading. The Company also clearly stipulates in the operational procedures that insiders are prohibited from trading securities using undisclosed material information in the market. Insiders are also restricted from trading company stock during the 30-day period before the annual financial report announcement, and the 15-day period before the announcement of quarterly financial reports.	
III. Composition and responsibilities of the Board of Directors				
(I) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	V		Please refer to page 8 of this annual report for details.	No differences.
(II) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?	V		On August 8, 2024, the Board of Directors approved the establishment of the Sustainable Development Committee and the Nomination Committee. Other functional committees will be considered for establishment in the future as needed.	No differences.
(III) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the Board of Directors and used them as reference in determining salary/compensation for	V		The Company has formulated the "Board of Directors Performance Evaluation Methods", which stipulates that the Board of Directors will conduct an internal Board of Directors performance evaluation once a year, and at least once every three years by an external professional independent agency or a team of external experts and scholars. In 2022, the Taiwan Investor Relations Association, an external independent evaluation	No differences.

Evaluation item	Operation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
individual Director and their nomination and additional office terms?			agency, was appointed to evaluate the effectiveness of the Company's Board of Directors. In addition, the Company has also completed the 2024 internal self-evaluation questionnaire of the Board of Directors and the performance self-evaluation questionnaire of board members and functional committees. The self-evaluation results are "excellent", which is enough to show that the overall operating efficiency of the Company's Board of Directors is good. The assessment results have been submitted to the Board of Directors on March 13, 2025. The Company's payment of director's remuneration has been determined based on performance evaluation results, which will also be used as the criteria for future nominations.	
(IV) Does the Company regularly evaluate its external auditors' independence?	V		The Finance Department of our Company conducts an annual self-assessment of the independence of the appointed auditors (Note 1). Additionally, a declaration of absolute independence, stating that the appointed auditors have not violated their independence, is included. The audit firm also provides information on 13 Audit Quality Indicators (AQIs) to assess the audit quality of both the firm and the audit team. This evaluation is submitted to the Audit Committee for review and subsequently approved by the Board of Directors. The latest assessment result was approved by the Audit Committee on March 13, 2025, and submitted for approval by the Board of Directors on March 13,	No differences.

Evaluation item	Operation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			2025.	
IV. Does the TWSE/TPEx listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for Director and supervisors to perform their duties, aiding Director and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?	V		On March 23, 2023, during the 22nd meeting of the 9th Board of Directors, the Company approved the appointment of Executive Vice President Chen Jei-Wen from the Office of the General Manager to concurrently serve as the Corporate Governance Officer. He is responsible for matters related to corporate governance, including providing directors with necessary information for executing their duties, assisting directors in complying with relevant laws and regulations, and handling matters related to the Board of Directors and shareholders' meetings in accordance with the law. This aims to safeguard shareholders' rights and enhance the effectiveness of the Board.	No differences.
V. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its Company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	V		The Company has established a stakeholder section on its website, where the spokesperson and relevant department personnel engage with stakeholders and provide comprehensive information.	No differences.
VI. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	V		Appointed Fubon Stock Services to handle matters related to the shareholders' meeting.	No differences.
VII. Information Disclosure (I) Has the Company established a corporate website to disclose information regarding its	V		The Company website: www.tul.com.tw has disclosed financial and business-related information about the Company.	No differences.

Evaluation item	Operation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
financials, business, and corporate governance status?				
(II) 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 investors conference etc.)?	V		Currently, our Company has a spokesperson and a deputy spokesperson who act as intermediaries for gathering and disclosing information, as well as for external communication.	No differences.
(III) Does the Company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?		V	The Company has announced and reported the operation status of each month within the prescribed time limit. In order to announce and report in advance before the prescribed time limit, the listed strengthening matters will be improved year by year.	Same as Summary Description.
VIII. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, Directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for Director and supervisors)?	V		1. Employee Benefits: Implement an employee stock trust, organize annual employee trips, and provide holiday bonuses and subsidies for employee children's education. 2. Employee Care: Offer group insurance coverage for employees. 3. Investor Relations: There are spokespersons and proxy spokespersons available to assist investors. 4. Supplier Relations: Enhancing communication and collaboration with suppliers to achieve mutually beneficial outcomes. 5. Rights of Stakeholders: The Company has a spokesperson and a deputy spokesperson, as well as contact email addresses for	

Evaluation item	Operation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			customers, employees, shareholders, suppliers, and community relations. Stakeholders can communicate directly with the Company and access information on the Company's finances, operations, corporate governance, and shareholder services through the Company's website (www.tul.com.tw). 6. The director's training has been completed according to the prescribed hours and has been disclosed on the Market Observation Post System. 7. The professional development status of the accounting, auditing, and corporate governance supervisor: the necessary hours of professional development have been fulfilled, and the specifics are outlined in the attached table (Note 2). 8. Risk Management Policy: The Company insures inventory, equipment, real estate, accounts receivable, and other assets to mitigate potential losses. 9. Directors' and Supervisors' Liability Insurance: The Company has purchased liability insurance of 2 million US dollars for Directors.	

IX. Please describe improvements that have already been made based on the Governance Evaluation results recently released by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement. For the year 2024, the following is a summary of the items from the 2023 evaluation that have been improved and those identified for priority enhancement:

Question number	Index	Improvements/Priority Strengthening Matters and Measures

Evaluation item		Operation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
		Yes	No	Summary description	
1.7	Has the Company uploaded the Chinese and English versions of the Shareholders' Meeting Agenda Handbook and supplemental materials at least 30 days prior to the shareholders' meeting?			In 2024, the Company uploaded both the Chinese and English versions of the Shareholders' Meeting Agenda Handbook and supplemental materials at least 30 days before the meeting.	
1.8	Has the Company uploaded the Chinese and English versions of the annual report at least 18 days prior to the shareholders' meeting?			In 2024, the Company uploaded both the Chinese and English versions of the annual report 30 days before the meeting.	
2.14	Has the Company established any functional committees beyond those required by law, such as a Nomination Committee, Risk Management Committee, or Sustainable Development Committee, with at least three members, more than half of whom are independent directors, and at least one member possessing the professional expertise required by the committee? Has the Company disclosed the composition, responsibilities, and operation of these committees?			The Nomination Committee and the Sustainable Development Committee were established in 2024.	
3.5	Has the Company uploaded its annual financial report in English at least 16 days before the shareholders' meeting?			The English version of the annual financial report for 2024 was uploaded at least 16 days before the shareholders' meeting.	
3.6	Has the Company disclosed its interim financial report in English within two months after the deadline for submitting the Chinese version?			It plans to disclose it on time in 2025.	
4.4	Has the Company prepared its sustainability report in accordance with the Global Reporting Initiative (GRI) Standards and uploaded it to the Market Observation Post System and the Company website? [If the sustainability report also references the Sustainability Accounting Standards Board (SASB) standards to disclose relevant ESG information, an additional point will be awarded.]			In 2024, the Company voluntarily prepared its sustainability report ahead of schedule and uploaded it to the Market Observation Post System and the Company website.	
4.7	Has the Company uploaded the English version of its sustainability report to the Market Observation Post System and the Company website?			The English version of the 2024 sustainability report has been uploaded to both the Market Observation Post System and the Company website.	

Note 1: Accountant independence assessment criteria:

Evaluation item	Evaluation results	Whether it complies with independence standards
1. The CPA does not have any direct or significant indirect financial interest in the Company.	Yes	Yes
2. The CPA does not have any close business relationship or potential employment relationship with our Company.	Yes	Yes
3. The CPA, their spouse, dependent relatives, and members of their audit team have not held positions as Director, executives, or in roles with significant influence on the audit work of this Company during the audit period or in the past two years. They have also not committed to holding such positions in future audit periods.	Yes	Yes
4. During the audit period, the CPA did not have any familial relationship with the Director, managers, or personnel who had significant influence on the Company's	Yes	Yes

Evaluation item	Evaluation results	Whether it complies with independence standards
audit cases.		
5. The CPA has not received significant gifts or presents (beyond customary social courtesies) from the Company or its Director and executives.	Yes	Yes
6. The CPA has not provided non-audit services to the Company that could potentially impact the audit work.	Yes	Yes
7. The CPA did not act as the Company's defense counsel or represent the Company in resolving conflicts with third parties.	Yes	Yes
8. Please obtain the 'Independence Statement' issued by the CPA.	Yes	Yes

Note 2: Training Status of Accounting, Audit, and Corporate Governance Officers:

Job title	Name	Date of study	Organizer	Course name	Hours of further study
Deputy Chief Financial Officer (CFO)	Hsieh Wen-Pi	2024.10.17~113.10.18	Accounting Research and Development Foundation of the Republic of China	Continuing Education Program for Accounting Officers of Issuers, Securities Firms, and Stock Exchanges	12
Audit Supervisor	Yeh Ching-feng	2024.06.04	Institute of Internal Audit	"Analysis of Sustainability Information Disclosure Policies" and Key Topics in Internal Control and Internal Audit Seminar	6
		2024.07.03	Institute of Internal Audit	Key Considerations and Impacts of IFRS S1/S2 on Internal Control and Internal Audit You Need to Know	6
Director of Corporate Governance	Chen Jei-Wen	2024.3.15	Accounting Research and Development Foundation of the Republic of China	How to Apply Robotic Process Automation (RPA) to Enhance Internal Control Effectiveness	6

(IV) The composition, responsibilities and operations of the Remuneration Committee and Nomination Committee:

1. The composition, responsibilities and operations of the Remuneration Committee:

   The Remuneration Committee is established to assist the Board of Directors in regularly evaluating and reviewing the Company's overall compensation policies, as well as the performance and remuneration policies, systems, standards, and structures for directors and managers. Its composition and operation are as follows:

(1) Information on Remuneration Committee Members

May 6, 2025

Identity (Note 1)	Qualifications / Name	Professional qualifications and experience	Independence analysis	Number of other public companies at which the person concurrently serves as remuneration committee member
Independent Director (Convenor)	Teng Fu-Chi	Please refer to pages 7 to 8 for disclosures on directors' professional qualifications and the independence of independent directors		1
Independent Director	Wang Kung-Jeng			2
Independent Director	Su Wen-Hsu			0

(2) Information on the Operation of the Remuneration Committee

A. The Company's Remuneration Committee has a total of 3 members.

B. Term of Office for this Committee:
From June 14, 2023 to June 13, 2026

C. In 2024, a total of two meetings were held (A). The qualifications and attendance of the committee members are as follows:

Job title	Name	Actual attendance rate Times (B)	No. of meetings attended by proxy	Actual attendance rate (%) (B/A)	Remarks
Convenor	Teng Fu-Chi	2	0	100.00%	
Member	Su Wen-Hsu	2	0	100.00%	
Member	Wang Kung-Jeng	2	0	100.00%	

Other information required to be disclosed:

I. If the Board of Directors does not accept, or amends, any recommendation of the remuneration committee, specify the board meeting date, meeting session number, content of the recommendation(s), the outcome of the resolution(s) of the Board of Directors, and the measures taken by the Company with respect to the opinions given by of the remuneration committee (e.g., if the salary/compensation approved by the board is higher than the recommendation of the remuneration committee, specify the difference(s) and the reasons): None.

II. With respect to any matter for resolution by the remuneration committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the remuneration committee meeting date, meeting session number, content of the motion, the opinions of all members, and the measures taken by the Company with respect to the members' opinion: None.

III. The dates, periods, agenda items, and resolutions of the Remuneration Committee for this fiscal year are as follows:

Remuneration Committee	Proposal content and subsequent processing	Resolution result	The Company's handling of the opinions of the remuneration committee
5th Session, 2nd Meeting2024.3.14	Report on the Director's Remuneration and Employee Remuneration by the Company	All attending committee members agreed to approve the proposal as submitted	All attending Director agreed to approve the proposal as submitted
5th Session, 3rd Meeting2024.12.26	Issuance of year-end bonus for managers for 2024	All attending committee members agreed to approve the proposal as submitted	All attending Director agreed to approve the proposal as submitted
	2. Evaluate and determine the salary and remuneration package for the Company's Director and general manager in 2025	All attending committee members agreed to approve the proposal as submitted	All attending Director agreed to approve the proposal as submitted

2. The composition, responsibilities and operations of the Nomination Committee:

(1) The Company's Nomination Committee is composed of at least three directors appointed by the Board of Directors, with more than half of them being independent directors. Acting under the authorization of the Board and with the duty of a prudent manager, the Committee faithfully performs the following responsibilities and submits its recommendations to the Board for discussion. Its main duties include:

A. Establishing standards for the professional knowledge, skills, experience, gender diversity, and independence required of Board members and senior executives, and based on these standards, identifying, reviewing, and nominating candidates for directors and senior executives.

B. Structuring and developing the Board and its committees, conducting performance evaluations of the Board, each committee, individual directors, and senior executives, and assessing the independence of independent directors.

C. Formulating and regularly reviewing directors' continuing education programs and succession plans for directors and senior executives.

D. Reviewing the Company's Corporate Governance Best Practices Guidelines.

(2) Nomination Committee Members' Professional Qualifications, Experience, and Operations

A. The Company's Nomination Committee has a total of 3 members.

B. Term of Office for this Committee:
From August 8, 2024 to June 13, 2026. In 2024, the committee held zero meetings (A). The members' professional qualifications and experience, attendance records, and topics discussed are as follows:

Job title	Name	Professional qualifications and experience	No. of meetings attended in person (B)	No. of meetings attended by proxy	Actual attendance rate (%) (B/A)	Remarks
Convenor	Su Wen-Hsu	Please refer to pages 7 to 8 for disclosures on directors' professional qualifications and the independence of independent directors	0	0	-	
Member	Wang Kung-Jeng		0	0	-	
Member	Lee Che-Yu		0	0	-	
Other information required to be disclosed: Details of the Nomination Committee's main agenda items, including meeting dates, sessions, agenda content, members' recommendations or objections, committee resolutions, and the Company's responses to the committee's opinions: The Company's Nomination Committee was established in August 2024. As of the end of 2024, no agenda s related to its duties required a meeting to be convened.						

(V) Promotion of the implementation of sustainable development and the differences and reasons for sustainable development practices guidelines between listed and OTC companies. Companies that meet certain conditions should disclose climate-related information:

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the Board of Directors authorized senior management to handle related matters under the supervision of the board?	V		To achieve the Company's sustainability goals and strengthen sustainability governance, the Company established the Sustainable Development Committee (hereinafter referred to as the Committee) in August 2024. The Committee must consist of no fewer than three members. The Board of Directors appointed Director Liu Feng-Lan to oversee the first Committee, along with two other members: General Manager Special Assistant Chou Chung-Hsin and Manufacturing Center Operations Management Office Special Assistant Chu Chi-Kai. Together, they review the Company's core operational capabilities and formulate medium- to long-term sustainability development plans. Under the authorization of the Board of Directors, the Committee performs the following duties and submits	No differences.

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			reports to the Board: 1. Formulate, promote, and strengthen the Company's sustainability policies, annual plans, and strategies. 2. Review, monitor, and revise the implementation and effectiveness of sustainability initiatives. 3. Oversee the disclosure of sustainability information and review the sustainability report. 4. Supervise the execution of the Company's Sustainability Code of Conduct and other sustainability-related tasks as resolved by the Board. The Committee holds at least one meeting annually and may convene additional meetings as needed. It reports quarterly to the Board of Directors on the progress of sustainability initiatives and future work plans. In 2024, the Committee held one meeting after its establishment. The agenda items included: 1. Tracking the progress of greenhouse gas emission investigations. 2. Monitoring the implementation of sustainability management matters, including the content of the sustainability report. Additionally, the Company's Board of Directors receives quarterly reports from the management team, which include ESG updates. The management proposes company operational strategies to the Board, which reviews the execution of these strategies and, when necessary, urges the management team to make timely adjustments.	

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
II. Does the Company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the Company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?		V	The Company has currently established the 'Guidelines for Sustainable Development' and regularly reviews their effectiveness in implementation. It will continue to promote the development of risk management strategies.	Same as Summary Description.
III. Environmental Issues (I) Has the Company set an environmental management system designed to industry characteristics?	V		Under the Environmental, Safety, and Health Management System framework, management procedures compliant with regulations have been established. The new plant has implemented an environmental management system following ISO 14001 and continuously improves operations using the PDCA approach. Additionally, product carbon footprint calculations and verifications for the 6600XT model are conducted according to ISO 14067 standards, serving as a basis for tracking and assessing greenhouse gas emission reduction efforts in subsequent inventories. Additionally, it is important to establish a carbon inventory and key performance indicators (KPIs) for emission sources. This will serve as a foundation for optimizing and improving our environmental impact. Real-time disclosure, visualization, and management of carbon emissions in the process segment are expected, including analysis of emission sources and goal management. Evaluate and improve renewable energy sources, as well as analyze energy-consuming equipment for enhancement. ESG & Greenhouse Gas Emissions Inventory Counseling Program Kickoff Meeting	No differences.

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			held in September 2023.	
(II) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	V		The Company actively promotes various energy reduction measures, selects equipment with high energy efficiency and energy-saving designs to reduce energy consumption in the Company and products, and optimizes energy efficiency. The Company's use of raw materials complies with EU RoHS, REACH, and halogen-free specifications (IEC61249-2-21, Br<900ppm, Cl<900ppm, Br+Cl<1,500ppm). Halogen-free processes have been achieved, and in 2021, the GPM Green Supply Chain Management Platform was introduced to integrate various international environmental regulations' latest trends. This facilitates direct collaboration among various vendors on the cloud platform, achieving the goal of green product management to reduce the environmental impact of harmful substances. Efforts are made to reduce unnecessary resource waste and develop waste reduction and reuse technologies in green manufacturing. Collaboration is encouraged throughout the value chain to recycle and share packaging materials. Furthermore, low environmental impact recycled materials are tested in product development to maximize the benefits of a circular economy. By developing techniques for recycling process materials, reducing waste, and designing and selling circular products, we are able to create value within a circular economy.	No differences.
(III) Has the Company evaluated the potential risks and opportunities	V		The Company has conducted an assessment of the potential risks and	No differences.

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
posed by climate change for its business now and in the future and adopted relevant measures to address them?			opportunities associated with climate change on its current and future operations. The identified risks include environmental and operational factors such as resource scarcity, increased costs of raw materials and inventory, infrastructure disruptions caused by extreme weather events leading to power outages and flooding, the impact of the COVID-19 pandemic and norovirus and subsequent lockdowns on transportation, increased transportation costs, and threats to employee safety. These risks could directly affect the Company's operations and result in increased losses. However, the Company views these challenges as opportunities to mitigate and adapt to climate change. It intends to develop new products related to green energy-saving technologies and establish smart factories for automated production. By improving resource efficiency, implementing the principles of Industry 4.0 throughout the value chain, and reducing operational costs, the Company aims to address these challenges.	
(IV) Did the Company collect data for the past two years on greenhouse gas emissions, volume of water consumption and the total weight of waste, and establish policies on energy saving and carbon reduction, greenhouse gas reduction, reduction of water consumption, or management of other wastes?	V		The Company has been implementing a policy of energy conservation, greenhouse gas reduction, water reduction, and waste management for many years. To further promote and implement energy conservation and carbon reduction, the Company has formulated the 'Energy Conservation and Water Conservation Policy' to highlight the significance of these efforts. The annual environmental policy goals, achievement strategies and measures are listed below:	No differences.

<table>
<tr><th rowspan="2">Proposed items</th><th colspan="3">Implementation status</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td><table>
<tr><td>Policy objectives</td><td>1. The electricity consumption of the original business decreases by 1.5% per year or is adjusted according to the product.
2. The original business greenhouse gas emissions reduction decreases by 1.5% annually or is adjusted according to the product.
3. The waste reduction rate is 1.0% per year or is adjusted according to the product.
4. The pass rate for measuring the working environment of labor is 100%.</td></tr>
<tr><td>Achievement strategies</td><td>Comply with environmental regulations, implement environmental education, and reduce carbon emissions.</td></tr>
<tr><td>Achievement measures</td><td>1. Monthly electricity consumption for monitoring and review.
2. Review the annual production of greenhouse gases and waste.
3. Implement working conditions assessments twice annually.</td></tr>
</table>
(I) GHG
The Company manages its inventory of greenhouse gas emissions through a self-managed</td><td></td></tr>
</table>

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			statistical process. In September 2023, the Company conducted the ESG and greenhouse gas emissions inventory guidance program kickoff meeting to establish a foundation for future planning. In the 2023 fiscal year, electricity consumption and CO2 emissions, including greenhouse gas emissions in the new factory construction area, totaled 2.4 million kilowatt-hours and 1,202 metric tons. The emissions from government vehicles amount to approximately 600 liters per 1.77 metric tons. The office area consumed 247,000 kilowatt-hours of electricity in the year 2023, resulting in a carbon emission of 241.8 metric tons. In 2024, the Company's self-assessed Scope 2 electricity consumption was approximately 4.9 million kWh, resulting in around 2,400 metric tons of CO2e emissions. Scope 1 emissions from company vehicles were approximately 307 liters of fuel consumed, resulting in about 0.7 metric tons of CO2e emissions. As the Company is in an adjustment phase during the initial 3 to 5 years and subject to fluctuations in order volume, electricity consumption in 2024 increased compared to the previous year. This was due to varying power input and output requirements across different product models. Moving forward, CO2e emissions will be adjusted accordingly based on product	

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			development to achieve optimal emission efficiency. (II) Water Resources Tul Corporation's products are manufactured using a waterless process, thereby eliminating the production of industrial wastewater. As a result, the water resources utilized are obtained from the daily domestic water supply. Due to the Company's location in a public science park, recycling and reusing on its own is challenging. The park management is responsible for handling and discharging the emissions. In 2023, the Company's water consumption was 2,833 cubic meters, resulting in 441 kg of CO2e emissions. In 2024, based on the self-assessed Scope 4 inventory, water consumption increased to 3,409 cubic meters, with CO2e emissions of approximately 0.79 tons. The Company has set a quantitative management target to keep CO2e emissions from water consumption below 1 metric ton. (III) Waste Management and Resource Recycling The electronic waste of our Company is completely entrusted to a vendor who holds a Class A clearance permit issued by the government to handle it. This ensures that hazardous substances are not disposed of arbitrarily and that useful materials can be recycled and reused. Our goal is to address pressing environmental issues such as energy problems, air pollution, marine debris, and	

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			food safety. By focusing our resources on circular regeneration, we strive to achieve sustainable business operations in the industry. In 2023, the plant processed 8 metric tons of waste, including 2.58 metric tons of general domestic waste, 5 metric tons of non-hazardous waste, and 2.3 metric tons of hazardous waste, with a total waste weight of 17.88 metric tons. In 2024, based on the self-assessed Scope 4 inventory, the Company processed approximately 9.5 metric tons of industrial waste at its facilities, resulting in about 1.17 metric tons of CO_2e emissions. Additionally, around 20.5 metric tons of general household waste were generated, leading to approximately 6.98 metric tons of CO_2e emissions. In 2024, the volume of waste processed increased compared to the previous year, primarily due to variations in packaging materials required for different product models. Moving forward, the Company will continue to enhance the use of circular and eco-friendly materials in line with product development, aiming to optimize CO_2e emissions to the most efficient levels. (IV) Climate Change and Energy Consumption Reduction Our Company will continue to strive to implement the following specific measures: 1. Energy-saving and environmentally friendly	

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			workplace measures: (1)Introduction of the German LCN Intelligent Building Bus System to achieve green building solutions, including light control, temperature control, air quality regulation, and energy conservation. Through the cloud-based enterprise energy management solution, users have access to various features including site overview, energy consumption statistics, report management, equipment management, electricity meter information, and disconnection management. (2)Adjust the air conditioning and set the temperature to a constant 26 degrees, based on the season, in order to reduce power load. Additionally, colleagues should remember to turn off computers, air conditioning, and lighting when not in use, and conserve energy by turning off lights during lunch breaks. (3)All office lighting has been replaced with LED, which has reduced heat emission and achieved energy savings. (4)The factory lighting utilizes LED lights with a color rendering index (CRI) of 80. This not only serves the purpose of energy-saving	

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			but also aids the human eye in perceiving the quality of product color appearance. (5)Encouraging employees to take the stairs instead of the elevator not only reduces overall electricity consumption but also promotes physical fitness. (6)To promote a paperless office environment, it is important to implement measures to control the use of office paper and printed materials. These measures include charging for photocopying paper, maximizing the use of recycled and regenerated paper, printing on both sides of the paper, reducing page size, and using black and white printing instead of color printing. (7)To prevent harm to the operators from tin smoke during the maintenance process, exhaust filtration facilities have been installed in the BGA rework machine, soldering furnace, and soldering iron repair area. The air monitoring system is responsible for regulating and eliminating sources of pollution. (8)The factory is committed to observing a weekly vegetarian day and adopting a low-carbon diet. It aims to minimize greenhouse gas emissions throughout the entire food life cycle. Based	

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			on an estimate of each person consuming 5 servings of meat per day, it is projected that approximately 101.4 kilograms of carbon emissions can be reduced annually. With a workforce of approximately 75 people, the factory has the potential to reduce carbon emissions by approximately 7.605 metric tons per year. The target was successfully achieved in 2023, and by 2024, the cumulative reduction amounted to a total of 15.21 metric tons of CO2e emissions. 2. Measures to reduce energy consumption in the computer room include implementing server virtualization in the cloud to save electricity and related equipment. 3. Water Conservation Measures: Since the building's water supply is public, it is advisable for the management committee to utilize water-saving valves and replace outdated water dispensers with energy-efficient models in order to effectively minimize unnecessary water resource wastage. 4. Other Environmental Protection Measures: (1)Continuously promote the digitalization of process management systems, such as replacing the existing BPM enterprise electronic	

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			process management system with a new one in 2021 to integrate SCM supply chain management and SAP systems. This initiative not only reduces manual labor but also minimizes paper usage. The implementation of the Business Process Management Flow System (Carbon & Energy Saving) has been gradually initiated since 2022. (2)The recycling management and resource classification of waste materials, such as packaging materials, fans, iron sheets, scrap boards, and scrapped fixed assets, are effectively implemented. Professionals handle the disposal and classification of waste materials.	
IV. Social Issues (I) Does the Company formulate relevant management policies and procedures in accordance with relevant laws and international human rights conventions?	V		All the systems established by our Company comply with the laws and regulations of the country in which we operate. We uphold and endorse internationally recognized human rights conventions. We have developed a 'Human Rights Policy' and actively enforce it. Additionally, we advocate for the 'Code of Conduct for Responsible Business Alliances' and treat all employees with dignity and respect.	No differences.
(II) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are	V		The Company has developed an attendance policy in compliance with the Labor Standards Act, which outlines employees' rights to take leave. Along with providing health	No differences.

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
business performance or results appropriately reflected in employee salary/compensation?			insurance, labor insurance, and retirement pension contributions, the Company also offers group insurance, regular employee health check-ups, domestic and international travel opportunities, birthday bonuses, club activities, and employee development and training. In accordance with the provisions of the Company's Articles of Association, the Company allocates employee remuneration based on annual profits. This approach aims to accurately reflect business performance in employee salaries. The implementation of the employee stock trust also commenced in the 2022 fiscal year.	
(III) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	V		1. Conduct on-site health management services. (1)The Company employs physicians and nurses to provide employee health services, which include the implementation of four major programs, consultation for employee health check-ups, and recommendations for preventing human factors. (2)Physicians and nurses inspect the workplace environment and provide assistance in making improvements. (3)Provide consultation appointments for smoking cessation. 2. The four main on-site health service plans are the 'Human Factor Hazard Prevention Plan', the 'Prevention Plan for Abnormal Workload-Induced Diseases', the 'Plan for Preventing Incidents of Unlawful Acts Against Employees', and the 'Maternal Health Protection Plan'.	No differences.

<table>
<tr><th rowspan="2">Proposed items</th><th colspan="3">Implementation status</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td></td><td></td><td></td><td>3. We offer annual workplace environment testing, conduct fire inspections, and provide employee health check-ups.
4. Establish safety and health work regulations, implement occupational safety and health measures, and regularly maintain and inspect machinery, equipment, and appliances with contracted vendors. Set up medical kits and first aid personnel, and enhance reporting mechanisms. Conduct CO2 and office lighting inspections. Conduct a comprehensive review of factory legal requirements and fulfill statutory obligations. Regularly publish health education materials.
5. Fire Safety: It is recommended to engage professional fire safety consultants to meet fire safety requirements in compliance with the law. These consultants can assist with tasks such as developing fire protection plans, conducting training for the fire safety team, and appointing a fire safety manager.
There were no employee occupational accidents or fire incidents in 2024.</td><td></td></tr>
<tr><td>(IV) Has the Company established effective career development training programs for employees?</td><td>V</td><td></td><td>The Company provides internal training and external training opportunities based on employee job functions. Additionally, a comprehensive annual training plan is offered to enhance employee professional capabilities.
The training program covers new employee orientation, professional development across various functions, and management competency enhancement for supervisors and managers at all levels.</td><td>No differences.</td></tr>
</table>

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
(V) Does the Company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	V		In 2024, the Company conducted training sessions for all employees on topics such as the prevention of insider trading and protection against trade secret infringement, with a total of 396 participants and 297 training hours. Additionally, in 2024, the Company organized training related to ethical business practices. The training covered topics such as corporate governance, sustainable development guidelines, the Code of Integrity, and the Code of Ethical Conduct. A total of 597 participants attended, accumulating 408 training hours. 1. Customer Health and Safety Graphics cards are high-tech electronic products. During the design and manufacturing stages, the Company integrates risk management and quality control mechanisms, including a certified Quality Management System (ISO 9001). We comply with international environmental safety regulations such as RoHS and REACH. In terms of management, our certifications include Product Carbon Footprint (ISO 14067), Environmental Management System (ISO 14001), and Hazardous Substance Process Management (IECQ QC 080000), ensuring consumer health and environmental safety and fulfilling our commitment to product safety. Additionally, we conduct EMC and safety certifications (e.g., CE, FCC), as well as ESD control certification (ANSI/ESD S20.20), to ensure our products pose no harm or operational risks to users. 2. Customer Privacy	No differences.

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			During customer registration, technical support, and after-sales service, all personal data collected is handled in accordance with the Personal Data Protection Act and the General Data Protection Regulation (GDPR). The Company has established information and communication security management protocols and a dedicated cybersecurity department. We are ISO/IEC 27001 certified and implement measures such as encrypted internal data transmission, access control, data masking, and regular employee training to ensure that customer data is protected against unauthorized use or leakage. 3. Marketing and Labeling When marketing our graphics card products globally, the Company strictly adheres to the Fair Trade Act and advertising regulations in each country. We refrain from false or misleading advertising. Product packaging and manuals clearly indicate technical specifications, power consumption, compatibility recommendations, and installation instructions to help users understand and properly use the product, reducing the risk of misuse or safety incidents. 4. Complaint Handling and Customer Service Mechanism The Company operates a comprehensive global customer service system, including an online support platform, repair request system, and technical support center. Consumers can file complaints regarding product use,	

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
			quality, or privacy through customer service channels. We are committed to responding within a reasonable time and providing effective solutions. All cases are tracked internally for improvement and serve as reference for R&D and service enhancements.	
(VI) Has the Company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	V		The Company has established a qualified supplier evaluation procedure, requiring suppliers to commit to environmental protection, human rights, safety, health, and sustainable development. The screening criteria also include expectations regarding environmental, health and safety risks, prohibition of child labor, labor management, respect for fundamental labor rights, ethical standards, and integrity in business practices. Before engaging in cooperation, suppliers are required to complete a "Conflict Minerals Declaration" and a "Supplier EHS and Labor Rights Questionnaire" as the basis for evaluation. The Company also investigates whether the supplier has had any past violations of the Occupational Safety and Health Act or the Labor Standards Act, as well as any penalties related to improper waste disposal during production. These are key focus areas during the assessment. In 2024, all cooperating suppliers complied with relevant regulations and had obtained ISO 9001 Quality Management System and ISO 14001 Environmental Management System certifications.	No differences.
V. Does the Company adhere to international standards or guidelines when preparing	V		The Company has proactively prepared its 2023 Sustainability Report ahead of the legally required schedule,	Same as Summary Description.

<table>
<tr><th rowspan="2">Proposed items</th><th colspan="3">Implementation status</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary description</th></tr>
<tr><td>reports, such as sustainability reports, that disclose non-financial information? Was the aforementioned report verified or certified by a third-party validation unit?</td><td></td><td></td><td>in accordance with the GRI Standards issued by the Global Reporting Initiative. As this is the first report compiled, it has not yet been assured by a third-party verification body.</td><td></td></tr>
<tr><td colspan="5">VI. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviation from the principles in the Company’s operations:
The Company has established the 'Guidelines for Sustainable Development Practices for Listed and OTC Companies' and has implemented them after approval by the Board of Directors. The guidelines have been diligently followed without any deviations.</td></tr>
<tr><td colspan="5">VII. Other important information to facilitate better understanding of the Company’s promotion of sustainable development:
The Company maintains collaborations with prestigious universities, such as the National Taiwan University of Science and Technology, to develop industry-academia cooperation programs. These programs aim to nurture talent in the areas of smart manufacturing, artificial intelligence, and sustainable energy technology. At the same time, we actively participate in and support various social assistance programs for colleges, vocational high schools, and primary and secondary schools, fulfilling our corporate social responsibility.
Related initiatives include participating in the establishment of the NTUST Industry-Academia Innovation College, sponsoring the “Leshui Cultural and Health Station” operated by the Mennonite Yang Cultural Promotion Association in Datong Township, Yilan County, and supporting NTUST’s innovation and entrepreneurship training program for international talent.
1. National Taiwan University of Science and Technology Industrial Innovation College Project: Tul Technology's Participation and Support in the Establishment of the National Taiwan University of Science and Technology Industrial Innovation College Project, and the Establishment of the Tul Taiwan University of Science and Technology Joint Research Center. In accordance with the 'National Key Areas Industry-Academia Cooperation and Talent Cultivation Innovation Act,' the National Taiwan University of Science and Technology has established the Industrial Innovation College, which focuses on artificial intelligence and smart manufacturing. It comprises the Institute of Artificial Intelligence Interdisciplinary Research, the Institute of Energy Sustainable Technology, and the Institute of Smart Manufacturing Technology, offering master's and doctoral programs to promote talent cultivation and industry development.
2. Starting in 2024, TUL Corporation expanded its collaboration with the GHG Emissions Inventory and Sustainability Planning Research Laboratory led by Professor Kuo Tsai-Chi from the Department of Industrial Management at National Taiwan University of Science and Technology, to enhance ESG-related academic-industry cooperation in greenhouse gas inventory and sustainability planning.
3. In 2024, TUL also sponsored the “Leshui Cultural and Health Station,” operated by the Mennonite Yang Cultural Promotion Association in Datong Township, Yilan County. In partnership with the Digital Humanitarian Association, the Company jointly promoted health improvement services for elderly residents in rural areas. Based on health assessments, the top three health issues faced by the</td></tr>
</table>

Proposed items	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
elderly were hypertension, diabetes, and osteoarthritis, along with heart disease and sensory decline. To support these needs, TUL donated 79 boxes of fish oil and lutein capsules to the Leshui Station and nearby community centers. To address real health needs, the project has invited instructors from various professional fields to design courses covering topics such as joint care, aerobic exercise, and prevention of the three major high-risk diseases. From May 2024 to the end of December, the project introduced 20 health courses, serving a total of 3,398 participants. Among these, strength-based aerobic exercise has been the most popular among older adults, with high engagement levels. Health promotion courses that meet these needs are continuing. Actual Outcomes and Positive Feedback: (1)Successfully cultivated the habit of regular participation in health activities among older adults, significantly enhancing their health awareness and literacy. (2)Improved accessibility to community medical resources, effectively implementing the principle of "prevention is better than cure" and reducing the incidence of acute health events. (3)Strengthened the caregiving knowledge and communication skills of community workers, reinforcing their role as a local support system. 4. Continued Support for the National Taiwan University of Science and Technology International Talent Innovation and Entrepreneurship Training Program: In 2024, the third cohort of GTEP admitted seven teams comprising 19 members from nine different countries, representing National Taiwan University of Science and Technology, Ming Chi University of Technology, and Ming Chuan University. Ultimately, four teams presented their results. Additionally, the GTEP International Competition was expanded, inviting five teams from Indonesia's WMCU, Thailand's ELP program, TSU, and UBU to Taiwan to participate in the competition.				

Implementation of Climate-Related Information:

Item	Implementation status
1. Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	The Board of Directors of our Company has a supervisory and guiding role in the management strategy of sustainable development (ESG). The General Manager has established a Promoting Committee to oversee this area. The management department regularly reports to the Board on the implementation of ESG-related issues, including climate change.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Short-term risks include domestic carbon tax, increased electricity costs, and increased raw material costs. On the other hand, short-term opportunities arise from promoting improvements in organizational greenhouse gas inventory and sustainable information disclosure, which can enhance the positive image of the Company.

Item	Implementation status
	Mid-term Risks: Potential operational losses may arise from the collection of overseas carbon tax, the implementation of new renewable energy regulations, natural disasters, and extreme weather events that can disrupt domestic and international production, supply chains, and logistics. Long-term Risk: To align with long-term emission reduction goals, companies must adjust their capital expenditures to address the challenges posed by climate change.
3. Describe the financial impact of extreme weather events and transformative actions.	The transition to a low-carbon economy may encounter additional policy and regulatory, technological, and market changes. The implementation of a carbon fee, regulations on greenhouse gas emissions control, requirements for renewable energy, and the purchase of renewable energy certificates could potentially lead to an increase in the Company's future operating costs.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Company integrates climate change and environmental risks into corporate risk management, continuously monitoring their impact on operations. Through greenhouse gas inventory assessments, the Company quantifies and manages overall emissions while implementing reductions in water, electricity, energy consumption, and greenhouse gas emissions. Additionally, environmentally friendly management and protection measures are enforced. Regular reviews are conducted, with reports presented to the Board of Directors. The Company obtained ISO14001 certification in November 2022.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	Currently not in use.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	The Company intends to implement carbon management risk analysis and transformation planning once the organization's greenhouse gas inventory is completed. The projected start date for this initiative is the end of 2025.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	In 2024, the Company conducted its first greenhouse gas emissions inventory. Moving forward, an internal carbon pricing project will be planned based on the relevant data.

Item	Implementation status
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	The Company established the "Greenhouse Gas Inventory Promotion Team" in 2023, responsible for identifying greenhouse gas emission sources within the organizational boundary. This includes the Company's group and all subsidiaries covered in the consolidated financial report, encompassing Scope 1, 2, and 3 emissions. The inventory for 2023 was completed in 2024, with the inventory for 2024 scheduled for completion in 2025. The Company has set a quantitative management target for Scope 1 and 2 emissions, aiming for a 1.5% reduction (as outlined in the environmental policy goals).
9. Inventory and Confirmation of Greenhouse Gas Emissions (Please also complete sections 1-1 and 1-2).	According to Letter No. 11203852314 issued by the Financial Supervisory Commission on November 13, 2023, our Company, being a company with a capital of less than NT$5 billion, is obligated to complete information disclosure by the year 2026 and confirmation information disclosure by the year 2028. The carbon reduction goals, strategies, and specific action plans should be disclosed starting from the year 2027.

(VI) Company's Integrity Management Situation and Measures

Evaluation item	Operation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
I. Establishment of ethical corporate management policies and programs (I) Does the Company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethic policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the management team?	V		The Company has established the 'Code of Conduct' and the 'Code of Conduct Operation Procedures and Behavioral Guidelines'. These documents have been made available on the Market Observation Post System and the Company's website. The Board of Director and management are actively implementing them.	No differences.

Evaluation item	Operation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
(II) Whether the Company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?	V		The Company will engage in business activities aimed at acquiring new customers by conducting credit checks through insurance companies to mitigate the risks associated with dishonest behavior. The Company has implemented a 'Code of Conduct and Ethical Guidelines' that strictly prohibits bribery or any form of dishonest behavior, including illegal political donations. Any violations discovered will be addressed in accordance with the applicable regulations.	No differences.
(III) Does the Company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	V		The Company has established the 'Code of Conduct and Behavioral Guidelines' to ensure adherence and has implemented a disciplinary and complaint system to prevent dishonest behavior. In addition, employees are prohibited from engaging in opportunistic behavior, concealing or misrepresenting information to obtain undeserved benefits, or deceiving in their records or reports, as per the regulations on personnel management. Such actions may have a negative impact on the Company's interests and reputation, and may result in termination of employment without prior notice.	No differences.
II. Ethical Management Practice (I) Does the Company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	V		Our Company conducts business activities with suppliers in a fair and transparent manner. The general external contracts include a provision for 'good faith'.	No differences.
(II) Has the Company set up a dedicated unit to promote ethical corporate management under the	V		The Company designates the General Manager's Office as the responsible unit, responsible for formulating and	No differences.

Evaluation item	Operation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
Board of Directors, and does it regularly (at least once a year) report to the Board of Directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?			overseeing the implementation of the integrity management policy and prevention plan. It also regularly reports to the Board of Directors (at least once a year). The report for fiscal year 2024 has already been submitted to the Board of Directors on 2024.12.26.	
(III) Has the Company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	V		The Company must inform and avoid conflicts of interest in business. To facilitate this, the Company has established a stakeholder section on its website, which serves as a platform for disclosure.	No differences.
(IV) Does the Company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	V		The Company's accounting system is formulated with reference to the Commercial Accounting Law, the Standards for the Preparation of Financial Reports of Publicly Offered Companies and other relevant laws and regulations; the internal control system is formulated with reference to the 'Standards for Establishing Internal Control Systems for Publicly Offered Companies' and other relevant regulations, all of which are implemented. The audit department also regularly checks compliance and reports to the Board of Directors.	No differences.
(V) Does the Company provide internal and external ethical corporate management training programs on a regular basis?	V		The Company regularly organizes education, training and promotion on integrity management for Director, managers and employees every year. In 2024, it held education and training related to integrity management issues, with a total of 597 trainees and 408 hours of training.	No differences.
III. Implementation of Complaint Procedures				
(I) Has the Company established	V		The Company has implemented a	No differences.

Evaluation item	Operation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle- blowers?			reporting and reward system outlined in the 'Code of Conduct and Behavioral Guidelines for Integrity Management'. Colleagues are encouraged to report any issues through appropriate channels, and the Company will take disciplinary action based on the severity of the situation. The Company designates the general manager's office as the dedicated unit, and the report email address is: integrity@tul.com.tw.	
(II) Has the Company established investigation standard operating procedures and related confidentiality mechanisms for handling reported matters?	V		The Company has established standard operating procedures for investigation and related confidentiality mechanisms for accepting reports in the 'Integrity Business Operation Procedures and Conduct Guidelines.'	No differences.
(III) Has the Company adopted proper measures to protect whistle-blowers from retaliation for filing complaints?	V		The Company is dedicated to upholding the confidentiality of the whistleblower's identity and the contents of the report, as outlined in the 'Code of Conduct and Ethical Guidelines'. Additionally, the Company ensures that no retaliatory measures will be taken against the whistleblower in response to the report. No reports were received in 2024.	No differences.
IV. Strengthening Information Disclosure Does the Company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	V		The Company has formulated a code of integrity management and disclosed it on the Market Observation Post System (MOPS) and Company website.	No differences.
V. If a company has established its own ethical business practices based on the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," it should clarify the differences between its operations and the prescribed principles: The Company has established its own Code of Conduct in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" and has been adhering to it without any differences in operation.				

Evaluation item	Operation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No	Summary description	
VI. Additional Key Information on the Company's Ethical Business Practices: The Company strictly adheres to the Company Act, Securities and Exchange Act, Business Accounting Act, and relevant OTC market regulations and laws. Moreover, it continuously monitors the development of ethical business standards both domestically and internationally, ensuring a strong foundation for implementing integrity-based business operations.				

(VII) Other important information that enhances the understanding of corporate governance operations may also be disclosed in the Business Management Section of the Company's website and the Market Observation Post System.

(VIII) Execution Status of Internal Control System

1. Internal control explanation: as follows.
2. Accountant project review report: None.

TUL Corporation

Internal Control System Statement

Date: March 13, 2025

The internal control system of our Company for 2024, based on our self-assessment, is hereby declared as follows:

I. The Company acknowledges that the establishment, implementation, and maintenance of internal control systems are the responsibility of the Board of Directors and management. The Company has already established such a system. The purpose is to achieve operational effectiveness and efficiency, which includes profitability, performance, and asset security. It also aims to ensure reliable and timely reporting, transparency, and compliance with relevant regulations and laws, while providing reasonable assurance.

II. Secondly, the internal control system has inherent limitations. No matter how well-designed it is, the system can only offer reasonable assurance for achieving the three mentioned objectives. Additionally, the effectiveness of the internal control system may also vary due to changes in the environment and circumstances. The Company has a self-supervision mechanism in its internal control system. When a deficiency is identified, the Company takes corrective action.

III. The Company evaluates the effectiveness of its internal control system in accordance with the 'Guidelines for Establishing Internal Control Systems for Publicly Listed Companies' (hereinafter referred to as the 'Guidelines'). The Company assesses the design and implementation of its internal control system to determine its effectiveness. The 'Processing Guidelines' adopt internal control system determination items that are divided into five components based on the process of management control: 1. Control Environment, 2. Risk Assessment, 3. Control Activities, 4. Information and Communication, and 5. Monitoring Activities. Each component is composed of multiple items. Please consult the 'Processing Guidelines' for the mentioned items.

IV. The Company has already implemented the aforementioned criteria for evaluating the effectiveness of the design and implementation of the internal control system.

V. Based on the evaluation results mentioned above, the Company believes that its internal control system (including the supervision and management of subsidiaries) as of December 31, 2024, is effective in understanding the effectiveness and efficiency of operations, achieving the objectives of reporting in a reliable, timely, transparent, and compliant manner, and complying with relevant regulations and laws.

VI. This statement will serve as the primary content of our Company's annual report and public disclosure statement, which will be accessible to the public. If the above-mentioned publicly disclosed content is found to be false or concealed, legal liabilities may be incurred under Article 20, Article 32, Article 171, and Article 174 of the Securities and Exchange Act.

VII. This declaration was approved by our Company's Board of Directors on March 13, 2025. All seven directors unanimously agreed to the content of this declaration and hereby declare it.

TUL Corporation

Chairman: Chang Mao-Sung

C.E.O: Chen Chien-Wei

(IX) Important resolutions passed by the shareholders' meeting and the Board of Directors during the latest fiscal year and up to the date of printing of the annual report:

1. Explanation of the implementation of significant resolutions at the Shareholders' Meeting:

Date	Important resolution	Implementation status
2024.6.13	1. Recognition of Company's 2023 Business Reports, Consolidated Financial Statements, and Parent Company Only Financial Statements	Recognition acknowledged.
	2. Recognition of Company's allocation of profits and losses for the fiscal year 2023	Recognition acknowledged.
	3. The proposal to amend certain clauses of the Company's "Articles of Association"	The resolution has been approved. Announced on the Company's website and completed the amendment registration on 2024.6.28.
	4. Proposal to release the prohibition on Director from participation in new non-competitions.	The resolution has been approved.
	5. Proposal for capital increase through private placement of common shares.	The resolution has been approved. As a suitable strategic investor has not yet been selected, 2025.3.13the Board of Directors has decided not to proceed within the remaining period.

2. Important resolutions of the Board of Directors:

Date	Board of Directors Period	Board of Directors' Important Proposal
2024.3.14	10th Session, 5th Meeting	1. Adoption of 2023 Business Reports, Parent Company Only Financial Statements and Consolidated Financial Statements proposals. 2. Company's allocation of profits and losses for the fiscal year 2023. 3. Report on the Director's Remuneration and Employee Remuneration by the Company 4. Internal Control System Statement of the Company for the Year 2023 proposal. 5. Assessment of the independence and competence of the Company's CPA. 6. Attesting CPA remuneration case. 7. The Company will not continue to handle the private equity capital increase case approved by the 2023 shareholders' meeting.

Date	Board of Directors Period	Board of Directors' Important Proposal
		8. Company proposal for capital increase through private placement of common shares 9. Proposal to release the prohibition on Director from participation in new non-competitions. 10. Proposal to amend the Company’s “Approval Authority Table”. 11. Proposal to amend the Company's "Standards of Procedures for Board of Directors". 12. Proposal to amend the Company’s “Organizational Rules of the Audit Committee” 13. Amendments to some articles of the Company's Articles of Association 14. Formulate the date and method of convening the Company's regular shareholders' meeting. 15. The Company's 2024 regular shareholders' meeting accepted matters related to shareholders' proposals. 16. Proposal of renewing the comprehensive loan quota of Taiwan Cooperative Bank Nanxizhi Branch 17. Proposal of renewing the comprehensive loan quota of Hua Nan Bank Chang Shu Wan Branch. 18. Proposal of renewing the comprehensive loan quota of Land Bank of Taiwan Xizhi Branch.
2024.5.3	10th Session, 6th Meeting	1. The Company's consolidated financial statements for the first quarter of fiscal year 2024 2. Review proposals from shareholders holding more than 1% of the shares. 3. Proposal to release the prohibition on Director from participation in new non-competitions. 4. The case of renewing the comprehensive loan quota of Taiwan Enterprise Bank Xizhi Branch.
2024.6.21	10th Session, 7th Meeting	1. Strategic investment project for diversified business development 2. The Company intends to acquire shares of its Dutch sub-subsidiary from related parties through its wholly-owned subsidiary, Sparkle Computer Co., Ltd.
2024.8.8	10th Session, 8th Meeting	1. Company's consolidated financial statements for the first half of the fiscal year 2024 2. Proposal to lift the restrictions on non-compete clauses for company managers. 3. To draft the Company's 2023 Sustainability Report. 4. It is proposed to establish a Sustainable Development Committee under the Board of Directors and formulate the Company's "Organizational Rules of the Sustainable Development Committee." 5. The appointment of the first-term Sustainable Development Committee members of the Company.

Date	Board of Directors Period	Board of Directors' Important Proposal
		6. It is proposed to establish a Nomination Committee and formulate the Company's "Organizational Rules of the Nomination Committee." 7. The appointment of the first-term Nomination Committee members of the Company. 8. Renewal proposal of the comprehensive loan quota of Mega Commercial Bank Anhe Branch.
2024.10.1	10th Session, 9th Meeting	1. It is proposed to renew the import and export bill financing limit and apply for a derivative financial product trading limit at the Nangang Branch of Bank of Taiwan. 2. It is proposed to apply for a derivative financial product trading limit (pre-purchase and pre-sale forward foreign exchange, currency exchange) at the Anhe Branch of Mega International Commercial Bank Co., Ltd.
2024.11.12	10th Session, 10th Meeting	1. Company's consolidated financial statements for the first three quarters of fiscal year 2024 2. It is proposed to formulate the "Sustainable Information Management Procedures" and the "Sustainability Report Preparation and Assurance Process." 3. Amendments to certain procedures and cycles of the Company's 'Internal Control System' and 'Internal Audit Implementation Rules'. 4. Designating senior executives to oversee and control the risks associated with derivative product transactions. 5. Renewal proposal of the comprehensive loan quota of First Commercial Bank Keelung Branch.
2024.12.26	10th Session, 11th Meeting	1. The Company's 2025 operation plan. 2. Drafting the audit plan for the Company's fiscal year 2025. 3. Issuance of year-end bonus for managers for 2024 4. Evaluate and determine the salary and remuneration package for the Company's Director and general manager in 2025 5. It is proposed to renew and expand the short-term general credit limit at the Nangang Branch of Bank of Taiwan.
2025.3.13	10th Session, 12th Meeting	1. Adoption of 2024 Business Reports, Parent Company Only Financial Statements and Consolidated Financial Statements proposals. 2. Company's allocation of profits and losses for the fiscal year 2024. 3. Report on the Director's Remuneration and Employee Remuneration by the Company 4. Internal Control System Statement of the Company for the Year 2024 proposal. 5. Assessment of the independence and competence of the

Date	Board of Directors Period	Board of Directors' Important Proposal
		Company's CPA. 6. Attesting CPA remuneration case. 7. The Company will not continue to handle the private equity capital increase case approved by the 2024 shareholders' meeting. 8. Company proposal for capital increase through private placement of common shares 9. Revision of the Company's "Approval Authority Table" and certain provisions of related regulations. 10. Definition of the Scope of the Company's Grassroots Employees. 11. Amendments to some articles of the Company's Articles of Association. 12. Amendments to certain procedures and cycles of the Company's 'Internal Control System' and 'Internal Audit Implementation Rules'. 13. Formulate the date and method of convening the Company's regular shareholders' meeting. 14. The Company's 2025 regular shareholders' meeting accepted matters related to shareholders' proposals. 15. The Company plans to establish a sub-subsidiary in Indonesia. 16. Proposal of renewing the comprehensive loan quota of Taiwan Cooperative Bank Nanxizhi Branch

(X) In the most recent year and as of the publication date of the annual report, if Director or supervisors have different opinions on important resolutions passed by the Board of Directors and there are records or written statements, the main content is: None.

III. Accountant public expense information:

(I) CPA public expense information

Currency Unit: NT$ Thousands

Name of accounting firm	**Names of CPAs**		**Period covered by the CPA audit**	**Audit fees**	**Non-audit fees**	**Total**	**Remarks**
Deloitte Taiwan	Chiu Meng-Chieh	Chang Ching-Hsia	2024.01.01~2024.12.31	2,780	480	3,260	Non-audit fees include tax certification and new system risk testing.

Note: If the Company changed its CPAs or accounting firm during the fiscal year, list the audit periods before and after the change separately, and specify the reason for the change in the "Remarks" column and disclose sequentially the audit and non-audit fees paid. Non-audit public expenses and should be accompanied by a note explaining the service content

(II) If the audit fees paid for the year in which the accounting firm is changed are less than the audit fees paid for the previous year, the amount, percentage, and reasons for the reduction in audit fees should be disclosed: Not applicable.

(III) If the public audit funds have decreased by more than 10% compared with the previous year, the amount, proportion and reasons for the decrease in public audit funds should be disclosed: None.

IV. Information on Replacement of CPAs: None.

V. Director, general managers, or managers responsible for finance or accounting within the Company who have served at the accounting firm or its related enterprises within the past year should disclose their names, titles, and the duration of their employment at the accounting firm or its related enterprises. The term 'related enterprises of the accounting firm' refers to companies or institutions that are either held by the accountants of the accounting firm with more than fifty percent ownership, or hold over half of the director seats, or are listed as related enterprises in the information released or published by the accounting firm: None.

VI. The recent fiscal year and up to the date of the annual report printing, disclosure of the transfer of shares exceeding ten percent ownership by Director, executives, and shareholders, as well as changes in pledged equity.

(I) Transfers in Shareholding of Director, Supervisors, Managerial Officers, and Major Shareholders

Unit: Shares

Job title	Name	2024		As of April 22, 2025	
		Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)	Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)
Chairman	Chang Mao-Sung	0	0	0	0
Director	Liu Feng-Lan	0	0	0	0
Director	Lee Che-Yu	0	0	0	0
Independent Director	Teng Fu-Chi	0	0	0	0
Independent Director	Wang Kung-Jeng	0	0	0	0
Independent Director	Su Wen-Hsu	0	0	0	0
General Manager	Chen Chien-Wei	0	0	0	0
Executive Vice President	Chen Jei-Wen	0	0	0	0

Job title	Name	2024		As of April 22, 2025	
		Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)	Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)
Vice President/Director of the Research and Development Center	Huang Yin-Shui	0	0	0	0
Vice President of the Manufacturing Center	Liu Jing-Kuan	0	0	0	0
Vice President of Business Department	Chiu Szu-Chia	0	0	0	0
Vice President of Product Management Center	Chen Wei-Kai	0	0	0	0
Deputy Chief Financial Officer (CFO)	Hsieh Wen-Pi	0	0	0	0
Vice President of Information Center and Quality Assurance Center	Lin Yueh	0	0	0	0

(II) Information on the related parties of the equity transfer: None.

(III) Information on related parties of equity pledge: None.

VII. Information on the relationships between the top ten shareholders with the largest shareholding ratio:

Name	Shares held (personal)		Shareholding of spouse and minor children		Total shareholding by nominee arrangements		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree.		Remarks
	Number of shares	%	Number of shares	%	Number of shares	%	Name of entity or individual	Relationship	
Liu Feng-Lan	2,629,833	5.44%	No	No	No	No	No	No	
Chang Mao-Sung	1,319,919	2.73%	No	No	No	No	No	No	
Cai Longfa	472,000	0.98%	No	No	No	No	No	No	
Wang Qing-Bai	300,000	0.62%	No	No	No	No	No	No	
Bank of Taiwan entrusted trust	289,949	0.60%	No	No	No	No	No	No	

Name	Shares held (personal)		Shareholding of spouse and minor children		Total shareholding by nominee arrangements		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree.		Remarks
	Number of shares	%	Number of shares	%	Number of shares	%	Name of entity or individual	Relationship	
property account for TUL Corporation									
Investment account of Barclays Capital Securities Ltd. under custody of Citibank	262,448	0.54%	No	No	No	No	No	No	
Wu Dong-yue	215,000	0.44%	No	No	No	No	No	No	
Qiu Jun-Cun	189,000	0.39%	No	No	No	No	No	No	
He Shu-Hua	177,000	0.37%	No	No	No	No	No	No	
J.P. Morgan Securities Ltd. Investment Account, Custodian: JPMorgan Chase Bank	166,000	0.34%	No	No	No	No	No	No	

VIII. The number of shares held by Director, supervisors, managers, and enterprises directly or indirectly controlled by the Company in the same investee, and the comprehensive shareholding ratio shall be calculated by consolidation:

December 31, 2024

Long-term investment	Investment by the Company		Investments by directors, supervisors, managers, and enterprises directly or indirectly controlled by them		Total investment	
	Shares	Ratio	Shares	Ratio	Shares	Ratio
TUL Inc.	100,000	100%	0	-	100,000	100%
TUL B.V.	100,000	100%	0	-	100,000	100%
IOTU Corporation	12,100,000	93.08%	0	-	12,100,000	93.08%
Technology Created Medicine Corporation	2,900,000	100%	0	-	2,900,000	100%
Sparkle Computer Co., Ltd.	13,900,000	100%	0	-	13,900,000	100%

Long-term investment	Investment by the Company		Investments by directors, supervisors, managers, and enterprises directly or indirectly controlled by them		Total investment	
	Shares	Ratio	Shares	Ratio	Shares	Ratio
UWin Resource Regeneration Inc.	300,000	8.3%	301,533	8.34%	601,533	16.64%
TUL Pte. LTD.	20,000	100%	0	-	20,000	100%
SPARKLE EUROPE B.V.	-	-	1,200	100%	1,200	100%

Chapter 3 Fundraising situation

I. Capital and shares

(I) Sources of Capital

1. Equity formation process

Year and month	Issue price (NT$)	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount (NT$)	Number of shares	Amount (NT$)	Sources of Capital	Capital paid in by assets other than cash	Others
2009.1	10	96,000,000	960,000,000	63,641,299	636,412,990	Reduction of treasury shares by NT$15,140,000	No	Commercial letter No. 09801008850 issued on 2009.1.15.
2009.8	10	96,000,000	960,000,000	64,277,712	642,777,120	Capital increase by surplus of NT$6,364,130	No	Commercial letter No. 09801182470 issued on 2009.8.13.
2011.5	10	96,000,000	960,000,000	65,176,172	651,767,120	Employee stock options converted to common shares amounting to NT$8,990,000	No	Commercial letter No. 10001098850 issued on 2011.5.18.
2011.8	10	96,000,000	960,000,000	69,739,082	697,390,820	Capital increase by surplus of NT$45,623,700	No	Commercial letter No. 10001194750 issued on 2011.8.24.
2012.5	10	96,000,000	960,000,000	70,150,582	701,505,820	Employee stock options converted to common shares amounting to NT$4,115,000	No	Commercial letter No. 10101087540 issued on (2012.5.15.
2012.11	10	96,000,000	960,000,000	70,159,332	701,593,320	Employee stock options converted to common shares amounting to NT$87,500	No	Commercial letter No. 10101232250 issued on 2012.11.12.
2013.5	10	96,000,000	960,000,000	70,528,332	705,283,320	Employee stock options converted to common shares amounting to NT$3,690,000	No	Commercial letter No. 10201093270 issued on 2013.5.20.
2013.11	10	96,000,000	960,000,000	70,569,582	705,695,820	Employee stock options converted to common shares amounting to NT$412,500	No	Commercial letter No. 10201233180 issued on 2013.11.18.
2014.4	10	96,000,000	960,000,000	70,579,582	705,795,820	Employee stock options converted to common shares amounting to NT$100,000	No	Commercial letter No. 10301066260 issued on 2014.4.14.
2015.8	10	96,000,000	960,000,000	50,440,091	504,400,910	Reduction of ordinary shares by NT$201,394,910	No	Commercial letter No. 10401171010 issued on 2015.8.17.
2016.9	10	96,000,000	960,000,000	30,264,054	302,640,540	Reduction of ordinary shares by NT$201,760,370	No	Document No. 1055310689 issued on 2016.9.13
2018.8	10	96,000,000	960,000,000	33,290,460	332,904,600	Capital increase by surplus of NT$30,264,060	No	Document No. 1078056364 issued on 2018.8.29

Year and month	Issue price (NT$)	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount (NT$)	Number of shares	Amount (NT$)	Sources of Capital	Capital paid in by assets other than cash	Others
2020.11	10	96,000,000	960,000,000	44,881,629	448,816,290	Convertible corporate bonds totaling NT$115,911,690	No	Document No. 1098082615 issued on 2020.11.19
2022.1	10	96,000,000	960,000,000	48,239,318	482,393,180	Convertible corporate bonds totaling NT$33,576,890	No	Document No. 1118001430 issued on 2022.1.12
2022.5	10	96,000,000	960,000,000	48,345.985	483,459,850	Convertible corporate bonds totaling NT$1,066,670	No	Document No. 1118033191 issued on 2022.5.13

2. Type of stock

(Unit: Shares)

Type of stock	**Authorized capital**					**Remarks**
	Outstanding shares			Unissued shares	Total	
	Listed on the OTC market	Not listed on the stock exchange	Subtotal			
Common shares	48,345,985	-	48,345,985	47,654,015	96,000,000	

3. Information Relating to the Shelf Registration System: None.

(II) List of Major Shareholders (Shareholding Ratio of 5% or Top Ten Shareholders)

April 22, 2025

Shares / Names of major shareholders	Number of shares	%
Liu Feng-Lan	2,629,833	5.44%
Chang Mao-Sung	1,319,919	2.73%
Cai Longfa	472,000	0.98%
Wang Qing-Bai	300,000	0.62%
Bank of Taiwan entrusted trust property account for TUL Corporation	289,949	0.60%
Investment account of Barclays Capital Securities Ltd. under custody of Citibank	262,448	0.54%
Wu Dong-yue	215,000	0.44%
Qiu Jun-Cun	189,000	0.39%
He Shu-Hua	177,000	0.37%
J.P. Morgan Securities Ltd. Investment Account, Custodian: JPMorgan Chase Bank	166,000	0.34%

(III) Company Dividend Policy and Execution Status

1. Dividend Policy

   If the Company generates a profit for the year, it should allocate a minimum of 3% for employee remuneration, including employees of subsidiary companies meeting certain conditions. Simultaneously, the Company's Board of Directors may allocate a maximum of 3% of the aforementioned profit for director remuneration. However, if the Company still has accumulated losses, the amount should be reserved in advance to cover these losses, and then the employee and director compensation should be allocated according to the aforementioned ratio. This plan for the distribution of employee and director compensation should be reported to the shareholders' meeting:

   If the Company has an earning in the annual final accounts, it must pay taxes as required by law, make up for accumulated losses, and allocate 10% as legal reserves. However, once the legal reserves have reached the Company's paid-in capital, they shall not be set aside. The remaining amount should be allocated or reversed as special reserves in accordance with the regulations. If there are still remaining balance, it should be combined with the accumulated undistributed profits. The Board of Directors shall propose the distribution of earnings and submit it to the shareholders' meeting for approval to distribute dividends to shareholders.

   The Company's dividend policy is formulated to align with current and future development plans, considering the investment environment, capital requirements, domestic and international competition, and shareholder interests. In the annual financial statements, if there is a surplus and the distributable earnings for the year amounts to 10% of the capital, the dividend distribution should not be less than 10% of the distributable earnings for the year. The proportion of cash dividends distributed each year should not be less than 50% of the total cash and stock dividends distributed for the year.

2. Proposed Dividend Distribution for the Annual Shareholders' Meeting

   The Company does not plan to distribute dividends for the year 2024.

(IV) The impact of the proposed stock dividend distribution at this year's shareholders' meeting on the Company's operating performance and earnings per share: Not applicable.

(V) Employee and Director/Supervisor Compensation:

1. Please refer to Article (III) in the Company's Articles of Association for information on employee remuneration and director and supervisor remuneration.
2. The accounting treatment for the discrepancy between the estimated basis for employee and director remuneration provisions, the calculation basis for stock dividend distribution, and the actual distribution amount.

   No provision was made for employee and director remuneration in fiscal year 2024 due to the Company's losses. After the fiscal year ends, any significant changes in the approved dividends by the Board of Directors are adjusted in the initially provisioned annual expenses. If there are further changes in the amount by the date of the shareholders' meeting, they will be accounted for based on estimates and reflected in the annual financial statements approved at the meeting.

3. The Board of Directors has approved the proposed amounts for employee compensation and director remuneration, as well as the allocation of employee bonus shares and the ratio of total employee bonuses to net profit after tax for the current period. Earnings per share will be calculated accordingly. However, for the year 2024, the Company does not intend to distribute employee compensation and director remuneration.
4. The situation of distributing previous year earnings to employee bonuses and director/supervisor remuneration: No provision was made for employee and director bonus remuneration in fiscal year 2023 due to the Company's losses.

(VI) The Company did not repurchase any of its own shares during the recent fiscal year or up to the date of printing the annual report.

II. Status of Corporate Bond Issuance (including Overseas Corporate Bonds):

Type of corporate bonds	Fifth domestic unsecured converted bonds	Sixth domestic unsecured converted bonds
Issue date	August 4, 2021	March 7, 2024
Par value	Each bond has a par value of NT$100,000.	Each bond has a par value of NT$100,000.
Place of issue and trading	Domestic	Domestic
Issue price	NT$104.2900	NT$106.7400
Total amount	NT$700 million	NT$400 million
Coupon rate	Coupon rate 0%	Coupon rate 0%
Maturity	Maturity Date of the 3-Year Term: August 4, 2024	Maturity Date of the 3-Year Term: March 7, 2027
Guarantor	No	No
Trustee	Cathay United Bank	Land Bank of Taiwan Trust Department
Underwriter	126T Horizon Securities	126T Horizon Securities
Attesting lawyer	N/A	N/A
Attesting CPA	Deloitte & Touche CPA Chiu Meng-Chieh and Chang Ching-Hsia	Deloitte & Touche CPA Chiu Meng-Chieh and Chang Ching-Hsia
Redemption method	The bond will be redeemed in cash at 101.5% of the face value within ten business days after the maturity date.	The bond will be redeemed in cash at 101.5% of the face value within ten business days after the maturity date.
Unredeemed balance	0	NT$400,000,000
Conditions for redemption or early redemption	Refer to the Company's bond issuance and conversion methods	Refer to the Company's bond issuance and conversion methods
Restrictive covenants	Refer to the Company's bond issuance and conversion methods	Refer to the Company's bond issuance and conversion methods
Name of rating agency, date and result of rating	No	No
Other rights attaching to the preferred The monetary amount of common	A request is being made to convert the par value of NT$477,400,000 into 3,464,356 common shares.	No

Type of corporate bonds		Fifth domestic unsecured converted bonds	Sixth domestic unsecured converted bonds
shares	shares, global depositary receipts, or other securities already converted, exchanged, or subscribed up to the annual report publication date		
	The issuance and conversion, exchange, or subscription rules	Refer to the Company's bond issuance and conversion methods	Refer to the Company's bond issuance and conversion methods
The possible dilution of shareholding and influence on shareholder equity caused by the issuance and conversion, exchange, or subscription rules and the terms of issuance.		The bond was delisted from over-the-counter trading on August 5, 2024.	Calculation is based on the current conversion price of NT$90.2 and the outstanding balance of NT$400,000,000, the equity dilution ratio is approximately 8.4%.
Name of the custodian institution of the exchangeable underlying		No	No

Convertible Corporate Bonds

Type of corporate bonds		Sixth domestic unsecured convertible bonds	
Item / Year		2024	April 11, 2025
Market price of convertible bonds	Highest	NT$117	NT$94
	Lowest	NT$95.45	NT$93.5
	Average	NT$108.39	NT$93.83
Conversion price		NT$90.2	NT$90.2
Issue (transaction) date and conversion price at issuance		Issued on March 7, 2024, with a conversion price of NT$90.2 at the time of issuance	
Method for performance of conversion obligations		Issue new shares	

III. Preferred Shares: None.

IV. Global Depositary Receipts (GDR): None.

V. Employee Share Subscription Warrants:

(I) Employee Share Subscription Warrants: None.

(II) Names and Acquisition and Subscription Status of Managerial Officers Who Have Acquired Employee Share Subscription Warrants and the Top Ten Employees (Ranked by the Number of Subscriber Shares) Who Have Acquired Share Subscription Warrants: Not applicable.

VI. New Restricted Employee Shares: None.

VII. Merger or acquisition of other company shares has been conducted: None.

VIII. Execution Status of Capital Utilization Plan:

Fundraising				Execution Status of Capital Utilization Plan
Method	Fundraising Amount	Date of Full Payment	Purpose of Fundraising	
Sixth domestic unsecured converted bonds	426,953,500	2024/03/05	Repayment of Bank Loans	Achieved 100% progress in the first quarter of 2024

Chapter 4 Operational Overview

I. Business Content

(I) Business Scope

1. The Company's business scope: Research and development, production, and sales
   1.1 Gaming, eSports, content creation, live streaming industry, AI training and inference, and industrial graphics cards
   1.2 FPGA Application Solutions
   1.3 Thunderbolt 4/5 High-Speed I/O Transmission Solution
   1.4 OEM/ODM Services for Electronics, Optics, and Biomedical
2. The Company's current products, services, and their respective business proportions

Unit: in NT$1,000%

Product items	2024	
	Net operating revenue	Business proportion (%)
Graphics card	4,684,920	99.76
Engineering and construction business	9,335	0.20
Other	2,044	0.04
Total	4,696,299	100.00

3. Our Company's current products include graphics cards, FPGA application solutions, and Thunderbolt 4/5 high-speed I/O transmission solutions. Among these, the sales in the year 2024 were mainly driven by graphics cards, accounting for approximately 99.76% of the net revenue. Here is an explanation of the main uses or functions of graphics cards:

Main products	Purpose or Function
Display (Graphics Card)	It is an interface card mainly used for: 1. Gaming, e-sports and creator computing; 2. High-speed computing and deep learning training; 3. Industrial application solutions for multiple displays, video walls and gaming machines.

1. Developing New Products

Fiscal year	Developing New Products
2025	The high-end RX 9070 XT from the AMD Radeon RDNA4 RX series has been released. Used for 3D PC gaming, CAD drawing assistance, and AI applications that require high-speed floating-point calculations. The mid-range RX 9060 XT from the AMD Radeon RDNA4 RX series was launched in May and is primarily intended for 3D PC gaming. Development of AI system platform using AMD ROCm, integrating a complete AMD/Intel Generative AI System Host. A Linux-based version supporting 8 GPUs will be available in Q4 2024, with support for 16 GPUs planned for Q3 2025. Hardware development using Xilinx Kintex® UltraScale series programmable chips. The Intel ThunderBolt 5 Barlow Ridge series supports ThunderBolt 5/USB4 interface docking. It is designed for MacBook/iMac and Windows laptops, as well as 8k high-resolution high-frequency displays.

(II) Industry Overview

1. Current Situation and Development of the Industry

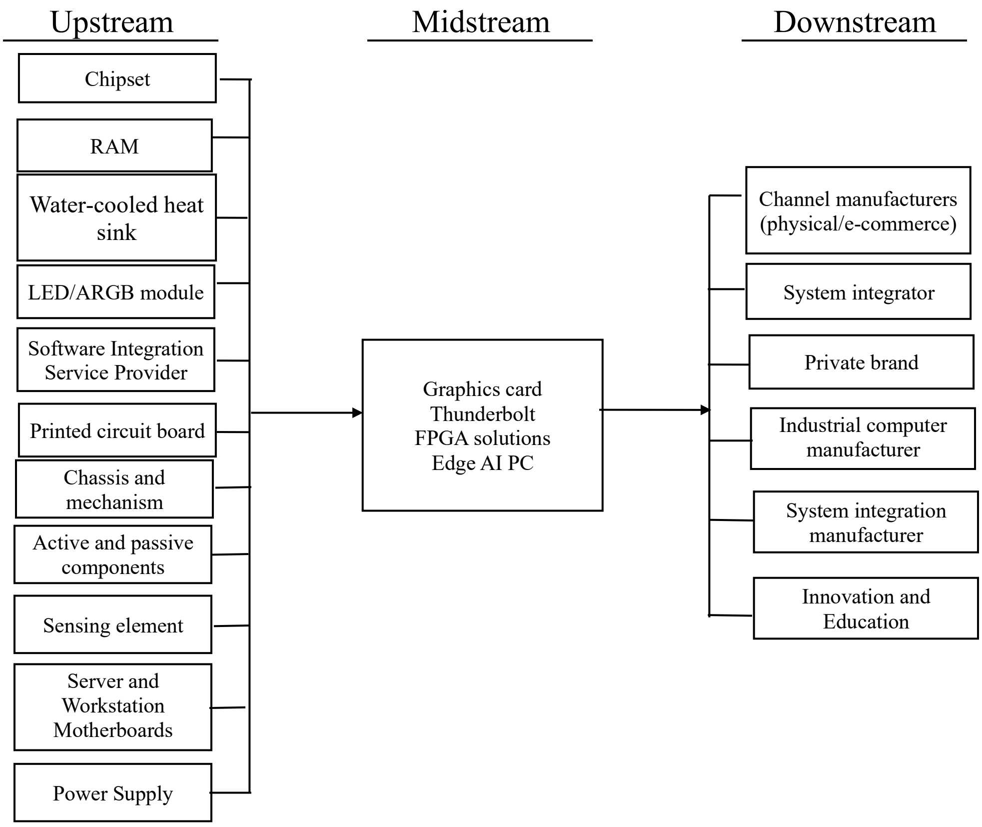
   Over the years, graphics cards have evolved from being primarily used for PC gaming to being widely utilized in various other industries and scenarios. Initially, graphics cards were designed to reduce the CPU's reliance on PCs, primarily focusing on accelerating graphics tasks. Therefore, when PC gaming became prevalent, graphics cards became the most critical component for gamers in building their gaming PCs. The specifications of the graphics card directly impact the smoothness of the game graphics, thereby affecting the players' performance in games.

   In 2015, Microsoft released Windows 10, which provided a broader stage for Thunderbolt 3, a platform that had previously only been compatible with macOS operating systems. This latest version of the Windows operating system supports hot-plugging for external graphics cards for the first time. Creators and gamers can now effortlessly connect a lightweight laptop to a Thunderbolt 3 eGPU enclosure. This enables them to accomplish tasks that were previously limited to high-end desktop computers, as well as play games with demanding hardware requirements. Our core customer base has always been creators and gamers, and with our investment in Thunderbolt 3 development, we quickly earned an award from ODM customers.

   In 2023, OpenAI launched ChatGPT, leading to various LLM. With continuous technological advancements, we can expect to see more amazing models emerging in different fields. This increases the demand for Local AI Computing, whether for training or inference, making standalone graphics cards even more indispensable.

2. Interconnectivity of the Upstream, Midstream, and Downstream Sectors in the Industry

   Our Company manufactures graphics cards, provides Thunderbolt 4/5 high-speed I/O transmission solutions, and offers FPGA application solutions. We work with upstream suppliers such as chipset manufacturers, memory suppliers, printed circuit board (PCB) providers, passive and active component suppliers, as well as thermal module suppliers. Alongside connectors and casings, after research and development by our Company, we outsource manufacturing to produce finished products. These products are then supplied to channel partners, system integrators, own-brand vendors, and industrial computer manufacturers. The following is a diagram illustrating the relationships between the upstream, midstream, and downstream sectors of the industry:



3. Product development trends and competition

Although the total output value of the game industry has been growing, the main driving force is in mobile games. As for the desktop gaming segment, the hardware pie is shared by e-sports laptops, which are taking over the desktop independent graphics card market. However, some environments contribute to the increase in sales volume and unit price of standalone graphics cards. The primary reflection is that tabletop games have been pursuing higher user experience, and their game graphics design tends towards high resolution, high refresh rates, as well as more perfect physics and lighting calculations. As a result, gamers are constantly pursuing higher-specification independent graphics cards in pursuit of a better experience.

In areas other than the gaming market, graphics cards are playing an increasingly important role, including the creator market, live broadcast market, digital signage, mobile medical and other industrial applications.

Deep learning, a branch of machine learning, has helped popularize speech recognition and face recognition, and its image recognition capabilities have also taken a big step forward in fields such as factory automation and medical care.

The two main steps of deep learning: training (TRAINING) and inference (INFERENCE), particularly require the high-speed computing power provided by the graphics card. During the training phase, large-scale models with extensive parameters demand a significant number of GPUs and high-capacity video memory. Developers typically rent computing resources from cloud service providers to carry out this process.

After the model has been trained, the next step is real-world application, known as inference. At this stage, developers often recommend that end users run the inference process on-premises. Currently, there are three common on-premises solutions available: GPUs – including standard desktop graphics cards, workstation-class GPUs, and server-grade GPUs; FPGAs; ASICs – a rapidly emerging option with many new solutions entering the market.

(III) Status of Technology and Research and Development

Our Company specializes in the development of PC graphics cards and has recently expanded into high-end gaming graphics cards and AI high-performance computing systems.

In 2025, the Company will continue developing products that support Microsoft DirectX 12 Ultimate, the high-resolution 3D gaming standard for Microsoft Windows 10/11. Our latest graphics cards support **multi-display** output from a single card, allowing for either independent multi-window operation or unified display configurations through technologies such as Eyefinity. These solutions support resolutions of up to 16K x 16K, making them ideal for high-end gaming systems. For example, when using four 4K monitors simultaneously, users can enjoy a gaming field of view that is four times wider.

In 2025, the Company joined the development ecosystem of AMD ROCm™. AMD ROCm™ is an open software stack optimized for AI workloads, offering a comprehensive set of features that support a broader AI software ecosystem, including open architectures, models, and development tools.

1. R&D Expenses for the Most Recent Fiscal Year and up to the Date of Printing of the Annual Report

Unit: in NT$1,000

Fiscal year	2024	First quarter of 2025
Research and Development Expenses	50,180	11,370

2. The successful technologies or products developed during the current fiscal year and up until the printing date of the annual report.

Fiscal year	Technological and Product Development Achievements
2024	AMD Radeon Navi 3 Series Radeon RX7900 XTX/XT for 3D PC gaming. AI that requires high-speed floating-point operations, such as TensorFlow / PyTorch, OpenCL, and OpenGL. AMD Radeon RDNA™ 4 Series Radeon RX9070XT for 3D PC gaming. Or GPUs designed for AI/HPC applications requiring high-speed floating-point computation. Customized Thunderbolt 4/5 eGPU enclosure designed for connecting GPU graphics cards to Windows 10/11 laptops and MacBook/iMac. Enhance image conversion processing, accelerate 3D graphics rendering speed, optimize the application of AI high-speed floating-point operations, and reduce computation time. Standardized ThunderBolt 4/5 Docking, USB 4 Docking peripheral platform, used to add high-speed I/O interface to laptops Windows10/11 and MacBook/iMAC. Xilinx–Zynq UltraScale+MPSoc series and Kintex® UltraScale FPGA series.

(IV) Long and short term business development plans

1. Short term business development plans:
   (1) To establish a strong presence in the high-end product market, thereby increasing overall gross profit and expanding our product line, while maintaining a focus on brand and quality. Additionally, we aim to explore new international markets to strengthen recognition of our proprietary brand.
   (2) To promote Edge AI Computing and expand the Total Addressable Market (TAM) of standalone graphics cards by extending product reach to the startup and education markets.
   (3) Implement a multi-location production strategy to reduce trade barriers and market globally.
   (4) Strengthen the development of the creator market to increase the sales of graphics cards for new uses; continue to work on this market, and hope to increase the market share of Thunderbolt 4/5, whether it is eGPU or Docking.
2. Long term business development plans:
   (1) Strengthen product features and service quality, thereby enhancing brand awareness and loyalty to increase and stabilize international market share.
   (2) Develop and promote new products to existing customer groups.
   (3) Continuously striving to expand our presence in the industrial market, our goal is to improve product sales and services. In addition to industrial graphics cards, we also offer a wide range of products including industrial motherboards and FPGA boards.
   (4) We continue to cooperate with partners such as chip design and software integration services, with a view to widely applying Edge AI Computing in various industries.
   (5) Leveraging the advantages of our self-built factories, we are investing in the diverse field of precision medicine applications, embracing the new

opportunities brought about by the cross-domain integration of technology and biomedicine industries.

II. Market and production and sales overview

(I) Market analysis

1. Sales Regions of Major Products

Unit: in NT$1,000

Fiscal year / Sales regions		2022 Amount	2022 %	2023 Amount	2023 %	2024 Amount	2024 %
Local		456,262	9.26	153,923	2.84	376,322	8.01
Export	America	1,513,368	30.71	1,841,509	34.03	1,223,343	26.05
	Europe	1,599,629	32.46	1,841,589	34.03	1,016,928	21.65
	Asia	1,216,517	24.69	1,461,635	27.00	1,861,312	39.64
	Other	141,692	2.88	113,435	2.10	218,394	4.65
Total		4,927,468	100.00	5,412,091	100.00	4,696,299	100.00

2. Market share

The Company currently focuses on the production of graphics cards. With the increasing popularity of personal computers, the demand for multimedia products is expected to steadily grow in the future. The Company operates in the highly popular segment of the information industry, specializing in multimedia products, particularly gaming graphics cards. These cards have recently been widely used to improve production efficiency and in the field of AI. Currently, the Company sells its products under its own brand and has gained recognition from consumers both domestically and internationally. The Company has established a strong brand presence in the international market. In the future, it will continue to invest in research and development of new products to maintain a competitive edge against its competitors. After comparing the operating income amount of the Company and its peers in 2024 (as shown in the table below), the Company's ratio to domestic peers is 46.1%, indicating that it has considerable competitive advantages.

Comparison of 2024 Revenue Between TUL Corporation and Domestic Competitors

Unit: NT$ million

Company name	TUL Corporation	LEADTEK Research Inc.	Yuan High-Tech Development Co., Ltd.	Total domestic peers
Net revenue	4,696	4,296	1,194	10,186
Ratio to domestic peers	46.1%	42.2%	11.7%	100%

Source: Market Observation Post System

3. Market Future Supply and Demand Situation and Growth

As independent display chips are increasingly used in applications, including gaming, e-sports, creation, live broadcast, AI training, inference and scientific computing, according to the annual financial reports of AMD and Nvidia, their TAM can reach

US$100 billion. It is inferred that the total independent graphics card market is also growing.

4. Competitive niche

The Company has been recognized by customers in terms of product prices, services, etc., and its product diversification is ahead of other competitors in the same industry. This is an advantage that other competitors cannot obtain, and it can provide customers with a total solution that best meets their needs.

5. Advantages and disadvantages of development prospects and countermeasures

(1) Advantages:

A. Independent graphics cards are used for an increasingly wide range of applications, including gaming, e-sports, creation, live streaming, AI training, and inference and scientific computing.

B. The integrated graphics card is unable to meet the computing speed requirements of mid to high-end users. As a result, the attach rate of discrete graphics cards has increased to over 50% compared to desktop computer shipments in recent years.

C. The popularity of machine learning has led to increased demand for AI training and inference, expanding the total market for independent graphics cards and FPGAs.

D. Microsoft will discontinue support for Windows 10 this October, leading to a wave of device upgrades.

(2) Disadvantages:

A. Integrated chips are already built into motherboards, so low-end market demand will decrease accordingly.

B. The short product life cycle requires related chip manufacturers to quickly provide various mid-to-high-end chips. If a product lacks marketability, it can lead to wasted research and development costs and chips.

C. In specific fields of AI Inference, dedicated ASICs have begun to replace GPUs as computing solutions.

6. Countermeasures

(1) In order to enhance international marketing efforts and attract new customers, it is crucial to have a comprehensive understanding of market dynamics and user requirements. This knowledge will enable us to effectively expand our market share.

(2) In order to meet market demand, it is important to develop niche products rapidly, minimize the research and development of products that are not marketable, and enhance the sales volume of high-margin products.

(3) Collaborate with ASIC design manufacturers to develop domain-specific solutions.

(II) Purpose and Manufacturing Process of Main Products

1. Purpose

Graphics Card: The graphics card serves as the interface between the motherboard and the display, enabling 2D/3D/AI computing.

2. Production Process

R&D completes the design, then outsources the production order. Material preparation is done in-house before outsourcing the production. The finished goods are then warehoused. Our Company is responsible for circuit design and material preparation, while the production is outsourced. The evaluation of partner factories for cooperation must meet the qualification criteria.

(III) Status of Main Raw Material Supply

Name of main/raw materials	Main Suppliers	Supply Status
Chip	AMD/Intel	Satisfactory

(IV) Main List of Sales and Purchase Customers

1. Customer Names, Amounts, and Proportions that Accounted for Over 10% of Net Sales in Any One of the Past Two Fiscal Years

Unit: in NT$1,000

2023				2024				First quarter of 2025			
Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	Percentage of net sales up to the preceding quarter of the current fiscal year (%)	Relationship with the issuer
Client A	1,093,089	20.20	No	Client A	552,855	11.77	No	Client A	81,291	4.85	No
Client B	639,632	11.82	No	Client B	348,384	7.42	No	Client B	126,963	7.58	No
Client C	397,434	7.34	No	Client C	412,076	8.77	No	Client C	264,115	15.76	No
Other	3,281,936	60.64		Other	3,383,630	72.04		Other	1,203,336	71.81	
Net sales	5,412,091	100.00		Net sales	4,696,945	100.00		Net sales	1,675,705	100.00	
Clients A and C are based in the United States, while Client B is from Europe. Due to the impact of war and inflation in the West in the year 2024, revenue and market share have declined.											

2. Supplier Names, Amounts, and Proportions that Accounted for Over 10% of Net Purchase in the Past Two Fiscal Years

Unit: in NT$1,000

2023				2024				First quarter of 2025			
Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of net purchases up to the preceding quarter of the current fiscal year (%)	Relationship with the issuer
Vendor A	3,222,593	60.93	No	Vendor A	1,329,735	34.98	No	Vendor A	736,214	45.21	No
Vendor B	647,921	12.25	No	Vendor B	1,426,608	37.53	No	Vendor B	512,230	31.46	No
Other	1,418,125	26.82		Other	1,045,196	27.49		Other	379,993	23.33	

2023				2024				First quarter of 2025			
Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of net purchases up to the preceding quarter of the current fiscal year (%)	Relationship with the issuer
Net purchases	5,288,639	100.00		Net purchases	3,801,539	100.00		Net purchases	1,628,437	100.00	
Our Company primarily purchases CHIP and DRAM raw materials from Vendor A, our largest supplier. Vendor B also distributes Vendor A's products. In 2024, due to Vendor A's strategic adjustments, an increase in designated purchases from Vendor B led to a significant decline in Vendor A's market share.											

III. Employee Statistics for the Most Recent Two Fiscal Years up to the Annual Report Publication Date

Fiscal year		2023	2024	As of March 31, 2025
Number of employees	Research and development unit	32	32	32
	Business unit	86	82	86
	Management unit	50	49	51
	Total	168	163	169
Average age		39.32	39.32	38.94
Average years of service		6.29	6.91	6.56
Education distribution percentage (%)	Ph.D.	0%	0%	0%
	Master's degree	33.4%	31.6%	31.6%
	College	16.3%	24.8%	25.1%
	University	49.3%	42.0%	41.7%
	Below senior high school	1.0%	1.6%	1.6%
	Total	100.0%	100.0%	100.0%

IV. Information on Environmental Spending

1. The Company has not suffered losses due to environmental pollution in the most recent year and as of the publication date of the annual report.
2. The Company is primarily involved in the manufacturing and sale of graphics cards. However, the production process does not generate any polluting waste. As a result, the Company does not expect to incur any significant environmental expenses in the next three years.
3. In response to the implementation of the European Union's Restriction of Hazardous Substances Directive, our Company has completed review and improvement of the production process OEM and raw material supplier products according to the relevant requirements of the law to comply with the European Union's Restriction of Hazardous Substances Directive. All products sold by our Company to the EU comply with the RoHS II Directive 2011/65/EU and Directive (EU) 2015/863, as well as the REACH Regulation (EC) 1907/2006 regarding hazardous substances. Furthermore, they do not

violate the relevant regulations concerning restricted/prohibited substances (SVHC), maintaining a concentration of less than 0.1% by weight (1000 ppm).

Our Company's products adhere to the following international environmental directives and regulations:

EU WEEE waste electronic and electrical product recycling (2002/96/EC)

EU RoHS Environmental Protection Directive (2011/65/EU)

EU REACH Environmental Protection Directive ((EC)No.1907/2006)

China RoHS

Taiwan RoHS -CNS 15663

Conflicting minerals

Quality certification system:

Our Company complies with ISO 9001& IECQ-QC 080000 Hazardous Substance Management System

Our Company requires outsourcing factories to comply with ISO 14001

Our Company has obtained the ISO 14001:2015 certification, with the latest certificate valid from March 20, 2023, to March 19, 2026.

Occupational health and safety policy:

In view of the importance of the working environment and employee personal safety protection measures, the Company, under the framework of social responsibility and environmental safety and health management systems,

Establish regulatory compliance management procedures

Establish a safe and hygienic working environment

Comply with safety and health regulations and systems

The environmental protection work in the office area is also based on energy conservation, garbage classification and recycling, low noise, carbon reduction and other environmental optimization goals to enhance a healthy working environment

V. Labor/Management Relations

1. List the Company's various employee welfare measures, further education, training, retirement systems and their implementation status, as well as the agreements between labor and management and various employee rights and interests protection measures

(1) Employee welfare measures

Employee stock trust, national health insurance, labor insurance, retirement pension allocation, group insurance, regular employee health check-ups, employee domestic and international travel, birthday bonus, and club activities.

(2) Further education and training for employees

A. Pre-employment training for new employees: Pre-employment training for new employees, including Company organization and culture, introduction to operating systems and system operations, professional knowledge training and inheritance, etc.

B. The Company has developed the 'Education and Training Operation Procedure' and the 'Internal/External Education and Training Execution Guidelines'. Colleagues are expected to apply for internal or external training courses that align with their professional expertise and capabilities. This should be done in accordance with the Company's annual development strategy or plan, with the aim of collectively achieving strategic objectives and plans. The content is summarized as follows:

a. Training was conducted at the headquarters.

b. Training Department: The Training Department is responsible for sending employees to professional training institutions, both domestically and internationally. Employees are required to sign training consent forms or service commitment agreements, depending on the content of the training.

c. The statistics and expenditures related to employee training and education in the 2024 fiscal year of our Company are as follows:

Education and Training	Internal Training	External Training
Number of trainees	887 persons	165 persons
Expenditure	NT$189,000	NT$589,500
Course name	New employee education and training, quality management system, blockchain, big data application, compliance knowledge, ISO series courses, statistical data analysis.	Quality Assurance, Inspection, Finance, Information Security, Production Management, Regulatory Compliance, Big Data Analysis, Industry Technology and Employee Skills Training, Management Continuing Education, ISO Series Courses.

(3) Retirement System and Its Implementation Status:

Employees of our Company may request for retirement if they fall into any of the following circumstances:

A. Those who are over 55 years old and have worked in the Company for more than 15 years.

B. Those who have continuously worked for twenty-five years or more.

C. Those who have served for more than ten years and are over sixty years old.

If an employee of the Company falls into any of the following circumstances, the Company may force him or her to retire:

A. Those who are over sixty-five years old.

B. A person who is mentally incapacitated or physically disabled and unable to perform their job duties.

(4) The status of agreements between labor and management and the measures for safeguarding various employee rights.

A. The Company formulates relevant implementation measures in accordance with the Occupational Safety and Health Act, conducts labor safety and health work, prevents occupational hazards, and ensures the safety and health of employees.

B. Regularly conduct occupational safety and health education training and health check-ups for employees to promote their well-being.

C. Regularly conduct inspections of the workplace environment and related equipment to maintain the safety of Company assets and personnel.

D. Apply for employee group insurance to improve the safety and security of employees.

2. The Company has not suffered losses due to labor disputes in the most recent year and as of the publication date of the annual report.

3. Protective measures for work environment and employee personal safety

(1) Workplace safety

A. To prevent occupational disasters and ensure the safety and health of all colleagues, we formulate an occupational safety and health management plan in accordance with the provisions of the Occupational Safety and Health Law.

B. Conduct firefighting drills and fire-fighting equipment testing and maintenance every year.

C. Environmental quality monitoring is carried out twice a year.

D. Regular inspections and reviews are carried out to achieve the goal of zero occupational accidents (no occupational accidents have occurred in 2023.)

(2) Access security

A. There is a strict access control and surveillance system in place 24/7.

B. Signing a contract with a security company for night time and holiday security maintenance.

(3) Mental and physical health

A. Health Check: Conduct regular health check-ups and provide health knowledge lectures for employees.

B. Workplace Hygiene: Implementing a comprehensive smoking ban as per regulations, organizing health seminars, and conducting regular office cleaning and disinfection.

C. Sexual Harassment Prevention: Establishing complaint procedures and disciplinary measures.

(4) Insurance and Medical Care Support

A. Legal Compliance with Insurance: Enrollment in labor insurance (including occupational injury insurance) and health insurance as mandated by law.

B. The Company provides employees with accident insurance for work-related incidents. In cases of work-related disability or death, the insurance benefits support the employee or their beneficiaries.

C. Providing financial assistance for hospitalization due to illness for employees, their parents, spouses, and children.

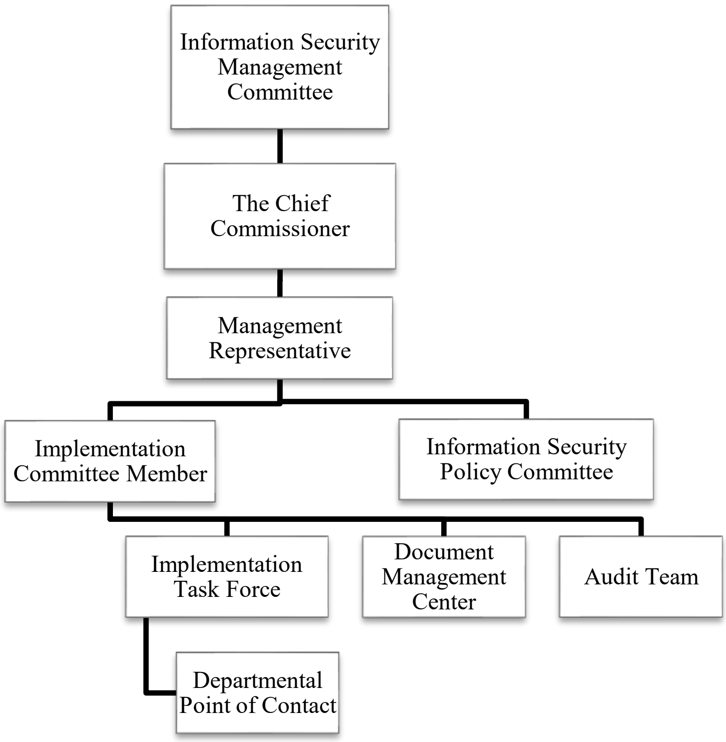
VI. Information Security Management

(I) Detailing the information security risk management framework, information security policy, specific management plans, and the resources dedicated to information security management.

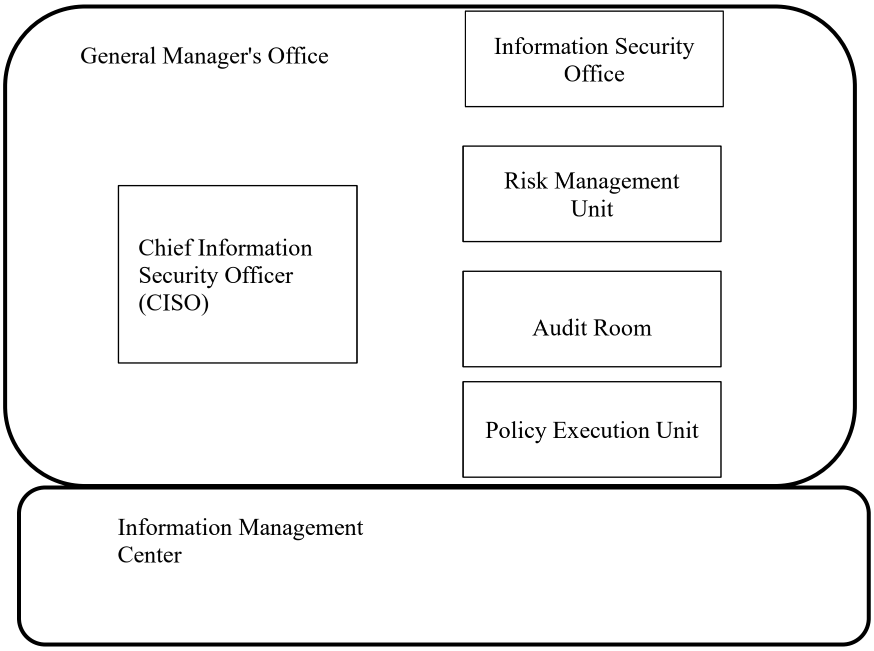
(1) Information Security Risk Management Framework

A. The enterprise information security governance organization: Our Company has set up an Information Security Management Committee under the Information Security Office to conduct information security risk assessments for our Company and implement control measures for medium to high-risk projects.

The Information Security Management Committee is mainly composed of 1 Chief Commissioner (in 2024, filled by the General Manager), 1 Management Representative (in 2024, filled by the head of the Information Security Office), core system responsible persons, the MIS director as implementation committee members, and dedicated information security personnel from the Information Security Office as members of the Information Security Policy Team. The information security policy is formulated by the Information Security Office and then executed by the implementation committee members. They promote the policy to all colleagues, ensuring its comprehensive implementation. Finally, audit personnel conduct audits and report annually to the Board of Directors on the Information Security Management Report.



B. Information Security Organizational Structure:
The responsibility unit for information security in our Company is planned by the head of the Information Security Office under the General Manager's Office, and implemented, promoted, and supervised by the colleagues of the Information Security Office in terms of relevant management matters and policy implementation. The Information Center colleagues assist in the execution of policy-related management measures.



(2) Information Security Policy

A. Access Control:
- Limiting access to information and information processing facilities.
- Ensuring authorized users can access while preventing unauthorized access to systems and services.
- Making users responsible for safeguarding their authentication information.
- Preventing unauthorized access to systems and applications.

B. Physical and Environmental Security:
- Preventing unauthorized physical access, damage, and interference to organizational information and information processing facilities.
- Preventing loss, damage, theft, or compromise of assets and ensuring continuity of organizational operations
- Regular maintenance and review of the physical security of the data center where information assets are stored

C. Information Asset Management:
- Identifying organizational assets and defining appropriate protection responsibilities.
- Ensuring that all assets are protected at an appropriate level based on their importance to the organization.
- Ensuring the confidentiality, availability, and integrity of information stored on media.

D. Data Transmission
- Ensuring data transmission traceability and non-repudiation.
- Maintaining the reliability and availability of transmission operations.
- Physical transmission using destruction trace or anti-destruction control measures.
- Data should be transmitted using approved electronic media as per regulations; unauthorized or improper media should not be used for the sake of convenience.

- Confidential or sensitive information should not be disclosed to other organizations or individuals through any means of transmission, messaging, speaking, or video unless authorized.
- The internal information website should grant appropriate permissions based on responsibilities and job requirements in order to regulate access to relevant documents.

E. Cybersecurity
- Once authorized, internet users can only access network resources within the authorized scope.
- Appropriate control measures should be implemented for computer connection lines used in internet systems to mitigate the risk of unauthorized system access or computer facility breaches.
- The network segmentation plan should adhere to the physical separation rules for internal and external networks. Additionally, personal wireless devices should be prohibited from compromising the security mechanisms of the physical separation between internal and external networks.
- Unauthorized use of wireless networks and private wired devices for network interconnection is strictly prohibited.

F. Information Security Incident Management:
- Ensure consistent and effective management of information security incidents, including the communication of security events and vulnerabilities, by establishing a robust incident reporting system.

G. Employee Training
- Information security personnel are required to undergo annual professional information security education and training in order to enhance their professional knowledge.
- Conducting regular information security education and training annually to enhance employees' awareness of cybersecurity.

H. Sustainable Business Management
- Ensuring system availability and data integrity in the event of external natural factors such as fires, earthquakes, or human factors.
- Regular backup/disaster recovery drills ensure the integrity and availability of systems and data after restoration.

(3) Specific Management Plans

A. Management Project Plan Computer Equipment Security Management
- The Company's computer hosts, various application servers, and other equipment are all located in dedicated machine rooms, where access records are maintained for inspection.
- The computer room is equipped with independent air conditioning to maintain the computer equipment operating at the appropriate temperature. Additionally, it is equipped with gas-based fire suppression systems and gas room fire extinguishers, which are suitable for general fires or fires caused by electrical equipment. Regularly conduct fire safety inspections in the server room to maintain the operability of fire detection and equipment.
- Equip the server room's main machines with uninterruptible power supplies (UPS) and voltage stabilizers to prevent system crashes caused by sudden power outages from the electricity provider and to ensure that computer applications continue to operate during temporary power interruptions.

B. Network security management

- Install enterprise-grade firewalls at the entry points of external network connections to block unauthorized hacker intrusions.
- Employees accessing the Company's internal network and core systems remotely must apply for a VPN account. They can only log in and use the systems through the secure VPN method, and all usage records are retained for auditing purposes.
- External partners accessing the Company's core systems remotely must apply for a VDI account. They can only log in and use the systems through the VDI, and a screen recording tool is used to record their activities for future reference.
- Deploy internet behavior management and filtering equipment to control access to the internet. This can block harmful or policy-prohibited websites and content, enhancing network security and preventing improper use of bandwidth resources.

C. Antivirus Protection and Management
- Endpoint protection software is installed on both servers and employees' terminal devices to prevent unauthorized third-party access to the network, applications, or databases through these devices. It also helps protect endpoints from malware.
- All colleagues' computer equipment is installed with antivirus software and regularly updated with virus definitions to ensure the prevention of the latest known computer viruses.
- The email server is configured with email antivirus and spam filtering mechanisms to block viruses or spam emails from reaching users' PCs.

D. System Access Control
- Employees' access to various application systems is governed by the Company's internal system access control procedures. After applying for system permissions through the designated process, and upon approval by the responsible supervisors, the IT team assists in creating system accounts. Access is then granted by system administrators based on the requested functional permissions.
- Regularly review the password policy for account creation, specifying appropriate strength and length requirements, and mandating a mix of letters, numbers, and special characters for passwords to be accepted.
- When an employee undergoes a job transfer, they follow the HR notification to initiate the account modification process, which involves revoking access to various systems and making necessary account changes.
- When an employee leaves or goes on leave, they initiate the account modification process following HR's notification. This process involves revoking or deleting access to various systems.

E. To ensure the system's continuous operation
- System Backup: Implement a daily backup mechanism with three copies maintained. Utilize two different backup methods (such as tape backup, cloud backup, etc.), with one copy being stored off-site. This setup adheres to the "3-2-1 backup rule" to ensure the security of the system and data.
- Email and Organizational Backup: Companies can protect themselves by backing up data from emails and internal communication platforms. This allows them to retain relevant legal evidence and minimize losses caused by trade secret leaks.
- Disaster Recovery Drill: Conduct a quarterly drill for critical servers and host

equipment. Once a restoration date reference point is selected, restore the backup media to the system host. After the backup has been restored, perform testing to verify integrity and accuracy.
- Using SD-WAN to manage external networks, having four lines set up as redundant backups to ensure uninterrupted network communication.

F. Cybersecurity Awareness and Education Training
- Remind and advocate for regular password changes among colleagues to maintain account security. Implement re-education and awareness programs for colleagues who have failed social engineering tests.
- Cybersecurity Awareness: Provide cybersecurity case study documents for colleagues as references.

(4) Invest resources into cybersecurity management

A. Hardware Security Measures:
1. The workstations and main servers are equipped with a central console for early warning, undergo daily antivirus scans, and have regular updates of virus definitions.
2. Devices accessing the network must have necessary antivirus software installed, as well as proper authentication.
3. Software systems such as endpoint protection systems, backup management software, network access control devices, VPN authentication, VDI remote virtual desktop systems, and server/system log management services.
4. Hardware devices such as firewalls, intrusion prevention systems, and data center fire protection equipment.
5. Telecommunication services such as multiple lines, official website WAF protection, and intrusion prevention systems.
6. Schedule annual vulnerability scans for servers (initial and follow-up) and prioritize vulnerability remediation for those rated as medium to high risk or above.

B. Dedicated Personnel: The Company has established a dedicated Information Security Office and an IT (MIS) team responsible for specific tasks such as daily system status checks, weekly regular backups and backup media execution, conducting at least one annual information security awareness training, quarterly disaster recovery drills, annual internal audits of the information lifecycle, and compliance audits by external accountants.

C. Certification: The Company has obtained ISO 27001 Information Security Certification with no major non-conformities. The current certificate is valid from June 13, 2024 to June 12, 2027.

D. Employee Education and Training
1. Conduct phishing email simulation training twice a year for employees, with a total of two phishing email tests.
2. Conduct an annual information security test, followed by security education for personnel who do not pass, then a retest. One test was administered during the year.

3. Enhance the cybersecurity skills of designated personnel, with at least one individual obtaining a cybersecurity-related certification.

(5) 2024 Specific Implementation Status

Scope	Content
Information Security Management System	• One ISO 27001:2022 management review meeting was held • One information security report was presented to the Board of Directors • One internal information security audit was conducted • One external information security audit was conducted
Business Continuity Management	• Two inspections of the server room fire protection equipment were conducted • Two annual inspections of the server room UPS were completed • A total of seven disaster recovery drills were carried out • Compliance with information security regulations was maintained
Internal Information Security Threat Management	• Deployment of endpoint protection and antivirus software on servers • Implementation of access control mechanisms for personal computers • Enforcement of wireless network management to prevent non-company devices from connecting to the internal network • Inventory of core system information assets • Collection of logs from critical internal systems
External Cybersecurity Threats	• Email protection and backup implemented • One server vulnerability scan conducted, including both initial and follow-up scans • Remote desktop access system established • Corporate website protected by a Web Application Firewall (WAF) • Monitoring of internal and external malicious network connections
Employee Cybersecurity Awareness Enhancement	• Two social engineering drills conducted (in January and April) • One cybersecurity awareness training session held by an external instructor (in January) • One internal cybersecurity awareness bulletin promoted (in March) • Ongoing promotion of cybersecurity incident awareness through real-case sharing • One dedicated staff member obtained a cybersecurity certification: CompTIA Security＋

(II) As of the most recent fiscal year and up until the printing date of the annual report, there have been no losses incurred due to significant cybersecurity events, nor have there been any potential impacts or response measures as a result of such events in the fiscal year 2024.

External Breach and Hacker Intrusion Incidents	Confidential Data Leakage Incidents	Operational Disruptions Caused by Network Attacks or Natural Disasters Affecting Information Systems and Equipment	**Total Number of Major Incidents**
0	0	0	0

VII. Important Contracts

Currently still in force and important contracts that are due to expire in the past year include supply and sales, technical cooperation, engineering, long-term borrowing agreements, and other contracts that may impact investor rights (as shown in the table below).

Nature of contract	Parties	Contract start and end dates	Major content	Restrictive covenants
New types of insurance	Shinkong Insurance Co., Ltd.	2025/1/1~2025/12/31	Director and officers liability insurance	No

Chapter 5 Review and analysis of financial condition and operating performance, along with risk factors

I. Financial Condition

Unit: in NT$1,000

Item \ Fiscal year	2023	2024	Increase (decrease) amount	Percentage change (%)
Current assets	3,156,377	2,738,591	(417,786)	(13.24)
Property, plant and equipment	938,937	915,121	(23,816)	(2.54)
Other assets	166,078	196,558	30,480	18.35
Total assets	4,261,392	3,850,270	(411,122)	(9.65)
Current liabilities	2,603,293	1,985,295	(617,998)	(23.74)
Other liabilities	35,877	411,971	376,094	1,048.29
Total liabilities	2,639,170	2,397,266	(241,904)	(9.17)
Share capital	483,460	483,460	0	0.00
Capital surplus	791,911	840,253	48,342	6.10
Retained earnings	377,395	160,008	(217,387)	(57.60)
Other equity	(30,544)	(30,717)	(173)	0.57
Treasury shares	0	0	0	-
Total shareholders' equity	1,622,222	1,453,004	(169,218)	(10.43)

Explanation of items with a change in amount of more than twenty percent and an amount exceeding one percent of the total assets for the current year are as follows:

1. Decrease in current liabilities: Mainly due to a reduction in corporate bonds payable within one year.
2. Increase in other liabilities: Primarily attributable to the issuance of the sixth series of convertible corporate bonds.
3. Decrease in retained earnings: Mainly caused by the operating loss incurred during the current fiscal year.

II. Financial Performance

(I) Comparative Analysis of Financial Performance for the Most Recent Two Years

Unit: in NT$1,000

Item \ Fiscal year	2023	2024	Increase (decrease) amount	Percentage change (%)
Operating revenue	5,412,091	4,696,299	(715,792)	(13.23)
Operating costs	5,237,862	4,508,787	(729,075)	(13.92)
Gross operating profit	174,229	187,512	13,283	7.62
Operating expenses	339,777	384,793	45,016	13.25
Net operating profit	(165,548)	(197,281)	(31,733)	19.17
Non-operating income and expenses	(2,998)	(16,547)	(13,549)	451.93
Profit Before Income Tax	(168,546)	(213,828)	(45,282)	26.87
Income Tax Benefit (Expense)	28,237	15,524	(12,713)	(45.02)
Net Profit for the Current Year	(140,309)	(198,304)	(57,995)	41.33
Other comprehensive income (loss) for the current year (net of Income Tax)	(16,021)	645	16,666	(104.03)
Net Profit or Loss	(156,330)	(197,659)	(41,329)	26.44

I. Increase/Decrease Percentage Change Analysis Explanation:
1. Decrease in operating revenue and operating costs: Due to the impact of war, inflation, and the absence of new graphics card releases in the European and American markets this year, both revenue and costs decreased.
2. Decrease in gross profit: Although revenue decreased, gross profit slightly increased because the gross margin on old inventory improved.

II. Expected sales volume and basis for the next fiscal year, potential impacts on the Company's future financial operations, and corresponding plans:
1. Expected sales volume and basis: Based on the Company's operational plans and industry development trends, it is estimated that the sales volume of graphics cards for the fiscal year 2025 will be approximately 600,000 units.
2. Potential impact on the Company’s future financial and business performance and response plan: With graphics card chip manufacturers expected to launch new products in 2025, featuring AI-focused GPUs, the Company anticipates a boost in operating revenue.

(II) Analysis of Changes in Operating Gross Profit Already Realized:

Item	Increase/Decrease in Operating Gross Profit from Previous to Current Period	Reasons for the Discrepancy			
		Difference in Selling Prices	Difference in Cost Prices	Difference in Sales Mix	Quantity Variance
Operating Gross Profit Already Realized:	126,087	(573,905)	721,978	(60,431)	38,445

Specify details	1. Price and sales mix variance: The average selling price of graphics cards declined this year, resulting in an unfavorable price and sales mix variance. 2. Cost variance: As old inventory was cleared during the year, inventory write-down losses improved, leading to a favorable cost variance. Volume variance: This variance was primarily driven by the sales volume of non-graphics card products.

III. Cash flow

Unit: in NT$1,000

Beginning Cash Balance	Net cash flow from operating activities for the entire year	Net Cash Flows from Investing and Financing Activities for the Year	Ending Cash Balance	Remedial Measures for Cash Shortages	
				Investment Plan	Financial Planning
602,591	49,744	(96,365)	555,970	-	-

Analysis of Cash Flow Changes for the Current Year:

1. Operating activities: The cash inflow from operating activities was primarily due to a decrease in inventory.
2. Investing and financing activities: The cash outflow from investing activities was mainly driven by the purchase of property, plant, and equipment, as well as investments in affiliated companies.

Improvement Plan for Insufficient Liquidity: N/A.

Cash Flow Liquidity Analysis for the Coming Year:

Beginning Cash Balance	Expected net cash flow from operating activities for the entire year	Expected Net Cash Flows from Investing and Financing Activities for the Year	Expected Ending Cash Balance	Expected remedial measures for cash shortages	
				Investment Plan	Financial Planning
555,970	58,443	(59,963)	554,450	-	-

Expected net cash flow from operating activities for the entire year: Net cash inflow is expected due to improvements in operations.

IV. Impact of major capital expenditures on financial operations in the most recent fiscal year: None

V. Recent fiscal year reinvestment policy, primary reasons for profits or losses, improvement plans, and investment plans for the coming year:

The Company's reinvestment policy primarily focuses on strategic investments to expand the parent company's business, with the main consideration being to enhance competitiveness. The investment loss recognized using the equity method for the fiscal year 2024 amounted to NT$9,534 thousand, mainly due to operating expenses required for subsidiary Technology Created Medicine Corporation. In the future, the Company and its subsidiaries will continue to prudently evaluate reinvestment plans, adhering to the principle of long-term strategic investment.

VI. Risk management analysis and evaluation items

(I) Impact of interest rate changes, exchange rate fluctuations, and inflation on the Company's profit and loss, and future countermeasures

1. Impact on the Company's Profit and Loss:

Item	2024 (Unit: in NT$1,000%)
Net Interest Income (Expense)	(45,362)
Net Exchange Loss/Gain	22,465
Net Interest Income Ratio to Net Revenue	(0.97)%
Net Interest Income Ratio to Net Revenue Before Tax	21.21%
The ratio of Net Foreign Exchange (Loss) Gain to Net Revenue	0.48%
The ratio of Net Foreign Exchange (Loss) Gain to Net Revenue Before Tax	(10.51)%

(1) Interest Rate Fluctuations: The Company borrows funds at both fixed and floating interest rates, resulting in interest rate risk. The Company manages interest rate risk by maintaining an appropriate mix of fixed and floating interest rate borrowings.

(2) Exchange Rate Fluctuation: Our Company primarily utilizes natural hedging for exchange rate management. This entails denoting our sales and purchase quotations in US dollars. If there is a disparity between our net assets and net liabilities in US dollars, we address it by obtaining US dollar loans. Due to the current sufficient USD borrowing limit from banks, as long as we monitor exchange rate fluctuations closely, we can adjust the USD net assets and USD net liabilities ratio flexibly. Therefore, the exchange rate risk is very low.

(3) Inflation: In the most recent fiscal year, global inflation rates have increased significantly, leading to substantial fluctuations in raw material and energy prices, thereby affecting production costs. The Company will monitor price fluctuations closely and maintain good relationships with suppliers and customers to mitigate the adverse effects of inflation on the Company.

2. Future Response Measures:

(1) Measures to respond to changes in interest rates: The Company has entered into short-term financing agreements with its partner banks, which have been in cooperation for many years. These agreements include preferential interest rates. Currently, the Company's net interest income represents a small portion of its net revenue. Therefore, any changes in interest rates are expected to have a minimal impact on the Company's profit and loss statement.

(2) Measures to respond to exchange rate fluctuation: Our Company primarily utilizes natural hedging for exchange rate management. This entails denoting our sales and purchase quotations in US dollars. If there is a disparity between our net assets and net liabilities in US dollars, we address it by obtaining US dollar loans. Due to the current sufficient USD borrowing limit from banks, as long as we monitor exchange rate fluctuations closely, we can adjust the USD

net assets and USD net liabilities ratio flexibly. Therefore, the exchange rate risk is very low.

(3) Measures to address inflation: As our Company primarily deals with electronic products, our inventory turnover is rapid due to frequent product replacements. This enables us to promptly adjust our selling prices in response to fluctuations in raw material costs. By efficiently managing our inventory, we can mitigate the impact of inflation on our gross profit margin. In addition, in recent years, the Company has reviewed various expenditures and improved processes to enhance efficiency, thereby controlling expenses and adhering to the principle of sustainable operation.

(II) Policy on engaging in high-risk, high-leverage investments, lending funds to others, endorsements and guarantees, and derivative trading; primary reasons for profits or losses; and future response measures: Due to the business development of the Company's subsidiary, Sparkle Computer Co., Ltd., the Company provided a guarantee of USD 2.5 million for the subsidiary starting in May 2023. This guarantee was processed in accordance with the Company's "Procedures for Lending Funds and Endorsements/Guarantees." As the subsidiary's financial position and operations remain stable, no losses have been recognized in relation to this guarantee. Aside from the aforementioned guarantee, the Company did not engage in any other high-risk or highly leveraged investments, loans to others, or derivative transactions in 2024.

(III) Future Research and Development (R&D) Plans and Estimated R&D Expenses to be Invested

The Company has outlined its research and development projects for the year 2025 in the table below:

Project Name	Plan Explanation	Current Progress	Time for Mass Production Completion	The Main Factors of Success
AMD Radeon RDNA™ 4 RX 9000 Series	RX 9000 high-efficiency high-end graphics gaming card.	Go public	RX 9070 Series mass production scheduled for Q1 2025.	1. Support for AMD RDNA™ 4 2. AMD 3rd generation ray tracing feature 3. AMD 2nd generation AI accelerator 4. TSMC's latest semiconductor process chip design
AI system platform development using AMD ROCM with AMD Radeon Navi 3 Series (Navi31, Navi32, and Navi33)	Integrating a complete AMD Generative AI System Host.	Under development	2024 Q3: Launch of Linux system 2025 Q2: Support for 8 GPUs 2025 Q3: Support for 16 GPUs	1. AMD ROCm™ software provides a set of optimized techniques for handling AI workloads 2. Including large-scale language models (LLMs), image and video detection and recognition, life sciences and drug

Project Name	Plan Explanation	Current Progress	Time for Mass Production Completion	The Main Factors of Success
				discovery, autonomous driving, and robotics. 3. To support a broader AI software ecosystem, which includes open architecture, models, and tools.
AMD Radeon RDNA™ 4 RX 9000 Series	RX 9000 mid-range graphics gaming card.	Under development	RX 9060 Series expected to launch in May.	Best value for Windows 3D PC gaming.
Intel Hoover Ridge USB4	USB4 Docking device	Go public	Mass production in Q4 2024.	USB4 20GB device, High PD
Intel ThunderBolt 5 Barlow Ridge	eGPU box	Under development	Mass production in Q3 2025.	1. The rate can reach 80Gbps in symmetrical transmission mode 2. To meet the high demand for high-resolution displays from professional users, such as gamers and video producers 3. The power wattage can reach a maximum of 240W 4. Enhance the AI and image processing capabilities of MacBook and Windows notebooks, and improve the functionality of multiple display outputs
Intel ThunderBolt 5 Barlow Ridge	Docking device	Under development	Mass production in Q3 2025.	Provide USB4 and Thunderbolt 3/4/5 high-speed, versatile I/O capabilities for laptops, as well as 8K high-resolution and high-frequency display

Estimated R&D expenses for new product development and equipment acquisition in 2025:

The future is all about high-speed computing and high-resolution, wide-bandwidth image transmission. For products in development, accuracy and reliability in fast and large data transmission are the key competitive advantages. Therefore, the design of excellent products requires the use of precise instruments to ensure competitiveness and rapid production of products.

Product Series	Development Plan	Product-related equipment	Relevance to Research and Development	R&D Expenses for 2025 (in thousands of New Taiwan Dollars)
Card	HDMI2.1b/DP2.1a/PCIe5.0	Measurement peripheral fixture	Measurement of GPU Card PCIe Bus and Display Output	12,000
Internet Communication	5G, WiFi6/7, True Bluetooth, high-speed Ethernet	1. 2.4 GHz and 5 GHz Network Analyzer 2. 2.5/10/100G Gigabit Ethernet Network	3. Wireless Module Physical Layer (PHY) Testing Solution 4. Integrated Toolset for Ethernet Network System Development and Debugging	17,000

(IV) There have been no significant domestic or international policy or legal changes that have affected the Company's financial operations. As a result, no specific actions have been taken in response.

(V) Impact of technological changes (including cybersecurity risks) and industry changes on the Company's financial operations and response measures:
Due to the following two trends in the graphics card industry, we are preparing the following response measures:

1. Integrated chips are already built into motherboards, so market demand will decrease accordingly.
2. The short product life cycle requires related chip manufacturers to quickly provide various mid-to-high-end chips. If a product lacks marketability, it can lead to wasted research and development costs and chips.

Countermeasures:

1. In order to enhance international marketing and explore new usage scenarios, as previously mentioned, it is crucial for us to comprehend the requirements of our current game users and expand our user base to encompass all potential market segments. This will enable us to effectively cater to the needs of creators, live streamers, and AI applications. TUL Corporation will continue to deepen its presence in the existing market and use it as a foundation to expand into the global market. We aim to achieve a top-five position in terms of brand recognition.

2. In order to meet market demand, it is important to develop niche products rapidly, minimize the research and development of products that are not marketable, and enhance the sales volume of high-margin products.

The Company has implemented a robust network and computer security system to ensure that information security activities and services comply with the Company's operations and relevant legal regulations. This system aims to prevent the impact and influence of information security risks on the Company. Regular assessments are conducted for new systems or changes in operating environments, and appropriate response measures are developed and implemented. Continuous updates are made to improve the effectiveness of these measures. There were no major information security incidents resulting in losses during 2024.

(VI) The impact of changes in corporate image on crisis management and response measures: Our Company has been committed to enhancing and maintaining its image over the years. As of now, no events significant enough to affect the corporate image have occurred. If any event occurs that affects the corporate image, we will immediately form a dedicated task force to address it.

(VII) There are no anticipated benefits, potential risks, or response measures associated with the merger and acquisition.

(VIII) There are no anticipated benefits, potential risks, or response measures associated with expanding the factory premises.

(IX) Risks and Measures for Inventory or Sales Concentration:
In the fiscal year 2024, our Company's largest sales customer did not account for more than 20% of the revenue. Additionally, the sales ratio of other customers in recent years has also not been high. Therefore, there does not appear to be a significant concentration of sales. In terms of purchases, our Company's purchases from AMD accounted for 60.93% in the fiscal year 2023 and 37.11% in the fiscal year 2024. This is because the largest cost components of graphics cards are the chips and DRAM. Currently, the graphics card chip market is dominated by two major players, AMD and NVIDIA, resulting in a concentrated purchasing pattern among professional graphics card manufacturers. However, due to several years of collaboration with AMD, the supply situation remains stable at present.

(X) There is no significant impact, risk, or measures to be taken on the Company as a result of a substantial transfer or change of ownership by Director or shareholders holding more than ten percent of the shares.

(XI) No impact, risks, or response measures are noted regarding changes in management rights.

(XII) There are no significant litigation or non-litigation events involving the Company, Director, supervisors, general manager, substantial responsible person, major shareholders with a shareholding exceeding ten percent, or subsidiary companies that have been definitively judged or are pending, and whose outcomes may have a significant impact on shareholder equity or security prices. Therefore, there is no disclosure required regarding disputed facts, amounts involved, litigation commencement date, main parties involved, or handling status up to the date of the annual report printing.

(XIII) Other Important Risks and Countermeasures:

Other important risks related to the Company's operations and response measures can be found in the section 'Favorable and Unfavorable Factors Affecting Development Prospects and Relevant Response Measures' in the operational overview of this year's report. Please refer to that for detailed information.

VII. Other important matters: None.

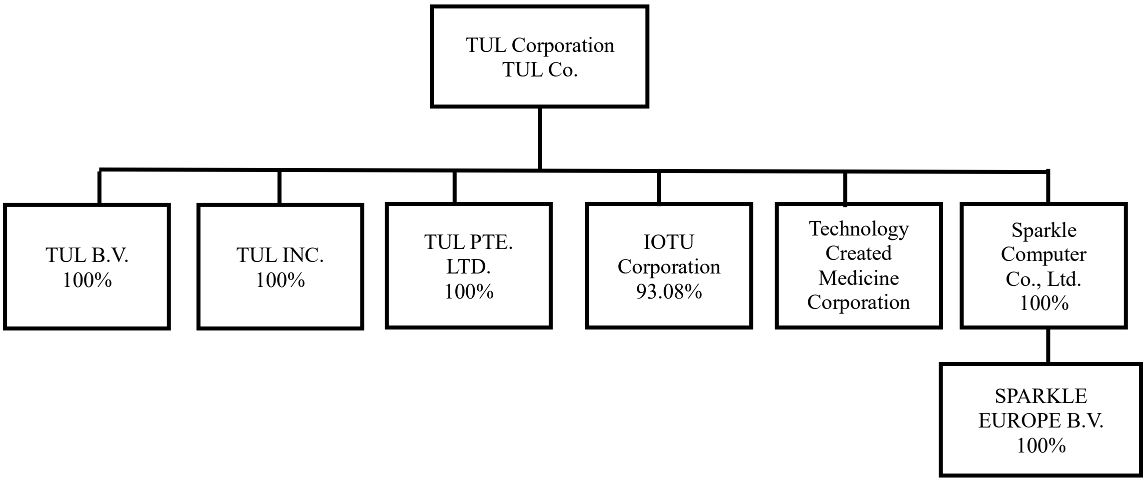
Chapter 6 Special Note

I. Related information about related companies:

(I) Related business merger business report

1. Related business organization chart

December 31, 2024



2. Information about related companies

December 31, 2024 Unit: in NT$

Company name	Date of establishment	Address	Paid-in capital	Main business and product items
TUL B.V.	2004/07/26	TELEVISIEWEG 55,1322AJ ALMERE, The Netherlands.	EUR 100,000	European Sales and Logistics Center
TUL INC.	2008/05/16	663 Brea Canyon rd., suite 6, Walnut ,CA 91789,USA	USD 100,000	American Sales Center
Technology Created Medicine Corporation	2015/12/30	7-7F, No. 79, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City	NTD29,000,00	Medical Device Manufacturing and Wholesale Industry
Sparkle Computer Co., Ltd.	2016/10/07	5-7F, No. 79, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City	NTD139,000,000	Information Technology Services Industry
IOTU Corporation	2018/10/22	7-7F, No. 79, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City	NTD130,000,000	Smart building system
TUL PTE.LTD	2024/1/25	8 Kaki Bukit Avenue 4 #08-32 Premier @ Kaki Bukit Singapore 415875.	SGD 20,000	Singapore Holding Company
SPARKLE EUROPE B.V.	2024/10/28	Antennestraat 31, 1322AH Almere	EUR 1,200	European Sales and Logistics Center

3. Information on the same shareholders as those presumed to have controlling and subordinate relationships: None.

4. Information on Director, supervisors and general managers of related companies

Unit: thousand shares; %; December 31, 2024

Company name	Job title	Name or representative	(personal)	
			Shares	Shareholding ratio
TUL B.V.	Director	Chen Chien-Wei	100	100%
TUL INC.	Director	Chen Chien-Wei	100	100%
Technology Created Medicine Corporation	Director	TUL Corporation Representative: Chen Jei-Wei	2,900	100%
Sparkle Computer Co., Ltd.	Director	TUL Corporation Representative: Chen Jei-Wei	13,900	100%
IOTU Corporation	Chairman	TUL Corporation Representative: Chen Jei-Wei	12,100	93.08%
	Director	TUL Corporation Representative: Liang Zheng-Zhi	12,100	93.08%
	Director	TUL Corporation Representative: Chen Jei-Wen	12,100	93.08%
	Supervisor	Lin Jian-Chang	-	-
TUL PTE.LTD	Director	Chen Chien-Wei	20	100%
SPARKLE EUROPE B.V.	Director	Chen Chien-Wei	1	100%

5. Operation overview of each related enterprise

December 31, 2024 Unit: in NT$1,000

Company name	Capital	Total Asset Value	Total liabilities	Net Asset Value	Operating revenue	Operating profit	Profit and loss for the current period (after tax)	Earnings per share (NT$) (after tax)
TUL B.V.	4,147	220,464	208,827	11,637	654,218	(6,358)	(2,734)	(27.33)
TUL INC.	3,042	677,565	660,766	16,799	1,228,025	10,487	7,818	78.18
Technology Created Medicine Corporation	29,000	26,168	6,159	20,008	6,739	(11,213)	(11,056)	(3.81)
Sparkle Computer Co., Ltd.	139,000	352,626	206,111	146,515	592,520	3,637	5,022	0.36
IOTU Corporation	121,000	21,374	12,884	8,489	9,407	(2,098)	(4,317)	(0.33)
TUL PTE.LTD	491	466	245	221	0	(251)	(279)	(13.97)
SPARKLE EUROPE B.V.	1,716	1,734	0	1,734	0	(83)	(89)	(74.30)

(II) Consolidated Financial Report of the Company and Affiliates

Representation Letter

The entities that are required to be included in the combined financial statements of Tul Corp.as of and for the year ended December 31, 2024 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 " Consolidated Financial Statements" endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Tul Corp.and Subsidiaries do not prepare a separate set of combined financial statements.

Hereby declare

TUL Corporation

Chang Mao-Sung

Chairman

March 13, 2025

(III) Affiliation Report：None.

II. In the most recent year and as of the publication date of the annual report, the situation of private placement securities is as follows:

At the Company's regular shareholders' meeting held on June 13, 2024, a resolution was passed to conduct a private placement for a cash capital increase by issuing common shares. The one-year validity period expired on June 12, 2025. Since a suitable strategic investor has not been identified, the plan was not executed. Subsequently, on March 13, 2025, the Board of Directors resolved not to proceed with the private placement. On March 13, 2025, our Company made the decision to carry out a private placement of securities through a board resolution. However, this decision has not yet been approved by the annual general meeting of shareholders for the year 2025. The following are the details:

Item	The first private placement amount in 2025: no more than 5,000,000 shares Release date: Not yet released
Type of private placement securities	Common shares
Date of approval by the shareholders meeting and amount approved	This private placement of common shares has been approved by the Board of Directors on March 13, 2025, and is expected to be submitted to the 2024 shareholders' meeting for resolution, with the amount limited to no more than 5,000,000 shares.
Basis and rationality of the price setting	1. The determination of the price per share for this private placement of common shares shall be set at no less than 80% of the higher of the following two benchmarks calculated as of the Company's price determination date. (1) The simple average closing price of the common shares for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction. (2) The simple average closing price of the common shares for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction. 2. The actual pricing date and the actual price of private placement shall not be lower than the percentage determined by the shareholders' meeting. The Board of Directors is authorized to determine the aforementioned pricing based on arrangements with specific parties and market conditions in the future 3. The pricing method for this private placement is determined based on the regulations of "Directions for Public Companies Conducting Private Placements of Securities". Considering the Company's future prospects, strict restrictions on the transfer timing, counterparties, and quantity of the privately placed securities, prohibition from applying for listing on the over-the-counter market for a period of three years, and poor liquidity, the pricing of this private placement is deemed reasonable and will not significantly impact shareholders' equity.
The means of selecting the specified persons	The selection of private placement targets is limited to specific individuals in accordance with Article 43-6 of the Securities and Exchange Act and relevant letters and regulations, such as letter No. 0910003455 issued by the Financial Supervisory Commission on June 13, 2002. Priority consideration is given to strategic investors who can contribute to the long-term development and the interests of existing shareholders of the Company. Currently, no

<table>
<tr><td></td><td colspan="5">offerees have been confirmed.</td></tr>
<tr><td>Reason for necessity of private placement</td><td colspan="5">Considering the current conditions of the capital market, the costs of issuance, the timeliness and feasibility of raising funds through private placement, as well as the restrictions on the free transfer of privately placed stocks within three years, it is deemed more feasible to ensure and strengthen long-term close cooperative relationships with strategic partners. Therefore, public offering is not held this time and instead cash capital increase and issue new shares through private placement are proposed.</td></tr>
<tr><td>Share payment completion date</td><td colspan="5">N/A</td></tr>
<tr><td rowspan="2">Information on the placees</td><td>Counterparty of the private placement</td><td>Qualifications</td><td>Subscription quantity</td><td>Relationship with the Company</td><td>Participation in the Company’s operations</td></tr>
<tr><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Actual subscription (or conversion) price</td><td colspan="5">N/A</td></tr>
<tr><td>Difference between actual subscription (or conversion) price and reference price</td><td colspan="5">N/A</td></tr>
<tr><td>The impact of private placement on shareholders’ equity</td><td colspan="5">There is no significant impact</td></tr>
<tr><td>Fund utilization of private placement and project implementation progress</td><td colspan="5">N/A</td></tr>
<tr><td>Private placement benefits</td><td colspan="5">N/A</td></tr>
</table>

III. Other important supplementary matters: None.

Chapter 7 Any material events that occurred in the most recent fiscal year or up to the date of publication of the annual report, as defined under Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act, which could significantly affect shareholders' equity or the price of the company's securities: None.

TUL Corporation

Chairman: Chang Mao-Sung