

TWSE Stock Code : 4906



Gemtek Technology Co., Ltd.

2024 Annual Report

Published on May 06, 2025

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

Gemtel annual report is available at: <http://www.gemteks.com>

1. Company Spokesperson

Spokesperson: Cheng-ren Yang

Title: Executive Director

Telephone: +886-3-598-5535 #1040

Email Address: kevin_yang@gemteks.com

Deputy Spokesperson: You-ching Chen

Title: Special Assistance to Managing Director

Telephone: +886-3-598-5535 #1021

Email Address: ariel_chen@gemteks.com

2. Contact Information

Gemtek Corporate Headquarters, Subsidiaries, and Factory

Address: No. 15-1 Zhonghua Road, Hsinchu Industrial Park, Hukou, Hsinchu, Taiwan R.O.C.

Telephone: +886-3-598-5535

3. Common Share Transfer Agent and Registrar

Company: SinoPac Register & Transfer Agency Department

Address: No. 17, Bo-ai Rd., Zhongzheng District, Taipei City, Taiwan, R.O.C.

Website: <http://www.sinotrade.com.tw>

Tel: +886-2-2382-6288

4. Auditing Firm

Company: Deloitte & Touche

Auditors: Han-ni Fang, Jing-ting Yang

Address: 20F, No. 100, Songren Rd., Xinyi Dist., Taipei 11073, Taiwan, R.O.C.

Website: <http://www.deloitte.com.tw>

Tel: +886-2-27259988

Fax: +886-2-40516888

5. Name of any exchanges where the company's securities are traded offshore, and the method by which to access information on said offshore securities: None

6. Company Website: <http://www.gemteks.com>

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I. Letter to Shareholders

Dear Shareholders,

I. Foreword

In 2024, the world faced numerous challenges, including the ongoing deterioration of U.S.-China relations and increasing global political and economic uncertainties, all of which had a significant impact on global markets. Despite these headwinds, Gemtek remained firmly committed to innovation and R&D, continuing to advance at the forefront of network communication technologies. We successfully transitioned from an indirect to a direct supply model, fostering closer partnerships with customers. This strategic shift not only improved our gross profit margin but also enhanced our competitive position within the industry.

In response to geopolitical and economic uncertainties, Gemtek began developing its global production footprint as early as 2018, establishing its first overseas facility in Vietnam. With continued expansion, over 70% of our production capacity has now been transferred to Vietnam. This diversified production strategy has significantly reduced our reliance on a single market, mitigating risks associated with trade tensions. As a result, we have maintained a stable supply chain, gained greater cost control, and strengthened our competitiveness in the global marketplace.

Gemtek has also made significant progress in environmental protection. We have obtained international certifications such as ISO 14001 and ISO 45001 and are committed to minimizing environmental impact throughout our product development process, aligning with our long-term goals for sustainable development. Our management team firmly believes that future success will not only depend on technological innovation but also on strengthening corporate social responsibility and actively engaging in community initiatives.

Looking ahead, the accelerating global deployment of 5G and the emergence of 6G technologies are expected to drive a new wave of demand for wireless communication products. Gemtek will continue to reinforce its leading technological position and expedite the expansion of its Vietnam operations to meet growing market demand. In navigating a complex and uncertain global environment, we remain agile, committed to sustainable growth, and dedicated to creating long-term value for our shareholders.

II. 2024 Business Report

(I) Business Results

In 2024, the Company reported total consolidated operating income of NT\$25,633,886 thousand. Total operating costs and expenses amounted to NT\$25,051,842 thousand. Consolidated non-operating income and expenses were NT\$426,663 thousand and NT\$107,826 thousand, respectively. As a result, the consolidated pre-tax net profit was NT\$900,881 thousand. After deducting income tax expenses of NT\$266,623 thousand, the consolidated net profit after tax for the year amounted to NT\$634,258 thousand. Earnings per share (after tax) was NT\$1.56.

(II) Financial Status and Profitability

The Company has consistently adhered to the principle of conservatism in its financial operations, formulating timely strategies for the deployment of both short-term and long-term funds. In 2024, the current ratio stood at 173.83%, while the debt ratio was 39.53%, reflecting a sound and stable financial structure.

(III) Research and Development

2024 R&D Achievements

- (1) 25GS PON SFU and HGU development
- (2) AI Gateway with high speed optical WAN and advanced WiFi access
- (3) Advanced fixed broadband platform based on DOCSIS 3.1/4.0
- (4) Carrier grade software platform development based on RDK-B and prpIOS
- (5) 5G NR R17 and RedCap client, module and SDK development
- (6) High power 5G NR small cell system development
- (7) High performance WiFi 7 AP platform development
- (8) Tiny compact WiFi 7 extender development and improvement
- (9) Enterprise WiFi platform with POE product development
- (10) Cloud based intelligent unified management system development with client security protection
- (11) Scalable phased array antenna development for LEO application ka band
- (12) Cost effective mmwave point to multipoint system based on WiFi protocols development
- (13) Long-range wireless communication system development for Drone

III. 2025 Business Policies

(I) Marketing Strategy

1. Strengthen relationships with existing customers while actively developing new client bases.
2. Launch innovative products aligned with market trends and emerging technical specifications.
3. Enhance market intelligence capabilities to better identify and respond to customer demands.
4. Satisfy diverse market needs and drive business expansion in emerging and high-growth regions.
5. Foster strong relationships with new clients and pursue strategic business opportunities.
6. Optimize business model and increase the proportion of direct supply.

(II) Production Policy

1. Rigorously control the production process to enhance efficiency and maximize utilization of production capacity.
2. Carefully select cost-effective suppliers and integrate resources to improve overall profitability.
3. Closely monitor lead times and the quality of key manufacturing components, while proactively identifying shifts in supply, demand, and pricing trends.
4. Adjust capital expenditures in response to industry conditions and market developments.
5. Implement automated and optimized production systems to boost operational efficiency and productivity.
6. Support Net Zero goals by incorporating post-consumer recycled (PCR) plastics into product design and manufacturing.
7. Reallocate resources to increase the share of production capacity based in Vietnam.

(III) Industrial Development

Gemtek has long been committed to the advancement of wireless communications technology. The Company's business development focuses on the following core operations:

1. **Wireless Network Service Products:** This includes broadband network equipment built on telecommunications infrastructure (5G, LTE, Small Cell, and CPE), telecommunication networking devices (Wi-Fi access points and routers), as well as industrial-grade wireless APs/routers and Wi-Fi modules.
2. **Fixed Broadband Network Connection Products:** This category covers telecommunication integration solutions (XPON, VoIP, VDSL, G.fast, Switch, Setup Box etc.), and fiber-optic networking products.
3. **Telecommunication Modules and Services**
4. **Cloud Software Integration and IoT Products**

IV. The Impacts of External Business Environment, Regulatory Environment, and Macroeconomics

(I) External Business Environment

Intensifying inter-industry competition is expected to pose greater challenges for both business operations and R&D, particularly in aligning product innovation and pricing strategies with evolving market trends and customer expectations.

(II) Regulatory Environment

The PRC continues to implement new laws and regulations targeting Taiwanese businesses, leading to a steady rise in operating costs in Mainland China. In addition, ongoing tensions stemming from the U.S.-China trade dispute may further escalate tariffs, adding to the uncertainty and cost pressures faced by cross-strait enterprises.

(III) Macroeconomics

Driven by the rapid advancement of wired and wireless broadband technologies such as optical fiber and 5G, a wide network of industries, infrastructure providers, and consumers is generating strong demand for advanced telecommunication products. Moreover, the emergence of next-generation Wi-Fi standards is accelerating the development of diversified, cross-domain applications, which are expected to create new opportunities and contribute positively to our future business growth.

V. Conclusion

The management team extends its sincere appreciation to all shareholders for their unwavering support. We look forward to your continued encouragement and valuable guidance in the years to come.

Chairman

Hong-wen Chen

II. Corporate Governance Report

I. Information on the Company's Directors, Supervisors, General Manager, Deputy General Manager, Associate Managers, and the Supervisors of All Company's Divisions and Branch Units

(I) Directors

As of April 30, 2025

Title	Nationality	Name	Gender Age	Date of Initial Appointment	Date of Election (Inauguration)	Tenure	Shareholding when Elected		Current Shareholding		Shares Held by Spouses and Dependents		Shares Held by Third Parties		Education and Experience	Concurrent Positions in Other Companies	Other Managers, Directors, or Supervisors Related by Marriage or within Second-Degree Kinship of Each Other			Memo
							Number of shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%			Title	Name	Relation	
Chairman	Taiwan, R.O.C.	Chen, Hong Wen	Male 61-65	1988.06.29	2019.06.18	3Years	7,307,937	1.85	4,005,937	0.94	0	0	3,732,842	0.87	TSMC Syntek Semiconductor Co., Ltd. Master of Electrical Engineering, National Tsing Hua University Director of Polaris Group	Chairman of Browan Communications Inc. Chairman of Antek Networks Inc. Director of G-Technology Investment Co., Ltd Director of Witek Investment Co.,Ltd Director of Ampak International Holdings Ltd Director of Primax Communication (B.V.I.)Inc. Director of Free PP Worldwide Co.,Ltd Director of Yield Microelectronics Corp. Corporate Director Representative of Lionic Corporation Corporate Director Representative, INTOWELL BIOMEDICAL TECHNOLOGY, INC.	-	-	-	
Director	Taiwan, R.O.C.	Tsai, Fu Tsan	Male 66-70	2004.04.29	2019.06.18	3Years	1,887,732	0.48%	1,618,732	0.38	2,225	0	0	0	Associate Researcher of National Chung-Shan Institute of Science and Technology Chairman of Ampak Technology Inc. Master of Electro-Optical Engineering, National Chiao Tung University	Consultant of Gemtek Technology Co., Ltd. Chairman of Gemtek Electronics Kunshan Co., Ltd. Chairman of Gemtek Electronics Suzhou Co. Ltd. Director of Brightech International Co., Ltd	-	-	-	
Director	Taiwan, R.O.C.	Yang, Jheng Ren	Male 61-65	1988.06.29	2019.06.18	3Years	1,421,269	0.36	1,552,269	0.36	905	0	0	0	General Manager of Browan Communications Inc. Ph.D. of Electrical Engineering, National Tsing Hua University	Executive Director of Gemtek Technology Co., Ltd. Professor of Yuan-Ze University Corporate Director Representative of Antek Networks Inc.	-	-	-	
Director	Taiwan, R.O.C.	Hsu, Rong Hui	Male 61-65	2013.6.17	2019.06.18	3Years	1,304,927	0.33	1,456,127	0.34	0	0	0	0	Engineer at National Chung-Shan Institute of Science and Technology Bachelor of Electrical Engineering, Tatung Institute of Technology	Chairman of BandRich Inc. Senior Deputy General Manager of Gemtek Technology Co., Ltd. Corporate Director Representative of GemtekVietnam Co., Ltd. Corporate Director Representative of Browan Communications Inc.	-	-	-	
Director	Taiwan, R.O.C.	Chang, Yueh Chi	Female 61-65	2007.06.28	2019.06.18	3Years	3,000,715	0.76	3,000,715	0.70	0	0	0	0	Master of Business and Management, National University of Kaohsiung General Manager, BRILLIANT FOOTWEAR CORPORATION Chairman, Joy Trade International Ltd	Supervisor, LongMy Constructions Company General Manager, Taichung Winstreak Volleyball Team	-	-	-	
Director	Taiwan, R.O.C.	APEX ACTION INVESTMENT LIMITED		2013.6.17	2019.06.18	3Years	1,375,000	0.35	1,375,000	0.32	0	0	0	0		Corporate Supervisor Representative of REC Technology Corporation	-	-	-	

	Taiwan, R.O.C.	Representative: Luo, Wen Yi	Male 61-65	2018.3.20	2019.06.18	3Years	0	0	0	0	0	0	0	0	Master of Business Administration, National ChengChi University	Chairman of CSX MATERIAL CO., LTD. Independent Director of Taiflex Scientific Co., Ltd.	-	-	-	
Independent Director	Taiwan, R.O.C.	Zhao, Yao Geng	Male 61-65	2003.06.23	2019.06.18	3Years	0	0	0	0	0	0	0	0	PhD of Electrical Engineering, University of Maryland, College Park Director of ASANLITE CO., LTD. Independent Director of FAVITE INC. Deputy director of China Radio Association (Taipei) Professor of Electrical Engineering at Yuan-Ze University		-	-	-	
Independent Director	Taiwan, R.O.C.	Wang, Zhu San	Male 61-65	2017.6.8	2019.06.18	3Years	0	0	0	0	0	0	0	0	PhD of Science in Finance, University of Tennessee Chairman of Bachelor of Finance Program, National Taipei University Consultant at Small and Medium Enterprise Administration, MOEA Chairman of IEMBA Program, National Taipei University Director of The Association of Global Crowdfunding and Financial Technology Service	Professor of Business Administration, National Taipei University Director of the Business Administration College, National Taipei University Member of the Ministry of Economic Affairs Audit Committee	-	-	-	
Independent Director	Taiwan, R.O.C.	Chang, Zhi Yang	Male 71-75	2019.06.18	2019.06.18	3Years	0	0	0	0	0	0	0	0	PhD of Electrical Engineering, University of Texas at Austin Associate Researcher of National Chung-Shan Institute of Science and Technology Professor of Electrical Engineering, National Chiao Tung University Independent Director of Ampak Technology Inc.	Independent Director/Member of the Remuneration Committee of Alpha Microelectronics Corp.	-	-	-	

(II) List of Major Institutional Investors

As of March 31, 2025

(1) Major Institutional Investors

Name of Institutional Investors	Shareholding Ratio of Major Shareholders of Institutional Investors:
APEX ACTION INVESTMENT LIMITED	Luo, Wen-Yi 100%

(2) Major Shareholders of Institutional Investors: None

(III) Professional qualifications and independence analysis of directors and supervisors

Qualification Name	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Chen, HongWen (Director)	'Has Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company 'Chairman, Gemtek Technology Ltd. 'Chairman, Browan Communications 'Chairman, Antek Networks Inc. 'Not being a person of any conditions defined in Article 30 of the Company Act.	N/A	None
Tsai, Fu Tsan (Director)	'Has Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company 'Senior Deputy General Manager, Gemtek Technology Co., Ltd. 'Not being a person of any conditions defined in Article 30 of the Company Act.	N/A	None
Yang, Cheng Ren (Director)	'Has Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company 'Spokesperson, Gemtek Technology Co., Ltd. 'Not being a person of any conditions defined in Article 30 of the Company Act.	N/A	None
Hsu,	'Has Work Experience in the Areas of	N/A	None

Rong Hui (Director)	<p>Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company</p> <p>·Senior Deputy General Manager, Gemtek Technology Co., Ltd.</p> <p>·Chairman, BandRich Inc.</p> <p>·Not being a person of any conditions defined in Article 30 of the Company Act.</p>		
Chang, Yueh Chi (Director)	<p>·Has Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company</p> <p>·General Manager, BRILLIANT FOOTWEAR CORPORATION</p> <p>·Not being a person of any conditions defined in Article 30 of the Company Act.</p>	N/A	None
Luo, Wen Yi (Director)	<p>·Has Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company</p> <p>·Chairman, CSX MATERIAL CO., LTD.</p> <p>·Director, SWEEPOT INC.</p> <p>·Independent Director, TAIFLEX Scientific Co., Ltd.</p> <p>·Corporate Supervisor Representative, REC Technology Corporation</p> <p>·Not being a person of any conditions defined in Article 30 of the Company Act.</p>	N/A	1
Zhao, Yao Geng (Independent Director)	<p>·Has Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company</p> <p>·Dean and Professor, College of Electrical and Communication Engineering, Yuan Ze University</p> <p>·Independent Director, Favite Inc.</p> <p>·Director, Harbinger VII Venture Capital Corp.</p> <p>·Not being a person of any conditions defined in Article 30 of the Company Act.</p>	<p>·The independent director meets the professional qualification requirements prescribed by competent authorities.</p> <p>·The independent director, spouse, and relative within the second degree of kinship are NOT of the following:</p> <p>1.A director, supervisor, or employee of the Company or any of its affiliates.</p> <p>2.Holds shares of the Company</p> <p>3.A director, supervisor, or employee of a specified company or institution that has a financial or business relationship with the Company.</p>	None

		4. Provide commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider has received cumulative compensation within the past 2 years	
Wang, Zhu San (Independent Director)	<p>Has Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company</p> <p>Professor, Department of Business Administration, National Taipei University</p> <p>Director, The Association of Crowdfunding and Financial Technology Service</p> <p>Director, Association of Business Administration, National Taipei University</p> <p>Member of Investments Review Board, MOEA</p> <p>Not being a person of any conditions defined in Article 30 of the Company Act.</p>	<p>The independent director meets the professional qualification requirements prescribed by competent authorities.</p> <p>The independent director, spouse, and relative within the second degree of kinship are NOT of the following:</p> <p>1. A director, supervisor, or employee of the Company or any of its affiliates.</p> <p>2. Holds shares of the Company</p> <p>3. A director, supervisor, or employee of a specified company or institution that has a financial or business relationship with the Company</p> <p>4. Provide commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider has received cumulative compensation within the past 2 years</p>	None
Chang, Zhi Yang (Independent Director)	<p>Has Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company</p> <p>Professor, Department of Electrical Engineering, National Chiao Tung University</p> <p>Independent Director/Member of Remuneration committee, Alpha Microelectronics Corp.</p> <p>Not being a person of any conditions defined in Article 30 of the Company Act.</p>	<p>The independent director meets the professional qualification requirements prescribed by competent authorities.</p> <p>The independent director, spouse, and relative within the second degree of kinship are NOT of the following:</p> <p>1. A director, supervisor, or employee of the Company</p>	1

		<p>or any of its affiliates.</p> <p>2.Holds shares of the Company</p> <p>3.A director, supervisor, or employee of a specified company or institution that has a financial or business relationship with the Company</p> <p>4. Provide commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider has received cumulative compensation within the past 2 years</p>	
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(IV) Board Diversity and Independence:

(1) Board Diversity

As of the reporting period, the Company's Board of Directors comprises nine members, including three independent directors. The implementation of board diversity is outlined below:

A. Gender Representation:

Female directors account for 11.11% of the board. Male directors represent 88.89% of the board.

B. Director Backgrounds:

44.45% of the board members are Company employees. 33.33% are independent directors. 22.22% are external directors who are not Company employees.

C. Age Distribution:

8 directors are between 61-70 years of age. 1 director is between 71-75 years of age.

D. Board Tenure:

7 directors have served for more than 10 years. 2 directors have served for 3-9 years.

E. Board Diversity Criteria:

The multiple dimensions of Board Diversity are categorized as follows:

Board Diversity Criteria Name of Director		Gender	Operational Judgments	Accounting and Financial Analysis	Management Administration	Crisis Management	Knowledge of the Industry	International Market Perspective	Ability to Lead	Ability to Make Policy Decisions
Director	Hong-wen Chen	Male	✓	✓	✓	✓	✓	✓	✓	✓
Director	Fu-zan Tsai	Male	✓	✓	✓	✓	✓	✓	✓	✓
Director	Cheng-ren Yang	Male	✓	✓	✓	✓	✓	✓	✓	✓
Director	Rong-hui Hsu	Male	✓	✓	✓	✓	✓	✓	✓	✓
Director	Yue-ji Chang	Female	✓	✓	✓	✓	✓	✓	✓	✓
Director	Wen-yi Luo	Male	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director	Yao-geng Zhao	Male					✓	✓		
Independent Director	Zhu-san Wang	Male		✓			✓	✓		
Independent Director	Chih-Yang Chang	Male					✓	✓		

(2) Board Independence

The Company conducts the election of directors in accordance with the principles of justice, fairness, and transparency, following the provisions set forth in the Company's Articles of Incorporation, Procedures for Election of Directors, Corporate Governance Best Practice Principles, the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, Article 14-2 of the Securities and Exchange Act, and other applicable laws and regulations. As of the reporting date, the Board of Directors comprises nine members, including three independent directors (33%) and six non-independent directors (67%), reflecting a balanced structure that supports effective oversight and decision-making.

The Company places strong emphasis on the independence and integrity of Board operations. Independent directors are required to comply with all relevant laws and regulations, and to cooperate with the Audit Committee in overseeing key matters such as risk management, internal control implementation, the selection and dismissal of certified public accountants, the assessment of auditor independence, and the fair presentation of financial statements. In accordance with the Company's Rules for Election of Directors, the cumulative voting system and candidate nomination system are adopted for the election of both directors and independent directors. Shareholders are actively encouraged to participate in this process. Those holding a specified number of shares or more may submit nominations for director candidates. All nominated candidates are subject to a qualification review, including checks for any disqualifications under Article 30 of the Company Act, with the results publicly announced in compliance with legal requirements. This mechanism safeguards shareholder rights, prevents concentrated control or excessive nomination rights, and helps ensure the independence and diversity of the Board.

The Company has established a performance evaluation system for the Board of Directors and conducts an annual internal self-assessment of the Board as a whole and its individual members. The evaluation process aims to enhance the effectiveness of board operations and corporate governance practices. The results of the self-assessment are reported to the Board of Directors and are disclosed in the Company's annual report and on the official website, ensuring transparency and accountability.

(V) Information on Managers

As of April 30, 2024

Title	Nationality	Name	Gender	Date of Election (Inauguration)	Current shareholding		Shares Currently Held by Spouses and Dependents		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		
					Number of shares	%	Number of Shares	%	Number of Shares	%			Title	Name	Relatio nship
CEO	Taiwan, R.O.C.	Chen, Hong Wen	Male	1992.01.01	4,005,937	0.94	0	0	3,732,842	0.87	TSMC Syntek Semiconductor Co., Ltd. Master of Electrical Engineering, National Tsing Hua University	Chairman of Gemtek Technology Ltd. Chairman of Browan Communications Inc. Chairman of Antek Networks Inc. Director of G-Technology Investment Co., Ltd Director of Witek Investment Co.,Ltd Director of Ampak International Holdings Ltd Director of Primax Communication (B.V.I.)Inc. Director of Free PP Worldwide Co.,Ltd Director of Yield Microelectronics Corp. Corporate Director Representative of LIONIC CORP.	-	-	-
General Manager	Taiwan, R.O.C.	Li, Rong Chang	Male	2021.03.25	505,000	0.12	0	0	0	0	Bachelor of Industrial Engineering and Management, Yuan Ze University CSO of Gemtek Technology Co., Ltd.	Chairman of Gemtek CZ, s.r.o.	-	-	-
Senior Deputy General Manager (Note 2)	Taiwan, R.O.C.	Tsai, Fu Tsan	Male	1995.07.01	1,618,732	0.38	2,225	0	0	0	Associate Researcher of National Chung-Shan Institute of Science and Technology Chairman of Ampak Technology Inc. Master of Electro-Optical Engineering, National Chiao Tung University	Director of Gemtek Technology Co., Ltd. Chairman of Gemtek Electronics Kunshan Co., Ltd. Chairman of Gemtek Electronics Suzhou Co. Ltd. Director of Brightech International Co., Ltd	-	-	-
Senior Deputy General Manager (Note 2)	Taiwan, R.O.C	Liao, Hsi An	Male	2011.01.01	184,348	0.04	0	0	0	0	MS in Electrical Engineering, National Cheng Kung University Microwave Research Team, National Chung-Shan Institute of Science & Technology (11 years)	Chairman of Gemtek Electronics (Changshu) Co., Ltd. Corporate Director Representative of Browan Communications Inc.	-	-	-
Senior Deputy General Manager	Taiwan, R.O.C	Hsu, Rong Hui	Male	2013.06.17	1,456,127	0.34	0	0	0	0	Engineer at National Chung-Shan Institute of Science and Technology Bachelor of Electrical Engineering, Tatung Institute of Technology	Chairman of BandRich Inc. Director of Gemtek Technology Co., Ltd. Director representative of Gemtek Investment Co.,Ltd Director representative of Gemtek Vietnam Co., Ltd. Representative director of Browan Communications Inc.	-	-	-
Chief Marketing Officer (Note 3)	Taiwan, R.O.C	Cheng, Guang Ming	Male	2017.08.08	255,000	0.06	0	0	0	0	Business Administration, Kindai University of Japan	Nil	-	-	-

Chief Technology Officer	Taiwan, R.O.C	Yeh, Fu Ming	Male	2017.01.01	285,554	0.07	0	0	0	0	PhD, Electrical Engineering, National Taiwan University Associate Researcher, Wireless Communications Research and Development, National Chun-Shan Institute of Science and Technology Director of Technology for MBOFDM Project at National Chun-Shan Institute of Science and Technology Project Leader of AMS-02 (Alpha Magnetic Spectrometer) Electronic System Research and Development Project led by Dr. Samuel C. C. Ting (Ting, Chao Chung). Alpha Magnetic Spectrometer (a particle physics detector) is still mounted on the ISS.	Corporate Director Representative of BandRich Inc.	-	-	-
Chief Financial Officer	Taiwan, R.O.C	Lin, Chih Hong	Male	1998.11.23	360,829	0.08	0	0	0	0	Bachelor of Accounting, Soochow University Manager, Deloitte Taiwan Chairman of AMPAK Technology Inc.	Corporate Director Representative of AMPAK Technology Inc. Corporate Director Representative of Browan Communications Inc. Corporate Director Representative of SparkLAN Communications, Inc. Supervisor of Antek Networks Inc. Supervisor of BandRich Inc.	-	-	-
Chief R&D Officer	Taiwan, R.O.C	Chen, Shih-Ren	Male	2024.10.07	25,000	0.01	0	0	0	0	Bachelor's Degree in Electrical and Control Engineering, National Chiao Tung University Senior Director, R&D Department, Hon Hai Precision Industry (Foxconn) Director, R&D Department, Askey Computer Corp.	-	-	-	-
Chief Operations Officer	Taiwan, R.O.C	Wang, Jia-Ching	Male	2024.10.07	0	0	0	0	0	0	Bachelor's Degree in Industrial Engineering, National Tsing Hua University Graduate Institute of Industrial Engineering and Engineering Management, National Tsing Hua University Deputy Manager, Production Department, BenQ Corporation Plant Manager, Gallant Precision Machining Plant Manager, Askey Computer Corp. Manager, Logistics and Business Management, Pegatron Corporation	-	-	-	-

Director	Taiwan, R.O.C	Yao, Chi-Shian	Male	2024.10.07	52,000	0.01	1,000	0	0	0	Bachelor's Degree in Telecommunications Engineering, National Chiao Tung University Master's Degree in Communications Engineering, National Central University Director, Hardware R&D Division, Gemtek Technology Inc.	Chairman, 5V TECHNOLOGIES, TAIWAN LTD. Chairman, GENIX NETWORKS INC., TAIWAN BRANCH	-	-	-
Director	Taiwan, R.O.C	Lai, Zhih-Hao	Male	2024.10.07	28,619	0.01	0	0	0	0	Graduate Institute of Communication Engineering, National Chiao Tung University		-	-	-
Director	Taiwan, R.O.C	Hsyu, Chien-Dai	Female	2024.10.07	60,059	0.01	0	0	0	0	Graduate Institute of Industrial Engineering, National Chiao Tung University Department of Industrial Engineering, National Chiao Tung University Episil Technology Inc. Zyxel Communications Corp	-	-	-	-
Director	Taiwan, R.O.C	Wang, Shih-Jun	Male	2024.10.07	52,400	0.01	0	0	0	0	Department of Telecommunications Engineering, National Chiao Tung University Senior Manager, Pegatron Corporation Vice President of Sales, MitraStar Technology Corp. Ltd. Manager, Industrial Technology Research Institute (ITRI)	-	-	-	-

Director	Taiwan, R.O.C	Huang, Zhen-Peng	Male	2024.10.07	6,621	0	0	0	0	0	Master's Degree, Institute of Computer and Decision Sciences, National Tsing Hua University Bachelor's Degree in Computer Science, National Chiao Tung University Senior Director, Information Division, ITEQ Corporation Director, Information Division, Everlight Electronics Co., Ltd. Manager, System Development Department, IT Division, Wistron Corporation	-	-	-	-
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Note 1: Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g., increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer): The chairman of the company assumes the dual role of chairman and CEO to optimize operational efficiency and decision-making capabilities. Possessing a comprehensive understanding of the industry landscape, company operations, and risk management, the chairman adeptly formulates optimal strategies when confronted with significant operational challenges. To enhance the diversity of the board of directors, independent directors with expertise in finance, accounting, and business have been appointed in recent years. Furthermore, to ensure the board remains responsive to industry dynamics while upholding its independence, the proportion of directors with managerial responsibilities is limited to less than half of the total seats. Consequently, the board maintains its objectivity and effectiveness overall.

Note 2: Retirement effective on March 31, 2024.

Note 3: Retirement effective on March 17, 2025.

II. Remuneration of Board of Directors, General Manager and Deputy General Manager

(I) Remuneration of Board of Directors

Unit: NT\$ Thousands

Title	Name	Remuneration								The sum of A, B, C, and D as a percentage of after-tax net profit(%)		Remuneration for part-time employees								The sum of A, B, C, D, E, F and G as a percentage of after-tax net profit (%)		Remuneration from invested businesses other than the subsidiaries or the parent company	
		Compensation (A)		Retirement pension (B)		Retained Earnings distributed as remuneration (C)		Fees for services rendered (D)				Salaries, bonuses, special allowances etc (E)		Retirement pension (F)		Distribution of retained Earnings as remuneration to employees (G)							
		Gemtek	Consolidated Subsidiaries of Gemtek	Gemtek	Consolidated Subsidiaries of Gemtek	Gemtek	Consolidated Subsidiaries of Gemtek	Gemtek	Consolidated Subsidiaries of Gemtek	Gemtek	Consolidated Subsidiaries of Gemtek	Gemtek	Consolidated Subsidiaries of Gemtek	Gemtek	Consolidated Subsidiaries of Gemtek	Gemtek		Consolidated Subsidiaries of Gemtek		Gemtek	Consolidated Subsidiaries of Gemtek		
																	Cash	Stock	Cash	Stock			
Chairman	Chen, Hong Wen	-	-	-	-	16,374	16,374	-	-	16,374 ; 2.53	16,374 ; 2.58	21,452	22,719	65	65	1,005	-	1,005	-	38,896 ; 6.01	40,163 ; 6.33	None	
Director	Tsai, Fu Tsan																						
Director	Yang, Jheng Ren																						
Director	Hsu, Rong Hui																						
Director	Chang, Yueh Chi																						
Director	APEX ACTION INVESTMENT LIMITED																						
Independent Director	Zhao, Yao Geng																						
Independent Director	Wang, Zhu San																						
Independent Director	Chang, Zhi Yang																						

Note 1: A resolution was passed by the Board of Directors on March 10, 2025, to allocate a total of NT\$16,373,795 for directors' remuneration and NT\$122,803,459 for employee compensation for the year 2024.

This matter will be reported at the 2025 Shareholders' Meeting.

Note 2: The remuneration allocated to directors in 2023 was NT\$14,791,301.

Remuneration Scale for the Board of Directors

The Range of Remuneration	Name of Directors			
	The total amount of the first four remuneration items (A+B+C+D)		The total amount of the first seven remuneration items (A+B+C+D+E+F+G)	
	Gemtek	Consolidated Subsidiaries of Gemtek	Gemtek	Consolidated Subsidiaries of Gemtek
Less than NT\$2,000,000	Zhao, Yao Geng Wang, Zhu San Chang, Zhi Yang,	Zhao, Yao Geng Wang, Zhu San Chang, Zhi Yang,	Zhao, Yao Geng Wang, Zhu San Chang, Zhi Yang	Zhao, Yao Geng Wang, Zhu San Chang, Zhi Yang
NT\$2,000,000 ~ NT\$3,499,999	Chen, Hong Wen Yang, Jheng Ren Hsu, Rong Hui Tsai, Fu Tsan Chang, Yueh Chi APEX ACTION INVESTMENT LIMITED	Chen, Hong Wen Yang, Jheng Ren Hsu, Rong Hui Tsai, Fu Tsan Chang, Yueh Chi APEX ACTION INVESTMENT LIMITED	Chang, Yueh Chi APEX ACTION INVESTMENT LIMITED	Chang, Yueh Chi APEX ACTION INVESTMENT LIMITED
NT\$3,500,000 ~ NT\$4,999,999			Yang, Jheng Ren	Yang, Jheng Ren
NT\$5,000,000~ NT\$9,999,999	-	-	Tsai, Fu Tsan Hsu, Rong Hui,	Tsai, Fu Tsan Hsu, Rong Hui,
NT\$10,000,000~ NT\$14,999,999	-	-	Chen, Hong Wen	Chen, Hong Wen
NT\$15,000,000~ NT\$29,999,999	-	-	-	-
NT\$30,000,000~ NT\$49,999,999	-	-	-	-
NT\$50,000,000~ NT\$99,999,999	-	-	-	-
Greater Than or Equal to NT\$100,000,000	-	-	-	-
Total	9	9	9	9

(II) Remuneration of General Manager and Deputy General Manager

Unit: NT\$ Thousands

Title	Name	Remuneration (A)		Retirement pension (B)		Bonus and special allowance (C)		Distribution of retained Earnings as remuneration to employees (D)				The sum of A, B, C, and D as a percentage of after-tax net profit (%)		Remuneration from invested businesses other than the subsidiaries or the parent company
		Gemtek	Consolidated Subsidiaries of Gemtek	Gemtek	Consolidated Subsidiaries of Gemtek	Gemtek	Consolidated Subsidiaries of Gemtek	Gemtek		Consolidated Subsidiaries of Gemtek		Gemtek	Consolidated Subsidiaries of Gemtek	
								Cash	Stock	Cash	Stock			
CEO	Chen, Hong Wen	36,298	38,236	661	661	31,042	31,042	4,076	-	4,076	-	72,077 ; 11.14%	74,015 ; 11.67%	None
General Manager	Li, Rong Chang													
Senior Deputy General Manager	Tsai, Fu Tsan (Note3)													
Senior Deputy General Manager	Liao, Hsi An (Note3)													
Senior Deputy General Manager	Hsu, Rong Hui													
Chief Financial Officer	Lin, Chih Hong													
Chief Technology Officer	Yeh, Fu Ming													
Chief Marketing Officer	Cheng, Guang Ming (Note4)													
Chief R&D Officer	Chen, Shih-Ren													
Chief Operations Officer	Wang, Jia-Ching													

Note 1: A resolution was passed by the Board of Directors on March 10, 2025, to allocate a total of NT\$122,803,459 for employee compensation for the year 2024. This matter will be reported at the 2025 Shareholders' Meeting.

Note 2: An amount equivalent to 6% of employee salary for retirement pension is deposited in an account administered by the Bureau of Labor Insurance

in accordance with the law. There was actual retirement payment in the year 2024.

Note 3: Retirement effective on March 31, 2024.

Note 4: Retirement effective on March 17, 2025.

Remuneration Scale for the General Manager and the Deputy General Manager

The Range of Remuneration	Name of the General Manager and the Deputy General Manager	
	Gemtek	Consolidated Subsidiaries of Gemtek
Less than NT\$2,000,000	Liao, Hsi An, Hsyu, Chien-Dai Huang, Zhen-Peng	Liao, Hsi An, Hsyu, Chien-Dai Huang, Zhen-Peng
NT\$2,000,000 ~ NT\$3,499,999	Chen, Shih-Ren, Wang, Jia-Ching, Yao, Chi-Shian, Lai, Zhih-Hao, Wang, Shih-Jun	Chen, Shih-Ren, Wang, Jia-Ching, Yao, Chi-Shian, Lai, Zhih-Hao, Wang, Shih-Jun
NT\$3,500,000 ~ NT\$4,999,999	Tsai, Fu Tsan, Hsu, Rong Hui,	-
NT\$5,000,000~ NT\$9,999,999	Lin, Chih Hong, Yeh, Fu Ming, Cheng, Guang Ming	Tsai, Fu Tsan, Hsu, Rong Hui, Lin, Chih Hong, Yeh, Fu Ming, Cheng, Guang Ming
NT\$10,000,000~ NT\$14,999,999	Chen, Hong Wen,	Chen, Hong Wen
NT\$15,000,000~ NT\$29,999,999	Li, Rong Chang,	Li, Rong Chang
NT\$30,000,000~ NT\$49,999,999	-	-
NT\$50,000,000~ NT\$99,999,999	-	-
Greater Than or Equal to NT\$100,000,000	-	-
Total	15	15

(III) Employee Compensation for the Management Team

As of March 31, 2025

	Title	Name	Employee Compensation – in Stock (NT\$Thousands)	Employee Compensation – in Cash (NT\$Thousands)	Total (NT\$Thousands)	The total amount as a percentage of net income after tax (%)
Management Team	CEO	Chen, Hong Wen	N/A	5,661	5,661	0.87
	General Manager	Li, Rong Chang				
	Senior Deputy General Manager	Hsu, Rong Hui				
	Chief Financial Officer	Lin, Chih Hong				
	Chief Technology Officer	Yeh, Fu Ming				
	Chief Marketing Officer	Cheng, Guang Ming				
	Chief R&D Officer	Chen, Shih-Ren				
	Director	Yao, Chi-Shian				
	Director	Lai, Zhih-Hao				
	Director	Hsyu, Chien-Dai				
	Director	Wang, Shih-Jun				
	Director	Huang, Zhen-Peng				

Note : A resolution was passed by the Board of Directors on March 10, 2025, to allocate a total of NT\$122,803,459 for employee compensation for the year 2024.

(IV) Comparison analysis of the current and previous fiscal years regarding the percentage of total remuneration paid to directors, supervisors, the general manager, and deputy general manager by the Company and by affiliated companies that are included in the consolidated financial statements to the net income, and its correlation with the remuneration payment policies, standards, and portfolios, the procedures for determining the remuneration, operation performance, and potential risks described in detail:

1. The percentage of total remuneration paid to directors, supervisors, the general manager, and deputy general manager by the Company and by affiliated companies that are included in the consolidated financial statements to the net profit after tax as of current and previous fiscal years:

Title	Percentage of total remuneration paid relative to net profit after tax			
	2023		2024	
	Gemtek	Consolidated	Gemtek	Consolidated
Director	2.43	2.71	2.53	2.58
General Manager & Deputy General Manager	9.27	10.72	11.14	11.67

2022 –10.15% ; 2023 –13.43%; 2023 –13.43%; 2024 –14.25%

2. Correlation with the remuneration payment policies, standards, and portfolios, the procedures for determining the remuneration, operation performance, and potential risks:

(1)In accordance with Article 20 of the Articles of Incorporation, the Company shall after deducting employee bonuses and directors' remuneration from the current year's pre-tax earnings, allocate 13.5% as employee profit-sharing bonuses and 1.8% as remuneration for directors and supervisors. Employee profit-sharing bonuses may be distributed in the form of cash or securities to eligible employees. The allocation and distribution shall be reported at the Shareholders' Meeting. In the event of accumulated losses, the Company shall retain such compensation accordingly.

(2)Potential Risks: The Company's remuneration is established upon a performance-related pay standard, which evaluates the overall performances of the company's operational outcomes, individual managers' achievements and contributions, and other factors that may influence the remuneration structure. If performances are recognized and approved by management, the fixed and variable rewards paid shall fully reflect the performances of either individuals or teams. In the event that any director or employee is involved in unlawful conduct resulting in losses to the Company, appropriate action shall be taken in accordance with applicable laws and regulations.

III. Corporate Governance

(I) Operation Status of the Board of Directors

The Board of Directors held 8 [A] meetings during the current fiscal year. The attendance record of the Board of Directors is shown below:

Title	Name (Note 1)	Attendance In Person [B]	Attendance by Proxy	Attendance Rate (%) (B/A) (Note2)	Remarks
Chairman	Chen, Hong Wen	8	-	100%	
Director	Yang, Jheng Ren	8	-	100%	
Director	Tsai, Fu Tsan	7	-	88%	
Director	Chang, Yueh Chi	4	-	50%	
Director	Hsu, Rong Hui	8	-	100%	
Director	APEX ACTION INVESTMENT LIMITED Representative: Luo, Wen Yi	8	-	100%	
Independent Director	Zhao, Yao Geng	8	-	100%	
Independent Director	Wang, Zhu San	8	-	100%	
Independent Director	Chang, Zhi Yang	7	1	88%	

Other matters to be recorded:

- Where any of the following circumstances occurs to the meeting of the Board of Directors, the date, term and proposal of the meeting as well as the opinions of all the independent directors and Company's action on these opinions shall be described: None
 - On issues stated in Article 14-3 of the Securities and Exchange Act: The company established an Audit Committee on June 18, 2019, and is not subject to the provisions of Article 14-3 of the Securities and Exchange Act. For related information, please refer to the company's "Operation Guidelines of the Audit Committee".
 - In addition to the matters mentioned above, any independent director expresses dissent or reservation with respect to a resolution of the Board of Directors, and such dissent or reservation is recorded in the minutes or a written statement: None.

2. If the directors have personal interest conflicts to the proposal and are required for recusal, please specify the name of the directors, proposal, reason and the resolution: None
3. Details regarding the frequency, scope, methodology, and content of the Board Evaluation are outlined in the chart below:

Board Evaluation

Frequency	Period	Scope	Method	Scope of Evaluation
Once a year	2024/1/1 ~ 2024/12/31 Reported to Board of Directors on March 10, 2025	Evaluation of the Board, individual Board members, the Audit Committee, and the Remuneration Committee.	1. Board performance evaluation 2 Self-evaluation of individual Board member 3. Audit Committee performance evaluation 4. Remuneration Committee performance evaluation	Please see Note 1.

Note 1:

1.The self-assessment criteria for the Board of Directors cover the following aspects:

- (1) Participation in the Company's operations
- (2) Enhancement of decision-making quality
- (3) Composition and structure of the Board
- (4) Selection and ongoing training of directors
- (5) Effectiveness of internal controls

2.The self-assessment of the Audit Committee includes the following aspects:

- (1) Participation in the Company's operations

- (2) Understanding of the responsibilities of the Audit Committee
- (3) Enhancement of decision-making quality
- (4) Composition of the Audit Committee and selection of its members
- (5) Effectiveness of internal controls

3. The self-assessment of the Compensation Committee covers the following aspects:

- (1) Participation in the Company's operations
- (2) Understanding of the responsibilities of the Compensation Committee
- (3) Enhancement of decision-making quality
- (4) Composition of the Compensation Committee and selection of its members
- (5) Effectiveness of internal controls

4. Individual Director Self-Assessment Evaluation Criteria

The self-assessment for individual directors includes the following aspects:

- (1) Understanding of the Company's goals and missions
- (2) Awareness of directors' responsibilities
- (3) Participation in the Company's operations
- (4) Internal relationship management and communication
- (5) Professional expertise and commitment to continued education
- (6) Effectiveness of internal controls

4. Evaluation of Targets and Measures to Enhance Board Functions in the Current and Previous Fiscal Years, and Other Reportable Matters (e.g., Establishment of Audit Committee, Enhancement of Information Transparency):

- (1) To strengthen the Company's corporate governance framework and supervisory functions, and to enhance overall management efficiency, the Rules of Procedure for Board of Directors Meetings have been adopted in accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.

- (2) The Company has appointed two independent directors and holds board meetings at least once per quarter to ensure oversight of the following key areas: the fair presentation of financial reports; appointment, dismissal, independence, and performance of certified public accountants; effective implementation of internal control systems; compliance with applicable laws and regulations; and management of existing and potential corporate risks.
- (3) A Remuneration Committee has been established to objectively and professionally evaluate compensation policies and systems for directors, supervisors, and executive officers. The committee submits its recommendations to the Board of Directors to support informed and effective decision-making.

(II) Operation Status of the Audit Committee

The Main Annual Responsibilities of the Audit Committee are summarized as follows:

1. Review of financial report.
2. Evaluation of Internal Control Policies
3. Review and adoption of procedures for handling material financial or business activities, including: Acquisition or disposal of assets, Derivatives trading, Loans of funds to others, and Endorsements or guarantees for others
4. Oversight of matters involving director conflicts of interest.
5. Review of significant derivatives transactions.
6. Oversight of loans, endorsements, or provision of guarantees of a material.
7. Review of the offering, issuance, or private placement of equity-type securities.
8. Appointment, dismissal, and compensation of certified public accountants.
9. Appointment or dismissal of financial, accounting, or internal audit officers.
10. Other matters of material nature as prescribed by the Company or competent authority:

Audit Committee Tenure:

- (1) Previous term: June 18, 2019~ June 17, 2022
- (2) Current term: June 9, 2022~ June 8, 2025

The Audit Committee held 7[A] meetings during the current fiscal year.
The attendance record of the Independent Directors is shown below:

Title	Name (Note 1)	Attendance In Person [B]	Attendance by Proxy	Attendance Rate (%) (B/A)	Remarks
Independent Director (Convenor)	Wang, Zhu San	7	-	100%	
Independent Director	Zhao, Yao Geng	7	-	100%	
Independent Director	Chang, Chih Yang	6	1	86%	

Other matters to be recorded:

If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company's response to the Audit Committee's opinion should be specified:

(1) The items listed in Article 14-5 of Securities and Exchange Act.

Date of Board of Directors' Meeting	Date of Audit Committee Meeting Sessions	Motion	Resolution made by the Audit Committee	Follow-up actions made by the Company
2024.03.13 11th Board of Directors 12th Meeting	2024.03.13 2nd Audit Committee 9th Meeting	1.2023 business reports and financial statements. 2.Distribution of 2023 profits. 3.2023 "Assessment of the Effectiveness of the Internal Control System" and "Internal Control Statement". 4.External Auditor Assessment Report regarding Independence and Competency 5. Loan plan to Gemtek Technology Ltd. established by	The motions are passed by all Audit Committee members.	The motions are passed by all Directors.

		<p>subsidiary G-Technology Investment Co., Ltd.</p> <p>6. Capital improvement plan established by subsidiary Gemtek Electronics (Changshu) Co., Ltd. for loans and over-limit.</p> <p>7. Engage with financial institutions to explore credit options aimed at optimizing our ability to conduct business operations effectively and increase our operational funds.</p>		
2024.05.10 11th Board of Directors 14th Meeting	2024.05.10 2nd Audit Committee 10th Meeting	<p>1.Completion of 2024 Q1 consolidated financial statements.</p> <p>2.Ratified related-party transactions involving the acquisition or disposal of assets.</p> <p>3. Ratified transactions involving derivative financial instruments.</p> <p>4. Engage with financial institutions to explore credit options aimed at optimizing our ability to increase working capital. (SinoPac Bank and Taipei Fubon Bank).</p> <p>5. Long-term investment in Vispower Co., Ltd. Wavesplitter Technologies, Inc</p> <p>6.Long-term investment in CSX MATERIAL CO., LTD.</p>	The motions are passed by all Audit Committee members.	The motions are passed by all Directors.
2024.05.29 11th Board of Directors 15th Meeting	2024.05.29 2nd Audit Committee 11th Meeting	<p>1.Investment plan in Vietnam.</p>	The motions are passed by all Audit Committee members.	The motions are passed by all Directors.

2024.08.09 11th Board of Directors 16th Meeting	2024.08.09 2nd Audit Committee 12th Meeting	<p>Matters for Reporting: Improvement plan for over-limit lending by subsidiary Gemtek Technologies (Changshu) Co., Ltd.</p> <p>1. Completion of 2024 Q2 consolidated financial statements.</p> <p>2. Ratified related-party transactions involving the acquisition or disposal of assets.</p> <p>3. To recall restricted employee shares and conduct a capital reduction.</p>	The motions are passed by all Audit Committee members.	The motions are passed by all Directors.
2024.10.04 11th Board of Directors 17th Meeting	2024.10.04 2nd Audit Committee 13th Meeting	<p>1. Subsidiary Gemtek Technologies (Changshu) Co., Ltd. conducts capital reduction.</p> <p>2. Engage with financial institutions to explore credit options aimed at optimizing our ability to increase working capital. (Land Bank, Chinatrust Bank, Taishin Bank, KGI).</p>	The motions are passed by all Audit Committee members.	The motions are passed by all Directors.
2024.11.07 11th Board of Directors 18th Meeting	2024.11.07 2nd Audit Committee 14th Meeting	<p>Matters for Reporting: Improvement plan for over-limit lending by subsidiary Gemtek Technologies (Changshu) Co., Ltd.</p> <p>1. Completion of 2024 Q3 consolidated financial statements.</p> <p>2. Ratified related-party transactions involving the acquisition or disposal of assets.</p> <p>3. To recall restricted employee shares and conduct a capital</p>	The motions are passed by all Audit Committee members.	The motions are passed by all Directors.

		reduction.		
2024.12.11 11th Board of Directors 19th Meeting	2024.12.11 2nd Audit Committee 15th Meeting	1.Business Plan and Budget Proposal for fiscal year 2025. 2.Review 2025 Internal Audit Plan. 3.Amendments to the Internal Control System. 4.Appointment of CPA and Audit Fee Proposal for fiscal year 2024 Financial Statements. 5.Subsidiary Gemtek Technologies (Kunshan) Co., Ltd.capital reduction in cash. 6.Loan Proposal from Subsidiary G-Technology Investment Co., Ltd. to Gemtek Technology Co., Ltd. 7.Loan Proposal from Subsidiary G-Technology Investment Co., Ltd. to U.S. Subsidiary Genix Networks Inc. 8. Engage with financial institutions to explore credit options aimed at optimizing our ability to increase working capital. (HSBC (Taiwan))	The motions are passed by all Audit Committee members.	The motions are passed by all Directors.
2025.03.10 11th Board of Directors 20th Meeting	2025.03.10 2nd Audit Committee 16th Meeting	1.2024 business reports and financial statements. 2.Distribution of 2024 profits. 3.2024 “Assessment of the Effectiveness of the Internal Control System” and “Internal Control Statement”. 4.External Auditor Assessment Report regarding Independence and Competency	The motions are passed by all Audit Committee members.	The motions are passed by all Directors.

		5. Amendment of provisions of the Articles of Incorporation . 6. Long-term Investment Plan - GENIX ELECTRONICS (CANADA) CORP. 7. Long-term Investment Plan - Genix Japan. 8. Engage with financial institutions to explore credit options aimed at optimizing our ability to increase working capital. (Yuanta Bank, E-Sun Bank, KGI Bank)		
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(2) If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None

(3) Communications between the independent directors, the Company's Chief Internal Auditor and CPAs (e.g. the items, methods and results of audits of corporate finance or operations, etc.)

(i) The Company Chief Internal Auditor is to submit monthly audit reports to the Independent Directors of the Audit Committee regarding deficiencies and improvement plans. The execution status of the improvement plans are then reported to the Independent Directors at the quarterly Audit Committee Meeting.

(ii) In the quarterly Audit Committee Meeting, the Company's CPA reports to independent directors regarding the financial affairs, audit results, internal control, IFRSs revisions, impacts on the Company, and relevant regulatory requirements of the Company and its overseas subsidiaries. The CPA communicates whether the abovementioned should affect the way accounting items are recognized or adjusted.

(iii) Audit supervisors, CPAs, and independent directors should communicate directly as much as possible.

(iv) Summary of the communications between independent directors and chief internal auditors:

Date of Discussion Meeting	Attending Members	Discussion Items	Conclusion
2024.3.13	Independent Director: Wang, Zhu San Independent Director: Zhao, Yao Geng Independent Director: Chang, Chih Yang Auditor: Huang, Ling Yi	1. Report on 2023 Q4 internal audit results. 2. 2023 Internal Audit Policy Statement	Without opinion
2024.05.10	Independent Director: Wang, Zhu San Independent Director: Zhao, Yao Geng Independent Director: Chang, Chih Yang Auditor: Huang, Ling Yi	1. Report on 2024 Q1 internal audit results.	Without opinion
2024.08.09	Independent Director: Wang, Zhu San Independent Director: Zhao, Yao Geng Independent Director: Chang, Chih Yang Auditor: Huang, Ling Yi	1. Report on 2024 Q2 internal audit results.	Without opinion
2024.11.07	Independent	1. Report on 2024 Q3 internal	Without

Date of Discussion Meeting	Attending Members	Discussion Items	Conclusion
	Director: Wang, Zhu San Independent Director: Zhao, Yao Geng Independent Director: Chang, Chih Yang Auditor: Huang, Ling Yi	audit results. 2.2024 Audit Plan	opinion

(v) Summary of the communications between independent directors and CPA:

Date of Discussion Meeting	Attending Members	Discussion Items	Conclusion
2024.03.13	Independent Director: Wang, Zhu San Independent Director: Zhao, Yao Geng Independent Director: Chang, Chih Yang CPA: Fang, Han-ni	CPA presents the audit scope, criteria, and audit results for the 2023 Financial Statements.	Without opinion
2024.12.11	Independent Director: Wang, Zhu San Independent Director: Zhao, Yao Geng Independent Director: Chang, Chih Yang CPA: Fang, Han-ni	CPA presents audit plans regarding the scope, approach, timing, and criteria for the 2024 Financial Statements.	Without opinion

(III) Implementation Status of Corporate Governance

Corporate Governance Implementation Status and Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
I.Has the Company established and disclosed the Corporate Governance Best practice Principle based on the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	V		In compliance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, the Company has established the "Corporate Governance Best-Practice Principles" upon the approval of the Board of Directors, and has posted the document on the Company's website and MOPS .	None
II. Shareholding structure and shareholder's equity				
(I) Does the Company have an internal procedure and act accordingly for handling of the suggestions, doubts, disputes, and lawsuits of the shareholders?	V		(I) The Company has set up relevant departments i.e.investor relations, corporate actions, legal, to properly handle the suggestions, doubts, disputes, and lawsuits of the shareholders.	None
(II) Does the Company have the list of major shareholders who have ultimate control over the company?	V		(II) The Company regularly reviews the shareholding status of the board, managers, and the list of major shareholders who holds more than 10% of	None

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
(III) Does the Company establish and implement a firewall mechanism to control the risks between the Company and the affiliates?	V		the shares. (III) The company has established risk control measures within its internal control operation procedures.	None
(IV) Does the Company have internal policies to prohibit insiders from trading securities with undisclosed information ?	V		(IV) The Company has formulated the "Procedures for Handling Material Inside Information" .	None
III.Composition and responsibilities of the Board of Directors				
(I) Has the Board develop and implement a diversified policy for the composition of its members?	V		(I) According to the Company's "Corporate Governance Best-Practice Principles" , the company has developed and implemented a diversified policy for the composition of its Board of Directors. The members of the Board have a fair representation of people of different genders, professional experience and competencies.	None
(II) Has the Company voluntarily establish other	V		(II) The functional committees of the Company are:	None

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
<p>functional committees in addition to the Remuneration Committee and the Audit Committee?</p> <p>(III) Does the Company establish a standard to measure the performance of the Board annually, report the results of the performance evaluation to the Board, and use it as a reference for individual directors' remuneration and nomination?</p>	V		<p>1. Remuneration Committee (Est. 2011) . 2. Audit Committee (Est. 2019). The establishment of additional functional committees is dependent on the company's overall operational performances and strategies.</p> <p>(III) On Mar. 10, 2020, the Company has passed the motion for the establishment of the "Procedures for Performance Evaluation of Board of Directors" , which clearly states the frequency, time frame, evaluation criteria, the department in charge of conducting the internal evaluation, procedures, etc. for carrying out the evaluation process. The 2023 Performance Evaluation of the Board of Directors is mainly centered on "Board Self-Evaluation" and "Evaluation of Board Effectiveness". As per the 2023 Performance Evaluation, the results indicate that the overall performances of the Board of Directors and functional committees were well-achieved and effective.</p>	None

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
(IV) Does the Company regularly evaluate the independence of CPAs?	V		(IV) The Company's Finance Department performed an annual independence assessment of CPAs, and has submitted the results to the Board of Directors for resolution on March 10, 2025.	None
IV. Does the TWSE/TPEX listed company have a designated corporate governance unit or personnel in place to address corporate governance affairs (including, but not limited to, the provision of relevant business information to attending directors and supervisors, ensure regulatory compliance, assist directors and supervisors with matters related to board meetings and shareholders meetings as required by law, and prepare minutes for board meetings and shareholders meetings)?	V		(I) Corporate Governance Personnel: Chief Finance Officer (II) Main Duties: Responsible for handling corporate governance affairs, including the provision of relevant business information to attending directors and independent directors, ensure regulatory compliance, assist directors and supervisors with matters related to board meetings and shareholders meetings as required by law, company registration affairs, and prepare minutes for board meetings and shareholders meetings.	None

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
V. Did the Company establish effective communication channels with stakeholders, construct a designated section on its website to address issues raised by stakeholders (including but not limited to shareholders, employees, customers, and suppliers), i.e. Corporate Social Responsibility, with appropriate responses?	V		The Company has various communication channels in place to facilitate stakeholder engagement and management, e.g. investment relations, corporate actions team, legal department. The Company has constructed a designated section on its website to address issues raised by stakeholders, i.e. Corporate Social Responsibility, with appropriate responses.	None
VI. Does the Company commission a professional registrar to deal with the affairs of the shareholders' meeting?	V		The Company has appointed SinoPac Securities Corporation to deal with the affairs of the shareholders' meeting.	None
VII. Information disclosure (I) Does the Company have a website to disclose the financial and corporate governance information of the Company? (II) Does the Company adopt other information disclosure methods (such as setting up an English website, designating a person for collection and disclosure of information, implementing a spokesperson system, and publishing the meeting agenda of investor	V V		(I) The Company discloses its financial and corporate governance information on the company website and TWSE MOPS. (II) The Company's investor relations webpage is available in both Chinese and English. A website administrator is responsible for updating and disclosing the Company's information on the website in a timely manner. The Company has employed a spokesperson and deputy spokesperson to represent the company.	None None

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
<p>conferences on the website)?</p> <p>(III) Does the company announce and report the annual financial report within two months after the end of the fiscal year, and has announced and reported Q1, Q2, Q3 financial reports and the operating status of each month prior to the prescribed deadline?</p>	V		<p>The meeting agenda of the Institutional Investor Conference is posted on the Company's website.</p> <p>(III)The Company has announced on March 10, 2025, its financial statements for fiscal year 2024. The Q1, Q2,, and Q3 financial reports, along with the monthly operating results, were all approved by the Board of Directors and submitted within the prescribed deadlines.</p>	None
VIII. Does the Company have additional information that may further explain its corporate governance principles (including but not limited to the rights and care of employees, investor relationship, supplier relationship, rights of stakeholders, board member training, implementation of risk management policies and measurement criteria, implementation of customer management policies and liability insurance coverage for directors and supervisors)?	V		<p>(I) Employee Rights and Employee Care: The Company understands the importance of labor management, and spares no effort in caring for its employees. For more information, please refer to the Company's "Corporate Social Responsibility Report".</p> <p>(II) Investor Relations and Stakeholders: The Company has constructed a designated section on its website to address issues raised by stakeholders, i.e. Corporate Social Responsibility, with appropriate responses.</p> <p>(III) Suppliers: The Company adopts a coexisting business model to share profit and sustain good</p>	None

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			<p>relationship with all of its business partners.</p> <p>(IV) Board Member Training: Directors are obliged to participate in advanced training courses arranged by the Company, and are also encouraged to take courses outside the Company according to personal requirements. To know more about the training courses, please refer to “Board Member Training”.</p> <p>(V) Risk Management Policies and Evaluation: The Company’s Internal Control Plan and policies have been approved by the Board of Directors and resolved by the Shareholders' meeting. Internal audit personnel shall report audit results and findings to the Board on a quarterly basis.</p> <p>(VI) Customer Relationship Management : Gemtek values its customers and strives to provide high-quality products to meet customer requirements. We make sure that customer relationships are well-maintained through effective communication, creating long-term success in business partnership.</p> <p>(VII) Directors and Officers Liability Insurance: The</p>	

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
			Company has purchased liability insurance for its directors and managers.	
<p>(IX) Please describe the Company's improvement measures and progress in response to the evaluation results published by the Corporate Governance Center of Taiwan Stock Exchange Corporation:</p> <p>1. Gemtek is placed within the 51-65% range among listed entities for the 2024 Corporate Governance Evaluation.</p> <p>2. Notable improvements for 2024 includes:</p> <p>(1) The Company has established and disclosed internal regulations on its official website prohibiting directors, employees, and other insiders from trading securities based on material non-public information. These regulations include, but are not limited to, a blackout period during which directors are prohibited from trading company shares—30 days prior to the announcement of the annual financial statements and 15 days prior to the announcement of quarterly financial statements.</p> <p>(2) The minutes of the shareholders' meetings include a record of significant questions raised by shareholders and the Company's corresponding responses.</p> <p>(3) The Company has formulated succession plans for both members of the Board and key management personnel. The implementation status of these plans is disclosed on the Company's website or in its annual report.</p> <p>(4) In 2023, the Company established a Sustainability Development Committee, composed of the President, Chief Financial Officer, and three Independent Directors, with the President serving as Chair.</p> <p>(5) The Company has clearly disclosed its dividend policy in the annual report.</p> <p>(6) The Company has disclosed on its website and in its annual report the measures taken to protect employee safety and workplace conditions, along with their implementation status.</p> <p>(7) The Company's sustainability report has been submitted to and approved by the Board of Directors.</p>				

Evaluation Item	Implementation Status (Note 1)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
(8)The Company has disclosed its annual greenhouse gas emissions for the past two years, and the reported figures have been verified by an independent third party.				
(9)The Company has established a greenhouse gas reduction management policy, which includes reduction targets, implementation measures, and progress updates.				
3. Our company remains committed to continuously refining our improvement plans for areas that we have yet to achieve.				

Note 1: Please fill-in all relevant fields with complete descriptions.

External Auditor Assessment Report regarding Independence and Competency

I. Statutory Provisions

I. In accordance with Article 29 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, the Company engages certified public accountants (CPAs) who demonstrate professionalism, accountability, and independence to conduct regular audits of the Company's financial condition and internal control systems.

II. The Company conducts an annual assessment of the CPAs' independence. If the same CPAs have served for seven consecutive years, or if there are concerns related to disciplinary actions or potential impairment of independence, the Company shall evaluate the necessity of appointing new auditors and report the outcome to the Board of Directors.

III. In accordance with Statement No. 14 of the Code of Professional Ethics for Certified Public Accountants regarding "Long-Term Relationships with Audit Clients," the lead CPA is required to rotate after a specified period of service and may not be reappointed until a minimum cooling-off period of no less than two years has elapsed.

II. Assessment Results:

I. CPA Audit Opinions over the past five years:

Year	Audit Firm	CPA	Audit Opinions
2019	Deloitte & Touche	Yang, Ching Cheng Gung, Zhe Li	Unqualified opinion & Other matter paragraph
2020	Deloitte & Touche	Yang, Ching Cheng Yang, Jing Ting	Unqualified opinion & Other matter paragraph
2021	Deloitte & Touche	Yang, Ching Cheng Yang, Jing Ting	Unqualified opinion & Other matter paragraph
2022	Deloitte & Touche	Fang, Han Ni Yang, Jing Ting	Unqualified opinion & Other matter paragraph
2023	Deloitte & Touche	Fang, Han Ni Yang, Jing Ting	Unqualified opinion
2024	Deloitte & Touche	Fang, Han Ni Yang, Jing Ting	Unqualified opinion

II. CPA Relationship Evaluation

(1) The evaluation is conducted in accordance with Code of Ethics for Professional Accountants No.10 - Integrity, Objectivity and Independence. The results are listed as follows:

Independence		In compliance with auditor independence standards and requirements	
Item	Description	Yes	No
1	The accountants should avoid and should not accept the engagement when they may be involved in any direct or material indirect interests which may impair their impartiality and independence.	v	
2	The audit or review of financial statements provides a wide range of potential statement users with a high or moderate but not absolute confidence herein. In addition to maintaining independence in fact, independence in appearance is critical as well. Therefore, the members of audit team, and the partners of the accounting firm and any of its affiliates must always maintain independence with his/their clients.	v	
3	A professional accountant shall demonstrate the highest sense of integrity, maintain objectivity, and adheres to the spirit of independence when serving the public interest. (1)Integrity: A professional accountant shall perform all professional responsibilities with the highest sense of integrity. (2)Objectivity: A professional accountant shall maintain objectivity and be free of conflicts of interest in discharging professional responsibilities. (3)Independence: A professional accountant in public practice should be independent in fact and appearance when providing auditing and other attestation services.	v	
4	Independence is defined to include integrity and objectivity. Lack of independence may impair the auditor's integrity, reliability, and objectivity.	v	
5	Auditor independence may be compromised by threats to the fundamental principles -- self-interest, self-review, advocacy, familiarity and intimidation.	v	

Independence		In compliance with auditor independence standards and requirements	
6	<p>Self-interest threat occurs when a firm or a person on the audit engagement team could benefit from a financial interest in, or other self-interest conflict with, a client. Examples of circumstances that may create a self-interest threat include, but are not limited to:</p> <p>(1) A direct financial interest or material indirect financial interest in a client.</p> <p>(2) A loan or guarantee to or from an audit client or any of its directors or officers.</p> <p>(3) Undue concern about the possibility of losing the audit engagement.</p> <p>(4) Having a close business relationship with an audit client.</p> <p>(5) Potential employment with an audit client.</p> <p>(6) Contingent audit fees related to the audit case.</p>	v	
7	<p>Self-review threat occurs when accountants perform reports or judgments made in non-audit service cases, and such reports or judgments serve as an important basis for reaching conclusions in the process of checking or reviewing financial information, or when a person on the engagement team was previously an officer or director of the audit client, or was in a position to exert significant influence over the subject matter of the assurance engagement. Examples of circumstances that may create a self-review threat include, but are not limited to:</p> <p>(1) The members of the audit engagement team being, or having recently served as directors, supervisors, managers, or was in a position to exert significant influence over the subject matter of the engagement within the past two years.</p> <p>(2) Rendering non-audit services to clients with items that may directly impact the audited cases.</p>	v	
8	<p>Advocacy threat occurs when the auditor is asked to promote or represent their client's opinion to the point where objectivity is potentially compromised. Examples of circumstances that may create an advocacy threat include, but are not limited to:</p> <p>(1) Dealing in, or being a promoter of, shares of an audit client.</p> <p>(2) Acting as an advocate for or on behalf of an audit client in litigation or in resolving disputes with third parties.</p>	v	

Independence		In compliance with auditor independence standards and requirements	
9	<p>Familiarity threat occurs when, by virtue of a close relationship with an audit client, its directors, officers or employees, a firm or a person on the engagement team becomes too sympathetic to the client's interests. Examples of circumstances that may create a familiarity threat include, but are not limited to:</p> <p>(1) A person on the engagement team having an immediate or close family member who is an officer or director of the audit client or in a position to exert significant influence over the subject matter of the engagement;</p> <p>(2) A former partner of the firm, within one year before dismissal, serves as an officer or director of the audit client or in a position to exert significant influence over the subject matter of the engagement;</p> <p>(3) The acceptance of gifts or hospitality from the audit client, its directors, officers or employees, unless the value thereof is clearly insignificant.</p>	v	
10	<p>Intimidation threat occurs when a person on the engagement team may be deterred from acting objectively and exercising professional skepticism by threats, actual or perceived, from the directors, officers or employees of an audit client. Examples of circumstances that may create an intimidation threat include, but are not limited to:</p> <p>(1) Accountants are required to accept improper management choices in accounting policies or improper disclosure in financial statements.</p> <p>(2) The application of pressure to inappropriately reduce the extent of work performed in order to reduce or limit fees.</p>	v	
11	<p>The firm, or members of the engagement team have an ongoing responsibility to maintain professional independence by taking into account the context in which they practise, the threats to independence and the safeguards which may be available to eliminate the threats or reduce them to an acceptable level.</p>	v	
12	<p>If the firm, or members of the engagement team determine that the identified threats to compliance with the fundamental principles are not at an acceptable level, he/she shall address the threats by eliminating them or reducing them to an acceptable level.</p>	v	
13	<p>If no measures are taken or the measures adopted cannot effectively reduce the impact on independence or reduce to an acceptable level, the accountant should refuse to execute the audit case to maintain its independence.</p>	v	

(2) Auditor Competency

Competency		Qualification	
Item	Description	Yes	No
1	Holds a CPA license to practice public accounting.	v	
2	No penalty imposed by the competent authority or the CPA Associations R.O.C.(Taiwan), or under the provisions of Paragraph 3, Article 37, of the Securities and Exchange Act.	v	
3	Has a general understanding of the client's business.	v	
4	Review financial reports and prepare audit worksheets in accordance with the "Generally Accepted Auditing Standards" and the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountant".	v	
5	Uses the CPA title to benefit from acts of unfair competition.		v

III. Conclusion:

Based on the above analysis and with reference to the Audit Quality Indicators (AQIs) issued by the Financial Supervisory Commission, we conclude that CPA Jing Ting Yang and CPA Han Ni Fang of Deloitte & Touche, who were proposed to be retained for the audit of the Company's 2025 annual financial statements, are considered independent and competent. This matter is hereby submitted to the Board of Directors for resolution and approval.

2024 Continuing Education for Board Members

Title	Name	Date	Organizer	Course Name	Hours
Director	Chen, Hong Wen	2024/11/05	Taiwan Corporate Governance Association , TCGA	Legal Planning and Structuring for Business Succession	3 Hours
Director	Tsai, Fu Tsan				3 Hours
Director	Yang, Jheng Ren				3 Hours
Director	Chang, Yueh Chi				3 Hours
Director	Hsu, Rong Hui				3 Hours
Corporate Director	APEX ACTION INVESTMENT LIMITED Representative: Luo, Wen Yi				3 Hours
Independent Director	Wang, Zhu San				3 Hours
Independent Director	Chang, Chih Yang				3 Hours
					3 Hours
Independent Director	Zhao, Yao Geng				3 Hours
		3 Hours			
Director	Chen, Hong Wen	2024/11/08	Taiwan Corporate Governance Association , TCGA	Prevention and Response Strategies for Insider Trading	3 Hours
Director	Tsai, Fu Tsan				3 Hours
Director	Yang, Jheng Ren				3 Hours
Director	Chang, Yueh Chi				3 Hours
Director	Hsu, Rong Hui				3 Hours

Corporate Director	APEX ACTION INVESTMENT LIMITED Representative: Luo, Wen Yi				3 Hours
Independent Director	Wang, Zhu San				3 Hours
Independent Director	Chang, Chih Yang				3 Hours
					3 Hours
Independent Director	Zhao, Yao Geng				3 Hours

2024 Continuing Education for Management

Title/Name	Date	Organizer	Course Name	Hours
CFO/Lin, Chih Hong	2024/12/05	Accounting Research and Development Foundation	Qualifications and Professional Development Measures for Accounting Supervisors of Issuers' Securities Firms and Stock Exchanges	6 Hours
	2024/12/06			6 Hours

2024 Continuing Education for Audit Officers

Title/Name	Date	Organizer	Course Name	Hours
Audit Officer/Huang, LingYi	2024/07/29	Accounting Research and Development Foundation	Analysis of the Latest Regulations on Annual Reports, Sustainability Disclosures, and Financial Reporting, and Practical Internal	6 Hours

			Control Management	
	2024/10/28		Enhancing Internal Control Lines of Defense and Board Functionality with Fraud Case Studies	6 Hours

2024 Continuing Education for Corporate Governance Officers

Title/Name	Date	Organizer	Course Name	Hours
Corporate Governance Officer/Lin, Chih Hong	2024/06/21	Taiwan Corporate Governance Association , TCGA	Initiating Succession Planning: Employee Compensation Programs and Equity Succession	3 Hours
	2024/09/10	Taipei Exchange (TPEX)	Insider Shareholding Education and Disclosure Briefing	3 Hours
	2024/11/05	Taiwan Corporate Governance Association , TCGA	Legal Planning and Structuring for Business Succession	3 Hours
	2024/11/08	Corporate	Prevention and Response Strategies for Insider Trading	3 Hours

(IV)Composition, Responsibilities, and Operations of the Remuneration Committee

1. Professional Qualifications and Independence Analysis of the Remuneration Committee

As of March 31, 2024

Qualifications Name /Title	Professional qualifications and experience	Independence criteria	Number of other public companies where the member also serves in a remuneration committee
Zhao, Yao Geng (Independent Director)/ Convener	<ul style="list-style-type: none"> Has Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company Dean, College of Electrical and Communication Engineering, Yuan Ze University Independent Director, Favite Inc. Director, Harbinger VII Venture Capital Corp. Not being a person of any conditions defined in Article 30 of the Company Act. 	<ul style="list-style-type: none"> The independent director meets the professional qualification requirements prescribed by competent authorities. The independent director, spouse, and relative within the second degree of kinship are NOT of the following: <ul style="list-style-type: none"> 1.A director, supervisor, or employee of the Company or any of its affiliates. 2.Holds shares of the Company 3.A director, supervisor, or employee of a specified company or institution that has a financial or business relationship with the Company Provide commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider has received cumulative compensation within the past 2 years: None 	None
Wang, Zhu San (Independent Director) / Member	<ul style="list-style-type: none"> Has Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company Professor, Department of Business Administration, National Taipei University Director, The Association of Crowdfunding and Financial Technology Service Director, Association of Business Administration, National Taipei University Member of Investments Review Board, 	<ul style="list-style-type: none"> The independent director meets the professional qualification requirements prescribed by competent authorities. The independent director, spouse, and relative within the second degree of kinship are NOT of the following: <ul style="list-style-type: none"> 1.A director, supervisor, or employee of the Company or any of its affiliates. 2.Holds shares of the Company 3.A director, supervisor, or employee of a specified company or institution 	None

	MOEA Not being a person of any conditions defined in Article 30 of the Company Act.	that has a financial or business relationship with the Company Provide commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider has received cumulative compensation within the past 2 years: None	
Chang, Chih Yang (Independent Director) / Member	Has Work Experience in the Areas of Commerce, Law, Finance, or Accounting, or Otherwise Necessary for the Business of the Company Professor, Department of Electrical Engineering, National Chiao Tung University Independent Director/Member of Compensation committee, Alpha Microelectronics Corp. Not being a person of any conditions defined in Article 30 of the Company Act.	The independent director meets the professional qualification requirements prescribed by competent authorities. The independent director, spouse, and relative within the second degree of kinship are NOT of the following: 1.A director, supervisor, or employee of the Company or any of its affiliates. 2.Holds shares of the Company 3.A director, supervisor, or employee of a specified company or institution that has a financial or business relationship with the Company Provide commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider has received cumulative compensation within the past 2 years: None	1

2. Information on the Operation of the Remuneration Committee

Responsibilities of the Remuneration Committee

- (1) Evaluate and approve remuneration for directors
- (2) Review manager performances and the compensation framework.
- (3) Evaluate and approve compensation for managers.

Attendance at Remuneration Committee Meetings

- I. Our Remuneration Committee is composed of 3 members.
- II. (1) The term of office of the previous Remuneration Committee was from Jun. 26, 2019 to Jun. 17, 2022.
(2) The term of office of the current Remuneration Committee is from Jun. 17, 2022 to Jun. 8, 2025.

A total number of 3 remuneration committee meetings (A) were held in the current fiscal year. The attendance of committee members is as follows:

Title	Name	Actual Attendance(B)	Number of meetings in attendance by proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Convener	Zao, Yao Geng	4	-	100%	
Member	Wang, Zhu San	4	-	100%	
Member	Chang, Chih Yang	4	-	100%	

Other matters to be recorded:

1. If the Board of Directors decline to adopt or modify a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the Company's response to the remuneration passed by the Board of Directors exceed the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified: None.
2. Resolutions of the remuneration committee objected to by members or subject to a qualified opinion and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.

Date of Board Meeting	Date of Remuneration Committee Sessions	Items for Discussion	Resolution made by the Remuneration Committee	Follow-up actions made by the Company
2024.03.13 11th Board of Directors 12th Meeting	2024.03.13 5th Remuneration Committee 7th Meeting	1.Method of Distribution for Employee and Director Compensation for Fiscal Year 2023 2.Annual Performance Bonus for Managers for Fiscal Year 2023 3. Managerial Retirement Application Case	The items for discussion are passed by all members of the Remuneration Committee.	Resolved and approved by the board of directors.
2024.05.29 11th Board of Directors 15th Meeting	2024.05.29 5th Remuneration Committee 8th Meeting	1. Distribution of Employee Compensation to Managers for Fiscal Year 2023	The items for discussion are passed by all members of the Remuneration Committee.	Resolved and approved by the board of directors.
2024.08.09 11th Board of Directors 16th Meeting	2024.08.09 5th Remuneration Committee 9th Meeting	1.Discussion on the Employee Salary Adjustment Proposal for Fiscal Year 2024 2.Status of the Restricted Employee Shares Granted in Fiscal Year 2023 After One-Year Vesting Period	The items for discussion are passed by all members of the Remuneration Committee.	Resolved and approved by the board of directors.
2024.10.04 11th Board of Directors 17th Meeting	2024.10.04 5th Remuneration Committee 10th Meeting	1.Discussion on the Salary Proposal for Newly Appointed Managers	The items for discussion are passed by all members of the Remuneration Committee.	Resolved and approved by the board of directors.
2025.03.10 11th Board of Directors 20th Meeting	2025.03.10 5th Remuneration Committee 11th Meeting	1.Method of Distribution for Employee and Director Compensation for Fiscal Year 2024 2.Annual Performance Bonus for Managers for Fiscal Year 2024 3.Managerial Retirement Application Case 4.Discussion on the Amendment of Certain Provisions in the Company's Articles of Incorporation	The items for discussion are passed by all members of the Remuneration Committee.	Resolved and approved by the board of directors.

(V)Corporate Social Responsibility and Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
I.For the purpose of managing corporate social responsibility initiatives, has the Company established an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies, in which senior management is delegated to act in respect of the supervision of the board of directors?	V		<p>To advance the Company’s commitment to sustainable development across environmental, social, and governance (ESG) dimensions, a ESG Sustainable Development Committee was formally established on March 13, 2023, as a functional committee under the Board of Directors. In the following year, the Company further established a dedicated ESG Sustainable Development Team, comprising four functional task forces: Sustainable Environment, Sustainable Supply Chain, Corporate Governance, and Employee Well-being.</p> <p>These task forces are responsible for formulating sustainability policies (including climate-related issues),</p>	None

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
			<p>developing annual plans and strategic directions, tracking and reviewing implementation progress, and resolving other sustainability-related matters. The ESG Sustainable Development Team convenes an annual sustainability review meeting to assess progress and report to the ESG Sustainable Development Committee.</p> <p>The Committee consists of five members: the General Manager, Chief Financial Officer, and three Independent Directors, with the General Manager serving as Chair. Meetings are held at least once a year, with regular reports to the Board of Directors on performance outcomes and future work plans. Key ESG issues and the annual Sustainability Report are also submitted to the Board for approval.</p> <p>In 2024, the Committee convened four times, with meeting</p>	

Evaluation Items	Implementation Status (Note 1)			Deviations from "The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies"
	Yes	No	Summary (Note 2)	
			agendas covering the results of the 2023 greenhouse gas inventory, stakeholder engagement outcomes, annual sustainability plans, and implementation status.	
II.Has the company performed risk assessments on environmental, social, and corporate issues in relation to the Company's operations according to material principles, and formulated relevant risk management policies or strategies? (Note 2)	V		<p>When conducting risk assessments related to environmental, social, and corporate governance issues, our company defines its organizational boundaries within Taiwan. The assessments and analysis are performed based on "Level of Stakeholder Concern" and "Gemtek's Impact on the External Economy, Environment, and Society". Relevant risk management policies and strategies are then formulated according to the results.</p> <p>Risk management is divided into two levels (mechanisms): The "first mechanism", refers to the organizer or contractor, who are responsible for risk detection, assessment, and control, and must take into account the design and</p>	None

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
			prevention for business operations. The "second mechanism" refers to a review meeting led by the Deputy General Manager or above, in addition to a final approval by the Chairman of the Board. Besides assessments of feasibility, various risks are also evaluated. In the event of business anomalies and emergencies, business operations shall follow the Business Continuity Management policies placed by the company. (Note4)	
III.Environmental Issues (I)Has the company established proper environmental management systems based on the characteristics of its industry?	V		(I)In 1999, the company adopted the ISO14001 system and obtained verification to facilitate the implementation of the environmental management system. Since 2009, the Company has adopted and followed the ISO14064-1 guidelines when performing factory greenhouse gas emission	None

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
(II)Is the company committed to enhance the utilization efficiency of resources and use renewable materials that may create lesser impact on the environment?	V		<p>inspections. The inspections are conducted annually and verified by an authoritative third-party.</p> <p>While ensuring operational efficiency, we also strive to reduce environmental harm and eliminate any factors that may cause pollution and endanger safety.</p> <p>The validity period of Gemtek’s latest ISO 14001 certification: 2024/5/16~2027/5/16</p> <p>(II) In 2024, Gemtek Technology’s Taiwan headquarters and Vietnam facility implemented the ISO 50001 Energy Management System and obtained third-party certification. Based on the framework of this management system, the Company has established appropriate energy management objectives to continuously improve energy performance. Each year, Gemtek remains committed to energy</p>	<p>None</p> <p>None</p>

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
			<p>conservation and carbon reduction efforts, including the procurement of products bearing green and eco-friendly labels. The Company spares no effort in enhancing resource efficiency and promoting green product development, thereby reducing the environmental impact of its operations and strengthening overall corporate competitiveness.</p> <p>In response to global sustainability trends, Gemtek has set specific goals in green product design, including the integration of sustainable low-carbon materials, optimization of packaging design, and the application of CAE (Computer-Aided Engineering) tools to enhance R&D efficiency. These initiatives support development projects aimed at designing and manufacturing environmentally friendly, low-carbon products to enhance market competitiveness while minimizing environmental impact.</p>	

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
(III)Has the company assessed the potential risks and opportunities for business operations now and the future regarding climate change and will it adopt response measures relating to climate issues?	V		<p>(III) Gemtek Technology, referencing the TCFD (Task Force on Climate-related Financial Disclosures) framework, has taken into account domestic and international regulatory trends, sustainability strategies, customer requirements, and market dynamics to identify and consolidate 15 climate-related risk topics relevant to the Company (comprising 10 transition risks and 5 physical risks). The scope of the assessment primarily covers Gemtek’s Taiwan Headquarters, Gemtek (Kunshan) facility, Gemtek Vietnam facility, Gemtek Czech facility, and key suppliers.</p> <p>In preparation for compliance with the forthcoming International Financial Reporting Standards S2 (IFRS S2) on climate-related disclosures, Gemtek’s 2024 climate risk assessment evaluates each risk topic based on two factors: likelihood and financial impact. Assessments are aligned with</p>	

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
			<p>the Company’s sustainability timeline, covering short-term (by 2025), mid-term (2026–2027), and long-term (2028–2030) periods. For each timeline, the Company will assess exposure levels, formulate corresponding mitigation measures, and predict expected benefits, with scoring based on a standardized risk scale.</p> <p>The risk grading is determined by multiplying the likelihood and financial impact scores. For topics identified as high-risk, further countermeasures will be developed and related information will be disclosed. Following evaluation in 2024, four primary climate risks were identified, which include Shifts in demand for low-carbon products/markets, Changes in customer behavior, Corporate reputation impacts, and Implementation of carbon border adjustment mechanisms. Additionally, during the risk assessment process, the</p>	

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
(IV) Has the company calculated the greenhouse gas emissions, water consumption, and total weight of waste in the past 2 years, and formulated policies on energy conservation and carbon reduction, greenhouse gas	V		<p>Company analyzed potential climate-related opportunities arising from its mitigation strategies and expected benefits. As a result, one key opportunity, the ‘expansion into new markets’ was identified.</p> <p>The results of the major climate risks and opportunities identification, along with corresponding mitigation strategies, will be reported to the Sustainable Development Committee and the Board of Directors in June 2025, and will be subject to regular review and updates thereafter.</p> <p>(Note 5)</p> <p>(IV) Environmental Action Policy</p> <ul style="list-style-type: none"> ▪ Implementing Energy Management to Achieve Carbon Reduction Goals ▪ Comply with energy regulations and other relevant 	

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
reduction, water consumption, or other waste management?			<p>requirements; develop green products.</p> <ul style="list-style-type: none"> Utilize renewable energy sources to promote low-carbon emissions. Promote resource recycling and implement source reduction initiatives. Provide information resources to support organizational goals. <p>➤ Energy Consumption and Greenhouse Gas Emissions: Continuously improve the energy management system and performance to reduce overall energy consumption and greenhouse gas emissions.</p> <p>➤ Water Resource Reuse: Minimize water consumption and ensure proper treatment and reuse of water</p>	

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
			<p>resources.</p> <p>➤ Air Pollution Control: Reduce air pollutant emissions, avoid procurement of substances harmful to the ozone layer, and mitigate environmental impacts.</p> <p>Raw Materials, Chemicals, and Waste Management: Decrease the consumption of raw materials and reduce the generation of hazardous waste. (Note 6)</p>	
<p>IV. Social Issues</p> <p>(I)Does the company have the relevant management policies and procedures stipulated in accordance with the relevant laws and regulations and international</p>			<p>(I)The company strictly complies with relevant regulations and follows international human rights law, such as gender equality, right to work, and prohibition of discrimination. In</p>	None

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
conventions on human rights?			order to fulfill the primary responsibility for protecting and promoting human rights, the company abides by relevant labor laws and regulations. The appointment, removal, and remuneration of employees are handled in accordance with the company's internal control system.	
(II) Has the company established and implemented V reasonable measures for employee benefits (including: remuneration, holidays and other benefits), and appropriately reflect the business performance or achievements in the employee remuneration?			(II) According to Article 20 of the Company’s Articles of Incorporation, the Company shall allocate, after deducting the amounts distributed as employee and director remuneration, 13.5% of its annual pre-tax profits as employee compensation (with no less than 1.5% allocated to base-level employees) and 1.8% as director compensation. Employee compensation may be distributed in the form of stock or cash, and eligible employees of the Company’s subsidiaries may also be included. The distribution shall be	None

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
			<p>reported at the shareholders’ meeting. However, if the Company has accumulated losses, the amount needed to offset such losses must first be reserved. The company regularly references the salary market trends of its industry peers, the operational status of the company, and organizational structure to adjust salary levels. Additionally, annual salary adjustments are made based on factors such as the company's operational status, domestic economic growth rate, consumer price index, and industry-wide salary adjustment trends. Moreover, various bonuses (such as employee remuneration, performance bonuses, restricted stocks, and employee stock trust plans) are awarded based on operational status and performance. Leave entitlements comply with the Labor Standards Act, and diverse social club activities are provided. Facilities like coffee lounges and</p>	

Evaluation Items	Implementation Status (Note 1)			Deviations from "The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies"
	Yes	No	Summary (Note 2)	
(III) Does the company provide employees with a safe and healthy work environment, and provide safety and health education to employees regularly?	V		<p>fitness centers are available, and annual employee trips are organized.</p> <p>In 2023, the company released the "Gemtek Group Labor Rights and Occupational Safety Policy," emphasizing diversity and equality without discrimination based on gender, age, race, nationality, religion, or political stance. For detailed information, please refer to sections 5.1 to 5.3 of the 2023 Gemtek ESG Report.</p> <p>(III) The Company has established an Occupational Health and Safety Management System (OHSMS) in accordance with ISO 45001 standards. Certified by SGS Taiwan Ltd. through third-party verification, the Company has obtained ISO 45001 certification, valid from February 10, 2025, to February 2, 2028. The certification covers all workers within Gemtek</p>	None

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
			<p>Technology, including employees, outsourced personnel (such as on-site IT staff), cleaning staff, kitchen personnel, and security staff.</p> <p>To foster an excellent working environment, the Company has formulated occupational health and safety (OHS) regulations and actively promotes related initiatives. Regular reviews of the occupational health and safety system's operation are conducted to prevent occupational illnesses and injuries and to promote employees' physical and mental well-being.</p> <p>To enhance safety awareness and emergency response capabilities, Gemtek complies with the Occupational Safety and Health Education and Training Rules and relevant regulations. New employees receive OHS training upon onboarding. The Company also organizes regular OHS</p>	

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
			<p>training sessions for current employees, such as solvent safety operation training and special post safety training.</p> <p>Regarding fire safety management and emergency preparedness, the Company has established firefighting, evacuation guidance, and first-aid teams. Fire safety training is conducted twice annually, alongside a full-scale disaster response drill each year. These drills cover scenarios such as fires, earthquakes, typhoons, and chemical accidents, enabling employees to strengthen their hazard awareness and emergency response skills through simulations and hands-on practice.</p> <p>All training sessions are conducted during working hours, and employees face no adverse consequences such as salary deductions, reduced wages, or leave deductions for participating. In 2024, the participation rate for OHS training,</p>	

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
(IV)Does the company establish effective training programs V to benefit the employee's career development?			<p>including new employees, reached 100%.</p> <p>(IV) The Company designs specialized training programs tailored to the needs of each department, including onboarding orientation, professional development courses, and leadership training for managers. Through these initiatives, we aim to establish an effective career development and training framework for our employees. Additionally, the Company’s business performance and achievements are appropriately reflected in our compensation policies to support the recruitment, retention, and motivation of talent, thereby promoting sustainable operations. In 2024, the total training hours for full-time employees amounted to 100,942.6 hours, with an average of 25.67 training hours per employee. The training program</p>	None

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
(V)Has the company complied with laws and international standards with respect to customers' health, safety and privacy, marketing and labeling in all products and services offered, and implemented consumer protection policies and complaint procedures?	V		<p>achieved a 100% execution rate.</p> <p>We also conduct regular annual performance evaluations, during which supervisors and employees collaboratively set learning and development goals. Progress is reviewed and feedback is provided periodically to enhance employees’ career growth and professional competencies. (Note7)</p> <p>(V) The Company has set up a designated unit: Customer Services Department., offering after-sales services.</p>	None
(VI) Has the company established supplier management policies demanding compliance with relevant regulations	V		<p>(VI) The Company continuously optimizes supplier management policies and collaborates with suppliers to build</p>	None

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
and their execution status regarding issues such as environmental, occupational safety, and health or labor rights?			<p>a sustainable supply chain, aiming to achieve a balanced development of business profitability, environmental protection, and social responsibility, thus creating greater value for all stakeholders.</p> <p>Suppliers are required to sign documents such as the Integrity Declaration Agreement, Environmental Protection Declaration, Supplier Corporate Social Responsibility (CSR) Code of Conduct, and the Responsible Business Alliance (RBA) Code of Conduct Compliance Commitment. In 2024, the signing rate for the Environmental Protection Declaration and Halogen-Free Declaration reached 100%, while the signing rate for the CSR Code of Conduct and RBA Compliance Commitment exceeded 90%.</p> <p>In terms of environmental initiatives, the Company conducts greenhouse gas inventories for key suppliers and has</p>	

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
			<p>established a green supplier qualification evaluation system to ensure that incoming materials meet environmental quality standards and that suppliers continuously improve their quality and environmental performance.</p> <p>Regarding local sourcing, each of our manufacturing sites strategically procures based on local conditions, helping to reduce operational management costs, lower transportation expenses and carbon emissions, and enhance the quality and service of the supply chain. This approach also ensures better control over raw material supply, stabilizing production operations and creating sustainable value. In 2024, local suppliers accounted for 40% of the Company’s total procurement value across all sites.</p> <p>To maintain supplier competitiveness and phase out underperforming suppliers when necessary, the Company</p>	

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
			<p>implements a tiered supplier evaluation mechanism. Suppliers with transactions during the year are subject to quarterly assessments based on criteria such as quality, delivery, pricing, service, technical capabilities, and corporate social responsibility. Suppliers graded as "unqualified" are disqualified. In 2024, 305 suppliers underwent quarterly evaluations, with no suppliers rated as high-risk (Grade C or D).</p> <p>Additionally, key suppliers are subject to annual RBA audits, covering areas including corporate governance, environmental protection, and social responsibility risks, such as child labor, forced labor, health and safety, freedom of association, discrimination, disciplinary practices, working hours, wages and benefits, environmental management, business ethics, and supplier management. Suppliers rated as</p>	

Evaluation Items	Implementation Status (Note 1)			Deviations from "The Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies"
	Yes	No	Summary (Note 2)	
			Grade D are required to implement corrective actions. In 2024, the Company audited 20 key suppliers (19 through on-site audits and 1 through document review), with all audits completed without major non-conformities.	
V. Has the company taken reference from the internationally accepted reporting standards or guidance when compiling CSR reports to disclose non-financial information? Have the aforementioned reports obtained third-party verification?	V		In accordance with the Taiwan Stock Exchange's "Regulations Governing the Preparation and Filing of Sustainability Reports by Listed Companies," the Company regularly publishes its Sustainability Report. The content structure of this report follows the Global Reporting Initiative (GRI) Standards: Core Option, serving as the reference framework for information disclosure. The report is prepared based on the guidelines and structure set forth by the GRI. The 2024 Sustainability Report will also undergo certification by an independent third-party verification body.	None

Evaluation Items	Implementation Status (Note 1)			Deviations from “The Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies”
	Yes	No	Summary (Note 2)	
VI.If the Company has established its own practices for sustainable development in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe the the current operation and any deviations from the practice: On March 17, 2022, the Company board of directors passed the "Sustainable Development Best Practice Principles " and " Rules Governing the Preparation, Filing, and Verification of Sustainability Reports " to strengthen the implementation of sustainable development. The Company will inspect and implement the principles accordingly.				
VII.Other information that may facilitate a better understanding of the Company’s sustainable development practices: All information are disclosed in the Sustainability Report.				

Note 1: If the implementation status is marked as "Yes," please provide specific details regarding the key policies, strategies, measures, and the results of their implementation. If the implementation status is marked as "No," please explain the discrepancies and reasons in the "Differences and Reasons for Deviations from the Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies" column, and outline future plans for adopting relevant policies, strategies, and measures. For Implementation Items 1 and 2, listed companies must also describe the governance and oversight structure for sustainability development, including but not limited to the management policies, formulation of strategies and goals, and review mechanisms. Additionally, companies must disclose their risk management policies or strategies related to environmental, social, and corporate governance (ESG) issues relevant to their operations, as well as the assessment results.

Note 2: The materiality principle refers to those who have a significant influence on the company's investors and other stakeholders on environmental, social and corporate governance issues.

Note 3:

(1) Greenhouse Gas Management

In order to strengthen management on greenhouse gas, since 2009 the Company has adopted ISO14064-1:2006 guidelines when performing factory greenhouse gas emission inspections. The inspections are conducted annually and verified by an authoritative third-party. The following chart shows the amount of greenhouse gas emissions produced by the Company over the past 3 years.

(2) Water Resource Management

Gemtek is located in Hsinchu Industrial Park, and the Company receives its daily water supply from the Taiwan Water Company. According to the WRI Aqueduct Water Risk Atlas, the water stress level of the location is currently classified at Low-Medium Risk 1-2. The Company's water usage and consumption does not have a significant impact on the local water sources. The following chart shows the amount of water consumed and discharged by the Company over the past 3 years.

(3) Waste Management

Business waste is transported by government-approved waste disposal companies. The Company files an online statement in compliance with standards to confirm that zero impact to the environment was created. The waste generated throughout the normal course of business activities are mostly everyday waste. The following chart shows the amount of waste produced by the Company over the past 3 years.

Note 4:

Topics in Risk Management	Internal/External Causes		Risk Control Measures
Technology and Economics (Non-human causes)	Internal Causes	1. Digital security risk	In light of digital transformation initiatives, Gemtek Technology recognizes that digital information security is an important aspect in terms of business risk and opportunity, and therefore has established a cross-departmental and cross-functional project team in addition to its ISO 27001 : 2013 certified "Information Security Policy" to fortify information security in daily operations and management. At the same time, Gemtek continues to introduce new technology tools and streamline business operations. The company shall conduct internal audits and education training on information security regularly to ensure the successful implementation of information security and privacy protection.
		2. Disruption to information and communication technology risk	To implement business continuity management, Gemtek Technology has established an "Information Technology Service Continuity Plan" and "Business Continuity Management Plan" by ensuring that the company's UPS (uninterruptible power system) is well-maintained and operating and the information system and data are securely backed up and stored without fail.
	External Causes	3. Natural disasters (earthquake, typhoon, fire, flood, extreme weather and climate change)	Gemtek Technology has established "Standard Procedures for Emergency Preparedness and Response" and "Business Continuity Management Plan" to respond to business emergencies. Through advanced emergency management planning and disaster simulation, business operations can be sustained throughout a crisis, or resumed according to plan.
		4. Power and water outages	Based on its business continuity strategies to mitigate and control operational risks such as water and power outages, Gemtek Technology has established the following guidelines to ensure continuity of operations: 'Standard Procedures for Emergency Preparedness and Response,' 'Business Continuity Management Plan,' 'Electrical Room Operation Manual,' and 'Information Technology Service Continuity Plan.' These guidelines also help strengthen internal control and enhance responses to business disruptions.

Personal, Social & Organizational (Human causes)	Internal Causes	5. Human capital risk	The workforce ecosystem has evolved due to drastic changes in the global environment and the rise of social entrepreneurship, presenting new challenges for human capital management. For instance, the company must incorporate more diversity into its recruitment strategies, provide comprehensive employee training and development programs, and offer a more flexible and competitive salary and benefits system. Gemtek is acutely aware of the significance of this trend and is committed to strengthening and sustaining human capital. The company upholds fundamental principles of humanity and employee care to maintain a balance between labor and management alongside business development..
	External Causes	6. Infectious diseases (COVID-19, influenza, African swine fever, Ebola)	<ol style="list-style-type: none"> 1. "Coronavirus Emergency Operations Center ": Gemtek Technology has established a "Coronavirus Emergency Operations Center" to oversee the development of disease prevention and control mechanisms across its global operation sites in compliance with local regulatory requirements. This initiative not only helps to prevent the spread of the epidemic but also ensures business continuity. Additionally, a disease surveillance system has been implemented, enabling supervisors and employees to stay informed about the company's latest infectious disease prevention policies in response to ongoing outbreaks. 2. The company has established "Standard Procedures for Emergency Preparedness and Response" and a "Business Continuity Management Plan" to prevent and mitigate risks caused by the spread of diseases
		7. Key Supply Chain Shortage	<ol style="list-style-type: none"> 1. Strengthening "Global Operations Management": The US-China trade war and COVID-19 have imposed unprecedented challenges on the global supply chain. In response, Gemtek's global expansion strategy focuses on strengthening its capabilities in "Resilient Manufacturing" and "Global Operations Management" to effectively manage and integrate upstream and downstream supply chains. 2. Gemtek has established "Supplier Management Procedures" and "Supply Chain Disruption Management Procedures" to mitigate and manage supply chain risks.

Environmental	Internal Causes	8.Green Product	<p>Green energy concepts are integrated into the product design process, ensuring that materials used undergo inspection and meet energy-efficiency standards. Intelligent software designs are also fitted to minimize energy consumption over a product's lifecycle. Throughout the entire lifecycle of our products, we place a strong emphasis on meeting environmental sustainability requirements to minimize potentials impact on the environment. Our company is dedicated to making progress in three key areas:</p> <p>(1)Sustainable Materials: Minimize the use of hazardous substances in our current products. Use materials that have recyclable or reusable value.</p> <p>(2)Recyclable/Reusable: Design products that can be easily reused, recycled, and disassembled.</p> <p>(3)Energy Efficient: Reduce the energy consumption of products</p>
	External Causes	9.Climate Change	<p>1. Stay updated on global climate change trends, conduct greenhouse gas inventories, and obtain third-party verification.</p> <p>2.Using the TCFD framework, identify climate change risks and opportunities that may lead to substantial financial implications; and develop appropriate measures to address the impacts of climate change.</p>
		10. Environmental Compliance	<p>Continuously monitor pertinent environmental regulations and conduct regular assessments of regulatory compliance to ensure timely and responsive actions.</p>

Note5 :

Type	Source of Risks and Opportunities	Impact on Gemtek	Countermeasures	Potential Financial Impact
Transition Risk	Market Risk- Changes in customer behavior	<p>Gemtek Technology is a global network product supplier which relies heavily on raw materials in its manufacturing process, with plastics accounting for at least one-third of the total materials used. While certain product models incorporate post-consumer recycled plastics at customer request, the majority of plastics used are still primarily single-use and petroleum-based. As environmental awareness grows and consumer preferences shift, demand for sustainable goods and services is changing. To stay competitive, Gemtek must navigate the challenges posed by emerging sustainability trends and the increasing costs of post-consumer recycled plastics needed to replace</p>	<ul style="list-style-type: none"> ▪ Develop Diverse Sources of Raw Materials: Beyond traditional single-use plastics, the company can explore or develop more renewable and recyclable raw material sources, such as bio-based plastics and biodegradable plastics, to reduce dependency on petroleum while meeting customer demands. ▪ Enhance Product Innovation and R&D: By strengthening product innovation and research and development capabilities, the company can create more environmentally friendly products, such as alternatives that use less or no plastic and develop recyclable packaging designs, thereby reducing plastic usage and increasing product competitiveness in the market. ▪ Establish Supply Chain Partnerships: Building strong partnerships with suppliers to collaboratively seek more sustainable raw material sources and optimize the supply chain will help ensure that production remains unaffected by disruptions or fluctuations in material supply. ▪ Strengthen Environmental Certification and Management: Actively participating in environmental certifications, such as carbon management and carbon footprint assessments, will demonstrate the company's commitment to environmental protection, meet customer demands for green products, and 	<ul style="list-style-type: none"> ▪ Decrease in customer orders → Decrease in revenue. ▪ Increase in R&D costs → Increase in operating expenses. ▪ Environmental certifications and purchase of green power certificates → Increase in operating expenses. ▪ Improvements in manufacturing processes, equipment upgrades, and installation of on-site solar power systems → Increase in capital expenditures. ▪ Increase in

single-use plastics. Ensuring a timely transition in product manufacturing and packaging to meet evolving customer standards is essential. Additionally, Gemtek must meet customer demands for eco-friendly products that comply with carbon management and carbon footprint standards. Failure to do so could result in decreased orders or even customer attrition.

- enhance market competitiveness.
- **Increase the Use of Renewable Energy:** Enhance market competitiveness and meet customers' environmental certification and renewable energy requirements through strategies such as installing on-site solar power systems and purchasing green power certificates.
- **Improve Manufacturing Pprocesses and Upgrade Equipment:** Introduce internal circulation systems for waterjet machines in production processes, adopt water-saving equipment during manufacturing, and gradually replace major equipment to conserve energy and reduce product carbon footprints.

customer orders
→ Increase in operating revenue.

Transiti on Risk	Technology Risk	As global discussions around net-zero carbon emissions gain momentum, the development of "Low-Carbon Products" is becoming increasingly important. To stay ahead of market trends, Gemtek Technology is committed to actively developing environmentally friendly and sustainable products and services. We are also focusing on enhancing energy-efficient technologies and employing efficient
	Demand for Low-Carb on Products and Services	

manufacturing processes to reduce carbon emissions, ultimately boosting the market competitiveness of our products.

Transiti on Risk	Regulatory Risk- Implement ation of Carbon Border Adjustment Mechanism (CBAM)	According to current EU regulations, the Carbon Border Adjustment Mechanism (CBAM) will begin imposing tariffs on products entering the EU market from various industries starting in 2026. Approximately 30% of Gemtek's products are either directly or ultimately exported to Europe each year. As these products contain raw materials subject to CBAM reporting, the company faces potential obligations to pay corresponding tariffs or the risk of cost pass-through from customers. In preparation, Gemtek plans	<ul style="list-style-type: none"> Implement low-carbon production initiatives starting with pilot models, and expand to broader product lines based on the results. By leveraging insights from pilot models, Gemtek aims to initiate carbon reduction measures early in the production process to reduce product carbon footprints and sustain product competitiveness. Implement a carbon footprint information platform to evaluate carbon emission hotspots based on the product lifecycle concept, and establish carbon reduction pathways and optimization strategies for products. Introduce PCR (Post-Consumer Recycled) plastic materials during the design phase of new products. 	<ul style="list-style-type: none"> Implementati on of product carbon footprint assessments and carbon footprint information platform → Increase in operating expenses. Introduction of PCR plastic materials during the product design phase → Increase in R&D costs and operating

		to conduct statistical analysis and trial calculations in 2025, actively engage in negotiations with customers, and closely monitor future regulatory developments.		<ul style="list-style-type: none"> expenses. Carbon tax costs passed on by customers → Increase in operating expenses.
Transiti on Risk	Reputation Risk Corporate Reputation Impact	<p>Stakeholders are increasingly focused on the companies' responses and initiatives concerning climate change and sustainability performance, and are incorporating these factors into the evaluation criteria for future orders. A decline in Gemtek's sustainability performance could negatively impact market demand, reduce operating revenue, and adversely affect the Company's reputation.</p>	<ul style="list-style-type: none"> Enhance sustainability disclosure: Participate in various international sustainability evaluations (e.g., CDP, DJSI) to demonstrate Gemtek's actions and commitment to climate change and sustainable development. Strengthen environmental certifications and management: Actively pursue environmental certifications, such as carbon management and carbon footprint verification, to showcase the Company's commitment to environmental protection. 	<ul style="list-style-type: none"> Sustainability disclosures and obtaining relevant environmental certifications → Increase in operating expenses.

Note 6 :

1. Gemtek's Water Consumption in Recent Years

Unit: Megalitre

Year	Facility	Total Withdrawal	Total Discharge	Total Water Consumption
2023	Gemtek Headquarters	39.26	31.41	7.85
	Gemtek(Kunshan)	80.42	64.34	16.08
	Gemtek(Changshu)	18.21	14.57	3.64
	Gemtek Vietnam	43.57	34.86	8.71
	Total	181.46	145.17	36.29
2024	Gemtek Headquarters	49.75	39.80	9.95
	Gemtek(Kunshan)	63.65	50.92	12.73
	Gemtek(Changshu)	61.08	48.86	12.22
	Gemtek Vietnam	174.48	139.58	34.90

Note: The disposal of the Gemtek (Changshu) plant was carried out in the second half of 2023, and therefore no data will be disclosed for 2024.

2. Gemtek's Waste Disposal Management in recent years

Unit: Tons

Year	Facility	Non- Hazardous Waste	Hazardous Waste	Total
2023	Gemtek Headquarters	113.2	7.8	121.0
	Gemtek (Kunshan)	458.9	72.3	531.2
	Gemtek (Changshu)	29.6	-	29.6
	Gemtek Vietnam	349.5	74.1	423.6
	Total	951.2	154.2	1,105.4
2024	Gemtek Headquarters	112.8	8.6	121.4
	Gemtek (Kunshan)	819.4	47.4	866.7
	Gemtek Vietnam	862.7	20.4	883.0
	Total	1,794.7	76.4	1871.1

3. Gemtek Group's Greenhouse Gas Emission in Recent Years

Scope of Assurance		2023	2024
Gemtek Headquarters	Scope 1	595.97	541.92
	Scope 2	4109.72	3,809.14
	Total	4705.69	4,351.06
Gemtek (Kunshun)	Scope 1	463.19	276.59
	Scope 2	8517.81	6,757.64
	Total	8981.00	7,034.23
Gemtek (Changshu)	Scope 1	166.48	-
	Scope 2	887.12	-
	Total	1,053.60	-
Gemtek Vietnam	Scope 1	1368.84	1,078.12
	Scope 2	15281.08	18,785.96
	Total	16,649.92	19,864.08
Percentage of Inventory Disclosure		100%	100%
Assurance Institution		SGS	SGS
Comments		Conducted in accordance with ISO 14064-1:2018; reasonable assurance level for Gemtek Headquarters, and limited assurance level for Gemtek (Kunshan) and Gemtek Vietnam plants.	
Assurance Opinion/Conclusion		Unqualified conclusion/opinion	Unqualified conclusion/opinion

Note:The greenhouse gas emission data has been independently verified. As the Gemtek (Changshu) plant was disposed of in the second half of 2023, no data is disclosed for 2024.

Note7:

Type	Training Content	Training Hours
Onboard Training	Covered topics include company introduction, occupational safety and environmental protection, comprehensive quality training, and corporate sustainability awareness. Content incorporates the Responsible Business Alliance (RBA) Code of Conduct and ISO 37001 Anti-Bribery Management System. The program aims to help new employees quickly integrate into the organization by building foundational knowledge in safety, quality, ethics, human rights, and labor rights.	29,687
Professional Development	Focused on sustainability-oriented skill enhancement, this category includes product and R&D knowledge, quality and process management, operational safety standards, and ISO internal auditing. The objective is to strengthen employees' professional capabilities and overall organizational effectiveness while fostering awareness and competence in environmental, social, and governance (ESG) topics to support corporate sustainability and transformation.	68,829
Management Training	Tailored for managerial roles, this training includes talent selection and development, team communication and collaboration, performance management, and financial statement analysis. It supports data-driven decision-making and reinforces leadership skills and staff development capabilities to improve managerial efficiency and team performance.	2,427

Climate-Related Information of TWSE/TPEX Listed Company

1.Implementation Status of Climate-Related Items

Item	Progress
<p>1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.</p>	<p>In 2023, Gemtek Technology established its ESG Sustainability Development Committee, comprising the General Manager, Chief Financial Officer, and three Independent Directors, with the General Manager serving as Chair. The Committee meets at least once a year and is responsible for formulating, promoting, and strengthening action plans and capital expenditures related to key sustainability policies across the Group, including climate-related initiatives. It also reviews, monitors, and revises the implementation and effectiveness of sustainability practices, and regularly reports to the Board of Directors to ensure continuity, transparency, and timely adjustments and improvements to related strategies.</p> <p>In 2024, the Committee convened four meetings, covering topics such as the reporting of 2023 greenhouse gas inventory results, stakeholder engagement outcomes, and the planning and execution of the annual sustainability development program.</p> <p>The Committee has established working groups composed of senior executives, including the ESG Sustainability Environment Task Force, the Sustainable Supply Chain Task Force, the Corporate Governance Task Force, and the Workplace Wellbeing Task Force.</p> <p>The ESG Sustainability Environment Task Force is responsible for evaluating, planning, and implementing environmental sustainability strategies within and outside the organization, including green product design, promoting a circular economy, reducing carbon footprints, protecting ecosystems, minimizing pollution, and advancing resource conservation initiatives.</p> <p>The Sustainable Supply Chain Task Force manages and optimizes sustainable supply chain practices, establishes sustainable supply chain selection criteria, promotes green procurement and local sourcing, and develops risk impact assessment mechanisms to support sustainability goals.</p> <p>The Corporate Governance Task Force oversees the organization's governance structures and processes to ensure compliance with the highest ethical and legal standards. This includes formulating codes of ethics, supervising corporate governance practices, enhancing transparency in information disclosure, strengthening stakeholder communication channels, and ensuring compliance and risk management.</p>
<p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short,</p>	<p>Gemtek Technology, referencing the TCFD framework, factored in domestic and international regulatory trends, sustainability strategies, customer requirements, and market changes to identify and consolidate 15 climate risk topics relevant to the company (including 10 transition risks and 5 physical risks). The scope of risk assessment focuses primarily on Gemtek Taiwan Headquarters, Gemtek Kunshan Plant, Gemtek Vietnam Plant, Gemtek Czech Plant, and key suppliers.</p> <p>In preparation for future compliance with the International Financial Reporting Standards S2 (IFRS S2) Climate-related Disclosures, Gemtek evaluated climate risks this year based on two factors: "likelihood" and "financial impact." These risks were assessed against the company's sustainability timeline across short-term (2025), medium-term (2026–2027), and long-term (2028–2030) horizons. For each climate risk topic, the degree of exposure, mitigation strategies,</p>

medium, and long term).	<p>and anticipated benefits were analyzed, and likelihood and financial impact scores were assigned using a risk scale.</p> <p>Risk levels were determined by multiplying the likelihood and financial impact scores. For topics classified as high-risk, specific countermeasures were developed and related information disclosed. In 2024, four key climate risks were identified, which include Demand for low-carbon products/markets, Changes in customer behavior, Impacts on corporate reputation, and Implementation of the Carbon Border Adjustment Mechanism (CBAM). During the risk assessment process, potential climate opportunities arising from the company's mitigation strategies and expected benefits were also discussed. After evaluation, one major climate opportunity, 'entry into new markets', was identified.</p> <p>The identification of major climate-related risks and opportunities, along with corresponding response strategies, was reported to the ESG Sustainability Development Committee and the Board of Directors in May 2025, and will be reviewed and updated regularly. (Note 1)</p>
3. Describe the financial impact of extreme weather events and transformative actions.	<p>Financial Impact Assessment of Transition Risk — Changes in Customer Behavior</p> <p>According to the World Energy Outlook 2024 published by the IEA, under the Stated Policies Scenario (STEPS), global solar PV installed capacity is expected to increase by 60% by 2035, and by 2.5 times under the Net Zero Emissions by 2050 Scenario (NZE). At COP28, a clear target was set to double global renewable energy capacity and improve energy efficiency by 100% by 2030. Similarly, Taiwan's "2050 Net Zero Emissions Roadmap" announced in 2022 also designates the enhancement of solar PV installations as a key strategic action.</p> <p>In response to evolving market trends, customer demand for low-carbon and environmentally friendly products continues to grow. To meet these expectations, Gemtek has actively invested in the development of new technologies focused on recycled materials and improved product energy efficiency, the purchase of renewable energy certificates, and plans to begin renewable energy infrastructure investments starting in 2025. Under the STEPS and NZE scenarios, the short-term financial impact of renewable energy investments on Gemtek's revenue is estimated to account for approximately 0.18% and 0.28%, respectively.</p>
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	<p>Climate Risk and Opportunity Assessment</p> <p>Gemtek Technology, referencing the TCFD framework while taking into account domestic and international regulatory trends, sustainability strategies, customer requirements, and market changes, has identified and consolidated 15 climate-related risk themes relevant to the company (comprising 10 transition risks and 5 physical risks). The scope of risk consideration mainly covers Gemtek's Taiwan headquarters, Gemtek Kunshan facility, Gemtek Vietnam facility, Gemtek Czech facility, and key suppliers.</p> <p>To align with the upcoming requirements of IFRS S2 (International Financial Reporting Standards S2: Climate-related Disclosures), Gemtek's 2024 climate risk assessment evaluated each risk based on two factors: likelihood and financial impact. The risks were assessed in relation to the company's sustainability target timelines, categorized into short-term (2025), mid-term (2026–2027), and long-term (2028–2030) periods. Exposure levels, mitigation strategies, and anticipated benefits under each climate risk scenario were evaluated accordingly. Each risk was scored by multiplying likelihood and financial impact ratings, leading to classification into different risk levels. Following this assessment, four key climate risks were</p>

	identified for 2024, namely, Low-carbon products/market demand, Changes in customer behavior, Corporate reputation impacts, and Implementation of Carbon Border Adjustment Mechanism (CBAM). During the risk evaluation process, the company also explored potential climate-related opportunities arising from its mitigation efforts and expected benefits. One major opportunity, ‘entry into new markets’, was identified. The results of the climate risk and opportunity identification, along with corresponding response strategies, will be presented to the ESG Sustainability Development Committee and the Board of Directors in June 2025, and will be reviewed and adjusted on a regular basis.																																	
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	<p>Physical Risk Analysis</p> <p>Gemtek Technology utilized internationally recognized assessment tools and domestic simulation platforms¹ to analyze the physical risks associated with its operational sites and key suppliers. The analysis covered risks including sea level rise, water stress, flooding, drought, and extreme heat. Historical incidents experienced by the company were also considered. Each risk was assessed based on its likelihood and potential financial impact.</p> <p>Due to limitations of the assessment tools, sea level rise and water stress were analyzed on a global scale covering both Gemtek Technology and its key suppliers, while flooding, drought, and extreme heat analyses were limited to the Taiwan region.</p> <p>The results of this year’s physical risk assessment indicate that only the Taiwan headquarters is located in a high-risk flooding area. All other operational sites and key suppliers were classified as low to medium risk for physical hazards, with no high-risk findings at this time. The company will continue to monitor the outcomes of the scenario analyses, carefully evaluate the likelihood and financial impacts of potential risks, and take appropriate countermeasures when necessary.</p> <p>Notes:</p> <p>1. The assessment results for sea level rise are derived from the Coastal Risk Screening Tool developed by Climate Central.</p> <p>2. Water stress assessment results are derived from the Aqueduct Water Risk Atlas by the World Resources Institute (WRI).</p> <p>3. Flooding, drought, and extreme heat assessment results are derived from the Taiwan’s Climate Change Disaster Risk Map developed by the National Science and Technology Center for Disaster Reduction (NCDR); due to simulation tool limitations, these three risks were assessed for Taiwan only.</p> <table><tr><th colspan="6">Assessment of Physical Risk Scenarios</th></tr><tr><th rowspan="2">Scope of Analysis</th><th rowspan="2">Physical Risk Item</th><th rowspan="2">Target</th><th colspan="3">Risk Level</th></tr><tr><th>Short-Term</th><th>Med-Term</th><th>Long-Term</th></tr><tr><td rowspan="3">Worldwide</td><td>Rising Sea level</td><td>Operating Locations:</td><td>Low</td><td>Low</td><td>Low</td></tr><tr><td rowspan="2">Water Stress</td><td>Gemtek Taiwan, Gemtek Kunshan (China), Gemtek Vietnam, Gemtek Czech</td><td rowspan="2">Medium</td><td rowspan="2">Medium</td><td rowspan="2">Medium</td></tr><tr><td>Key Suppliers:7</td></tr><tr><td>Taiwan</td><td>Flooding</td><td>Operating</td><td>High</td><td>High</td><td>High</td></tr></table>	Assessment of Physical Risk Scenarios						Scope of Analysis	Physical Risk Item	Target	Risk Level			Short-Term	Med-Term	Long-Term	Worldwide	Rising Sea level	Operating Locations:	Low	Low	Low	Water Stress	Gemtek Taiwan, Gemtek Kunshan (China), Gemtek Vietnam, Gemtek Czech	Medium	Medium	Medium	Key Suppliers:7	Taiwan	Flooding	Operating	High	High	High
Assessment of Physical Risk Scenarios																																		
Scope of Analysis	Physical Risk Item	Target	Risk Level																															
			Short-Term	Med-Term	Long-Term																													
Worldwide	Rising Sea level	Operating Locations:	Low	Low	Low																													
	Water Stress	Gemtek Taiwan, Gemtek Kunshan (China), Gemtek Vietnam, Gemtek Czech	Medium	Medium	Medium																													
		Key Suppliers:7																																
Taiwan	Flooding	Operating	High	High	High																													

	Drought	Locations: Taiwan	Low	Low	Low
	High Temperature		Low	Low	Low

Physical Risk Adaptation Management

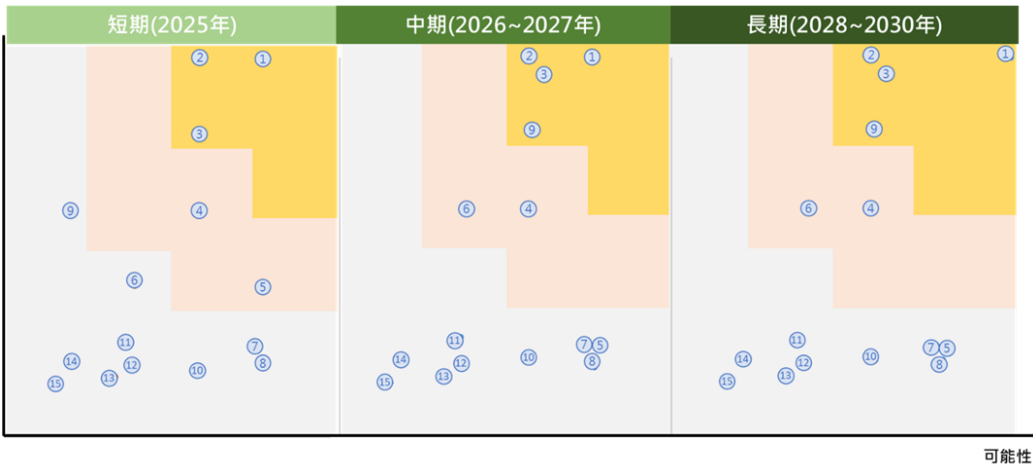
In response to the risks brought about by climate change, organizational resilience in managing these risks is an essential capability in the current environment. Gemtek Technology conducts annual scenario analyses for its operational sites, production locations, and key suppliers, and develops climate change-related preventive measures to mitigate the impact of climate risks on the company.

Physical Risk	Physical Risk Adaptation
Flooding	<ul style="list-style-type: none"> Regularly maintain and clear the drainage ditches within the factory. Purchase water pumps, flood barriers, and related flood protection equipment Install rainwater detention basins and regulation ponds.
Water Stress	<ul style="list-style-type: none"> The Gemtek Vietnam factory has a 360 cubic meter water reservoir, which can supply enough water for up to five days, minimizing the impact of short-term water shortages or disruptions.
Drought	<ul style="list-style-type: none"> Gemtek Taiwan headquarters monitors water usage by dividing it into four categories, each tracked by individual water meters, to ensure efficient water management. Gemtek Taiwan has partnered with a water delivery service; in case of a water outage lasting more than one day, water trucks will be deployed. Implement a contingency plan for water supply adjustment.
High Temperatures	<ul style="list-style-type: none"> Enhance the efficiency of factory ventilation and air conditioning systems. Use insulating materials and features, such as heat-reflective glass curtain walls and rooftop shading, to reduce heat buildup.

Physical Risk Financial Impact Assessment - Flooding

According to the IPCC AR6 report, extreme weather events such as heatwaves, heavy rainfall, and droughts due to global climate change pose severe threats to coastal regions in Southeast Asia. Under the SSP5-8.5 high-emission scenario, stronger typhoons are expected to occur more frequently. Gemtek's Vietnam factory frequently faces extreme rainfall during the summer, leading to flooding that disrupts both the factory's equipment and employees' commutes. It can also potentially affect the supply of raw materials and the transportation of goods from the factory. In 2023, the Vietnam facility experienced a flooding incident, preventing vehicles from

	entering or leaving the factory gate, which directly impacted normal operations that day. In response, Gemtek adjusted production capacity to minimize potential losses, added flood protection measures, and established a routine for clearing drainage lines to reduce future risk impacts. This event did not have a significant financial impact on the company (revenue impact <0.03%).			
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.	To effectively manage climate response strategies, Gemtek Technology established relevant target indicators based on 2022 as the baseline year, with regular reviews conducted. The progress and results are reported to the Board of Directors by the CEO, who continues to monitor and track improvement measures. The relevant indicators and short-, medium-, and long-term goals are outlined as follows:			
	Indicator	Short-term (2025)	Medium-term(2026~2027)	Long-term(2028~2030)
	Gemtek Group Carbon Reduction by 50%	Reduce greenhouse gas (GHG) emissions by 5% annually	Reduce GHG emissions by 5% annually	Achieve a 50% reduction in Scope 1 and Scope 2 emissions by 2030; reach net-zero emissions by 2050. Reduce Scope 3 emissions by 30% for key suppliers by 2030.
	Reduce Water Consumption	Reduce water withdrawal intensity by 1%	Reduce water withdrawal intensity by 1%	Reduce water withdrawal intensity by 5% by 2030
	Waste Recycling Rate	Increase waste recycling rate by at least 1% annually	Increase waste recycling rate by at least 1% annually	Achieve a 55% waste recycling rate by 2030
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	N/A			
8. If climate-related targets have been set, the activities covered, the scope of greenhouse	The success of a company is closely intertwined with the health of the environment. Gemtek Technology not only strictly complies with all applicable environmental regulations but also actively participates in green initiatives, integrating environmental consciousness into its daily operations through energy conservation, carbon reduction, and resource recycling efforts, thereby minimizing the environmental impact of its business activities. The Company actively promotes environmental protection measures across all operational levels, including but not limited to reducing energy and resource consumption, optimizing production processes to minimize waste generation, advocating for circular economy practices			

<p>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.</p>	<p>and supporting the adoption of green and renewable energy sources. At this stage, Gemtek does not rely on the purchase of renewable energy certificates (RECs) as a carbon reduction strategy. In 2024, the Company completed the installation of on-site solar power generation facilities to reduce energy consumption. This initiative not only helps lower energy costs but also reduces environmental impact and carbon emissions, supporting the Company's goals of environmental stewardship and sustainable development.</p> <p>Furthermore, by the end of 2023, Gemtek made an enhanced commitment to reduce Scope 1 and Scope 2 greenhouse gas emissions by 50%, achieve a 5% reduction in water consumption, and attain a 55% waste recycling rate by 2030. Progress toward these targets is monitored quarterly by the Sustainability Development Committee. Details regarding the planning timeline for greenhouse gas reduction and the annual achievement status are provided in Section 9, items 1–2.</p>
<p>9. Greenhouse gas inventory and assurance status (separately fill out in point 1-1 below).</p>	<p>Please refer to the details in 1-1 and 1-2.</p>
	<p>(Note 1)</p>  <p>1 Changes in Customer Behavior 6 Supply Chain Natural Disaster Risks 11 Drought</p>

2	Demand for Low-Carbon Products/Markets	7	Flooding	12	Renewable Energy Regulations
3	Corporate Reputation Impact	8	Natural Disasters and Extreme Weather Events	13	Water Usage Fees
4	High Temperatures	9	Implementation of Carbon Border Adjustment Mechanism (CBAM)	14	Carbon tax collection
5	Mandatory Reporting Requirements	10	Uncertainty in Climate Regulations	15	Rising Sea Level

Key Climate-Related Risks and Opportunities Identified

Type	Source of Risks and Opportunities	Impact on Gemtek	Countermeasures	Potential Financial Impact
Transition Risk	Market Risk- Changes in customer behavior	Gemtek Technology is a global network product supplier which relies heavily on raw materials in its manufacturing process, with plastics accounting for at least one-third of the total materials used. While certain product models incorporate post-consumer recycled plastics at customer request, the majority of plastics used are still primarily single-use and petroleum-based. As environmental awareness grows and consumer preferences shift,	<ul style="list-style-type: none"> ▪ Develop Diverse Sources of Raw Materials: Beyond traditional single-use plastics, the company can explore or develop more renewable and recyclable raw material sources, such as bio-based plastics and biodegradable plastics, to reduce dependency on petroleum while meeting customer demands. ▪ Enhance 	<ul style="list-style-type: none"> ▪ Decrease in customer orders → Decrease in revenue. ▪ Increase in R&D costs → Increase in operating expenses. ▪ Environmental certifications and purchase of green power certificates → Increase in operating expenses. ▪ Improvements in manufacturing processes, equipment upgrades, and installation of on-site solar power systems → Increase in capital expenditures. ▪ Increase in customer orders → Increase in operating revenue.

	<p>demand for sustainable goods and services is changing. To stay competitive, Gemtek must navigate the challenges posed by emerging sustainability trends and the increasing costs of post-consumer recycled plastics needed to replace single-use plastics. Ensuring a timely transition in product manufacturing and packaging to meet evolving customer standards is essential. Additionally, Gemtek must meet customer demands for eco-friendly products that comply with carbon management and carbon footprint standards. Failure to do so could result in decreased orders or even customer attrition.</p>	<p>Product Innovation and R&D: By strengthening product innovation and research and development capabilities, the company can create more environmentally friendly products, such as alternatives that use less or no plastic and develop recyclable packaging designs, thereby reducing plastic usage and increasing product competitiveness in the market.</p> <p>▪ Establish Supply Chain Partnerships: Building strong partnerships with suppliers to collaboratively seek more sustainable raw material</p>
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			<p>sources and optimize the supply chain will help ensure that production remains unaffected by disruptions or fluctuations in material supply.</p> <ul style="list-style-type: none"> ▪ Strengthen Environmental Certification and Management : Actively participating in environmental certifications, such as carbon management and carbon footprint assessments, will demonstrate the company's commitment to environmental protection, meet customer demands for green products, and enhance market competitiveness
Transition Risk	<p>Technology Risk</p> <p>Demand for Low-Carbon Products and Services</p>	<p>As global discussions around net-zero carbon emissions gain momentum, the development of "Low-Carbon Products" is becoming increasingly important. To stay ahead of market trends, Gemtek Technology is committed to actively developing environmentally friendly and sustainable products and services. We are also focusing on enhancing energy-efficient technologies and employing efficient manufacturing processes to reduce carbon emissions, ultimately boosting the market competitiveness of our products.</p>	

	<p>ess.</p> <ul style="list-style-type: none"> ▪ Increase the Use of Renewable Energy: Enhance market competitiveness and meet customers' environmental certification and renewable energy requirements through strategies such as installing on-site solar power systems and purchasing green power certificates. ▪ Improve Manufacturing Processes and Upgrade Equipment: Introduce internal circulation systems for waterjet machines in production processes, adopt water-saving equipment during manufacturing, and
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				gradually replace major equipment to conserve energy and reduce product carbon footprints.
Transition Risk	Regulatory Risk- Implementation of Carbon Border Adjustment Mechanism (CBAM)	According to current EU regulations, the Carbon Border Adjustment Mechanism (CBAM) will begin imposing tariffs on products entering the EU market from various industries starting in 2026. Approximately 30% of Gemtek's products are either directly or ultimately exported to Europe each year. As these products contain raw materials subject to CBAM reporting, the company faces potential obligations to pay corresponding tariffs or the risk of cost pass-through from customers. In preparation, Gemtek plans to conduct	<ul style="list-style-type: none"> Implement low-carbon production initiatives starting with pilot models, and expand to broader product lines based on the results. By leveraging insights from pilot models, Gemtek aims to initiate carbon reduction measures early in the production process to reduce product carbon footprints and sustain product competitiveness. Implement a carbon 	<ul style="list-style-type: none"> Implementation of product carbon footprint assessments and carbon footprint information platform → Increase in operating expenses. Introduction of PCR plastic materials during the product design phase → Increase in R&D costs and operating expenses. Carbon tax costs passed on by customers → Increase in operating expenses.

		<p>statistical analysis and trial calculations in 2025, actively engage in negotiations with customers, and closely monitor future regulatory developments.</p>	<p>footprint information platform to evaluate carbon emission hotspots based on the product lifecycle concept, and establish carbon reduction pathways and optimization strategies for products.</p>
			<ul style="list-style-type: none"> Introduce PCR (Post-Consumer Recycled) plastic materials during the design phase of new products.
Transition Risk	<p>Reputation Risk</p> <p>- Corporate Reputation Impact</p>	<p>Stakeholders are increasingly focused on the companies' responses and initiatives concerning climate change and sustainability performance, and are incorporating</p>	<ul style="list-style-type: none"> Enhance sustainability disclosure: Participate in various international sustainability evaluations (e.g., CDP, DJSI) to Sustainability disclosures and obtaining relevant environmental certifications → Increase operating expenses.

these factors into the evaluation criteria for future orders. A decline in Gemtek's sustainability performance could negatively impact market demand, reduce operating revenue, and adversely affect the Company's reputation.

demonstrate Gemtek's actions and commitment to climate change and sustainable development.

- Strengthen environmental certifications and management: Actively pursue environmental certifications, such as carbon management and carbon footprint verification, to showcase the Company's commitment to environmental protection.

1-1 Greenhouse Gas Inventory and Assurance Status at Gemtek in Recent Years

1-1-1 Greenhouse Gas Inventory Data

Please specify the greenhouse gas emissions (in MTCO₂e), intensity (MTCO₂e per million dollars), and the data scope for the past two years.

To strengthen greenhouse gas (GHG) emissions management, Gemtek Technology's Taiwan Headquarters, Gemtek (Kunshan) Facility, and Gemtek Vietnam Facility conducted GHG inventories in accordance with the ISO 14064-1:2018 standard. The reporting boundary covers direct emissions (Category 1), indirect emissions from energy consumption (Category 2), and significant indirect emissions (Categories 3–6).

In 2024, the company's Scope 1 and Scope 2 GHG emissions intensity was 1.22 tCO₂e per NT\$1 million revenue, reflecting a 1.6% increase compared to 2023. This increase is primarily attributed to the expansion of production capacity at the Vietnam facility, which led to higher energy consumption and emissions. During the initial phase of expansion, equipment was still undergoing adjustments and testing, resulting in suboptimal capacity utilization and affecting energy efficiency.

To mitigate future carbon emissions, the Vietnam facility began installing solar power systems starting in 2024, with plans to gradually increase the proportion of self-generated green energy over the coming years, thereby reducing reliance on traditional energy sources and lowering the company's carbon footprint.

Beginning in the third quarter of 2024, Gemtek is expanding its inventory efforts across the Group (including subsidiaries) to cover all emission categories. The company also plans to implement a carbon management information platform in 2025 to enhance the tracking and management of carbon emissions data.

The company's GHG emissions over the past two years are summarized in the table below.

Unit: TCO ₂ e								
Year	Manufacturing Plant	Scope 1	Scope 2	Gemtek Group's Operating Income (NT\$ million)	Emission Intensity (TCO ₂ e / NT\$ million)	Scope 3		
		Category 1	Category 2			Category 3	Category 4	
2023	Gemtek Headquarters	595.97	4,109.72	4,705.69	1.20	138.69	858.39	
	Gemtek(Kunshan)	463.19	8,517.81	8,981.00		-	1,530.85	

	nshun)							
	Gemtek(Changshu)	166.48	887.12	1,053.60			-	166.25
	Gemtek Vietnam	1,368.84	15,281.08	16,649.92			-	2,280.41
	Total	2,594.48	28,795.73	31,390.21			138.69	4,835.90
2024	Gemtek Headquarters	541.92	3,809.14	4,351.06	25,634	1.22	801.02	833.49
	Gemtek(Kunshan)	276.59	6,757.64	7,034.23			162.38	1277.54
	Gemtek Vietnam	1,078.12	18,785.96	19,864.08			1,980.83	2,960.74
	Total	1,896.63	29,352.74	31,249.38			2944.23	5071.77

Note: The greenhouse gas emission data has been independently verified. As the Gemtek (Changshu) plant was disposed of in the second half of 2023, no data is disclosed for 2024.

Note 1: Direct emissions (Scope 1): Emissions from sources that are owned or controlled by the company.

Indirect emissions from Energy Consumption (Scope 2): Emissions resulting from the generation of purchased electricity, heat, or steam consumed by the company.

Other indirect emissions (Scope 3): Emissions arising from company activities that occur from sources not owned or controlled by the company, excluding those already accounted for in Scope 2.

Note 2: Coverage for Direct and Indirect Emissions from Energy Consumption: Data for Scope 1 and Scope 2 emissions must be reported in accordance with the schedule set forth under Article 10, Paragraph 2 of the relevant regulations. Disclosure of Scope 3 emissions is voluntary.

Note 3: GHG Inventory Standards: The GHG inventory is conducted in accordance with the Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1, published by the International Organization for Standardization (ISO).

Note 4: Greenhouse gas emissions intensity may be calculated per unit of product/service or per unit of revenue. At a minimum, emissions intensity calculated based on revenue (NT\$ million) must be disclosed.

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

In 2021, the Company updated its greenhouse gas inventory process to the ISO 14064-1:2018 standard. Each year, we conduct internal audits and undergo external verifications to accurately monitor our greenhouse gas emissions.

Scope of Assurance		2023	2024
Gemtek Taiwan Headquarters	Scope 1	595.966	541.92
	Scope 2	4109.718	3,809.14
	Total	4705.684	4,351.06
Gemtek (Kunshan)	Scope 1	463.1909	276.59
	Scope 2	8517.8107	6,757.64
	Total	8981.002	7,034.23
Gemtek (Changshu)	Scope 1	166.4822	-
	Scope 2	887.1165	-
	Total	1,053.599	-
Gemtek Vietnam	Scope 1	1368.838	1,078.12
	Scope 2	15281.079	18,785.96
	Total	16,649.918	19,864.08
Percentage of Inventory Disclosure		100%	100%
Assurance Institution		SGS	SGS
Comments		Conducted in accordance with ISO 14064-1:2018; reasonable assurance level for Gemtek Headquarters, and limited assurance level for Gemtek (Kunshan) and Gemtek Vietnam plants.	
Assurance Opinion/Conclusion		Unqualified conclusion/opinion	Unqualified conclusion/opinion

Note:The greenhouse gas emission data has been independently verified. As the Gemtek (Changshu) plant was disposed of in the second half of 2023, no data is disclosed for 2024.

Note1: Disclosure must follow the timeline specified in accordance with Article 10, Paragraph 2 of these regulations. If the company has not obtained a complete assurance opinion on its greenhouse gas (GHG) inventory by the publication date of its annual report, it should indicate that: "Complete assurance information will be disclosed in the Sustainability Report." If the company does not publish a Sustainability Report, it should state: "Complete assurance information will be disclosed on the Market Observation Post System (MOPS)," and the full assurance results must be disclosed in the subsequent year's annual report.

Note 2: The assurance provider must comply with the relevant requirements for sustainability report assurance bodies as stipulated by the Taiwan Stock Exchange (TWSE) and the Taipei Exchange (TPEX).

Note 3: Reference examples for disclosure practices can be found on the Corporate Governance Center website of the Taiwan Stock Exchange.

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

Specify the greenhouse gas reduction base year, data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

Greenhouse Gas Reduction Base Year and Reduction Targets

To develop effective greenhouse gas reduction strategies, Gemtek has established 2022 as the baseline year, with total emissions for Scope 1 and Scope 2 combined at 31,390.202 MTCO₂e. Through the following action plan, we aim to reduce emissions by at least 5% annually from the baseline year, striving to achieve a 50% reduction by 2030.

Greenhouse Gas Reduction Strategy and Concrete Action Plan

In response to international carbon standards, we pay special attention to greenhouse gas regulations, using them as our basis to develop carbon reduction strategies and management. By leveraging the opportunities presented by the low-carbon initiative, we continuously refine our policies and plans. Our broad approach to managing greenhouse gas reduction includes improving energy efficiency, acquiring energy-efficient equipment, installing solar power systems, reducing emissions during raw material sourcing, exploring low-carbon fuels and energy sources, and developing negative emissions technologies. These efforts help us meet our reduction goals, minimize carbon impact, and bolster our operational competitiveness.

In 2024, Gemtek Technology's energy-saving initiatives led to a reduction of 892,538.34 kgCO₂e in total. We are committed to continuing these efforts to uphold our environmental responsibilities.

Measures	Reduced Electricity Expenses (NT\$/Year)	Estimated Reduced Energy Consumption (kWh/Year)	Reduced Carbon Emission (KgCO ₂ e /Year)
Compressed Air System Optimization	2,520,000	630,000	415,296
Lighting Equipment Upgrade	10,952	2,738	1,297.81
Motion-Sensor Lighting Installation	234,604	58,651	27,800.57
Reduced Lighting Usage	2,359,400	589,850	388,829.12
Energy-Saving Public Lighting	382,368	95,592	59,314.84
Total	5,507,324	1,376,831	892,538.34

Note:

1.NT\$4/kWh is used in the calculation of reduced electricity expenses.

2.Conversion value of reduced GHG carbon emission(KgCO₂e/year)= Energy Saved (kWh/Year) *Energy emission (Taiwan - 0.474kgCO₂e/kWh; China - 0.6205kgCO₂e/kWh; Vietnam - 0.6592 kgCO₂e/kWh)

3.Electrical energy conversion factor =3,600KJ/kWh

Note1: Disclosure must follow the timeline specified in accordance with Article 10, Paragraph 2 of these regulations.

Note 2: The base year should correspond to the year in which the greenhouse gas inventory is completed based on the boundary of the consolidated financial statements. For example, in accordance with Article 10, Paragraph 2 of the relevant regulations, companies with paid-in capital of NT\$10 billion or more must complete their inventory based on the 2024 consolidated financial statements by 2025. Accordingly, the base year would be 2024.

Note 3: Reference examples for disclosure practices can be found on the Corporate Governance Center website of the Taiwan Stock Exchange.

(VI) Ethical Corporate Management and Deviations from the “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”

Evaluation Item	Implementation Status(Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary	
I. Ethical Management Policies and Action Plans				
(I) Has the company established an ethical management policy that has been passed by its Board of Directors, and clearly specified in its rules and external documents the ethical corporate management policies and the commitment by the Board of Directors and senior management on rigorous and thorough implementation of such policies and methods?	V		(I) The Company has always upheld the principles of ethical management and complies with the government laws and regulations, enforces corporate governance and fulfills corporate responsibility. The Company has also established the “Code of Business Conduct” and the “Procedures for Ethical Management and Guidelines for Conduct”. The Company’s Board of Directors and senior management are also committed to proactively enforce and supervise the execution of the ethical management policy.	None
(II) Has the company established a risk assessment mechanism against unethical behavior, analyzed and assessed business activities within their business scope on a regular basis which are at a higher risk of being involved	V		(II) The Company’s establishment of the “Code of Business Conduct” and the “Procedures for Ethical Management and Guidelines for Conduct” both clearly stipulate contents, handling rules and	None

Evaluation Item	Implementation Status(Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary	
in unethical behavior, and established prevention programs at least covering the preventive measures specified in Paragraph 2, Article 7 “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”?			procedures in terms of unethical conducts, which include prohibition of bribery and acceptance of bribes, prohibition of acceptance of improper gifts, entertainment, other inappropriate form of hospitality or benefits, avoidance of conflict of interest, prohibition of the abuse of intellectual property rights and confidential information, personal data protection, and prohibition of unfair competition, prohibition against discrimination, are strictly reinforced. All Gemtek employees should be fully aware of the above. The Company should evaluate the effectness of the Code and strengthen areas where violation of the code is suspected.	
(III) Has the company specified operational procedures, behavioral guidelines, disciplines of violations, as well as an appeal system in the program against unethical behavior, and implemented such programs, and reviewed and revised the previous program on a regular basis?	V		(III)The Company has stated in integrity clauses of the Procurement Contracts that the Company adheres to ethical conducts during business transactions. If there should be any sort of unethical engagements, such violators will be	None

Evaluation Item	Implementation Status(Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary	
			subject to prosecution or punishment by judicial or administrative authorities	
II. Implementation of Ethical Management				
(I)Does the company evaluate the integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements it signs with business partners?	V		(I) The Company conducts various assessments including integrity standards before carrying out formal business activities with its business partners. The business partner is required to sign a letter of commitment to show their cooperation and compliance with Gemtek’s code of conduct once the relationship has been established	None
(II)Has the company set up a dedicated responsible unit to promote corporate ethical management under the Board of Directors, and has such unit reported its execution in terms of ethical management policy and preventive programs against unethical behaviors and the supervision status to the Board of Directors on a regular basis (at least once a year)?	V		(II) To uphold ethical standards, the Company has established the Code of Ethical Conduct and Ethical Corporate Management Best Practice Principles as behavioral guidelines. All directors, managers, employees, and suppliers are required to act with integrity, avoid conflicts of interest whenever possible, and refrain from any form of corruption or bribery. They must not use their position or	None

Evaluation Item	Implementation Status(Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary	
			<p>influence to gain improper benefits for themselves or others, nor engage in retaliation against whistleblowers.</p> <p>To embed ethical practices into daily operations, the Company introduced the ISO 37001 Anti-Bribery Management System in 2024. An Integrity Management Task Force was formed to implement relevant policies and documents concerning ethical conduct and professional integrity. These materials are published on the Company’s intranet and bulletin boards. A comprehensive management framework, risk assessment mechanism, procedural documentation, and operational workflows were established to enhance risk control and regulatory compliance. The Company also held training sessions and internal campaigns to raise awareness and ensure adherence to ethical principles.</p> <p>In 2024, the Company successfully obtained ISO 37001 certification for the Anti-Bribery</p>	

Evaluation Item	Implementation Status(Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary	
(III)Does the company have any policy that prevents conflict of interest, and channels that facilitate the reporting of conflicting interests?	V		Management System. The implementation results were reported to the ESG Sustainable Development Committee and the Board of Directors. During the year, there were no violations related to ethical conduct, anti-trust, corruption, or bribery that resulted in penalties by regulatory authorities. Furthermore, no incidents of bribery reports or political contributions were recorded. (III)The Company has established preventive measures to mitigate any conflict of interest, and has assigned dedicated personnel to gather and compile relevant information to facilitate the reporting of conflicting interests. .	None
(IV) Has the company established an effective accounting system and internal control system in order to implement ethical management, and propose relevant audit plans according to the assessment results of the risks of unethical behaviors, and review the compliance status of	V		(IV)The company conducts a self-inspection once a year, and then the internal audit department reviews the self-inspection report of individual departments and subsidiaries. Self-inspection should include environment control, risk	None

Evaluation Item	Implementation Status(Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary	
the prevention of unethical behaviors, or entrust an account to carry out the review?			assessment, operations control, information, communication, and supervision, etc. Any findings or improvement items proposed by the audit department shall be used as the main basis for evaluating the effectiveness of the overall internal control system by the Board of Directors and general manager.	
(V) Does the company organize internal or external training on a regular basis to maintain business integrity?	V		(V) To foster a culture of integrity and ethical conduct, the Company incorporates anti-corruption and ethical business principles into its employee training and supplier engagement practices. As part of the onboarding process, all new employees are given a comprehensive briefing on the Company’s integrity policies. This includes a clear explanation of the disciplinary measures for violations and a requirement to sign an Integrity Declaration Letter. To reinforce this culture, existing employees participate in annual training covering integrity, anti-corruption, and anti-bribery awareness. In	None

Evaluation Item	Implementation Status(Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary	
			<p>2024, the Company achieved a 100% completion rate for integrity-related training programs across its workforce.</p> <p>For external partners, the Company integrates integrity clauses into all procurement contracts. These clauses highlight the Company’s zero-tolerance stance on unethical conduct and outline the consequences for violations. This initiative helps ensure ethical alignment throughout the supply chain and mitigates risks associated with third-party misconduct.</p>	
<p>III. Whistleblowing System</p> <p>(I)Does the company have a specific whistleblowing and reward system stipulated, a convenient report channel</p>	V		<p>(I)To uphold transparency, accountability, and a respectful workplace environment, the Company has established multiple internal communication</p>	None

Evaluation Item	Implementation Status(Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary	
<p>established and a responsible staff designated to handle the individual being reported?</p> <p>(II) Has the company implemented any standard procedures and/or subsequent measures after carrying out an investigation or confidentiality measures for handling reported misconduct?</p>	V		<p>and grievance channels, along with clear reward and disciplinary mechanisms. Employees may raise concerns or report misconduct anonymously through designated suggestion boxes or other channels announced internally. Reported cases are received by a designated task force and reviewed by the relevant departments for further investigation.</p> <p>(II)The Company has implemented comprehensive internal regulations, including the Confidentiality Guidelines, Human Rights Protection Procedures, Whistleblower Protection Mechanism, and Employee Feedback Protocol. These policies ensure the strict safeguarding of business confidentiality and the protection of whistleblower identity and report content. (III) The Company is committed to ensuring that no individual is subjected to retaliation or unfair treatment as a result of making a report or filing a complaint.</p>	None

Evaluation Item	Implementation Status(Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEX Listed Companies”
	Yes	No	Summary	
(III) Has the company taken appropriate measures to protect the whistle-blower from suffering any consequences of reporting an incident?	V		(III)Personnel responsible for handling reported cases are bound by confidentiality obligations and must protect both the identity of the whistleblower and the content of the report. Under no circumstances may the Company impose adverse employment actions, such as dismissal, reassignment, demotion, salary reduction, disciplinary measures, or any other form of disadvantage against individuals for making a good-faith report.	None
IV. Reinforcement of Information Disclosure (I) Does the company have the contents of ethical corporate management and its implementation disclosed on the website and MOPS?	V		(I) The Company has published its Ethical Corporate Management Best Practice Principles on both the corporate website and the Market Observation Post System (MOPS). Key annual implementation highlights are also disclosed on the Company’s website.	None

Evaluation Item	Implementation Status(Note 1)			Deviations from “The Corporate Social Responsibility Best-Practive Principles fo TWSE/TPEx Listed Companies”
	Yes	No	Summary	
V. For companies who have established Ethical Corporate Management Best Practice Principles in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”, please describe the current practice and any deviations from the code of conduct: None				
VI.Other information that may facilitate a better understanding of the ethical management practices of the company (e.g., the review and revision of the best-practice principles of the Company in ethical management): The Company has reiterated our business integrity policies and the Ethical Corporate Management Best Practice Principles to our business partners during the course of transactions. The Company had clearly stated that any form of direct or indirect provisions, promises, requests, or acceptance of improper benefits such as refunds, bribes, commissions, gifts, or unethical exchanges are strictly prohibited.				

Note 1: If you check "Yes", please describe the key policies, strategies, and measures taken in addition to the current implementation status; if you check "No", please explain and describe what relevant policies, strategies and measures will be in place.

(VII) If the Company has established corporate governance best practice principles and rules on ethical management, please specify websites or locations authorized for disclosure:

1. Managers participated in advanced training and development programs focused on the latest ESG trends and developments.

Title	Name	Date	Name of Course	Training Hours
Director	Wang, Shih-Jun	2024/8/30	Latest Trends and Current Situation in ESG	2
General Manager	Li, Rong-Chang	2024/8/30	Latest Trends and Current Situation in ESG	2
COO	Wang, Jia-Ching	2024/8/30	Latest Trends and Current Situation in ESG	2
Chief of R&D	Chen, Shih-Ren	2024/8/30	Latest Trends and Current Situation in ESG	2
Director	Hsyu, Chien-Dai	2024/8/30	Latest Trends and Current Situation in ESG	2
Director	Lai, Zhi-Hao	2024/8/30	Latest Trends and Current Situation in ESG	2
Director	Yao, Chi-Shian	2024/8/30	Latest Trends and Current Situation in ESG	2

2. Major Internal Information Handling Procedures: The company has established "Major Internal Information Handling Procedures," which are disclosed on the company website at www.gemtek.com.tw. Additionally, a dedicated "Corporate Responsibility and Corporate Governance" section is available to enhance investors' understanding of the company's governance operations.

(VIII) Implementation Status of Internal Control

1. Internal Control System Statement

Gemtek Technologies Co., Ltd.
Internal Control System Statement

Date: March 10, 2025

Based on the findings of a self-assessment, the Company states the following with regard to its internal control system for the current fiscal year:

I. The Company understands that the establishment, implementation and maintenance of internal control system are the responsibility of the Board of Directors and managers of the Company. The Company has established such system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations

II. Any internal control system has its inherent limitations. No matter how well an internal control system is designed, it can only provide reasonable assurance regarding the achievement of the above three objectives. Moreover, the effectiveness of an internal control system may be altered as a result of changes in the environment and circumstances. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.

III. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the “Regulations”). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each criteria includes several items. For the aforementioned items, please refer to the “Regulations”.

IV. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid regulations.

V. Based on the findings of such evaluation, the Company believes that during the current fiscal year, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.

VI. This Statement is an integral part of the Company’s annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made

public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities Exchange Act.

VII. This Statement was passed by the Board of Directors in their meeting held on Mar. 10, 2025, with 0 of the 8 attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

Gemtek Technologies Co., Ltd.

Chairman : Chen, Hong Wen

General Manager : Li, Rong Chang

Signature: _____

Signature: _____

2. If review of the internal control system has been conducted by entrusted CPAs, the CPAs' review report must be disclosed: None

(IX) Important resolutions of the Shareholders' Meeting and Board of Directors' meetings during the most recent fiscal year and as of the printing date of this annual report.

2024 Important Resolutions of the Board

Date of Board Meeting	Summary of Important Resolutions	Implementation Status
2024.03.13 11th Board of Directors 12th Meeting	1.The Company's 2023 Annual Business Report and Unaudited Financial Statements. 2.Distribution plan for employee and director compensation for 2023. 3.Earnings distribution proposal for 2023. 4.Evaluation of the effectiveness of the internal control system and the Statement of Internal Control for 2023. 5.Assessment of the independence and suitability of the certifying CPA for financial reporting. 6.Cash capital reduction by the subsidiary, G-Technology Investment Co., Ltd. 7.Improvement plan for over-limit intercompany lending by the sub-subsidiary, Gemtek Technology(Changshu) Co., Ltd. 8.Proposal to issue common shares for the Company's 6th domestic unsecured convertible bond conversion. 9.Annual performance bonus for managerial officers for 2023. 10.Retirement application by a managerial officer. 11.Proposal for convening the 2024 Annual General Shareholders' Meeting. 12.Proposal procedures for shareholder submissions. 13.Proposal to secure credit facilities from financial institutions to strengthen working capital (Standard Chartered, Yuanta, E.SUN, KGI). 14.Proposal for private placement of new shares through a cash capital increase.	Abide by the resolution. Material information released by the Board of Directors shall be duly announced and disclosed on the Market Observation Post System.
2024.04.16 11th Board of Directors 132th Meeting	1.(Amended by the Board Resolution dated March 13, 2024) Proposal for private placement of new shares through cash capital increase.	Abide by the resolution. Material information released by the Board of Directors shall be duly announced and disclosed on the Market Observation Post System.
2024.05.10	1.Completion of the company's consolidated financial	

Date of Board Meeting	Summary of Important Resolutions	Implementation Status
11th Board of Directors 14th Meeting	<p>statements for Q1 2024.</p> <p>2.Ratification of related party transactions for the acquisition or disposal of assets.</p> <p>3.Ratification of derivative financial instrument transactions.</p> <p>4.Proposal to secure credit facilities from financial institutions to strengthen working capital (E.SUN Bank and Taipei Fubon Bank.)</p> <p>5.Proposal to issue common shares for the company's 6th domestic unsecured convertible bond conversion.</p> <p>6.Long-term Investment Proposal —WaveSplitter Technologies, Inc.</p> <p>7.Long-term Investment Proposal —CSX MATERIAL CO., LTD.</p>	
2024.05.29 11th Board of Directors 15th Meeting	<p>1.Proposal to set the cash dividend distribution base date for 2023 Earnings.</p> <p>2.Proposal to set the suspension period for conversion and fulfillment period for the 6th domestic unsecured convertible bonds.</p> <p>3.Adjustment of the conversion price per share in accordance with the terms of the convertible bonds due to the 2023 Cash Dividend Distribution.</p> <p>4.Proposal for investment plan in Vietnam.</p>	
2024.08.09 11th Board of Directors 16th Meeting	<p>1.Completion of the company's consolidated financial statements for Q2 2024.</p> <p>2.Ratification of related party transactions for the acquisition or disposal of assets.</p> <p>3.Issuance status of restricted employee shares after one year of vesting.</p> <p>4.Proposal to cancel issued restricted employee shares and implement capital reduction.</p> <p>5.Proposal for the 2024 employee salary adjustment plan.</p> <p>6.Proposal to issue common shares for the company's 6th domestic unsecured convertible bond conversion.</p>	
2024.10.04 11th Board of Directors 17th Meeting	<p>1.Proposal for capital reduction in cash by subsidiary Gemtek Technology (Changshu) Co., Ltd.</p> <p>2.Proposal to secure credit facilities from financial institutions to strengthen working capital (Taiwan Cooperative Bank, CTBC Bank, Taishin International Bank, and KGI Bank.)</p> <p>3.Proposal on managerial personnel appointments.</p>	
2024.11.07 11th Board of Directors 18th Meeting	<p>Report Item:</p> <p>Improvement Plan for Excessive Loan to Others by Subsidiary Gemtek Technology (Changshu) Co., Ltd.</p> <p>1.Completion of the company's consolidated financial statements for Q3 2024.</p> <p>2.Ratification of related party transactions for the acquisition or disposal of assets.</p> <p>3.Proposal to cancel issued restricted employee shares and</p>	

Date of Board Meeting	Summary of Important Resolutions	Implementation Status
	implement capital reduction. 4.Proposal to issue common shares for the company's 6th domestic unsecured convertible bond conversion.	
2024.12.11 11th Board of Directors 19th Meeting	1.2025 business plan and budget proposal. 2.Review and approval of the 2025 internal audit plan. 3.Proposal for amendments to the internal control system. 4.Proposal for the appointment of auditors and audit fee for the 2024 financial statements. 5.Proposal for capital reduction in cash by subsidiary Gemtek Technology (Kunshan) co., ltd. 6.Proposal for subsidiary G-Technology Investment Co., Ltd. to lend funds to Gemtek Technology Co., Ltd. 7.Proposal for subsidiary G-Technology Investment Co., Ltd. to lend funds to U.S. subsidiary Genix Networks Inc. 8. Proposal to secure credit facilities from financial institutions to strengthen working capital (HSBC Taiwan)	
2025.03.10 11th Board of Directors 20th Meeting	1.The Company's 2024 Annual Business Report and Unaudited Financial Statements. 2.Distribution plan for employee and director compensation for 2024. 3.Earnings distribution proposal for 2024. 4.Evaluation of the effectiveness of the internal control system and the Statement of Internal Control for 2024. 5.Assessment of the independence and suitability of the certifying CPA for financial reporting. 6.Proposal to issue common shares for the company's 6th domestic unsecured convertible bond conversion. 7.Annual performance bonus for managerial officers for 2024. 8.Retirement application by a managerial officer. 9.Proposal for convening the 2025 Annual General Shareholders' Meeting. 10.Propose to accept shareholder meeting proposals and conduct the nomination process for director and independent director candidates. 11.Propose the full re-election of the company's Board of Directors (including independent directors). 12.Proposal to lift the non-compete restrictions for newly elected directors and their representatives. 13.Proposal for the full re-election of the Board of Directors and review of the nominated candidates for directors (including independent directors), including assessment of independent directors' professional qualifications, limitations on concurrent positions, and nomination and selection procedures. 14.Proposal to amend certain provisions of the Company's Articles of Incorporation. 15.Long-term investment proposal –GENIX ELECTRONICS (CANADA) CORP. 16.Long-term investment proposal –Genix Japan.	

Date of Board Meeting	Summary of Important Resolutions	Implementation Status
	17.Proposal to secure credit facilities from financial institutions to strengthen working capital (Yuanta, E.SUN, KGI).	

May 29, 2024 Important Resolutions of the Shareholders' Meeting and Implementation Status

Important Resolutions	Resolution / Election Results	Implementation Status
Report Items 1.To report the business of 2023. 2.To report 2023 Audit Committee's review report. 3.To report 2023 employees' profit sharing bonus and directors' compensation. 4.To report conversion of convertible bonds 5. Improvement Plan for excessive loan to others by subsidiary		
Ratification Items 1. To ratify 2023 Business Report and Financial Statements	The number of votes in favor of the matter surpasses the statutory voting requirement. As a result, the motion has been passed.	Shareholders resolutions should be duly announced as material information.
2.To ratify proposal for distribution of 2023 earnings	The number of votes in favor of the matter surpasses the statutory voting requirement. As a result, the motion has been passed.	Base date is scheduled on July 02, 2024. Cash dividend distribution date is scheduled on July 19, 2024.
Discussion Items 1.To discuss issuance of employee restricted stocks	The number of votes in favor of the matter surpasses the statutory voting requirement. As a result, the motion has been passed.	The material information disclosed on the day of the shareholders' meeting pertains to the significant resolutions adopted during the meeting.

(X)In the event that any director or supervisor expressed a dissenting opinion regarding any of the important resolutions adopted at the Board of Directors' meeting during the most recent fiscal year as of the date on which the annual report was printed, and that the opinion was recorded or delivered in writing, please describe its main content: None.

IV. Remuneration of Auditors

(I) The amount of public audit fees and non-audit public fees paid to the certified public accountants, their affiliated firms and affiliated enterprises, and the content of non-audit services.

1.Information on the professional fees of the attesting CPAs (external auditors):

Unit: NT\$, all in thousands

Name of Audit Firm	Name of Auditor/CPA	Auditing Period	Audit Fees	Non-Audit Fees	Total
Deloitte & Touche	Fang, Han Ni	2024/01/01~ 2024/12/31	4,630	-	4,630
	Yang, Jing Ting				

2.When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None

3. When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed: None

(II)The professional fees for auditing services referred to in the preceding item means the professional fees paid by the company to certified public accountants for auditing and reviews of financial reports.

V.Replacement of CPA Audit Firm

None.

VI.Any member of the company, e.g. chairman, general managers, or financial/accounting managers have served a position in the audit firm(s) or its affiliate companies during the past year

None.

VII. Transfer of equity or pledge by directors, supervisors, managerial officers, or shareholders with shareholdings that exceed 10% as of the latest fiscal year and as of the date of publication of this Annual Report.

1.Changes in Shareholding Structure - Directors, Supervisors, Managerial Officers, and Supervisors.

Unit: Share

Title	Name	2024		As of April 30, 2025	
		Increased (decreased) number of shares held	Increased (decreased) number of shares pledged	Increased (decreased) number of shares held	Increased (decreased) number of shares pledged
Chairman	Chen, Hong Wen (Note 2)	(3,498,000)	-	-	-
Director	Tsai, Fu Tsan	(152,000)	-	(52,000)	-
Director	Yang, Jheng Ren	24,000	-	-	-
Director	Hsu, Rong Hui	24,000	-	-	-
Director	Chang, Yueh Chi	-	-	-	-
Director	APEX ACTION INVESTMENT LIMITED	-	-	-	-
	Representative: Luo, Wen Yi	-	-	-	-
Independent Director	Zhao, Yao Geng	-	-	-	-
Independent Director	Wang, Zhu San	-	-	-	-
Independent Director	Chang, Chih Yang	-	-	-	-
General Manager	Li, Rong Chang	192,100	300,000	-	-
Senior Deputy General Manager	Liao, Hsi An	-	-	-	-
CTO	Yeh, Fu Ming	63,000	-	-	-
CFO	Lin, Chih Hong	66,000	-	-	-
CMO	Cheng, Guang Ming	63,000	-	-	-
Chief of R&D (Note 3)	Chen, Shih Ren				
COO (Note 3)	Wang, Jia Ching				
Director (Note 3)	Huang, Zheng Peng				
Director (Note 3)	Yao, Chi Shien				
Director (Note 3)	Lai, Zhe Hao				
Director (Note 3)	Hsyu, Chien Dai				
Director (Note 3)	Wang, Shih Jun				

Note 1: The above table only discloses changes in shareholding during the period of service.

Note 2: On November 13, 2024, Director Mr. Hong-Wen Chen submitted a pre-declaration for the transfer of 3,600,000 shares

The shares were transferred to: Chwang Shiang Investment Co., Ltd. (under formation), represented by Mr. Houngh-Wen Chen.

Pursuant to Articles 22-2 and 25 of the Securities and Exchange Act, the declaration was made to disclose the holding of Gemtek Technology shares under another party's name.

Note 3: Assumed office on October 07, 2024.

2. Information on transfer of equity:

No equity shares were transferred to related persons had occurred among the Company's directors, supervisors, managerial officers, and ten-percent shareholders.

3. Information on transfer of equity pledge:

No equity pledges were transferred to related persons had occurred among the Company's directors, supervisors, managerial officers, and ten-percent shareholders.

VIII. Top Ten Major Shareholders and the Shareholding Structure as per the Relationships Specified in the Financial Accounting Standard Board Statement NO.6 of Taiwan

As of March 30, 2025

Name (Note 1)	Shares Held under the Current Name		Shares held by spouse or dependents		Shares Held by Third Parties		Disclosure of names and relationships among the top ten shareholders, including spouses, 2nd tier relatives or closer, or as per the relationships specified in the Financial Accounting Standard Board Statement NO.6 of Taiwan (Note 3).		Remark
	Shares	(%)	Shares	(%)	Shares	(%)	Title or Name	Relationship	
JPMorgan Chase Bank N.A. Taipei Branch in Custody for Advanced Starlight Fund Corporation's series of funds Advanced Aggregate International Stock Index Investment Account	5,598,668	1.31	-	-	-	-	-	-	-
HSBC Bank (Taiwan) Limited in custody for Acadian Emerging Markets Investor AEMGX Investment Account	4,937,000	1.15	-	-	-	-	-	-	-
JPMorgan Chase Bank N.A. Taipei Branch in Custody for Vanguard Emerging Markets Stock Index Fund, a series of Vanguard Star Funds Investment Account	4,832,000	1.13	-	-	-	-	-	-	-

HSBC Bank (Taiwan) Limited in custody for Goldman Sachs International Investment Account	4,749,649	1.11	-	-	-	-	-	-	-
Standard Charter Bank in custody for Mizuho Securities Co., Ltd. Investment Account	4,516,000	1.06	-	-	-	-	-	-	-
JPMorgan Chase Bank N.A. Taipei Branch in Custody for Japan Securities Finance Co Ltd Investment Account	4,489,000	1.05	-	-	-	-	-	-	-
Chen, Hong Wen	4,005,937	0.94	-	-	3,732,842	0.87	-	-	-
Chwang-Hsiang Investment Company, Ltd.	3,732,842	0.87	-	-	-	-	-	-	-
Chwang-Hsiang Investment Company, Ltd. Corporate Representative: Chen, Hong Wen	4,005,937	0.94	-	-	3,732,842	0.87	-	-	-
Lien, Hua Rong	3,727,876	0.87	-	-	-	-	-	-	-
HSBC Bank (Taiwan) Limited in Custody for Mitsubishi UFJ Morgan Stanley Securities Trading Account	3,488,000	0.82	-	-	-	-	-	-	-

Note 1: Top ten major shareholder ranking should be disclosed. If any of the shareholders is an institutional shareholder, the name of the institutional shareholder and its representative should be disclosed separately.

Note 2: Shareholding percentage is calculated by the shares owned by the shareholders himself/herself, spouse and dependents or by third parties separately.

Note 3: The relationship of the shareholders (including institutional and natural person) should be disclosed according to Regulations Governing Information to be published in Annuals Reports of Public Companies.

IX. Direct and Indirect Stock Ownership of Affiliated Investments by the Company, Board of Directors, Supervisors, Managerial Officers, Affiliate Companies or Subsidiaries

Unit: Shares, All in thousands; %

Affiliated Investments (Note)	Gemtek		Direct and Indirect Stock Ownership of Affiliated Investments by the Board of Directors, Supervisors, Managerial Officers, Affiliate Companies or Subsidiaries		Total Ownership	
	Shares	%	Shares	%	Shares	%
G-Technology Investment Co., Ltd.	23,600	100.00	-	-	23,600	100.00
Brightech International Co., Ltd.	6,145	100.00	-	-	6,145	100.00
Ampak Technology Inc.	20,001	29.91	-	-	20,001	29.91
Wi Tek Investment Co., Ltd.	4,000	100.00	-	-	4,000	100.00
Browan Communications Incorporation	20,214	50.47	12,445	31.09	32,659	81.56
Antek Networks Inc.	1,080	16.62	4,756	73.16	5,836	89.78
Gemtek Vietnam Co., Ltd.	-	100	-	-	-	100
Genix Networks Inc. (Former name:Lionic Networks Inc.)	1,000	90.91	-	-	1,000	90.91
BandRich Inc.	5,500	27.04	-	-	5,500	27.04
5V Technologies,Taiwan Ltd.	1,352	98.05	-	-	1,352	98.05
WaveSplitter Technologies, Inc.	7,000	28.32	-	-	7,000	28.32
Ampak International Holdings Ltd.	-	-	18,000	100.00	36,000	100.00
Gemtek CZ., s.r.o	-	-	12,000	100.00	12,000	100.00
Primax Communication(B.V.I) Inc.	-	-	2,350	100.00	2,350	100.00
PT. South Ocean	-	-	24	95.00	24	95.00
Free PP Worldwide Co.,Ltd.	-	-	1,002	30.00	1,002	30.00
Gemtek Electronics (Suzhou) Co. Ltd.	-	-	Note 2	100.00	Note 2	100.00
Gemtek Electronics (Kunshan) Co. Ltd.	-	-	Note 2	100.00	Note 2	100.00
Browan Communications (Xi`An) Inc	-	-	Note 2	100.00	Note 2	100.00
Gemtek Electronics (ChangShu) Co., Ltd.	-	-	Note 2	100.00	Note 2	100.00

Note 1: Long-term equity investments are accounted for under the equity method.

Note 2: No share data available for limited liability companies..

III. Capital Overview

I. Capital and Shares

(I) Source of Capital

Unit: Shares, NT\$, All in thousands

Year / Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase d by Assets Other than Cash	Others
2010.01	10	500,000	5,000,000	276,712	2,767,123	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 09901006530 Effective as of 2010/1/14
2010.04	10	500,000	5,000,000	278,296	2,782,958	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 09901076230 Effective as of 2010/4/20
2010.09	10	500,000	5,000,000	283,568	2,835,676	Capitalization of Capital Reserve	None	FSC Authorization No. 0990035129 Effective as of 2010/7/7
2011.01	10	500,000	5,000,000	284,433	2,844,333	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 10001011070 Effective as of 2011/1/19
2011.05	10	500,000	5,000,000	290,592	2,905,918	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 10001096090 Effective as of 2011/5/13
2011.08	10	500,000	5,000,000	309,860	3,098,601	Capitalization of Capital Reserve and Conversion of Corporate Bond to Common Shares	None	FSC Authorization No. 1000031536 Effective as of 2011/7/7 MOE Authorization No. 10001199410

Year / Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase d by Assets Other than Cash	Others
								Effective as of 2011/8/26
2012.03	10	500,000	5,000,000	306,803	3,068,033	Cancellation of Repurchased Treasury Stocks	None	MOE Authorization No. 10101054240 Effective as of 2012/3/29
2012.09	10	500,000	5,000,000	305,085	3,050,853	Cancellation of Repurchased Treasury Stocks	None	MOE Authorization No. 10101191030 Effective as of 2012/9/17
2013.05	10	500,000	5,000,000	309,303	3,093,033	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 10201091390 Effective as of 2013/5/16
2013.08	10	500,000	5,000,000	309,309	3,093,099	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 10201172250 Effective as of 2013/8/2
2014.08	10	500,000	5,000,000	315,309	3,153,099	Issuance of Employee Restricted Stocks	None	MOE Authorization No. 10301175260 Effective as of 2014/8/28
2015.04	10	500,000	5,000,000	305,898	3,058,975	Cancellation of Repurchased Treasury Stocks and Employee Restricted Stocks	None	MOE Authorization No. 10401055750 Effective as of 2015/4/8
2015.07	10	500,000	5,000,000	305,761	3,057,606	Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 1040112209 Effective as of 2015/7/3
2015.11	10	500,000	5,000,000	302,920	3,029,201	Cancellation of Repurchased Treasury Stocks and Employee Restricted Stocks	None	MOE Authorization No. 10401246050 Effective as of 2015/11/27

Year / Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase d by Assets Other than Cash	Others
2016.01	10	500,000	5,000,000	302,841	3,028,412	Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 10401281240 Effective as of 2016/1/11
2016.07	10	500,000	5,000,000	302,736	3,027,360	Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 10501142050 Effective as of 2016/7/5
2016.12	10	500,000	5,000,000	302,701	3,027,018	Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 10501293290 Effective as of 2016/12/19
2017.04	10	500,000	5,000,000	307,176	3,071,764	Conversion of Corporate Bond to Common Shares and Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 10601041050 Effective as of 2017/4/12
2017.06	10	500,000	5,000,000	309,485	3,094,856	Conversion of Corporate Bond to Common Shares and Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 10601077940 Effective as of 2017/6/20
2017.09	10	500,000	5,000,000	315,720	3,157,202	Conversion of Corporate Bond to Common Shares and Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 10601123440 Effective as of 2017/09/04
2017.12	10	500,000	5,000,000	320,720	3,207,203	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 10601161600 Effective as of 2017/12/05
2018.04	10	500,000	5,000,000	344,315	3,443,157	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 10701034740

Year / Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase d by Assets Other than Cash	Others
								Effective as of 2018/4/11
2018.08	10	500,000	5,000,000	349,037	3,490,370	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 10701108700 Effective as of 2018/8/23
2018.12	10	500,000	5,000,000	351,162	3,511,619	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 10701152350 Effective as of 2018/12/04
2019.04	10	500,000	5,000,000	356,883	3,568,834	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 10801037570 Effective as of 2019/04/17
2020.09	10	500,000	5,000,000	357,590	3,575,905	Issuance of Employee Restricted Stock and Cancellation of Repurchased Treasury Stocks	None	MOE Authorization No. 10901163820 Effective as of 2020/09/15
2021.05	10	500,000	5,000,000	362,921	3,629,215	Conversion of Corporate Bond to Common Shares and Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 11001092240 Effective as of 2021/05/25
2021.11	10	500,000	5,000,000	366,118	3,661,188	Conversion of Corporate Bond to Common Shares and Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 11001221590 Effective as of 2021/11/30
2022.04	10	500,000	5,000,000	405,158	4,051,589	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 11101055800 Effective as of 2022/04/11
2022.08	10	500,000	5,000,000	394,464	3,946,464	Cancellation of Repurchased	None	MOE Authorization

Year / Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase d by Assets Other than Cash	Others
						Treasury Stocks/ Cancellation of Employee Restricted Stocks		No.11101164910 Effective as of 2022/08/26
2023.01	10	500,000	5,000,000	394,530	3,945,304	Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 11230004100 Effective as of 2023/01/19
2023.03	10	500,000	5,000,000	394,474	3,944,744	Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 11230046620 Effective as of 2023/03/22
2023.08	10	500,000	5,000,000	398,428	3,984,282	Issuance of Employee Restricted Stock and Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 11230166300 Effective as of 2023/08/25
2023.12	10	500,000	5,000,000	400,121	4,001,211	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 11230222840 Effective as of 2023/12/07
2024.04	10	500,000	5,000,000	405,506	4,056,057	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 11330049260 Effective as of 2024/04/09
2024.06	10	500,000	5,000,000	412,012	4,120,018	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 11330090660 Effective as of 2024/06/11
2024.09	10	500,000	5,000,000	415,594	4,155,938	Conversion of Corporate Bond to Common Shares / Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 11330153340 Effective as of 2024/09/06

Year / Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase d by Assets Other than Cash	Others
2024.11	10	500,000	5,000,000	427,701	4,277,007	Conversion of Corporate Bond to Common Shares / Cancellation of Employee Restricted Stocks	None	MOE Authorization No. 11330206980 Effective as of 2024/11/25
2025.03	10	500,000	5,000,000	427,889	4,278,886	Conversion of Corporate Bond to Common Shares	None	MOE Authorization No. 11430039760 Effective as of 2025/03/31

As of March 30, 2025

Type of Stock	Authorized Capital				Grand Total	Remark
	Outstanding Shares			Unissued		
	Listed	Unlisted	Total			
Common Stock	427,888,604	0	427,888,604	72,111,396	500,000,000	-

(II))List of Major Shareholders

Names, number of shares held, and shareholding ratios of shareholders who hold five percent or more of the shares or are one of the 10 largest shareholders

As of March 30, 2025

Shares Name of Shareholder	Number of Shares Held	%
JPMorgan Chase Bank N.A. Taipei Branch in Custody for Advanced Starlight Fund Corporation's series of funds Advanced Aggregate International Stock Index Invesgment Account	5,598,668	1.31
HSBC Bank (Taiwan) Limited in custody for Acadian Emerging Markets Investor AEMGX Investment Account	4,937,000	1.15
JPMorgan Chase Bank N.A. Taipei Branch in Custody for Vanguard Emerging Markets Stock Index Fund, a series of Vanguard Star Funds Investment Account	4,832,000	1.13
HSBC Bank (Taiwan) Limited in custody for Goldman Sachs International Investment Account	4,749,649	1.11
Standard Charter Bank in custody for Mizuho Securities Co., Ltd. Investment Account	4,516,000	1.06
JPMorgan Chase Bank N.A. Taipei Branch in Custody for Japan Securities Finance Co Ltd Investment Account	4,489,000	1.05
Chen, Hong Wen	4,005,937	0.94
Chwang-Hsiang Investment Company, Ltd.	3,732,842	0.87
Lien, Hua Rong	3,727,876	0.87
HSBC Bank (Taiwan) Limited in Custody for Mitstubishi UFJ Morgan Stanley Securities Trading Account	3,488,000	0.82

(III) Dividend Policy and Implementation Status

1. Dividend Policy

According to the Company's Article of Incorporation, the Company shall, after deducting the employee bonuses and remuneration benefits of directors from the current year's pre-tax benefits, allocate 13.5% for employee profit sharing bonuses and 1.8% for the remuneration benefits of directors. Employee profit sharing bonuses are to be granted in the form of securities or cash to qualified company employees, which the occurrences are to be mentioned and reported in the shareholders' meeting.

In the event of accumulated losses, the Company shall retain such compensation accordingly.

Upon the closing of the Company's annual financial accounts, if surplus profit is determined, the Company shall first pay taxes and make up for all past losses; then, set aside a 10% legal capital reserve and a special capital reserve in accordance with applicable laws, rules and regulations. The remainder of the profits after deducting the foregoing shall be allocated as shareholders' dividends, subject to proposal by the board of directors and approval by shareholders at a shareholders' meeting.

Considering the current development status of the Company and the overall conditions of the industrial environment, other factors such as the Company's financial measures that might influence the financial structure and profit earnings are the key elements for determining the amount and type of surplus distributed. Bearing in mind the Company's capital requirements, long-term financial goals, and shareholders' demands for liquidity, the distribution of surplus profit shall be made preferably by way of cash and stock dividends. The distribution of cash dividends per year shall not be lower than 10% of the aggregate amount of the stock dividends and cash dividends distributed for that particular year.

2. The company's earnings can be paid out in either full or partial cash dividends or stock dividends. At present, the company distributes its profit earnings predominantly in the form of cash dividends. In 2022, the Company board of directors approved the distribution of cash dividends NT\$591,711,716 in total, which takes up 35.46% of retained earnings.

3. Implementation Status

Earnings distribution proposed at the most recent shareholders' meeting:

Unit: NT\$

Item	Amount
2023 Undistributed retained earnings	924,641,362
2024 Profit after tax	647,272,834
Add: Recognized retained earnings from remeasurement of Defined Benefit Plans	5,151,161
Add: Transfer accumulated profit or loss to retained earnings for the disposal of equity investment instruments measured at fair value through other comprehensive income	29,825,238
Less: Adjusted retained earnings from Investments Accounted for Using Equity Method	(9,466,884)
Adjusted unappropriated retained earnings from current profit after tax and extraordinary items	672,782,349
Less: Legal Capital Reserve (10%)	67,278,235
Profit available for distribution for the current period	1,530,145,476
Shareholder dividend (NT\$1.5/share)	641,832,906
Undistributed retained earnings for the year end	888,312,570

Note 1: The dividend payout ratio was calculated based on 427,888,604 outstanding common shares of the Company as of March 10, 2025.

4. Description of any material changes in the expected dividend policy: None

(IV) Impacts on the Company's business performance, EPS, and shareholder ROI due to distribution of stock grants: Not applicable.

(V) Compensation and Remuneration of Employees and Directors:

1. The percentage or scope of employee and director remuneration as specified in the Articles of Incorporation:

According to the Company's Article of Incorporation, the Company shall, after deducting the employee bonuses and remuneration benefits of directors from the current year's pre-tax benefits, allocate 13.5% for employee profit sharing bonuses and 1.8% for the remuneration benefits of directors. Employee profit sharing bonuses are to be granted in the form of securities or cash to qualified company employees, which the occurrences are to be mentioned and reported in the shareholders' meeting.

In the event of accumulated losses, the Company shall retain such compensation accordingly.

2. The basis for estimating the amount of employees' compensation and directors' remuneration, for calculating the number of shares to be distributed as employee compensation and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the accrued figure, for the current period:

The Company recognizes the 2022 employees' compensation and directors' remuneration according to the Company's Articles of Incorporation, as proclaimed, the Company shall, after deducting the employee bonuses and remuneration benefits of directors from the current year's pre-tax benefits, allocate 13.5% for employee profit sharing bonuses and 1.8% for the remuneration benefits of directors. In light of business circumstances, the Company did not distribute stock grants as of the recent fiscal year. In the event that the actual distribution amounts should be different from the accrued amounts, the adjustment will be recognized in the distribution year as changes in accounting estimates.

3. Compensation and Remuneration Approved by the Board:

(1) Distribution of Employee Bonuses and Remuneration Benefits of Directors :

A. Employee Cash Bonuses : NT\$122,803,459

B. Remuneration Benefits of Directors : NT\$16,373,795

(2) The 2024 distribution of employee bonuses and remuneration benefits of directors was approved by the Board. There are no adjustments to be made due to the fact that there are no significant differences between the actual

distributed amount NT\$139,177,254 and the estimated amount recognized as expense NT\$139,177,254.

(3) The ratio of the total amount of employees compensation distributed in stocks to the sum of the after-tax net income amount stated in the financial reports of the parent company or individual financial reports for the current period plus total amount of employees' compensation: Not applicable.

4. The distribution status of employees compensation and directors remuneration of the previous year (including distributed shares, amount, and stock price) and, if the amounts distributed vary from the amounts recognized, please illustrate the reason for the discrepancy and how it is treated:

Item	Employee Compensation and Director Remuneration Approved by the Shareholder Meeting		
	Amount(NTD)	Cash Increase Converted to Shares	Cash Distributed
Employee Compensation 13.5%	110,934,760	-	110,934,760
Director Remuneration 1.8%	14,791,301	-	14,791,301

Employee Compensation and Director Remuneration

Item	Stock Dividend			Cash Dividend	Total
	Stock Price	Shares	Amount	Amount	
Employee Compensation 13.5%	-	-	-	110,934,760	110,934,760
Director Remuneration 1.8%	-	-	-	14,791,301	14,791,301

Description: There are no significant differences between the actual distributed amount and the estimated amount recognized as expense.

(VI) Repurchase of Treasury Stock: None.

II. Domestic & Overseas Corporate Bonds

(I) Outstanding Corporate Bonds:

The Financial Supervisory Commission R.O.C approved the Company's issuance of unsecured convertible bonds totaling NT\$1.5 billion on June 06, 2023.

Type of Corporate Bond	6 th Issuance of Unsecured Convertible Bonds
Date of Issuance	June 02, 2023
Par Value	NTD \$ 100,000
Place of Issuance and transaction	-
Issue Price	Issued at Par Value
Total Price	NT\$ 1.5 billion
Interest Rate	0% .
Tenor	3 Years Due on June 02, 2026
Guarantee Agency	-
Trustee	KGI Bank Co., Ltd.
Underwriter	KGI Securities Co., Ltd.
Certified Attorney	-
CPA	-
Method of Repayment	Unless the bondholders convert into ordinary shares of the Company in accordance with Article 10 of the Method of Transfer, or the bondholder exercises rights to sell in accordance with Article 19, or the Company redeems in advance or exercise redemption at securities firm in accordance with Article 18 of these Procedures, or the Company repurchases from securities agents for the purpose of cancellation, the Company will repay the converted bonds held by bondholders in cash within 10 business days in accordance with the denomination of the bonds when the Company's conversion of bonds expires.
Outstanding Principal	NTD \$ 645,200 thousand
Terms for Redemption of Early Call	(1) Starting from the fourth month subsequent to the issuance of the convertible bonds (September 03, 2023) until forty days prior to the expiration of the issuance period (April 23, 2026), if the closing price of the company's ordinary shares is at least 30% or higher than the conversion price for thirty consecutive business days, the Company may, within thirty business days thereafter, deliver a "Bond Call Notice" to the bondholder (With reference to the list of bondholders 5 days prior to the deliverance of the "Bond Call Notice". Other bondholders who

	<p>should acquire the bond after that specific date due to purchasing and selling or through other means of transactions shall be informed by way of announcement.) by registered mail (The aforesaid period for bond call shall be calculated from the date the letter is issued, and the expiry date of the period shall be the base date for bond call. The period shall not be the close conversion period of the corporate bond). The bond redemption price is the face value, and bonds are redeemed in cash. OTC shall be notified to make an official post for the announcement. The company executes the early call by redeeming the outstanding convertible bond in cash based on its face value within five days following the bond call base date.</p> <p>(2) Starting from the fourth month subsequent to the issuance of the convertible bonds (September 03, 2023) until forty days prior to the expiration of the issuance period (April 23, 2026), if the outstanding balance of the convertible bond is less than 10% of the total number of convertible bonds issued for thirty consecutive business days, the Company may, within thirty business days thereafter, deliver a "Bond Call Notice" to the bondholder (With reference to the list of bondholders 5 days prior to the deliverance of the "Bond Call Notice". Other bondholders who should acquire the bond after that specific date due to purchasing and selling or through other means of transactions shall be informed by way of announcement.) by registered mail (The aforesaid period for bond call shall be calculated from the date the letter is issued, and the expiry date of the period shall be the base date for bond call. The period shall not be the close conversion period of the corporate bond). The bond redemption price is the face value, and bonds are redeemed in cash. OTC shall be notified to make an official post for the announcement. The Company executes the early call by redeeming the outstanding convertible bond in cash based on its face value within five days following the bond call base date.</p> <p>(3) If the bondholder fails to reply in written form to the Company's stock brokerage before the bond call base date set forth in the "Bond Call Notice" (Call period is effective upon postmark.), the Company shall, within five business days after</p>
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		<p>the bond call base date, execute the redemption in cash based on the face value.</p> <p>(4) In the event of the Company exercising the bond call, the final day for bondholders to convert bonds will be the second business day following the cessation of trading on the OTC market.</p>
Restrictive Clause		N/A
Name of Credit Rating Agency, Rating Date, Rating of Corporate Bonds		N/A
Other Rights	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	<p>As of March 30, 2025, the number of shares requested to be converted into ordinary shares by the bondholder per conversion procedure was 29,637,027 shares, the conversion amount was NT\$854,800,000.</p> <p>The number of unconverted bonds in total was NT\$645,200,000, traded at par.</p>
	Issuance and conversion (exchange or subscription) method	Please refer to the Company's prospectus for the 6th issuance of unsecured convertible bonds.
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on exiting shareholders' equity		As of the printing date of the annual report, there have been no conversions to common shares for issuance.
Transfer agent		N/A

(II) Status of issued convertible corporate bonds which are convertible to shares, overseas depository receipts or any other securities:

Type of Corporate Bond		6 th Issuance of Unsecured Convertible Bonds	
Item	Year	2024	As of March 31, 2025
Market Price of the Convertible Bond	Highest	163.00	126.60
	Lowest	115.95	102.50
	Average	130.90	113.61
Convertible Price		26.90	28.2
Date of Issuance and Convertible Price		Date of Issuance: June 02, 2023 Convertible Price: 30.80	
Conversion Method		New Stocks	

III. Preferred Stock: None

IV. Global Depository Receipts: None

V. Employee Stock Options: None

VI. New Restricted Employee Shares:

(I) Implementation of New Restricted Employee Shares

Type of New Restricted Employee Shares	3rd Issuance New Restricted Employee Shares
Effective Date	July 11, 2023
Date of Issuance	August 15, 2023
Issued Shares	4,300,000 shares
Issue Price	NTD 0
Percentage of Issued New Restricted Employee Shares to Total Number of Issued Ordinary Shares	1.04%
Vesting Conditions	<p>1.If an employee is still in service on the vesting date, the actual number of restricted stocks credited for that year will be determined based on the results of the employee's individual performance evaluation for the previous year.</p> <p>2.Individual performance indicators: Based on the actual results of</p>

	<p>the employee's performance evaluation during the most recent fiscal year, stocks will be awarded accordingly when the length of the vesting period is fulfilled:</p> <p>(1) Employees with an individual performance rating of 4 (inclusive) to 5 will be eligible to receive 100% of the restricted stocks vested for that fiscal year.</p> <p>(2) Employees with an individual performance rating of 3.5 (inclusive) to 4 will be eligible to receive 80% of the restricted stocks vested for that fiscal year.</p> <p>(3) Employees with an individual performance rating of 3 (inclusive) to 3.5 will be eligible to receive 60% of the restricted stocks vested for that fiscal year.</p> <p>(4) Employees with an individual performance rating below 3 (excluding 3) will not be eligible to receive any vested stocks for that fiscal year, and will therefore lose their qualification to receive restricted stocks for that year.</p> <p>3.The proportions of the restricted stocks that employees are entitled to receive on each fiscal year's vesting date is as follows:</p> <p>(1) Employees who are still in service after 1 year from the date of grant are eligible to receive up to 30% of the vested shares.</p> <p>(2) Employees who are still in service after 2 years from the date of grant are eligible to receive up to 30% of the vested shares.</p> <p>(3) Employees who are still in service after 3 years from the date of grant are eligible to receive up to 40% of the vested shares.</p> <p>This policy applies only to employees who are still employed by the Company at the expiration of the Restricted Stock Awards subscription period and have not violated the Company's labor contract, work rules, or other company regulations. Additionally, eligible employees must have achieved their individual performance targets set by the Company in the preceding year to be eligible for vested stock options.</p>
Vesting Limits	<p>1.Before vesting conditions are met, employee restricted stocks received by the employee are not to be sold, mortgaged,</p>

	<p>transferred, gifted, pledged, or otherwise sanctioned except in the event of inheritance.</p> <p>2.The attendance, proposal, speech, and voting rights of the shareholders meeting shall be implemented in accordance with the trust custody agreement. Any cash dividends, stock dividends, and capital reserve cash (stocks) allocated to the New Employee Restricted Stocks shall be placed under the custody of the trust. For those New Employee Restricted Stocks whom their owners have not yet fulfilled the vesting conditions, the cash dividends, stock dividends, and capital reserves (stocks) generated shall be forfeited and being reclaimed or cancelled by the Company in accordance with relevant laws and regulations.</p>
Custody	Entrusted with custodian
Measures to be taken when employees fail to meet the vesting conditions	If the employee fails to meet the vesting conditions, or has violated the Company's labor contract, work rules, or company regulations, and under the circumstance that the overall business operations and employee performances have not reached the reasonable targets set out by the Company for the preceding year, the Company shall redeem the shares under no additional cost and consideration, and holds the right to cancel the shares according to law.
Redeemed or Repurchased New Restricted Employee Shares	176,000 shares
Cancelled Shares	1,155,300 shares
Uncancelled Shares	2,968,700 shares
Percentage of Uncancelled Shares to Issued Ordinary Shares	0.69%
Affects on Shareholder Interest	Not Applicable

(II)Managers and Top 10 Major Owners of Employee Restricted Shares :

As of March 31, 2025

	Title (Note 1)	Name	Acquired Number of Employee Restricted Shares	Percentage to Total Number of Issued Ordinary Shares	Cancelled				Uncancelled			
					Shares	Issued Price	Amount	Percentage to Total Number of Issued Ordinary Shares	Shares	Issued Price	Amount	Percentage to Total Number of Issued Ordinary Shares
Management	CEO	Chen, Hong Wen	2,533,000	0.59%	759,900	0	0	0.18%	1,773,100	0	0	0.41%
	General Manager	Li, Rong Chang										
	Senior Deputy General Manager	Hsu, Rong Hui										
	CTO	Yeh, Fu Min										
	CFO	Lin, Zhi Hong										
	CMO	Cheng, Guang Ming										
	Chief of R&D	Chen, Shih Ren										
	COO	Wang, Jia Ching										

	Director	Huang, Zheng Peng										
	Director	Yao, Chi Shien										
	Director	Lai, Che Hao										
	Director	Hsyu, Chien Dai										
	Director	Wang, Shih Jun										

	Title (Note 1)	Name	Acquired Number of Employee Restricted Shares	Percentage to Total Number of Issued Ordinary Shares	Cancelled				Uncancelled			
					Shares	Issued Price	Amount	Percentage to Total Number of Issued Ordinary Shares	Shares	Issued Price	Amount	Percentage to Total Number of Issued Ordinary Shares
Employee	Head of Division	Huang, Yan Lin	930,000	0.22%	279,000	0	0	0.07%	651,000	0	0	0.15%
	Head of Division	Zheng, Chung Liang										
	Head of Division	Ho, Shen Han										
	Head of Division	Huang, Shueh Guan										
	Head of Division	Wu, Chung En										
	Head of Division	Lin, Jun Han										
	Head of Division	Yang, Meng Zhu										
	Spokesperson	Yang, Zheng Ren										
	Head of Division	Hsyu, Ching Song										
	Head of Division	Wang, Zhung Min										

Note 1: Name and titles of employee restricted stock owners, including managers and employees (resigned or deceased individuals should be denoted) ought to be disclosed. The number of shares received or subscribed are presented in aggregate.

VII. Status of New Shares Issuance in Connection with Mergers and Acquisitions

None

VIII. Financing Plans and Implementation

None

IV. Operational Highlights

I. Business Activities

(I) Business Scope

1. The scope of business of the Company shall be as follows:

- (1) Research, development, manufacture, purchase and sale of electronic components, semi-finished products and finished products;
- (2) Research, development, manufacture, purchase and sale of computer software, hardware and peripheral equipment;
- (3) Import-export trading business in relation of the foregoing products;
- (4) CC01101 Restricted telecom radio frequency equipment and materials manufacturing;
- (5) F401021 Restricted telecom radio frequency equipment and materials import;
- (6) E701031 Restrained telecom radio frequency equipment and materials construction;
- (7) F113070 Wholesale of telecom instruments; and
- (8) F213060 Retail sale of telecom instruments.

2. 2024 Proportion of each product (service) to total business operations

Product	Ratio
WIRELESS GATEWAY	83.21%
WLAN CARD	7.10%
WIRELESS TELECOMMUNICATION MODULE	0.38%
OTHERS	9.31 %
TOTAL	100.00%

3. Product Portfolio

Product Name	Purpose and Function
WIRELESS GATEWAY	Wired and wireless network transmission equipment
WLAN CARD	Office computers and wireless transmission equipment
WIRELESS TELECOMMUNICATION MODULE	Wireless transmission module for IoT equipment
OTHERS	Buying and selling of wires, packaging materials, pallets and raw materials

4. New Research and Development Plans

- A. Development of Ultra-High-Speed Optical Transceiver: 800G QSFP-DD Dongle
- B. AI router and Box for Edge computing gateway
- C. Optical MDU with multiplexing WAN accesses (XGSPON/10Geth/SFP+ Auto selection)
- D. Advanced fixed broadband platform based on DOCSIS 3.1/4.0
- E. Carrier grade software platform development based on RDK-B and prpIOS
- F. 5G NR R17 and RedCap client, module and SDK development
- G. High power 5G NR small cell system development
- H. High performance WiFi 7 AP platform development
- I. 25GS PON SFU and HGU development
- J. Standalone Security Router / Security WiFi Mesh router development
- K. Cloud based intelligent unified management system with client security protection, Mesh optimization, App Orchestrator
- L. Scalable phased array antenna development for LEO application ku band
- M. Cost effective mmwave point to multipoint system based on WiFi protocols development
- N. Long-range wireless communication system development for Drone
- O. Long-range wireless communication system study for cube set LEO satellite

(II) Industry Overview

1. Status and Development of the Industry

Ericsson's Mobility Report for November 2024 highlights the ongoing global investment in 5G by telecommunications companies, driven by advanced networking technologies and emerging business prospects. Despite geopolitical challenges in certain regions causing market slowdowns, the 5G development momentum remains strong. Ericsson forecasts that by 2027, the number of 5G subscriptions will surpass 4G, making it the dominant mobile access technology.

Looking ahead to 2025, the global smartphone market is expected to be driven by the widespread adoption of AI technology and 5G connectivity. AI functionalities, in particular, are becoming standard features in high-end models, contributing to market growth. According to international research institutions, global smartphone sales grew by approximately 4% in 2024, with especially strong demand in the premium segment. While AI has yet to significantly boost consumer demand, it is emerging as a critical differentiator in future smartphone competitiveness.

Taiwan's supply chain companies are well-positioned to benefit from these trends, especially as demand for AI technologies and 5G-enabled devices accelerates. This will create new opportunities for component suppliers and manufacturers. The global smartphone market is projected to reach 1.5 billion units in 2025. As AI and 5G applications continue to evolve, the smartphone landscape will further transform, intensifying competition and reshaping brand dynamics worldwide.

In the realm of 5G smartphone development in Taiwan, the Market Intelligence & Consulting Institute (MIC) of the Institute for Information Industry (III) outlines four significant observations. Firstly, it's projected that by 2026, Taiwan's smartphone manufacturing in India will reach 21%. The rapid expansion of Chinese brands has led to the establishment of a supply chain network in India. Evaluating whether Taiwanese manufacturers should enter India is advised, considering factors such as targets, environment, and resource aspects. Secondly, attention should be paid on the impact of the ongoing US-China trade war on the reconstruction of the industry order, particularly ones involving RISC-V. Despite varying attitudes toward Arm or RISC-V among major players, many are actively engaging in international alliances to integrate autonomous technology into global standardization efforts. Thirdly, "full interactive calls" are poised to become a breakthrough innovative application for the next generation of 5G smartphones and a necessary step towards 6G. However, successful implementation hinges on three pivotal factors: the completeness of 5G network infrastructure, the maturity of smartphone chip/terminal technology, and the viability

of user habits and business models. Lastly, with the iPhone redefining periscope lenses, the penetration rate of such lenses in models is expected to continue rising

In terms of wired broadband networks, the mainstream connectivity technology is PON (Passive Optical Network), which includes GPON (Gigabit Capable PON), XG-PON (10 Gigabit Capable PON), and EPON (Ethernet PON). The difference between fiber optic and other bandwidth services is that the fiber optic technology uses optical fibers to transmit data as light signals while others use electronic signals. Fiber optic technology has three major advantages: Superior Connection Quality, Increased Bandwidth, and Secure Communication. Additionally, fiber optic networks is capable of transmitting light signals over long distances without significant attenuation (loss) or interference from outside sources, as a result. XGS-PON can achieve an astonishing transmission speed of 10Gbit/s for both upstream and downstream.

Research states that the number of fiber optic internet connections continues to grow. The Institute for Information Industry has pointed out that since 2016, the proportion of FTTH (Fiber to the home) has been gradually on the rise. By 2022, the number of FTTH households is expected to reach 740 million, with Asia as its largest market. The growth momentum in Asia is being driven by the implementation of government policies aimed at upgrading networks. China, India, Vietnam, and Indonesia have all proposed their broadband infrastructure policies. For instance, China is planning to launch its Dual Gigabit Network Coordinated Development Action Plan, which seeks to foster the development and adoption of innovative applications and solutions for mobile and home broadband, with the goal of achieving Gigabit standards. This plan involves the construction of new facilities and upgrades to existing systems. In India, the country has granted a public-private partnership allowance for broadband. As for South Korea and Japan, service providers are enticing customers to use optic fiber network services by providing price differentials in network upgrades.

In North America and Central and South America, service providers and cable television providers share a long history in terms of competition. In the United States, two major broadband policies exist: the Rural Digital Opportunity Fund (RDOF) with a subsidy of \$20.4 billion, which incentivizes service providers to expand and construct 1Gbps networks into sparsely populated areas; and the Broadband Equity Access and Deployment Fund (BEAD) with a subsidy of \$42.55 billion, to encourage service providers to adopt broadband technologies, such as fiber, to deliver networks with speeds of 100Mbps or higher. Intense competition among service providers is also fueling the adoption of optic fiber services.

In Europe, the impetus behind the expansion of fiber optics largely stems from the European Union's directives regarding network speeds

by 2025 and 2030, coupled with broadband subsidies. Countries within Europe with inadequate broadband coverage, such as the United Kingdom, Germany, and Italy, have initiated broadband subsidy programs to incentivize operators to bolster investment in fiber optic infrastructure. Notably, fiber optic penetration rates vary significantly among European nations. For instance, while Germany's penetration rate stands at a mere 6%, Spain boasts a robust rate of 76.2%. Nevertheless, with the European Union boldly proposing that European households should have access to speeds of 100 Megabits by 2025 and 1 Gbps by 2030—alongside the implementation of broadband subsidies, it is clear that there is a widespread demand for fiber optic fixed broadband infrastructure across Europe.

In addition to terrestrial 5G infrastructure, Low Earth Orbit (LEO) satellites are anticipated to substantially enhance global network coverage. Currently, one-third of the world's population lacks access to internet services, and LEO satellites can fill the gaps in remote areas that fixed networks cannot reach, or in areas where ground network coverage is not economically feasible, thereby unifying a globally dispersed market. LEO is also viewed as the foundation for realizing the Internet of Things (IoT), with potential applications in agriculture, industry, environmental monitoring, and other areas. Besides commercial use, the Starlink terminal devices provided communication services to the Ukrainian people during the Russo-Ukrainian War, underscoring the strategic significance of LEO technology.

According to data from the Satellite Industry Association of the United States, the global satellite industry recorded a production value of approximately \$281.4 billion in 2022, driving a 23% growth in satellite launches and a 15% increase in satellite manufacturing. Ground equipment and satellite services constituted 52% and 40% of the industry, respectively, ranking as the top two sectors, despite slower growth rates. Analysts from the Industrial Economics and Knowledge Center (IEK) at the Industrial Technology Research Institute (ITRI) have outlined four major trends expected to shape the satellite industry in 2024. Firstly, there is a focus on integrating multi-orbit satellites to offer new communication services and enhance competitiveness. This includes initiatives such as leveraging low Earth orbit satellites for low-latency communication and high Earth orbit satellites to improve coverage. Secondly, the emergence of direct satellite-to-terminal connections is leading to novel forms of satellite commercialization. Equipment manufacturers and telecom operators are collaborating with satellite operators to develop Direct-to-Device (D2D) services. Thirdly, efforts to enhance communication performance are driving an increase in the size and complexity of mega-constellation satellites. Lastly, there is a growing emphasis on addressing space sustainability concerns, leading to the emergence of opportunities in in-orbit service-related applications. These opportunities span six key technologies, including satellite design, space robotics, 3D printing, sensors, AI, and space

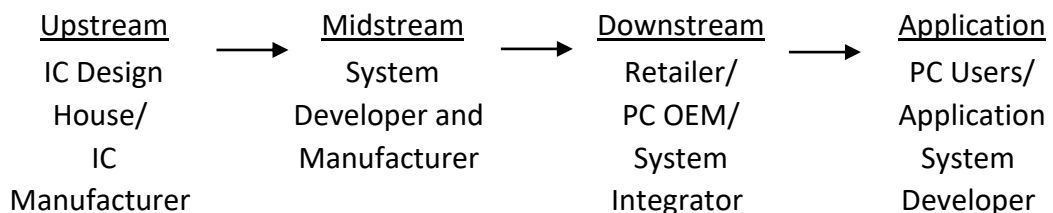
logistics, all aimed at extending satellite lifespan and ensuring safe retirement

Wi-Fi 7 finds extensive application in both enterprise and personal settings, spanning from smartphones to server base stations. It offers nearly 5 times faster transmission speeds compared to the previous Wi-Fi 6/6E generation, with the maximum transmission rate increasing from 9.6 Gbps per second to 46 Gbps per second. This upgrade caters to the demand for high-speed, low-latency, and stable connections. Wi-Fi 7 is designed to utilize the 6 GHz frequency band, introducing an additional frequency band compared to Wi-Fi 6. Moreover, Wi-Fi 7 boasts a doubled bandwidth compared to Wi-Fi 6/6E, signifying a significant enhancement. This upgrade enables the transmission of twice the amount of data at a speed 4.8 times faster. For instance, if a file requires one hour to download using Wi-Fi 6/6E, upgrading to Wi-Fi 7 would reduce the download time to less than 7 minutes, demonstrating a remarkable technological advancement

According to Techno Systems Research, Wi-Fi 7 shipments are anticipated to begin in the latter half of 2024, with a projected Compound Annual Growth Rate (CAGR) of 87% over the next five years (2023-2027). Furthermore, Gartner's research report estimates that the penetration rate of Wi-Fi 7, calculated as the actual sales volume divided by the potential market volume, will reach 10% by 2024 and is expected to reach 54% by 2027. Given the current low market penetration rate, this signifies significant future development potential for Wi-Fi 7, promising substantial returns for enterprises and showcasing robust growth prospects. MarketDigits forecasts that the market value of Wi-Fi 7 from 2023 to 2030 will soar to \$26.2 billion, boasting a remarkable CAGR of 53.6%.

2. The Industry's Upstream, Midstream and Downstream Operations

The wireless LAN industry value chain begins with upstream IC design houses (e.g., Broadcom, Qualcomm, Sigma Designs) and IC manufacturers (e.g., TSMC, UMC). It then extends to midstream and downstream segments involving system design and manufacturing companies (e.g., Gemtek, CyberTAN, Askey Computer, Asus) as well as product distributors and brands (e.g., Belkin, Buffalo, Intel). Gemtek's supply chain starts with the procurement of key electronic components, including integrated circuits and circuit boards. These materials are processed through SMT (Surface-Mount Technology) assembly, followed by product testing, final assembly, and quality assurance. The finished products are then delivered directly to system integrators or distributed to end users through retail channels. Operating within the midstream manufacturing segment, Gemtek maintains close partnerships with various stakeholders across the value chain. The Company's business model and industry positioning are illustrated as follows:



3. Product Development Trends and Competition

In 2023, the industry witnessed the widespread commercialization of 5G and the emergence of AI applications. Despite a 7% decline in global server shipments compared to 2022, attributed to international uncertainties, the demand for AI servers continued to provide support for the global server market. According to IDC data, the global server market reached approximately \$128.5 billion in 2023, marking a modest growth of 4.3% from the previous year.

Looking ahead to 2024, alongside the opportunities arising from 5G FWA and the US-China trade war, another notable trend in the networking industry is the adoption of Wi-Fi 7. Wi-Fi has become indispensable for various activities, from work environments to public spaces like coffee shops, and it has evolved into a household essential with Wi-Fi routers being a staple. Wi-Fi technology has been advancing rapidly, with Wi-Fi 6 introduced in 2019 followed by Wi-Fi 6E in 2021. These advancements have seen significant adoption rates in markets across Europe and America. Comparing the technical specifications of Wi-Fi 6/6E with its predecessor Wi-Fi 5, the efficiency of transmission has tripled, thanks to the introduction of technologies like OFDMA (Orthogonal Frequency Division Multiple Access) and MU-MIMO (Multi-User Multiple Input Multiple Output). The spotlight is now on Wi-Fi 7, expected to elevate transmission speed by five times and increase the total network transmission capacity by the same margin

compared to Wi-Fi 6/6E. Moreover, the reduction in signal latency promises a nearly 15-fold enhancement in application efficiency. Wi-Fi 7 introduces Multi-Link Operation (MLO) from a technical standpoint, enabling network devices to simultaneously transmit and receive data across multiple frequency bands. This advancement is aimed to facilitate diverse applications across various work environments.

According to the Industry Research Report by the Institute for Information Industry, Japanese and Korean service providers started offering 10G home services as early as 2018. These services have been accompanied by preferential pricing plans that have effectively enticed users to upgrade their home networks. With only a \$7 price difference between 5 Gigabytes and 10 Gigabytes, consumers are drawn to the affordability of 10G fixed broadband services. In Europe, due to the low penetration rate of fiber networks, many service providers opt to upgrade directly to the highest standard of 10G service at once. After 2022, service providers, such as Deutsche Telekom and Orange in France, have begun widely deploying XGS PON. As for Telefonica (Spain Telecom), it has announced plans to utilize 50GPON starting in 2025. Turning to Asia, the demand for PON in the Chinese market has seen a considerable boost, which can be attributed to the upgrade requirements for the national telecommunication project established by the Chinese government. According to chipmakers, the overall demand scale of PON in China saw an increase of at least 15% in 2022 as compared to the previous year. The adoption rate of 10G PON has surged from almost zero penetration to around 20%, resulting in a twofold increase in both price and quantity. This increased penetration rate of 10G PON is expected to boost the acceptance of Wi-Fi 6 in the Chinese market.

When it comes to wireless wide area network (WAN) communication, Fixed Wireless Access (FWA) can be categorized into three technical specifications: LTE, 5G, and millimeter wave (mmWave). MmWave is a high-frequency spectrum of the 5G band, which lies above 24GHz. Utilizing the 5G mmWave spectrum is the most efficient way to establish high-speed and large-capacity networks. This technology can offer the best 5G experience in densely populated areas where network congestion is common. At present, 5G mmWave technology and its application scenarios are still in the nascent stage. During the 2023 Mobile World Congress (MWC), Qualcomm, Telefonica, and Ericsson made an announcement about the launch of Spain's first commercial mobile 5G mmWave network. This milestone in technology will allow compatible user devices to access the Telefonica 5G mmWave network powered by Ericsson during the conference. Qualcomm showcased an extensive array of 5G mmWave devices, enabled by Snapdragon mobile platforms, posing as a major driver for the growth of the mmWave industry. Meanwhile, the demand for switches is expected to rise, with a projected TAM (Total Addressable Market) growth of roughly 10% annually for the next 3-5 years starting from 2022.

Specifications and applications of various types of wireless network technologies:

Network Technology	Wi-Fi5 (802.11ac)	Wi-Fi6 (802.11ax)	Wi-Fi 6E (802.11ax)	Wi-Fi7 (802.11be)
Application Scenarios	Indoors/Outdoors	Indoors/Outdoors	Indoors/Outdoors	Indoors/Outdoors
Band or Spectrum	5GHz	2.4GHz/5GHz	2.4GHz/5GHz/6GHz	2.4GHz/5GHz/6GHz
Bandwidth	160MHz	160 MHz	160 MHz	320 MHz
Transmission Speed	11Mbps~1.73Gbps	9.6 Gbps	9.6 Gbps	30-46.1 Gps
Modulation	OFDMA, 256-QAM	OFDMA, 1024-QAM	OFDMA, 1024-QAM	OFDMA, 4096-QAM
Spatial Multiplexing	MU-MIMO (4 multi-users)	MU-MIMO (8 multi-users)	MU-MIMO (8 multi-users)	MU-MIMO (16 multi-users)
Details	Relative to 802.11ax, devices in 802.11ac mode, must compete with each other to transmit data. You can think of it as a wireless network transmitting data to various devices via a vehicle, 802.11AC (simultaneously) can only transmit data to one device at a time. Competing for wireless network transmission in this case resulted in a large amount of loss, therefore the wireless network transmission rate is low and requires more waiting time.	Wi-Fi 6 technology can increase the number of devices simultaneously connected to the service by each AP. Usually, when you connect more than a dozen devices at the same time through retail channels/domestic routers, you may have some challenges to Wi-Fi, and the use effect and experience will gradually deteriorate. The Wi-Fi 6 technology specifically introduces some new features, allowing the same server to serve multiple devices at the same time, which is an improvement over the previous generation.	Namely, Wi-Fi 6E represents an extension of the available frequencies that can be used to transmit Wi-Fi 6 signals. Wi-Fi 6E devices use the dedicated 6E spectrum with up to seven additional 160 MHz channels, making it easier for Wi-Fi 6E devices to experience the benefits and capabilities of gigabit speeds, while Wi-Fi 6 devices share the same spectrum congestion as other legacy Wi-Fi 4, 5, and 6 devices, with only two 160 MHz channels available.	Wi-Fi 7 will be the fastest Wi-Fi generation as of date, a technology that delivers an extremely high throughput of at least 30 Gbps and very low latency. The target application scenarios for next-generation Wi-Fi devices that comes after Wi-Fi 6 are augmented reality (AR) applications, fully immersive virtual reality (VR) applications, gaming applications, and cloud computing applications. With these challenging applications in mind, many new features have been incorporated into the IEEE 802.11be standard, which will enable a generation of devices with "Extremely High Throughput" (EHT). Features such as tri-band operation (supports 2.4 GHz, 5 GHz, and 6 GHz bands), ultra-wide 320 MHz channels, 4096 QAM modulation, 16×16 maximum MIMO and multiple Link Operation (MLO), which indicates that network performance is about to enter a new era.

Technology	3G	4G	5G
Time of Creation	1998	2008	2019-2020
Bandwidth (Uplink/Downlink)	64K/2M	50M/100M	Approx. 500M/1G
Type of Multiple Access	FDMA/CDMA	FDMA/OFDM	OFDM
Channel Bandwidth	5MHz	20MHz	100MHz (Below 6GHz) 400MHz (Above 6GHz)
Transmission Speed	70Mbps	64k~1Mbps	150Mbps ~ over 1Gbps
Application	Mainly used for sending and receiving short messages.	Sending and receiving text messages. Internet browsing speed is much smoother than 3G.	Sending and receiving text messages. Internet browsing, watch 4K videos without delay. Used in innovative applications such as the Internet of Vehicles and the Internet of Things.
Details	Cellular network mobile phone technology that supports high-speed data transmission. 3G service can transmit voice (calls) and information (email, instant messaging, etc.) at the same time. The representative feature of 3G is to provide high-speed data services, with a speed generally above several hundred kbps.	Based on technical standards and ITU's definition, when the static transmission rate reaches 1Gbps, and the user reaches 100Mbps under high-speed movement, it can be deemed as 4G.	The main advantage of the 5G network is that the data transmission rate is much higher than the previous cellular network, reaching up to 10 Gbit/s, which is 100 times faster than the current wired Internet and faster than the previous 4G LTE cellular network. Another advantage is its lower network latency (faster response time), which is less than 1 millisecond, compared to 30-70 milliseconds for 4G.

(III) Research and Development Overview

1.R& D Expenses by recent years and as of the publication of this Annual Report

Unit: New Taiwan Dollar ; %

Item	2024	2023
Investments	1,172,264	1,069,512
Operating Revenue	25,633,886	26,136,349
As a percentage of total revenue	4.57	4.09

Note: No financial forecasts have been prepared for 2025

2. Recent Research and Development Achievements

Year	Achievements
2023	<ul style="list-style-type: none">1.5G NR R16 Standard CPE2.5G Small Cell End-To-End System Development3.Computer Vision - based SIP Wireless Module Multi-Scan Solution4.Enterprise-grade WiFi Platform Development5.GPON/XGSPON 2-in-1 Broadband Integration System Development Plan6.High performace enterprise-grade xPON/g.fast integration universal platform development based on open software architecture7.Easy installation and cost effective 5G NR FR1+ FR2 ODU CPE development8.Cost effective 5G NR smallcell development for sharedband CBRS9.Scalable Phased Array Antenna Development for LEO application ka/ku-band10.High performance WiFi 7 AP platform development11.Tiny compact WiFi 7 extender development12.Cost effective WiFi 6/6e AP platform development13.Cost effective switch platform development
2024	<ul style="list-style-type: none">1.25GS PON SFU and HGU development2.AI Gateway with high speed optical WAN and advanced WiFi access3.Advanced fixed broadband platform based on DOCSIS 3.1/4.04.Carrier grade software platform development based on RDK-B and prpIOS5.5GNR R17 and RedCap client, module and SDK development6.High power 5G NR small cell system development7.High performance WiFi 7 AP platform development8.Tiny compact WiFi 7 extenter development and improvement9.Enterprise WiFi platform with POE product development10.Cloud based intelligent unified management system development with client security protection

	11.Scalable phased array antenna development for LEO application ka band 12.Cost effective mmwave point to multipoint system based on WiFi protocols development 13.Long-range wireless communication system development for Drone
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(IV)Short-term and Long-term Business Development Plans

(1)Short-term Business Development Plans

A.Marketing Policies

a.Customer Retention and Market Expansion

Learn about customer demands and market trends. Expand the scope of services on the basis of existing production capacity and professional knowledge to expand the scale of business.

b. Complete Marketing Channel

Set up domestic and overseas offices and liaisons through subsidiaries and strategic alliances and maintain a good rapport with distributors to form a well-structured marketing channel.

c. Complete After-Sales Service

Establish quality control inspections. Provide after-sales consultation and maintenance services.

B.Production Policy

a. Reduce Production Costs and Improve Production Efficiency.

Strengthen product planning and quality control. Train and develop employees. Implement budget and cost control to improve production efficiency and reduce production costs.

b. Product Inspection and Quality Control

Implement ISO-9001:2015 and TQM to enhance overall product inspection and manufacturing quality.

C.Industrial Development

The Company researches and develops wireless communication products such as wireless network cards and wireless gateways. In addition to seeking continuous improvement in the quality of existing products, the company continues to develop products that are in line with the latest technical standards and design wireless multimedia products and services to meet market demands.

D. Business Scale

Seek opportunities to expand business scale in order to achieve the Company's short-term goals in marketing, production, and R&D,

E. Finance

Obtain adequate sources of funding and investment plans to facilitate the Company's manufacturing and development goals.

(2) Long-term Business Development Plans

A. Marketing Strategy

- a. Follow market trends. Launch new products. Expand global market.
- b. Work with large-scale international businesses through strategic alliances or technical cooperation to win ODM/JDM/OEM orders.

B. Production Policy

a. Material Requirements Planning

Continue to improve the Company's Material Requirements Planning (MRP) system to maintain smooth operation, effective capacity and production quality. The goal is to enhance the overall efficiency of the supply chain and production lead time.

b. Automation

In order to successfully transition to production line automation, the Company needs to devise new product line layouts, invest in the professional training and development of operators, and discover more advanced manufacturing processes besides adding new machinery and equipment to the entire plan.

C. Product Development

Taiwan's telecommunications industry incorporates various types of technologies to facilitate the construction and development of wireless communication networks. Ranging from wireless base stations, Wi-Fi6 routers, modules, to LTE terminals and LTE small cell products, and 5G and Pre-5G products in response to the advent of 5G technology, then supplemented by wired G.fast and GPON with its existing copper cables to achieve 1 Gps in the last mile to replace expensive optical fiber -----the amalgamation of technologies has helped telecom operators to deploy and operate with better efficiency.

Bearing in mind its long-term global expansion goals, the Company devotes itself to the advanced development of wireless communication network software, hardware, application services, and product integration devices to satisfy customer requirements. The Company also invests heavily on the research and development of new technologies and products and seeks opportunities to work closely with enterprises through technology collaboration. The Company wishes to combine the next-generation 5G and Wi-Fi and other wireless technologies with its existing telecommunication architecture to achieve higher market growth and business profit.

D. Business Scale

Adhere to the concept of corporate sustainability. Establish a good corporate culture. Extend short-term development plans to accommodate growing business operations.

E. Finance

- a. Train and develop financial and accounting professionals..
- b. Strengthen comprehensive financial planning to reduce operational risks and enhance competitiveness.

II. Market Analysis and Status of Goods Production and Sales

(I)Market Analysis

1.Global Sales Regions and Statistics

Area \ Year		2023		2024	
		Amount	%	Amount	%
Domestic		683,144	2.61	753,115	2.94
Overseas	Asia	5,462,082	20.90	4,481,809	17.48
	Europe	7,372,291	28.21	7,184,689	28.03
	America	12,539,238	47.98	13,213,655	51.55
	Pacific	11,019	0.04	524	0
	Africa	68,575	0.26	94	0
Total		26,136,349	100.00	25,633,886	100.00

2.Estimated Market Share

Since the second half of 2023, the Company has adjusted its operational strategy, transitioning from an OEM model to direct supply relationships with end-brand customers. Our continued efforts in the telecommunications sector have yielded positive results, as evidenced by our growing share of telecom clients and successful expansion into Tier 1 customers across Europe and the United States. With telecom infrastructure products becoming increasingly widespread, the Company's main shipments now include fiber access devices, LTE and 5G terminals, and Wi-Fi products. Leveraging our strong R&D capabilities, we have launched a range of innovative, next-generation technology products. Notably, in 2024, we became the first networking company in Europe to deliver Wi-Fi 7 products—demonstrating clear leadership in both delivery speed and technological advancement compared to peers. Looking ahead, we aim to further refine our technologies and expand our global footprint to increase market share across various countries.

3. Market Outlook: Supply, Demand, and Growth Potential

According to Research and Markets, the global 5G infrastructure market is projected to reach USD 80.5 billion by 2028, with a compound annual growth rate (CAGR) of 49.8%. The pace of transformation brought by the 5G ecosystem is expected to be three to four times faster than previous mobile technology shifts. Furthermore, Ericsson's latest Mobility Report indicates a steady increase in global 5G subscribers—currently, one in four mobile users is on 5G. This trend is expected to continue, with 5G subscribers projected to surpass 4G users by 2027, making it the dominant mobile access technology.

Although global 5G population coverage is expanding, outside of China, only about 30% of base stations worldwide currently support mid-band 5G. To fully realize the potential of 5G, broader and denser deployments are essential. Additionally, rising demand driven by IoT and cloud applications, increased mobile device penetration, and the emergence of technologies such as network virtualization, AI, 5G, LPWAN, and edge computing are expected to fuel growing demand for both wireless and wired communication products.

4. Competitive Niche

A. Professional and Reliable Management Team

The Company's management team has many years of accumulated technological experience and are all veterans in the industry. They have the core technological knowledge and the ability to develop new products on their own. Consequently, their contributions has facilitated the Company to maintain a good competitive edge and remain second to none as a world leading manufacturer.

B. Complete Product Line and Effective Manufacturing

The company has been in the field of wireless communication since 1994. It has a complete product line of wireless devices and automated manufacturing processes. Based on years of broad experience, the company continues to refine its production abilities in terms of design quality and manufacturing effectiveness. The Company is recognized by international business partners for its superior product stability.

C. Excellent R&D and Production Capabilities

The company's R&D department continues to engage in the improvement of existing products, and pursue product innovation and diversification. Beginning from multimedia systems to the current wireless LAN network card products, the Company has always been able to keep pace with market trends, launch innovative products and increase overall profitability.

D. Well-Established Management System and Harmonious Labor Relations

The Company is well aware that if it wants to stay ahead in an increasingly competitive and volatile environment, and seek long-term sustainability in the market, the central strategies are to strengthen the company's management system and to elevate the effectiveness of employee training and development. In addition, a harmonious labor-management relationship is also a very important part, which needs to be backed by a good employee welfare system. In view of this, in addition to establishing a reasonable and sound management system through a written and standardized system, the company also pays special attention to employee welfare and workplace camaraderie to maintain harmonious labor relations, improve operating performance, and increase business profit.

E. Stable Customer Base and Complete After-Sales Service

The Company received the ISO9001 certification in 1999 and is a certified manufacturer. The Company attaches great importance to product quality and customer satisfaction, and maintains long-term partnerships with customers. The company has established a complete customer inquiry system and after-sales service.

5.Favorable and Unfavorable Factors in Prospects and Countermeasures

A.Favorable Factors

a. High Potential in Development Across the Industry

With the liberalization of global telecommunications, and the rapid development of mobile communications and networks, the communications technology is still the leading trend in the technological industry.

b. Has Obtained International Recognition

The Company is committed to the research and development and production of wireless LAN products. Its products and service applications continues to exhibit excellent quality, and has successfully won the recognition of international business partners.

c. Independent Research and Development Capabilities

The Company's management team has many years of accumulated technological experience and are all veterans in the industry. They have the core technological knowledge and the ability to develop new products on their own. Consequently, their contributions has facilitated the Company to maintain a good competitive edge and develop new products with accelerated speed.

d. Superior Quality

In terms of quality, the Company conducts strict testings and quality controls to deliver the best products to its customers. In terms of price, the Company implements a set of effective strategies in product planning and positioning, giving its business pricing a competitive edge. In addition, the company has established a good reputation with its outstanding after-sales service, which all contributes to the advanced development of the company.

e. Global Production Lines

In response to the changing geopolitical situation, the Company has also established offshore production lines in countries such as mainland China, Vietnam, and the Czech Republic. In terms of structural risk diversification, setting up manufacturing locations other than mainland China has helped clients avoid high tariffs created by the Sino-US trade war.

f. China-Free Internet

On April 29, 2020, the U.S. Department of State announced that the U.S. will begin requiring a Clean Path for all 5G network traffic entering and exiting U.S. diplomatic facilities. In August of the same year, the U.S. Secretary of State announced the expansion of The Clean Network to include Clean Carrier, Clean Store, Clean Apps, Clean Cloud, and Clean Cable. Telecom operators in the United States and its European and American allies began to remove Chinese manufactured equipment from the supply chain. The once Chinese-dominated market was therefore divided among European and American companies which in turn benefited the network technology industry in Taiwan immensely.

B. Unfavorable Factors and Countermeasures

a. Low-Cost Competition

Due to fierce competition in the market, business rivals often compete by cutting prices, which results in the declination of business profits.

Countermeasures

The Company is working towards the research and development of high profitability products, and hopes to expand the scale of operations and improve manufacturing processes to reduce production cost. At the same time, the Company plans to provide custom integrated services to enhance the overall performance of hardware device products, software, and cloud maintenance services.

b. Currency Fluctuation Risks

The Company sells products denominated in U.S. dollars. The appreciation of the New Taiwan Dollar will adversely affect revenue caused by foreign exchange losses. The Company has adopted measures such as currency hedging and customer negotiations to reduce the impact of exchange rate fluctuations.

Countermeasures

Adopt financial hedging strategies and negotiate with customers to adjust product prices.

(II) Main Products and Manufacturing Process

1. Main Products

Gemtek's wireless broadband products mainly consists of LTE data terminal routers. LTE is not only widely used among small units such as individuals and families, but also by large entities as in enterprises and factories. Wireless LTE can be deployed in wide metropolitan areas, and even in remote towns, pastures, and open landscapes, saving significant amount of cost in contrast to setting up wired network infrastructures. Gemtek owns a complete set of production lines designated to LTE portable routers, indoor routers, outdoor routers, and micro base stations to satisfy the different application requirements of operators and market demand.

The LTE system architecture includes Evolved Packet Core (EPC) and Evolved Universal Terrestrial Radio Access Network (E-UTRAN) [1]. EPC is a multi-access network based on the IP network protocol. It enables access to 3GPP wireless networks such as LTE and 3G, and can even connect to non-3GPP standard WLAN and WiMAX networks. Its main network components include Mobility Management Entity (MME), Serving Gateway (S-GW), Packet Data Network Gateway (PDN GW; P-GW), and Home Subscriber Server (HSS). In E-UTRAN, the base station (E-UTRAN Node B; eNodeB) is responsible for allocating the wireless network resources among User Equipment (UE).

The rapid development of diversified networking such as streaming media, online games, IP VoD, 4K/8K Ultra HD quality and the Internet of Things is giving rise to the incessant demand for bandwidth. Fixed-line technology is still undergoing evolutionary changes. The telephone transmission technology has progressed from VDSL2 to 106MHz and 212MHz G.fast; fiber-optic transmission technology has also evolved from 2.5G GPON to 10G XGS-PON and 40G NG-PON2.

Gemtek provides a whole series of new-generation fixed-line broadband products, including PON, xDSL/G.fast, and DPU, which can all be customized to meet customers' diverse network requirements and develop terminal equipment that render a higher competitive edge in the market.

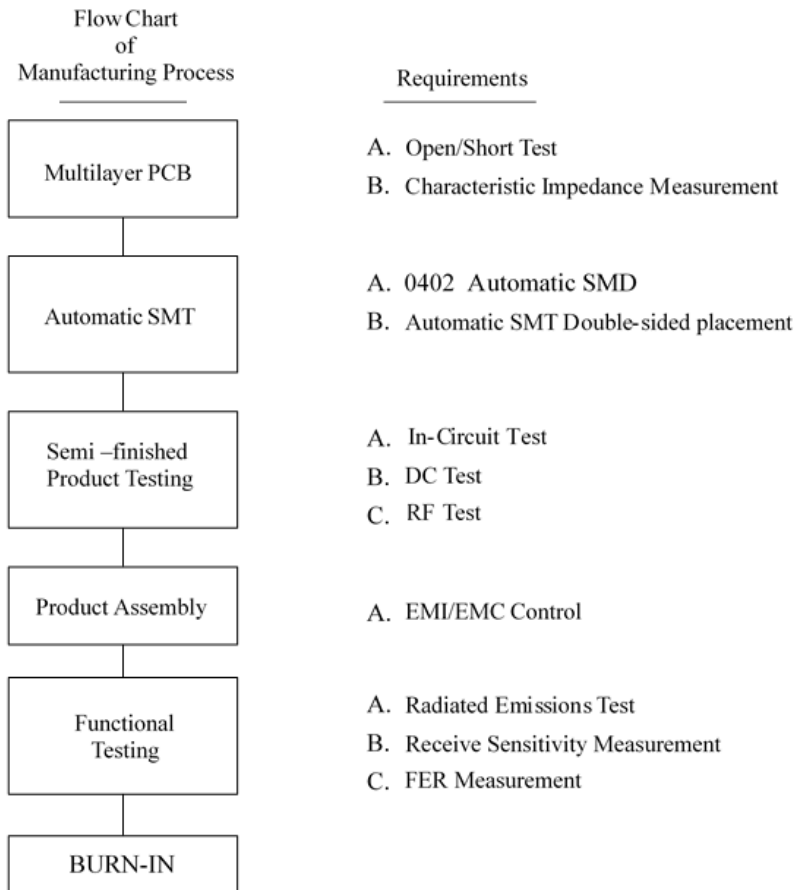
Smart products have become essential parts of our everyday life. People nowadays are looking beyond the high speed and high coverage of Wi-Fi for

more connectivity. Gemtek has been working in the telecommunications field for over 30 years, and had developed numerous products that are in line with technological advances. From 802.11ac to 802.11ax, WiFi networks have become more efficient with its broadened capacity and ability to coordinate multiple access points at the same time. 802.11ax also supports 2.4GHz and 5GHz bands, and can be used in various high density wireless scenarios. Smart devices can be used to manage all sorts of sensors and smart products, allowing enterprise applications and smart homes to be deployed with more flexibility.

Gemtek has also incorporated the latest WiFi technology into its seamless wireless mesh network system to enhance network reliability and allow for multiple connections. The system is capable of automatically detecting and switching between Wi-Fi access points to optimize Wi-Fi signals, working towards the goal of achieving zero attenuation and zero dead ends to build a truly seamless network environment.

Last but not least, Gemtek's smart sensors alongside with its controlling systems are designed to automatically screen or monitor the environment, and then help create the best living condition through indoor smart controlling devices. The series of smart sensor and device solutions can also be managed remotely through mobile phones and computers. These solutions can be used for the purpose of security monitoring, access control management, and energy-saving control etc., to allow for a better quality of life.

2.Manufacturing Process



(III) Supply of Raw Materials

The main raw materials of the company's products include integrated circuits, circuit boards, wires, diodes, and capacitors, among which the raw materials that are used to assemble communication chipsets are made by designated manufacturers overseas. Due to the fact that these special components rely mainly on import, which the long wait for supply delivery might affect the overall production lead time, therefore, effective inventory control is vital to get the Company better prepared for unexpected supply outages. Procurement of raw materials from certified domestic suppliers may have less of an issue in terms of supply shortage, though the supply of several passive components can be tight at times, the Company has established contingency plans to mitigate the risks caused by insufficient supplies. As of now, there are no cases where the Company's production plans were hindered or suspended by the lack of raw materials.

(IV) Sales and Procurement Data from the Past Two Years

1.Sales Data

	2023				2024			
Item	Name	Amount	As a percentage of total net procurement (%)	Relationship with the Company	Name	Amount	As a percentage of total net procurement (%)	Relationship with the Company
1	Client A	7,647,327	29.26	None	Client A	8,655,464	33.77	None
2	Client B	4,137,381	15.83	None	Client B	4,872,713	19.01	None
3	Client C	2,758,311	10.55	None	Client C	1,574,772	6.14	None
	Others	11,593,330	44.36		Others	10,530,937	41.08	
	Net Sales	26,136,349	100.00		Net Sales	25,633,886	100.00	

2.YoY Sales Variance Analysis:

The revenues of the top two clients remained relatively unchanged. Client C, on the other hand, saw a decrease in revenue share due to changes in the company's operational strategy.

3.Procurement Data

	2023				2024			
Item	Name	Amount	As a percentage of total net procurement (%)	Relationship with the Company	Name	Amount	As a percentage of total net procurement (%)	Relationship with the Company
1	Supplier A	1,943,313	9.61	None	Supplier A	2,807,878	14.51	None
	Others	18,286,857	90.39		Others	16,538,441	52.49	
	Net Procurement	20,230,170	100.00		Net Procurement	19,346,319	100.00	

4. YoY Procurement Variance Analysis:

Our company sells a wide variety of product specifications, and we procure a diverse range of chipsets in different quantities. Apart from concentrating our purchases from designated suppliers specified by customers, we have numerous other procurement items. Additionally, due to our diversified product line and collaborations with numerous domestic and international manufacturers, our procurement sources are decentralized, with no centralized purchasing situation.

III. Employees

(I) Human Resource Data for the Past Two Years

Unit:

Persons

Year		2023	2024	As of March 31, 2025
Number of Employee(s)	Direct Employees	1978	1281	1605
	Indirect Employees	2376	2659	2184
	Total	4354	3940	3789
Average Age		33.39	35.50	36.00
Average Tenure		4.38	6.17	6.00
Distribution of education background (%)	Doctorate or Professional Degree	0.11%	0.10%	0.11%
	Master's Degree	9.69%	10.30%	10.27%
	Bachelor's Degree	27.54%	34.67%	32.86%
	High School Degree	48.97%	39.14%	38.30%
	Less Than High School	13.69%	15.79%	18.47%

Note: The total number of employees in 2023 includes 8 employees from Gemtek (Changshu) plant and Gemtek Czech plant.

As of March 31, 2024, the total number of employees also includes 8 employees from these two locations.

(II) Training and Development

Employees are Gemtek's most valuable asset. Therefore, the proper planning and utilization of all resources to continuously invest in employee training and development is a critical and important task.

In line with the Company's employee training and development policies, training course content and schedules are determined based on operational needs and essential knowledge required in the workplace. During the pandemic, most in-person courses were either cancelled or postponed to prevent group gatherings, leading to a reduction in both training expenses and total training hours. In 2024, Gemtek recorded a total of 100,942.6 employee training hours, averaging 25.67 hours per employee. The training course implementation rate reached 100%, and total training expenses amounted to NT\$1,545,670 (pre-tax).

Gemtek's training programs are grouped in the following categories:

1. New Employee Training:

Training programs should include new employee orientation, a tour of the workplace environment, brief introduction to the company's products, manufacturing process, systems, information security, and standards of quality, and general courses such as personal development and engagement. Other day to day training would include on-the-job induction training given by team mentors to help the new employee learn and adapt to their roles to quickly achieve a higher level of performance. The goal of all trainings are to help new employees acclimate to the organization in order to contribute their knowledge and skills with less effort, and be conscientious of rules that are imperative to their rights, health, safety, and their obligations as an employee.

2. Industry and Product Training:

The Company holds a series of industry and product training courses from time to time to keep employees updated with the latest product developments and information that are relevant to the wireless communication technology.

3. Language Training:

Having a higher level of English fluency may help employees engage in better communication with Gemtek's worldwide business partners. The Company holds business English courses from time to time to help employees master the skills that may be beneficial to their job performances.

4. Professional Training:

Include research and development training, quality management training, and business marketing training.

5. Management training:

Training programs are carried out according to the different levels of management. The main idea is to instill insight and leadership skills among managers.

6. Occupational Safety and Health Training:

As mandated by law, the Company has the obligation to educate employees about occupational safety and health as part of the corporate goal to build a safer and healthier work environment.

7. Intellectual Property Training:

A general guide to help R&D employees understand patents and the patent application process.

8. Human Rights Training:

Conduct training programs on labor rights, humane treatment, anti-discrimination, integrity management, business ethics, anti-illicit trade, etc., to implement corporate social responsibility.

In addition to the above-mentioned corporate training programs, each department are granted a budget to allow employees to pursue further studies through external

training programs such as seminars, professional and management courses, and so forth. In addition, internal training programs may also encompass broader engagements such as cross-departmental trainings, experience sharing forums, book clubs, etc. The goal is to create a learning atmosphere where employees may have the appropriate sources to learn continuously.

(III) Employee Code of Ethics and Conduct

The Company's work principles are based on code of ethics and professional conduct. Employees should be diligent, prudent, and trustworthy. They have the obligation to contribute their knowledge and capacity to the Company, and abide by the code of ethics and professional conduct throughout work. The rules that the Company's employees should abide by are as follows:

1. Company employees, being part of the Company, are responsible for maintaining the Company's reputation, exhibit camaraderie, be loyal and diligent, and abide by all rules and regulations of the Company.
2. Employees should follow the reasonable supervision and guidance of supervisors at all levels and pay attention to work safety. Supervisors at all levels should respect employee's individual identity, show appreciation to subordinates, and provide proper guidance to help employees complete their work.
3. Employees should be fully engaged and committed to their work, respect public property, implement cost-saving initiatives, improve operations quality, increase business production, ensure overall effectiveness, and practice professional business conducts in terms of securing trade secrets and confidential information.
4. Employees must not exhibit arrogance, laziness, or other toxic behaviors that could harm the reputation of individuals and the Company.
5. Employees are not allowed to bring relatives, friends and guests into the factory without approval.
6. Employees are not allowed to carry hazardous substances, dangerous goods, prohibited items, flammable (explosive) materials, or things that have nothing to do with workplace duties.
7. Employees are not allowed to bring company property off company grounds without prior approval.
8. Employees must not make secret profits for themselves by virtue of their positions, and must not violate their duties by accepting improper rebates, gifts, entertainment, or other illegal benefits from others.
9. Without the written consent of the Company, employees are not allowed to conduct side businesses that are related to their current work which may impact personal or organizational performances. Nor should employees create a similar business, either individually or through a third party, which may have the potential to compete with the Company.

10. The Company name and brand can only be used for business or commercial reasons.

11. Maintaining and Protecting Trade Secrets

(1) Employees of the Company shall observe the rules to maintain and protect trade secrets that are relevant to the business.

(2) Employees of the company shall not attempt to obtain or inquire about the trade secrets that are not related to their own business.

(3) Employees of the company shall not share or discuss salaries with co-workers.

(4) If the disclosure of trade secrets should inflict any sort of damage to the Company, the Company shall, in accordance with the law, be entitled to claim compensation to secure and maintain the rights of its mass shareholders and employees.

IV. Environmental Protection Expenditure

1. According to laws and regulations, if it is required to apply for a permit for installing anti-pollution facilities, or permit of pollution drainage, or to pay anti-pollution fees, or to organize and set up an exclusively responsible unit/office for environmental issues, the description of the status of such applications, payment or establishment shall be made:

(1) Application status for Permission to Install Anti-Pollution Facilities or Discharge Wastes:

As our Company is situated in the vicinity of the Hsinchu Industrial Park centralized sewage system, regulations require us to channel our wastewater discharge through the local system. Accordingly, we applied for a permit and received approval in official letter Hsingungzhi No. 1075152039, issued on August 31, 2018, valid from October 24, 2023 to October 23, 2028.. The wastewater from Gemtek Technology is now discharged into the sewage system, and undergoes treatment at the Hsinchu Industrial Park Sewage Treatment Plant, where the discharge is tested to ensure it meets government standards before being released.

(2) Payment status for Pollution Control Fees: The Company pays a monthly fee to the Hsinchu Industrial Park Management Center for sewage treatment.

2. Setting forth the company's investment on the major anti-pollution facilities, the use purpose of such facilities and the possible effects to be produced: None

3. Describing the process undertaken by the company on environmental pollution improvement for the most recent 2 fiscal years and up to the prospectus publication date. If there had been any pollution dispute, its handling process shall also be described: None

4. Describing any losses suffered by the company in the most recent 2 fiscal years and up to the prospectus publication date due to environmental pollution incidents

(including any compensation paid and any violations of environmental protection laws or regulations found in environmental protection inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

None

5. Explaining the current condition of pollution and the impact of its improvement to the profits, competitive position and capital expenditures of the company, as well as the projected major environment-related capital expenses to be made for the coming 2 fiscal years:

The Company mainly researches, develops, designs, produces, and sells wireless communication products, and is a major player in the electronic high-tech industry. The Company's manufacturing process consists of surface dressing, product testing, product assembly, and product packaging. The Company's main source of gas emissions is the small amount of exhaust gas generated by soldering operations. The Company commissions an accredited environmental inspection agency to perform tests regularly, and files declarations to the Environmental Protection Agency on a quarterly basis in compliance with regulations. Over the years, the amount of gas emissions have met regulatory standards, and no major cases of air pollution have occurred. In terms of waste management, all wastes are entrusted to qualified waste management companies approved by the competent authority, and online declarations are made in accordance with regulations to ensure that there are no environmental pollution issues.

With the rise of environmental awareness, Gemtek has not only actively participated in environmental activities in recent years, but is also obligated to comply with energy-saving regulations during the use of electricity, water, and waste output. In order to achieve the Company's goal in energy conservation and carbon reduction, the Company has installed central air conditioning systems for its offices and factories. The temperature settings of the central air conditioners are adjusted accordingly to provide a comfortable workplace and meet the standards of environmental protection and energy conservation. The Company has replaced its office lighting in various phases. Office lights are scheduled to automatically switch off at night, and guards will inspect the lighting during patrols. In addition, the Company cafeteria serves meals to employees with the use of eco-friendly tableware, and invests in commercial dishwashers to reduce excessive use of water.

V. Labor-Management Relations

Employees are Gemtek's most valuable asset, and the cornerstone of success. Gemtek makes proactive efforts to ensure that each and every one of our colleagues feel appreciated for their time and contributions. In order to enhance and perpetuate this well-balanced organizational atmosphere and culture, Gemtek is fully committed to providing employees with the best workplace environment, while helping our employees achieve higher expectations and standards in life. Respect and care are part of Gemtek's core principles, therefore, Labor-Management Relations has always been harmonious and well-maintained. In the future, we will continue to build even better working environments and create satisfactory benefits for our employees. And through various welfare measures and leisure activities, we hope to provide employees with the opportunities to maintain mental and physical well-being between work and life, as well as strengthen team spirits and group cohesiveness to achieve long-term corporate sustainability.

(I) List any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation.:

Employee Welfare Committee and Retirement Plan Committee

Name	Date of Establishment	Letter Granted by Competent Authority
Employee Welfare Committee of Gemtek Technology Co., Ltd.	January 19, 1999	1999Beifulaoshizhi No.20324
Supervisory Committee of Business Entities' Labor Retirement Reserve of Gemtek Technology Co., Ltd.	October 30, 2000	2000Fulaozhizhi No.159743

1. Employee Benefits:

(1) Labor Insurance and National Health Insurance:

The Company offers Labor Insurance and National Health Insurance benefits to Gemtek employees starting from the first day of work.

(2) Group Insurance Plan:

Based on the job grades of individuals, Gemtek employees can receive an additional Group Insurance Plan benefit which the premiums are paid at the Company's expense. Employees are also given the option to purchase Self-insured Plans for family members, providing an extra layer of coverage and care for the their loved ones.

(3) Travel Insurance for Business Trips:

Gemtek employees are entitled to receive a comprehensive, company-paid travel benefit for any accidental death or injury that may occur when going on business trips.

(4) Staff Cafeteria, Dormitory, Parking Lot.

(5) Employee Bonus and Compensation Programs.

(6) Recreational Areas and Break Rooms:

Gemtek headquarters is equipped with an indoor cafe, aerobics training room, office gym, table tennis room, badminton court, basketball court, etc.

(7) Family-Friendly Initiatives

In line with its commitment to corporate social responsibility, the Company actively supports government initiatives to encourage childbirth and has implemented a range of family-friendly policies to foster a supportive, parent-friendly workplace. These efforts aim to help employees achieve a balance between work and family life.

During Pregnancy	<ol style="list-style-type: none"> 1. Baby Care Gift Pack: Provided to employees or their spouses, the pack includes breastfeeding and postnatal care items as a token of care and support. 2. Maternity Classes: Specialized seminars and workshops hosted by professional childcare instructors covering practical parenting topics, including pregnancy, breastfeeding, and care for children aged 0–3. 3. Designated Parking for Expectant Mothers: Reserved parking spaces close to elevator entrances for expectant mothers, ensuring easy access to the main office building and a safer, more comfortable commute.
Post-Childbirth	<ol style="list-style-type: none"> 1. Lactation Room: A private and comfortable breastfeeding room equipped with sterilizers, refrigerators, and freezers. The facility is available to employees at any time, without restrictions on duration or frequency, supporting a stress-free breastfeeding environment. 2. Welfare Committee Support: <ol style="list-style-type: none"> 2.1 Newborn Gift Voucher: NT\$3,000 gift voucher available to employees or their spouses upon childbirth. 2.2 Partnered Service Providers: Special discounts offered through agreements with postpartum care centers and childcare facilities in Hsinchu County and City. 3. Childcare Allowance: Provided to employees or their spouses who have completed one year of service and have children over the age of one.

(8) Employee Stock Ownership Trust :

To align employee interests with long-term company performance, the Company offers a stock ownership trust program. Full-time Taiwanese employees who have completed three months of service and meet the position criteria may voluntarily participate. Under the program, participants contribute a fixed amount monthly, and the Company matches it with an incentive contribution. Shares are purchased on a regular basis and managed by a dedicated Employee Stock Ownership Trust Committee.

(9) Employee Benefits Committee:

To enhance employee well-being, the Company allocates a portion of its budget to an Employee Benefits Fund in accordance with the Employee Benefits Fund Act. An Employee Benefits Committee is established to manage and implement a variety of programs, including birthday gifts, travel subsidies, holiday bonuses, marriage and childbirth grants, bereavement assistance, and subsidies for recreational and club activities.

2. On October 30th, 2000 (89 FuLaoZhiZhi Letter No. 159743), the Company has officially established a Supervisory Committee of Business Entities' Labor Retirement Reserve in accordance with the provisions of the "Rules Governing Organization of Supervisory Committee of Business Entities' Labor Retirement Reserve" promulgated by the Ministry of the Interior. The Supervisory Committee prepares a retirement reserve based on the approved provisions each year. This retirement reserve is allocated to a special account owned by the Labor Retirement Reserve Supervisory Committee for future pension payments. In addition, in accordance with the Labor Pension Act, for employees who have chosen the new labor retirement plan since July 1, 2005, the company will deposit 6% of the employee's salary to the employee's personal labor retirement pension account every month, which will be kept under the custody of the Bureau of Labor Insurance. Until 2024, the total amount of retirement pension paid is NTD\$19,570,015.

3. In order to enhance the quality of human resources, the Company has formulated employee education and training programs to sustain the company's development goals and support lifelong learning plans for employees. The ultimate goal is to cultivate talents at all levels, keep employees inspired, and improve work efficiency.

4. Health Management:

(1) Hold employee health promotion activities and lectures regularly. Provide high-quality health management services.

(2) Routine on-site healthcare services.

(3) In addition to the regular health check items required by law, we have voluntarily added up to 12 additional check items, such as abdominal ultrasound and liver function tests. Additionally, we offer optional paid check items for employees to choose from, facilitating the early detection and control of health issues

(4) For employees engaged in tasks with special health hazards, special health checks are conducted according to the plan. The company strictly follows the Personal Data Protection Management Act to maintain the confidentiality of each employee's personal health information. Based on the health examination results, the factory nurse conducts analysis of the top ten abnormalities and individual health grading management within the factory. Annual health promotion activities are planned accordingly, such as weight loss programs, walking exercises, lectures by renowned doctors, and bone density tests, to assist colleagues in enhancing health awareness and practicing healthy lifestyles.

(5) We employ full-time chefs to prepare meals for employees, instead of outsourcing to catering companies. Our buffet offers one main dish, four side dishes, soup, and fruits daily. For staples, there are options of white rice and brown rice, with considerations for vegetarian choices. In addition to rice, various noodle dishes are also available for colleagues to diversify their meal choices. We prioritize the health and balanced nutrition of our colleagues by carefully selecting fresh ingredients, minimizing processed foods, and avoiding reused cooking oil. All meals undergo strict supervision by a nutritionist, and the menu clearly indicates the calorie content of each dish, allowing employees to manage their portions and calories independently. Our aim is to ensure that employees eat with peace of mind, lose weight effortlessly, and maintain a happy, healthy lifestyle without regaining weight.

5. Status of labor-management agreements and measures for preserving employees' rights and interests.

(1)Department Meetings: Mainly for addressing issues on communication, allocation of human resources, uncovering problems, in addition to promoting and executing certain matters. The purpose of the meetings is to allow employees to fully understand the Company's standards in production, technology, safety, and quality, as well as create a sense of camaraderie.

(2)Employee Welfare Committee Meeting: Meetings are held quarterly to discuss and inspect matters that center on employee welfare, and also for the purpose of allowing managerial offices to reflect on these particular issues. Representatives of labor and management are to sit together and discuss the policies and measures to improve employee welfare, i.e. understanding employee demands and concerns.

(3)The Company regularly convenes labor-management meetings and has also established an anti-sexual harassment committee. The duty of the ad hoc committee is to address and respond to grievances regarding sexual harassment.

(4)Diverse Communication Channels :The Company is committed to transparency and accountability by maintaining open and accessible communication channels for all stakeholders. A dedicated feedback and whistleblowing platform is available on the corporate website, enabling stakeholders to submit suggestions or report concerns related to corporate social responsibility and ethical conduct. Internally, employees may voice opinions or file complaints via suggestion boxes or other channels publicized through internal communications. All reports are handled by a designated task force, which conducts preliminary reviews and forwards valid cases to the appropriate department for further investigation. To protect whistleblowers, the Company strictly enforces confidentiality protocols, safeguarding the identity of the reporting party and the contents of the report. Retaliation of any kind against whistleblowers is expressly

prohibited. Furthermore, the Company integrates lessons learned from confirmed violations into case-based training sessions to strengthen internal controls, improve management procedures, and prevent recurrence of similar incidents.

(II) List any losses suffered by the company in the most recent 2 fiscal years and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

The company has always attached importance to labor-management relations and has made efforts to maintain a harmonious labor-management relationship. There has been no loss due to labor disputes. It is estimated that in the future, under the company's comprehensive employee welfare measures, no labor disputes shall occur.

VI. Cyber Security Management

(I) Cyber Security Risk Management Framework:

In August 2010, our company founded the "Cyber Security Committee," led by the head of the Information Technology Department as the chairman. The committee holds management review meetings every six months to create and evaluate cyber security management objectives and policies, establish business continuity plans for information-related operations, and implement information-related activities in accordance with applicable laws and regulations. The committee is responsible for developing the cyber security management manual and supervising the implementation of the management system, in addition to other related tasks. The content includes:

1. The committee reviews and releases the cyber security management manual and regulations by assessing the company's cyber security strategies, operational needs, changes in laws and regulations, cyber security requirements, technological advancements, and acceptable risk levels,.
2. Determine the acceptable level of cyber security risk by assessing the results of the report.
3. Negotiate and establish various control measures and processing procedures for cyber security.
4. Supervise the introduction process of the cyber security management system.
5. Review and improve the current cyber security management system to enhance its operational efficiency and effectiveness.
6. Monitor and review the response and improvement measures of significant cyber security incidents.

(II) Cyber Security Policy:

To ensure robust cyber security management and compliance with the ISO 27001 Information Security Management System's requirements for confidentiality, integrity, and availability, 10 Cyber Security Policies have been defined to prevent risks such as destruction, theft, leakage, tampering, abuse, and intentional actions. These policies are intended to maintain the continuous operation of information systems and businesses while meeting applicable legal regulations and the demands of internal and external stakeholders. The policies are duly announced on the company's official website. All personnel are required to be familiar with these policies and comply with relevant cyber security control procedures and regulations.

(III) Types of Controls and Measures:

Type	Explanation	Controls and Measures
User Management	Employee User Accounts, Authorization, and System Operation	1.Manage and perform regular reviews on employee user account permissions. 2.Manage machine room access controls. 3.Email system two-factor authentication to ensure email security.
Access Control	Access to internal and external systems and information by personnel	1.Audit and management of system access permission. 2.Data access control 3.Record of operational behavior trails
Internal and External Threats	Protection measures for system vulnerabilities, antivirus and anti-hacking	1.Conduct system vulnerability scanning, system updates, and vulnerability remediation periodically. 2.Separate office and production networks. Establish next-generation firewalls (NGFW) for advanced protection based on application Layer 7 systems to prevent virus attacks. 3.Detect and prevent malicious behaviors by using virus detection softwares and updates, and introduce Managed Detection and Response (MDR) outsourced services. 4.Strengthen email security, including spam blocking and email virus detection. 5.Conduct network risk assessments through a third-party threat detection service, SecurityScorecard The company has maintained a level A rating throughout the year
System Availability	Measures for handling system availability and service interruption	1.Monitor system and network availability. 2.The uninterrupted power supply system in the data center was updated this year to a rack-mounted modular UPS system to provide higher scalability and continuous power for 90

Type	Explanation	Controls and Measures
		<p>minutes minimum.</p> <p>3.Introduce new backup software and hardware to strengthen off-site data backup and enhance control for potential destruction.</p> <p>4.Perform disaster recovery drills and restoration exercises periodically. A total of 59 drills and exercises were conducted this year.</p>
Cyber Security Training and Campaigns	Strengthen employees' awareness and concepts of information security	<p>1.There were a total of 16 cyber security awareness campaigns, including topics such as prevention engineering for email and social media, prevention of business email scams, and compliance with intellectual property rights.</p> <p>2.Cyber security education and training: Different levels of training rollouts were offered to general employees and IT professionals. A total of 19 sessions and 634 hours were provided.</p> <p>3.To enhance phishing email awareness, social engineering drills were conducted, and further education and training were provided for personnel who violated policies.</p>
Other Strengthening Measures		<p>1.Establishment of a New Log Management Platform to ensure compliance with customer requirements and regulatory retention policies. The platform is designed with robust protection mechanisms to secure log data and maintain system integrity.</p> <p>2.Implementation of Web Application Firewall (WAF) on the Company's official website to safeguard against cyber threats, particularly Distributed Denial-of-Service (DDoS) attacks. This measure strengthens the website's defense capabilities and enhances overall cybersecurity resilience.</p>

(IV) ISO 27001:2022 Certification for Cyber Security Management System:

Gemtek obtained ISO 27001 certification in August 2010 as part of its cyber security control measures to meet the requirements of cyber security management plans, international cyber security management systems, and to satisfy the cyber security demands of stakeholders. The certificate is valid from August 2022 to August 2025. This implementation has not only enhanced our cyber security management and operational capabilities but has also safeguarded the security of assets belonging to both our company and customer. In addition, this year we have joined the government's TWCERT/CC Cybersecurity Alliance to share intelligence information, strengthen cybersecurity collaborative defense systems, and enhance our self-protection capabilities.

(V)Cyber Security Breach and Incidents :

List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None

VII Important Contracts

Type of Contract	Counterparty	Contract Period	Main Content	Restrictive Clauses
Development & Manufacturing Contract	A Company	June 11, 2013~ still effective	Gemtek is commissioned by counterparty to development network communication products	Confidentiality clause
Development & Manufacturing Contract	B Company	January 30, 1997~ still effective	Gemtek is commissioned by counterparty to development network communication products	Confidentiality clause

V. Financial Position, Operating Results, and Risk Factors

I. Financial Summary

Unit: NT\$, All in thousands

Items \ Year	Dec. 31, 2024	Dec. 31, 2023	Difference	(%)
Current assets	14,047,176	13,525,962	521,214	3.85
Long-term equity investment	3,135,257	4,045,215	(909,958)	(22.49)
Property, plant, and equipment	3,529,130	3,411,716	117,414	3.44
Other assets	911,627	987,235	(75,608)	(7.66)
Total assets	21,623,190	21,970,128	(346,938)	(1.58)
Current liabilities	8,081,144	7,268,534	812,610	11.18
Non-current liabilities	465,428	1,506,003	(1,040,575)	(69.10)
Total liabilities	8,546,572	8,774,537	(227,965)	(2.60)
Share capital	4,278,886	4,056,057	222,829	5.49
Capital surplus	5,757,129	5,329,633	427,496	8.02
Retained earnings	2,847,713	2,790,506	57,207	2.05
Other items under equity	(150,377)	663,200	(813,577)	(122.67)
Non-controlling interests	343,267	356,195	(12,928)	(3.63)
Total equity	13,076,618	13,195,591	(11,887,973)	(0.90)
1. Analysis of variations and impact: (For changes exceeding 20% and NT\$10 million in absolute value)				
(1) Long-term Equity Investments decreased by 22.49%, primarily due to the disposal of financial assets measured at fair value through other comprehensive income (Polaris-KY).				
(2) Non-current Liabilities decreased by 22.49%, mainly due to the reclassification of corporate bonds payable to current liabilities.				
(3) Other Equity decreased by 122.67%, primarily due to the fair value valuation of financial assets measured through other comprehensive income (Polaris-KY: NT\$45.65 million in 2024 vs. NT\$75.6 million in 2023)				
2. Countermeasures: None. The above changes have no significant impact on our company.				

II. Business Performance

(I) Business Performance Analysis

Unit: NTD, All in thousands

Items \ Year	2024	2023	Difference	(%)
Net operating income	25,633,886	26,136,349	(502,463)	(1.92)
Operating cost	22,594,639	23,365,192	(770,553)	(3.30)
Gross profit	3,039,247	2,771,157	268,090	9.67
Operating expenses	2,457,203	2,307,532	149,671	6.49
Operating profit	582,044	463,625	118,419	25.54
Non-operating income and expenses	318,837	325,043	(6,206)	(1.91)
Income before taxation	900,881	788,668	112,213	14.23
Income tax expense	266,623	243,123	23,500	9.67
Net profits of the current year	634,258	545,545	88,713	16.26
Other comprehensive loss	(852,539)	(611,436)	(241,103)	39.43
Total comprehensive income	(218,281)	(65,891)	(152,390)	231.28

1. Analysis of variations (For changes exceeding 20% and NT\$100 million in absolute value):
 (1) Operating Profit increased by 25.54%, primarily due to an improvement in gross margin (from 10.6% to 11.86%).
 (2) Other Comprehensive Loss increased by 39.43%, mainly attributable to a higher fair value loss on financial assets measured through other comprehensive income (an increase of NT\$575,743 thousand compared to the prior period), partially offset by a gain in cumulative translation adjustments (an increase of NT\$337,095 thousand compared to the prior period).
 (3) Total Comprehensive Income decreased by NT\$152,390 thousand compared to the prior period, primarily due to the increase in other comprehensive loss.
 2. Countermeasures: None. The above changes have no significant impact on our company.

(II)Gross Profit Variance Analysis:

Unit: NTD, All in thousands

Product	Factor Analysis	Year 2023~2024
Wireless Network Card	(I)Revenue Variance Analysis:	
	$P(Q' - Q)$	241,857
	$Q(P' - P)$	(56,433)
	$\frac{(P' - P)(Q' - Q)}{P'Q' - PQ}$	<u>(8,307)</u>
		177,117
	(II)Cost Variance Analysis:	190,969
	$P(Q' - Q)$	20,543
	$Q(P' - P)$	<u>3,024</u>
	$\frac{(P' - P)(Q' - Q)}{P'Q' - PQ}$	214,536
		(37,419)
	(III) Difference:	
Wireless Gateway	(I) Revenue Variance Analysis:	
	$P(Q' - Q)$	(3,947,104)
	$Q(P' - P)$	4,966,743
	$\frac{(P' - P)(Q' - Q)}{P'Q' - PQ}$	<u>(923,248)</u>
		96,391
	(II) Cost Variance Analysis:	(3,595,591)
	$P(Q' - Q)$	4,222,556
	$Q(P' - P)$	<u>(784,914)</u>
	$\frac{(P' - P)(Q' - Q)}{P'Q' - PQ}$	(157,949)
		254,340
	(III) Difference:	
Wireless Modules	(I) Revenue Variance Analysis:	
	$P(Q' - Q)$	(80,300)
	$Q(P' - P)$	(31,282)
	$\frac{(P' - P)(Q' - Q)}{P'Q' - PQ}$	<u>12,833</u>
		(98,749)
	(II) Cost Variance Analysis:	(79,634)
	$P(Q' - Q)$	(31,350)
	$Q(P' - P)$	<u>12,861</u>
	$\frac{(P' - P)(Q' - Q)}{P'Q' - PQ}$	(98,123)
		(626)
	(III) Difference:	
Others	Difference:	51,795
Total		268,090

Note: P' represents the unit price for the current year, P represents the unit price for the previous year, Q' represents the sales volume for the current year, and Q represents the sales volume for the previous year.

1. Wireless Network Card

Following the easing of the pandemic, demand for wireless network cards in laptops and desktop computers remained subdued. However, starting in 2024, demand began to recover, leading to an increase in shipment volume and a favorable volume variance of NT\$241,857 thousand in sales revenue. On the other hand, a slight price decline resulted in an unfavorable price variance of NT\$56,433 thousand. In terms of cost of goods sold, the increase in shipment volume led to an unfavorable volume variance of NT\$190,969 thousand. Additionally, global inflation drove up material costs, resulting in an unfavorable price variance of NT\$20,543 thousand. Due to a decline in the overall product mix and production scale, there was an unfavorable mix variance of NT\$8,307 thousand in sales revenue and NT\$3,024 thousand in cost of goods sold. Overall, the gross profit from wireless network card sales in 2024 decreased by NT\$37,419 thousand compared to 2023.

2. Wireless Gateway

In 2024, demand for existing wireless gateway-related devices continued to weaken, resulting in a decrease in shipment volume and an unfavorable volume variance of NT\$3,947,104 thousand in sales revenue. However, global inflation led to increased material costs and, consequently, higher selling prices, generating a favorable price variance of NT\$4,966,743 thousand in sales revenue. On the cost side, reduced shipment volumes led to decreased production, resulting in a favorable volume variance of NT\$3,595,591 thousand. Nevertheless, rising material costs caused by global inflation led to an unfavorable price variance of NT\$4,222,556 thousand. As for the sales mix, although unit prices increased, the reduction in sales and production volumes led to an unfavorable mix variance of NT\$923,248 thousand in sales revenue. Meanwhile, the cost mix variance was favorable at NT\$784,914 thousand. Overall, the gross profit from wireless gateway sales in 2024 increased by NT\$254,340 thousand compared to 2023.

3. Wireless Modules

In 2024, reduced end-customer demand led to a corresponding decline in contract manufacturing orders, resulting in an unfavorable volume variance of NT\$80,300 thousand in sales revenue. A slight drop in costs also led to a marginal decrease in selling prices, contributing to an unfavorable price variance of NT\$31,282 thousand. On the cost side, reduced shipment volumes generated a favorable volume variance of NT\$79,634 thousand, and lower costs further contributed a favorable price variance of NT\$31,350 thousand. In terms of sales mix, lower volumes and prices resulted in a favorable mix variance of NT\$12,833 thousand in sales revenue. However, a decline in both sales volume and material costs produced an unfavorable mix variance of NT\$12,861 thousand in cost of goods sold. Overall, the gross profit from wireless communication module sales in 2024 decreased by NT\$626 thousand compared to 2023.

III. Cash Flow

1. Cash Flow Analysis

Items \ Year	2024	2023	(%)
Cash Flow from operating activities	2,246,366	2,609,198	(13.91)
Cash Flow from investment activities	(314,292)	(83,390)	276.89
Cash Flow from financing activities	(332,974)	(520,397)	(36.02)
<p>Analysis of variation:</p> <p><u>Operating Activities:</u> The decrease in net cash inflow from operating activities in 2024 was primarily due to a reduction in accounts receivable during the year.</p> <p><u>Investing Activities:</u> The increase in net cash outflow from investing activities in 2024 was mainly attributable to an increase in long-term equity investments.</p> <p><u>Financing Activities:</u> The decrease in net cash outflow from financing activities in 2024 was primarily due to an increase in short-term borrowings.</p>			

2. Remedial Actions for Liquidity Shortfall: There were no instances of cash flow liquidity shortage for the current year.

3. Cash Flow Projection for Next Year:

Unit: NTD, All in Thousand

Beginning Cash Balance	Cash Flow from operating activities	Cash Flow from investment activities	Cash Flow from financing activities	Cash Surplus (Deficit)	Remedies for Cash Deficit	
					Investment Plans	Financing Plans
4,696,870	793,465	(107,924)	(666,340)	4,716,071	N/A	N/A
<p>Analysis of Cash Flow:</p> <p>(1) Operating Activities: The projected net cash profit from operating activities for the upcoming year is NT\$793,465,000.</p> <p>(2) Investment and Financing Activities: The projected amount invested in deferred assets for the forthcoming year are: NT\$186,417,000 for equipment and software; NT\$70,624,000 for long-term investment dividends; NT\$641,833,000 for distribution of cash dividends; NT\$16,374,000 for remuneration of directors and supervisor</p> <p>(3) Remedies for Cash Deficit and Cash Flow Analysis: N/A</p>						

IV. Impact of major capital expenditures on the company's financial operations for the most recent fiscal year

As of the date of this annual report's publication, there are no major capital expenditures.

V. Reinvestment policies, main reasons for profit/losses generated, improvement plans, and investment plans for the coming year

1.Reinvestment Policy:

Gemtek primarily focuses on reinvesting in the wireless network communication industry and follows a conservative, long-term investment strategy. In compliance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" set by regulatory authorities, the company has established a "Procedure for Handling the Acquisition and Disposal of Assets" to guide our reinvestment decisions and provide transparency in relevant business and financial conditions. To ensure effective supervision and management of our reinvestment companies, Gemtek has also created a subsidiary management policy as part of our internal control system. This policy sets standards for information disclosure, financial management, business operations, inventory management, and financial control. Periodic audits are conducted to establish risk management mechanisms that maximize the value of our reinvestment business.

2.Reinvestment Analysis for Current Year- Main reasons for Profit/Loss, Improvement Plans, and Future Investment Plans

Unit: NTD/US, All in thousands

Investee	Profit/Loss for the Current Year	Main Reasons for Profit/Loss	Improvement Plans	Future Investment Plans
G-Technology Investment Co.,Ltd.	(18,285)	Recognition of loss due to reinvestment in subsidiaries located in the Mainland Area	-	-
Brightech International Co., Ltd	(2,158)	Recognition of loss due to reinvestment in subsidiaries located in the Mainland Area	-	-
Ampak Technology, Inc.	65,843	Production achieved expected market performance.	-	-
Wi Tek Investment Co.,Ltd	(4,828)	Browan Communications (XI`A N) INC is a cloud application research and development center. R&D investment resulted in current loss.	Strengthen R&D Management	-
Browan Communications Incorporation	(14,877)	Production did not achieve expected market performance.	-	-

Gemtek Vietnam Co., Ltd.	323,346	Recognition of profit gain in reinvestment.	-	-
Antek Networks Inc.	(1,934)	Restructuring of cloud technologies into online educational services. The revenue generated from the sale of applications and features is insufficient to cover operational expenses	-	-
Genix Networks Inc. (Former: Lionic Networks Inc.)	13,105	Establishment phase	-	-
BandRich Inc.	(525)	Increase in product transition expenses.	-	-
5V Technologies, Ltd.	12,814	Production achieved expected market performance.	-	-
Wavesplitter Technologies, Inc	7,932	Production achieved expected market performance.	-	-

3. Future Investment Plans: None for the upcoming year.

VI.Organizational Risk Management

Risk Management Framework

Over the years, Gemtek has continued to strengthen its corporate risk management framework by adopting internal control practices that involve risk detection, evaluation, reporting, and handling. The Internal Control System developed by Gemtek is implemented on two levels. Corporate divisions and members form the Primary Level, which is the first line of defense, is to identify underlying risks, and to assess and manage ongoing risk mitigation policies. The Advanced Level consists of individuals from the upper level of the management hierarchy (i.e. Deputy General Manager and above) who are in charge of evaluating the feasibility of business and its risk factors, while final decisions are subject to the consideration of the chairman of the board.

Despite having comprehensive risk control measures in place, the Company has not established a permanent risk management division to overlook relevant matters. The plan is for all employees to be aware of risks and escalate matters at all times to prevent any avoidable events. In cases of emergencies, the Company shall activate its Business Continuity Management Plan to support business operations. The Company's risk management framework is as illustrated in the following chart.

Risk Management Framework

Evaluation of Risk Factors	Direct Risk Management (Divisions) (Primary Level)	Risk Assessment and Control (Advanced Level)
I. Climate change	Corporate Efficiency Division (Factory Management, HR, General Management, EHS Divisions)	Activation of Business Continuity Management Plan and Implementation: (General Manager, COO,
II. Impact on production capacity caused by natural disasters	Corporate Efficiency Division (Factory Management, HR, General Management, EHS Divisions)	Manufacturing Division, Sales Division, Logistics Division, Human Resources Division, General Management Division, Factory Management Division, EHS Division etc.)
III. Fire emergencies, power outages, and other anomalies	Manufacturing Division, Information Division	Final conclusions of the chairman shall be reported to the board of directors
IV. Terrorist attack	Logistics Division, HR	
V. Supply shortages	Logistics Division	
VI. Financial risks	Finance Division	

VII.High-risk investments,lending funds to other parties, and derivative transactions	Finance Division	
VIII.Investment in the Mainland area and subsidiaries	Finance Division	
IX. Expansion of manufacturing plant and production	Factory Management Division	
X. Information and Communication Disruption Risks	Information Division, Factory Management Division	
XI.Environmental and Occupational Health and Safety Risks	Corporate Efficiency Division (Factory Management, HR, General Management, EHS Divisions) Manufacturing Division	

Risk Management and Assessment:

(I) Impacts of interest and foreign exchange rate fluctuations and inflation on the Company's profit and loss, and countermeasures:

(1) Interest Rate

In 2024, the company's financial expenses, including interest expenses on bank loans and amortization of interest expenses on convertible bonds, amounted to NT\$107,826 thousands. The company's financial status is sound. The company's financial division closely monitors interest rate trends and maintains close communication with banks to obtain favorable borrowing rates. The company also adjusts its funding sources by adopting various financing methods in the capital market to avoid any significant negative impact on its profit and loss caused by interest rate fluctuation.

(2) Foreign Exchange Rate Fluctuations and Inflation

The company has foreign currency positions arising from exports and overseas purchases, with receivables and payables primarily denominated and settled in US dollars as a means to hedge exchange rate fluctuations. In 2024, the company recorded a foreign exchange gain (loss) of NT\$301,192 thousand. To mitigate the risks associated with foreign currency positions, the company's financial division continuously monitors foreign exchange market trends and seek advice from foreign exchange banks. In order to mitigate exposures to exchange rate fluctuations and inflation, the company uses currency swaps to hedge currency risks. If the remaining foreign currency positions are higher than expected, the cash will be sold by spot transaction.

(3) Inflation

Throughout the 2024 fiscal year and as of the printing date of this Annual Report, the company has not experienced any adverse effects on its operations due to inflation. The company has always maintained good relationships with its suppliers and will continue to strive to reduce costs in the future, while closely monitoring changes in raw material prices and taking appropriate measures in a timely manner.

(II) Policies for high-risk, high-leverage investments, capital lending, endorsements, guarantees, and derivatives transaction, main reasons for the profits or losses generated thereby, and countermeasures:

The company and its subsidiaries have always focused on their main business operations and have not ventured into other high-risk industries. The financial policy is based on a conservative approach, and there is no involvement in high-risk and high-leverage investments or transactions. Therefore, the associated risks should be limited.

The company follows its policies and measures in accordance with its "Procedures for Acquisition and Disposal of Assets," "Procedures for Loaning of Funds," "

Procedures for Endorsement / Guarantees," and "Guidelines for Monitoring and Managing Subsidiaries" for loaning of funds, endorsements, guarantees, and derivative transactions with others.

All the above-mentioned endorsements, guarantees, and financing with others are handled in accordance with the relevant operating procedures, and overall, have no significant impact on the consolidated profit and loss. Furthermore, company and its subsidiaries have always focused on their main business operations and have not ventured into other high-risk industries. The financial policy is based on a conservative approach, and there is no involvement in high-risk and high-leverage investments or transactions. Therefore, the associated risks should be limited.

(III) Research and development (R&D) projects and estimated R&D expenditures:

Self-research and self-developed technologies are the backbones of our products. To support this, we invested NT\$1,172,264 thousand in research and development during the fiscal year 2024. Moving forward, our research and development efforts will focus on integrating various technologies and equipment for our products. We will also collaborate with domestic enterprises to achieve these goals. By leveraging the latest wireless communication technologies, including 5G and Wi-Fi next-generation standards, we aim to stay ahead of market trends and develop niche products with high profitability and growth potential. Our ultimate goal is to maximize profits in the long run.

(IV) Impacts of changes in domestic and foreign government policies and laws on the Company's financial operations, and future countermeasures:

Driven by rising geopolitical tensions and the U.S.-China trade war, there has been a growing demand for clean networks. As a result, telecom operators and network equipment providers in Europe and the U.S. are seeking non-China-based manufacturing. Gemtek's business presence in China is now minimal, with Vietnam emerging as the primary production hub, currently accounting for 70% of total output. The Vietnam facility spans approximately 13 to 14 hectares and is being developed in three phases. The third phase of expansion is scheduled for completion by the end of the year, with production capacity expected to double next year. In the future, the vast majority of production will be handled by the Vietnam plant, and the planned capacity increase over the next five years is expected to fully meet market demand. To support continued workforce expansion at the Vietnam site, the company recently acquired an additional 2 hectares of land at a relatively low cost for the construction of employee dormitories, which are expected to be completed in just over a year.

(V) Impacts of industry and technology changes to the Company's financial operations, and future countermeasures:

As a sector of the high-tech industry, the rapid growth of the telecommunication industry has accelerated the innovative development and advancement of numerous wireless network communications products. Based upon this economic atmosphere, the Company should strive to keep up with the technology trends to continue to grow and expand its business. For decades, the Company's operations were mainly focused on the research and development of wireless network

communications equipment. The Company has been a leader in the field propelled by a group of dedicated professionals, backed by cutting edge manufacturing equipment and technology. The Company is now working towards a more diversified R&D approach, and has continued to innovate over the years. Technological evolution will contribute to the development of the Company's business. However, successful business expansion must also be accompanied by a good management and cost control system, as well as a strong financial backbone to allow the Company to grow at a steady pace. Therefore, the Company has to strengthen its internal controls on all aspects to maintain business efficiency.

Cybersecurity is a crucial component of risk management. To mitigate potential risks stemming from cybersecurity threats, ensure smooth business operations and meet the specific requirements of information security, our company adopted ISO 27001 certification in August 2010 as our benchmark for risk management standards. The certificate remains valid from August 2022 to August 2025. Through the implementation of this cybersecurity management system, we've established a robust framework to effectively strengthen our information security management and implementation capabilities, and further safeguard the assets of both our company and our clients.

In response to external changes and emerging breach methods, our company regularly updates rigorous cybersecurity measures. We utilize a range of information security mechanisms and system architectures to counter constantly evolving cybersecurity threats. Precautionary measures include establishing appropriate security control mechanisms for computers, controlled information devices, and network resources.

To prevent and mitigate the damage inflicted by malicious software attacks, our company has implemented several reinforcement mechanisms and systems. For instance, we mandate the installation of antivirus software on computers and devices, strengthen firewalls and network controls to prevent the infiltration of computer viruses, establish measures to prevent hacking attempts, and employ advanced solutions for detecting and addressing malicious software. Furthermore, we regularly engage external professionals to perform cybersecurity assessments.

Despite the comprehensive cybersecurity measures implemented at Gemtek for network and computer-related security, we cannot guarantee complete immunity to cybersecurity risks or hacker attacks. In response, Gemtek has instituted cybersecurity incident reporting and handling procedures. Should a cybersecurity incident occur, prompt action will be taken to efficiently address new types of cybersecurity threats, thereby minimizing their impact on operations.

(VI) Impacts of changes in corporate image on the company's crisis management and future countermeasures:

The Company is dedicated to the development and manufacturing of wireless network products and has always upheld a good reputation throughout its years of doing business. The Company has no negative publicity and therefore the corporate image has never been affected.

(VII) Expected benefits and potential risks related to mergers and acquisitions:

The Company has no plans for mergers and acquisitions as of the publication of this report. However, if the Company does have plans in the future, it will take proactive measures to assess whether the merger can bring synergies to the company as well as guarantee the rights and interests of shareholders.

(VIII) Expected benefits and potential risks of capacity expansion:

Gemtek's Vietnam facility is being developed in three phases. Phases I and II are currently operational, with a total of 14 SMT (Surface Mount Technology) production lines in place. Phase III was completed in the second quarter of 2024 and entered production in the third quarter. As a result, Vietnam's share of total capacity has increased from 45% to 65%, with the potential to replace up to 70% of the company's former China-based production.

With new U.S. telecom operators joining the customer base and potential orders from European telecom clients on the horizon, Gemtek plans to expand SMT equipment in Phase III of the Vietnam facility based on business demand, thereby boosting production capacity to meet shipping requirements.

However, rapid business expansion must be supported by sound operational management, effective cost control, and prudent financial planning to ensure sustainable growth. If internal controls and financial management do not keep pace with expansion, it could present operational challenges for the company. Therefore, in addition to aggressively expanding production and capacity, Gemtek is also committed to strengthening internal controls and optimizing financial resource allocation to enhance overall operational efficiency.

(IX) Risk of procurement and sales concentration, and future countermeasures:

(1) Purchases:

The Company is a supplier of wireless network equipment and products, therefore, it is relatively important to maintain a close relationship with upstream and downstream manufacturers throughout the supply chain. And due to the fact that wireless network product specifications need to be certified in particular, in the process of strategic sourcing, the Company's main approach is to partner with the selected few who are capable of developing the necessary chip modules firsthand. The Company is well aware that the approach would result in procurement concentration in which supply disruption may be a lurking issue, therefore, inventory management and advanced preparation of supplies and raw materials are the key measures to avoid such risks. As of the date of printing this report, our company has not experienced any shortages or disruptions in the supply of goods due to procurement concentration.

(2) Sales:

The Company's major clients at present are retail distributors located in the United States and Europe on account of the region's soaring demand for wireless communication products. In addition, the need for embedded modules found in products such as laptop computers is equally on the rise, resulting in the increase of the Company's worldwide OEM sales volume over the years. In order to prevent sales concentration in the market, the Company plans to take proactive measures

in building new marketing channels by strengthening cooperation with manufacturers located across Japan and Asia.

(X) Impacts and risks arising from major transfer or replacement of shares by Directors, Supervisors, or shareholders with over 10% of shares in the Company: None

(XI) Impact of change in Company management and associated risks:

There have been no changes in the ownership of our company as of fiscal year 2024 and up to the date of printing this report. Our management team is dedicated to upholding sound business principles and good management practices, with the goal of achieving operational growth and profitability to increase shareholder value.

(XII) Litigious or non-litigious matters:

The major litigious, non-litigious or administrative disputes that have been concluded by means of a final and definitive judgment, or are still under litigation, where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of printing of this annual report shall be disclosed: None

(XIII) Other material risks and countermeasures:

(1) Macroeconomic deterioration may reduce the Company's profits.

In recent years, the Company has experienced extremely high growth rates due to the rapid development of the wireless communications industry. However, in the event of economic reversal fueled by macroeconomic instability, consumer's willingness to pay and global demands may possibly decline, which would cause direct impact to the wireless communications market and the company's profitability.

(2) Consumer acceptance and use of new technology may not be as high as expected

Wireless communications is an emerging technology. The Company is a highly-dedicated wireless communications system manufacturer that focuses on the fundamental research and development of the technology as well as the creation of multiple trending products and components in the market. Nevertheless, if consumer acceptance and use of new technology does not turn out as high as expected, the market direction will bring adverse impacts to the Company's future business performances.

(3) Price wars will affect the Company's profit.

Competition among wireless communications system manufacturers has been intense over the past years. Business competitors have been cutting prices and finding ways to scale down profit margins in order to win clients. If the price war persists, low margins will cause a long-term impact on the Company's ability to profit.

Since the second half of 2023, Gemtek has actively adjusted its business model by gradually shifting away from traditional OEM operations toward direct supply to end customers, aiming to capture a larger share of the telecom direct supply market. By the end of 2024, direct supply business accounted for nearly 40% of total revenue, driving improvements in gross margin, which is also reflected in the company's financial statements. Looking ahead, ongoing product upgrades and an increasing share of direct supply are expected to further support the continued improvement of gross margins.

(4) Downstream market size is relevant to the Company's sales outcome.

Embedded modules for laptop computers has contributed a fair share to the Company's sales revenue in recent years aside from conventional wireless network cards and routers sold to existing customer base. If demands for laptop computers should drop dramatically, the ensuing effects would not be optimistic for the Company.

(5) The Company adheres to its steady operation philosophy and has been able to maintain a high level of business growth in the past three years. Nevertheless, in truth, one cannot use the Company's past operating performances to earn a guaranteed profit from investing in the Company's stock as the market price is constantly fluctuating under the influence of systematic risk-factors. Economic cycles and price volatility may result in unfavorable outcomes for investors.

(6) The Company needs to draw an effective talent management strategy.

Talented people are the foundation of the Company's innovative drive, allowing the Company to constantly develop, operate, and maintain competitiveness in the industry. The Company must continue to improve and enhance its employee welfare and work environment as a means to retain and attract talents, keeping the source of innovative capacity abundant and secure.

(7) Natural disasters and severe infectious diseases may cause adverse impacts on the Company's operations

Taiwan has experienced large-scale earthquakes and severe hurricanes as well as mass infectious diseases in the past. Both natural disasters and epidemics have caused great damage to Taiwan's overall economic environment. The recurrence of such events will bring negative impacts to the Company's operations.

(8) Intellectual property disputes

R&D capabilities and manufacturing abilities are the core of the Company's operations. Therefore, protecting intellectual property rights is extremely vital to the Company. Patents applications are filed immediately once the Company finds the results of a R&D project suitable for protection. As the number of the Company's patents continue to increase, potential disputes over intellectual property rights with companies who have similar endeavors in the industry may begin to emerge. Litigation may have a negative effect on the Company's bottom line.

(9) Business risks in China

The Company's manufacturing policies in recent years focuses on the development of more diversified, high value-added products made in limited quantities in Taiwan. Low-margin products are now mostly manufactured in the Mainland. In view of the unstable cross-strait relations, any deterioration of the status quo will inevitably cause an adverse effect on the Company's operations.

VII.Other Material Matters

None

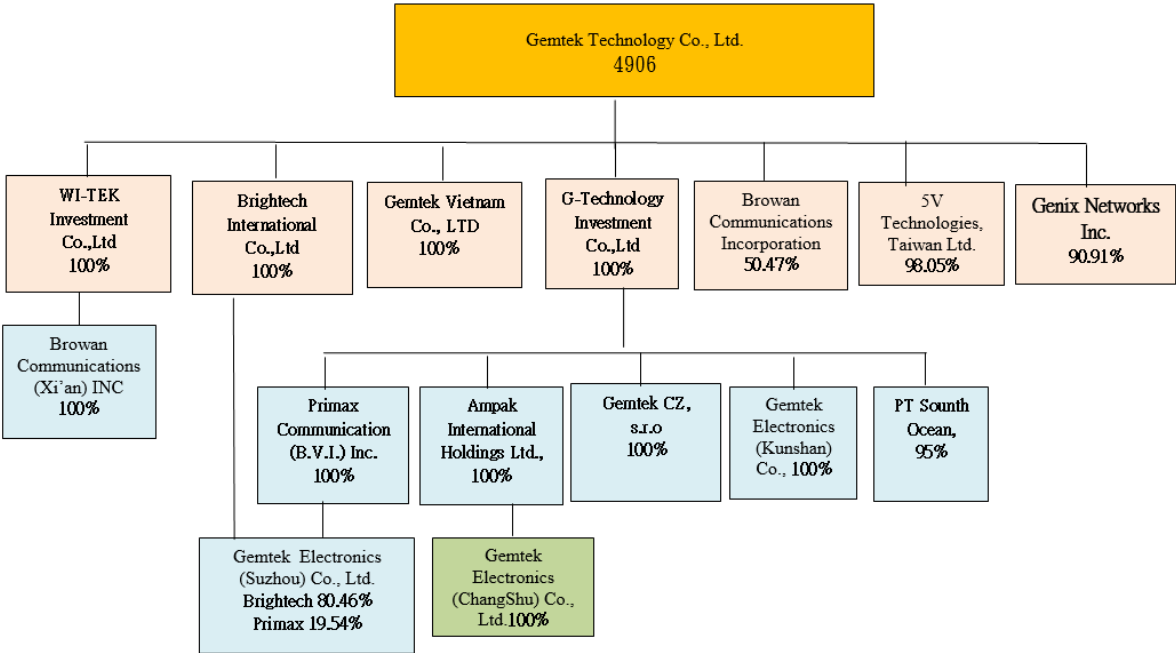
VI. Special Disclosure

I. Information on Company Affiliates

1. Company Affiliates Overview

(1) Corporate Organization Chart

Dec. 31, 2024



(2) Basic information on affiliates

Unit: US\$ thousands				
Names of affiliates	Date of Incorporation	Address	Paid-in Capital	Principal business
G-Technology Investment Co., Ltd	Oct 31,2002	PO BOX 1787, George Town,Grand Cayman	US\$23,600	Investment
Brightech International Co.,Ltd	Oct 11,2002	Suite 802, St James Court St Denis Street, Port Louis,Mauritius	US\$6,145	Investment
Ampak International Holdings Ltd	Oct 12,2005	Portcullis TrustNet Chambers P.O.Box 1225 Apia,SAMOA	US\$18,000	Investment
WiTek Investment Co., Ltd	May 22,2007	4th Floor,Harbour Centre,P.O.Box613,Grand Cayman KY1-1107,Cayman Islands	US\$4,000	Investment
Gemtek Vietnam Co.,Ltd	Nov 7,2018	Second Tongwen Industrial Zone, Baishang Township, Weixian County, Henan Province, Vietnam	USD50,000	Manufacturing
Genix Networks Inc.(Formerly: Lionic Networks Inc.)	Jan 17, 2023	1013 Centre Rd. Suite 403-A, Wilmington, DE,19805 County of New Castle,Delaware, U.S.A.	US\$1,100	Communications industry
Gemtek CZ,s.r.o.	Nov 30,2009	Chebská 555/7, 322 00 Plze-Kimice Czech Republic	US\$692	Manufacturing
Gemtek Electronics (Suzhou) Co., Ltd	Nov 11,2002	No. 58, Yangdong Road, Loufeng High-tech Development Zone, Suzhou Industrial Park	US\$8,350	Manufacturing
Gemtek Electronics (Kunshan) Co., Ltd.	May 20,2004	88 Xinzhu Road, Export Processing Zone, Kunshan City, Jiangsu Province	US\$3,000	Manufacturing
Gemtek Electronics (ChangShu) Co., Ltd	Feb 17,2006	NO.1, Zheng Wen Road. New & High Tech Industrial Park, Changshu Economic Development Zone , JiangSu	US\$18,000	Manufacturing
Browan Communications Incorporation	Oct 26,1999	15-1, Zhonghua Road, Hsinchu Industrial Park, Hukou, Hsinchu, Taiwan	NT\$400,491	Communications industry
Browan Communications (Xi'an) Inc	Aug 24,2007	6 F, No. 72, Keji 2nd Road, High-tech Zone, Xi'an	US\$4,000	Information Software Service Industry
Primax Communication	Jun 1,2001	P.O.Box3444,Road Town,Tortola,British Virgin	US\$2,350	Investment

Names of affiliates	Date of Incorporation	Address	Paid-in Capital	Principal business
(B.V.I.) Inc.		Islands.		
PT. South Ocean	Mar 12,2010	Menara Karya, 28th Floor, Jl. H.R. Rasuna Said Blok, X-5, Kav.1-5, Jakarta, 12950 Indonesia.	US\$238	Communications industry
5V Technologies, Taiwan	Mar 28,2005	6F., No. 19-9, Sanchong Rd., Nangang Dist., Taipei City , Taiwan	NT\$13,786	Communications industry

(3) Where there is considered to be a controlled and subordinate relation, the information of the same shareholders: None.

(4) Information on directors, supervisors, and presidents of affiliate.

Company name	Title	Names or Corporate representatives	Current Shareholdings	Shareholding Ratio
G-Technology Investment Co.,Ltd	Director	Gemtek Technology Co., Ltd. : Howard Chen	23,600,120	100.00%
Brightech International Co., Ltd	Director	Gemtek Technology Co., Ltd. : Jorson Tsai	6,145,000	100.00%
WiTek Investment Co.,LTD	Director	Gemtek Technology Co., Ltd. : Howard Chen	4,000,000	100.00%
Gemtek Vietnam Co., Ltd.	Director	Gemtek Technology Co., Ltd. : Randy Hsu	-	100.00%
Genix Networks Inc.(Formerly: Lionic Networks Inc.)	Director	Gemtek Technology Co., Ltd.: Peter Hsieh	1,000,000	90.91%
5V Technologies, Taiwan	Director	Gemtek Technology Co., Ltd. : Arena Yao 、 Chungen Wu 、 Sunrise Ho	1,350,000	98.05%
Ampak International Holdings Ltd	Director	G-TECHNOLOGY INVESTMENT CO., LTD : Jorson Tsai	36,000,000	100.00%
Gemtek Electronics (Suzhou) Co., Ltd.	Director	BRIGHTECH INTERNATIONAL CO.,LTD : Jorson Tsai	6,718,410	80.46%
Gemtek Electronics (Kunshan) Co., Ltd.	Director	G-TECHNOLOGY INVESTMENT CO., LTD : Jorson Tsai	15,000,000	100.00%
Browan Communications (Xi'an) Inc	Director	WiTek Investment Co.,LTD : Howard Chen	4,000,000	100.00%
GemtekElectronics(ChangShu) Co., Ltd.	Director	Ampak International Holdings Ltd : Stephen Liao	36,000,000	100.00%
Browan Communications Incorporation	Director	Gemtek Technology Co., Ltd. : Howard	20,213,706	50.47%

Company name	Title	Names or Corporate representatives	Current Shareholdings	Shareholding Ratio
		Chen, Charlin Lin, Stephen Liao		
Gemtek CZ,s.r.o.	Director	G-TECHNOLOGY INVESTMENT CO., LTD: Rong-Chang Li	12,000,000	100.00%
Primax Communication (B.V.I.) Inc.	Director	G-TECHNOLOGY INVESTMENT CO., LTD: Jorson Tsai	2,350,000	100.00%
PT. South Ocean	Director	G-TECHNOLOGY INVESTMENT CO., LTD : Howard Chen	24,000	95.00%

2.Business Operations Overview

(1)Financial Status and Result of Affiliated Companies

Dec. 31, 2024 / Unit: NTD,USD,RMB, IDR,CZK thousands

Company name	Currency	Paid-in Capital	Total assets	Total liabilities	Net Value	Operating income	Operating profit	Current period net profit
G-TECHNOLOGY INVESTMENT CO.,LTD	USD	23,600	107,886	54	107,833	0	-1,047	-664
BRIGHTTECH INTERNATIONAL CO.,LTD	USD	6,145	1,954	0	1,954	0	0	69
Wi TEK INVESTMENT CO.,LTD	USD	4,000	-193	0	-193	0	0	-150
Gemtek Vietnam Co., Ltd.	USD	50,000	159,654	82,569	77,085	459,877	12,839	10,035
AMPAK INTERNATIONAL HOLDINGS LTD.	USD	18,000	21,730	0	21,730	0	0	-437
Gemtek Electronics (Suzhou) Co., Ltd.	RMB	68,870	17,450	6	17,444	0	-780	-608
Gemtek Electronics (Kunshan) Co., Ltd.	RMB	24,830	498,697	377,322	121,375	1,715,084	-20,855	16,993
GemtekElectronics(ChangShu) Co., Ltd.	RMB	120,709	157,221	1,029	156,192	0	-2,168	-3,148
Browan Communications Incorporation	NTD	400,491	954,791	303,193	651,598	664,329	-58,856	-13,640
Browan Communications (Xi'an) Inc	RMB	28,570	1,659	3,041	-1,382	416	-1,072	-1,070
Primax Communication (B.V.I.) Inc.	USD	2,350	474	0	474	0	0	-17
PT. South Ocean	IDR	2,250,000	1,173,767	23,387	1,150,380	0	0	0
Gemtek CZ,s.r.o.	CZK	12,000	71,857	75,442	-3,585	118,076	-4,855	969

5V Technologies, Taiwan	NTD	13,787	37,385	8,284	29,101	23,524	-10,877	13,377
Genix Networks Inc. (Formerly: Lionic Networks Inc.)	USD	1,100	2,016	571	1,445	3,000	423	457

(2)Consolidated Financial Report of Affiliated Companies: Please see relevant pages.

(3)Relationship Report of Affiliated Companies: None

II.Private placement of securities of the past year as of the publication date of this Annual Report

None

III.Holding or disposal of the Company's shares by the subsidiaries of the most recent year as of the publication date of this Annual Report

None

IV.Other necessary supplementary items to be included

None

V.Any event which has a material impact on the shareholders' equity or securities prices as prescribed in Subparagraph 2, Paragraph 2, Article 36 of the Securities and Exchange Act that has occurred in the most recent year as of the publication date of this Annual Report

None

Gemtek Technology Co., Ltd.

Chairman: Hong Wen Chen