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**ACE PILLAR CO., LTD.**  
**2024 Annual Report**

Printed on April 10, 2025

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**V. Overseas Trade Places and Related Information for Listed Negotiable Securities: None.****VI. Website: <http://www.acepillar.com.tw>**

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# I. Letter to Shareholders

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## Implementation Results of 2024 Business Plan

### (I) 2024 Annual Business Report

#### I. 2024 Annual Business Report

##### (I) The implementation results of the 2024 operational plan

Amid ongoing shifts in geopolitical and trade dynamics, the pace of inventory digestion across the supply chain continues to slow. In response, the company remains committed to refining its core businesses and adjusting market strategies. By forming strategic alliances and expanding into intelligent automation, green energy, and the semiconductor sectors, in collaboration with Standard Technology, Transpak, ACE Energy, and BlueWalker, we are achieving synergies through group-level integration. These efforts aim to strengthen risk management and resource optimization, thereby creating greater value under a diversified business model.

Regarding the financial results for 2024 and the operational plan for 2025, we respectfully report as follows:

In 2024, the Company's consolidated net revenue amounted to NT\$3.678 billion, representing a 21% increase compared to 2023. Consolidated operating income totaled NT\$156 million, and consolidated net income after tax was NT\$146 million, of which NT\$67 million was attributable to owners of the parent company. Earnings per share (EPS) after tax was NT\$0.60.

The key products introduced in 2024 were aligned with industry-specific solutions and system integration strategies. In the packaging and stacking segment, we introduced Transpak Equipment Corporation's exclusive semi-automatic or fully automatic strapping technologies and equipment, featuring the latest Direct Drive technology. These high cost-performance solutions significantly enhance customers' operational efficiency and effectiveness.

In the field of motion control, we collaborate with international industry leaders such as Akribis and Delta to integrate industrial computers, upper-level motion control cards, PLCs, linear drives, optical sensors, and mechanical transmission systems. By combining these technologies, we have developed high-speed, high-precision motion platforms and are actively promoting subsystem integration for applications across various sectors, including semiconductors, logistics, manufacturing, equipment and enterprise energy efficiency, PCB, and machine tools.

In the field of variable-frequency energy solutions, we have expanded the application of Delta's high-performance IE5 synchronous reluctance motors and high-horsepower inverters, driving energy-efficient solutions for HVAC and fluid systems. ABB's modular hardware and software solutions for EV chargers and energy management products are broadly applied in energy management, building automation, EV charging infrastructure, and energy-saving systems for fluid machinery.

By leveraging the strengths of ACE Energy Co., Ltd., we are advancing technologies in compressed air energy savings, waste heat recovery, and IoT infrastructure development. Through the AI-driven data analytics capabilities of the PowerGlow Energy Management System, we provide intelligent energy monitoring services to enhance overall energy efficiency.

In the UPS market, BlueWalker has expanded its product line by introducing Data Center UPS and Micro Data Center solutions tailored for small and medium-sized enterprises. These solutions offer single-unit capacities ranging from 20 kVA to 80 kVA and can be paralleled up to 320 kVA. The rack-mounted UPS modules have been upgraded to 60 kVA, enabling configurations of up to 600 kVA. These product advancements support market expansion in Southwestern Europe and contribute to energy-saving retrofits and ESG goals targeting net-zero carbon emissions.

In the semiconductor sector, Standard Technology Corporation continues to develop yield-enhancing random error measurement solutions for advanced process nodes and advanced packaging, achieving notable results in new fab construction projects. In wafer handling equipment, the company has launched the development of wafer pickers, further expanding its portfolio of self-developed equipment. Efforts have also been made to localize production, aiming to drive new growth momentum for the company.

## (II) Profitability Analysis

Items		Fiscal Year 2024	Fiscal Year 2023	
Financial income and expenditure	Cash flows from operating activities (NT\$ thousand) (NT\$ thousand)	399,837	186,878	
	Cash flows from investing activities (NT\$ thousand)	(356,048)	(4,980)	
	Cash flows from financing activities (NT\$ thousand)	777,749	(220,981)	
Profitability	Return on assets (%)	3.75	-0.36	
	Return on equity (%)	5.89	-0.81	
	Capital adequacy ratio	Net operating profit (%)	13.88	-1.2
		Net profit before tax (%)	17.13	-0.55
	Net profit margin (%)	3.97	-0.56	
Earnings per share (NT\$)	0.60	-0.19		

## (III) Research and Development Overview

- A. Standard Technology Corp. invested in the development of wafer-lifting.
- B. Transpak Equipment Corporation acquired an exclusive patent for its semi-automatic strapping system.
- C. Transpak independently developed the TP-733VTSP, featuring 2.5-ton compression and advanced friction-welding technology, compatible with PP and PET strapping materials.
- D. ACE Energy's PowerGlow energy management system leverages AI-powered analytics to optimize energy usage and improve operational efficiency.
- E. Under the BlueWalker brand, PowerWalker launched a new series of Data Center UPS and Micro Data Center solutions.

## II. Overview of the 2025 Operational Plan

The following outlines our 2025 business strategy, along with key policies for production and marketing.

(I) Modular Design and Solution Services

Transitioning from a component supplier to a provider of modular design and solution services, we aim to deliver variable-frequency energy recovery solutions for power efficiency, high-speed precision positioning platform solutions for motion control modules, customized integration solutions for sensing and inspection modules, remote maintenance and communication capabilities for transmission modules, and critical components for mechanical drive modules. These offerings help our customers enhance their competitiveness amid industrial upgrading.

(II) Expansion of Energy Management and Energy-Saving Solutions

In response to ESG energy management demands, we integrate smart meters and data acquisition technologies to provide energy optimization solutions for our customers. We also assist with carbon inventory and carbon footprint verification, while further expanding our energy-saving and UPS-based energy storage businesses to support long-term environmental sustainability.

(III) Automation and Machine Vision Applications

By integrating robotic automation, machine vision technology, and strapping systems, we deliver end-to-end solutions for automated strapping and palletizing. These solutions boost logistics and manufacturing efficiency while accelerating the smart transformation of entire production lines and equipment automation

(IV) Semiconductor and Smart Factory Solutions

We are expanding our business in the semiconductor sector, covering systems, equipment, components, and consumables. Our offerings include software integration solutions that support Industrial IoT and smart factory management, optimizing production efficiency and helping our customers strengthen their capabilities in technology integration and process optimization.

(V) With Resource Integration and Strategic Partnerships

We are committed to cultivating strategic partnerships with both suppliers and customers, integrating group resources to flexibly deliver innovative products and services. Through rapid response and high-quality after-sales support, we aim to enhance customer satisfaction and loyalty.

(VI) Inventory and Supply Chain Optimization

We are committed to cultivating strategic partnerships with both suppliers and customers, integrating group resources to flexibly deliver innovative products and services. Through rapid response and high-quality after-sales support, we aim to enhance customer satisfaction and loyalty.

(VII) Overseas Market Expansion

We are actively expanding into overseas markets to broaden revenue sources across diverse sectors, reduce operational risks, and improve overall business performance, thereby ensuring long-term,

sustainable growth.

Amid ongoing global economic uncertainty, Ace Pillar remains focused on long-term market deployment while flexibly adjusting its strategic direction to promote diversification and cross-industry technology integration. By staying attuned to global developments and economic shifts, we aim to enhance our adaptability to technological advancement and economic volatility. We uphold the ideals of corporate sustainability and circular economy, practice robust corporate governance, and are dedicated to creating a resilient and supportive work environment for our employees. We continue to strengthen customer relations by offering market-driven products and expanding services that deliver higher added value. With a proactive and responsive approach, we strive to overcome challenges, achieve stronger business performance, and give back to our shareholders and society at large.

Chairman: Wen-Hsing Tseng

President: Chang-Chien Li

Accounting Supervisor: Kuo-Mei Chen

## II. Corporate Governance

### (I) Documents of directors, Supervisors, president, vice presidents, associate vice presidents, and managers of each departments and divisions

#### I. Director Information

March 25, 2025; Unit of shares: unit

Title	Nationality or Place of Registration	Name	Gender / Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding in the names of other persons		Selected Education, Past Positions & Current Positions at Non-profit Organizations	Selected Current Positions at Ace Pillar and Other Companies	Executives, Directors or Supervisors who are Spouses or within Two Degrees of Kinship			Note1
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	Republic of China	DFI Inc.	-	2022.06.14	3year	2019.11.13	53,958,069	48.07%	52,436,069	46.71%	0	0.00%	0	0.00%	Master in Mechanical Engineering, National Taiwan University Senior Director of the Smart City Marketing Center in the Smart Solutions Business Group of Qisda Corporation.  Director of DFI Inc. Director of Partner Tech Corp. Director of APLEX Technology Inc. Director of Marketop Smart Solutions Co., Ltd. Director of Transpak Equipment Corporation Director of WiXtar Corporation Director of Global Intelligence Network Etwork Co., Director of Grandsys Inc. Director of Advancedtek International Corp. Director of Statinc Company Director of Expert Alliance Systems and Consultancy (Hong Kong) Limited Director of Expert Alliance Smart Technology Co. Ltd. Director of BenQ Guru Holding Limited Director of COREX (PTY) LTD. Director of Brainstorm Corporation	General Manager of Smart Solution Business Group of Qisda Corporation Chairman of Metaage Corporation Chairman of AEWIN Technologies Co.,Ltd. Chairman of Epic Cloud Co., Ltd. Chairman of Metaguru Corporation Chairman of BenQ Guru Software Co., Ltd. Director of Partner Tech Corp. Director of APLEX Technology Inc. Director of Marketop Smart Solutions Co., Ltd. Director of Transpak Equipment Corporation Director of WiXtar Corporation Director of Global Intelligence Network Etwork Co., Director of Grandsys Inc. Director of Advancedtek International Corp. Director of Statinc Company Director of Expert Alliance Systems and Consultancy (Hong Kong) Limited Director of Expert Alliance Smart Technology Co. Ltd. Director of BenQ Guru Holding Limited Director of COREX (PTY) LTD. Director of Brainstorm Corporation	None	None	None	None
	Republic of China	Representative Wen-Hsing Tseng	Male 51-60	2024.03.22 (Note 2)		2024.03.22	0	0.00%	0	0.00%	0	0.00%	0	0.00%						
Director	Republic of China	DFI Inc.	-	2022.06.14	3year	2019.11.13	53,958,069	48.07%	52,436,069	46.71%	0	0.00%	0	0.00%	Department of Mechanical Engineering, National Taiwan University Chairman of AcePillar Co., Ltd. Manager of Four Pillars Enterprise Co., Ltd.	Honorary Chairman, Ace Pillar Co., Ltd. Chairman and General Manager of Pro Accutech Co., Ltd. Director of Transpak Equipment Corporation Director of Symbio, Inc.	None	None	None	None
	Republic of China	Representative Chih-Chen Lin	Male 71-80	2022.06.14		1984.03.20	568,122	0.51%	60,220	0.05%	76,624	0.07%	0	0.00%						

Title	Nationality or Place of Registration	Name	Gender / Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding in the names of other persons		Selected Education, Past Positions & Current Positions at Non-profit Organizations	Selected Current Positions at Ace Pillar and Other Companies	Executives, Directors or Supervisors who are Spouses or within Two Degrees of Kinship			Note1
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	Republic of China	DFI Inc.	-	2022.06.14	3year	2019.11.13	53,958,069	48.07%	52,436,069	46.71%	0	0.00%	0	0.00%	Master of Mechanical Engineering, University of Southern California (USC), USA Business Head of Intelligent Connectivity Solutions Division at LITE-ON Technology Corporation Marketing Director for BenQ Medical Ultrasound Director of R&D/Marketing/Sales for Projectors/Automotive Electronics/Video Surveillance at Qisda Corporation.	Director and General Manager of Ace Pillar Co., Ltd. Chairman of Transpak Equipment Corporation Chairman of ACE Energy Co., Ltd. Vice Chairman of Standard Technology Corporation Director of H2 Energy Co., Ltd. Director of Cyber South Management Ltd. Director of Proton Inc. Director of Ace Tek(HK) Holding Co.,Ltd	None	None	None	None
	Republic of China	Representative Chang-Chien Li	Male 51-60	2022.06.14		2019.11.13	0	0.00%	0	0.00%	0	0.00%	0	0.00%						
Director	Republic of China	DFI Inc.	-	2022.06.14	3year	2019.11.13	53,958,069	48.07%	52,436,069	46.71%	0	0.00%	0	0.00%	Master of Business Administration, National Chengchi University Chief Operating Officer of AEWIN Technologies Co., Ltd.	Director of Ace Pillar Co., Ltd. Director and General Manager of DFI Inc. Director of AEWIN Technologies Co.,Ltd. Director of DFI AMERICA ,LLC. Director of Diamond Flower Information (NL) B.V. Director of Yan Tong Technology Ltd. Director of DFI Co.,Ltd.	None	None	None	None
	Republic of China	Representative Chin-Yin Tien	Female 41-50	2022.06.14		2024.11.04	0	0.00%	0	0.00%	0	0.00%	0	0.00%						
Director	Republic of China	DFI Inc.	-	2022.06.14	3year	2019.11.13	53,958,069	48.07%	52,436,069	46.71%	0	0.00%	0	0.00%	Master of Finance, National Taiwan University of Science and Technology Lite-On Technology Corp.	Senior Director of DFI Inc. Director of AEWIN Technologies Co.,Ltd. Director of Diamond Flower Information (NL) B.V. Director of DFI Co.,Ltd. Director of DFI AMERICA ,LLC. Director of Yan Tong Technology Ltd Supervisor, Yan Ying Hao Trading (ShenYan) Co., Ltd Supervisor of Transpak Equipment Corporation	None	None	None	None
	Republic of China	Representative Li-Min Huang	Female 51-60	2022.06.14		2019.11.13	5,000	0.004%	5,000	0.004%	0	0.00%	0	0.00%						
Director	Republic of China	Han-Yu Investment Co., Ltd.	-	2022.06.14	3year	2002.06.28	10,176,013	9.07%	10,176,013	9.07%	0	0.00%	0	0.00%	Master of Business Administration from University of New Mexico, USA and EMBA from China Europe International Business School Chairman, Avatack Co., Ltd.	Chairman of Avatack Co., Ltd. Chairman of Symbio, Inc. Director of Four Pillars Enterprise Co., Ltd.	None	None	None	None
	Republic of China	Representative Hwei-Ling Yang	Female 61-70	2022.06.14		2008.06.13	360,025	0.32%	360,025	0.32%	0	0.00%	0	0.00%						

Title	Nationality or Place of Registration	Name	Gender / Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding in the names of other persons		Selected Education, Past Positions & Current Positions at Non-profit Organizations	Selected Current Positions at Ace Pillar and Other Companies	Executives, Directors or Supervisors who are Spouses or within Two Degrees of Kinship			Note1
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	Republic of China	Liang-Yoo Lee	Male 71-80	2022.06.14	3year	2017.06.16	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Bachelor of Institute of Computer Science and Control Engineering, National Chiao Tung University. President of Philips communication and Processing Taiwan Ltd. General Manager of China, Atos (Taiwan) Ltd. COO of Leo Systems, Inc. CEO of V2PLUS Asia Pacific	Audit Committee and Compensation Committee Board Director, Ace Pillar Co., Ltd. Special Consultant to AIRA Corporation Special Consultant to Unimicron Technology Corp	None	None	None	None
Independent Director	Republic of China	Chi-Hang Yang	Male 71-80	2022.06.14	3year	2019.11.13	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Ph.D. in Electronics from University of Southampton, UK. Chairman of the Department of Computer Science and Information Engineering, Tamkang University Executive Assistant to the Chairman of Fusheng Industrial Co., Ltd., and Vice President of Top Machine Co., Ltd. Science and Technology Advisor to the Ministry of Transportation and Communications, and Chairperson of the Committee for International Affairs, Republic of China (Taiwan) Founding Dean of Academic Affairs and Founding Vice President, National Kaohsiung First University of Science and Technology	Audit Committee and Compensation Committee Member, Ace Pillar Co., Ltd. Chairman of SVT Investment Co., Ltd Independent Director of Medeon Biodesign, Inc.	None	None	None	None

Title	Nationality or Place of Registration	Name	Gender / Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding in the names of other persons		Selected Education, Past Positions & Current Positions at Non-profit Organizations	Selected Current Positions at Ace Pillar and Other Companies	Executives, Directors or Supervisors who are Spouses or within Two Degrees of Kinship			Note1
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
															Director General of the Department of International Cooperation, National Science and Technology Council Director of Science and Technology Division, National Science and Technology Council in San Francisco					
Independent Director	Republic of China	Sheng-Fa Yeh	Male 61-70	2022.06.14	3year	2019.11.13	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Master of Business School, City University of Seattle Chairman of Gallant Precision Machining Co., Ltd. Chairman of Gallant Micro. Machining Co., Ltd.	Audit Committee and Compensation Committee Member, Ace Pillar Co., Ltd. Chairman of SkyLine Technology Co., Ltd. Chairman of Sunengine Corporation Ltd. Chairman of Natsume Smartech Co.,Ltd. Director of 3S Silicon Tech, Inc. Director of King Ultrasonic Co., Ltd. Director of Favite Inc. Independent Director of Tyntek Corporation	None	None	None	None

Note 1: Where the Chairman of the Board of Directors and the President 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, the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto must be disclosed.

Note 2: On March 22, 2024, corporate director DFI Inc. reassigned Wen-Hsing Tseng as its representative, who was then elected as Chairman by the Board of Directors on April 2, 2024; on November 4, 2024, corporate director DFI Inc. reassigned Ms. Chih-Ying Tien as its representative.

Substantial shareholders of the corporate shareholder

Name of corporate shareholders (Note 1)	Substantial shareholders of the corporate shareholders	
	Name	Shareholding Percentage (%)
DFI Inc. (Note 2)	Qisda Corporation	45.08%
	British Virgin Islands GORDIAS INVESTMENTS LIMITED	11.49%
	Darly2 Venture, Inc.	8.01%
	Chih-hung Lin	3.81%
	British Virgin Islands Merchant--Hyllus INVESTMENT LIMITED	2.19%
	Darly Venture Inc.	2.00%
	Citibank acting as custodian for UBS Europe SE investment account	0.93%
	Huang Mu-Jhen	0.90%
	Huang Mu-Chen	0.90%
	Taishin International Bank acting as custodian for employee stock ownership trust of DFI Inc.	0.75%
Han-Yu Investment Co., Ltd. (Note 3)	Wexford Ltd. (Samoa)	100%

Note 1: For directors acting as the representatives of institutional shareholders

Note 2: Source of information for DFI Inc. is recorded as of the book closure date of DFI Inc. on March. 24, 2025

Note 3: Source of information for Department of Commerce, MOEA

Substantial shareholders of corporate shareholders who are the substantial shareholders of the Company's corporate shareholders.

Name of institutional shareholders	Substantial shareholders of the corporate shareholders	
	Name	Shareholding Percentage (%)
Qisda Corporation (Note 1)	AU Optronics Corp.	12.20%
	Acer Inc.	4.21%
	Taishin International Bank acting as custodian for employee stock ownership trust of Qisda Corp.	3.89%
	Konly Venture Inc.	2.60%
	Darfon Electronics Corp.	2.07%
	Chunghwa Post Co., Ltd.	1.39%
	Standard Chartered, Business Department, acting as custodian of Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	0.99%
	Citibank (Taiwan) Limited acting as custodian for Polunin Developing Countries Fund, LLC	0.95%
	JPMorgan Chase Bank N.A., Taipei Branch acting as custodian for Vanguard Emerging Markets Stock Index Fund, managed by the Vanguard Group	0.92%
	Eastern Wood Association	0.89%
BVI Gordias Investment Limited	Horizontal Global Investments Ltd.	84.84%
Darly2 Venture, Inc. (Note 2)	BENQ Corporation	100.00%
BVI Hyllus Investments Limited	Tiger Focus Holdings Limited (BVI)	84.84%
Darly Venture Inc. (Note 2)	Qisda Corporation	100.00%
Wexford Ltd.	KWONG CHING CHUNG	100.00%

Note 1: Source of information for Qisda is recorded as of the book closure date of Qisda on Mar. 31, 2025.

Note 2: Source of information for Department of Commerce, MOEA

Professional qualifications and independence analysis of directors

Name	Condition	Key board qualifications, expertise and attributes ( Note 1 )	Meet conditions of independence ( Note 2 )	Number of other public companies where the Director concurrently serves as an Independent Director
Chairman Representative of DFI Inc. :Wen-Hsing Tseng	<ol style="list-style-type: none"> <li>1. Master in Mechanical Engineering, National Taiwan University</li> <li>2. Senior Director of the Smart City Marketing Center in the Smart Solutions Business Group of Qisda Corporation. President of the Smart Solutions Business Group of Qisda Corporation, Chairman of Metaage Corporation and AEWIN Technologies Co., Ltd.</li> <li>3. Substantial industry experience in information technology, internet technology, cloud applications, artificial intelligence, and IoT applications. No circumstances as described in Article 30 of the Company Act.</li> </ol>		Not applicable.	0
Director Representative of DFI Inc. : Chih-Chen Lin	<ol style="list-style-type: none"> <li>1. Department of Mechanical Engineering, National Taiwan University</li> <li>2. Chairman of Ace Pillar Co., Ltd., Honorary Chairman of Ace Pillar Co., Ltd., Chairman and President of Pro Accutech Co., Ltd.</li> <li>3. Over 30 years of experience in professional automation technology, with leadership abilities and expertise in business management. No circumstances as described in Article 30 of the Company Act.</li> </ol>		Not applicable.	0
Director Representative of DFI Inc. : Chang-Chien Li	<ol style="list-style-type: none"> <li>1. Master of Mechanical Engineering, University of Southern California (USC), USA</li> <li>2. Director of R&amp;D/Marketing/Sales for Projectors/Automotive Electronics/Video Surveillance at Qisda Corporation. President of Ace Pillar Co., Ltd., Chairman of Transpak Equipment Corporation and ACE Energy Co., Ltd., Vice Chairman of Standard Technology Corporation</li> <li>3. Possesses leadership, decision-making abilities, and international perspective. Excels in business management and crisis management with rich industry experience. No circumstances as described in Article 30 of the Company Act.</li> </ol>		Not applicable.	0

Name	Condition	Key board qualifications, expertise and attributes ( Note 1 )	Meet conditions of independence ( Note 2 )	Number of other public companies where the Director concurrently serves as an Independent Director
Director Representative of DFI Inc. : Chin-Yin Tien	<ol style="list-style-type: none"> <li>1. Master of Business Administration, National Chengchi University</li> <li>2. Chief Operating Officer of AEWIN Technologies Co., Ltd. Director and President of DFI Inc., Director of AEWIN Technologies Co., Ltd</li> <li>3. Possesses leadership, decision-making abilities, and international perspective. Excels in business management and crisis management with rich industry experience. No circumstances as described in Article 30 of the Company Act.</li> </ol>	Not applicable.	0	
Director Representative of DFI Inc. : Li-Min Huang	<ol style="list-style-type: none"> <li>1. Master of Finance, National Taiwan University of Science and Technology</li> <li>2. Senior Director and CFO of DFI Inc.</li> <li>3. Excels in business management with expertise in financial management and accounting. No circumstances as described in Article 30 of the Company Act.</li> </ol>	Not applicable.	0	
Director Representative of Han-Yu Investment Co., Ltd. : Hwei-Ling Yang	<ol style="list-style-type: none"> <li>1. Master of Business Administration from University of New Mexico, USA and EMBA from China Europe International Business School</li> <li>2. Chairman of Avatack Co., Ltd. and Symbio, Inc.</li> <li>3. Possesses leadership skills, international perspective, diverse industry experience, and values charitable causes. No circumstances as described in Article 30 of the Company Act.</li> </ol>	Not applicable.	0	
Independent Director Liang-Yoo Lee	<ol style="list-style-type: none"> <li>1. Bachelor of Institute of Computer Science and Control Engineering · National Chiao Tung University.</li> <li>2. Asia-Pacific President of V2PLUS TECHNOLOGY INC., Special Consultant for AIRA Corporation and Unimicron Technology Corp.</li> <li>3. Excels in information management, innovative research and development, and strategic planning, with over 30 years of experience in the information technology industry. No circumstances as described in Article 30 of the Company Act.</li> </ol>	Compliant	0	

Name	Condition	Key board qualifications, expertise and attributes ( Note 1 )	Meet conditions of independence ( Note 2 )	Number of other public companies where the Director concurrently serves as an Independent Director
Independent Director Chi-Hang Yang	<ol style="list-style-type: none"> <li>1. Ph.D. in Electronics from University of Southampton, UK</li> <li>2. Director of the Department of International Cooperation at NSTC, Chairman of Silicon Valley Angel Investment Company</li> <li>3. Substantial experience in industry, government, and academia. Excels in industrial innovation, possesses international perspective and management capabilities. No circumstances as described in Article 30 of the Company Act.</li> </ol>	Compliant	0	
Independent Director Sheng-Fa Yeh	<ol style="list-style-type: none"> <li>1. Master of Business School, City University of Seattle</li> <li>2. Master of Business Administration from City University, USA</li> <li>3. Chairman of Gallant Precision Machining Co., Ltd., Director of SkyLine Technology Co., Ltd, unengine Corporation Ltd., Natsume Smartech Co.,Ltd.</li> <li>4. Possesses strong leadership skills and commercial financial expertise, excels in operational management. No circumstances as described in Article 30 of the Company Act.</li> </ol>	Compliant	1	

Note 1: For current positions held by directors and independent directors in this company and other companies, please refer to (P4-P7).

Note 2: All independent directors comply with relevant provisions of Article 14-2 of the Securities and Exchange Act and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies (Note 3).

Note 3: 1. No circumstances as described in any of the subparagraphs of Article 30 of the Company Act

2. Not elected as a government, juridical person, or their representative pursuant to Article 27 of the Company Act..

3. No occurrence of any of the following circumstances within two years before being elected and during the term of office:

(1) An employee of the company or any of its affiliated enterprises.

(2) A director or supervisor of the company or any of its affiliated enterprises.

(3) A natural person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under any other's name, in an aggregate amount of 1% or more of the total number of issued shares of the company, or ranking in the top 10 in shareholding.

(4) A spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any manager listed in subparagraph (1) or any of the persons listed in subparagraphs (2) and (3).

(5) A director, supervisor, or employee of a juridical person shareholder that directly holds 5% or more of the total number of issued shares of the company, is ranked in the top five in shareholding, or designates a representative to serve as a director or supervisor of the company pursuant to Paragraph 1 or 2, Article 27 of the Company Act.

(6) A director, supervisor, or employee of a company where a majority of the company's director seats or voting shares are controlled by the same person who controls the same of another company.

(7) A director, supervisor, or employee of a company or institution where the chairperson, president, or person holding an equivalent position is the same person as, or is the spouse of, the chairperson, president, or person holding an equivalent position of the company.

(8) A director, supervisor, manager, or shareholder holding 5% or more of the shares of a specific company or institution that has financial or business dealings with the company.

- (9) A professional individual who, or an owner, partner, director, supervisor, or manager of a sole proprietorship, partnership, company, or institution that, provides audit services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, and the spouse of any such person. However, this restriction shall not apply to members of the Remuneration Committee, a tender offer review committee, or a special committee for mergers and acquisitions who exercise powers pursuant to this Act or the Business Mergers and Acquisitions Act.

## The Board of Director Diversity and Independence.

### A. The Board of Director Diversity:

- a. Chapter 3 of the Company's Code of Corporate Governance Practices stipulates that the diversity and independence of the members of the Board of Directors shall be ensured, and that appropriate guidelines shall be formulated with regard to the operation, mode of operation and development needs, including but not limited to the following two major criteria: I Basic requirements and values: Gender, age, etc. II Expertise and skills: Professional background, professional skills and experience, etc. The implementation of the diversity policy for the Board of Directors is listed below:

- b. The status of implementing diversification of ACE PILLAR'S Board Members is as follows:

Title / Name/ Gender	Diverse Industry and Professional Skills						Term of Office of Independent Directors
	Management administration	Lead & Decision	Sustainable Development	Information Technology	Finance	International market	
Chairman Wen-Hsing Tseng Male	√	√	√	√		√	
Director Chih-Chen Lin Male	√	√	√			√	
Director Chang-Chien Li Male	√	√	√	√		√	
Director Chin-Yin Tien Female	√	√	√		√	√	
Director Li-Ming Huan Female	√	√	√		√	√	
Director Hwei-Ling Yang Female	√	√	√		√	√	
Independent Director Liang-Yoo Lee Male	√	√	√	√		√	7~9 year
Independent Director Chi-Hang Yang Male	√	√	√	√		√	3~6 year
Independent Director Sheng-Fa Yeh Male	√	√	√		√	√	3~6 year

c. Specific Management Objectives

Management Objectives	Achievement
No more than one-third of the Directors shall be managers.	Achieved; 1 director who also serves as a manager of the company, accounting for 1/9 of the director seats
The Board of Directors shall include at least one female director.	Achieved; the company has three female directors, accounting for 1/3 of the director seats

B. The Board of Director Independence:

The Company has nine directors, including three independent ones (33.33% of the total), none has any of the circumstances listed in Article 30 of the Company Act, and there is no relationship between the directors such as spouse or consanguineous relationship, etc. Therefore, there are no circumstances specified in Item 3 and 4, Article 26-3 of the Securities and Exchange Act.

2. Documents of president, vice president, associate vice president and managers of each department and division

Title	Nationality or Place of Registration	Name	Gender	Date Elected	Current Shareholding		Spouse & Minor Shareholding		Shareholding in the names of other persons		Selected Education, Past Positions & Current Positions at Non-profit Organizations	Selected Current Positions at Ace Pillar and Other Companies	Managers who are spouse or relatives within the second degree of kinship			Note1
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	Republic of China	Chang-Chien Li	Male	2021.04.01	0	0.00%	0	0.00%	0	0.00%	Master of Mechanical Engineering, University of Southern California (USC), USA Business Head of Intelligent Connectivity Solutions Division at LITE-ON Technology Corporation Marketing Director for BenQ Medical Ultrasound R&D/Marketing/Director of Projector/Vehicle Electronics/Video Surveillance at Qisda Corporation Section Manager of Taiwan Telecommunication Industry Co. Ltd.	Director and General Manager of Ace Pillar Co., Ltd. Chairman of Transpak Equipment Corporation Chairman of ACE Energy Co., Ltd. Vice Chairman of Standard Technology Corporation Director of H2 Energy Co., Ltd. Director of Cyber South Management Ltd. Director of Proton Inc. Director of Ace Tek(HK) Holding Co.,Ltd	None	None	None	None
Vice President	Republic of China	Chin-Yu Lin	Male	2025.02.24	0	0.00%	0	0.00%	0	0.00%	Master of Mechanical Engineering, National Taiwan University Director of Industrial IoT Business Group, Advantech Co., Ltd. President of Machine Tool Business Division, Fair Friend Enterprises Co., Ltd. Vice President of Works Systems Vice President of Industry 4.0 Business Division/Knowledge Management Center Consultant, Fair Friend Group Acting Director of Planning Division/Special Assistant to the President/Acting Director of R&D Division, ICP DAS Co., Ltd. Senior Firmware Engineer, Digital Imaging Business Division, LITE-ON Technology Corporation Senior Engineer/System Engineer, Semiconductor Business Division, Chromaate Inc.	Vice President, Ace Pillar Co., Ltd.	None	None	None	None
CFO	Republic of China	Kuo-Mei Chen	Female	2020.03.16	0	0.00%	0	0.00%	0	0.00%	Master of Department of Accounting, TKU CFO, Partner Tech Corp.	Director: Cyber South Management Ltd. Proton Inc. Ace Tek(HK) Holding Co., Ltd. Supervisor Tianjin Ace Pillar Co., Ltd. AdvancedTek Ace(Tj) Inc. Suzhou Super Pillar Automation Equipment Co., Ltd. Standard Technology Corp. ACE Energy Co., Ltd. Transpak Equipment Corporation	None	None	None	None

The Company's shares held by managers in the name of other persons: None.

Any spouse or relative within the second degree of kinship of any manager who serves as the Company's executive: None.

Note 1: Where the Chairman of the Board of Directors and the President 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, the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto must be disclosed.



Remuneration Range Table

Ranges of remuneration paid to each of the Company's directors	Names of Directors			
	Sum of A+B+C+D		Sum of A+B+C+D+E+F+G	
	The Company	All consolidated entities H	The Company	Parent company and all investee enterprises (Note 9) I
Less than NT\$1,000,000	Wen-Hsing Tseng 、 Chang-Hung Lee 、 Chia-Hung Su 、 Li-Min Huang 、 Chin-Yin Tien Chih-Chen Lin 、 Chang-Chien Li Han-Yu Investment Co., Ltd. 、 Hwei-Ling Yang Liang-Yoo Lee 、 Chi-Hang Yang 、 Sheng-Fa Yeh	Wen-Hsing Tseng 、 Chang-Hung Lee Chia-Hung Su 、 Li-Min Huang 、 Chin-Yin Tien Chih-Chen Lin 、 Chang-Chien Li Han-Yu Investment Co., Ltd. 、 Hwei-Ling Yang Liang-Yoo Lee 、 Chi-Hang Yang 、 Sheng-Fa Yeh	Wen-Hsing Tseng 、 Chang-Hung Lee Chia-Hung Su 、 Li-Min Huang 、 Chin-Yin Tien Han-Yu Investment Co., Ltd. 、 Hwei-Ling Yang Liang-Yoo Lee 、 Chi-Hang Yang 、 Sheng-Fa Yeh	Han-Yu Investment Co., Ltd Hwei-Ling Yang 、 Liang-Yoo Lee 、 Chi-Hang Yang Sheng-Fa Yeh
NT\$1,000,000 (incl.) ~ NT\$2,000,000 (excl.)				Chin-Yin Tien
NT\$2,000,000 (incl.) ~ NT\$3,500,000 (excl.)	DFI Inc	DFI Inc	DFI Inc 、 Chih-Chen Lin	DFI Inc 、 Chang-Hung Lee 、 Chih-Chen Lin
NT\$3,500,000 (incl.) ~ NT\$5,000,000 (excl.)				Li-Min Huang
NT\$5,000,000 (incl.) ~ NT\$10,000,000 (excl.)			Chang-Chien Li	Chia-Hung Su 、 Chang-Chien Li
NT\$10,000,000 (incl.) ~ NT\$15,000,000 (excl.)				Wen-Hsing Tseng
NT\$15,000,000 (incl.) ~ NT\$30,000,000 (excl.)				
NT\$30,000,000 (incl.) ~ NT\$50,000,000 (excl.)				
NT\$50,000,000 (incl.) ~ NT\$100,000,000 (excl.)				
NT\$100,000,000 or above				
Total	13	13	13	13

Note 1: Refers to compensation for Directors in 2024 (including salaries, job allowance, severance pay, bonuses, and performance fees).

Note 2: Refers to Directors' remunerations in 2024.

Note 3: Refers to Directors' business execution expenses in 2024 (including provisions of compensation, transport fees, special expenses, various subsidies, accommodations, or company vehicles and other physical items)

Note 4: Profit refers to the profit for the year in the 2024 parent company only financial statements of Ace Pillar Co., Ltd.

Note 5: This includes any remuneration received by a director for concurrent service as an employee in the 2024 (including concurrent service as general manager, assistant general manager, other managerial officer, or non-managerial employee) including salary, duty allowances, severance pay, rewards, incentives, travel expenses, special disbursements, stipends of any kind, and provision of facilities such as accommodations or vehicles, etc. Salary expenses recognized as share-based payment under IFRS 2 including employee share subscription warrants, new restricted employee shares, and participation in share subscription under a rights offering, etc. should be included in the calculation of remuneration.

Note 6: Refers to employee's remuneration (including stock and cash) paid to Directors who also served as President, Vice President, other managers, or employees in 2024.

Note 7: All consolidated entities in the consolidated financial statements (including the company)

Note 8: Refers to compensation, remunerations (including remunerations for employees, Directors, and supervisors), business execution expenses, and other related payments received by Directors who served as Director, supervisor, or manager in investees other than ACE PILLAR CO., LTD.'s subsidiaries in 2024.

Note 9: State the amount of the relevant remuneration received by the Company's directors from the investees or parent company other than the subsidiaries

## 2. Remuneration of Supervisors:

Since November 13, 2019, the Audit Committee has been responsible for the implementation of the Supervisors authority as required by the relevant laws and regulations.

### 3. Remuneration for President and Vice Presidents

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

Title	Name	Salary(A) (Note 1)		Pension upon retirement (B)		Bonuses and special expenses etc (C)(Note 2)		Employee's remuneration (D) (Note 3)				Ratio of sum of items A, B, C and D to profit (%) (Note 4)		Compensation from investees other than Ace Pillar's subsidiaries or Parent Company (Note 6)
		The company	All Companies in the Consolidated Financial Statements (Note 5)	The company	All Companies in the Consolidated Financial Statements (Note 5)	The company	All Companies in the Consolidated Financial Statements (Note 5)	The company		All Companies in the Consolidated Financial Statements (Note 5)		The company	All Companies in the Consolidated Financial Statements (Note 5)	
								Cash	Stock	Cash	Stock			
President	Chang-Chien Li	2,732	2,732	124	124	2,560	2,560	330	0	330	0	5,746 (8.53%)	5,746 (8.53%)	1,327
Senior Vice President (Note7)	Shih-Tth Lin													

#### Remuneration Range Table

Ranges of remuneration paid to each of the Company's general manager(s) and assistant general manager(s)	Names of General Manager(s) and Assistant General Manager(s)	
	The Company	Parent company and all investee enterprises (Note 9) I
Less than NT\$1,000,000	Shih-Tth Lin	Shih-Tth Lin
NT\$1,000,000 (incl.) ~ NT\$2,000,000 (excl.)		
NT\$2,000,000 (incl.) ~ NT\$3,500,000 (excl.)		
NT\$3,500,000 (incl.) ~ NT\$5,000,000 (excl.)		
NT\$5,000,000 (incl.) ~ NT\$10,000,000 (excl.)	Chang-Chien Li	Chang-Chien Li
NT\$10,000,000 (incl.) ~ NT\$15,000,000 (excl.)		
NT\$15,000,000 (incl.) ~ NT\$30,000,000 (excl.)		
NT\$30,000,000 (incl.) ~ NT\$50,000,000 (excl.)		
NT\$50,000,000 (incl.) ~ NT\$100,000,000 (excl.)		
NT\$100,000,000 or above		
Total	2	2

Note1: Refers to compensation for president and vice president in 2024, including salaries, job allowance and severance pay.

Note2: This includes any remuneration received by president and vice president in the 2024 (including concurrent service as general manager, assistant general manager, other managerial officer, or non-managerial employee) including salary, duty allowances, severance pay, rewards, incentives, travel expenses, special disbursements, stipends of any kind, and provision of facilities such as accommodations or vehicles, etc. Salary expenses recognized as share-based payment under IFRS 2—including employee share subscription warrants, new restricted employee shares, and participation in share subscription under a rights offering, etc.—should be included in the calculation of remuneration.

Note3: Refers to remunerations for employee in 2024.

Note4: Profit refers to the profit for the year in the 2024 parent company only financial statements of Ace Pillar Co., Ltd.

Note5: All consolidated entities in the consolidated financial statements (including the company).

Note6: Refers to compensation including compensation, remuneration including remunerations for employees, Directors, and supervisors, business execution expenses, and other related payments received by president and vice president who served as Director, supervisor, or manager in investees other than ACE PILLAR CO., LTD.'s subsidiaries in 2024.

Note7: Shih-Tth Lin retired on February 29, 2024.

Note8: State the amount of remuneration received by the President and Vice President of the Company from investee enterprises other than subsidiaries or from the parent company.

### 4. Names of managers provided with employee's remunerations and state of payments

Unit: NT\$ 1,000

Title	Name	Stock (Note 1)	Cash (Note 1)	Total	Ratio of total amount to the net income after taxes (%) (Note 2)
President	Chang-Chien Li	0	550	550	0.82%
CFO	Kuo-Mei Chen				

Note1: Refers to remunerations for employees in 2024.

Note2: Net income after taxes refers to the net income after taxes on the 2024 parent company only financial statements.

5. Compare and analyze the total compensation as a percentage of net income after taxes stated in the parent company only or individual financial statements, paid by the Company and by all companies listed in the consolidated financial statement in the most recent two years to the Company's Directors, supervisors, president and vice president. Describe the policies, standards, and packages for payment of compensation, the procedures for determining compensation, and its linkage to business performance and future risk exposure

(1) The total compensation as a percentage of net income after taxes stated in the parent company only financial statement, paid by the Company and by all companies listed in the consolidated financial statement in the most recent two years to the Company's Directors, supervisors, President and Vice President are as the following:

Unit: NT\$ 1,000

Item	2024	2023
Net income after taxes on the Company's Parent Company Only Financial Statements	67,390	(20,946)
Ratio of compensation for Directors paid by the Company	8.54%	-23.80%
Ratio of compensation for Directors paid by all companies listed in the Consolidated Financial Statements	10.1%	-23.80%
Ratio of compensation for Managers such as Vice President or above paid by the Company	8.53%	-36.47%
Ratio of compensation for Managers such as Vice President or above paid by all companies listed in the Consolidated Financial Statements	8.53%	-36.47%

(2) Compensation policies, standards and combinations, procedures for determining compensation, and their relevance to business performance and future risks.

A. The remuneration of the directors of the Company shall be determined by the Board of Directors in accordance with the authorization of the Company's Articles of Association, based on the level of participation in operations, contribution to the Company, practical implementation of core values, strategic goals, and tasks of the Company, as well as taking into account the standards of remuneration for directors and functional committee members in the domestic and foreign industries, as stipulated in the "Regulations on Remuneration for Directors and Functional Committee Members". If the Company has profits, it shall allocate no more than 1% as remuneration for directors in accordance with Article 22 of the Company's Articles of Association. The term "profit" refers to the income before tax deducted by the expenses of distributing employee and director compensation. The Chairman of the Board shall bear the indicators of the operation of the Board of Directors and corporate governance, the interests of shareholders, the achievement rate of the company's long-term strategic objectives, management performance, and risk management in the future. Independent directors may receive different salaries and compensation from regular directors. If an independent director serves as the chairman of a functional committee, their remuneration may be higher than that of other independent directors.

B. The remuneration of the Company's managers is determined based on the scope of responsibilities, job grades, and professional abilities of each position, with reference to market levels in the same industry. The payment of bonuses is highly linked to the Company's operating results and performance, and is also based on the Company's annual operating performance, financial status,

operating conditions, and individual work performance. The Company's performance evaluation results executed in accordance with the "Performance Management Measures" serve as the reference basis for the payment of bonuses to managers. The performance evaluation items for managers are divided into two major parts: 1. Financial indicators, such as operating income, operating net profit, or net profit after tax, taking into account the manager's target achievement rate; 2. Non-financial indicators, such as promoting high value-added product solutions, new product development, exploring new markets, developing potential new customers, and key project objectives of annual operation strategies. These serve as the basis for calculating their operating performance remuneration. The Company's directors and managers' performance appraisals and the reasonableness of their remuneration are regularly evaluated and reviewed by the Remuneration Committee and the Board of Directors every year. In addition to considering individual performance achievement rates and contributions to the Company, the Company's overall operating performance, future industry risks and development trends are also taken into account. The remuneration system is reviewed in a timely manner based on actual operating conditions and relevant laws and regulations. Moreover, reasonable remuneration is given after comprehensively considering the current corporate governance trends.

### (III) Implementation of Corporate Governance

#### I. Operations of the Board of Directors

The Company had convened 7 Board of Directors meetings in 2024 with the following attendance:

Title	Name	Number of actual attendance (B)	Number of proxies attendance	Actual attendance rate (%) (B/A)	Remark
Chairman	Representative of DFI Inc.: Wen-Hsing Tseng	6	0	100%	Number of meetings required to attend after appointment on 2024.3.22: 6 times
Director	Representative of DFI Inc.: Chang-Hung Lee	1	0	100%	Number of meetings required to attend after dismissal on 2024.3.22: 1 time
Chairman	Representative of DFI Inc.: Chih-Chen Lin	6	1	86%	
Director	Representative of DFI Inc.: Chang-Chien Li	7	0	100%	
Director	Representative of DFI Inc.: Chin-Yin Tien	0	0	-	Number of meetings required to attend after appointment on 2024.11.4: 0 times
Director	Representative of DFI Inc.: Chia-Hung Su	7	0	100%	Number of meetings required to

					attend after dismissal on 2024.11.4: 7 times
Director	Representative of DFI Inc.: Li-Min Huang	7	0	100%	
Director	Han-Yu Investment Co., Ltd.: Hwei-Ling Yang	5	2	71%	
Independent Director	Liang-Yoo Lee	7	0	100%	
Independent Director	Chi-Hang Yang	7	0	100%	
Independent Director	Sheng-Fa Yeh	5	2	71%	

**Other items that shall be recorded:**

- A. When one of the following situations occurred to the operations of the Board, state the date and term of the Board meeting, content of proposals, opinions of all Independent Directors and the Company's actions in response to the opinions of the Independent Directors:
- a. Matters included in Article 14-3 of the Securities and Exchange Act: regulations from Article 14-3 are not applicable since the Company has already established an Audit Committee. For explanations on matters stipulated in Article 14-5 of the Securities and Exchange Act, please see Operations of the Audit Committee.(P.23-P.25)
  - b. In addition to the aforementioned matters, any other resolutions from the Board of Directors where an Independent Director expressed a dissenting or qualified opinion that has been recorded or stated in writing: None.

B. When Directors abstain themselves for being a stakeholder in certain proposals, the name of the Directors, the content of the proposal, reasons for abstentions and the participation in voting should be stated:

Date of Board Meeting	Name of Director	Content of the Proposal	Reasons for Abstentions	Participation in Voting
2024.02.27	Director, Chang-Chien Li	Release of current directors and their representatives from restrictions on competition	Director released from the restrictions on competition	Did not participate in discussion or voting
		Approved the compensation metrics for executive officers for FY2024	Serves as a manager of Ace Pillar Co., Ltd.	Did not participate in discussion or voting
		Approved the bonus and salary adjustment policy for executive officers for FY 2024	Serves as a manager of Ace Pillar Co., Ltd.	Did not participate in discussion or voting
2025.02.24	Director Wen-Hsing Tseng Chih-Chen Lin Chang-Chien Li Chin-Yin Tien Li-Min Huang Hwei-Ling Yang Independent Director Liang-Yoo Lee Chi-Hang Yang Sheng-Fa Yeh	Approved the nomination of candidates for directors and independent directors	For nominated candidates and directors exempted from non-competition restrictions	Recuse from discussions and voting one by one
		Approved the release of non-competition restrictions for newly elected directors and their representatives		
	Director, Chang-Chien Li	Approved the distribution compensation for executive officers for FY2024	Serves as a manager of Ace Pillar Co., Ltd.	Did not participate in discussion or voting
		Approved the compensation metrics for executive officers for FY2025	Serves as a manager of Ace Pillar Co., Ltd.	Did not participate in discussion or voting
		Approved the bonus and salary adjustment policy for executive officers for FY 2025	Serves as a manager of Ace Pillar Co., Ltd.	Did not participate in discussion or voting

### C. Implementation Status of Board Evaluations

a. The Company has entrusted an independent evaluation institution, Taiwan Corporate Governance Association in 2022, to evaluate the performance of the board of directors of the Company. The evaluation was conducted with respect to eight main aspects: the composition, guidance, authorization, supervision, communication, self-discipline, internal control, and risk management of the board of directors. The evaluation method includes online self-evaluation, written review of relevant documents, and a field survey that was conducted in January, 2023. The subjects of the evaluation included the

chairperson, two independent directors(Convener of Audit Committee and Remuneration Committee),president, the corporate governance officer and the Internal auditing officer. And Board meeting to report the evaluation results in March, 2023.

b.The Company had completed the performance appraisal to the Board, the Board members and two Functional Committees by the end of 2024 and reported at the Board meeting in February of 2025, the grade is excellent indicating the efficient and good operation by the Board.

c.Implementation status:

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation items
Every three years	December 2021 to December 2022	Effectiveness of the Board of Directors	The evaluation institution paper review and field survey	The eight main aspects: the composition, guidance, authorization,supervision, communication, self-discipline, internal control, and risk management of the board of directors.
Annually	January 2024 to December 2024	Board and Board members	Internal Self-Evaluation made by the Board and Board members	1.Alignment of the goals and missions of the company 2.Participation in the operation of the company 3.Management of internal relationship and communication 4.Improvement of the quality of the board of directors' decision making 5.Composition and structure of the board of directors 6.Awareness of the duties of a director 7.Election, professionalism and continuing education of the directors 8.Internal control
		Audit Committee	Internal Self-Evaluation made by Audit Committee	1.Participation in the operation of the company 2.Awareness of the duties of Audit Committee 3.Improvement of quality of decisions made by Audit Committee 4.Makeup of Audit Committee and election of its members 5.Internal control
		Remuneration Committee	Internal Self-Evaluation made by Remuneration Committee	1.Participation in the operation of the company 2.Awareness of the duties of Remuneration Committee 3.Improvement of quality of decisions made by Remuneration Committee 4.Makeup of Remuneration Committee and election of its members

D. Targets for strengthening the functions of the Board of Directors in the current and the most recent year (e.g., setting up an Audit Committee and enhancing information transparency) and evaluation of target implementation:

a.The Company had established the Remuneration Committee in 2011 to enhance corporate governance and improve the remuneration and compensation system for Directors and Managers of the company. In

2019, the Audit Committees was established to exercise the functions required by the Securities and Exchange Act, the Company Act and other legal regulations.

- b. Based on Paragraph 8 of Article 26-3 of the Securities and Exchange Act, Ace Pillar has promulgated the "Rules Governing the Procedures of Meetings of the Board of Directors" which stipulated requirements to contents of meetings of the Board, the operating procedures, the matters to be recorded in the proceedings, the announcements and any other matters. Meetings of Ace Pillar Board shall be convened at least once per quarter. All members of the Board shall exercise the due care of a good administrator and bear fiduciary duty to manage exercise their powers with a high degree of self-discipline and prudence under the guidance of optimization of Shareholders' interest.

## 2. Operations of the Audit Committee

The Company had convened 6(A) Audit Committee meetings in 2024 with the following attendance:

Title	Name	Attendance in Person(B)	Number of times attended by proxy	Attendance rate (B/A)	Remark
Independent Director (Convener)	Liang-Yoo Lee	6	0	100%	
Independent Director	Chi-Hang Yang	6	0	100%	
Independent Director	Sheng-Fa Yeh	5	1	83%	

### Other items that shall be recorded:

A. If any of the following matters occurs during the operation of the Audit Committee, the dates, terms, contents of the proposal of the Board meetings, the opinions of all Independent Directors and the responses by the Company shall be clearly described:

- a. Matters included in Article 14-5 of the Securities and Exchange Act: All resolutions have been approved with the consent of one-half or more of all Audit Committee members before a resolution has been reached at the Board meeting. There were no resolutions which had not been approved with the concurrence of one-half or more of all Audit Committee members but were undertaken upon the consent of two-thirds or more of all directors.

Date	Discussions	Opinions by Independent Directors and Treatment by the Company
2024.02.27 Second Session/ Seventh Meeting	<ol style="list-style-type: none"> <li>1. Approved the statement of internal control system and report on the results of self-assessment for FY2023</li> <li>2. Approved the financial statements, business report for FY2023, and operational plan for FY2024</li> <li>3. Approved the distribution of earnings for FY2023</li> <li>4. Approved the review of CPA service fees for FY2024</li> </ol>	I. All Audit Committee Members presented at the meeting agreed without objection
2024.05.02 Second Session/	<ol style="list-style-type: none"> <li>1. Approved the consolidated financial statements for the first quarter of 2024</li> </ol>	

Date	Discussions	Opinions by Independent Directors and Treatment by the Company
Eighth Meeting	2. Approved the lending of RMB 20 million to Tianjin Ace Pillar Enterprise Co., Ltd.	2. Treatment to opinions by Audit Committee Members: None
2024.06.24 Second Session/ Ninth Meeting	1. Approved the investment in common shares of Transpak Equipment Corporation	
2024.08.02 Second Session/ Tenth Meeting	1. Approved the consolidated financial statements for the second quarter of 2024	
2024.09.26 Second Session/ Eleventh Meeting	1. Approved the Company's issuance of the second domestic unsecured convertible corporate bonds	
2024.11.01 Second Session/ Twelfth Meeting	1. Approved the amendment to "Internal Control System" and "Implementation Rules for Internal Auditing" 2. Approved the establishment of the internal audit plan for FY2025 3. Approved the consolidated financial report for the third quarter of 2024 4. Approved the appointment of certified public accountants for auditing the Company's financial statements for FY2025 5. Approved the amendment to the Company's pre-approved non-confirmation service policy	
2025.02.24 Second Session/ Thirteenth Meeting	1. Approved the statement of internal control system and report on the results of self-assessment for FY2024 2. Approved the financial statements, business report for FY2024, and operational plan for FY2025 3. Approved the distribution of earnings for FY2024 4. Approved the amendment to the "Internal Control System" and "Implementation Rules for Internal Auditing" 5. Approved the review of CPA service fees for FY2025	

b. Except the items in the preceding issues, other resolutions which had not been approved with the concurrence of one-half or more of all Audit Committee members but were undertaken upon the consent of two-thirds or more of all directors: None.

B. For the implementation of Directors' avoidance due to conflicts of interest of Directors, please clearly specify the names of Directors, the content of the proposals, the reasons of avoidance due to conflicts of interest and the participation in the voting and resolution: None.

C. Communication between Independent Directors, the Internal Audit Director and CPAs (the major issues, methods and results of the Company's financial and business conditions shall be described in details):

The Audit Committee of the Company would regularly convene internal meetings and invite CPAs, internal auditors, legal affairs staff, financial accounting staff and other units on a quarterly basis to discuss or discuss the information of discoveries during the examination of financial statements of the most recent period (including the accountant's duties and independence, scope and methods for examination or verification, examination or verification results of financial report, analysis of key financial ratios, major accounting

treatment, major regulatory updates and other related issues), internal audit verification results (including report of verification of current audit, the follow-up report), and financial business profiles, etc.. All Independent Directors had communicated well and efficiently with the Internal Audit Director and CPAs.

D. Annual key functions and operations:

a. Annual key functions

- (a) Communicate results of audit report with the head of internal audit regularly according to the annual audit plan.
- (b) Communicate with CPA regularly over financial statement review or audit results in each quarter.
- (c) Review financial reports.
- (d) Assessment of the effectiveness of internal control system.
- (e) Review the hiring, dismissal, compensation and service matters concerning CPAs.
- (f) Review the Company's operational procedures and material transactions of assets, derivatives, capital lending and endorsement/guarantees.
- (g) Legal compliance.

b. 2024 operations: Proposals of the Audit Committee meetings have all been reviewed or approved by members of the Audit Committee with no dissent from any of the Independent Directors.

3. Governance of the Company and deviations from the Governance Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof

Evaluation item	Operation			Deviations from the Governance Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof
	Yes	No	Abstract	
I. Does the Company formulate and disclose the Code for Governance Practice in accordance with the "Governance Practice Principles for TWSE/TPEX Listed Companies"?	V		The Company has developed a Code of Corporate Governance Practices, and the updates have been posted in the Market Observation Post System(MOPS) and the Corporate Governance section of the website.	No deviation
II. Equity structure and shareholders' equity (I) Does the Company formulate the internal procedures to deal with the shareholders' suggestions, doubts, disputes and litigation, and implement according to the procedures? (II) Does the Company actually hold the list of the major shareholders actually controlling the Company and the ultimate controller of the major shareholders? (III) Does the Company establish and execute the risk control and firewall mechanism with the affiliated enterprises? (IV) Does the Company formulate the internal codes to prohibit insider trade of the securities by making use of the non-public information?	V V V V		1.The Company has a spokesperson and a proxy spokesperson, and has set up an investor section on its website to provide relevant contact information and deal with shareholders' suggestions or disputes. 2.The Company reports changes in the shareholdings of its directors, managers and major shareholders holding 10% or more of its shares on a regular monthly basis in the MOPS and discloses the top 10 shareholders in the annual report of the shareholders' meeting. 3.The Company has established a "Code of Conduct for Related Party Financial Operations", which includes procedures for transactions such as purchase and sales and the acquisition or disposal of assets, and establishing related controls. 4.The Company has established the "Procedures for Handling Material Information and Prevention of Insider Trading" to prevent insider trading and other related matters. On May 3, 2022, the Board of Directors added a new regulation to prohibit insiders from trading stocks during the closed period of 30 days prior to annual financial report and 15 days prior to quarterly financial report. At least once a year, the Company will provide training to current directors, managers and	No deviation

Evaluation item	Operation		Abstract	Deviations from the Governance Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof
	Yes	No		
			employees to achieve 188 visits and 94 person-hours in 2024 to implement the insider trading prohibition course.	
<p>III. Composition and responsibilities of the Board of Directors</p> <p>(I) Does the Board of Directors formulate and implement diversified policies and specific management objectives?</p> <p>(II) Does the Company voluntarily set up other functional committees than the Remuneration Committee and the Audit Committee?</p> <p>(III) Does the Company formulate the measures and methods for valuation of the Board of Directors, organize performance evaluation every year and regularly, submit the performance evaluation results to the Board of Director, and apply the same for remuneration and nomination for reappointment of the individual directors?</p> <p>(IV) Does the Company regularly evaluate independence of the CPAs?</p>	V	V	<p>1. Please refer to the chapter on Diversity and Independence of the Board of Directors (P.9-P.13) for the formulation and implementation of the Company's policy on diversity of the Board of Directors' composition.</p> <p>2. The Company established the Risk Management Committee in 2021. Although there is no nomination committee, a candidate nomination system is adopted for the election of directors (including independent directors), and candidates for incumbent directors (including independent directors) are proposed by shareholders holding 1% or more of the shares or by the Board of Directors, and after examination by the Board of Directors, they are submitted to the shareholders' meeting for election.</p> <p>3. On August 10, 2016, the Board of Directors adopted the "Board of Directors' Performance Evaluation Methodology", the evaluation method and implementation of which are described in the chapter on Board of Directors' Evaluation and Implementation. (P.21-P.23) According to the Articles of Incorporation, if there is profit in the annual accounts, no more than 1% will be set aside for the remuneration of directors. The Remuneration Committee and the Board of Directors determine the remuneration of directors and consider their reappointment based on the operating results and the "Remuneration Plan for Directors and Functional Committee Members", taking into account the performance evaluation.</p> <p>4. The Company's Audit Committee and Board of Directors annually evaluate the independence and suitability of its certified public accountants,</p>	No deviation

Evaluation item	Operation			Deviations from the Governance Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof
	Yes	No	Abstract	
			<p>requiring them to provide a statement of independence and conduct assessments based on independence items (P.33). On May 3, 2023, the Board of Directors passed a resolution to amend the Corporate Governance Best Practice Principles, stipulating that the independence and suitability of accountants should be regularly evaluated (at least once a year) with reference to Audit Quality Indicators (AQIs). The evaluation content includes five major aspects and 13 indicators: professionalism, quality control, independence, supervision, and innovation ability. The results of the latest annual evaluation were discussed and approved by the Audit Committee on November 1, 2024, and then submitted to the Board of Directors for approval on November 1, 2024.</p>	
<p>IV. Does the listed company allocate suitable and appropriate governance officers, and designate the chief governance officer responsible for governance related affairs (including but not limited to providing data required by the directors and supervisors to execute the business, assisting the directors and supervisors to comply with the laws and decrees, conducting the matters related to the board meeting and the shareholders' meeting, and preparing the minutes of the board meeting and the shareholders' meeting?)</p>	V		<p>As approved by the Board of Directors' resolution on April 30, 2020, Ms. Kuo-Mei Chen was appointed as the Head of Governance and is responsible for related matters, and her qualifications meet the requirements of Paragraph 1, Article 3 of the Code of Corporate Governance Practices for Listed Companies. The duties and responsibilities of the Head of Corporate Governance include:</p> <ol style="list-style-type: none"> <li>1. Conduct board meetings and shareholders' meetings in accordance with the law.</li> <li>2. Prepare minutes of board meetings and shareholders' meetings.</li> <li>3. Assist directors in assuming office and pursuing continuing education.</li> <li>4. To provide information necessary for directors for their business and to assist them in complying with laws and regulations and in handling matters related to changes in directors.</li> <li>5. Other matters in accordance with the Articles of Incorporation or contract.</li> </ol> <p>Implementation of business for 2024:</p> <ol style="list-style-type: none"> <li>1. The Board of Directors held seven meetings and the Audit Committee held six meetings in 2024.</li> </ol>	No deviation

Evaluation item	Operation		Abstract	Deviations from the Governance Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof
	Yes	No		
			<p>2. In 2024, the Company held one general shareholders' meeting.</p> <p>3. All members of the Board of Directors have completed refresher courses of at least 6 credits.</p> <p>4. Assist the independent directors and general directors in carrying out their duties, provide necessary information, and regularly inform the board members of the latest changes in laws and regulations related to corporate governance.</p> <p>5. The Board is responsible for reviewing the dissemination of material information on important Board resolutions to ensure that it is appropriate and correct to protect investors' trading information.</p> <p>6. The results of the external and internal assessments of the 2024 Executive Board performance were reported to the Board in February 2025.</p> <p>7. Please refer to P.33 for the corporate governance officer's training.</p>	
V. Does the Company establish channels for communication with the stakeholders (including but not limited to shareholders, employees, customers and suppliers, etc.), set up special stakeholder area at the Company's website, and properly respond to important corporate social responsibility issues of stakeholder concern?	V		The Company attaches importance to communication with stakeholders and regularly announces financial and business information on the MOPS and the investor section of the website to fully disclose events that may affect stakeholders, and has established a mailbox on the website to respond to stakeholders' expectations and suggestions.	No deviation
VI. Does the Company appoint a professional agency to deal with the affairs of the Board of Shareholders?	V		The Company has appointed Taishin Integrated Securities Co., Ltd. to act as its share agent and to conduct the affairs of the shareholders' meeting.	No deviation
VII. Public information (I) Does the Company set up a website to disclose the financial affairs and governance related	V		I. The Company has a corporate website and discloses financial and governance information on it.	No deviation

Evaluation item	Operation		Abstract	Deviations from the Governance Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof
	Yes	No		
<p>information?</p> <p>(II) Does the Company use other information disclosure methods (such as setting up English website, appointing especially-assigned person to collect and disclose the company information, publishing the spokesman system, and corporate orientation meeting process at the Company's website)?</p> <p>(III) Does the Company announce and declare the annual financial report within 2 months at the end of the fiscal year, and publish and declare the financial reports for Q1, Q2, Q3 and Q4 and the operation of each month in advance before the stipulated time limit?</p>	V		<p>2.The Company has set up a website in English and Chinese, and has dedicated personnel to collect and disclose corporate information, implement a spokesperson and proxy spokesperson system, and place presentations for corporate meetings on the website.</p> <p>3.The Company's 2024 consolidated and individual financial reports were announced and filed on February 24, 2025; the financial reports for the first, second, and third quarters of 2024 and monthly revenues were all announced on the Market Observation Post System and filed before the required deadline, and uploaded to the Company's website.</p>	
<p>VIII. Does the Company have other important information helping understand the operations of corporate governance as follows?</p> <p>(I) Employee rights and caring for the employees</p> <p>(II) Investor relations</p>	V	V	<p>1.We uphold the basic principle of "sincerity" and treat our employees with sincerity, and set up a welfare committee to protect the legitimate rights and interests of employees in accordance with the law. For employee rights and benefits, please refer to the Labor Relations Chapter. (P.79-P.81)</p> <p>2. In accordance with the relevant regulations, the Company's personnel will immediately announce information on financial, business and insider shareholding changes, and an investor zone on the</p>	No deviation

Evaluation item	Operation			Deviations from the Governance Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof
	Yes	No	Abstract	
(III) Supplier relationship	V		website is ready to regularly update for investors' inquiries, and a spokesperson system will be in place to communicate with investors timely.	
(IV) Stakeholder rights	V		3.The Company has established a supplier selection process based on the Company's future product trend requirements and procurement strategy, to investigate whether the potential supplier's production capacity, technological innovation capability, quality and service management systems meet our requirements to serve for future selection.	
(V) Progress of training of directors and supervisors	V		4.The Company has set up a stakeholder mailbox on its website as a communication channel to respond to the expectations and suggestions of stakeholders, and reports annually to the Board of Directors on its communication with each stakeholder for their understanding.The stakeholders' communication for the year 2024 was reported to the Board of Directors on February 24, 2025.	
(VI) Risk management policy and execution of risk measurement standards	V		5. The directors have followed the key rules for further education, and the relevant information on the directors' training has been disclosed on MOPS.	
(VII) Execution of customer policy	V		6.The Company has a risk management committee to formulate risk management policies and regularly assess to reduce corporate risks, please refer to the company Website for more information. 7.ACE places a strong emphasis on a customer-oriented quality system and management philosophy.We prioritize enhancing customer satisfaction by ensuring compliance with relevant regulations, high-quality shipping, providing technical support, and offering customer service. We conduct regular business review meetings and customer satisfaction surveys to understand any gaps between customer needs and expectations. In addition, we address customer complaints by identifying the root cause of the issue and	

Evaluation item	Operation		Abstract	Deviations from the Governance Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof
	Yes	No		
(VIII) Liability insurance purchased by the Company for directors and supervisors.	V		<p>implementing improvement strategies to ensure the best possible service for our customers.</p> <p>8. The Company has taken out liability insurance for its directors to enable them to act prudently and without fear of prejudice to the interests of investors. The report to the Board of Directors on the insurance coverage of directors' and supervisors' liability insurance is reported to the Board of Directors at least once a year and the last was completed on August 2, 2024.</p>	
<p>IX. Please provide details on improvements made based on the Corporate Governance Evaluation results published by the Taiwan Stock Exchange Corporation's Corporate Governance Center in the most recent year, and identify priority areas and measures for items that have not yet been improved:</p> <p>The Company's 10th (2023) Corporate Governance Evaluation result was in the top 36%-50%. As of the annual report printing date, the 11th (2024) evaluation results have not yet been announced. The improvement and enhancement measures for 2024 are as follows:</p> <ol style="list-style-type: none"> <li>1. Established an intellectual property management plan linked to operational goals, and reported the implementation status for the current year to the Board of Directors on November 3, 2024.</li> <li>2. In 2024, each gender represents at least 1/3 of the board seats (male directors: 2/3 of seats; female directors: 1/3 of seats).</li> <li>3. The 2024 Sustainability Report is expected to be submitted to the Board of Directors after obtaining third-party verification in June 2025.</li> <li>4. The greenhouse gas inventory for 2024 is expected to complete third-party verification in May 2025.</li> <li>5. Established a policy linking manager compensation to ESG-related performance evaluations, which is expected to be submitted to the Compensation Committee and the Board of Directors in May 2025.</li> </ol>				

Independence assessment indicators of CPA :

Evaluation Items	Evaluation result	Independency
No direct or indirect substantial financial interest between the CPA and the Company.	No	Yes
No borrowing/lending of fund between the CPA and the Company.	No	Yes
No potential employment relationship exists when the CPA audits the Company's report.	No	Yes
The CPA, his/her spouse or family dependent(s) and audit team members have never held the position as director /supervisor, managerial officer, or any position materially critical to the audited case in the most recent 2 years, and will never hold said positions in the future audit period.	No	Yes
Non-audit services provided by CPA to the Corporation have no direct impact on the major items of audit services provided.	No	Yes
The CPA does not promote or sell shares or other securities issued by the Corporation.	No	Yes
The CPA is not representing the Corporation in litigation of a third party or other disputes.	No	Yes
The CPA and members of the audit team have no familial relationships with directors, managers, or people in positions that have major impact on Corporation audits at the Corporation.	No	Yes

Corporate governance officer's training

Training Date		Organizer	Course Name	Training Hours
Start	End			
2024.06.13	2024.06.13	Independent Director Association Taiwan	Introduction to IFRS Sustainability Disclosure Standards and Sharing of Domestic and International Carbon Neutral Trends	6
2024.09.06	2024.09.06	Securities and Futures Institute	2024 Insider Trading Prevention Seminar	3
2024.10.07	2024.10.07	Chinese National Association of Industry and Commerce	2024 Taishin Net Zero Summit Forum	3
2024.11.22	2024.11.22	Securities and Futures Institute	2024 Legal Compliance Seminar on Insider Equity Trading	3

#### 4. Composition, duties, and operations of the Company's Remuneration Committee:

##### (1) Information on the members of the Remuneration Committee

Position	Name	Criteria	Key board qualifications, expertise and attributes	Meet conditions of independence ( Note 1 )	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent Director (Convener)	Chi-Hang Yang		Please refer to Professional qualifications and independence analysis of directors. (P.9-P.13)	Compliant	1
Independent Director	Sheng-Fa Yeh			Compliant	1
Independent Director	Liang-Yoo Lee			Compliant	0

Note 1: Independence; including but not limited to whether the person, spouse, or relatives within the second degree act as directors, supervisors or employees of the company or its related enterprises; The number and proportion of shares held in the company; whether he is a director, supervisor or subject of a company that has a specific relationship with the company (refer to the provisions of Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations on the Establishment of Independent Directors of Public Companies and Matters to be Complied with). Employed persons; the amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliates in the last two years.

##### (2) Responsibilities of the Remuneration Committee:

The Remuneration Committee shall professionally and objectively evaluate the remuneration policies and systems of directors and managers and make recommendations to the Board of Directors for its decision making; it shall faithfully perform the following functions with due care and submit its recommendations to the Board for discussion: I. To establish and regularly review policies, systems, standards and structures for the evaluation of performance and remuneration of directors and managers. II. To regularly evaluate and set the remuneration of directors and managers.

##### (3) Operation of Remuneration Committee:

A. The Company has a Remuneration Committee composed of three members.

B. Term of the current Committee: From June 14, 2022 to June 13, 2025. The Company had convened twice (A) Remuneration Committee meetings in 2024 with the following attendance:

Position	Name	Attendance in Person (B)	Attended by Proxy	Attendance Rate (%) (B/A)	Remark
Convener	Chi-Hang Yang	2	0	100%	
Committee Member	Sheng-Fa Yeh	1	1	50%	
Committee Member	Liang-Yoo Lee	2	0	100%	

C. Discussion from the Remuneration Committee in 2024 and up to the publication date of this annual report, resolutions, and ways the Company handled opinions from committee members:

Meeting date	Period	Item	Resolutions	The Company handled opinions from committee members
2024.02.27	First 2024	1. Approved the compensation metrics for executive officers for FY2024 2. Approved the bonus and salary adjustment policy for executive officers for FY 2024	Convener of the Remuneration Committee consulted the opinion of all	The proposal was approved without dissent and submitted for resolution at

			attending remuneration committee members.	the Board meeting.
2024.11.01	Second 2024	No Discussion Items	NA	NA
2025.02.24	First 2025	1. Approved the distribution of compensation to employees and directors for FY2024 2. Approved the distribution compensation for executive officers for FY2024 3. Approved the compensation metrics for executive officers for FY2025 4. Approved the bonus and salary adjustment policy for executive officers for FY 2025	Convener of the Remuneration Committee consulted the opinion of all attending remuneration committee members.	The proposal was approved without dissent and submitted for resolution at the Board meeting.

Other items that shall be recorded:

- A. If the Board of Directors chooses not to adopt or revise recommendations proposed by the Remuneration Committee, the date of the Directors' Meeting, session, contents of proposals, results of meeting resolutions, and the Company's disposition of opinions provided by the Remuneration Committee shall be described in detail (also, where the salary and compensation approved by the Directors' Meeting is better than that recommended by the Remuneration Committee, the differences and the reason for the approval shall be described in detail): None.
- B. For the decisions made by the Remuneration Committee, if there are members who hold objection or reservation to a resolution and such objection or reservation is on record or raised through a written statement, the date, session, contents of proposals, all members' opinions, and ways in handling these opinions should be elaborated: None.

5. Promotion of sustainable development, deviation from the Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and reasons

Item	Operation			Deviation from the Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract	
I. Does the Company establish a governance structure to promote sustainable development, and set up full-time (part-time) body for promoting sustainable development, and does the Board of Directors authorize and urge the senior executives to take actions?	V		In 2018, the Administration Department was responsible for social affairs, and in 2022, the Sustainable Development Committee was formally established to propose and implement corporate sustainable development policies, systems or management guidelines and specific plans. This committee is chaired by the General Manager and comprises senior executives from various departments as members. The Director General coordinates and promotes cross-departmental sustainability matters and reports annually to the Board of Directors, who review the implementation results and progress of the sustainability strategy and provide recommendations for improvement. Performance for FY2024 was reported in February 2025.	No deviation.
II. Does the Company evaluate risks for environment, society and governance issues related to the Company's operation, and formulate the relevant risk management policies or strategies based on the materiality principle?	V		<p>1. Referring to the GRI guidelines and AA 1000 AS v3(2020) Principle of Accountability, the four principles of Inclusivity, Materiality, Responsiveness and Impact are used to define major stakeholders, identify ESG materiality issues, and further evaluate the significance of materiality issues in terms of economic, social and environmental impacts as a basis for sustainable development. It is used as a basis for strategic planning. After evaluation, we will formulate risk management policies or strategies.</p> <p>2. The Board of Directors adopted the "Code of Sustainable Development", which clearly defines the main principles of sustainable development: implementation of corporate governance, development of a sustainable environment, maintenance of public welfare and enhancement of corporate sustainable development information disclosure. Environment: Based on the management concept of environmental protection and energy saving, we identify the possible risks of climate change on our operations and consider the reduction targets of greenhouse gas emissions, water and electricity consumption. Social aspect: To</p>	No deviation.

Item	Operation			Deviation from the Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract	
			attach importance to the balanced development of employees, to provide a safe and healthy working environment, and to protect labor rights and interests. Corporate Governance: The "Risk Management Policy" was approved by the Board of Directors in November 2020, and a Risk Management Committee is established to identify and deal with risks every year, and report to the Audit Committee and the Board of Directors every year.	
<p>III. Environmental issues</p> <p>(I) Does the Company establish suitable environmental management system based on its industry features?</p> <p>(II) Does the Company devote to improving utilization efficiency of the resources, and use renewable materials with low load on the environment?</p> <p>(III) Does the Company evaluate the present or future potential risks and opportunities caused by the climate change on the enterprise, and take appropriate actions against the climate related issues?</p>	V	V	<p>Our company is mainly engaged in automatic electromechanical components and professional automation technology services, which is not highly polluting. We focus on developing green energy and energy-saving products and solutions, and actively promote energy-saving and carbon-reduction policies to all employees.</p> <p>1. As a non-manufacturing company, our environmental impact is mainly from our office premises, and our energy consumption is mainly on fuel of business vehicles and electricity. However, we continue to reduce our impact through water and electricity saving measures and concepts.</p> <p>1. The Sustainability Committee is the highest organization that annually reviews the strategic objectives of climate change, manages risk and opportunity actions, reviews implementation and discusses planning, and reports to the Board of Directors.</p> <p>2. According to the internal risk identification, the risks and opportunities of climate change are evaluated and the related risks and opportunities are as follows: Risks (1) Regulatory Risk: The government and international customers are gradually paying attention to the demand for carbon reduction, and we will continue to pay attention and respond to related issues as early as possible.</p>	No deviation.

Item	Operation			Deviation from the Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and reasons																								
	Yes	No	Abstract																									
(IV) Does the Company make statistics about the greenhouse gas emissions, water consumption and total waste weight in the past two years, and formulate policies for energy conservation and carbon reduction, greenhouse gas reduction, water consumption reduction or other waste management?	V		<p>(2) Climate change risk: it leads to global warming and greenhouse effect, and more stringent environmental regulations may lead to the replacement of the agent product by other products.</p> <p>(3) Other climate-related risks: Whether the products we represent can meet the environmental requirements of our customers is also a concern.</p> <p>Opportunities: We will continue to develop green and energy-saving products and provide automated solutions to reduce the impact of our products on the environment in order to meet customer requirements and increase satisfaction and market share.</p> <p>I. The latest two years of self-examination of greenhouse gas emissions are as follows, covering the six locations of the Taiwan headquarters</p> <p>(1) greenhouse gas emissions</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Scope 1 (metric tons of CO2e)</th> <th>Scope 2 (metric tons of CO2e)</th> <th>Revenue emissions intensity (kgCO2e /million dollars)</th> <th>Scope 3</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>282.69</td> <td>92.92</td> <td>432.21</td> <td>Yet to be documented</td> </tr> <tr> <td>2024</td> <td>283.20</td> <td>86.75</td> <td>361.28</td> <td>Yet to be documented</td> </tr> </tbody> </table> <p>(2) Water Consumption</p> <p style="text-align: right;">Unit: Tons</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total weight</th> <th>Per capita usage</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>968</td> <td>8.2</td> </tr> <tr> <td>2024</td> <td>1,065</td> <td>9.26</td> </tr> </tbody> </table> <p>Note: The number of employees at the end of 2024 was 115 people.</p>	Year	Scope 1 (metric tons of CO2e)	Scope 2 (metric tons of CO2e)	Revenue emissions intensity (kgCO2e /million dollars)	Scope 3	2023	282.69	92.92	432.21	Yet to be documented	2024	283.20	86.75	361.28	Yet to be documented	Year	Total weight	Per capita usage	2023	968	8.2	2024	1,065	9.26	
Year	Scope 1 (metric tons of CO2e)	Scope 2 (metric tons of CO2e)	Revenue emissions intensity (kgCO2e /million dollars)	Scope 3																								
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Item	Operation			Deviation from the Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and reasons												
	Yes	No	Abstract													
			<p>(3) Waste weight</p> <p style="text-align: right;">Unit: Kg</p> <table border="1"> <thead> <tr> <th>Year</th> <th>packaging materials and pallets</th> <th>Recycle and reuse</th> <th>Recycle (%)</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>12,734</td> <td>12,494</td> <td>98.15</td> </tr> <tr> <td>2024</td> <td>15,387</td> <td>15,117</td> <td>98.20</td> </tr> </tbody> </table> <p>2. Energy saving and carbon reduction, specific management measures:</p> <p>(1) Encourage the use of public transportation, and replace driving with high-speed rail for meetings with colleagues from other counties and cities.</p> <p>(2) Promote the use of video for routine meetings to reduce staff commuting.</p> <p>(3) Use environmentally friendly water dispensers to reduce standby power consumption.</p> <p>(4) Turn off office lights during lunch break.</p> <p>(5) Replace the faucet in the dressing room with an induction type, and replace the toilet with a two-stage flushing device to save water.</p> <p>(6) Reduce the use of disposable tableware and encourage colleagues to bring environmentally friendly tableware.</p> <p>(7) Electronic signature system has been installed to reduce the use of paper and toner.</p> <p>(8) Recycling and reuse of pallets and packaging materials reached 98.20%</p>	Year	packaging materials and pallets	Recycle and reuse	Recycle (%)	2023	12,734	12,494	98.15	2024	15,387	15,117	98.20	
Year	packaging materials and pallets	Recycle and reuse	Recycle (%)													
2023	12,734	12,494	98.15													
2024	15,387	15,117	98.20													
<p>IV. Social issues</p> <p>(I) Does the Company formulate the relevant management policies and procedures according to the relevant laws and regulations, and the international covenants of human rights?</p>	V		<p>1. The Company follows the principles of the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the United Nations Global Compact and the United Nations International Labor Organization, respects internationally recognized basic human rights, fulfils its social responsibilities and protects the basic human rights of all employees, customers and stakeholders.</p> <p>2. The employee work rules and regulations are formulated in accordance with the Labor Standards Law to protect the legal rights of employees.</p> <p>3. The human rights management policies and specific plans are summarized as follows:</p>	No deviation.												

Item	Operation			Deviation from the Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract	
(II) Does the Company formulate and implement reasonable employee welfare measures (including remuneration, vacation and other benefits, etc.), and appropriately reflect the operation results or achievements in the employee's remuneration?	V		<p>(1) To ensure a safe, comfortable and healthy working environment, and provide necessary protective equipment.</p> <p>(2) To ensure safety and health of all employees and to provide safety trainings, such as fire training and emergency response awareness for the situations that employees will encounter in the workplace.</p> <p>(3) To prevent internal and external workplace violence, we have established a "Prevention of Unlawful Acts of Assault in the Performance of Duties" program, which allows employees to work contentedly, and a "Written Statement on the Prohibition of Workplace Violence" is signed by management and announced to all employees.</p> <p>(4) The management will respond to the issues raised by the employees through at least four labor-management meetings a year.</p> <p>(5) The Company has established "Sexual Harassment Prevention Measures and Disciplinary Measures", so that employees can report to the human resources department if they experience any. The Company will keep the identity of the complainant confidential.</p> <p>The Company has not received any complaints regarding labor rights and human rights issues in FY2024.</p> <p>I. Employee welfare measures</p> <p>(1) The welfare committee was established in accordance with the law, and the main items are four festivals and birthday gifts, travel subsidies, marriage and childbirth subsidies, bereavement and sickness assistance, disaster relief, and scholarships for employees' children.</p> <p>(2) We attach great importance to the health of our employees and provide free health checkups once a year and arrange monthly health service sessions with professional doctors and nurses.</p> <p>(3) The company has a rest area with free snacks and drinks.</p> <p>(4) Various leisure activities are held from time to time, such as family day, online walking, singing</p>	

Item	Operation			Deviation from the Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract	
(III) Does the Company provide the employees with a safe and healthy work environment, and regularly implement safety and health education for the employees?	V		<p>contest, tree planting and forestry activities, etc.</p> <p>2. Employee Compensation</p> <p>(1) We offer competitive salaries, depending on the individual's academic experience, professional skills, performance-based salary classification and salary adjustment to reward contributions and motivate performance.</p> <p>(2) The Articles of Incorporation stipulate that 2-20% of the profit of annual accounts shall be set aside for employee compensation.</p> <p>(3) We value diversity and equality, and offer equal pay and opportunities for advancement for both men and women.</p> <p>(4) Employee stock ownership trust to be established in 2022.</p> <p>A safe and healthy working environment is one of the most basic obligations, and our company follows the laws and regulations related to labor safety and health, and the specific implementation is as follows:</p> <p>1. Safety and hygiene training for newcomers helps recruits understand the work environment, hazard prevention and other topics, and annual safety and hygiene training promotes precautions and concepts to enhance occupational safety and hygiene awareness.</p> <p>2. We conduct annual fire safety escape drills for all employees, check the availability of firefighting facilities, and conduct office safety courses, There were no fire incidents in the year 2024.</p> <p>3. Office elevators and access control systems are in place to control entering and exiting.</p> <p>4. Annual health checks are conducted to help employees understand their health conditions and provide follow-up medical consultation.</p> <p>5. Health promotion activities are conducted annually for employees: In 2024, two health professional knowledge seminars were organized. The first session featured an on-site nurse to share prevention and treatment of the "three highs,- hypertension, hyperlipidemia, and diabetes- guiding employees on how to prevent these conditions through daily dietary habits and physical exercise.</p>	
	V			

Item	Operation			Deviation from the Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract	
(IV) Does the Company establish effective career development training plan for the employees?	V		<p>The second seminar featured a physician who addressed critical health issues that modern individuals should not overlook. The session focused on dietary guidelines for individuals with metabolic syndrome and introduced fundamental principles for its prevention, aiming to raise awareness among employees.</p> <p>We have complete training program for all new recruits. They receive corporate culture orientation and integrity manual training upon arrival, while current employees receive training programs based on job requirements. In addition to the basic training program, the human resources department conducts annual surveys on needs to plan annual training. We encourage employees to improve their language skills, set up subsidies for foreign language training and certification, consider their career planning, and provide cross-country work opportunities as a stage to expand international perspectives and experience.</p>	
(V) Does the Company comply with the relevant laws, regulations and international standards, and formulate the relevant policies and complaint procedures for protection of the rights and interest of the consumers or customers with respect to the customer's health and safety, privacy, marketing, marking and other issues of the products and services?	V		<p>Our company has passed ISO-9001: 2015 International Quality Certification, and has set up a complaint channel, service telephone number and mailbox listed on the website.</p>	
(VI) Does the Company formulate the supplier management policies, demand the suppliers to comply with the relevant specifications in relation to environmental			<p>Through our supplier promotion program, we conduct audits and evaluations of our suppliers, investigating potential suppliers' production capacity, technological innovation capabilities, and whether their quality and service meet our requirements. Our evaluation process includes reviewing the supplier's basic information, product information, and financial status.</p>	

Item	Operation			Deviation from the Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract	
protection, occupational health and safety or labor human rights, and implement the same?			We require suppliers to adhere to the principles of integrity and cleanliness and fulfill their corporate social responsibility. If a supplier engages in dishonest behavior or serious misconduct, we will cease any further dealings with them. Our company follows the five dimensions of the updated Responsible Business Alliance Code of Conduct: labor rights, health and safety, environmental protection, ethical standards, and management systems. We communicate these standards to our suppliers to ensure that there are no violations of labor freedom of association, child labor, or forced labor, thereby enhancing our supply chain's social responsibility and environmental health and safety performance.	
V. Does the Company prepare the sustainability report and other reports that disclose the Company's non-financial information by reference to the international generally accepted report preparation standard or guidelines? Has the Company obtained confirmed or secured opinion on the foregoing reports from the third-party verification agency?	V		Our company issued its first sustainability report in 2023. The 2024 sustainability report has been commissioned to a third-party certification body, AFNOR Asia Ltd., for independent verification based on GRI standards and according to AA1000V3 assurance standard Type I moderate assurance level. The 2024 annual report is expected to be published in August 2025.	No deviation.
VI. If the Company formulates its own code for sustainable development in accordance with the Sustainable Development Practice Principles for TWSE/TPEX Listed Companies, please specify the deviation between the operation and the stipulated principles: There is no material difference.				
VII. Other important information conducive to knowing and promoting sustainable development :				
<p><b>Social Care</b></p> <ul style="list-style-type: none"> <li>• From 2018 to 2019, donated NT\$50,000 to the "Taiwan Liver Research Foundation" to promote educational awareness of liver disease prevention and research on liver disease treatment methods.</li> <li>• In 2021, during the COVID-19 pandemic, when the outbreak was at its most severe, we provided the strongest possible assistance to medical personnel by donating NT\$300,000 to the Ministry of Health and Welfare's Taipei Hospital for epidemic prevention, 1,200 sets of protective clothing to Taipei Medical University's Shuang-Ho Hospital, and epidemic prevention supplies to New Taipei City Hospital including 800 face shields, 5,000 masks, and 200 boxes of medical gloves.</li> <li>• In 2023, to care for the disadvantaged, we purchased Mid-Autumn Festival gift boxes from Yu-An Happy Child Coffee House.</li> <li>• In 2024, we participated in the EY Star Angel Charity Concert, using the power of music to raise awareness</li> </ul>				

Item	Operation			Deviation from the Sustainable Development Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Abstract	
<p>about social issues, and donated NT\$50,000 to the Noordhoff Craniofacial Foundation.</p> <p><b>Caring for the Earth</b></p> <ul style="list-style-type: none"> <li>To promote environmental conservation, in 2023 we participated in three beach cleaning activities and have participated in the group's Arbor Day activities for three consecutive years.</li> <li>To implement environmental conservation, in 2024, together with our subsidiaries Ace Energy, STC, and Richmore, we participated in the TEEIA joint beach cleaning activity to maintain sustainable development of marine ecosystems.</li> </ul> <p><b>Industry-Academia Collaboration</b></p> <ul style="list-style-type: none"> <li>Since 2020, we have participated in industry-academia internship programs every year, providing positions for current students or recent graduates to receive training. Topics include "Smart Automation System Integration - Applied Technology Workshop," "AI Smart Machine Vision Application Technology Talent Training Camp," and others. By providing summer internship opportunities for students, we aim to cultivate the professional talent needed for smart automation system integration. Since 2020, 12 students have participated in our company's industry-academia internship program.</li> </ul>				

## Climate-Related Information for Listed Companies

### I. Implementation Status of Climate-related Information

<p>1. Describe the governance and monitoring of climate-related risks and opportunities by the Board of Directors and Management.</p>	<p>1. Board of Directors: Serves as the highest authority for supervising climate change management, responsible for reviewing sustainability management strategies, key guidelines, risk management, and annual implementation results.  Management Level: The President serves as the Chairperson, with senior executives from each center serving as committee members for different aspects. They operate on issues of concern to various stakeholders and collaborate with relevant company departments to promote planned work, engaging in planning, promotion, and implementation of related business activities.  The Sustainability Management Department convenes at least four meetings annually to review the company's climate change strategic objectives, manage climate change risks and opportunity actions, evaluate implementation status, and discuss future planning. The department reports its operations to the Board of Directors annually.</p>
<p>2. Describe the impact of climate risks and opportunities on the Company's business, strategy, and finances (short-term, medium term, and long-term).</p>	<p>2. Short-term impacts: In response to government regulations and carbon tax policies, it is necessary to reassess the qualifications of suppliers, products, etc. Failure to meet stakeholder requirements will affect existing sales performance. Medium to long-term impacts: When customers comply with regulations and seek low-carbon products, early positioning can increase customer dependency and secure a place in the market amid the sustainability wave. Operational costs: To meet sustainable labels or specifications required by vendors and customers, additional expenses are needed to purchase suitable products and improve operational processes to satisfy stakeholder requirements.</p>
<p>3. Describe the impact of extreme climate events and transition initiatives on the Company's finances.</p>	<p>3. Extreme climate factors such as earthquakes, floods, and windstorms can cause damage to office environments, resulting in significant repair costs, property losses, and affecting employee commuting, which leads to decreased sales. Corresponding resources must be invested in transition actions and employee sustainability awareness training must be strengthened to reduce the impact of extreme climate events on operations.</p>
<p>4. Describe the integration of the identification, assessment, and management of climate risks into the overall risk management system.</p>	<p>4. Ace Pillar is currently evaluating the primary financial effect of climate change risks through scenario analysis and management, without having selected a</p>

<p>5. When utilizing scenario analysis to evaluate climate risk resilience, an explanation of the scenarios, parameters, assumptions, analytical elements, and significant financial consequences should be provided.</p> <p>6. If there is a transition plan to address climate-related risk management, provide an explanation of the content of the plan and the indicators and targets applied to identify and manage physical and transition risks.</p> <p>7. If an internal carbon pricing is used as a planning tool, the basis for pricing establishment should be explained.</p> <p>8. If climate-related goals are set, information such as the covered activities, scope of greenhouse gas emissions, planning period, and annual progress should be explained. If carbon offsets or Renewable Energy Certificates (RECs) are employed to achieve related goals, the source and quantity of the carbon offsets or the number of Renewable Energy Certificates (RECs) should be stated.</p> <p>9. Greenhouse gas inventory and verification status as well as reduction targets, strategies and specific action plans (Specified in I-1 and I-2).</p>	<p>main subject.</p> <p>5. Ace Pillar is not currently developing any transition plans to address the risks associated with climate change management.</p> <p>6. Currently, Ace Pillar have yet to define a internal carbon pricing mechanism.</p> <p>7. Ace Pillar has scheduled the greenhouse gas inventory and verification procedure, including the timetable for incorporating subsidiaries; and reports the progress and related information to the Board of Directors annually.</p> <p>8. Ace Pillar has been conducting greenhouse gas inventories since 2022, with a short-term goal of reducing carbon emissions by 1% annually, aiming for a total reduction of 10% in carbon emissions by 2035 compared to the base year of 2024. The calculation of emissions for the headquarters, logistics center, and various business locations has been completed, with verification of the 2024 greenhouse gas inventory report expected to be completed this year. From 2024, the boundary will be expanded to include all subsidiaries of the group, and the inventory of domestic and overseas subsidiaries will be completed by 2025.</p> <p>9. For greenhouse gas inventory and assurance status, reduction targets, strategies, and specific action plans, please refer to I-1 and I-2 (P.47).</p>
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I-1 The Company's greenhouse gas inventory and assurance status over the last two years.

I-1-1 Greenhouse Gas Inventory Information

Describe the greenhouse gas emissions (metric tons of CO <sub>2</sub> e), emission intensity (metric tons of CO <sub>2</sub> e/million dollars), and scope of data coverage for the last two years.				
(1) Scope 1 and 2 covers information from the Taiwanese headquarters' six business locations.				
Year	Scope 1 (metric tons of CO <sub>2</sub> e)	Scope 2 (metric tons of CO <sub>2</sub> e)	Revenue emissions intensity (kgCO <sub>2</sub> e/million dollars)	Scope 3
2023	282.69	92.92	432.21	Yet to be documented
2024	283.20	86.75	361.28	Yet to be documented

Note 1: Direct emissions (Scope 1, i.e., direct emissions from sources owned or controlled by the Company), energy indirect emissions (Scope 2, i.e., indirect greenhouse gas emissions from the generation of purchased electricity, heat, or steam), and other indirect emissions (Scope 3, i.e., emissions generated by Company activities but not from sources owned or controlled by the Company, and not energy indirect emissions).

Note 2: The scope of direct emissions and energy indirect emissions data should be handled in accordance with the schedules stipulated in the regulations prescribed in Paragraph 2, Article 10 of these guidelines. Information on other indirect emissions may be disclosed voluntarily.

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

Note 4: The intensity of greenhouse gas emissions may be calculated per unit of product/service or operating revenue. However, the data calculated based on operating revenue (NT\$ million) should be described.

I-1-2 Greenhouse Gas Information Assurance

Describe the assurance status of the most recent two fiscal years as of the date annual report printing, including the scope of assurance, assurance institution, assurance standards and assurance opinion.
The company's 2023 inventory data is the result of internal inventory conducted according to ISO 14064-1, while the 2024 inventory data is expected to be verified by a third party and certified in 2025.

I-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Describe the base year and data for greenhouse gas reduction, reduction targets, strategies and specific action plans, and the status of achieving the reduction targets.
In response to the relocation of the Taoyuan Office and the Logistics Center, the baseline year for energy management and greenhouse gas inventory has been revised to 2024.
<p>1. Greenhouse Gas Reduction Targets</p> <p>Short-term goals: Reduce per capita water consumption by 0.25%, reduce per capita electricity consumption by 1%, and achieve a recycling rate of 80% or more for incoming and outgoing waste.</p> <p>2. Greenhouse Gas Reduction Action Plans</p> <p>(1) Encourage use of public transportation, and for colleagues travelling from other cities to the headquarters for meetings to utilize the high-speed train instead of driving. Promote holding routine meetings via video conferencing to minimize travel.</p> <p>(2) Employ energy-efficient water dispensers and inverter air conditioners to reduce electricity consumption.</p> <p>(3) Employ smart control panels to set timers for lighting and air conditioning. Office lights should be switched off during lunch breaks.</p> <p>(4) Install sensor faucets in the restrooms and dual-flush toilets to preserve water.</p> <p>(5) Reuse pallets provided by suppliers for outbound shipping, storing goods in the factory, and avoid the usage of disposable pallets.</p> <p>3. Implementation Status of Environmental Aspects:</p> <p>(1) Electricity Conservation - In 2024, the electricity emission intensity decreased by 13.7 kWh/6.91% compared to 2022.</p> <p>(2) Water Conservation - In 2024, per capita water consumption decreased by 6.23 units/40.2% compared to 2022.</p> <p>(3) Recycling - In 2024, the recycling and reuse rate of shipping and receiving waste reached 98.2%.</p>

6. Honest Management, and deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and reasons thereof

Evaluation item	Operation			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and reasons thereof
	Yes	No	Abstract	
<p>I. Formulation of the honest management policies and plan</p> <p>(I) Does the Company formulate the Honest Management policies adopted by the Board of Directors, and set forth the honest management policies and practices in the regulations, rules and external documents, and the commitments of the Board of Directors and senior executives to positively implement the operation policies?</p> <p>(II) Does the Company establish mechanism for evaluation of the risks from dishonest behaviors, regularly analyze and evaluate the business activities of higher dishonest behavior risks within the business scope, and formulate the action plan against the dishonest behaviors which shall at least cover the preventive measures against the behaviors in Paragraph II of Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?</p>	V		<p>1.As sincerity and mutual trust is one of our business philosophy, and "sincerity" our basic conducting principle, the "Company's Code of Integrity" has been established and adopted by the Board of Directors to express the policy and practice of integrity management.The Board of Directors and the management have signed a declaration to actively implement this policy.</p>	No deviation.
	V		<p>We have established a risk assessment mechanism for dishonesty.</p> <p>1. We have established a risk assessment form to assess the risk of dishonesty and ask each unit to assess annually.</p> <p>2. The Integrity Manual is the highest code of conduct for employees and sets forth the following precautions against dishonesty:</p> <p>(1) Bribery and accepting bribes.</p> <p>(2) Making illegal political contributions.</p> <p>(3) Improper charitable donations or sponsorships.</p> <p>(4) Offering or accepting unreasonable gifts, hospitality or other improper benefits.</p> <p>(5) Infringement of trade secrets, trademarks, patents, copyrights, and other intellectual property rights.</p> <p>(6) Engage in unfair competition.</p> <p>(7) The Company's products and services are developed, purchased, manufactured, provided or sold directly or indirectly harms the rights, health and safety of consumers or other interested parties.</p>	

Evaluation item	Operation			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and reasons thereof
	Yes	No	Abstract	
(III) Does the Company specify and implement the operation procedures, the code of conduct, violation punishment and appeal system in the dishonest behavior prevention plan, and regularly	V		<p>1. The Company's Integrity Handbook specifies that in order to prevent any dishonesty, employees are required to take the initiative in raising ethical concerns and conflicts of interest with the Company and to submit disciplinary and grievance systems for violations.</p> <p>2. On August 15, 2016, the Company adopted the "Rules for Handling Cases of Reporting Illegal, Unethical or Dishonest Behavior" to set up a channel for reporting and handling complaints to provide internal and external personnel with the opportunity to report any illegal or unethical behavior or violations of the Code of Conduct for Integrity in order to ensure the legitimate rights and interests of whistleblowers and related persons.</p> <p>3. The above-mentioned rules are regularly reviewed and amended in accordance with the implementation to prevent dishonesty.</p>	
<p>II. Implementation of honest management</p> <p>(I) Does the Company evaluate the integrity records of the counterparty, and set forth the integrity clauses in the contracts with the counterparty?</p> <p>(II) Does the Company set up a special unit under the Board of Directors for promoting the honest management, and regularly (at least once a year) report the honest management policies and the dishonest behavior prevention plan and execution thereof to the Board of Directors?</p> <p>(III) Does the Company</p>	V		<p>Before dealing with others, the Company fully understands the integrity of the other party and evaluates their legitimacy and whether there is a record of dishonesty to ensure that they will not ask for, offer or accept bribes, and if there is a violation, the Company may terminate the contract or never work with the supplier again.</p> <p>The Human Resources Department of the Company is responsible for the establishment of the integrity culture regulations, promotion, complaints and review of integrity risks, and regularly reports to the Board of Directors for implementation, and that in 2024 has been reported in February 2025.</p> <p>For conflict of interest, the Company's Integrity</p>	No deviation.

Evaluation item	Operation		Abstract	Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and reasons thereof
	Yes	No		
<p>formulate the policies to prevent conflict of interest, provide appropriate presentation channels, and implement the same?</p> <p>(IV) Has the Company established effective accounting system and internal control system for implementation of honest management, and formulated the relevant audit plan by the internal audit unit according to the dishonest behavior risk evaluation results, and audited compliance with the dishonest behavior prevention plan or entrusted a CPA to audit the same?</p> <p>(V) Does the Company regularly organize internal and external education and training in relation to honest management?</p>	V		<p>Manual specifies the conflict of interest and avoidance policy and the "Handling of Reports of Illegal, Unethical or Dishonest Conduct", which provides appropriate channels of presentation and requires the relevant units to implement them.</p> <ol style="list-style-type: none"> <li>1. The Company continuously revises its internal control system in accordance with the requirements of the Act, and conducts audits and evaluations its effectiveness of the internal control system.</li> <li>2. Based on the risk assessment of dishonesty, the Audit Office prepares an audit plan and conducts regular audits. All items required by law are included in the annual audits, and the audit results and improvements are reported to the Audit Committee and the Board of Directors quarterly.</li> <li>3. The Company's accounting system has been established in accordance with the requirements of the Act, and the financial statements are prepared in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards approved by the FSC. The Company's financial statements are audited or reviewed by a certified public accountant quarterly.</li> </ol> <p>The Company conducts an annual online integrity manual training course for all employees, 100% of whom have completed the training course in FY2024. In 2024, the completion rate of the integrity handbook training reached 100%, with a total of 485 person-hours.</p>	
<p>III. Operation of the Company's whistle-blowing system</p> <p>(I) Does the Company formulate the whistle-blowing and reward system, establish the convenient whistle-blowing channels, and dispatch appropriate especially-assigned personnel</p>	V		<p>The Company's Integrity Handbook specifies that illegal incidents must be reported immediately, and the "Handling of Reports of Illegal, Unethical, or Dishonest Conduct" specifies the internal and external reporting mailboxes, hotlines and levels of acceptance.</p>	No deviation.



to protect the rights and interests of shareholders and to strengthen the functions of the Board.

- (2) The Company has a corporate governance section on the website to disclose financial and business information, important resolutions of the Board and corporate governance.

#### 8. Status of Implementation of Internal Control System

- (1) Statement of internal control system: Please refer to the Market Observation Post System (MOPS)/Individual Company/Corporate Governance/Company Regulations/Internal Control/Internal Control Statement Announcement. (Website: <https://mops.twse.com.tw/mops/#/web/home>)
- (2) Companies which CPAs to professionally review the internal control system shall disclose the review report provided by the accountants: Not applicable.

#### 9. Material Resolutions Approved by Board Meetings

Date	Meeting of 2024	Resolutions
2024.02.27	The first Board Meeting	<ol style="list-style-type: none"> <li>1. Statement of Internal Control System and Report on the Results of Self-Assessment for FY2023</li> <li>2. Approved the financial statements, business report for FY2023, and operational plan for FY2024</li> <li>3. Approved the distribution of earnings for FY2023</li> <li>4. Approved the distribution of cash dividends from the earnings for FY2023</li> <li>5. Release of current directors and their representatives from restrictions on competition</li> <li>6. Approved the scheduling of the 2024 Annual Shareholders' Meeting date and agenda</li> <li>14. Approved the review of CPA service fees for FY2024</li> <li>15. Approved the distribution compensation for executive officers for FY2024</li> <li>16. Approved the compensation metrics for executive officers for FY2024</li> </ol>
2024.04.02	The second Board Meeting	<ol style="list-style-type: none"> <li>1. Release of current directors and their representatives from restrictions on competition</li> <li>2. Election of the Chairman of the Board of Directors.</li> </ol>
2024.05.02	The Third Board Meeting	<ol style="list-style-type: none"> <li>1. Approved the consolidated financial statements for the first quarter of 2024</li> <li>2. Approved the amendment to the "Rules and Regulations of the Audit Committee"</li> <li>3. Approved the amendment to the "Rules of Procedure for Board of Directors' Meetings"</li> <li>4. Approved the addition and renewal of bank credit lines</li> <li>5. Approved the lending of RMB 20 million to Tianjin Ace Pillar Enterprise Co., Ltd.</li> </ol>
2024.05.28	Annual Shareholders' Meeting	<ol style="list-style-type: none"> <li>1. Approved the 2023 business report and financial statements Implementation status: Approved as proposed by ballot.</li> <li>2. Approved the distribution of earnings for FY2023 Implementation status: Approved as proposed by ballot. The cash dividend was NT\$0.3 per share, with a total cash dividend amount of NT\$33,675,146, which was fully distributed on August 7, 2024.</li> <li>3. Approved the release of non-competition restrictions for current directors Implementation status: Approved as proposed by ballot, and a material information announcement was made on May 28, 2024 as required by regulations.</li> </ol>
2024.06.24	The Fourth Board Meeting	<ol style="list-style-type: none"> <li>1. Approved the investment in common shares of Transpak Equipment Corporation</li> <li>2. Approved the addition of bank credit limits</li> </ol>

Date	Meeting of 2024	Resolutions
2024.08.02	The Fifth Board Meeting	<ol style="list-style-type: none"> <li>1. Approved the consolidated financial statements for the second quarter of 2024</li> <li>2. Approved the renewal of bank credit limits</li> <li>3. Approved the amendment to "the Rules Governing Financial and Business Matters Between this Corporation and its Related Parties"</li> </ol>
2024.09.26	The Sixth Board Meeting	<ol style="list-style-type: none"> <li>1. Approved the Company's issuance of the second domestic unsecured convertible corporate bonds</li> </ol>
2024.11.01	The Seventh Board Meeting	<ol style="list-style-type: none"> <li>1. Approved the establishment of "Sustainability Information Management Operating Procedures"</li> <li>2. Approved the establishment of "Sustainability Report Preparation and Verification Operating Procedures"</li> <li>3. Approved the amendment to "Internal Control System" and "Implementation Rules for Internal Auditing"</li> <li>4. Approved the establishment of the internal audit plan for FY2025</li> <li>5. Approved the consolidated financial report for the third quarter of 2024</li> <li>6. Approved the addition and renewal of bank credit lines</li> <li>7. Approved the appointment of certified public accountants for auditing the Company's financial statements for FY2025</li> <li>8. Approved the amendment to the Company's pre-approved non-confirmation service policy</li> </ol>
Date	Meeting of 2025	Resolutions
2025.02.24	The First Board Meeting	<ol style="list-style-type: none"> <li>1. Approved the statement of internal control system and report on the results of self-assessment for FY2024</li> <li>2. Approved the distribution of compensation to employees and directors for FY2024</li> <li>3. Approved the financial statements, business report for FY2024, and operational plan for FY2025</li> <li>4. Approved the distribution of earnings for FY2024</li> <li>5. Approved the distribution of cash dividends from the earnings for FY2024</li> <li>6. Approved the definition of entry-level employees of the company</li> <li>7. Approved the amendment to the Articles of Incorporation</li> <li>8. Approved the amendment to the "Internal Control System" and "Implementation Rules for Internal Auditing"</li> <li>9. Approved the re-election of 9 directors (including 3 independent directors)</li> <li>10. Approved the nomination of candidates for directors and independent directors</li> <li>11. Approved the release of non-competition restrictions for newly elected directors and their representatives</li> <li>12. Approved the scheduling of the 2025 Annual Shareholders' Meeting date and agenda</li> <li>13. Approved the addition of new bank credit lines</li> <li>14. Approved the review of CPA service fees for FY2025</li> <li>15. Approved the distribution compensation for executive officers for FY2024</li> <li>16. Approved the compensation metrics for executive officers for FY2025</li> </ol>

Date	Meeting of 2024	Resolutions
		17. Approved the bonus and salary adjustment policy for executive officers for FY 2025 18. Approved the appointment of Vice President of the Company

10. Major contents of any dissenting opinions on record or stated in a written statement made by Directors or supervisors regarding material resolutions passed by the Board of Directors' Meeting in the most recent year up to the publication date of this report: None.

#### (IV) Information on CPA fees

Unit: NT\$1,000

Accounting Firm	Name of CPA	CPAs Audit Period	Audit Fee	Non-audit Fee	Total	Remark
KPMG	Ching-Wen Kao Huei-Chen Chang	2024.1.1~2024.12.31	3,045	550	3,595	Note

Note : Non-audit Fee includes translation fee of the financial statements and tax report, etc.

1. Replacement of accounting firm and the audit fees in the replacing year is less than that in the previous year: Not applicable.
2. Audit fees were reduced by over 10% compared with the previous year: None.

## (V) Information on replacement of CPAs

If the Company replaces the accountant during the most recent two fiscal years and subsequently, the following matters shall be disclosed:

### I. Regarding former CPA

Replacement date	2023.10.31		
Reason and explanation for replacement	The CPAs are changed from Chang, Huei-Chen and Chen, Mei-Yen to Ching-Wen Kao and, Huei-Chen Chang from the first quarter of 2024, due to the internal adjustment from the accounting firm.		
Explain why the appointor or CPA terminated or refused to accept the appointment	Parties	CPA	Appointor
	Status		
	Appointment terminated	Not applicable	Not applicable
	Refused to accept (continue) appointment	Not applicable	Not applicable
Audit report opinions other than unqualified opinion over the last two years and reason	None		
Did issuer have a different opinion	Yes	Accounting principles or practices	
		Disclosure of financial reports	
		Audit scope or steps	
		Other	
	None	V	
Other items requiring disclosure (disclosures for Clause 6.1.4~7, Article 10 of these guidelines)	None		

### 2. Regarding the Succeeding CPA

Name of CPA firm	KPMG
Name of CPAs	Ching-Wen Kao and, Huei-Chen Chang
Date of Appointment	October 31.2023
Inquiries regarding the accounting treatment methods of specific transactions, accounting principles or opinions provided on financial report prior to the appointment and results	None
Written opinion of successor CPA regarding discrepancies in opinion with the prior CPA	None

3. Former CPA Letters Regarding Clause 6.1 and 2.3, Article 10 of these Guidelines: Not applicable

(VI) Has any of the Company's Chairman, President, or managers responsible for finance or accounting duties served in the Company's CPA firm or its affiliated Company within the most recent year: None.

**(VII) The Situation of equity transfer or changes to equity pledge of Directors, managers or shareholders holding more than 10% of Company shares in the most recent year (or initial date of a manager's term of service) up to the publication date of this report:**

1. Changes in shares held by Directors, managers, and shareholders holding 10% or more of shares:  
Please refer to Market Observation Post System (MOPS)/Single Company/Equity Changes/Securities Issuance/Equity Transfer Data Query/Insiders' Shareholding Changes Post-event Declaration Form. (Website: <https://mops.twse.com.tw/mops/#/web/home>)
2. Counterparty of equity pledge is a related party: None.
3. Counterparty of equity pledge is a related party: None.

**(VIII) Information of relationships between Top 10 shareholders are related parties, spouses or relatives within the second degree of kinship Relationship**

Information of relationships between Top 10 shareholders are related parties

2025.03.25

Name (Note1)	Shares held		Shares held by spouse or underage children		Total shares held in the name of other persons		Familial relationships between top 10 shareholders who are either related parties, spouses, or relatives within the second degree of kinship, his/her/its title (or name) and relationships (Note2)	
	Number of shares	Shareholding Percentage (%)	Number of shares	Shareholding Percentage (%)	Number Of shares	Shareholding Percentage (%)	Title (or Name)	Relationships
Representative of Dfi Inc. : Chi Hung Chen	52,436,069	46.71%	0	0%	0	0.00%	None	None
Representative of Han-Yu Investment Co., Ltd. : Er-Kun Zhou	10,176,013	9.07%	0	0%	0	0.00%	None	None
Representative of Chief Investment Co., Ltd. : Hui-Zhen Guo Chen	7,329,443	6.53%	0	0%	0	0.00%	None	None
Representative of Rido Investment Co., Ltd. : Wu-Jun Qi,	5,711,538	5.09%	0	0%	0	0.00%	None	None
Representative of Run Fun Investment Ltd. :, Yu-Xuan Guo	1,315,039	1.17%	0	0%	0	0.00%	None	None
Ding-Yuan Wu	905,509	0.70%	0	0%	0	0.00%	None	None

Shih-Ni Li	783,163	0.70%	0	0%	0	0.00%	None	None
Bo-Ya Lin	763,542	0.68%	0	0%	0	0.00%	None	None
Guang-Yu Shang	741,478	0.66%	0	0%	0	0.00%	None	None
CTBC Bank Co., Ltd. Trust Account for Ace Pillar Co., Ltd. Employee Stock Ownership Plan	497,855	0.44%	0	0%	0	0.00%	None	None

Note 1: Each of the top ten shareholders should be listed. Both the corporate shareholder name and representative name should be listed for corporate shareholders.

Note 2: Shareholding percentage calculations are made using the individual shareholding percentages of the person, his/her spouse, minor children and use of other names

## (IX) Shareholdings and Combined Joint Shareholdings of Businesses Invested in by the Company, Company Directors, Supervisors or Executive Officers or Directly or Indirectly Controlled by the Company

Unit: thousand shares 2024.12.31

Investment business	Investment by the Company		Investment by Directors, supervisors, managers and directly or indirectly controlled business		Combined investment	
	Number of shares	Shareholding Percentage (%)	Number of shares	Shareholding Percentage (%)	Number of shares	Shareholding Percentage (%)
Tianjin Ace Pillar Co., Ltd.	Note	17.05%	Note	82.95%	Note	100%
Cyber South Management Ltd.	4,669	100%	-	0%	4,669	100%
Proton Inc.	-	0%	17,744	100%	17,744	100%
Ace Tek(HK) Holding Co.,Ltd	-	0%	150	100%	150	100%
Suzhou Super Pillar Automation Equipment Co., Ltd.	-	0%	Note	100%	Note	100%
Advancedtek Ace (TJ) Inc.	-	0%	Note	100%	Note	100%
ACE Energy Co., Ltd.	4,993	99.86%	-	0%	4,993	99.86%
BlueWalker GmbH	-	0%	Note	100%	Note	100%
Standard Technology Corp.	6,084	60%	-	0%	6,084	60%
Standard Technology Corp. (BVI)	-	0%	600	100%	600	100%
Standard International Trading (Shanghai) Co., Ltd.	-	0%	Note	100%	Note	100%
Transpak Equipment Corporation	460	39%	373	31.65%	833	70.65%

Note: The company is structured as a limited company.

### III. Capital and Shares

#### (I) Capital and shares

##### I. Source of Share Capital

Mar. 25, 2025 Unit: NTD

Year and month	Issued price (par value per share)	Authorized capital		Paid-in capital		Note		
		Number of Shares (thousand shares)	Amount (thousand)	Number of Shares (thousand shares)	Amount (thousand)	Source of capital	Capital increase by assets other than cash	Others
1999.12	10	7,260	72,600	7,260	72,600	Surplus transferred to common stock	-	1992.12.10 Approved by TCOC Certificate No. 88359399
2000.08	10	8,712	87,120	8,712	87,120	Surplus transferred to common stock	-	2000.8.31 Approved by TCOC Certificate No. 89323438
2001.12	10	29,000	290,000	13,939	139,392	Surplus transferred to common stock	-	2001.12.21 MOEA Certificate No. 9001509160
2002.08	10	29,000	290,000	17,339	173,392	Surplus transferred to common stock	-	2002.08.06 MOEA Certificate No. 09101320300
	10	29,000	290,000	20,113	201,135	Surplus transferred to common stock	-	
2003.10	10	29,000	290,000	24,262	262,619	Surplus transferred to common stock	-	2003.10.15 Approved by FSC Certificate No. 0920148208
2004.07	10	29,000	290,000	27,800	278,001	Surplus transferred to common stock	-	2004.07.22 Approved by FSC Certificate No. 0930132874
2005.08	10	41,000	410,000	32,144	321,438	Surplus transferred to common stock	-	2005.08.02 Approved by FSC Certificate No. 0940131547
2006.07	10	41,000	410,000	37,166	371,663	Surplus transferred to common stock	-	2006.07.17 Approved by FSC Certificate No. 0950130920
2007.07	10	60,000	600,000	43,732	437,323	Surplus transferred to common stock	-	2007.07.11 Approved by FSC Certificate No. 0960035578
2008.07	10	100,000	1,000,000	60,245	602,450	Surplus transferred to common stock	-	2008.07.04 Approved by FSC Certificate No. 0970033426
2009.07	10	100,000	1,000,000	63,257	632,572	Surplus transferred to common stock	-	2009.07.21 Approved by FSC Certificate No. 0980036434
2011.09	10	100,000	1,000,000	75,909	759,086	Surplus transferred to common stock	-	2011.06.24 Approved by FSC Certificate No. 1000029255
2011.10	10	100,000	1,000,000	76,043	760,426	Transferred unsecured convertible bond	-	2011.10.17 MOEA Certificate No. 10001237250

Year and month	Issued price (par value per share)	Authorized capital		Paid-in capital		Note		
		Number of Shares (thousand shares)	Amount (thousand)	Number of Shares (thousand shares)	Amount (thousand)	Source of capital	Capital increase by assets other than cash	Others
2012.04	10	100,000	1,000,000	76,202	762,021	Transferred unsecured convertible bond		2012.04.13 MOEA Certificate No. 10101066110
2012.08	10	100,000	1,000,000	87,608	876,085	Surplus transferred to common stock		2012.07.09 Approved by FSC Certificate No. 1010030176
2017.12	10	100,000	1,000,000	88,573	885,735	Employee stock options		2017.12.15 MOEA Certificate No. 10601161900
2018.04	10	100,000	1,000,000	88,842	888,425	Employee stock options		2018.04.10 MOEA Certificate No. 1070137130
2018.06	10	100,000	1,000,000	88,912	889,125	Employee stock options		2018.06.06 MOEA Certificate No. 10701057390
2018.12	10	200,000	2,000,000	89,225	892,255	Employee stock options		2018.12.18 MOEA Certificate No. 10701147540
2019.10	20	200,000	2,000,000	112,225	1,122,255	Private stock transferred to common stock		2019.10.23 MOEA Certificate No. 10801145280
2020.12	10	200,000	2,000,000	112,250	1,122,505	Employee stock options		2020.12.02 MOEA Certificate No. 10901221500

Mar. 25, 2025

Shares Type	Authorized Shares			Notes
	Outstanding shares	Un-issued shares	Total shares	
Common Shares	112,250,487	87,749,513	200,000,000	

## 2. List of Major Shareholders

Mar. 25, 2025

Major Shareholders	Number of Shares Held	Shareholding Percentage
DFI Inc.	52,436,069	48.07%
Han-Yu Investment Co., Ltd.	10,176,013	9.07%
Chief Investment Co., Ltd.	7,329,443	6.53%
Rido Investment Co., Ltd.	5,711,538	5.09%
Run Fun Investment Ltd.	1,315,039	1.17%
Ding-Yuan Wu	905,509	0.81%
Shih-Ni Li	783,163	0.70%
Bo-Ya Lin	763,542	0.68%
Guang-Yu Shang	741,478	0.66%
CTBC Bank Co., Ltd. Trust Account for Ace Pillar Co., Ltd. Employee Stock Ownership Plan	497,855	0.44%

### 3. Dividend Policy and Execution Status

(1) Article 22-1 of the Company's Articles of Incorporation, concerning dividend policy, provides as follows:

If there is any surplus in the annual accounts, the Board of Directors shall, in addition to paying all taxes and contributions in accordance with the law, first make up for the accumulated deficit and then set aside 10% as legal reserve and other special reserve required to be set aside or reversed in accordance with the law, and if there is any surplus, the Board of Directors shall prepare a proposal for distribution to the shareholders' meeting for a resolution together with the accumulated undistributed earnings of previous years. If the appropriation of earnings is in the form of cash dividends, the Board of Directors is authorized to resolve and report to the shareholders' meeting.

If there is any surplus in the annual accounts, the Board of Directors shall, in addition to paying all taxes and contributions in accordance with the law, first make up for the accumulated deficit and then set aside 10% as legal reserve and other special reserve required to be set aside or reversed in accordance with the law, and if there is any surplus, the Board of Directors shall prepare a proposal for distribution to the shareholders' meeting for a resolution together with the accumulated undistributed earnings of previous years. If the appropriation of earnings is in the form of cash dividends, the Board of Directors is authorized to resolve and report to the shareholders' meeting.

The dividend distribution policy shall be based on operational and growth needs, taking into account future capital budgets and capital requirements. If there is a surplus in the annual general accounts and the distributable surplus reaches 2% of the capital, the dividend distribution shall be no less than 10% of the distributable surplus and the cash dividend shall not be less than 20% of the current year's dividend.

(2) The dividend distribution proposal by the Shareholders' Meeting :

The Company distributed cash dividends of NT\$50,512,719 (NT\$ 0.45 per common share), have been approved by the meeting of the board of directors held on February 24, 2025, which will be reported at the 2025 Annual Shareholders' Meeting.

(3) Major changes expected in the dividend policy: None

4. The impact of dividend distribution proposed by this shareholders' meeting on the Company' s operating performance and earnings per share: None.

### 5. Compensation for employees and Directors

(1) The percentage or range of compensation for employees and Director based on the Articles of Incorporation :

Regulations from the Articles of Incorporation of the Company:

Article 22

If there is a profit in the annual accounts (defined as pre-tax income less the amount of employee compensation and director's remuneration), 2-20% shall be allocated to employee compensation and no more than 1% to director's remuneration. However, if the Company has accumulated losses (including adjustments to undistributed earnings), the compensation should be reserved in advance.

The former employee compensation may be in stock or cash and paid to employees of control or subordinate companies who meet certain criteria, and the former director compensation may be in cash only.

(2) The basis for estimating the compensation to employees and directors, and of shares to be distributed as compensation to employees. If the actual distribution differs from the estimated amount, it is accounted as follows:

A. The basis of estimating compensation to employees and directors for the current period: The annual net income (profit refers to the income before taxation before the distribution of employee

compensation and remuneration to directors and supervisors) is estimated according to the rate set by the Company's Articles of Incorporation.

B. The shares of employees' compensation distributed by stock is calculated based on: The calculation is based on the closing price on the day before the board of directors' resolution.

C. Any difference between the actual distribution amount and the estimated amount is recorded as profit or loss in the following year.

(3) The resolution of remuneration distribution by the Board of Directors:

A. The employees compensation of NT\$3,339,397 and directors remuneration of NT\$667,879 distributed in cash have no difference from the estimated amounts recognized as expenses for the year.

B. Sum of employees' compensation in stock and its proportion of the net income after tax (NIAT) provided in the Individual Financial Statement and the total sum of employees' compensation: Not applicable.

(4) Actual distribution of employees and Directors' compensation in the previous year, and the difference, reasons, and processing situation for the employees and Directors' compensation that were recognized:

A. Due to pre-tax loss in 2023, the Company did not distribute compensation employees and directors.

B. The difference between the proposed distribution amount approved by the Board of Directors and the actual amount distributed : the actual distributed amount was the same as the proposed distribution amount approved by the Board of Directors.

#### 6. Repurchase of the Company' s Shares by the Company:

No repurchase of the Company's shares by the Company was conducted in the recent annual periods and as of the printing date of the Annual Report.

## (II) Information regarding Corporate Bonds:

### I. Corporate Bond Issuance Status

Type of Corporate Bond	Domestic Second Unsecured Convertible Corporate Bonds
Issuance (Processing) Date	2024/11/15
Face Value	NT\$100,000
Issuance and Trading Location	Not applicable
Issuance Price	Issued at 107.06% of Face Value
Total Amount	NT\$500,000,000
Interest Rate	Coupon Rate 0%
Term	Term of 3 years, from 11/15/2024 to 11/15/2027
Guarantor	Not applicable
Trustee	Taishin International Bank CO., LTD.
Underwriter	Taishin Securities Co., Ltd
Legal Counsel	Handsome Attorneys-at-Law, Attorney Peng Yi-cheng
CPA	KPMG, Accountants Kao, Ching-Wen and Chang, Huei-Chen
Repayment Method	According to Article 6 of the Company's 2024 Second Domestic Unsecured Convertible Corporate Bond Issuance and Conversion Rules, except for bondholders converting to the Company's common shares in accordance with Article 10 of these Rules, or the Company's early redemption in accordance with Article 18 of these Rules, or the Company's repurchase and cancellation from securities dealers, the Company shall repay the bonds in a lump sum in cash at face value within ten business days from the day following the maturity date of these convertible corporate bonds.
Outstanding Principal	NT\$500,000,000
Terms for Redemption or Early Repayment	Please refer to Article 18 of the Company's 2024 Second Domestic Unsecured Convertible Corporate Bond Issuance and Conversion Rules
Restrictive Covenants	Not applicable
Credit Rating Agency Name, Rating Date, Corporate Bond Rating Result	Not applicable
Other Attached Rights	Amount of Conversion (Exchange or Subscription) to Common Shares, Global Depository Receipts or Other Securities as of the Annual Report Print Date
	Amount converted as of the Annual Report print date: NT\$0
	Issuance and Conversion (Exchange or Subscription) Rules
	Please refer to Issuance and Conversion Rules
Issuance and Conversion, Exchange or Subscription Rules, Issuance Terms' Potential Dilution Effect on Equity and Impact on Rights of Existing Shareholders	Based on the current outstanding balance of convertible corporate bonds and a conversion price of 133.1, if all were converted to common shares, 3,756,574 shares would need to be issued, resulting in a dilution of equity and earnings per share of 3.24%, which would not have a significant impact on shareholders' equity
Name of Custodian Institution for Exchange Target	Not applicable

## 2. Convertible Corporate Bond Information

Type of Corporate Bond		Domestic Second Unsecured Convertible Corporate Bonds	
Item	Year	2024	Current year up to April 10, 2025
	Convertible Corporate Bond Market Price	Highest	120.0
Lowest		103.80	96.3
Average		107.18	107.89
Conversion Price		133.1	133.1
Issuance (Processing) Date and Conversion Price at Time of Issuance		Issuance Date: 11/15/2024 Conversion Price at Time of Issuance: 133.1	
Method of Fulfilling Conversion Obligation		Issuance of New Shares	

(III) Handling of preferred shares: None.

(IV) Implementation of Overseas Depository Receipts: None.

(V) Employee stock option handling status : None.

(VI) Operations of new restricted employee shares: None.

(VII) Issuance of new shares in connection with the merger or acquisition of other corporations: None.

(VIII) Implementation status of fund application: None.

I. For the content and implementation status of the 2nd Domestic Unsecured Convertible Corporate Bond plan, please refer to: Market Observation Post System (MOPS)//Investment Section/Fundraising Plan Implementation Section.  
 (Website://mopsov.twse.com.tw/mops/web/bfhtm\_q2)

## IV. Operations

### (I) Business Description

#### I. Business Scope

##### (1) The main contents of the Company's business

Our main business is automation control and industrial transmission including testing, processing, trading, maintenance, electromechanical integration and automation services, semiconductor, photovoltaic and solar energy related equipment, consumables and components sales and services, air conditioning, air pressure, heat recovery, lighting, power management, energy storage, power equipment monitoring, etc. Through energy saving sharing and system construction, we establish long-term partnership with customers. "PowerWalker" provides power protection solutions and peripheral sales and services for personal electronics, corporate IT equipment, industrial manufacturing and data centers in Europe.

##### (2) Operating ratio

Unit: NT\$ 1,000

Major products	Revenue in 2023	(%)	Revenue in 2024	(%)
Mechanical transmission	783,648	25.68	884,009	24.03
Automation control	1,287,813	42.20	1,173,474	31.90
Sales and service of semiconductor equipment material	516,026	16.91	535,760	14.57
Energy management products	460,206	15.08	475,809	12.94
I			604,257	16.43
Others	4,110	0.13	4,874	0.13
Total	3,051,803	100.00	3,678,183	100.00

##### (3) Current Products (Services)

Our company provides parts and components and integrated planning and after-sales service for the manufacturing or use of automated electromechanical equipment industry, and currently represents the following products:

Category	Type of Product
Industrial transmission	Ball screws, linear slides, linear modules, pneumatic, hydraulic, couplings, electromagnetic clutch brakes, keyless bushings, torque limiters, cushioning devices, indicators, indexers, reducers, speed changers, gears, gear racks, etc.
Automation control	High-efficiency inverters, energy-saving cabinets, AC/DC/linear servo motors and drives, programmable logic controllers (PLC), computer numerical control systems (CNC), human-machine interfaces (HMI), industrial computers (IPC), machine vision systems (MV), industrial cameras (CCD), magnetic scales, position sensors, temperature controllers, power meters, pressure sensors, static eliminators, indicator lights, industrial electronic panels, power management, industrial network products, power supplies, robots, AGVs, charging piles, energy storage systems, Digital Twin, Remote Maintenance Communication Module, Packaging Stacking Solution, MES/SPC/EAP System Solutions, Edge Computing and Cloud Services.
Semiconductor Equipment and Materials Sales and Services	High-pressure mercury lamps, gas discharge lamps, clean room explosion-proof clothing, inspection light sources, wafer transfer boxes, wafer transfer equipment, metal gas filters, photoresist applicators, magnetic fluid shaft seal motors, vibration sensors, measurement softwares, abrasive powders, photoresist removal fluids, cleaning fluids

Energy saving equipment and related services	Power inventory/energy saving/storage system, interruptible power system, management systems, gaming series, servo presses, servo electric locks, equipment upgrade services, etc.
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(4) New products (services) planned to be developed

Our company focuses on integrating services to drive the smart manufacturing industry, paying close attention to the trends and needs of automated mechanical and electrical equipment, and introducing the latest products and technologies timely. In addition to provide high quality, high performance and appropriate cost components required, we also introduce sensors, intelligent systems and components required by factory facilities and process equipment. Based on the customer and market demand as the starting point, we will evaluate the development, agency and integration of products in various fields, and the development focus and direction for the next 1-2 years are as follows:

A. Smart Manufacturing AI Solutions

- a. Based on our current core technology and capabilities, we can independently expand our plant monitoring system and production line visualization, seek cooperation with production and equipment management vendors, and become a third-party automation partner to jointly undertake cases.
- b. In addition to the automation of the production line, the automation of the operation process is also an important part. The optimization of the company's operation process and the introduction of AI intelligence is also the focus of digital transformation. With the help of AI's in-depth knowledge in the field, the value of data is captured, and the value of data at all levels is strengthened. Use data analysis to make instant decisions to reflect intelligent management.
- c. Through the digitization of data and optimization through AI, we can help companies to achieve digital transformation.

B. ESG Sustainable Development and Services

- a. Energy Storage: In line with the government's 2025 renewable energy generation target of 25% and 2050 net-zero carbon emission transformation target, we combine solar, wind, and other green energy power EMS, power regulation system PCS, battery BMS and module integration planning with UPS continuous power system to do a holistic construction.
- b. Charging pile: In response to the growing electric vehicles, we provide overall services for charging piles: Including charging pile hardware, management software, and operation platform to increase user convenience.
- c. Net Zero Carbon Emission: In view of the fact that obtaining green hydrogen and reducing costs are important keys to fuel cell electric vehicles and a part of green energy to achieve net zero emissions, we have continued to introduce hydrogen fuel cells and have recently promoted Panasonic applications in China.
- d. Energy saving of transmission machinery: Focus on improving mechanical efficiency, mainly operating efficiency, such as the use of planetary reducer to replace the old WORM-GEAR reducer to improve efficiency. Use linear slide rail instead of hard rail to reduce friction coefficient and save energy. Adopt DD (multi-stage AC motor) instead of (motor + speed reducer) to improve efficiency and save energy.
- e. Air conditioning energy saving: With the goal of improving energy efficiency and reducing energy consumption, under the same usage environment, temperature is adjusted and controlled to

achieve energy-saving effects. It mainly targets the operation of motors such as chillers and fans (air handling units), analyzes their operation modes, and installs IE5 high-efficiency motor inverters, sensing sensors, controllers, etc., to control the operating frequency of motors, allowing motors to achieve energy-saving effects without full-load operation at all times.

- f. Energy saving by rebound utilization: For the characteristics of stamping machines, centrifugal machines, and elevators (cranes), when they are operating in the load return (generator mode), their energy is stored and fed back to the power grid to save energy.
  - g. Energy-saving through energy recovery: Energy-saving cabinets target the characteristics of stamping machines, centrifugal machines, and elevators (cranes). When they operate in the regenerative load mode (generator mode), the energy is stored and fed back to the power grid, achieving energy-saving effects and meeting ESG requirements.
  - h. Lighting Energy-saving: Using LED tubes to replace traditional fluorescent.
  - i. Power Monitoring and Energy Management System: Through the installation of smart meters, combined with PLC, HMI and graphic control systems, customers can easily understand electricity usage information, helping to establish energy-saving strategies and peak/off-peak power scheduling.
- C. Complete Robotics Solution
- a. We provide various suitable options for different needs, such as horizontal Scara, 6-axis joint, collaborative and high load type, etc. We can assist customers in planning, designing and integrating into Robot Station to improve overall ROI.
  - b. AI visual defect detection: Integrating robotic arms, vision, and AI to provide solutions that can be used for product surface defect detection, and with AI computing, more accurate and convenient automatic detection can be provided.
  - c. Packaging and stacking: Utilizing robotic arms in conjunction with vision can provide repetitive packaging, handling, and high-load packaging product stacking, greatly reducing labor usage and improving loading efficiency.
- D. Smart set-top box (SMB) with AI
- a. With the advent of the smart manufacturing era, the most important is to collect data and information from the network, and to discover real value needed from artificial intelligence (AI) through statistics. This has been applied to machines and equipment by installing smart onboard boxes to collect and count process data, monitor and operate remotely. It can be used to meet the needs of different automated machinery and equipment, or to meet the needs of future equipment networking. This allows companies to optimize production schedules, solve labor shortages, and meet fast and small production patterns.
  - b. By communicating with various PLCs, PCs, CNCs, robots, sensors and meters in the OT, the smart set-top box collects, stores, and visually presents data to assist in making quick judgments, and with AI's autonomous learning, it can make stage predictive maintenance and alerts to improve safety and productivity.
- E. Accelerated development in the semiconductor field
- a. In response to government subsidies for the localization of semiconductor equipment, through product marketing plans, we expand the introduction of new products, develop new equipment,

parts, and consumables in response to technological and industrial trends, deepen our technical capabilities, enhance added value, and participate in industrial growth.

- b. In response to the continuous growth of the optoelectronics and semiconductor industries in China, we have integrated the Group's resources and established a task force to share resources and to Strengthening and expanding operational bases in China; to expand our penetration rate in semiconductor equipment manufacturers and optoelectronic and semiconductor customers, and to strengthen our local service capabilities.
- c. Entering the application of semiconductor gas equipment, successfully introducing inverters to leading Japanese semiconductor gas treatment equipment brands, and continuing to cooperate and develop in the industry.
- d. Assisting semiconductor equipment customers in transitioning from traditional equipment networking to adopting SECS/GEM specification applications, and discussing equipment control and collaborative operation solutions with customers to support semiconductor equipment development applications.

## 2. Industry overview

### (1) Current Industry Situation

Our company agent automation electromechanical components, semiconductor equipment materials and sells energy management products. The following describes the focus of the channel dealer industry in terms of products, sales markets and partners:

- A. Developing product agency lines: It can grasp the stable growth of niche product lines. With the expansion of agency lines, it increases revenue sources, reduces operational risks, meets one-stop shopping needs, and enhances the Company's growth momentum through the development of new product lines.
- B. Domain know-how development and technical support: Enhancing cooperation with industry-leading manufacturers, assisting industries in developing domain know-how, helping customers upgrade equipment to enhance competitiveness, optimizing profitability to achieve win-win situations, and continuously ensuring ACE PILLAR's leading position. Today, R&D capabilities and technical levels are on par with sales management and hold a pivotal position.
- C. Provide modular sales mechanisms, through professional integration and recommendations, assist customers in product selection, and provide higher-value services in power and frequency conversion modules, precision positioning platforms, mechanical transmission design, and equipment production history integration.
- D. Development of competitive products: General standard products are in great demand, but they are easily reduced to low-price competition, increasing operational risks and lowering gross profit tools, while special and potential products can establish the position of channel operators and guarantee revenue sources. Therefore, channel operators must closely observe the current situation and development of products, develop new agent product lines and build reasonable inventory at the right time, just like suppliers and customers.
- E. Regional market development and competition: Taiwan's manufacturing base is gradually moving out of the country, and the role of China and Southeast Asia is becoming important. Channel companies must follow the footsteps of downstream manufacturers and actively develop the Asian market to provide the services and support required.

- F. Industrial situation and inventory adjustment: In general, the correct interpretation and judgment of the economy by channel operators can be immediately reflected in their performance. Therefore, channel operators need to closely observe the trends of economy in order to precisely adjust their inventory and create the most profitable space.
- G. Emerging sales models and e-commerce: As globalization advances, industry changes and product development accelerate, and multinational operations and competition come to the fore, channel operators must enhance their market intelligence collection and adaptability to be ready to respond to emerging production and marketing, such as opportunities brought about by the release of customers due to B2C. In addition, with the rise of the Internet, electronic marketplaces and e-commerce are in full swing. If the channel industry can make good use of the Internet to build a mechanism for trading and disseminating information, it will be able to quickly reflect the current market and reduce operating costs and risks.
- H. Upstream supplier-customer relationship: In addition to acting as an agent, the channel operator also provides upstream suppliers with current market demand and product improvement suggestions, and relies heavily on the relationship with upstream suppliers for regional support. In addition to acting as an agent, the channel operator also provides upstream suppliers with current market demand and product improvement suggestions, and relies heavily on the relationship with upstream suppliers for regional support.

## (2) Industrial development

The automation technology support industry, both at home and abroad, is a technology-intensive, service-intensive, non-volume production, and project-rich upstream industry, which started earlier in advanced foreign countries with mature industries and large market shares. The domestic start is late and the scale is small, so there are many restrictions, especially for the main bulk products, which are difficult to compete with the world's largest manufacturers. Fortunately, there is a lot of room for domestic development because of the wide range of products and the high quality of services.

Automation refers to the combination of computers, application software, sensors, control and communication technologies to replace or save labor, increase productivity, quality and efficiency. The automation electromechanical components are the basic units that form the machine or system for the integration of automated machine equipment and automation engineering system. Automated electromechanical components include controller, driver, actuator, sensor and transmission parts. When the automatic control technology is applied, the sensor component converts the physical and chemical changes of the system (position, speed, angle, current, etc.) into data and feeds it back to the controller, which processes it into information, which will be converted by the driver and actuator into physical and chemical quantities to act on the system.

The domestic industrial controller, Programmable logic controller (PLC), actuator, drive, inverter, servo motor, ball screw, sensing element, hydraulic components, logistics combination of aluminum frame and other industries have gradually sprouted and grown, but the product upgrading and integrity of the series still need to be strengthened; CNC numerical control of tool machines is still difficult domestically because the Japanese majors dominate the market; and other industrial machinery still faces great room of growth due to small amount.

Although, there is still a gap of the automation technology level gap of the between Taiwan and advanced countries, and the engineering experience is shallow, and many key components and technologies are still in the hands of advanced countries, the keen domestic demand for automation and

the completion of government incentives and counseling measures will provide a good environment to accelerate its flourishing. The future direction of our company is as follows:

A. Strengthen technical support and provide high value-added customized services

The channel companies should enhance their technical support, and as the technology matures, not only provide complete reference designs, but also provide complete products or design structures, and leave the manufacturing of end products to downstream customers; Channel companies should combine their existing product lines and technical capability resources, not only to buy and sales, but also to bring into play their technical and design capabilities to provide the best solutions; In fact, the international channel manufacturers after years of product sales base, with a semiconductor product line, generally tend to provide reference design solutions; those with information product line will also provide a total solution, combined with existing resources to develop a broader market, and as for Taiwan channel manufacturers in the move to the international occasion, the most important thing is how to develop a wide living space.

B. Combining with groups business in Southeast Asia and Europe, America and Africa to maximize the benefits of product lines

Channel operators must clearly judge the development trend of each region and the nature of their own product lines. In addition to the 6 service bases in Taiwan and the subsidiary Tianjin ACE PILLAR CO., LTD. established in 1993 in Tianjin, which has professional sales and service teams in 12 important industrial cities, we provide advanced, efficient and complete solutions. In 2022, we will invest in Standard Technology Corporation, ACE Energy and Bluewalker to expand the European market, and expand our service territory in North America and Africa.

C. Upstream, midstream and downstream connections

We and our subsidiary, Standard Technology Corporation, are channel providers in the fields of electromechanical automation and semiconductor, photovoltaic and solar energy respectively, sourcing parts or materials from upstream design or manufacturing plants and providing them to downstream manufacturers of electromechanical automation equipment and semiconductor and photovoltaic industries. Our subsidiary, ACE Energy, provides a full range of professional energy services such as energy saving and storage, integrating the technical services of customers, material suppliers and equipment manufacturers to ensure energy efficiency, reduce labor burden and enhance customers' competitiveness.

The upstream manufacturer can use distribution agents to build a complete marketing channel to save sales and management costs; quickly provide distribution agents with the raw materials, equipment and technology needed to reduce the downstream industry's own inventory and design costs, reducing business risks. They can integrate the needs of the downstream industry and purchase from the upstream manufacturers to obtain a greater price advantage, and then sell the products to the downstream industry with flexible inventory management and the diversity of distribution agent brands. In this way, the efficiency of the division of labor between the middle and lower reaches is effectively improved.

With the rapid development of the automation, electromechanical and semiconductor industries, distributors are no longer just agents for sales and purchases, but must also provide regional market dynamics, development advice and customer development to upstream suppliers; provide diverse brands and complete product lines to downstream customers, reduce

manufacturers' inventory risks and capital backlogs, provide integrated services, and save R&D time and costs, thus playing an important role between upstream suppliers and downstream customers.

(3) Product development trends

Taiwan's SMEs are facing digital transformation, which is a major challenge to accelerate the implementation of smart manufacturing and to promote modular applications, and the speed of digital implementation is the key.

Smart manufacturing cannot only be a single point application, and it must integrate OT and IT, but it is difficult due to no consistent standard for OT. We suggest factories to think from the concept of Data Fabric and build a data structure platform before production to obtain effective integrated data, so that the yield and crop rate can be maximized and equipment efficiency can be improved for fast digital transformation.

(4) Product Competition

Due to the wide products we represent, our business is focused on parts and consumables for automated mechanical and electrical equipment. At present, except for the automation division of Shihlin Electric Co., Ltd., the electronics division of TECO, the first division of Wachun Technology, Inc. and Salomon, Inc. which are listed on the stock exchange, there are no other listed companies that represent similar parts and components.

3. Technology and R&D overview

(1) Technology and R&D overview

A. Research and development expenses for the most recent year and as of the date of the annual report: As a distributor of automation parts and components and a professional automation technology service provider, the Company invests in research and development mainly for the salaries and related expenses of personnel.

Unit: NT\$ 1,000

Project/Year	2024	First quarter of FY2025
Research and development expenses	16,005	(Note)

Note: As of the printing date of the annual report, the financial statements for the first quarter of 2025 have not been reviewed by the accountants, and therefore, no quarterly figures are available for reference.

B. Successfully developed technology or product

Company has been developing and marketing the parts and components for the automation and electromechanical industry, and the new products developed in recent years are summarized as follows:

Type of Product	Year	Products distributed or distributed	Application Fields
Mechanical transmission	2020	CKD special gripper for collaborative arm, Airtac linear rail, Li-ming HD/RV series	AGV/AMR warehouse logistics, special machines
	2021	Denmark OnRobot arm gripper/force sensor	Types of robot arm with

Type of Product	Year	Products distributed or distributed	Application Fields
	2022	MGS ultra-precision gauges uMATE	Various industrial machinery, electronic equipment, smart factory
	2023	Schaeffler (FAG bearing \ vibration/temperature sensor \ auto lubrication system)	Fitness/Medical Equipment \ Smart Factory
	2024	Taiwan CKD Machine Accessories, Energy-saving Spray Guns	Automation and Material Handling for Various Industries, Semiconductor, Electronics Industry
Automation control	2020	Delta PLC AS500 series / Industrial Medical Power PMT2 series / Delta Device Networking Solution DIALink mini, ABB ROBOT, EPSON ROBOT, TM Collaborative Arm, PANASONIC Vision Recognition System, AR Smart Glasses, AWS Cloud service	Various industrial machinery, AOI, smart factory, warehouse logistics system
	2021	ABB charging pile, PANASONIC energy storage system, Delta PCS power regulation system, Delta UV sterilization lamp, Synergies AI platform, Shihlin inverter (China market)	Factories, office buildings, shopping malls
	2022	Delta W3 servo, motion controller AX3, AX8 series, digital force sensor MSR series, second generation CNC NC5 series. DFI ES220 series industrial computers, Shaoyang ESD protection system, etc.	Industrial machines and smart factories
	2023	VP3000 Series \ MSI reluctance motor (IE5) \ MX300 Variable-frequency Drive  Delta H3 servo, Electric Servo Press ASP-F/AM-ESP, Delta healthcare devices product, lighting products	Fan, water pump, Compressor, Blower, Automated Storage & Retrieval System Industrial machines and smart factories, Fitness/Medical Equipment
	2024	Delta REG2000 PANASONIC Laser Marking Module Delta SECS/GEM, DIASPC, DIAMES, DIAEAP Schnieder AVEVA Edge	Elevator Power Recovery Automation Integration Applications Semiconductor Communication Networking, Factory Automation Integration

Type of Product	Year	Products distributed or distributed	Application Fields
Sales of semiconductor or optoelectronic equipment and consumables and equipment maintenance	2022	Industrial-grade microwave generators (magnetron), VOCs recovery devices	Semiconductor advanced process measurement, semiconductor etching equipment, wafer manufacturing automation, AI server bidirectional coolant recovery
	2023	Automation-related products & after-sales technical services, STC self-produced non-contact vacuum pick-up tools	Wafer Fabrication Automation Equipment and Fixtures
	2024	MCS air knife-type photomask cleaning machine, Air-Foamed PVA Sponge CMP Brush Products for Semiconductor Applications, Laser Distance Meters, Predictive Maintenance Software and Hardware for Equipment Diagnostics, liquid detection products	Advanced photomask cleaning equipment, semiconductor photolithography process equipment, semiconductor CMP equipment, Liquid Detection and Monitoring Systems for Semiconductor Process.

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

##### (1) Short-term development direction

In the short term, we will continue to work hard and harvest by implementing the following key tasks to strengthen our competitive advantages and services.

##### A. Rationalization of workflow and implementation of quality policy

With the assistance of professional organizations, we have established workflow rationalization and control points to meet internal control requirements, and established quality policies, objectives and implementation plans under the guidance of consultants to meet the highest standards; we have passed the review of ISO quality objectives renewal assessment.

##### B. Strengthening digital media marketing, social media platforms, and seminars

The semiconductor, intelligent automation, energy, and AI application industries are important technology industries in Taiwan and are key development trends. In view of this, in addition to participating in key industry exhibitions, automation roadshows are also launched, holding seminars, webinars, and the WeChat public account "Intelligent Automation Academy" in key regions to deepen interaction, optimize existing marketing materials, and use social media to share successful application cases, solutions, product information, and professional technical knowledge, providing customers with high value-added integrated services.

##### C. Human Resources/Organizational Management

People-oriented, excellent employees are the only way to form a good enterprise, and this only depends on training. In recent years, due to the expansion of our product range, in addition to the

reform of sales management, business daily reports, computerization of processes, and the establishment of information networks to strengthen our business foundation, we have continued to enhance our product expertise and integrate the group's shared resources to maximize the benefits of replicating successful cases to dig big clients.

D. Professional automation system integration

We provide the most advanced product integration and application design and development services to enhance our professional technology development and design capabilities and build up our professional integration strength.

(2) Long-term development direction

After investing in STC, Ace Energy, BlueWalker in 2022, and Transpak Equipment Corporation in 2024, Ace Pillar will focus on three major areas: smart automation, green energy, and semiconductors to accommodate future development.

- A. Intelligent Automation and Software Integration: To address the aging workforce and labor shortage issues faced by most customers, we provide products and services such as Robots, Pick & Place, AI machine vision, packaging/stacking, AGV/AMR, etc. For basic modules, we offer MES, AIOT data analysis, cloud management platform and other services. Customers can make appropriate optimizations and adjustments based on factory production conditions, while enhancing space utilization and improving production efficiency. Combined with software development integration, we provide production records and connect with production execution systems. The collection of process data will help further improve AI analysis benefits.
- B. Green energy layout: ACE PILLAR itself represents first-class brands from Taiwan, Europe, and Japan in energy-saving and energy storage equipment, such as Delta, ABB, and Panasonic. Combined with Daq Sheng Energy and BlueWalker, the planning and layout of the entire green energy product line are more complete. Its aspects focus on ESCO energy technology-related carbon inventory and energy-saving solutions, electricity price management equipment control, green energy equipment planning (including renewable energy conservation, energy storage equipment and systems), carbon rights offset application, charging service management platform and system, charging piles, UPS uninterruptible power supply systems, energy management systems, etc.
- C. Semiconductor field: By combining our strengths in transmission and automation with Standard Technology Corporation's knowledge in the semiconductors, we will provide with a more complete one-stop service for systems, equipment, components, and consumables related to plant, process, and smart logistics to assist customers in this field for digital transformation.
- D. Ace Pillar original market mainly focused on the Asia-Pacific region, including Taiwan and mainland China. After STC and BlueWalker GmbH joined in 2022, distribution channels expanded to Europe and North Africa. With Transpak Equipment Corporation joining in 2024, the automation channels in Europe and the United States were further strengthened. Our company will integrate resources within and outside the group to become an expert in green energy and intelligent automation solution integration services that influences global industrial upgrades and transformation.

## (II) An analysis of the market as well as the production and marketing situation, including

### I. Market Analysis

- (1) Regions where the main commodities (services) are sold (provided)

Location \ Year	2023		2024	
	Revenue	%	Revenue	%
Mainland China	1,409,540	46.19	1,255,816	34.14
Taiwan	1,265,420	41.46	1,467,679	39.90
Europe	354,238	11.61	583,460	15.86
Americas	-	-	235,546	6.41
Others	22,605	0.74	135,682	3.69
Total	3,051,803	100.00	3,678,183	100.00

## (2) Market Share

Our company is engaged in the distribution of automation electromechanical parts and components. Our products can be broadly classified into industrial transmission and automation control categories according to their characteristics. We are a distributor of brands including Delta Electronics, Airtac, PMI, Li-ming Machinery, Innodisk, DFI, TPI, Toyo, HIKROBOT (Vision), ABB, CKD, EPSON, MIKI PULLEY, Magnescale, PATLITE, LENZE, ATLANTA, CENTA, ETP, ELMO, Techman TM Collaborative Robot, Schaeffler, Schneider and other well-known manufacturers. Due to the wide products we represent, their specifications, functions, applications and competitors are different, so it is difficult to objectively assess their market shares.

## (3) Future supply and demand conditions and growth potential of the market

We can provide face recognition with access control system, UV inhibition lamp, epidemic prevention robot, infrastructure automation upgrade, digital cloud service...etc. We can extend the total solutions from the factory to different fields.

Regarding the innovation and enhanced application of technology products, many domestic manufacturers have plans to expand investment. Capital expenditures in the semiconductor industry, panel manufacturers, and 5G communications will greatly inject into domestic investment, while urban renewal, ESG energy policies, traditional industry upgrades, and AI applications are also quite beneficial to domestic investment.

ACE PILLAR will continue to deploy intelligent automation, energy management, and overall semiconductor solutions, introducing advanced intelligent manufacturing, AI automation, visual inspection, energy-saving/storage products, and MES, AIoT-related software and system architecture deployment, expanding the scope of services, assisting customers in planning industry upgrades and competitiveness enhancement, intelligent factory production lines, equipment automation, and smart building planning, accelerating the expansion of business opportunities through value-added integrated services.

## (4) Competitive niche

Our company has been upgraded from a supplier of traditional transmission components to one of drive, transmission and control automation products and technology service, mainly specializing in Speed control, Positioning control and Rotation transmission and our advantages are as follows:

A. We have a large customer base and long-standing experience in mechanical and electrical design and integrated application technology.

Our company has been operating in the industry for a long time and has thousands of customers from all walks of life. We provide the best technical consultation, design, integration, commissioning and after-sales services for automation parts and systems, focusing on needs of customers with the Domain Know How accumulated over years with overseas partners.

B. Close relationship with domestic and foreign suppliers and experienced in cooperation

The main suppliers are Delta Electronics, Airtac, PMI, TPI, Li-ming Machinery, Innodisk, DFI, TOYO, Techman Robot Inc., Aws, Schaeffler, LENZE, ATLANTA, ABB, EPSON, Panasonic, MIKI PULLEY, CKD, CCS, SHIMPO, SHIMPO, NABTESCO, Magnescale, PATLITE, Israel ELMO, etc. are well known. Our company has long been cooperating with large manufacturers, not only absorbing their technical experience, but also helping customers to improve their technology, and being able to provide feedback on customer needs for product improvement to align with practical needs, which is more conducive to assisting customers in introducing products and enhancing technical levels, creating multi-faceted win-win situations.

C. Diversified products to meet the needs of One Stop Shopping

We distribute ball screws, linear slides, controllers, PLCs, HMIs, machine vision, servo motors, inverters, direct drive motors, precision reducers, splitters, couplings, etc. We have a complete product line and a full range of hardware and software, allowing customers to make a single purchase.

D. Possessing innovative capabilities, providing customers with comprehensive solutions to increase added value.

Along with industrial upgrades, our company can introduce new products in a timely manner, continuously learn new technical knowledge, effectively utilize databases, assist customers with model selection and matching, and even provide modular packages. We offer customers comprehensive solutions and technical services, enhancing the added value of products and services to avoid falling into the quagmire of price competition.

(5) Favorable and Negative Factors and Countermeasures for Development

A. Favorable Factors

a. Matching of products sold with industries with development potential

According to a study conducted by Nomura Research Institute, commissioned by the Council for Economic Development, Executive Yuan, the most promising high-tech industries in the Republic of China are information equipment, semiconductors, machinery, environmental protection equipment, biochemistry and pharmaceuticals, and aerospace. Our company provides automation information equipment, machinery and equipment-related components, which are closely related to the potential industries and have a large market growth potential.

b. Complete and diversified product line, wide customer base, low risk

Through years of hard work and continuous expansion of our product lines, we have maintained deep cooperation with domestic and international suppliers, and continue to provide professional services to understand customers' needs, solve problems and meet various demands, thus enabling us to quickly obtain the latest information from home and abroad and represent potential products. With a wide range of clients across a wide range of industries, we are able to reduce the risk of being affected by a single industry downturn.

c. We have complete and experienced technical knowledge and the ability to manage professionals

Therefore, complete and experienced business and technical personnel are the key factors for the success of channel operators. We have an excellent management team with extensive experience, and the management leaders of each division have 10-20 years of experience as professionals, which helps to enhance the competitiveness.

B. Negative factors and countermeasures

a. High turnover of product technology

The technology of our industry is highly substitutable due to the development of new components, especially with the increasing automation, the introduction of new products and the change of generations, which test our ability to develop products and technical support.

Response measures

Our company keeps abreast of the trend of technology and application, and is committed to developing and distributing new components, new sources of supply and new product lines, and strengthening the collection of information to keep an eye on the trend of technology, suppliers and customers.

b. With the advent of the Internet and e-commerce era, it is gradually changing to provider to customer, which will affect our business pattern.

Response measures

(a) Enhance the expertise, build up the reputation of service quality, and create service value.

(b) We have strengthened the profit of Total Solution and integration.

(c) Strengthen product market development and application to enhance profitability.

C. The Russia-Ukraine war continues unabated, Middle East tensions remain high, and U.S.-China technology controls and U.S. reciprocal tariff issues continue to intensify and develop. This has caused customers to adopt a wait-and-see and conservative strategy for orders, or to maintain as much capital on hand as possible, not placing orders easily until the last moment. This has also led to difficulties in controlling delivery times and unstable production conditions for customers.

【Response Measures】

a. Continuously confirm the origin of products with suppliers to avoid additional taxes arising from tariff issues.

b. Request manufacturers to provide non-Chinese produced components to meet the production needs of specific industries and customers.

c. Maintain close contact with KA customers and manufacturers regularly, assist with inventory preparation in advance, and ensure uninterrupted production for customers.

d. Based on past experience, provide safety stock calculations to ensure reasonable inventory levels to meet customer pull demands.

2. Important applications and processes of major products

(1) Important applications and processes of major products

A. Important Applications

Major Products	Major Products (Commercial)	Main Applications or Functions
Mechanical transmission	Flexible couplings, servo couplings, rubber couplings, electromagnetic clutch brakes, keyless bushings, torque limiters, cushioning devices, indicators, indexing discs, gear reducers, turbo reducers, and servo precision reducers, etc.	Used in automobile, locomotive, steel, electromechanical and electronic equipment manufacturing to enable movement and positioning for round-trip and oscillating.
	Air cylinder solenoid valve, three-point	Applicable for semiconductor manufacturing

	assembly, fluid valve, liquid valve, etc.	machinery, transport machinery, industrial tooling machines, textile machinery, plastic and rubber machinery, food packaging machinery and home appliances, etc., to help save energy, power and increase production and efficiency.
Automation control	Inverters and IE5 reluctance motors, energy-saving cabinets and related accessories  General-purpose servo motors and drives, direct drive servo motors and drives, linear servo motors and drives, etc. Programmable controllers, servo NC controllers, human-machine interface and machine vision systems, magnetic rulers, etc.	Applicable to speed control of semiconductor manufacturing machinery, elevators, factory air conditioning, handling machinery, industrial machine tools, textile machinery, plastic and rubber machinery, food packaging machinery, and household appliances, helping to save energy, power, and increase output and efficiency. For the electronic automation equipment industry, providing drive control for high-tech equipment  It is a mobile, positioning control and monitoring device for industrial computer and automation equipment manufacturing.
Sales of semiconductor optoelectronic equipment and consumables and equipment maintenance	High-pressure mercury lamps, gas discharge lamps, clean room explosion-proof clothing, and inspection light sources  Wafer transfer boxes and wafer transfer equipment  Metal gas filters  Photoresist Coater  Magnetic fluid shaft seal motor Vibration sensor Measurement Software  Grinding powder  Photoresist removal, cleaning fluid	For high-pressure mercury lamps and gas discharge lamps in the photovoltaic and semiconductor yellow light process and for dust-free and explosion-proof clothing to be worn when changing lamps. Suitable for wafer transfer, reading and classification in semiconductor process.  High-pressure and fast filters for gas transmission pipelines Apply photoresist and control the flow of photoresist liquid Vacuum Rotation Drive Motor Detect vibration and analyze vibration patterns Semiconductor process yield improvement software Grinding powder for semiconductor CMP process Optoelectronics, semiconductor photoresist removal fluid, cleaning and maintenance fluid
Energy management products (energy saving/storage/energy creation)	Energy Management System EMS, Charging Pile System In Energy Power Inventory/Energy Saving Service Uninterruptible Power Supply System	Assisting management customers in energy management to further achieve energy generation, storage, and conservation, making the most appropriate energy planning and scheduling, and providing high value-added product supply chains and related medical institutions with uninterruptible power backup systems to reduce personnel injuries and related losses
Energy Management	Energy Management Software DIAEnergie Visualization Software DAIVIEW	Data collection enables data visualization, supporting common industrial control

System EMS		communications. In addition to understanding energy consumption, it can also be combined with the reading of production data to achieve energy efficiency awareness, allowing every drop of energy to be fully utilized. For small factories or self-development, DIAView can be used For large factories, DIAEnergie is used
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B. Production process

Our company is mainly an agent of various well-known brands of automatic mechanical and electrical components and semiconductor optoelectronic equipment services, and is not engaged in production activities, so this description is not applicable.

3. Supply of Main Raw Materials

Major Product Categories	Major Suppliers	Supply Status
Mechanical transmission	PRECISION MOTION INDUSTRIES, INC., Li-ming, Airtac, Toyo, TPI, Goldenware, CKD, MIKI PULLEY, SHIMPO, NABTESCO, HARMONIC, Helical, INTORQ, LENZE, Monninghoff, ATLANTA, ETP, Duplomatic, Schaeffler	Good
Automation control	Delta Electronics, ABB, EPSON, Panasonic, LENZE, Magnescale, PATLITE, CCS, ELMO, Techman TM Collaborative Robotics, Innodisk, DFI, NEXCOM, Akribis, PBA	Good
Sales of semiconductor optoelectronic equipment and consumables and equipment maintenance	ams OSRAM, KLS, Dastex, R2D, n-seisen, TID, CMC, Baikowski, IF	Good
Energy management products (energy saving/storage/energy creation)	Eaton, Voltronic Power, CyberPower	Good

4. List of the main suppliers and customers in the past two years

(1) The suppliers accounted for more than 10% of total shipments in any of the last two years, and the amounts and percentages

Unit: NT\$ 1,000

Item	2023				2024			
	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	Percentage of annual net purchases (%)	Relationship with the issuer
1	A	420,466	19.00	None	A	562,868	21.43	None
2	others	1,792,246	78.26	None	others	2,063,605	78.57	None
total	Net purchases	2,212,712	100.00	None	Net purchases	2,626,473	100.00	None

Reasons for changes: No major changes in the last two years

(2) The customers accounted for more than 10% of the total sales in any of the last two years and their sales amounts and ratios: The sales sources are diversified, and there has not been any exceeding 10% of the total sales in the last two years.

### (III) Employee Information

Year		2023	2024	As of March 31, 2025 (Note I)
Number of employees	Technical employees	17	20	16
	General employees	362	466	465
	Total	379	486	481
Average Age		40.41	41.65	41.79
Average Service Year		10.05	10.35	10.53
Educational distribution ratio (%)	Director of Philosophy	0.3	0.2	0.2
	Master's Degree	12.4	10.9	11.6
	Bachelor's Degree	65.4	59.3	59.3
	Senior high school	21.9	28.2	27.4
	Senior high school below	0	1.4	1.5

Note 1: As of April 10, 2024 (the Printed Date) and for the concerns of accuracy, the last date of available information is March 31, 2025.

### (IV) Environmental Protection Expenditures

I. For the most recent year and up to the date of printing of the annual report, the losses caused by pollution (including compensation and audit results for violations of environmental regulations, with the date of the sanction, the name, the text of the violation, the content, and the sanction shall be recorded), and the current and possible future estimated amounts and measures to cope with them shall be disclosed, and if they cannot be reasonably estimated, the facts shall be interpreted: None.

### (V) Labor-Management Relations

I. Employee welfares, training, retirement and implementation, as well as the agreements between employers and employees and measures to protect the rights and interests of employees

(1) Employee welfare measures

The Company emphasizes a people-oriented approach and always cares about its employees and values their welfare. In order to protect the physical and mental health of our employees and to enable them to work happily, we have established an Employee Welfare Committee to plan and implement employee welfare, with the following main measures:

- A. The company provides Universal health insurance, labor insurance, labor pension fund, contribution to back wages advancement fund, contribution to occupational accident insurance, employee stock ownership trust, breast milk collection room and on-site health care system, and regular medical visits and consultation by professional doctors and nurses.
- B. The company offers: Annual and performance bonuses, employee profit sharing, group insurance and health checkups, employee snack bar, coffee and beverages, and employee advanced study programs.

- C. Welfare committee planning: Annual travel subsidy, creative activities, such as walking to fitness, singing contest, tree planting day green carnival, family day and year-end party, etc. The welfare committee also provides: Birthday gifts and gifts for Labor Day, Dragon Boat Festival, Mid-Autumn Festival, Spring Festival, etc., education scholarships for employees' children, wedding gifts for employees, childbirth subsidies, bereavement, emergency relief and retirement congratulation gifts.
- D. The company periodically launches special sales activities for group affiliated companies' products, providing employees with economical and affordable daily necessities.

## (2) Training

The Company places great importance on staff training and development, providing comprehensive training and investing sufficient resources in planning and providing relevant training courses.

- A. Pre-employment training (organizational awareness/professional skills): The company plans a complete training and orientation program for new recruits. The human resources department guides new recruits to understand the management philosophy and corporate culture, the organizational system, the job descriptions of each department and the mandatory environmental safety and health courses on policy, in addition to dedicated personnel from each department to assist new recruits to familiarize themselves with the business and job as soon as possible and to adapt to the company culture.
- B. On-the-job training (professional skills / foreign language / business management): The company not only devotes to training and development, but also expands diversified channels, so that employees can learn through independent ways and participate in internal and external professional training courses, absorb new knowledge from outside to enhance work-related language skills. We have established a foreign language training and certification subsidy scheme . Continuous and enhanced training over the long term to bring out the best in people, enable them to perform their duties and enhance their effectiveness.
- C. Management training courses: Management development training is planned according to the required management skills and responsibilities, including junior, middle and senior supervisory training, to help supervisors refine and develop their leadership and management skills.
- D. We have introduced the Continuous Improvement Program (CIP) to provide employees with the concepts and tools for improvement. Through a series of course design and CIP projects, we help our staff to transfer their knowledge and skills into the actual workflow.

Employee have always been an important asset, and we continue to invest more in developing them to grow with us, and we continue to invest more in developing them as we grow with them. The company will continue to develop multiple training channels, such as more effective and flexible online resources, professional learning sharing platform and diversified external resources, to assist employees to apply to practice.

## (3) Retirement system

The retirement management system is based on the Labor Pension Act (Updated). On June 30, 2005, the base date was agreed by both parties and all employees were retired upon settlement of all employees' annual wages in accordance with the Labor Pension Act and the Labor Standards Law. Since July 1, 2005, all employees have opted for the new system, under which the Company contributes monthly at 6% of the monthly insured salary to a personal pension account, while foreign subsidiaries contribute to the pension fund in accordance with local laws and regulations.

## (4) Work environment and employee safety protection measures

The company attaches great importance to the working environment and employee safety, and hopes to fulfill its social responsibility and move toward sustainability while achieving success. With regard to the work environment and employee safety protection measures, in addition to the relevant domestic laws and regulations, relevant management methods are as follows: We follow the emergency notification procedures and occupational safety and health management rules and plans, and implement them accordingly, including work environment monitoring, safety and health inspections and audits, work safety analysis, safety and health education and training, etc., so as to enhance the work environment and safety and health performance and ensure continuous improvement.

(5) Agreement between employers and employees

The company provides channels for employees to fully express their opinions and problems, such as regular labor-management meetings, employee welfare committee meetings and other two-way meetings to communicate policies and opinions, so as to collect understanding and solve their problems, and under the mechanism of joint participation and adequate communication, relations develop harmoniously. Any new or revised measures concerning both employers and employees are finalized after thorough communication, and therefore no disputes arise.

2. For the last two years and up to the printing date of the annual report, the losses due to labor disputes and the estimated amount of current and potential future losses and measures are disclosed, and if they cannot be reasonably estimated, the facts that they cannot be reasonably estimated are stated as follows: None.

## (VI) Cyber security management:

### I. Safety Risk Management Framework, Safety Policy, Specific Management Plan and Resources Committed to Safety Management

(1) Risk Management Framework: The department responsible for information security in the company is the Information Department, which has assigned dedicated information security supervisors and personnel to handle information security affairs. Through operational standards and tools for information assets, we effectively protect the security of the company's intellectual property and enhance employees' information security awareness.

- A. Through the establishment of an information security management system, the Audit Office conducts annual inspections. If deficiencies are found during the audit, the audited unit will be required to propose relevant improvement plans and report to the Board of Directors to track the effectiveness of improvements.
- B. The Risk Management Committee (RMC) meeting is held quarterly, chaired by the President. During the meeting, the Information Department reports on risk assessments and response measures.

2. Information Security Policy: To comply with regulatory requirements, we have established relevant information security management regulations to ensure the confidentiality, integrity, availability, and legal compliance of company assets.

(1) We assess the impact of human-made and natural disasters on the company's information assets, formulate disaster prevention strategies and contingency recovery plans, regularly conduct disaster recovery drills, and prevent internal and external deliberate or accidental threats to achieve sustainable business operations.

- (2) We supervise employees to implement company information security protection and comply with information security management measures, ensuring that employees have proper protection awareness and knowledge of information security. In addition to requiring company employees to strictly comply with the company's information security regulations, we also require third-party service providers to sign contracts that include confidentiality and network security provisions.

### 3. Specific Management Programs

- (1) Through the establishment of an information security management system, we implement information security policies, protect customer data and company intellectual output, strengthen information security incident response capabilities, and achieve information security policy measurement indicators to meet the expectations of stakeholders. We continuously enhance the company's information security control mechanisms through the PDCA (Plan-Do-Check-Act) cycle, which helps improve the company's competitiveness.
- (2) We regularly audit account validity and conduct permission reviews, applying the principle of minimal privileges for account permissions; we also enable multi-factor authentication (MFA) mechanisms and require regular password updates to ensure system operational security.
- (3) We periodically provide information on various security issues to internal staff, strengthening security awareness. The company also regularly conducts email social engineering drills and provides educational training on information security knowledge related to email communications, enhancing employees' information security awareness to ensure that information security concepts are integrated into daily operations. In the 2024 email social engineering drill, 96% of colleagues passed the exercise test. Employees who mistakenly clicked on malicious emails were also scheduled for additional training courses.
- (4) We conduct system recovery drills regularly every year and perform daily off-site backups of ERP data.
- (5) Through the SecurityScorecard cyber security risk management system, we monitor and continuously analyze information security system risks across 10 major risk categories, including network security, DNS health, patch management, endpoint security, IP reputation, application security, and other aspects. We have set a target to consistently maintain a comprehensive SecurityScorecard score of 100 points.

### 4. Invest resource in Cyber security management

Information Security Project Items	Content Description	Implementation Effectiveness Description
Implementation of Endpoint Detection and Response (EDR) Mechanism and Managed Detection and Response (MDR) Service	<p>(1) Through endpoint monitoring, threat detection, and automated response capabilities, endpoint security is protected in real-time.</p> <p>(2) Comprehensive threat management services supported by a professional security team, covering monitoring, incident investigation, threat hunting, and response, enhancing the overall level of information security protection.</p>	<p>Periodically sending early warnings, incident notifications; providing analysis reports monthly.</p> <p>No information security incidents occurred in 2024.</p>
Implementation of PAM (Privileged Access Management)	Establishing access security strategies for privileged accounts, used to control, supervise, protect, and audit privileged accounts and activities in the corporate IT	Effectively protect the security of privileged accounts, preventing system administrators from sharing

	environment.	privileged accounts. The operational process of privileged account usage is recorded for reference. No account theft incidents occurred in 2024.
Implementation of SOC (Security Operations Center)	Providing continuous monitoring (24 hours a day * 7 days a week), threat detection, incident analysis and response, integrating security tools to ensure enterprise information security.	Starting activation on December 29 2024; irregularly sending early warnings, incident notifications; providing monthly analysis reports.

(2) List the losses, potential impacts, and countermeasures due to major cybersecurity incidents in the most recent fiscal year and up to the printing date of the annual report. If reasonable estimation is not possible, the facts of such inability should be explained: In 2024, our company continued to strengthen overall cybersecurity infrastructure based on the NIST framework, focusing on the five key areas of identification, protection, detection, response, and recovery. No major cybersecurity incidents occurred, no financial losses were caused to customers or suppliers due to cybersecurity incidents, and no complaints related to customer privacy or personal data issues were received.

With the progressively strengthened cybersecurity measures, we hope that the company will no longer experience major cybersecurity incidents; if any systems are compromised, our company will use comprehensive backup and redundancy mechanisms, as well as information system operational continuity drills, to ensure critical company systems can be restored within 24 hours.

## (VII) Material Contracts

I. As of the date of the annual report, the significant long-term loan contracts and technical cooperation contracts still in effect and expired in the most recent year are listed below:

Nature of Contracts	Parties	Date of commencement and expiration	Main Contents	Restrictions
Distribution Contract	Miki Pulley Co,Ltd	1 year from 2018/10/1, automatically renewed for 1 year if both parties do not give 3 months' notice before expiration	Distributorship of goods	None
Distribution Contract	CKD (Taiwan)	2023/07/18 - 2028/07/17		
Agency Agreement	Delta Electronics Industrial Co., Ltd.	1 year from 2025/01/01		

## V. Review and Analysis of Financial Position and Financial Performance, and Risk Management

### (I) Financial position

Financial position analysis

Unit: NT\$ 1,000

Item	Year	2024	2025	Difference	
				Amount	%
Current assets		2,018,389	3,218,582	1,200,193	59%
Property, plant and equipment		560,875	553,391	(7,484)	-1%
Intangible assets		187,721	1,338,238	1,150,517	613%
Other assets		189,047	316,392	127,345	67%
Total assets		2,956,032	5,426,603	2,470,571	84%
Current liabilities		734,736	1,487,171	752,435	102%
Non current liabilities		157,038	1,038,632	881,594	561%
Total liabilities		891,774	2,525,803	1,634,029	183%
Common stock		1,122,505	1,122,505	-	0%
Capital surplus		312,314	378,840	66,526	21%
Retained earnings		572,289	606,004	33,715	6%
Other equity		(38,234)	(18,384)	19,850	-52%
Total equity attributable to shareholders of the Company		1,968,874	2,088,965	120,091	6%
Equity attributable to former owner of business combination under common control		-	-	-	-
Non controlling interests		95,384	811,835	716,451	751%
Total equity		2,064,258	2,900,800	836,542	41%

Analysis of changes in the percentage increase/decrease over the past two years:

1. The increase in current assets, current liabilities, and non-controlling interests is mainly due to the acquisition of subsidiary Transpak in the third quarter of 2024 and obtaining control, incorporating it into the consolidated entity from the acquisition date.
2. The increase in intangible assets is mainly due to the trademark rights, patent rights, customer relationships, and goodwill acquired from the acquisition of subsidiary Transpak in the third quarter of 2024.
3. The increase in other assets is mainly due to the acquisition of subsidiary Transpak in the third quarter of 2024, as well as the new investment in Hydrogen Abundance Green Energy Technology Co., Ltd., recognized as financial assets measured at fair value through other comprehensive income.
4. The increase in non-current liabilities is mainly due to the acquisition of subsidiary Transpak in the third quarter of 2024, as well as the issuance of convertible corporate bonds and increased long-term borrowings in the fourth quarter.
5. The increase in capital surplus is mainly due to the issuance of convertible corporate bonds in the fourth quarter of 2024, recognizing capital surplus - stock options.
6. The increase in other equity is mainly due to the increase in exchange differences on translating the financial statements of foreign operations.

## (II) Financial performance

### Financial performance analysis

Unit: NT\$ 1,000

Item \ Year	2023	2024	Increase (decrease) amount	Change in proportion
Net revenue	3,051,803	3,678,183	626,380	21%
Gross profit	622,660	885,394	262,734	42%
Profit from operations	-13,473	155,757	169,230	1256%
Non-operating income and expenses	7,350	36,546	29,196	397%
Profit before income tax for the year	-6,123	192,303	198,426	3241%
Profit for the year	-17,080	146,187	163,267	956%

Analysis of changes in the percentage increase/decrease over the past two years:

1. The increase in net operating revenue and gross profit is due to the addition of subsidiary Transpak in the third quarter of 2024, as well as the recovery of orders from Taiwan customers and the contribution of annual orders for software used in advanced semiconductor manufacturing processes.
2. The increase in operating net profit, net profit before tax, and net profit for the period is not only due to profit growth from revenue growth, but also because the mainland subsidiary implemented lean management after lean management implementation, resulting in a significant reduction in losses compared to the same period last year.
3. The increase in non-operating income and expenses is mainly due to the increase in net gain from financial instruments measured at fair value through profit or loss.

## (III) Cash flow

### I. Change in consolidated cash flow in 2023

Unit: NT\$ 1,000

Cash balance at the beginning of 2024	2024 Net cash flow	Cash balance at the end of 2024
391,843	845,761	1,237,604

Unit: NT\$ 1,000

	2024 年	2023 年	Increase (decrease) amount	Change in proportion
Net cash flows provided by operating activities	399,837	186,878	212,959	114%
Net cash flows used in investing activities	(356,048)	(4,980)	-351,068	-7,050%
Net cash flows used in financing activities	777,749	(220,981)	998,730	452%

- (1) The increase in net cash flow from operating activities is mainly due to the acquisition of subsidiaries this year and the turnaround from loss to profit resulting in net profit before tax this year.
- (2) Net cash outflow from investing activities was NT\$356,048 thousand, an increase in net cash outflow compared to the same period last year, mainly due to the acquisition of subsidiaries and investments in stocks of non-listed companies this year.
- (3) Net cash outflow from financing activities was NT\$777,749 thousand, mainly due to the issuance of convertible corporate bonds and taking out long and short-term loans this year.

2. Liquidity improvement plan: The Company showed no signs of liquidity deficit.
3. Analysis of cash liquidity in the coming year: The Company, on the premise of maintaining stable cash liquidity, will carefully plan and manage cash expenditures related to investments and operations while taking, cash balances on accounts, cash flows from operating activities and investing activities and the status of financial markets into consideration.

**(IV) Material expenditures of the most recent year and impact on the Company's finances and operations: None.**

**(V) Investment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the improvement plan, and investment plans for the coming year**

Our company has adopted an investment strategy in line with our business development and operational needs. Through various investment companies, we aim to capture development trends and marketing channels in different regions using their marketing and service capabilities. Our goal is to provide rapid service to local customers. In 2022, our subsidiary in China incurred losses due to the impact of the COVID-19, while our other region's investment ventures were profitable. In the coming year, we will still focus on relevant strategies for investment in our core business and continue to prudently evaluate our investment plans in different regions.

**(VI) Matters for Analysis and Assessment for Risks**

1. The impact of interest rates, exchange rates changes and inflation on the Company's profits and losses and future countermeasures

The Group's bank loans carried floating interest rates. To manage the interest rate risk, the Group periodically assesses the interest rates of bank loans and maintains good relationships with financial institutions to obtain lower financing costs. The Group also strengthens the management of working capital to reduce the dependence on bank loans, as well as the risk arising from fluctuation of interest rates.

If interest rates had been 100 basis points (1%) higher/lower, with all other variables held constant, pre tax income for the years ended December 31, 2024 and 2023 would have been \$5,179 and \$1,846, respectively, lower/higher, which mainly resulted from the borrowings with floating interest rates.

The Group is exposed to foreign currency risk on sales, purchases and bank loans that are denominated in a currency other than the respective functional currency of the Group's entities. As the Group deals in diverse foreign currencies, gains and losses on foreign exchange were summarized as a single amount. For the years ended December 31, 2024 and 2023, the aggregate of realized and unrealized foreign exchange gains were \$7,231 and \$(2,406), respectively.

In recent years, there has been a stable increase in prices, and our company will closely monitor the inflation situation. We will adjust our product prices and inventory levels appropriately to reduce the impact of inflation on our company.

2. The main reasons for the high-risk, high-leveraged investment, capital loan, guarantee/endorsement and derivative commodity trading, and the profits or losses and future countermeasures.

(1) The Company does not engage in high-risk, highly leveraged investments or speculative trading of

derivative commodities as a risk-averse strategy.

- (2) Both the Company and its subsidiaries follow the Fund Lending Procedure and the Endorsement and Guarantee Procedure to lend funds to others and endorse guarantees, which are mainly between parent and subsidiary companies, with no adverse impact on the Company's financial position.

3. R&D expenses for future R&D projects and investment amount.

The Group is mainly engaged in the automation of electromechanical components and professional automation technology services. It is expected to mainly invest in research and development, salaries of application technicians and related expenses.

4. The impact of important policies and legal regulations changes at domestic and abroad on the Company's financial status and the countermeasures

The Company operates in accordance with the law and has had no significant domestic or international policy or legal changes that have affected its financial operations in recent years or to date.

5. The impact of technological (including cyber security risk) and industrial changes on the Company's financial business and the countermeasures

The Company keeps abreast of technology and application trends and is committed to developing and distributing new product lines. The Company keeps an eye on technology, suppliers and customer trends and has not been adversely affected by technological changes to date.

6. The impact of corporate image changes on corporate crisis management and the countermeasures

No significant impact on the corporate image has occurred in the recent year or as of the date of the annual report.

7. Expected benefits and possible risks of M&A and the countermeasures: Not applicable.

8. Expected benefits and possible risks of the expansion of factory and the countermeasures: The Company has no significant need for plant expansion in the near future.

9. Risk of procurement and sales concentration, and countermeasures

The Group has no risk of concentration of imports as it is concentrated in certain suppliers, with whom the Group has a close long-term relationship. As for sales, there is no customer with sales of over 10% of total in FY2024, so there is no risk of concentration of sales.

10. The impact and risk of a substantial transfer or replacement of equities by Directors, Supervisors or Shareholders holding more than 10% of the total shares : There was no significant transfer of shareholdings among the directors, supervisors and major shareholders holding over 10% shares in the recent year and as of the date of the annual report.

11. Impact of changes in management on the Company and risks: None.

12. Disclosure of disputed contents, amounts of the subject matters, commencement dates of the proceedings, parties involved in the proceedings of litigation or non-litigation events, major closed or ongoing lawsuits and litigation or non-litigation events involving the Company and its Directors, Supervisors, General Managers, Substantive Persons-in Charge, major shareholders holding more than 10% of total shares and affiliates/subsidiaries with results of which may have a material impact on the shareholders' equity or the price of the securities, and the actual results as of the printing date of this Annual Report: None.

13. Other important risks and countermeasures: None.

**(VII) Other material matters: None.**

## VI. Special Notes

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### (I) Information about affiliates

#### I. Consolidated business report of the affiliated enterprises

Related enterprise information: Please refer to the Market Observation Post System (MOPS)/Single Company/Electronic Document Download/Related Enterprise Three Statements Section. (Website [https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10))

(II) Privately placed securities handling status in the most recent year up to the publication date of this Annual Report: None

(III) Other items that must be included: None.

(IV) Any event that results in substantial impact on the shareholders' equity or prices of the Company' s securities as prescribed by Subparagraph 2, Paragraph 2, Article 36 of the Securities and Exchange Act that have occurred in the most recent year up to the publication date of this Annual Report: None.