

The cover features a white background with abstract blue and purple geometric shapes. In the top left, there are several parallel diagonal lines in shades of blue and purple. In the bottom right, there are larger, overlapping diagonal bands of blue and purple. A thin dark blue line extends from the top right towards the center. The Flytech logo is in the top right, and the title '2024 ANNUAL REPORT' is in the center left. Contact information is at the bottom right.

***FLYTECH***

# 2024 ANNUAL REPORT

Stock Code : 6206

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

2024 Annual Report is available at <http://www.flytech.com>

Printed on April 30th, 2025

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## I. Report for Shareholders

Dear shareholders,

### Financial Performance

2024 was the 40<sup>th</sup> year that Flytech Technology has operated since its establishment. It can also be regarded as the inception of the transformation of Flytech. At Computex 2024, Flytech showed a different style of exhibition booth from the past. Instead of displaying all the hardware devices, we demonstrated our latest AI technologies for the intelligent life to the visitors from the globe. We have devoted decades to the catering and retail industries. “Bringing AI Innovation to Convenience” is not only our slogan of the exhibition but the goal of the company as well. In 2024, Flytech’s consolidated revenues reached NT\$ 4.6 billion while the net income attributed to the owner of parent company was nearly NT\$ 1 billion, which is equivalent to EPS \$6.93. What made us proud was the gross profit hit the record high last year - once again after 2022 - by achieving NT\$ 2 billion. Although it is a great milestone, what we’ve accomplished in 2024 will continue to act as a springboard for the long-term success.

### Business Outlook

Flytech Technology is known for the hardware design and manufacture in the industry. With the build-up of software subsidiaries, Flytech has been moving toward a solution provider for the commercial application. For the catering sector, Berry AI developed the vision AI technology to help fast-food restaurants improve their flow of services and thus increase the revenue. For the retail sector, we set up Angible last year to solve the pain point in retailers’ self-checkout flow. Angible’s AI technology enables self-checkout devices to detect abnormal behaviors or gestures when consumers scan the shopping items on their own. With Angible, retailers can reduce the losses caused by scan-failed items. For hardware business, every step in the production of Flytech - design, manufacture, and assemble - is completed in Taiwan, which has earned credits from the customers around the world. In recent years, we have adjusted our structure of product design and manufacture by conducting decent standardization under the circumstance of customization. This allows us to attain the scale of economy to some degree and raise the production capacity as well, which in turn reduces the manufacture overheads per unit and raises the margin.

### Sustainability & Regulations

The Dow Jones Sustainability Index, or DJSI, uses the Corporate Sustainability Assessment, or CSA, every year to assess the sustainable development capabilities of companies based on three dimensions: economy, society, and environment, or ESG. In 2024, Flytech technology took the initiative to proactively participate in CSA so that we could better understand and improve the integrity of sustainability management. In the first attempt of CSA assessment, Flytech surpassed the average of industry, which proves our efforts on ESG. Meanwhile, we also took part in the reputational Carbon Disclosure Project, or CDP, and we were recognized as Management Level for Climate Change in the small and medium enterprises category. In addition, Flytech has met the requirements of ISO 14064, which specifies the standards of greenhouse gas emission and reduction, for three consecutive years. Also, we already completed ISO 14067 Product Carbon Footprint for three products. The Verification Opinion Statements for all these ISO were issued.

## Competitiveness & Microeconomics

With the development of AI, such as the pioneer ChatGPT, the rising star DeepSeek, and so on, AI technologies amaze the world and make people look forward to their impact on the future. Although tons of opportunities can be created or leveraged by AI, when it comes to get real business ideas off the ground, some issues need to be resolved, such as reducing the lag of AI processing for real-time reactions, lowering the usage of network bandwidth as well as the cost of clouds, etc. The demand of edge computing emerges accordingly. The AI history of Flytech dates back to 2019 when Berry AI was established. Last year the brand-new company Angible was founded. Both companies target at providing customers with AI solutions for their business applications. Many AI companies, including Berry AI and Angible, lay their AI models on site, or on the edge, rather than on the cloud. In order to fulfill such arrangement, they need box PCs or servers on the edge to perform AI models and run applications. Flytech has built up strong fundamentals in hardware for long and now develops the capabilities in software for the commercial applications. We secure the resources on both ends, which perfectly makes us an intelligent solution provider.

## Looking To The Future

The “unmanned” operation is a global trend, and AI plays an integral part of this trend. Flytech Technology has devoted itself to the industry for decades - particularly in catering and retail. Through 40-year efforts, we have accumulated solid skill sets of hardware design and manufacture. With the clear vision of “Build Smart Solutions For Tomorrow,” we proceed to hone our software capabilities by deploying Flytech troops: Berry AI focuses on quick service restaurants to improve their efficiency in business operation and thus drive revenue growth. Angible targets at retailers to minimize their losses resulting from customers’ self-checkout behaviors. We believe that offering an intelligent solution to our customers is the door to the future of Flytech. The key of the door is to explore new opportunities and implement software applications by leveraging our strength in hardware.

May you all have a wonderful year of 2025

Flytech Technology Co., Ltd.  
Lam, Tai Seng, Chairman  
Shyu, Jia Horng, Manager  
Wu, Pi Tao, Accountant in charge

II Corporate Governance Report

2.1 Directors and Management Team

2.1.1 Directors

April 30, 2025

Title	Nationality/ Country of Origin	Name	Gender	Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives or Directors who are spouses or within two degrees of kinship			Note
								Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	Lam, Tai Seng	Male	71~75	2024.06.12	3 years	1984.08.13	16,423,263	11.48 %	16,423,263	11.48 %	11,040,443	7.72 %	—	—	EMBA Guanghai School of Management, Peking University EMBA of National Chengchi University Department of electronic engineering, National Taiwan University President of Flytech Technology	Note 1	Director  Director	Wang, Wei Wei  Lam, I Chong	Spouse  Son	
Director	R.O.C.	Wang, Wei Wei	Female	61~65	2024.06.12	3 years	1984.08.13	11,040,443	7.72 %	11,040,443	7.72 %	16,423,263	11.48 %	—	—	MBA University of Tennessee,USA SVP of Flytech Technology	Note 2	Chairman Director	Lam Tai Seng Lam, I Chong	Spouse Son	
Director	R.O.C.	Flytech Foundation	Male		2024.06.12	3 years	2021.07.07	900,000	0.63 %	1,200,000	0.84 %	—	—	—	—	MS, NYU Electrical Engineering Director of Mediatek Inc Vice President of Flytech Technology	None 3				
		Representative : Shyu, Jia Horng		56~60				—	—	24,118	0.02 %	—	—	—	—						
Director	R.O.C.	Yi Hua Investment Limited	Male		2024.06.12	3 years	2021.07.07	78,022	0.05 %	78,022	0.05 %	—	—	—	—	MBA, Harvard Business School, Harvard University Department of mechanical and electrical Engineering, Duke University CEO of Berry AI Inc.	None 4	Chairman  Director	Lam Tai Seng Wang, Wei Wei	Parents	
		Representative : Lam, I Chong		31~35				1,980,668	1.38 %	1,980,668	1.38 %	—	—	—	—						
Independent director	R.O.C.	Chen, Kuo Hong	Male	65~70	2024.06.12	3 years	2006.06.14	—	—	—	—	—	—	—	—	Department of electronic engineering, National Taiwan University CSO of Stark Technologies Inc. President of Howteh Technology Co. President of Tailyn technologies, inc.	Note 5				
Independent director	R.O.C.	Liang, Wei Ming	Male	61~65	2024.06.12	3 years	2019.06.12	—	—	—	—	—	—	—	—	University of Iowa IE & MBA Department of Industrial Engineering, Tunghai University Vice President, Chief Land Electronic Co., Ltd. President of SINBON Electronics Group	Note 6				
Independent director	R.O.C.	Huang, Tzu Ting	Female	61~65	2024.06.12	3 years	2024.06.12	20,000	0.01 %	20,000	0.01 %	—	—	—	—	Department of Law, National Chung Hsing University EMBA of National Chengchi University COO of Acer Inc. Property Rights and Marketing, GM of Global Strategic Planning and Operations Business Group Director of Acer e-Enabling Service Business Inc. Director of Hignpoint Service Network Corp.	Note 7				

Note 1: Chairman of Flytech Technology (USA) Inc., Chairman of Flytech Technology (HK) Ltd, Director of Flytech Technology (Shanghai) Co.,Ltd.(corporate representative), Director of the Yeedex Electronic Corporation(corporate representative), Chairman of the Board, Yi Hua Investment Co., Ltd.

Note 2: Director of Flytech Technology (Shanghai) Co.,Ltd.(corporate representative), CEO of Bluerider ARTs

Note 3: President of Flytech Co., Ltd., Chairman of.Flytech USA International Co., Ltd. (corporate representative), Chairman of Flytech HK International Co., Ltd (corporate representative), Chairman of Flytech CN International Co., Ltd. (corporate representative), Chairman of Fei Shiun investment Co. Ltd. (corporate representative), Director of Box jTechnologies (Holdings) Ltd., Director of Angible Holding Co., Ltd. (corporate representative), Director of Box Technologies Ltd., Chairman of Berry AI inc.,(corporate representative), Chairman of Inefi incorporation (corporate representative), Director of Angible Inc. (corporate representative) . °

Note 4: Director of inefi Holding Co., (corporate representative), Director of Berry AI Holding Co., Ltd.(corporate representative), Director of Box Technologies Ltd. .(corporate representative), Director of Berry AI inc.,(corporate representative), Director of Inefi incorporation (corporate representative), Chairman of Berry AI International (corporate representative), Chairman of Berry AI USA INC Co., Ltd, Chairman of Angible Inc. (corporate representative), Director of Ji Te Investment Development Co., Ltd., Chairman of Bi Da Investment Development Co., Ltd., Chairman of Zhong Chuan Investment Development Co., Ltd.

Note 5: Director of Stark Technologies Inc. Chairman of Howteh Technology Co., Chairman of Tailyn technologies, inc. (corporate representative), Chairman of Chaintel Technolofy Co., Ltd., Chairman of Brighteam Technology Co., Ltd.

Note 6: Vice Chairman of SINBON Electronics Company Ltd., Chairman of SINBON Tongcheng (corporate representative), Director of SINBON Jiangyin (corporate representative), Director of SINBON Hong Kong (corporate representative), Director of SINBON Beijing (corporate representative), Director of Beijing SINBON TongAn Renewable Energy Co., Ltd (corporate representative), Director of SINBON Shenzhen (corporate representative), Director of SINBON Shanghai (corporate representative), Chairman of Jiangsu ENMAGIC Energy Co., Ltd. (corporate representative), Director of Enmagic Renewable Energy Co., Ltd. (corporate representative), Chirman of SINBON Jiangyin(Beijing Tongzhou Branch) (corporate representative), Director of SINBON Technologies Tennessee LLC(corporate representative), Director of Tai Yi Investment Co., Ltd., Chairman of SINTOP Energy Management Co., Ltd. (corporate representative), Director of Jiangyin Sincheng Electronics(corporate representative), Director of Kwan-Ze Corporation Ltd.

Note 7: Consultant of Acer Inc., Independent Director of Compal Electronics, Inc..

1. Major shareholders of the institutional shareholders

April 30, 2025

Name of Institutional Shareholders	Major Shareholders
Yi Hua Investment	Lam Tai Seng

2. Major Shareholder is the corporate shareholder directors : Flytech foundation is a non-profit, so it is not applicable

## 2.1.2 Information of directors and supervisors:

## 1. professional qualification of directors and supervisors' and Independence Criteria of Independent Director:

Name / Condition	Professional Qualification and Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chairman Lam, Tai Seng	Professionals in industry, technology, Sales, business management, etc., the founder of the company, leading the company's R&D design and marketing management for many years. He has been a director since the company's establishment and is currently the chairman of the Company.		
Director Wang, Wei Wei	Professionals in investment, Financial management, business management, and Sales etc. Formerly served as senior vice president of the company, responsible for investment and management. Served as a director since the establishment of the company and is currently a full-time director.		
Director Flytech Foundation Representative: Shyu, Jia Horng	Professionals in industry, technology, Sales, management, used to be the director of the listed company MediaTek, Formerly served as vice president of the marketing center of the Company; currently serving as president. Re-elected as a Director for the 13th term at the shareholders' meeting held on June 12, 2024		
Director Yi Hua Investment Limited Representative: Lam, I Chong	Possesses expertise in industry, software, AI, and marketing. Currently serving as the CEO of the subsidiary Berry AI, developing software services for artificial intelligence-based image recognition technology. Combines AI with hardware-software integration to enhance customer service processes. Possesses strong skills in technological innovation and marketing. Appointed as the representative by the corporate shareholder, Yi hua Investment, in January 2025.		



Name \ Condition	Professional Qualification and Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent director Chen, Kuo Hong	New-elected as Independent Director of the 13th Board of Directors in June 12, 2024. Initially appointed as the Supervisor of the company in 2001, and served as a Director of the company in 2006. Possesses expertise in industry, technology, marketing, and management. Previously served as the CSO of Stark Technologies Inc.(the listed company) and as the president of Howteh Technology Co.. (OTC company) for many years, with extensive experience in operational management within the technology industry and not subject to any of the provisions under Article 30 of the Company Act.	Compliant (Note 1)	0
Independent director Liang, Wei Ming	Re-elected as Independent Director of the 13th Board of Directors in June 12, 2024. First appointment as a director of a listed cabinet company was in 2005, and the first appointment as a independent director of the company in 2019. Professionals in industry, finance, technology, management, used to be the President of the listed company Sinbon Electronics Company Ltd. Possesses extensive experience in operational management within the technology industry and not subject to any of the provisions under Article 30 of the Company Act.	Compliant (Note 1)	0
Independent director Huang, Tzu Ting	New-elected as Independent Director of the 13th Board of Directors in June 12, 2024. Possesses professional expertise in industry, supply chain, cyber security, and management. Formerly served as Co-COO of the listed company Acer Inc., with extensive experience in operational management within the technology industry and not subject to any of the provisions under Article 30 of the Company Act.	Compliant (Note 1)	Independent Director of AUO corporation

Note1 : The amount of remuneration obtained from providing business, legal, financial, accounting and other services to the company or related companies in the last 2 years is 0.

## 2. Board Diversity and Independence :

### (1) Board Diversity Policy, Goals and Achievements

The composition of the board of directors of the company takes into account the needs of the operation structure, business type, and future development trends, and evaluates various aspects of diversification, and formulates an appropriate diversification policy, include Basic personal information and values (gender, age, nationality, and cultural background), Expertise and skills (such as industry, technology, finance, sales, management, manufacture etc.). Provide diverse perspectives and perspectives to improve the quality of board decision-making and benefit a variety of stakeholders.

#### A. Gender goal:

Female directors accounting for 25% of all the directors (or two seats).

Achievement situations:

In 2018, the Company appointed one female director, accounting for 14% of the Board. In the 2024 re-election, the appointment of an additional female independent director increased the proportion of female directors to 28%, thereby achieving the Company's target and complying with the relevant regulatory requirements at the time. However, the representation of either gender on the Board has yet to reach one-third. The Company has set a goal to achieve at least one-third representation of the underrepresented gender in the next board election, as part of its ongoing commitment to implementing board diversity.

#### B. Age goal:

Those below age 60 accounting for 30%.

Achievement situations:

In the 13th Board of Directors elected in 2024, two members were under the age of 60, accounting for 28% of the Board, including one member under the age of 40. In the next board election, the Company will take into full consideration a range of diversity factors—such as professional background, gender, and age—in nominating suitable candidates to achieve its diversity objectives.

#### C. Experience goal :

Two-thirds of the directors should be masters or above, or professional managers of listed companies.

Achievement situations:

The 13th Board of Directors elected in 2024 includes five members holding master's degrees. All external directors currently serve as professional managers in listed or OTC listed companies, thereby fulfilling the Company's set objectives.

D. Nationality and cultural goals:

More than one-half of the directors should have a master's degree or above from an overseas institution, or have worked in the overseas company.

Achievement situations:

Among the members of the 13th Board of Directors elected in 2024, four directors hold master's degrees from universities in the United States, and one director holds a master's degree from Guanghua School of Management, Peking University. All board members have experience in managing overseas enterprises, thereby meeting the Company's objectives for international expertise and educational diversity.

E. Professional goal:

The Board should include at least three directors with experience in the electronics or computer technology industry, three directors with corporate management experience, three directors with marketing experience, and at least two directors with financial management experience.

Achievement situation:

The 13th Board of Directors elected in 2024 has successfully met the established goals. The professional backgrounds of each director are outlined in the table below, demonstrating the achievement of a diverse and complementary board composition.

Name of Director	Specialized Background	Core diversity aspects    ●have ability    ○Partial ability							
		Operating judgment	Accounting and Finance Analysis Skills	Operational and Management Ability	Crisis Response Ability	Industry Experience	Understanding of International Markets	Leadership	Decision Making
Lam, Tai Seng	Industry, Technology, Sales, Business Management	●	○	●	●	Computer, Electronics	●	●	●
Wang, Wei Wei	Investment, Finance, Business Management, Sales	●	●	○	●	Computer, Investment	●	●	●
Shyu, Jia Horng	Industry, Technology, Sales, Business Management	●	●	●	●	Computer, Investment	●	●	●
Lam, I Chong	Industry, Software, AI, Sales	●	○	○	●	Software, AI	●	●	●
Chen, Kuo Hong	Investment, Finance, Sales, Business Management	●	●	●	●	Electronics, Investment	●	●	●
Liang, Wei Ming	Industry, Finance, Technology, Business Management	●	●	●	●	Electronics, Investment	●	●	●
Huang, Tzu Ting	Industry, Supply chain, Cyber security, Business Management	●	○	●	●	Computer,, Business Management	●	●	●

## (2) Independence of the Board of directors

The Company's Board of Directors consists of seven members, including three independent directors, representing 43% of the Board. The Board is considered to possess sufficient independence. The Chairman and Director Wang, Wei Wei are spouses, and Director Lam, I Chong is a first-degree relative of both the Chairman and Director Wang, Wei Wei. All other directors are free from the circumstances specified in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.

## 2.1.3 Management Team

Apr. 30, 2025

Title	Nationality/ Country of Origin	Name	Gender	Term Start Date	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President & Head of Management Center	R.O.C.	Shyu, Jia Horng	Male	2020.01	24,118	0.02%	—	—	—	—	MS, NYU Electrical Engineering Director of Mediatek Inc	1. President of Flytech Co., Ltd. 2. Chairman of Flytech USA International Co. Ltd. (corporate representative) 3. Chairman of Flytech HK International Co., Ltd (corporate representative) 4. Chairman of Flytech CN International Co., Ltd. (corporate representative) 5. Chairman of Fei Shiun investment Co. Ltd. (corporate representative) 6. Director of Box Technologies (Holdings) Ltd. 7. Director of Angible Holding Co., Ltd. (corporate representative) 8. Director of Box Technologies Ltd., 9. Chairman of Berry AI inc.(corporate representative) 10.Chairman of Inefi incorporation (corporate representative) 11.Director of Angible Inc. (corporate representative) .				
Vice President of Marketing Center	R.O.C.	Sung, Ching Sheng	Male	2023.01	31,969	0.02%	—	—	—	—	MBA, University of Texas at Dallas Quality Assurance Engineer, Acer Computer Quality Assurance Engineer, Accton Technology AVP , Flytech Co., Ltd.,	Director of Berry AI inc. (corporate representative)				
Assistant Vice President of Marketing Center	R.O.C.	Huang, Jung Shian	Male	2023.01	—	—	—	—	—	—	MS, Electrical Engineering, Georgia Institute of Technology AVP, Paking Technology Limited.	CEO of Inefi incorporation				
Assistant Vice President of Marketing Center	R.O.C.	Lai, Yen Kuang	Male	2024.05	5,000	0.003%	—	—	—	—	International Business, National Taiwan University AVP, Firich Enterprises Co. Ltd	None				
Assistant Vice President of Manufacturing Center	R.O.C.	Chu, Yung Hao	Male	2023.01	—	—	—	—	—	—	MS, National Chung Cheng University Electrical Engineering Director, Speed Tech Corp.	None				
Head of R&D Center	R.O.C.	Liu, Yun Ping	Male	2011.10	—	—	—	—	—	—	Exceutive program, National Cheng-Chi University EMBA of National Chengchi University Senior AVP, Elitegroup Computer Systems	Director of Angible Inc.(corporate representative)				
Assistant Vice President of R&D Center	R.O.C.	Chou Li Chun	Male	2023.01	—	—	—	—	—	—	Electronic Engineering, Oriental Institute of Technology Senior Manager, Micro-Star International Co., Ltd. Manager, Kinpo Electronics, Inc.	Director of Inefi incorporation (corporate representative)				
Assistant Vice President of R&D Center	R.O.C.	Kuan, Yung Shun	Male	2003.05	—	—	—	—	—	—	Electrical Engineering, National Taipei University of Technology Senior Engineer, ADVANTECH CO., LTD.					
Chief Finance Officer	R.O.C.	Wu, Pi Tao	Female	2023.01	2,000	0.001%	—	—	—	—	M.S., Department of Accounting, National Taipei University CFO, GaleMed Corporation Internal Audit Manager, Nytex Composites, Co., Ltd.PwC Taiwan	1. Supervisor of Flytech Technology (Shanghai) Co.,Ltd.(corporate representative) 2. Supervisor of Berry AI Inc.(corporate representative) 3. Supervisor of Angible Inc.(corporate representative)				

## 2.2 Remuneration of Directors, Supervisors, President, and Vice President in 2024

### 2.2.1 Remunerations for General Directors and Independent Directors

December 31, 2024 Unit: NT\$ thousands; shares

Title	Name	Remuneration of Directors								Sum and Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 7)	Relevant Remuneration Received by Directors Who are Also Employees								Sum and Ratio of Total ompensation (A+B+C+D+E+F+G) to Net Income (%) (Note 7)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary	
		Base Compensation (A) (Note 1)		Severance Pay (B)		Bonus to Directors (C) (Note 2)		Allowances (D) (Note 3)			Salary, Bonuses, and Allowances (E) (Note 4)		Severance Pay (F) (Note 6)		Profit Sharing- Employee Bonus (G) (Note 5)							
		The Company	Companies in the consolidated financial statements (Note 6)	The Company	Companies in the consolidated financial statements (Note 6)	The Company	Companies in the consolidated financial statements (Note 6)	The Company	Companies in the consolidated financial statements (Note 6)		The Company	Companies in the consolidated financial statements (Note 6)	The Company	Companies in the consolidated financial statements (Note 6)	The Company	Companies in the consolidated financial statements (Note 6)	The Company		Companies in the consolidated financial statements (note 6)			The Company
Cash	Stock									Cash							Stock					
Chairman	Lam, Tai Seng	0	0	0	0	5,600	5,600	1,540	1,540	Sum 7,140	Sum 7,140	6,968	7,408	108	126	7,520	0	7,740	0	Sum 21,736	Sum 22,414	None
Director	Wang, Wei Wei																					
Director	Flytech Foundation Representative : Shyu, Jia Horng																					
Director	Yi Hua Investment Limited Representative : Liu, Tien Lai (Note 8)																					
Director	Yi Hua Investment Limited Representative : Lam, I Chong (Note 8)																					
Independent Director	Chen, Kuo Hong																					
Independent Director	Liang, Wei Ming																					
Independent Director	Huang, Tzu Ting																					
Independent Director	Hsieh, Han Chang (Note 9)																					
Independent Director	Chiu, Yi Chia (Note 9)																					

1. State the relevance of the independent director remuneration payment policy, system, standard, and structure and remuneration amount based on duties, risks, input time, and other factors:

The company's policy of remuneration payments to all the directors (including independent directors) in reference to the following terms has been drafted into a payment plan submitted to the Remunerations Committee and Board of Directors four review and approval. Based on the directors' degree of involvement and the value of contribution in the board of directors for the current year (number of meetings attended, number of motions, risk of motions, majority of motions, review time) and other operations (interviews and discussions with CPAs/internal auditors/management level).

(1) Standards of the same trade at home and abroad.

(2) Annual performance results of individual directors and the board of directors.

(3) The company's overall operational performance.

(4) Provisions of the Company Charter: If the company has incurred profits for the year, 3 %~15% shall be allocated as remunerations for employees and no higher than 3% shall be allocated as remunerations for directors.

The total amount of remunerations for the company directors paid by company and all the companies in the consolidated statement in 2024 accounts for 0.7199%% of after-tax net profit.

2 Remunerations claimed by the directors for providing services in the most recent year (such as act as parent company / all the companies in the financial statementserving / non-staff consultants) other than the disclosure in the table above: None.: \$0.

Remuneration Scale to Directors of the Company	Name of Director			
	The total of A+B+C+D		The total of A+B+C+D+E+F+G	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Under NT\$ 1,000,000	Lam, Tai Seng 、 Wang, Wei Wei 、 Flytech Foundation Representative : Shyu, Jia Horng 、 Yi Hua Investment Limited Representative :Liu, Tien Lai 、 Yi Hua Investment Limited Representative :Lam, I Chong 、 Chen, Kuo Hong 、 Huang, Tzu Ting 、 Hsieh, Han Chang 、 Chiu, Yi Chia	Lam, Tai Seng 、 Wang, Wei Wei 、 Flytech Foundation Representative : Shyu, Jia Horng 、 Yi Hua Investment Limited Representative :Liu, Tien Lai 、 Yi Hua Investment Limited Representative :Lam, I Chong 、 Chen, Kuo Hong 、 Huang, Tzu Ting 、 Hsieh, Han Chang 、 Chiu, Yi Chia	Wang, Wei Wei 、 Yi Hua Investment Limited Representative :Liu, Tien Lai 、 Lam, I Chong 、 Chen, Kuo Hong 、 Huang, Tzu Ting 、 Hsieh, Han Chang 、 Chiu, Yi Chia	Wang, Wei Wei 、 Yi Hua Investment Limited Representative :Liu, Tien Lai 、 Lam, I Chong 、 Chen, Kuo Hong 、 Huang, Tzu Ting 、 Hsieh, Han Chang 、 Chiu, Yi Chia
NT\$1,000,001 ~ NT\$2,000,000	Liang, Wei Ming	Liang, Wei Ming	Liang, Wei Ming	Liang, Wei Ming
NT\$2,000,001 ~ NT\$3,500,000				
NT\$3,500,001 ~ NT\$5,000,000				
NT\$5,000,001 ~ NT\$10,000,000			Lam, Tai Seng	Lam, Tai Seng
NT\$10,000,001 ~ NT\$15,000,000			Flytech Foundation Representative : Shyu, Jia Horng	Flytech Foundation Representative : Shyu, Jia Horng
NT\$15,000,001 ~ NT\$30,000,000				
NT\$30,000,001 ~ NT\$50,000,000				
NT\$50,000,001 ~ NT\$100,000,000				
Over NT\$ 100,000,000				
Total	10	10	10	10

Note 1: It refers to the remuneration toward directors for 2024(including directors' salary, job allowance, severance payment, various bonuses, incentives, etc.)

Note 2: It refers to the amount of remuneration to directors to be allocated in 2024 as duly resolved in the board of directors meeting.

Note 3: It refers to the traffic allowances payable to directors in 2024.

Note 4: It refers to the salary, job allowances, severance pay, various bonuses, incentives, traffic allowances, special expenditures, various allowances, dormitory fares, provision of vehicles and such objects in kind received by directors and concurrent employees (including the concurrent general manager, deputy general manager(s), other managers and employees) in 2024. Besides, such "shares-based payments" under IFRS 2, including acquired employee stock option certificates, new shares with restricted employee interests, and participation in subscription to new shares through capital increase through cash injection should be counted into the remuneration.

Note 5: Remuneration to employees (including stocks and cash) obtained by directors and concurrent employees (including the concurrent general manager, deputy general managers, other managers, and employees) of the proposed distribution for 2024 based on the actual distribution ratio in 2023.

Note 6: It refers to the total amount of the remuneration paid by all companies (including the Company itself) in the consolidated financial statements to the directors of the Company.

Note 7: It refers to the net profit after tax amidst the individual financial statements of 2024.

Note 8: Corporate director Yi Hua Investment Limited appointed Lam, I Chong as its corporate representative at the board meeting held on September 30, 2024, for the other seven Board Meetings, Liu, Tian Lai was appointed as the representative.

Note 9: Directors Hsieh, Han Chang and Chiu, Yi Chia stepped down following the re-election of the 13th Board of Directors at the shareholders' meeting held on June 12, 2024.

2.2.2 Remuneration of the President and Vice President

December 31,2024 Unit: NT\$ thousands; shares

Title	Name	Salary (A) (Note 1)		Severance Pay (B)		Bonuses and Allowances (C) (Note 2)		Profit Sharing- Employee Bonus (D) (Note 3)				Sum and Ratio of total compensation (A+B+C+D) to net income (%) (Note 5)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary
								The Company		Companies in the consolidated financial statements (Note 4)				
		The Company	Companies in the consolidated financial statements (Note 4)	The Company	Companies in the consolidated financial statements (Note 4)	The Company	Companies in the consolidated financial statements (Note 4)	Cash	Stock	Cash	Stock	The Company	Companies in the consolidated financial statements (Note 4)	
President	Shyu, Jia Horng	7,872	7,872	344	344	1,620	1,620	11,700	0	11,700	0	Sum 21,536	Sum 21,536	None
Vice President	Sung, Ching Sheng											Ratio 2.17%	Ratio 2.17%	
Vice President	Liu, Yun Ping													
Vice President	Hsieh, Sheng Wen i (Note 6)													

Range of Remuneration	Name of Presidents and Vice Presidents	
	The Company	Companies in the consolidated financial statements
Under NT\$ 1,000,000	Hsieh, Sheng Wen	Hsieh, Sheng Wen
NT\$1,000,001 ~ NT\$2,000,000		
NT\$2,000,001 ~ NT\$3,500,000		
NT\$3,500,001 ~ NT\$5,000,000		
NT\$5,000,001 ~ NT\$10,000,000	Liu, Yun Ping , Sung, Ching Sheng	Liu, Yun Ping , Sung, Ching Sheng
NT\$10,000,001 ~ NT\$15,000,000	Shyu, Jia Horng,	Shyu, Jia Horng,
NT\$15,000,001 ~ NT\$30,000,000		
NT\$30,000,001 ~ NT\$50,000,000		
NT\$50,000,001 ~ NT\$100,000,000		
Over NT\$ 100,000,000		
Total	4	4

Note 1: It refers to the salaries, job allowances, severance pay for the general manager and deputy general managers in 2024.

Note 2: It refers to a variety of award bonuses, incentives, traffic allowances, special expenditures, various allowances, dormitory fares, provision of vehicles and such objects in kind and other remunerations provided to the general manager and deputy general managers in 2024. Besides, such salary expenses, including employee stock option certificates acquired by employees as "shares-based payments" under IFRS 2, including acquired employee stock option certificates, new shares with restricted employee interests and participation in subscription to new shares through capital increase through cash injection should be counted into the remuneration as well.

Note 3: The amount of employee remunerations proposed to be allocated to the general manager and vice presidents (including stocks and cash) for 2024 based on the actual allocation ratio in 2023.

Note 4: It refers to the aggregate total of all sorts of remunerations paid by all companies covered within the Consolidated Financial Statements (including the Company itself) to the Company's general manager and deputy general managers.

Note 5: It refers to the net profit after tax under indescribable financial statements of 2024.

Note 6: Vice President of Management Center Hsieh, Sheng Wen retired in Feburary 2024.



3. Names of the managerial officers allocated with remuneration to employees and performance in allocation.

December 31, 2024 Unit: NT\$ thousands; shares

	Title	Name	Employee Bonus - in Stock (Note 1)	Employee Bonus - in Cash (Note 1)	Total	Ratio of Total Amount to Net Income (%)
Manager	President	Shyu, Jia Horng	0	20,200,000	20,200,000	2.04%
	Vice President of Marketing Center	Sung, Ching Sheng				
	AVP of Marketing Center	Huang, Jung Shian				
	AVP of Marketing Center	Hung, Dong Chang (Note 2)				
	AVP of Marketing Center	Lai, Yen Kuang				
	AVP of Management	Chu, Yung Hao				
	Vice President of R&D Center	Liu, Yun Ping				
	AVP of R&D Center	Chou, Li Chun				
	AVP of R&D Center	Kuan, Yung Shun				
	Chief Finance Office	Wu, Pi Tao				
	Chief Information Security Officer of Management Center	Lien, Chien Li				
	Vice President of Management Center	Hsieh, Sheng Wen (Note 3)				

Note 1: The remuneration to employees allocated to managerial officers anticipated for 2024 based on the actual allocation ratio of 2023.

Note 2: Hung, Dong Chang retired in October 2024.

Note 3: Hsieh, Sheng Wen retired in February 2024.

2.2.4 Comparison of Remuneration for Directors, Supervisors, Presidents and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Supervisors, Presidents and Vice Presidents

1. The ratio of the total amount of remuneration paid to the directors and supervisors of the company and all the companies in the consolidated financial statements in the recent two years in the net profit after tax.

	2023 Total Amount of Remunerations The ratio of net profit after tax for the current year		2024 Total Amount of Remunerations The ratio of net profit after tax for the current year	
	The Company	All companies included in the consolidated statements	The Company	All companies included in the consolidated statements
Director	3.84%	3.84%	2.19%	2.26%
President and Vice President	3.77%	3.77%	2.17%	2.17%

## 2. Description and Analysis (Refer to Page 11 ~ 13 of the list of remunerations for directors, President, and Vice President.

### (1) Remunerations paid to directors

The provisions in the "Company Charter.", if the company incurs profits in the current year, 3%~15% of the profits should be designated as remunerations for employees and no more than 3% of remunerations for directors. In addition to transportation fees for regularly attending meetings, remunerations paid are based on the periodically completed annual board performance assessment results of the "Board Performance Assessment Guidelines", The assessment content includes the operation of the board of directors and the self-assessment of directors. Please refer to the description on page 18 for the assessment content, and are in reference to the company's annual overall business performance (performance assessment results of excellence for both 2024 and 2023), which will be reported to the Remunerations Committee and board for review and approval in accordance with the "Compensation Committee Organization Provisions" before remuneration distribution. In addition, the Compensation Committee shall periodically review the reasonability of the remuneration policy, system, standard, and structure; the amounts paid in 2024 were NT\$5,600,000 and equally distributed by 7 directors,, not exceeding the upper limit. The amounts were deemed reasonable in relation to the board's annual performance assessment results (The 2024 and 2023 are rated excellent (90 point above)) and operational performance; the "expenses for performing business" referred to transportation fees for attending meetings, accounting for \$1,120,000 in 2024 and \$800,000 in 2023.

### (2) Remuneration paid to the general manager and the vice general manager (including salary, bonuses, employee remunerations, etc.)

The remuneration standard is determined by the HR department, according to the scope of responsibilities of each position. According to the management regulations "Administrative Measures for Professional Titles and Ranks", "Administrative Measures for Salary and Bonuses", and "Organization Regulations of the Salary and Compensation Committee", and with reference to the salary level of the same industry, to formulate a reasonable salary structure. Annual bonuses and remuneration bonuses are based on the principle of "the company's articles of association" that "if the company has a profit in the year, 3% to 15% should be raised as employee remuneration and no more than 3% as director's remuneration". Review the manager's personal KPI achievement rate for the company's overall operational performance indicators. KPI indicators include two categories: (A) financial indicators: revenue, gross profit margin, expense ratio, net interest rate, EPS etc.; (B) non-financial indicators: number of customers added, material cost rate, development time rate, delivery days, inventory turnover rate, Accounts receivable turnover rate, no illegal, no violation of company rules, etc. (C)sustainability Performance Indicators: sustainable development performance (including domestic and international evaluations), green product innovation, sustainable and responsible procurement,

low-carbon manufacturing transition, occupational health and safety, risk management, and execution of sustainability goals.

After calculating its KPI achievement rate, the proposal will be sent to the Salary and Compensation Committee, and it will be issued after review and approval. The remunerations granted to the general manager, vice general managers and managerial officers in 2024 and 2023 were found without a significant gap and prove rational when compared with the Company's annual business performance.

## 2.3 Implementation of Corporate Governance

### 2.3.1 Board of Directors

The Board called 8 (A) meetings in 2024. The attendance of directors is specified as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks
Chairman	Lam, Tai Seng	8	0	100 % (Required attendance: 8)	Re-elected 13 <sup>th</sup> of director (Re-election date: June 12th, 2024)
Director	Wang, Wei Wei	2	6	67 % (Required attendance: 25)	Re-elected 13 <sup>th</sup> of director (Re-election date: June 12th, 2024)
Director	Flytech Foundation Representative : Shyu, Jia-Horng	8	0	100 % (Required attendance: 8)	Flytech Foundation re-elected 13 <sup>th</sup> of director (Re-election date: June 12th, 2024)
Director	Yi Hua Investment Limited Representative : Liu, Tien Lai	7	0	100 % (Required attendance: 7)	Yi Hua Investment Limited re-elected 13th director (Re-election date: June 12th, 2024)
Director	Yi Hua Investment Limited Representative : Lam, I Chong	1	0	100 % (Required attendance: 1)	Yi Hua appointed Lam, I Chong as its corporate representative at the board meeting once, for the other seven Board Meetings, Liu, Tian Lai was appointed as the representative.
Independent director	Chen, Kuo Hong	4	0	100 % (Required attendance: 4)	New elect of 13 <sup>th</sup> director (New-election date: J June 12th, 2024)
Independent director	Liang, Wei Ming	8	0	100 % (Required attendance: 8)	Re-elected 13 <sup>th</sup> of director (Re-election date: June 12th, 2024)
Independent director	Huang, Tzu Ting	4	0	100 % (Required attendance: 4)	New elect of 13 <sup>th</sup> director (New-election date: June 12th, 2024)
Independent director	Hsieh, Han Chang	4	0	100 % (Required attendance: 4)	Stepped down following the re-election of the 13th Board of Directors (date: June 12th, 2024)
Independent director	Chiu, Yi-Chia	4	0	100 % (Required attendance: 4)	Stepped down following the re-election of the 13th Board of Directors (date: June 12th, 2024)

Other mentionable items:

1. If any of the following circumstances occur, the date of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified:

(1) Matters referred to in Article 14-3 of the Securities and Exchange Act.

Board of Directors	Details of the relevant agendas and the subsequent	Issues listed in the Securities and Exchange Act, Article 14-3	Independent directors opposed or reserved their opinion
2024.3.8 12th Board of Directors	Approved the 2024 Financial Statement Auditor expenses case (approved by the Audit Committee on 2024.3.8)	V	None
19th Meeting	Company's response to independent director's opinion: not applicable Resolution results: After inquiries made by the chairman, consent and approval were obtained by all the directors present.		
2024.8.7 13th Board of Directors	1、Approved the investment in the establishment of Angible Holding Co., Ltd. in Cayman and its Taiwan subsidiary, Angible incorporation.	V	None
2th Meeting	2、Approved the investment in Berry AI Holding Co., Ltd. in Cayman. (both approved by the Audit Committee on 2024.8.7)	V	None
	Company's response to independent director's opinion: not applicable Resolution results: After inquiries made by the chairman, consent and approval were obtained by all the directors present.		
2024.11.8 13th Board of Directors	1、Approved the amendment to the investment amount in cayman company berry AI holding co., ltd.	V	None
4th Meeting	2、Approved the establishment of an internal control system for sustainability information management, titled "sustainability information management operations" (both approved by the Audit Committee on 2024.11.8)	V	None
	Company's response to independent director's opinion: not applicable Resolution results: After inquiries made by the chairman, consent and approval were obtained by all the directors present.		

(2) Board resolutions, other than the aforementioned matters, that were opposed or had reservations expressed by independent directors with records or written statements: **None.**

2. The avoidance of the conflict of interest by the Directors on related motions, specify the names of the Independent Directors, the content of the motions, the principle of the avoidance of the conflict of interest, and the participation in casting the ballots: **None..**

## 3. Director Assessment Implementation Situation

Assessment Cycle	<p>The company has set up the “Board Assessment Guidelines,” on 2017, including: assessment cycle and period, assessment scope, implementation unit, assessment procedure, and description of assessment indicators. The General Manager’s Office (implementation unit) has implemented a performance assessment once a year according to the guidelines, and a questionnaire is produced at the end of the year according to the content of the assessment to assist the directors and Functional Committee members in filling out the implementation self-assessment and compiling it into a report. The assessment results shall be reported at the board meeting in the first quarter the following year to review items to be improved and discuss function strengthening and improvement plan.</p> <p>In the Company’s self-evaluation results for 2024, scores of 90 points or more are considered excellent. Except for one director whose attendance rate was relatively low due to increased overseas business activities following the pandemic, and a few directors who rated themselves a 4 due to concurrently holding directorships in other companies, there were no significant irregularities. In 2024, the Company’s operating results continued the stellar performance of Flytech since its establishment, registering no losses. The Company has also performed well in terms of governance and legal compliance, with no major contentious issues, as reported to the Board of Directors in March , 2025.</p>
Assessment Period	The 2024 board performance (January 1,2024 to December 31, 2024) was assessed.
Assessment Scope	The board, individual board members, Audit Committee, and Compensation Committee.
Assessment Method	The board internal self-assessment, board member self-Assessment, Audit Committee member self-assessment, Compensation Committee member self-assessment
Assessment Content	<p>(1) Board performance assessment indicators include five aspects: The degree of participation in company operations, board decision-making quality, board makeup and structure, director election, training, internal control. The assessment of chairman of the board includes operation KPI and governance result.</p> <p>(2) Individual board member performance assessment indicators include six aspects: Grasp of company goals and missions, recognition of Director duties, degree of participation in company operations, internal relations management and communication, director professionalism and training, internal control.</p> <p>(3) Functional Committee (Audit Committee and Remunerations Committee) performance assessment indicators include five aspects: Degree of participation in company operations, recognition of duties of Functional Committee, improvement of Functional Committee decision-making quality, Functional Committee makeup and member election, internal control.</p>

## 4. Evaluate goals and status of strengthening the board’s job functions in the past few years:

- (1) The Company set up two independent directors starting from 2002 and increased one more independent director in 2018. Here at the Company under the Board of Directors, there is the Audit Committee and Compensation Committee. The Audit Committee (organized in 2018) was organized by three independent directors and the Compensation Committee (organized in 2011) was organized by three independent directors and one expert. The organizational rules of all functional committees have been duly approved by the Board of Directors.
- (2) In an attempt to enhance the function and efficiency of the Board of Directors, the Company officially enacted the “Regulations Governing Evaluation of the Performance by the Board of Directors” in 2017. Accordingly, the performance by the Board of Directors is evaluated at end

of every fiscal year. In the evaluation process, the General Manager Office first collects the Board of Directors activities related information to work out the questionnaires accordingly and distributes the questionnaires to all directors and all functional committees, assembles the self-evaluation outcome and creates the report which is delivered to the board of directors meeting convened in the first quarter of the ensuing year.

(3) To thoroughly implement corporate governance, the Company set the corporate governance head in 2019 to assume the responsibility to provide the directors with all information and data required for performance of duty and law compliance and further arrange continuing education programs to help the Board of Directors fulfill their responsibilities and powers well.

(4) The Company's Board of Directors faithfully complies with the "Rules of Procedures Governing Board of Directors Meeting" where both the Auditor Head and Financial Head shall attend as guest participants. In a board of directors meeting, the directors shall, other than discussing the motions within the agenda, request the management level to report on the Company's business performance, market analyses, business strategy, product layout, managerial operation, human resources, financial data, operation by the respective departments on a regular basis so as to oversee the management teams to faithfully fulfill their duties and responsibilities.

### 2.3.2 Implementation of the Audit Committee or supervisors' participating in the operation of the Board of Directors:

The Company's Audit Committee is composed of three independent directors. The term of the 3th committee is from June 12, 2024, to June 11, 2027. In 2024, the Audit Committee convened a total of four meetings (A), including the two meetings of the 2nd committee and two meetings of the 3th committee. The attendance of committee members is detailed as follows::

Title	Name	Actual number of attendance (B)	Attend through proxy	Percentage of actual attendance (%) [B/A]	Note
Independent director	Chen, Kuo Hong	2	0	100 % (Required attendance: 2)	New elected as the 3th Audit Committee members (date of election: June 12th, 2024)
Independent director	Liang, Wei Ming	4	0	100 % (Required attendance: 4)	Re-elected as the 3th Audit Committee members (date of election: June 12th, 2024)
Independent director	Huang, Tzu Ting	2	0	100 % (Required attendance: 2)	New elected as the 3th Audit Committee members (date of election: June 12th, 2024)
Independent director	Hsieh, Han Chang	2	0	100 % (Required attendance: 2)	The member of 2nd Audit Committee. Stepped down following the re-election of the 13th Board of Directors (date: June 12th, 2024)
Independent director	Chiu, Yi Chia	2	0	83 % (Required attendance: 2)	The member of 2nd Audit Committee. Stepped down following the re-election of the 13th Board of Directors (date: June 12th, 2024)

Other mentionable items:

1. For the operation of the Audit Committee in any of the following circumstances, please specify the date, term, the contents of the proposals, the resolution of the Audit Committee, and the process of the opinions proposed by the Audit Committee:

- (1) The major work of the Audit Committee for 2024 included reviewing the consolidated and parent company only financial statements for 2023, reviewing the consolidated financial statements for the first, second, and third quarters of FY2023, assessing the effectiveness of the design and implementation of the internal control system, reviewing the establishment of significant investments in subsidiaries, and evaluating the independence of the attesting CPAs for financial reporting and related audit expenses. Matters referred to in Article 14-5 of the Securities and Exchange Act is showed below.

Audit Committee	Details of the relevant agendas and the subsequent	Issues listed in the Securities and Exchange Act, Article 14-5	Independent directors opposed or reserved their opinion
2024.3.8 The 14th of The 2nd Committee	1、Approved the 2023 financial statement (including consolidated financial statement)	V	None
	2、Approved the company's 2023 "Internal Control System Announcement", which deems effective the company's internal control system design.	V	None
	3、Approved the 2024 financial statement auditor CPAs expenses case	V	None
	Company's response to independent director's opinion: not applicable Resolution: Passed by all the independent directors present.		
2024.5.10 The 15th of The 2nd Committee	Approved the 2024 Q1 consolidated financial statement	V	None
	Company's response to independent director's opinion: not applicable Resolution: Passed by all the independent directors present.		
2024.8.7 The 1st of The 3th Committee	1. Approved the 2024 Q2 consolidated financial statement	V	None
	2. Approved the investment in the establishment of Angible Holding Co., Ltd. in Cayman and its Taiwan subsidiary, Angible incorporation	V	None
	3. Approved the investment in Berry AI Holding Co., Ltd. in Cayman.	V	None
	Company's response to independent director's opinion: not applicable Resolution: Passed by all the independent directors present.		
2024.11.8 The 2nd of The 3th Committee	1. Approved the 2024 Q3 consolidated financial statement	V	None
	2. Approved the amendment to the investment amount in cayman company berry AI holding co., ltd.	V	None
	3. Approved the establishment of an internal control system for sustainability information management, titled "sustainability information management operations"	V	None
	Company's response to independent director's opinion: not applicable Resolution: Passed by all the independent directors present.		

- (2) In addition to the aforementioned motions, other motions without approval by the Auditing Committee but passed by the Board with 2/3 of the Directors: None.

2. With respect to the avoidance of conflicting interest agendas, describe the names of independent directors, details of the relevant agendas, reasons for avoiding conflicting interest, and the voting decisions: None.

3. Performance of communications by and between independent directors, audit head and Certified Public Accountant(s) (should include the Company's financial, business operation affairs, issued, methods and outcomes of communications among them).

The company's Audit Committee is made up of three independent directors. The internal audit supervisors and financial statement CPAs assist independent directors in fulfilling their duties and urging the board to engage in more effective operations through the following communication meetings:

- (1) Here at the Company, the internal audit head shall join a meeting with the independent directors in the Audit Committee at least on a quarterly basis. The contents of communications shall include performance of the internal audit and key issues linked up with business operation. In case of an extraordinary circumstance, the internal audit head shall report to the independent directors in the Audit Committee in real time. In 2024, there was not any extraordinary circumstance as mentioned above. The Company's internal audit head has been in very close and sound communications with the Audit Committee.
- (2) The Company's CPAs would, after completing the review process of the Company's financial statements, hold a symposium with the directors to explain the audit opinions, findings in the auditing over the internal control system, updates of major laws and proposals on countermeasures. In case of an extraordinary circumstance, the certified public accountants shall report to the independent directors in the Audit Committee in real time. In 2024, there was not any extraordinary circumstance as mentioned above. The certified public accountants have been in very close and sound communications with the Audit Committee, and communicated with the Audit Committee members on March 8 and November 8, 2024 .

Communication between Independent Directors and internal audit officers and CPA in 2024:

Date	Summary of Talks
2024.1.19	<p>The audit supervisor matters communicated with independent directors and the results are as follows:</p> <ol style="list-style-type: none"> <li>1. Reported the summary of internal audit findings for December of 2023</li> <li>2. Reported the internal audit plan for 2024.</li> </ol> <p>Opinion of independent director: No objections</p>
2024.3.8	<p>The 14th meetings were convened by the 2nd Audit Committee. The communication of the audit supervisor matters and results are as follows:</p> <ol style="list-style-type: none"> <li>1. Reported the summary of the actual audit for 2023.</li> <li>2. Reported the company's 2023 "Internal Control System Announcement", which deems effective the company's internal control system design</li> <li>3. Reported the summary of internal audit from January to February of 2024.</li> <li>4. Assisted the risk management implementation unit in reporting that no irregularities were found in the execution of risk management activities for the year 2023.</li> <li>5. Assisted the president office compiling and presenting the following information: annual reports for year 2023 of "performance evaluation report of the board of directors and functional committees", "Intellectual property management plan and implementation report", "Integrity management report", "cyber security management report", "Risk management report". No significant anomalies were found. Assisted the ESG promotion office reported no anomalies in the 2023 corporate social responsibility (ESG) sustainable development and stakeholder communication.</li> </ol>



Date	Summary of Talks
	<p>6. Assisted in explaining the periodic evaluation of the independence of the attesting CPAs of the company's financial statements based on Audit Quality Indicators (AQIs).</p> <p>7. Assisted in explaining the non-assurance services proposed by KPMG and its affiliated firms and related entities to be provided to the company and its subsidiaries in 2024</p> <p>The CPA reported on the audit of the consolidated and parent company only financial reports for 2023, the communication with the corporate governance unit, and the dissemination of laws and regulations, as well as the communication with the independent directors alone (the first individual meeting in 2024).</p> <p>Opinion of independent director: No objections</p>
2024.5.10	<p>The 15th meetings were convened by the 2nd Audit Committee. The communication of the audit supervisor matters and results are as follows:</p> <ol style="list-style-type: none"> <li>1. Reported the summary of internal audit from March to April of 2024</li> <li>2. Reported on the improvements to the flaws in 2023's internal control system and unusual affairs.</li> </ol> <p>Opinion of independent director: No objections</p>
2024.8.7	<p>The 1st meetings were convened by the 3rd Audit Committee. The communication of the audit supervisor matters and results are as follows:</p> <ol style="list-style-type: none"> <li>1. Reported the summary of internal audit from May to July of 2024.</li> <li>2. Assisted in explaining the investment in the establishment of Angible Holding Co., Ltd. in Cayman and its Taiwan subsidiary, Angible incorporation, and the investment in Berry AI Holding Co., Ltd. in Cayman.</li> <li>3. Reported the revision of the 2024 audit plan, adding annual audit items for compliance with laws and regulations.</li> </ol> <p>Opinion of independent director: No objections</p>
2024.11.8	<p>The 2nd meetings were convened by the 2nd Audit Committee. The communication of the audit supervisor matters and results are as follows:</p> <ol style="list-style-type: none"> <li>1. Reported the summary of internal audit from August to October of 2024.</li> <li>2. Assisted in explaining the amendment to the investment amount in cayman company Berry AI holding co., ltd.</li> <li>3. Reported the establishment of an internal control system for sustainability information management, titled "sustainability information management operations"</li> </ol> <p>Briefing by CPA as well as the communication with the independent directors alone (the second individual meeting in 2024).</p> <p>Opinion of independent director: No objections</p>

The annual work focuses of the company's Audit Committee are as follows:

- Review the internal control system.
- Evaluate the effectiveness of the internal control system.
- Review the Procedures for the Acquisition and Disposal of Assets, the trade of derivatives, loaning of funds, making of endorsement/guarantees or amended
- Review matters that involve the best interests of the directors.
- Review material assets or derivative transactions.
- Review the lending, endorsement, or guarantee of capital in huge sum.

- Review the establishment or review the public offering, issuance, or private placement of equity-type securities.
- Review the appointment, dismissal, or compensation of the CPAs.
- Review CPA independence and performance assessments.
- Appointment and dismissal of the Finance Officer, Accounting Officer, or Internal Chief Auditor.
- Review audit plans and reports.
- Review the integrity operation system and implementation results.
- Audit Committee self-assessment of performance
- Review the annual and the first, second, and third quarter financial reports signed by the chairman, manager, and accounting supervisor that must be reviewed by CPAs.
- Review other significant matters required by the Company or the competent authorities.

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

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1.Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	V		The Company has established the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” on May 2015 (the latest edition was revised in May, 2023). The information has been disclosed on the Company’s website.	None
2.Shareholding structure & shareholders’ rights (1) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure? (2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares? (3) Does the company establish and execute the risk management and firewall system within its conglomerate structure? (4) Does the company establish internal rules against insiders trading with undisclosed information?	V		(1) In addition to the existing hotline and email channels, the Company has established an internal operating procedure, and has designated appropriate departments, such as spokesman, deputy spokesman, investor Relations, to handle shareholders’ suggestions, doubts, disputes and litigation. (2) The Finance & Shared Services Division is responsible for collecting the updated information of major shareholders and the list of ultimate owners of those shares. (3) The company has created the “Guidelines for Transactions with Specific Companies and Related Parties”, the “Measures for the Operation and Management of Reinvested Companies”, the “Rules Governing Financial and Business Matters Between this Corporation and its Related Parties”, rules Governing Financial and Business Matters Between this Corporation and its Related Parties, internal control’s Supervision and Management of Subsidiary Companies, the Regulations for Transactions Between Stakeholders, and other relevant management standards, in which we clearly specify and regulate management authority and control methods among companies with connected interests. Moreover, we can supervise our subsidiaries as they establish and carry out necessary internal control systems, and as they build good risk-control systems and firewalls in compliance with our Company Governance Principles (4) The company has made the following management regulations (A) The “Code for Integrity Operations” and the “Code for Moral Conduct”, which stipulate that internal personnel should not take advantage of unpublicized information and engage in insider trading or disclose information to others so they can engage in insider trading.	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>(B) The Procedures for “Handling of Internal Material Information and Prevention of Insider Trading” state that internal personnel aware of major internal news should not disclose the information to others, and prevention of insider trading.</p> <p>The above regulations are all compliant with our Company Governance Principles.</p> <p>(1)~(4) above were implemented in 2024 as provisioned.</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
3.Composition and Responsibilities of the Board of Directors (1) Does the Board develop and implement a diversified policy for the composition of its members?	V		<p>(1) The company made its Company Governance Principles based on the Corporate Governance Best Practice Principles for TWSE/TPEx-Listed Companies. In these principles, below the strengthening of the board’s job functions part, is a regulation that reads, “the Board of Directors should consist of a diverse group of members. The company’s operations, management models and development needs should embrace a principle of diversity that shall include two major aspects: (I) Basic personal information and values: gender, age, nationality, and cultural background; (II) Expertise and skills: specialized background (such as law, accounting, industry, finance, sales, or technology), specialized skills, industry experience, etc.”The specific goal achievement situations are explained below:</p> <p>(A) Gender goal: Female directors accounting for 25% of all the directors (or two seats). Achievement situations: In 2018, the Company appointed one female director, accounting for 14% of the Board. In the 2024 re-election, the appointment of an additional female independent director increased the proportion of female directors to 28%, thereby achieving the Company’s target and complying with the relevant regulatory requirements at the time.</p> <p>(B) Age goal: Those below age 60 accounting for 30%. Achievement situations: In the 13th Board of Directors elected in 2024, two members were under the age of 60, accounting for 28% of the Board, including one member under the age of 40. In the next board election, the Company will take into full consideration a range of diversity factors—such as professional background, gender, and age—in nominating suitable candidates to achieve its diversity objectives.</p>	None

(C) Experience goal : Two-thirds of the directors should be masters or above, or professional managers of listed companies.

Achievement situations: The 13th Board of Directors elected in 2024 includes five members holding master's degrees. All external directors currently serve as professional managers in listed or OTC listed companies, thereby fulfilling the Company's set objectives.

(D) Nationality and cultural goals: More than one-half of the directors should have a master's degree or above from an overseas *institution*, or have worked in the overseas company.

Achievement situations: Among the members of the 13th Board of Directors elected in 2024, four directors hold master's degrees from universities in the United States, and one director holds a master's degree from Guanghua School of Management, Peking University. All board members have experience in managing overseas enterprises, thereby meeting the Company's objectives for international expertise and educational diversity.

(E) Professional goal: The Board should include at least three directors with experience in the electronics or computer technology industry, three directors with corporate management experience, three directors with marketing experience, and at least two directors with financial management experience..

Achievement situation: The 13th Board of Directors elected in 2024 has successfully met the established goals. The professional backgrounds of each director are outlined in the table below, demonstrating the achievement of a diverse and complementary board composition.

Name of Director	Specialized Background	Core diversity aspects      ●have ability      ○Partial ability							
		Operating judgment	Accounting and Finance Analysis Skills	Operational and Management Ability	Crisis Response Ability	Industry Experience	Understanding of International Markets	Leadership	Decision Making
Lam, Tai Seng	Industry, Technology, Sales, Business Management	●	○	●	●	Computer, Electronics	●	●	●
Wang, Wei Wei	Investment, Finance, Business Management, Sales	●	●	○	●	Computer, Investment	●	●	●
Shyu, Jia Horng	Industry, Technology, Sales, Business Management	●	●	●	●	Computer, Investment	●	●	●
Lam, I Chong	Industry, Software, AI, Sales	●	○	○	●	Software, AI	●	●	●
Chen, Kuo Hong	Investment, Finance, Sales, Business Management	●	●	●	●	Electronics, Investment	●	●	●
Liang, Wei Ming	Industry, Finance, Technology, Business Management	●	●	●	●	Electronics, Investment	●	●	●
Huang, Tzu Ting	Industry, Supply chain, Cyber security, Business Management	●	○	●	●	Computer,, Business Management	●	●	●

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>(2) Does the company voluntarily establish other functional committees in addition to the Compensation Committee and the Audit Committee?</p> <p>(3) Does the company set board performance assessment guidelines and the assessment method? Is a performance assessment periodically carried out each year, and are the performance assessment results reported to the board as a reference for remunerations of individual directors and re-election nominations?</p>			<p>(2) The company has established the following functional committee</p> <p>(A) In October 2011, the company set up the Compensation Committee and established the Organizational Protocols of the Compensation Committee by which the committee will be guided.</p> <p>(B) The Audit Committee was set up in June 2018 and the “Organizational Regulations for the Audit Committee” was formulated and implemented in accordance with the regulations.</p> <p>(3) The company passed the “board assessment guidelines” on March 29, 2017, including assessment cycle and period, assessment scope, implementation unit, assessment procedure, and assessment indicators. The General Manager’s Office (implementation unit) implements a performance assessment once a year according to the guidelines and reports and summarizes assessment results at the board meeting in the first quarter the following year. The assessment indicators and implementation method are as follows:</p> <p>(A) Evaluation criteria for the board include level of participation in the company’s operations, improvement in the board’s decision making, organization and structure of the board, election of directors, continued education, internal control and the operation KPI/governance performance of the chairman.</p> <p>(B) Evaluation criteria for board members include mastery of the company’s goals and tasks, knowledge of director’s job responsibilities, level of participation in the company’s operations, management of internal relationships and communication, expertise, continued education of directors, internal control, etc.</p> <p>(C) The designated implementation unit General Manager’s office is responsible for conducting a performance assessment on the board and individual directors from the end of year to early the following year. The performance assessment results are reported to the board in the first quarter to review items for improvement and discuss the function strengthening improvement plan as a reference for remunerations of individual directors and re-election nominations.</p> <p>The 2024 assessment results of the performance of all the directors and the overall performance of the board were excellent, which were reported to the board on March 7, 2025.</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(4) Does the company regularly evaluate the independence of CPAs?			<p>(4) During the board meeting on March 8, 2024, according to the Statement of Independence made by Shih-Chun Hsu CPA and Huei-Chen Chang CPA from KPMG Taiwan, the company audited the following items reference “AQIs” in order to evaluate the accountants' independence. All directors agreed that there were no violations and that accountants auditing the company's financial report were sufficiently objective and independent.</p> <p>(The board of directors reviewed and confirmed that the CPAs complied with objectivity, and independence on March 7,2025)</p> <p>(A) Does the attesting CPA have a direct or material indirect financial interest in the Company?</p> <p>(B) Does the attesting CPA have any financing or assurance relationship with the Company or the Company's directors?</p> <p>(C) Does the attesting CPA have any close business relationships or potential employment relationships with the Company?</p> <p>(D) Has the attesting CPA and the members of his or her audit team currently or over the last two years held any directorships, managerial positions, or positions of significant influence over the audit work of the Company?</p> <p>(E) Has the attesting CPA provided any non-audit services to the Company that could have a direct effect on the audit work?</p> <p>(F) Has the attesting CPA brokered any stock or other securities issued by the Company?</p> <p>(G) Has the attesting CPA acted as an advocate for the Company or coordinated conflicts with other third parties on behalf of the Company?</p> <p>(H) Is the attesting CPA related to any of the Company's directors, officers, or persons with significant influence on the audit?</p> <p>(1)~(4) above were implemented in 2024 as provisioned. °</p>	



Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
4.Does the company allocated an appropriate number of competent corporate governance staff members, has it designated a corporate governance supervisor responsible for corporate governance related matters (including but not limited to information required by directors and supervisors for business operations), matters at board and shareholders’ meetings conducted in accordance with the law, production of board and shareholders’ meeting proceedings, etc.)?	V		<p>Here at the Company, the General Manager Office teams up with the Management Center to jointly organize the “Sustainable Management Task Force” to assume the responsibility of carrying out corporate governance. The “Sustainable Management Task Force” is one of the five branch task forces under the “ESG Committee.” CFO of finance department of the Management Center concurrently serves as the "Corporate Governance Officer" to oversee the members to help the Board of Directors faithfully carry out their duties. The required professional training hours mandated by regulations for the year 2024 have been completed. The responsibilities and powers and key issues of implementation as well as continued refresher programs in 2024 are as enumerated below::</p> <p>Corporate governance supervisor’s authority</p> <p>(A) Conducted board of director meetings and shareholder meetings in accordance with the law.</p> <p>(B) Produced board of directors and shareholders' meeting records and handle the application/revisions to the company’s registration certificate.</p> <p>(C) Assisted directors in their appointment and continued education.</p> <p>(D) Provided the information required by the directors to conduct business</p> <p>(E) Arrangement for directors to comply with the law</p> <p>(F) Handle matters stipulated in the company's articles of association or contracts</p> <p>(G) Arrangement for meetings between directors, internal auditors, and auditing accountants</p> <p>(H) Arrangement for meetings between the board and leaders of the company’s business branches to better understand the company</p> <p>(I) Followed legislation updates relevant to the company’s operations and governance</p> <p>(J) Supervise sustainable management implementation by members: Collect, formulate, and promote corporate governance related policies.</p>	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>Implementation status in 2024</p> <p>(A) Assisted all directors to perform their duties and provide information required by directors, including: Regulatory compliance orientation materials for newly appointed directors, board meeting information, legal updates related to business areas and corporate governance, important company information, and quarterly general manager operating performance reports.</p> <p>(B) Research, formulation, and modification of company policies or management regulations related to corporate governance. .</p> <p>(C) Arrangement for all directors to complete a six-hour training course for professional development.</p> <p>(D) Schedule meetings between the directors, internal auditor, and CPA.</p> <p>(E) Arrangement fo between department heads, subsidiary managers, and the board directors.</p> <p>(F) Conducting the notification, convening, provision of meeting materials, and preparation of minutes for board meetings and shareholder meetings in accordance with the law</p> <p>(G) Responsible for tracking the completion of agenda items following board and shareholder meetings.</p> <p>(H) Upload shareholder meeting materials and handle company registration in accordance with the law</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
5.Does the company establish a communication channel and build a designated section on its website for stakeholders, as well as handle all the issues they care for in terms of corporate social responsibilities?	√		The company has established a stakeholder section on the website in both Chinese and English ( <a href="http://www.flytech.com">http://www.flytech.com</a> ), categorizing significant concerns by stakeholder type and providing communication channels and contact information. We continuously strive to interact and respond to stakeholder needs, expectations, and concerns, aiming to review and enhance internal management, provide feedback, and take action, thereby fulfilling our responsibility as a responsible corporate entity. Additionally, through the process of preparing our ESG (Environmental, Social, and Governance) Sustainability Report (initially issued in 2019 and recent edition of 2023 report released in June 2024), we understand the major themes of stakeholder concern, formulate management policies, and continuously ensure their effectiveness through tracking, assessment, and evaluation processes, serving as our annual improvement targets.  In 2024, the above tasks were implemented.	None
6.Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	√		The Company designates Capital Securities Inc. to deal with shareholder affairs.	None
7.Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	√		(1) The Company has established the procedure titled “Handling of Internal Material Information and Prevention of Insider Trading,” which sets forth guidelines for the management and disclosure of material internal information. In accordance with these regulations, the Company's spokesperson discloses legally required financial and business information, as well as investor conference materials, via the Market Observation Post System (MOPS). At the same time, important information regarding the Company's financial and business operations and corporate governance is also disclosed on the Company's official website ( <a href="http://www.flytech.com">http://www.flytech.com</a> ), including the following:: Board of Directors, Board Committees, Communication of Independent Directors, Internal Audit, Ethics & Compliance, Risk Management, Cybersecurity Management, Supply chain Management, Intellectual Property Management, Energy Saving Management, Corporate Social Responsibility, Governance Documents etc..	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?</p> <p>(3) Does the company announced and declared annual financial statements within two months after the end of the scouting year and announced and declared the financial statements for the first, second, and third quarter and the monthly operational situations in advance before the provisioned deadline?</p>	V	V	<p>(2) Is the same as the description in (1). The company has appointed a spokesperson and a deputy spokesperson, responsible for communicating with investors, disseminating significant information in accordance with the 'Procedures for Handling of Internal Material Information and Prevention of Insider Trading,' conducting investor briefings, and uploading the audio-visual recordings of such briefings. In 2024, these activities were implemented as provisioned..</p> <p>(3) The company announced and submit the 2023 annual financial report in Chinese and English and the 2024 Q1,Q2,Q3 financial reports in Chinese and English in accordance with the legal time limit, and announce the operation status of each month in advance.</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)? Accordingly, we have set up sound managerial framework and countermeasures against potential major risks.	V		(1) Since its establishment in 1984, Flytech has consistently adhered to the principles of 'focusing on core business, maintaining integrity and responsibility, pursuing sustainable management, and striving for excellence' in its operations. Starting with “enhancing governance efficiency, environmental protection, and fulfilling social responsibility”, and pursuit "create excellence and sustainable innovation" as the vision of ESG sustainable management. Flytech have held the advantages of “complete products, innovative applications, advanced technologies, excellent manufacturing, and strong partner commitments” The Company already obtained verified ISO 9001/13485 Quality Management System, ISO 14001 Environmental Management System, ISO 45001 Occupational Safety and Health Management System, and ISO 27001 Information Security System Certification. We have further set up the Company's intellectual property management system exactly in accordance with the Ministry of Economic Affairs' “Taiwan Intellectual Property Management Systems (TIPS)” providing high-quality products and services and sound protection of intellectual property rights. Further, under the philosophy of Ethical Corporate Best-Practice Principles, through risk management to set up a sound corporate governance environment, we have duly formulated: Internal control system, management regulations, accounting system, budget system, ISO Standard Operating Procedures, intellectual property management systems and risk control designs such as the ERP system which have been duly operated as hierarchically authorized by employees at respective levels to perform their own duties and operations. The Company's Board of Directors and Audit Committee would perform the respective functions to check and balance.	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>(2) Amidst our continued watchfulness over all sorts of potential risks either internally or externally that are likely to impact our business operation, we have duly set up appropriate managerial measures and countermeasures to render sound and accurate risk management toward out stakeholders. Thanks to such sound system, whenever an incident takes place, we can continually carry out our key business operation without interruption. Our “Risk Management Policy and Operating Rules” (including scope of risk management, policies of risk management, organization chart of risk management, powers and responsibilities in risk management, categories of risks, risk management PDCA flowcharts) were officially resolved by the Board of Directors on January 20, 2021. The latest edition includes risk management: purpose, principle, policy, goal, governance and compony culture, organizational structure and responsibilities, management procedures, reporting and disclosure, information disclosure, in order to establish a proper risk management system.</p> <p>(3) The company has made the following management regulations related to company governance:</p> <p>(A) Company Governance Principles: Clearly stipulates systems and regulations that should be covered.</p> <p>(B) The company has set up the “Code for Integrity Operations” , “Code for Moral Conduct” , “Integrity Operation Procedure and Conduct Guidelines”, “Guidelines for Transactions with Specific Companies and Related Parties,” “Related Partie Transaction Management Operation,” “Measures for the Operation and Management of Reinvested Companies” “Rules Governing Financial and Business Matters Between this Corporation and its Related Parties “, “Handling of Internal Maternal Information and Prevention of Insider Trading “ and related regulations and systems. These regulations stipulate moral principles that should be followed during exchanges among related parties, clients, suppliers, investors, employees, and other people of interest so that they can build harmonious and trust-based relationships.</p>	

Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>(C) Board Performance Evaluation Protocols: These protocols determine the evaluation cycle and time frame, evaluation range, executive units, evaluation processes, evaluation criteria, etc. Through periodical evaluation, we will continue to discuss how to improve the board’s functions.</p> <p>(4) The company has created the Employee Benefits Committee and the Environment, Health, and Safety Committee, providing each employee with benefits and guarantees of safety and sanitation. In the company HR Guidelines, the committee also clearly defines employee behavior guidelines, job clearance, safety and sanitation, benefits/bonuses/penalties, raise evaluation, education/training, etc. The company offers employees a safe, steady, communicative, and excellent work environment.</p> <p>(5) The management of the company attaches great importance to corporate governance. During regular business meetings, they continue to pay attention to the system (division of powers and responsibilities, risk management, operating procedures, information transmission, etc.) and the effectiveness of actual operation and evaluation and adjustment. The directors will communicate it through the Board with management team and internal auditors to understand the company's governance operations and make suggestions.</p> <p>In 2024, the above tasks were verifiably implemented.</p>	

Evaluation Item				Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
				Yes	No	Abstract Illustration	
The company has purchased liability insurance for all directors as of January 2024. We have also arranged periodic trainings and professional lessons that have to do with specific job responsibilities and company governance; the arrangement for 2024 is as follows:							
Title	Name	Election Date	Training date	Organizer	Course name	Training hours	Compliance with Regulations
Chairman	Lam, Tai Seng	2024.6.12	2024.7.26	Taiwan Corporate Governance Association	Starting from TIPS: How Enterprises Can Build Intellectual Property Risk Prevention and Control Mechanisms	3	YES
			2024.8.23	Taiwan Corporate Governance Association	Prevention of Labor Disputes and Corporate Governance	3	YES
Director	Wang, Wei Wei	2024.6.12	2024.8.16	Taiwan Corporate Governance Association	The Next Evolution of Data Centers: Trends in Silicon Photonics and AI Servers	3	YES
			2024.9.6	Taiwan Corporate Governance Association	Strategic Considerations in Group Corporate Restructuring	3	YES
Corporate Director representative	Shyu Jia Horng	2024.6.12	2024.7.11	Securities & Futures Institute	ChatGPT: The Conversational AI Driving a New Wave of Industrial Transformation	3	YES
			2024.9.6	Taiwan Corporate Governance Association	Strategic Considerations in Group Corporate Restructuring	3	YES
Corporate Director representative	Liu, Tien Lai	2024.6.12	2024.8.16	Taiwan Corporate Governance Association	The Next Evolution of Data Centers: Trends in Silicon Photonics and AI Servers	3	YES
			2024.8.23	Taiwan Corporate Governance Association	Prevention of Labor Disputes and Corporate Governance	3	YES
independent director	Chen, Kuo Hong	2024.6.12	2024.5.10	Taiwan Investor Relations Institute	Sustainability Trends and Insights: Essential ESG Mindsets and Actions for Enterprises	3	YES
			2024.8.9	Taiwan Investor Relations Institute	Economic Cycles and Industry Trends	3	YES
Independent Director	Liang, Wei Ming	2024.6.12	2024.10.22	Taiwan Corporate Governance Association	Labor Disputes and Corporate Governance	3	YES
			2024.10.22	Taiwan Corporate Governance Association	New Dynamics in Corporate Sustainability Governance: Capital Market Approaches to Evaluating Long-Term Value	3	YES
Independent Director	Huang, Tzu Ting	2024.6.12	2024.7.16	Taiwan Corporate Governance Association	Zero-Carbon Planning: ESG Thinking and Energy Practices for Businesses	3	YES
			2024.8.13	Taiwan Corporate Governance Association	Digital Technology and AI Trends: Approaches to Risk Management	3	YES



Evaluation Item	Implementation Status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
9.Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures.				
The company has ranked between 21% and 35% in corporate governance evaluations for the 2nd to 4th and 10th to 11th editions. For the 5th to 9th editions, our ranking ranged from 6% to 20% No improvement measures have been requested by regulatory authorities. The corporate governance promotion unit within our company autonomously continues to improve on the non-scored items, including proactively compiling English version quarterly financial reports and English version ESG Reports, enhanced English information disclosure, Commencing annual compilation of corporate social responsibility feports (CSR Reports) since Year 2019 (Renamed to ESG Reports from Year 2022).				

## 2.3.4 Composition, Responsibilities and Operations of the Compensation Committee

## 1. Professional Qualifications and Independence Analysis of Compensation Committee Members

Member type	Condition	Professional Qualification and Experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
	Name			
Convener	Chen, Kuo Hong (independent director:)	New-elected as the 6th Compensation Committee Members in June 12, 2024, and became the Convener. Mr.Chen first served as the company's supervisor, and in 2006, he was appointed as a director. In 2015, he was appointed as an independent director of the company. Professionals in industry, technology, marketing, and management. He has also served as the CSO of the listed company Stark Technologies Inc., and as the president of the OTC listed company Howteh Technology Co., for many years, bringing extensive operational and management experience in the technology industry. The provisions of Article 30 of the Company Act are not applicable.	Compliant (Note 1)	0
Member	Liang, Wei Ming (independent director:)	Re-elected as the 6th Compensation Committee Members in June 12, 2024. First appointment as a director of a listed cabinet company was in 2005, and the first appointment as a independent director of the company in 2019. Professionals in industry, finance, technology, management, used to be the president of the listed company Sinbon Electronics Company Ltd. Professionals in financial analysis and operational management capabilities. The provisions of Article 30 of the Company Act are not applicable.	Compliant (Note 1)	0
Member	Huang, Tzu Ting (independent director:)	New-elected as the 6th Compensation Committee Members in June 12, 2024. Miss Huang was first appointed as a director of the listed company and as an independent director of Flytech in 2014. Professionals in industry, supply chain, cybersecurity, and management. She has also served as the COO of the listed company Acer Inc., bringing extensive operational and management experience in the technology industry. The provisions of Article 30 of the Company Act are not applicable.	Compliant (Note 1)	Independent Director of Compal Electronics, Inc.

Note1 : The amount of remuneration obtained from providing business, legal, financial, accounting and other services to the company or related companies in the last 2 years is 0.

## 2. Attendance of Members at Compensation Committee Meetings

The Company's Compensation Committee is composed of three independent directors. The term of the 6th committee is from June 12, 2024, to June 11, 2027. In 2024, the Compensation Committee convened a total of three meetings (A), including the two meetings of the 5th committee and one meeting of the 6th committee. The attendance of committee members is detailed as follows:

Title	Name	Actual number of attendance (B)	Attend through proxy	Percentage of actual attendance (%) [B/A]	Note
Convener	Chen, Kuo Hong (independent director:)	1	0	100 % (Required attendance: 1)	New-elected as the 6th Compensation Committee members (date of election: June 12th, 2024)
Member	Liang, Wei Ming (independent director:)	3	0	100 % (Required attendance: 3)	Re-elected as the 6th Compensation Committee members (date of election: June 12th, 2024)
Member	Huang, Tzu Ting (independent director:)	1	0	100 % (Required attendance: 1)	New-elected as the 6th Compensation Committee members (date of election: June 12th, 2024)
Convener	Hsieh, Han Chang (independent director:)	2	0	100 % (Required attendance: 2)	The member of 5th Compensation Committee. Stepped down following the re-election of the 13th Board of Directors (date: June 12th, 2024)
Member	Chiu, Yi Chia (independent director:)	2	0	100 % (Required attendance: 2)	The member of 5th Compensation Committee. Stepped down following the re-election of the 13th Board of Directors (date: June 12th, 2024)
Other mentionable items:					
<ol style="list-style-type: none"> <li>The Board may not accept the recommendations of the Compensation Committee, or revise the recommendations, specify the date of the Board meeting, the term, the content of the motion, the resolution of the Board, and the response of the Board towards the opinions of the Compensation Committee (e.g., the remuneration package passed by the Board is superior to the recommendation of the Compensation Committee, specify the difference and the reasons): None.</li> <li>If any of the members of the Compensation Committee hold adverse opinion or qualified opinions with record or in written declaration against the resolutions of the committee, specify the date and the session of the committee meeting, the content of the motion, the opinions of all members and the response to the opinions of the members: None.</li> </ol>					

Compensation Committee	Details of the relevant agendas and the subsequent	Compensation Committee member's objection or reservation	The company's handling of the Compensation Committee's opinions
2024.1.19 The 8th of the 5th Committee	1.Review the company's 2023 performance bonus (year-end bonus) case. 2.Reviewed the company's 2023 manager performance bonus (year-end bonus) case. 3.Reviewed the managerial personnel salary adjustment proposal.	None	Board of Directors Meeting on 1/19 Approved by all attending directors
	The company's handling of the Compensation Committee member's opinion: not applicable Resolution: All present member of the Compensation Committee agreed and passed every proposal		
2024.3.8 The 9th of the 5th Committee	1.Regular Assessment of Policies, Systems, Standards, and Structures for Evaluating the Performance and Compensation of Directors and Executive. 2.Reviewed the Company's 2023 remunerations for employees and directors case.	None	Board of Directors Meeting on 3/8 Approved by all attending directors
	The company's handling of the Compensation Committee member's opinion: not applicable Resolution: All present member of the Compensation Committee agreed and passed every proposal		
2024.9.30 The 1st of the 6th Committee	1. Reviewed the company's 2023 remunerations distributed to directors" case 2.Review the 2024 salary adjustment and manager salary adjustment case.. 3.Reviewed the company's 2023 distribution of bonuses to managers case. 4. Reviewed the company's Compensation Committee 2025 calendar schedule case	None	Board of Directors Meeting on 9/30 Approved by all attending directors
	The company's handling of the Compensation Committee member's opinion: not applicable Resolution: All present member of the Compensation Committee agreed and passed every proposal		

2.3.5 Implementation of the promotion of sustainable development and the differences and reasons for the code of practice for sustainable development of the TWSE/TPEX Listed Companies

Evaluation Item	Implementation			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
1.Does the Company establish a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, which is authorized by the board of directors to handle senior management, and supervised by the board of directors?	V		<p>(1) Flytech has set up "Corporate Social Responsibility Code of Practice"(it renamed as " Corporate Sustainability Principle " in May 2022) based on "Corporate Governance Best Practice Principles for TWSE List Companies" and approved it on 2015 May board of director meeting. It has been disclosed on company official website: <a href="http://www.flytech.com">http://www.flytech.com</a> and M.O.P.S.</p> <p>(2) Implementation status of each organization</p> <p>(A) The company has set up a "Corporate Social Responsibility Promotion Group" for many years. It was renamed the "CSR Committee" in 109 and then the "ESG Committee" in 2011. The board of directors is the highest governing body for Flytech's sustainable development, the "ESG Committee" is affiliated to the board of directors. The chairman of the committee serves as the convener, and the president serves as the chairman. The promotion office under its jurisdiction is responsible for supervising four teams: Sustainability Operations Team / Green Operations Team / Corporate Commitments Team / Social Engagement Team, arrange Allocate resources and plan management methods, and responsible for tracking the responsibilities of each team.</p> <p>(B) Refer to our company's corporate website under the sections : About Us/Corporate Governance, or the explanation in our 'ESG Report' for the respective roles and responsibilities of each team.</p>	None

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>(C) The ESG Promotion Office provides regular quarterly reports to the Board of Directors. The first-half reports cover ESG initiatives, material sustainability topics, risk analysis, improvement plans, and stakeholder engagement, all reviewed by the Board, which provides guidance on risk management strategies. These directives are communicated to four subgroups, with monthly tracking of departmental control measures, targets, and implementation progress reported back to the Board. The “ESG Report” is also submitted for Board approval. The second-half reports focus on strategies and actions taken in response to key annual issues to ensure continued implementation. In 2024, the ESG Promotion Office reported in January, March, August, and November. The Board reviewed the ESG Promotion Office’s regular updates, assessed the company’s sustainability progress, and offered guidance. No major anomalies or risk events occurred in 2024, and stakeholder engagement remained positive.</p> <p>In 2024, the above tasks were verifiably implemented.</p>	

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
2.Does the company conducted a risk assessment on the company’s operational plan related environment and social and corporate governance issues, and has it formulated related risk management policies or strategies?	V		<p>(1) The boundary of the Company's material sustainability topics risk assessment is limited to Flytech Technology Co., Ltd., excluding subsidiaries.</p> <p>(2) Identifying significant environmental, social, and corporate governance-related issues and assessing their risks involves four major steps: Understanding organizational context→ Identifying actual and potential impacts→ Assessing impact significance→ Prioritizing reporting order based on the most significant impacts. Identifying key issues related to the three major dimensions of [Economic, Environmental, Social], the overview is as follows (For detailed operations, please refer to Chapter 2 of the 2024 “ESG Report”)</p> <p>(A) The ESG Promotion Office under the Company’s ESG Committee convenes internal experts to identify a list of 18 material environmental, social, and corporate governance-related topics from GRI standards, SASB and TCFD guidelines, industry trends, and corporate strategies.</p> <p>(B) The ESG Promotion Office submits questionnaires to six major stakeholders category to understand their concerns about the list of issues. The ESG Promotion Office convened internal experts to evaluate the potential and actual positive and negative impacts of the list of material topics on Flytech, and then selected 11 material sustainability topics by presenting the stakeholder concern scores and impact scores on Flytech in a matrix</p>	None

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>(C) The ESG Promotion Office collaborates with four sub-teams to identify sustainability-related risks across operational areas, assess impact levels, and establish management strategies based on risk evaluations and tolerance thresholds. These strategies are submitted for approval by the ESG Committee and the Board of Directors. Each team is responsible for implementing, improving, and optimizing assigned tasks. Regular monthly meetings are held to track progress, coordinate efforts, and build consensus. This ensures the effective execution of sustainability strategies, alignment of resources, and company-wide commitment to integrating sustainability into core operations as a key competitive advantage for Flytech.</p> <p>In 2024, material sustainability topics were effectively identified and managed through established risk management procedures. The resulting 2023 “ESG Report” was submitted to the Market Observation Post System (MOPS) and published on the company website.</p>	



Evaluation Item	Implementation			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
<p>3. Environmental Issues</p> <p>(1) Does the company establish proper environmental management systems based on the characteristics of their industries?</p> <p>(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?</p>	V		<p>(1) The company's "Enterprise Sustainable Development Code" have set principles for sustainable development by which the company should abide. This code including obeying environmental legislation and related international guidelines, increasing resource utility efficiency, building a proper environmental management system, setting up dedicated departments/units/staff for environmental management that will draft, implement and maintain related environmental management systems and concrete action plans; organize environmental educational classes for management and employees; properly utilize water resources; and conduct company greenhouse gas emission audits to reduce the company's environmental impact on the environment. With ethical and sustainability as principles, we will build a positive operational environment. We will focus on our expertise and develop excellent products to generate revenue and profit that we can share with customers, suppliers, shareholders, employees, and other stakeholders, all the while fulfilling our sustainable responsibilities.</p> <p>The company obtained International Environmental Management System ISO14001 certification in 2011.</p> <p>(2) The company continues to focus on enhancing energy efficiency and utilizing environmentally friendly recycled materials. In the fourth quarter of 2022, we initiated a Carbon Management Project, and established equipment and product carbon footprint management platform in 2023, we. This platform enable us to concentrate on energy-saving improvement projects, monitor energy savings and waste benchmark data, and track achievements. For further details, please refer to Chapter 6 of our company's "ESG Report." In addition to daily operational measures aimed at reducing GHG emissions, Flytech also integrates green design principles into new product development. Below is a brief overview of related explanations.</p>	None

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
	V		<p>(a) Extend product lifecycle: Utilize modular and shared design to prolong system longevity, achieving low-carbon circularity.</p> <p>(b) Reduce material usage: Adopt “Less is More” minimalist design to significantly lower carbon emissions from supplier tooling and production processes.</p> <p>(c) Circular sustainability: Replace EPE cushioning material with eco-friendly, recyclable paper packaging, and incorporate recycled materials.</p> <p>(d) Reduce energy consumption: Enhance motherboard power efficiency and improve machine energy performance to meet “Energy Star” 8.0 standards, while providing performance data to assist customers in planning energy-saving solutions.</p> <p>(e) Environmentally friendly and harmless: Compliant with REACH and RoHS standards.</p> <p>The company has completed GHG inventories for the years 2021 to 2023 and obtained external verification for ISO 14064-1 standards. The inventory results serve as the basis for calculating benchmarks for policies and objectives aimed at improving energy efficiency and using recycled materials. After approval by the ESG Committee, these are submitted to the Board of Directors for approval and continuously monitored through regular monthly meetings..</p>	

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>(A) In accordance with ISO 14064-1, the company conducted an inventory of organizational GHG emissions for the year 2021. We defined a five-year energy-saving and carbon reduction plan, with the year 2021 as the base year. The total electricity consumption and GHG emissions should decrease by 1% annually compared to the base year, achieving a 5% reduction by the year 2024. Given that the primary source of our GHG emissions is indirect energy consumption (Scope 2), our main strategy focuses on energy conservation. We actively implemented measures, including investing NT\$2.5 million in 2023 to install independent air conditioning systems on the SMT floor of the factory to avoid using the entire factory's air conditioning system during night shifts. In 2024, the company replaced factory lighting with energy-efficient LEDs and began purchasing zero-carbon green electricity. Both the 2023 and 2024 energy-saving and GHG reduction goals have been successfully achieved..</p> <p>(B) The Company also duly observes applicable laws and intensifies the recycling and reuse of resources, and prevents the pollution of water and air through proper monitoring and testing through its waste management plan. Furthermore, the Company also advocates a carbon reduction and energy saving, and proceeds to sustainable development of the environment by mitigating the impact on the environment to the expectation of the international trend and customers.</p> <p>In 2024, the above tasks were verifiably implemented.</p>	

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(3) Does the company assessed the risks and opportunities arising from climate change on the present and future of the enterprise? Have coping measures for climate change related issues been adopted?			<p>(3) The board of directors is the highest governance body for sustainable development of Flytech. The "ESG Committee" is affiliated to the board of directors. The convener serves as the chairman of the board, and the general manager serves as the chairman. The Promotion Office is headed by the ESG department and implements response measures on climate-related issues through the following four major directions:</p> <p>(A) Evaluate significant climate change issues related to the company's value chain and establish targets for mitigation and adaptation. Report to the Board of Directors quarterly.</p> <p>(B) Communicate the strategies and objectives approved by the Board of Directors to each executive subgroup, and have each subgroup develop specific measures to implement the objectives.</p> <p>(C) Quantify the financial impacts of climate change risks and opportunities, establish performance indicators and quantitative targets, and regularly assess effectiveness for reporting to the Board of Directors.</p> <p>(D) Continuously monitor the severity of climate change and international trends, and adjust strategies and objectives as needed in a timely manner.</p> <p>In 2024, the above tasks were verifiably implemented</p>	

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons																		
	Yes	No	Abstract Explanation																			
(4) Does the company monitor the impact of climate change on its operations and conduct greenhouse gas inspections, as well as establish company strategies for energy conservation and carbon reduction?			<p>(4) The company commenced self-inspection of GHG emission beginning 2015, has formulated management strategies, methods, goals, and carbon emission reduction goals, and continues to conduct monitoring and improvement. Management policies pertaining to energy conservation, carbon reduction, greenhouse gas emission, water usage reduction, or other waste and their implementations, please refer to the page 113-115.</p> <p>1. Statistics and intensity of the last two years</p> <p>(A)GHG (Calculate the intensity by product sales)</p> <p>According to the ISO14064-1, the Company conducted a self-inspection of the GHG emission Scope 1, 2 and 3 of the Neihu headquarters and the Linkou factory (excluding subsidiaries). The results are as follows, mainly from the electricity emissions in Scope 2:</p> <table><tr><th>Neihu Headquarter and Linkou Plant</th><th>2023</th><th>2024</th></tr><tr><td>Scope 1</td><td>169.03 t</td><td>170.80 t</td></tr><tr><td>Scope 2</td><td>1,480.86 t</td><td>1,601.86 t</td></tr><tr><td>Scope 3</td><td>554.00 t</td><td>623.51 t</td></tr><tr><td>Total (t CO<sub>2</sub>e)</td><td>2,203.89 t</td><td>2,396.17 t</td></tr><tr><td>unit product emissions (kgCO<sub>2</sub>e)</td><td>15.31</td><td>12.12</td></tr></table> <p>For detailed information, please refer to Chapter 6, "Green Operations," in our "ESG Report"</p> <p>In 2024, the total carbon emissions (kgCO<sub>2</sub>e) increased compared to 2023. However, the carbon emissions per unit of production decreased. This was primarily due to the simultaneous increase in revenue and production volume, which led to a rise in total carbon emissions, but the emission intensity per unit of production reduced.</p>	Neihu Headquarter and Linkou Plant	2023	2024	Scope 1	169.03 t	170.80 t	Scope 2	1,480.86 t	1,601.86 t	Scope 3	554.00 t	623.51 t	Total (t CO <sub>2</sub> e)	2,203.89 t	2,396.17 t	unit product emissions (kgCO <sub>2</sub> e)	15.31	12.12	
Neihu Headquarter and Linkou Plant	2023	2024																				
Scope 1	169.03 t	170.80 t																				
Scope 2	1,480.86 t	1,601.86 t																				
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Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons																																				
	Yes	No	Abstract Explanation																																					
			<p>(B) Water consumption (Calculate the intensity by the person at the end of year)</p> <table><tr><td></td><td></td><td>2023</td><td>2024</td></tr><tr><td rowspan="3">Neihu</td><td>Total and water consumption</td><td>3,159</td><td>3,170</td></tr><tr><td>water consumption/person</td><td>16.80</td><td>14.09</td></tr><tr><td>water consumption of unit /person</td><td>16,803 liter</td><td>14,089 liter</td></tr><tr><td rowspan="3">Linkou</td><td>Total and water consumption</td><td>6,076</td><td>6,330</td></tr><tr><td>water consumption/person</td><td>27.87</td><td>27.52</td></tr><tr><td>water consumption of unit /person</td><td>27,872 liter</td><td>27,522 liter</td></tr></table> <p>Although revenue grew in 2024, the total water usage slightly increased. However, the water usage per capita at both the Neihu and Linkou locations decreased, indicating that the company's proactive efforts in water conservation have been effective...</p> <p>(C)Waste (No hazardous waste was generated. Intensity is calculated based on year-end headcount and excludes recycled materials.)</p> <table><tr><td>Neihu Headquarter and Linkou Plant</td><td>2023</td><td>2024</td></tr><tr><td>Domestic waste</td><td>11.17 t</td><td>13.08 t</td></tr><tr><td>business waste</td><td>14.76 t</td><td>27.64 t</td></tr><tr><td>Emissions of Unit /Person</td><td>0.06 t</td><td>0.09 t</td></tr></table> <p>In 2024, due to an increase in customer orders and production volume, the amount of waste generated also increased.</p>			2023	2024	Neihu	Total and water consumption	3,159	3,170	water consumption/person	16.80	14.09	water consumption of unit /person	16,803 liter	14,089 liter	Linkou	Total and water consumption	6,076	6,330	water consumption/person	27.87	27.52	water consumption of unit /person	27,872 liter	27,522 liter	Neihu Headquarter and Linkou Plant	2023	2024	Domestic waste	11.17 t	13.08 t	business waste	14.76 t	27.64 t	Emissions of Unit /Person	0.06 t	0.09 t	
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Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>2.The company has set 2021 as the base year, aiming to reduce electricity consumption and GHG emissions by 1% annually compared to the base year. The target is to achieve a total reduction of 5% by 2025 (the actual reduction achieved was 5.14% by 2024).. This energy-saving goal and specific measures ave been confirmed by the “ESG Committee” and approved by the Board of Directors. We will continue to implement and monitor this plan.</p> <p>3. The company has completed GHG inventories for the individual company (Flytech Technology Co. Ltd.) for the years 2021 to 2023 and obtained external verification for ISO 14064-1 standards.</p> <p>(1)~(4) above were implemented in 2024 as provisioned. Through the “ESG Committee”, targets and specific measures have been established. After being approved by the Board of Directors, these initiatives are continuously implemented and monitored.</p>	

## Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	The board of directors of Flytech Technology Co., Ltd.(the "Company") serves as the highest governance unit for risk management. The Company has integrated climate change risk management into its "Risk Management Policy and Procedures". The board is responsible for approving the risk management policies, procedures, and structure, ensuring that the operational strategy aligns with the risk management policies, establishing appropriate risk management mechanisms and culture, allocating and assigning sufficient and appropriate resources, and being ultimately responsible for the effectiveness of risk management. The Company's "ESG Sustainability Development Committee" is chaired by the Chairman of the Board, with the president and the heads of the four major operational centers serving as committee members. The committee is responsible for identifying and assessing risks, formulating strategies and goals, and driving related actions and management activities. The committee reports to the board once per quarter, with the board overseeing and ensuring the effective operation of the overall risk management mechanism.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	The "ESG Committee" of the Company conducts regular risk assessments, including climate risks, during the annual budgeting process in the fourth quarter. When identifying and assessing climate risks and opportunities, the Company considers the operational environment, business characteristics, production and sales models, value chain, and employee scale. This analysis includes evaluating factors that could lead to negative risks or positive opportunities. The Company evaluates the actual and potential impacts of each factor on its operations, as well as the likelihood of these impacts occurring. Based on this assessment, it formulates strategies and goals for mitigating and adapting to climate risks and opportunities, then develops specific management measures along with short-term, medium-term, and long-term action plans. These are consolidated into an overall risk management plan and submitted to the board of directors for review. The Company utilizes ISO 14064-1 for GHG inventory and ISO 14067 for product carbon footprint assessment. Additionally, it employs an established carbon management platform to analyze energy consumption hotspots in products and operations. Based on this analysis, the Company sets short-term and medium-term management goals for progressively reducing its carbon footprint, with a long-term goal of achieving "net-zero" by 2050. Please refer to the chapter 3 related the paragraph of climate change risk management and the chapter 6 Green Operation of "ESG report" for details.
3. Describe the financial impact of extreme weather events and transformative actions.	Flytech has identified three high-level and two medium-level transition risks. The high-level risks include: (1) market risk from carbon taxes or fees in customers' countries, (2) increased demand for low-carbon products and competition from energy-efficient alternatives, and (3) reputational risk if low-carbon products become the market norm and the company's product portfolio does not align. Medium-level risks include: (1) regulatory risk related to the EU CBAM policy, and (2) technological risk in developing low-carbon products and equipment. As Flytech's main customer base is in Europe and the U.S., clients are increasingly requesting product carbon footprint data to comply with local carbon pricing regulations. These developments are expected to raise carbon management costs, increase R&D spending on low-carbon technologies, and drive capital expenditures for energy-efficient equipment. Please refer to Chapter 3 of the company's "ESG Report" for details on climate-related risk management, and Chapter 6 for green operations.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	Please refer to item 2 for details.



Item	Implementation status
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	The company has not yet used the scenario analysis to assess resilience to climate change risks.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks	<p>Flytech's transformation risks include market risks from carbon fees and taxes in customer countries, market risks from changes in the competitive landscape for low-carbon products, reputational risks if low-carbon products become mainstream, policy and regulatory risks related to carbon fees and taxes in various countries, and technology risks in developing low-carbon products and equipment. Physical risks include natural disasters such as typhoons and floods. The response plan includes the following:</p> <ul style="list-style-type: none"> <li>(1) Through ISO 14064-1 greenhouse gas inventory and the establishment of a carbon management platform, we continuously analyze energy consumption hotspots, promote energy-saving measures, and replace outdated equipment. It is expected that a new smart energy-saving air compressor in Linkou plant will be purchased in 2025.</li> <li>(2) Starting in 2024, we will assist domestic subsidiaries in completing ISO 14064-1 GHG inventories and gradually implement inventories for overseas subsidiaries. Through inventory analysis, we will identify energy consumption hotspots across the group subsidiaries and promote energy-saving measures and equipment replacement.</li> <li>(3) Increase the ISO 14067 product carbon footprint inventory and external certification annually, having obtained three product verification statements to enhance the company's brand image.</li> <li>(4) Continue to develop high-performance motherboards and energy-efficient new models: utilizing modular shared design to extend product lifespan for low-carbon circulation, adopting minimalist design to significantly reduce carbon emissions from supplier mold development and production, and improving motherboard power efficiency to enhance machine energy efficiency.</li> <li>(5) Continue to purchase property insurance to mitigate the risks of damage caused by natural disasters.</li> <li>(6) we begun purchasing zero-carbon green electricity from 2024, to reduce carbon emissions and have obtained renewable energy certificates issued by the National Renewable Energy Certification Center for the period from July to December (three certificates).</li> </ul> <p>Please refer to the chapter 3 related the paragraph of climate change risk management and the chapter 6 Green Operation of the "ESG report" for details.</p>
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The Company has not yet used the internal carbon pricing as a planning tool.

Item	Implementation status
<p>8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.</p>	<p>The Company has completed GHG inventories for the years 2021 to 2023 and obtained external verification for ISO 14064-1 standards by SGS.</p> <p>It has been determined through inventory report that the main GHG emissions of Flytech's operations were categorized as purchased electricity. Therefore, the Company primarily focuses on improving methods related to indirect energy emissions (Scope 2) electricity usage. We used 2021 as the baseline year, our mid-term goal is to reduce electricity consumption by 1% per year, aiming for a 10% reduction by 2030. We are adopting a dual approach by both reducing electricity consumption in daily operations include energy-saving measures and equipment replacement, and accelerating the development of low-carbon green products, extending these efforts throughout the value chain. We are also guiding our suppliers to jointly reduce their carbon footprint and implement similar actions. gradually reduce GHG emissions each year, achieve the long-term goal of “net-zero” by 2050. Please refer to the chapter 6 Green Operation of “ESG report” for details.</p>
<p>9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan</p>	<p>Please refer to page.50~52 for GHG inventory details of Flytech Technology Co., Ltd.(the “Company”). The Company has completed GHG inventories for the years 2021 to 2023, and obtained external verification statements by SGS. The GHG inventory information for 2024 is currently under review as of the date of the annual report's publication, with external verification expected to take place in September. Please refer to page 113-115 for details of the GHG reduction targets, strategy, and concrete action plan.</p>

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
4. Social Issues (1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	V		(1) In order to fulfill our ESG sustainable development responsibilities and implement human rights protection, the Company has established its “Human Rights Policy” in reference to internationally recognized human rights standards such as the Universal Declaration of Human Rights, the UN Global Compact, and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. The policy was announced and implemented in January 2020. It includes: human rights assessments, key human rights concerns and practices (providing a safe and healthy working environment, eliminating illegal discrimination to ensure equal job opportunities, banning child labor, prohibiting forced labor, promoting physical and mental health and work-life balance, and offering training on human rights protection, pre-employment, on-the-job, occupational safety, and integrity ethics), grievance mechanisms, and due diligence to prevent human rights violations. In addition to providing a reasonably safe working environment, the policy ensures that current employees are treated fairly and with dignity. In 2024, the new “Human Rights Policy Management Measure” was established to regulate due diligence procedures and supervise the implementation of the “Human Rights Policy”. The regulation has been publicly disclosed on the Company’s official website ( <a href="https://www.flytech.com">https://www.flytech.com</a> ) About us/Corporate Governance/Governance Documents.	None

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(2) Does the company set up and implemented reasonable employee welfare measures (including salaries, holidays, and other benefits), and have business performance or results been appropriately reflected in employee remunerations?			<p>(2) Flytech regards employees as its most valuable asset and upholds a policy of “diversity and non-discrimination.” Employment, compensation, and career development are based solely on professional competencies and job performance, regardless of age, education, race, gender, nationality, place of birth, or disability. As of the end of 2024, female employees accounted for 45.7% of the workforce, with women holding 32% of managerial positions. Due to a flat organizational structure, the majority of management roles are held by mid-level managers, except for senior executives such as the General Manager, Vice Presidents, and Assistant Vice Presidents. Leave policies and employee benefits are applied equally without discrimination. An overview of employee benefits including compensation, leave entitlements, and other welfare programs are summarized as follows.</p> <p>1.Remuneration policies</p> <p>The provisions in the “Corporate Charter”, if the company has made profits for the year, 3%~15% shall be designated as employee remunerations. In addition, the company has set up the “Salary and Bonus Management Guidelines,” “Performance Management Guidelines,” and “Award and Punishment Management Guidelines” to provision remuneration policies such as fixed salaries, bonuses, and employee remunerations, etc. The Remunerations Committee shall periodically conduct reviews, which are supplemented by performance operation assessments including: employee performance, internal control system compliance situation, and compliance to various company policies including the social responsibility system. Awards or punishments are granted accordingly based on the remuneration policies and Award and Punishment Management Guidelines. the description are as below:</p>	

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>(A) Fixed salary (this salary, professional addition, job addition): According to the labor law and the employee's academic experience and work ability, it is not determined by age, gender and ethnicity.</p> <p>(B) Year-end bonus and performance bonus: The year-end bonus is based on on two months. According to the performance of each employee's performance appraisal, the bonus amount is determined. The performance bonus is based on the business/production/R&amp;D/project performance of each department and the contribution of each employee. and approved.</p> <p>(C) Salary policy: The annual salary adjustment is based on the previous year's business performance and market salary status. Individual promotion and salary adjustment will be handled in accordance with the “Management Measures for Awards and Punishments.</p> <p>(D) Employee compensation:The provisions in the “Corporate Charter”, if the company has made profits for the year, 3%~15% shall be designated as employee remunerations. Based on the performance appraisal results of each employee, and reviewing the achievement of the KPIs formulated and approved by each employee at the beginning of the year (each department has different KPIs depending on the nature of operations), like revenue achievement rate, Gross Profit Margin, delivery achievement rate, achievements in product innovation and green design etc.Calculate the approved individual allocation amount.</p>	

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>2. Leave and welfare policy</p> <p>The company has set up the ‘Leave Category Management Guidelines’ to regulate the leave-taking and holiday management system. In 1992, the Employee Welfare Committee was set up to provide various employee welfare activities and subsidies, include monthly birthday parties and birthday cash gifts, wedding and funeral cash gifts, year-end bonus and project bonus, gifts during three major Chinese holidays, domestic and international company trips, club events, festive company meals, health inspections, recognition of senior staff, flexible working hours, annual leave exceeding Labor Standards Act requirements and paid leave for natural disasters, maternity and paternity leave, parental leave, post-return work assistance, Fly’s book rooms etc.</p> <p>3. Employee Stock Ownership</p> <p>In 2016, the company established the "Flytech Technology Co., Ltd. Employee Stock Ownership Association", and colleagues raised a fixed amount from their salaries. Then the Company allocated the same amount of incentive money and deposited it into financial institutions to increase employees' recognition of the company. Assist members to obtain the company's stock, and enhance the stability of members' future retirement and resignation life.</p>	

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?			<p>(3) 1. Obtain the relevant Certification</p> <p>The Company successfully obtained the ISO 14001 (2018 version, validity period from September 22, 2022 through September 21, 2025) in 2001 and obtained the ISO 45001 2018 version (Renewal approved. , valid from December 1, 2023 to November 30, 2026). In 2023. That means the Company has integrated and established a complete and very sound safety and health working environment.</p> <p>2. Measures for employee safety and health work environment, education policy and its implementation.</p> <p>The Company has duly established a “Labor Safety and Health Committee” in accordance with the Occupational Safety and Health Act and laws and ordinances concerned (which was consolidated and upgraded into the “Environmental Safety and Health Committee” after the Company obtained the ISO 45001 system certification in 2020). The members of such Committee include the supervisors and staff members working with the Neihu Headquarters and the Linkou Plant. Other than such duties to draft methods of operation, the Committee assumes the responsibilities for occupational safety training at the Neihu Headquarters and the Linkou plant in such professional duties including reviewing the training programs for safety of machinery, equipment and raw materials, reviewing occupational calamity investigation reports, assessing on-the-spot occupational safety performance and the like to carry out all aspects of security. Further, on a regular basis, the Committee sponsors and carries out educational &amp; training programs focusing on safety and health, fire protection and other related contents, and takes necessary preventive measures against potential occupational disaster to minimize the potential risk factors of the working environment. Through all such efforts in combination, and ensures a safe and healthy workplace.</p>	

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>Please refer to pages 122–123 section 5.10 “Measures for Protecting Employees’ Health, Safety, and Work Environment and Their Implementation Status” for details on the implemented measures.</p> <p>The management center is responsible for carrying out training courses on environment, occupational safety and health (environmental safety and health) for new employees and current employees in accordance with the ISO "Education and Training Management Procedures" to ensure that all employees understand the environmental safety and health policies, methods to be followed and due rights and interests.</p> <p>3.The company's Neihu headquarters functions as an office, while the Linkou factory only has SMT lines and assembly lines without heavy machinery operations. We conduct hazard identification and risk assessment in accordance with ISO 45001 standards and have established environmental, health, and safety management procedures. In 2024 there were no occupational accidents or fires reported.</p>	



Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(4) Does the company have an effective career development training program for employees?			<p>(4) Exactly in accordance with ISO “Education and Training Management Program” and internal control procedures, the Company has duly mapped out employee training programs (include general staff, managers and employees). The training methods are included in outsourced training programs and in-house courses.</p> <p>In terms of outsourced training programs, each and every department is required to submit its respective training programs and budgets to be approved at the end of each fiscal year and the employees shall submit their training applications based on the annual programs and their substantial needs. After the training programs are satisfactorily completed, they are required to submit their training experience report or opinion questionnaire to the Human Resources Training Department to register credits and share the course information or share training internally. The internal training programs include:</p> <p>(A) New recruit training: New recruits enter the basic course training on the day upon their registry in employment to ensure that they can quickly understand the team concept and culture at the very beginning when they join Flytech.</p> <p>(B) Project training: Such training programs are exclusive courses specifically intended to reserve cadres and middle- and high-level elite cadres, allowing the talent trainees from all levels to inherit the wisdom and practical operation of Flytech members to cultivate more elites and leaders in the future.</p>	

Evaluation Item	Implementation			Deviations from "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
(5) Does the company complied with relevant regulations and international standards with regard to the health and safety of customers purchasing products or services, customer privacy, marketing, and labeling? Have relevant consumer or client rights protection policies and appeal procedures been set up?			<p>(C) Competency-based training programs and leadership development initiatives.</p> <p>(D) Credit system learning programs: Flytech sets the basic training credit requirements that all colleagues must achieve within the year and colleagues are participating to accumulate credits from various in-house and outsourced programs to leave a firm record for their own learning process to continually improve professional skills and self-growth.</p> <p>(E) Irregular seminars: Inviting external experts to share their professional insights.</p> <p>(F) Annual ESG training programs: Enhancing employees' awareness of and engagement in sustainability issues.</p> <p>(G) Learning Online Education and Training Platform</p> <p>(H) renewed the certification in 2024 by the Workforce Development Agency's Talent Quality-management System (TTQS), affirming our ongoing progress in training planning, execution, and performance improvement.</p> <p>(5) The company's " Business Sustainability Development Code" stipulate that the sale and signage of the company's products and services should comply with relevant legislation and international guidelines. Behavior such as cheating, misleading, fraud, etc., which breach consumers' trust and rights, are strictly prohibited. The company is a B2B operation type and does not directly face the final consumer. In 2019, in compliance with GDPR, Taiwan's Personal Information Protection Act and other regulations. The Flytech personal data management has been established, include Personal Data Management Policy, Points for setting up personal data protection organizations, Measures for the Security Management of Personal Data Files, and Personal Data Protection Impact Analysis Management Procedure to protect customers' privacy. With "RMA policy" and customer complaint mechanism to provide customer complaints and repair channels.</p>	

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(6) Does the company set up supplier management policies and requested suppliers comply with relevant regulations on environmental protection, vocational safety and health, the human rights of laborers, and other issues? What is the implementation situation?			<p>(6) The company has provisioned in the "Business Sustainability Development Code" that during contract signing between the company and the main supplier, it is recommended that the content includes corporate social responsibility policies of both sides" and a clause (i.e. in the event the community environment and society of the supply source cause significant impacts, the contract may be terminated or withdrawn at any time). According to the company's ISO 9001 "Supplier Qualification Procedure", when selecting new suppliers, management from the source, ISO 9001, ISO 14001, ISO 45001 are taken into consideration, By the end of 2024, nearly 75% of our suppliers have signed the "Environmental Protection and Carbon Reduction Commitment Statement," the "Corporate Social Responsibility and Integrity Commitment Letter," and the "Policy Statement on Non-Use of Conflict Minerals," indicating their commitment to jointly establish a green supply chain that protects the environment and ensures labor safety and human rights. We provide guidance to suppliers to adhere to business ethics, government environmental regulations, occupational health and safety regulations, labor laws, and regulations prohibiting child labor. Together, we are dedicated to implementing ESG sustainable responsibilities.</p> <p>Through our "Supplier Rating and Performance Tracking Procedure" and conduct regular environmental health and safety assessments each year. This process encourages suppliers to prioritize environmental sustainability issues and comply with government environmental regulations and policies, thereby collectively fulfilling corporate social responsibilities.</p> <p>(1)~(6) above were implemented in 2024 as provisioned.</p>	

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
5. Has the company compiled Sustainability Report and other reports disclosing the company’s non-financial information in reference to internationally accepted report preparation standards or guides? Has the abovementioned report acquired validation or guarantee opinions from a third-party verification unit?	√		<p>The company's "ESG Committee" issued “CSR Reports”for the years 2019 and 2020 in February and June 2021, respectively. These reports were compiled according to the 2016 version of the GRI standards. In June 2022, we issued an "ESG Report" incorporating SASB standards and TCFD guidelines. Furthermore, the annual ESG Report issued starting from 2022, was prepared in accordance with the 2021 version of GRI standards, SASB standards, and TCFD guidelines. The reports from 2019 to 2021 were internally compiled..</p> <p>To ensure the quality of our ESG reports, The company has entrusted AFNOR for the first time in 2024 to conduct external assurance of the "2023 ESG Report" corresponding to a moderate level in accordance with the AA1000 Assurance Standard(v3). The independent assurance statement has been successfully obtained</p>	None
<p>6. If the Company has established the corporate sustainable development principles based on “Code for Corporate Sustainable Development for TWSE/TPEX Listed Companies”, please describe any discrepancy between the Principles and their implementation: None.</p> <p>The company has established the "Code of Business Sustainability Development", which is published on the corporate website and Market Observation Post System. It is in compliance with the Corporate Sustainable Development Principles for TWSE/TPEX Listed Companies.</p>				

Evaluation Item	Implementation			Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
7. Other important information to facilitate better understanding of the company’s sustainable development				
(1) The company encourage all employees to participate in social services, give back to the society and fulfill their business obligations through community services and participation in various public welfare activities. The annual activities are as follow:				
(A) Cooperate with the "Blessing Committee" to set up "Flytech Loves Public Welfare" Club to Collaborates with social service organizations every two months to care for the weak activities and give gifts.				
(B)The "Star Training Camp" is held in collaboration with universities during the winter or summer breaks. This seven-day training program is designed for undergraduate and graduate students, offering valuable opportunities to gain insights into the industry through executive experience sharing and hands-on interactions. The program aims to foster cross-disciplinary and cross-professional exchanges among students, enabling them to learn and grow together. In the 2024 winter break, one session was held, gathering students from across Taiwan—north, central, and south—of various fields, expertise, and backgrounds to participate in the program. Now in its tenth year, the camp has trained a total of 613 students. Additionally, the "Stellar Alumni Association" lectures and gatherings are regularly organized. Over 95% of participants believe the training camp helps them better understand and plan their future career paths. Many alumni have gone on to join Flytech as outstanding executives,. (C) In coordination with the “Flytech Foundation” Flytech exerting social influence through two key areas: talent development and social welfare. The details are provided in the table below.				
(D) Held a company-wide energy conservation and carbon-reduction performance competition, held mountain-cleaning event in conjunction with the company’s annual factory celebration to realize the company’s environmental protection policy.				
(E) Collect receipts monthly and donate to the Genesis Social Welfare Foundation, and donate books and magazines and recycled items to the Tzu Chi Foundation.				

Evaluation Item				Implementation					Deviations from “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons			
Yes	No	Abstract Explanation										
(2) The details of the events, the number of participants and the beneficiaries, industry-academia collaborations are as listed:												
Event Type	Event Name	Continuous Year	Month of Event	Contents of Event	Number of Company Participation	Number of Assisted/ Participated	Total Coordination hours	Number of Internal Trainers	Fundraising /Assets (Amount)	Waste Cleanup (kg)	Other Benefits	
Talent development	Star Training Camp	10	1	Star Training Camp, seven days of activities	63	35	280	21				
	Flyer Exploration Camp	1	8	Flyer Exploration Camp, three days of activities	38	23	173	10				
	Stellar Alumni Association		6、11	Stellar Alumni Association, Computer Expo & Networking Dinner + Yacht Reception	13	84	117					
	Design for Taiwan	9	2,3,4,5,8,9,10,11,12	9 Sessions “DFT” Workshop	383	376	1048					
			3,12	”DFT” Seminar & Community Events	10	40	30					
			7	“DFT” Workshop results display exhibition 10 Sessions of the results display exhibitions	100	6,749	538		23,189			
	Flytech scholarship	9	7	Scholarship for the impoverished or outstanding students of Taitung County’s Senior High Schools "Corporate Heart Journey"	9	19	100			5		
Social welfare care	Flytech Loves Public Welfare	9	2	Sending Love to the Homes of the Seniors	17	20	51		16,297			
			4	Discovering the Heart Wetland (Guandu Nature Park)	30		90					
			6	Rediscovering the Blue Ocean (Lingkou Dingliao Beach)	55		165			62.5		
			6	Blood Donation Event (Neihu District, Taipei)"	22	22	22					
			8	Stream Cleanup by the Sanxia River (New Taipei City)	43		129			24.59		
			11	Invasive Species Removal (Tamsui)	17		51			5	45 Invasive Species	
			12	Sending love to remote villages (Remote Elementary School in Taitung)	52	134	100		65,329			
Sponsored Events			4	Sponsored Association of Police Friends in the amount of NTD\$400,000 Sponsorship of Fitness Equipment for the Police NTD 100,000 元								
Energy Conservation Competition	Competition		monthly	Electricity usage Evaluations and Awards Competition								

8.If the Company's products or ESG report have passed the verification criteria of the relevant verification agree upon, they should be stated expressly:

- 2022 “ESG report” obtained the indenpent assurance statement corresponding to a moderate level in accordance with the AA1000 Assurance Standard(v3).
- ISO 9001 Quality Management Systems: The 2015 version passed the certification review (validity period from August 24, 2022 through August 23, 2025).
- ISO 13485 Medical Equipment Quality System: The 2016 version passed the certificate renewal review (validity period from May 10, 2024 through May 10, 2027).
- ISO 14001 Environmental Management System: The 2015 version passed the certificate renewal review (validity period from September 22, 2022 through September 21, 2025).
- ISO 45001 Occupational Safety and Health Management System: 2018 versoin (Renewal approved, valid from December 1, 2023 through November 30, 2026).
- IATF 16949 for Quality management system for the automotive industry 2016 Version (first time certification, valid from January 5, 2025 through January 4, 2028).
- ISO-14064-1 Third-party verification statement for organizational GHG inventory report (2021, 2022, 2022)
- ISO-14067 Third-party verification statement for product carbon footprint inventory report (K737F34, 2022; PC42, 2023; P337N2 2023)

2.3.6 Ethical Corporate Management and deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reason

Evaluation Item	Implementation Status			deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reason
	Yes	No	Abstract Explanation	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Has the company set up integrity operation policies passed by the board and explicitly stipulated integrity operation policies and practices in the regulations and external documents, as well as the board and senior management level’s commitment to active operational policy implementation?</p> <p>(2) Has the company established a dishonest conduct risk assessment mechanism to periodically analyze and assess business activities with higher dishonest conduct risk within the business cope, based on which plans for preventing dishonest conducts have been set up, at least covering the preventive measures of the conducts in Paragraph 2, Article 7 of the “Code for Integrity Operations of TAIEX and OTC Listed Companies”?</p>	V		<p>(1) The company has established the “Code for Integrity Operations” based on the “Code for Integrity Operations of TAIEX and OTC Listed Companies”, submitted it, which was passed by the board in May 2015 and implemented and disclosed on Flytech website. The Principles determine that the company and related enterprises/organizations should clearly demonstrate their ethical management policies in both their regulations and documents meant for the public. The board and management must ensure the policies are implemented both in internal management and business operations.</p> <p>(2) The company has set up the “Integrity Management Procedures and Behavior Guidelines” in accordance with the “Code for Integrity Operations” which was passed by the board in November, 2016 and implemented(the latest edition was revised in March,2022). The “Integrity Operation Promotion Team” under the board is the dedicated unit for the amendment, implementation, interpretation of this operational procedure and the conduct guidelines, as well as the supervision and implementation of consultation services, report content registration, archiving, and related operations. It periodically reports to the board (at least once a year) and is responsible for the following matters:</p> <p>(A) Assist in incorporating the value of integrity into the company’s operational strategies and set up anti-fraud measures to ensure integrity operations in accordance with the regulatory system.</p> <p>(B) Periodically analyze and assess the risk of dishonest conduct within the business scope and set up plans for preventing “dishonest conduct,” and set up work-related standard operational procedures and conduct guidelines in the plans.</p>	None



Evaluation Item	Implementation Status			deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies” and Reason
	Yes	No	Abstract Explanation	
(3) Has the company explicitly stipulated and implemented operational procedures, conduct guidelines, violation punishments, and appeal system in the plan for preventing dishonest conduct? Is the abovementioned plan periodically reviewed and revised?			<p>(C) Set up a monitoring and balance mechanism for high-risk business activities prone to “dishonest behaviors” within the business scope.</p> <p>(D) Promote and plan integrity operation policy propaganda activities.</p> <p>(E) Plan and implement the offense reporting system to ensure the effectiveness of implementations.</p> <p>(F) Assist the board and management level in checking and assessing whether measures, plans, and mechanisms established to prevent “dishonest conduct” operate effectively, and which are periodically made into reports.</p> <p>(G) Produce and properly keep integrity operation policies and compliance declarations, fulfillment commitment, and implementation situation related documented information.</p> <p>(3) The company’s “Conduct Guidelines provision specific integrity operation” related practices, definition of dishonest conduct, procedures to comply when providing/receiving/promising interests, internal propaganda/establishment of awards and punishments/appeal system and disciplinary actions, inclusion of integrity operation in the employee performance assessment and human resources policies, and establishment of specific and effective award, punishment, and appeal systems. Management regulations for preventing dishonest conduct include: Management regulations “Basic Service Regulations” “Award and punishment management guidelines,” “ Whistleblower Report Processing Guideline” and declaration of incorruptibility in the recruitment contract duly signed by the employee provisioning incorruptibility clauses including the prohibition of personal fraud, public property misappropriation, public fund embezzlement, bribery commission acceptance, and avoidance of conflict of</p>	

Evaluation Item	Implementation Status			deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies” and Reason
	Yes	No	Abstract Explanation	
			<p>interest clause to be complied by employees as provisioned. Violations will be dealt with according to the severity of events in order to ensure the company’s integrity operations.</p> <p>As stated in No. 2 of Item (2), the “Ethical Operation Promotion Team” is responsible for periodically analyzing and assessing the risk of dishonest conduct within the business scope, based on which reviews and amendments are carried out. In 2024, the annual review was completed, No anomalies pertaining to dishonest conduct occurred in 2023, and the policy system review situation and supervision implementation results were compiled and reported at the board meeting in March, 2025.</p> <p>(1)~(3) above were implemented in 2024 as provisioned.</p>	
<p>2.Fulfill operations integrity policy</p> <p>(1) Does the company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?</p>	V		<p>(1) Since its beginning, the Company has upheld its core policies of "Focus on Core Business, Integrity and Accountability, Sustainable Operations, and Pursuit of Excellence" Apart from our risk management system (which was built according to laws and accounting regulations), internal control system, and auditing regulations, we also include in our contracts with clients and suppliers terms regarding liabilities and protection of both parties’ rights. We exclude the possibility of insider trading and conduct business fairly and transparently. We have also created the ethical management and behavior guidelines, which stipulate that before signing contracts with any party, we must fully understand the extent of their business practices. Observation of our ethical business practice policies should be included in contracts, or issues of ethical transactions should be clearly defined in the contracts. After the contracts are checked against the contract vetting methods, they can be approved for signing. There were no dishonest matters from the transacting parties in 2024.</p>	None

Evaluation Item	Implementation Status			deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies" and Reason
	Yes	No	Abstract Explanation	
<p>(2) Has the company set up a dedicated unit to promote enterprise integrity operations and periodically (at least once a year) report to the board regarding the integrity operation policy, the plans for preventing dishonest conduct, and the supervision implementation situation?</p> <p>(3) Does the company formulate policies to prevent conflicts of interest, provide appropriate reporting channels, and implement them?</p>			<p>(2) In accordance with the provisions in the "Integrity Operation Procedure and Conduct Guidelines," the company set up the "Integrity Operation Promotion Team" in November 2016 as the dedicated unit under the board for the amendment, implementation, interpretation of the said procedure guidelines, as well as the supervision and implementation of consultation services, report content registration, archiving, and related operations. The Guideline Regulation Promotion Team periodically reports to the board (at least once a year). The 2024 annual review report has been completed and reported to the board of directors in March, 2025 Including Random audit of training and dishonesty behavior. No irregularities, whistleblower reports, litigation, or penalties from regulatory authorities occurred in 2024.</p> <p>No anomalies pertaining to dishonest conduct occurred in 2024.</p> <p>(3) The company has established the "Basic Service Regulations", "Reward and Punishment Management Measures," which state that employees are prohibited from using the company's name to operate other businesses without permission, from engaging in outside employment without company approval, and from engaging in or investing in profit-making enterprises similar to the company's business, to avoid conflicts of interest. The "Board Meeting Rules" also include provisions for directors to avoid conflicts of interest. Additionally, our company has developed the "Integrity Operation Procedures and Code of Conduct," which governs directors, executives, and other stakeholders with conflicts of interest attending or participating in board meetings. They must disclose any material conflicts of interest related to agenda items at the board meeting. If there is a risk of harming the company's interests, they are prohibited from participating in discussions and voting, and they must abstain from voting. They also cannot act as proxies for other directors. Directors must self-regulate and refrain from improper mutual support or assistance. The "Integrity Operation Promotion Team" is responsible for supervising and implementing these integrity operation procedures.</p>	

Evaluation Item	Implementation Status			deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies” and Reason
	Yes	No	Abstract Explanation	
(4) Does the company established an effective accounting system and internal control system for implementing integrity operations? Has the internal audit unit formulated relevant audit plans according to the assessment results of dishonest conduct related risks, based on which the situation of compliance with plans to prevent dishonest conduct can be checked, or checking can be implemented by commissioning CPAs?			<p>Prior to this, they must explain to the board important points in conflicts of interests, especially when these points negatively affect the company’s interests. Directors should also practice self-discipline and not support each other’s agendas when conflicts of interest occur. Terms above are implemented and supervised by the “Ethical Operation Promotion Team”</p> <p>(4) The company has set up an effective accounting system, internal control system, and related management regulations, while sales, procurements, inspection and acceptance, payments and collections, financial management, investment, and other operations have taken integrity operation objectives into account. The internal audit unit formulated and reported the annual audit plan based on the risk assessment results of various operations, which was passed by the board. Based on the plan implementation audit and annual internal control self-assessment, the effectiveness and compliance situation of the internal control design was reported to the board. The internal control system for 2024 was deemed effective, and no major anomalies were found after implementation inspection. There were no major deficiencies in the internal accounting control checking report presented by the financial statement CPAs.</p> <p>In November 2023, the company's board of directors passed the amendments to “Handling of Internal Material Information and Prevention of Insider Trading”, which prohibits directors or employees and other insiders from using undisclosed information in the market to buy and sell securities, including directors who are not allowed to do so before the announcement of the annual financial report. 30, and the closed period of 15 days before the announcement of quarterly financial reports.</p>	

Evaluation Item	Implementation Status			deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies” and Reason
	Yes	No	Abstract Explanation	
(5) Does the company regularly hold internal and external educational trainings on operational integrity?			<p>(5) Relevant training includes: 1. the "Integrity Operation Procedure and Conduct Guidelines" require the company to conduct at least one internal awareness training session each year, during pre-employment training, new employees receive instruction on internal control systems and management regulations related to ethical business conduct. 2. At least once a year, training and awareness sessions are conducted for directors, managers, and employees on the “Procedures for Handling of Internal Material Information and Prevention of Insider Trading” and related regulations. 3. Newly appointed directors, managers, and employees are provided with educational briefings within one month of onboarding, covering the scope of internal material information, confidentiality procedures, definitions and management of insider trading, as well as penalties for violations.</p> <p>In 2024, in addition to conducting orientation sessions for newly appointed 13th-term directors, the company organized a training program focused on human rights and ethical business practices titled "Corporate Human Rights, Ethical Operations, and Labor Rights Protection" A professional attorney was invited to deliver the course onsite, covering topics such as <i>the</i> "Code for Integrity Operations", "Integrity Operation Procedure and Conduct Guidelines", "Code for Moral Conduct", and corporate culture promotion. The training emphasized the importance of integrity to foster a healthy and positive workplace environment. In addition to onsite participation, the session was livestreamed to ensure full employee involvement. No incidents of insider trading occurred in 2024, and the annual training was successfully completed.</p> <p>(1)~(5) were implemented as provisioned in 2024, without major abnormalities in violation of integrity operations.</p>	

Evaluation Item	Implementation Status			deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies” and Reason
	Yes	No	Abstract Explanation	
<p>3. Operation of the integrity channel</p> <p>(1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?</p> <p>(2) Has the company set up investigation standard operational procedures regarding offense reports accepted, subsequent measures to be adopted after investigation completion, and related confidentiality mechanisms?</p> <p>(3) Does the company provide proper whistleblower protection?</p>	V		<p>(1) In November 10, 2016, the company established its “Whistleblower Report Processing Guideline”, which define complaint and reward systems. The Task Group for Ethical Management is the recipient of complaints.</p> <p>(2) The company’s “Whistleblower Report Processing Guideline” provisions offense report acceptance, confidentiality, appeals, reviews, records, information disclosure, and other mechanisms. An offense report mailbox has been set up on the company’s website and internal website, channels for employees or other stakeholders to file appeals. Subsequent measures to adopt after investigation are as follows: For offense report cases, in case the following events apply, immediately report to independent directors: Events in offense reports involve directors or senior management level, are major violations that subject the company to extensive damage.</p> <p>(3) The company’s “Whistleblower Report Processing Guideline” also establish confidential programs after complaints are received, so that unfair treatment of staff can be prevented.</p> <p>(1)~(3) were implemented as provisioned in 2024, and no whistleblower reports or significant violations..</p>	None

Evaluation Item	Implementation Status			deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies” and Reason
	Yes	No	Abstract Explanation	
<p>4. Strengthening information disclosure</p> <p>Does the company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?</p>	V		<p>The company has set up the company website (<a href="https://www.flytech.com/">https://www.flytech.com/</a>) for disclosure of corporate governance major information, including: Board of Directors, Board Committees, Communication of Independent Directors, Internal Audit, Ethics &amp; Compliance, Risk Management, Cybersecurity Management, Supply chain Management, Intellectual Property Management, Energy Saving Management, Corporate Social Responsibility, Governance Documents. It is also disclosed on the company’s official website and the Market Observation Post System (MOPS), including the “Corporate Governance Code,” “Code for Moral Conduct,” “Code for Integrity Operations,” “Enterprise Sustainable Development Code,” and “Integrity Operation Procedure and Conduct Guidelines,” with an explanation of the implementation status provided under the Ethics &amp; Compliance section.</p> <p>In 2024, the above were implemented and fulfilled.</p>	None
<p>5. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation.</p> <p>The company has established the “Code for Integrity Operations”, “Integrity Operation Procedure and Conduct Guidelines”, “Code for Moral Conduct”, and “Whistleblower Report Processing Guideline”, all of which are published on the corporate website and Market Observation Post System. They are all in compliance with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies. In 2024, the “Ethical Operation Promotion Team” supervised all departments to ensure they were complying with the guidelines, and no violations of ethical management were found. The above findings were reported in the Board of Directors meeting in March 2025.</p>				
<p>6. Other important information that helps understand the implementation of ethical corporate management of the Company: (e.g. discussion and correction of the Ethical Corporate Management Rules established by the Company):</p> <p>Based on the “Code for Integrity Operations”, the company formulated the “Integrity Operation Procedure and Conduct Guidelines”, which was approved by the board of directors on November 10, 2016. These principles set out specific procedures, guidelines for conduct, penalties for non-compliance and a complaints system. The “Ethical Operation Promotion Team” liaises directly with the Board and is responsible for the revision, implementation, interpretation, and consultation of the guidelines. The group holds an announcement event every year and reports to the board of directors to express the importance of ethics and principle execution to all employees and directors. The results of ethical management in 2024 were reported in the Board of Directors meeting in March 2025.</p>				

2.3.7 Other Important Information Regarding Corporate Governance: None.

2.3.8 Internal Control Systems

1. Please refer to the Statement of Internal Control System showed on page 136
2. If CPAs is entrusted to review the internal control system, the accountant's review report shall be disclosed: None

2.3.9 In 2024 and up to the date of publication of the annual report, major Resolutions of Shareholders' Meeting and Board Meetings

1. Important resolutions and their implementation status at the 2024 Shareholders Meeting
  - (1) Passed the 2023 Business Operation Report, Annual Financial Statements and the remuneration proposal for employees and directors of the board.
  - (2) Passed the amendment of the proposal for distribution of 2022 Profits
  - (3) Passed the the proposal for distribution of 2023 Profits..
  - (4) Passed the proposal for cash distribution from capital surplus.
  - (5) Election of the 13th Board of Directors (including independent directors)  
List of elected directors: Lam, Tai Zeng; Wang, Wei Wei; Yi Hua Investment Co., Ltd. ; Flytech Foundation Representative: Shyu, Jia Horng  
List of independent elected directors: Chen, Kuo Hong; Liang, Wei Ming; Huang, Tzu Ting
  - (6) Passed the exemption of the limitation of non-competition on the directors of the Company.
2. 2024 Board meeting and important resolutions by the Board as of the print day of this yearly report
  - (1) Passed the company's 2024 Audit Plan.
  - (2) Proposal to report status of liability insurance for directors and managers in 2024
  - (3) ESG committee report on major sustainability Topics for 2024.
  - (4) Passed the Business Plan in 2024.
  - (5) Passed the 2023 annual performance bonus (year-end bonus) case approved by the Compensation Committee.
  - (6) Passed the managerial personnel salary adjustment proposal.
  - (7) Passed a proposal to set the 2024 general shareholders meeting location, date, and other related issues
  - (8) Annual reports for year 2023 of "performance evaluation report of the board of directors and functional committees", "Intellectual property management plan and implementation report", "Integrity management report", "cyber security management report", "Risk management report". No significant anomalies were found.
  - (9) The ESG promotion office reported no anomalies in the 2023 corporate social responsibility (ESG) sustainable development and stakeholder communication.
  - (10) ESG Committee report on 2023 Q4 GHG Inventory and verification schedule and sustainable development business execution.
  - (11) Passed the 2023 employee remuneration and director remuneration proposals submitted by the Compensation Committee
  - (12) Approved the Company's 2023 Financial Statements (including Consolidated Financial Statements) as reviewed and approved by the Audit Committee.
  - (13) Passed the motion of the distribution of earnings in 2023.



- (14) Passed the Proposal for cash distribution from capital surplus.
- (15) Passed the company's 2023 "Statement of Internal Control System", which deems effective the company's internal control system Design.
- (16) Passed the election of the 13th Board of Directors of the Company.
- (17) Passed the exemption of the limitation of non-competition on the directors of the Company.
- (18) Passed the "company's convening the 2024 general shareholders' meeting" motions.
- (19) Passed the periodic evaluation of the independence of the attesting CPAs of the company's financial statements based on Audit Quality Indicators (AQIs).
- (20) Passed the 2024 financial statement auditor expenses case.
- (21) Passed the non-assurance services proposed by KPMG and its affiliated firms and related entities to be provided to the company and its subsidiaries in 2024
- (22) Passed partial amendments to the "Risk Management Policy and Procedures".
- (23) Review of the eligibility of candidates nominated by shareholders holding more than 1% of shares for the 13th Board of Directors at the 2024 general shareholders' meeting.
- (24) Review of proposals submitted by shareholders holding more than 1% of shares for the 2024 annual general meeting: no proposals were received by the submission deadline.
- (25) Passed the change of the company's deputy spokesperson.
- (26) Passed partial amendments to the "Human Rights Policy".
- (27) Passed the formulation of "Biodiversity Commitment".
- (28) Passed partial amendments to the "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties".
- (29) ESG Committee report on 2024 Q1 GHG Inventory and verification schedule and sustainable development business execution.
- (30) Approved the company's consolidated financial statements for 2024 Q1 as approved by the Audit Committee
- (31) The formation of the 3th audit committee with three newly elected independent directors.
- (32) Passed the proposal to appoint Lam, Tai Seng as the Chairman of the 13th Board of Directors.
- (33) Passed the proposal to appoint three new elected independent directors as members of the Compensation Committee.
- (34) Passed partial amendments to the internal control system "Sign Off Authority" Subsidiary: Box technologies Ltd.
- (35) ESG Committee report on 2024 Q2 GHG Inventory and verification schedule and sustainable development business execution.
- (36) Approved the company's consolidated financial statements for 2024 Q2 as approved by the Audit Committee
- (37) Passed the renewal of the financial credit line case at Chang Hwa Commercial Bank and Huanan Commercial Bank.
- (38) Approved the Company's 2023 "ESG Report".
- (39) Passed the investment in the establishment of Angible Holding Co., Ltd. in Cayman and its Taiwan subsidiary, Angible incorporation.
- (40) Passed the investment in Berry AI Holding Co., Ltd. in Cayman.
- (41) Reported the revision of the 2024 audit plan, adding annual audit items for compliance with laws and regulations.
- (42) Passed partial amendments to "Procedures for Handling of Internal Material Information and Prevention of Insider Trading".
- (43) Passed the change of Chief Information Security Officer.

- (44) Passed the case of the remuneration allocation for each director for 2023 as approved by the Compensation Committee.
- (45) Passed the case of the 2024 annual salary adjustment principle and management level salary adjustment as approved by the Compensation Committee .
- (46) Passed the case of 2023 annual bonus distribution for managers and employees as approved by the Compensation Committee
- (47) Passed partial amendments to “Rules of Procedure for Board Meetings”.
- (48) Passed the provision of an operational working capital loan of NT\$50 million to the subsidiary Berry AI Inc.
- (49) ESG Committee report on 2024 Q3 GHG Inventory and verification schedule and sustainable development business execution.
- (50) ESG Committee report on annual sustainability achievements: announced the company's commitment to achieving net-zero carbon emissions by 2050. ranked 13th in the mid-size enterprise category of the 2024 global sustainability citizen awards. also, for the first time, proactively participated in the international carbon disclosure project (CDP) and the S&P corporate sustainability assessment (CSA).
- (51) Approved the company's consolidated financial statements for 2024 Q3 as approved by the Audit Committee
- (52) Passed the amendment to the investment amount in cayman company berry ai holding co., ltd.
- (53) Passed the establishment of an internal control system for sustainability information management, titled "sustainability information management operations."
- (54) Annual reports for year 2024 of "performance evaluation report of the board of directors and functional committees", "Intellectual property management plan and implementation report", "Integrity management report", "cyber security management report", "Risk management report". No significant anomalies were found.
- (55) ESG Committee report on 2024 Q4 GHG Inventory and verification schedule and sustainable development business execution.
- (56) The ESG promotion office reported no anomalies in the 2024 corporate social responsibility (ESG) sustainable development and stakeholder communication.
- (57) Passed the 2024 employee remuneration and director remuneration proposals submitted by the Compensation Committee
- (58) Approved the Company's 2024 Financial Statements (including Consolidated Financial Statements) as reviewed and approved by the Audit Committee.
- (59) Passed the motion of the distribution of earnings in 2024.
- (60) Passed the capital increase for Cayman-based Berry AI Holding Co., Ltd.
- (61) Passed the company's 2024 "Statement of Internal Control System", which deems effective the company's internal control system Design.
- (62) Passed the definition of the scope of "entry-level employees" for the company.
- (63) Passed partial amendments to the " Company Corporate Charter".
- (64) Passed the exemption of the limitation of non-competition on the directors of the Company.
- (65) Passed the “company's convening the 2025 general shareholders' meeting” motions.
- (66) Passed the periodic evaluation of the independence of the attesting CPAs of the company's financial statements based on Audit Quality Indicators (AQIs).
- (67) Passed the 2025 financial statement auditor expenses case.
- (68) Passed the non-assurance services proposed by KPMG and its affiliated firms and related entities to be provided to the company and its subsidiaries in 2025.

2.3.10 In 2024 and as of the date of publication of the Annual Report, If the directors or supervisors have different opinions on the important resolutions passed by the board of directors and there are records or written statements , the main content: None

## 2.4 Information Regarding the Company's Audit Fee and Independence

Unit: NT\$ 1,000

Firm Name	CPA Name	The duration of the audit	Auditing fee	Non-Auditing fee	Total	Remark
KPMG	Shih-Chun Hsu Huei-Chen Chang	2024.1.1 ~2024.12.31	3,277	798	4,075	Non-Auditing fee include: transfer pricing report, and others

**2.5 Replacement of CPAs:** The Company has not changed its certifying CPA or accounting firm in 2024 up to the date of this report.

**2.6 The Company's Chairman, Chief Executive Officer, Chief Financial Officer, and managers in charge of its finance and accounting operations did not hold any positions in the Company's independent auditing firm or its affiliates in the past year:** None.

**2.7 Transfer of shareholder equity transfer and equity pledge by directors and supervisors, managerial officers and key shareholders holding more than 10% in 2024 and as of the date of publication of the Annual Report.**

2.7.1 Changes in Shareholding of Directors, Supervisors, Managers and Major Shareholders

Unit: Shares

Title	Name	2024		As of Apr. 30, 2025	
		Holding Increase (Decrease)	IPledged Holding Increase (Decrease)	Holding Increase (Decrease)	IPledged Holding Increase (Decrease)
Chairman (major shareholder)	Lam, Tai Seng	—	—	—	—
Director	Wang, Wei Wei	—	—	—	—
Director/ President	Flytech Foundation	—	—	—	—
	Representative : Shyu, Jia Horng	—	—	—	—
Directort	Yi Hua Investment Limited	—	—	—	—
	Representative : Liu, Tian Lai (Note 1)	—	—	—	—
Director	Yi Hua Investment Limited	—	—	—	—
	Representative : Lam, I Chong (Note 1)	—	—	—	—
Independent director	Chen, Kuo Hong	—	—	—	—
Independent director	Liang, Wei Ming	—	—	—	—
Independent director	Huang, Tzu Ting	—	—	—	—
Independent director	Hsieh, Han Chang (Note 2)	—	—	—	—
Independent director	Chiu, Yi Chia (Note 2)	—	—	—	—

Title	Name	2024		As of Apr. 30, 2025	
		Holding Increase (Decrease)	IPledged Holding Increase (Decrease)	Holding Increase (Decrease)	IPledged Holding Increase (Decrease)
Vice President of Marketing Center	Sung, Ching Sheng	—	—	31,969	—
Assistant Vice President of Marketing Center	Hung, Dong Chang (Note 3)	—	—	—	—
Assistant Vice President of Marketing Center	Huang, Jung Shian	—	—	—	—
Assistant Vice President of Management Center	Lai, Yen Kuang	—	—	5,000	—
Assistant Vice President of Management Center	Chu, Yung Hao	—	—	—	—
Vice President of R&D Center	Liu, Yun Ping	—	—	—	—
Assistant Vice President of R&D Center	Chou Li Chun	—	—	—	—
Assistant Vice President of R&D Center	Kuan, Yung Shun	—	—	—	—
Chief Finance Officer	Wu, Pi Tao	—	—	—	—
Chief Information Security Officer of Management Center	Lien, Chien Li	—	—	—	—
Vice President of Management Center	Hsieh, Sheng Wen (Note 4)	—	—	—	—

Note 1: The corporate director, Yi Hua Investment Limited, appointed "Lam, I Chong" as its representative at the board meeting held on September 30, 2024. For the remaining seven board meetings, "Liu, Tian Lai" was appointed as the representative..

Note 2: Independent directors Hsieh, Han Chang and Chiu, Yi Chia resigned after the re-election of the 13th board of directors at the shareholders' meeting held on June 12, 2024.

Note 3: Hung, Dong Chang retired in October 2024.

Note 4: Hsieh, Sheng Wen retired in February 2024.

2.7.2 Shares Trading with Related Parties: None.

2.7.3 Shares Pledge with Related Parties: None.

## 2.8 Relationship among the Top Ten Shareholders

April 30, 2025 Unit: Shares

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Lam, Tai Seng	16,423,263	11.48 %	11,040,443	7.72 %	—	—	Wang, Wei Wei	Spouse	
							Lin, I Chih	Daughter	
							Lam, I Chong	Son	
							Bi Da Investment Zhong Chuan Investment	Son	
Wang, Wei Wei	11,040,443	7.72 %	16,423,263	11.48 %	—	—	Lam, Tai Seng	Spouse	
							Lin, I Chih	Daughter	
							Lam, I Chong	Son	
							Bi Da Investment Zhong Chuan Investment	Son	
Ji Te Investment Development Co., Ltd.	4,475,253	3.13 %	—	—	—	—	None	None	
HSBC (Taiwan) as Custodian for Société Générale Investment Account.	4,103,382	2.87 %	—	—	—	—	None	None	
Representative of Bi Da Investment Development Co., Ltd.: Lam, I Chong	3,840,925	2.69 %	—	—	—	—	Lam, Tai Seng Wang, Wei Wei	Son	
Standard Chartered Bank (Custodian) and Mizuho Securities Co., Ltd.	3,555,000	2.49 %	—	—	—	—	None	None	
Blue House Ltd.'s investment account of HSBC Taiwan	2,960,000	2.07 %	—	—	—	—	None	None	
Citibank (Custodian) for UBS Europe SE Investment Account.	2,715,693	1.92 %	—	—	—	—	None	None	
Fei Te Investment Co., Ltd.	2,581,729	1.81 %	—	—	—	—	None	None	
Representative of Zhong Chuan Investment Development Co., Ltd.: Lam, I Chong	2,422,133	1.69 %	—	—	—	—	Lam, Tai Seng Wang, Wei Wei	Son	

## 2.9 Ownership of Shares in Affiliated Enterprises

Dec.31, 2024 Unit: Shares;

Affiliated Enterprises	The company's investment		Directors, supervisors, managers and investments directly or indirectly controlling the business		Comprehensive investment	
	Shares	%	Shares	%	Shares	%
Flytech USA International Co., Ltd. (Flytech USA BVI)	3,000,000	100.00	—	—	3,000,000	100.00
Flytech HK International Co., Ltd.. (Flytech HK BVI)	50,000	100.00	—	—	50,000	100.00
Flytech CN International Co., Ltd. (Flytech CN BVI)	200,000	100.00	—	—	200,000	100.00
Fei Shiun investment Co. Ltd.	19,000,000	100.00	—	—	19,000,000	100.00
inefi Holding Co., Ltd. (inefi Holding)	28,000,000	100.00	—	—	28,000,000	100.00
Box Technologies(Holdings) Ltd. (Box Holdings)	4,000	100.00	—	—	4,000	100.00
Angible Holding Co., Ltd	2,000,000	100.00			2,000,000	100.00
Berry AI Holding Co., Ltd.	2,100,000	70.00			2,100,000	70.00
Flytech Technology (USA) Inc. (Flytech USA)	—	—	2,700,000	100.00	2,700,000	100.00
Flytech Technology (HK) Ltd (Flytech HK)	—	—	1,000,000	100.00	1,000,000	100.00
Flytech Technology (Shanghai) Co.,Ltd. (Flytech Shanghai)	—	—	Note 1	100.00	Note 1	100.00
Box Technologies Ltd. (Box UK.)	—	—	10,000	100.00	10,000	100.00
Inefi incorporation	—	—	18,000,000	100.00	18,000,000	100.00
Berry AI incorporation	—	—	30,000,000	70.00	30,000,000	70.00
Angible incorporation	—	—	6,000,000	100.00	6,000,000	100.00
Tac Dynamics	—	—	653,134	18.91	653,134	18.91
Berry AI International Co., Ltd (Berry AI BVI)	—	—	50,000	100.00	50,000	100.00
Berry AI USA INC	—	—	1,470,000	100.00	1,470,000	100.00

Note 1: It is a limited company, and thus it has no shares.

## IV. Funding Status

### 4.1 Capital stock and stock shares

#### 4.1.1 Source of capital

April 30, 2025 Unit: Shares; NT\$

Year / month	Issue price	Authorized capital		Paid-up capital		Note		
		Shares	Amount	Shares	Amount	Source of capital	Offset by assets beyond cash	Other
1984.08	10	100,000	1,000,000	100,000	1,000,000	Capital increase by cash	None	Note 1
1985.12	10	250,000	2,500,000	250,000	2,500,000	Capital increase by cash	None	Note 2
1988.04	10	1,000,000	10,000,000	1,000,000	10,000,000	Capital increase by cash	None	Note 3
1991.02	10	6,000,000	60,000,000	6,000,000	60,000,000	Capital increase by cash	None	Note 4
2000.11	15	48,000,000	480,000,000	18,000,000	180,000,000	Capitalization of retained earnings NT\$ 18,000,000 Capital increase by cash NT\$ 102,000,000	None	Note 5
2001.05	30	48,000,000	480,000,000	24,000,000	240,000,000	Capitalization of retained earnings NT\$ 9,000,000 Capitalization of capital reserve NT\$ 18,000,000 Capital increase by cash NT\$ 33,000,000	None	Note 6
2002.06	10	48,000,000	480,000,000	31,200,000	312,000,000	Capitalization of retained earnings NT\$ 48,000,000 Capitalization of capital reserve NT\$ 24,000,000	None	Note 7
2003.06	10	48,000,000	480,000,000	36,348,000	363,480,000	Capitalization of retained earnings NT\$ 51,480,000	—	Note 8
2004.04	—	48,000,000	480,000,000	36,503,767	365,037,670	Capitalization of convertible bonds NT\$ 1,557,670	—	Note 9
2004.11	10	70,000,000	700,000,000	42,855,648	428,556,480	Capitalization of retained earnings NT\$ 62,755,650 Capitalization of convertible bonds NT\$ 763,160	—	Note 10
2005.04	—	70,000,000	700,000,000	43,578,614	435,786,140	Capitalization of convertible bonds NT\$ 7,229,660	—	Note 11
2005.07	—	70,000,000	700,000,000	43,691,226	436,912,260	Capitalization of convertible bonds NT\$ 1,126,120	—	Note 12
2005.10	10	70,000,000	700,000,000	49,976,554	499,765,540	Capitalization of retained earnings NT\$ 55,578,610 Capitalization of convertible bonds NT\$ 7,274,670	—	Note 13
2006.01	—	70,000,000	700,000,000	50,409,189	504,091,890	Capitalization of convertible bonds NT\$ 4,326,350	—	Note 14
2006.04	—	70,000,000	700,000,000	51,471,351	514,713,510	Capitalization of convertible bonds NT\$ 10,621,620	—	Note 15
2006.07	—	70,000,000	700,000,000	52,567,201	525,672,010	Capitalization of convertible bonds NT\$ 10,958,500	—	Note 16
2006.09	10	120,000,000	1,200,000,000	61,748,395	617,483,950	Capitalization of retained earnings NT\$ 91,811,940	—	Note 17
2006.10	—	120,000,000	1,200,000,000	61,798,395	617,983,950	Capitalization of convertible bonds NT\$ 500,000	—	Note 18
2007.01	—	120,000,000	1,200,000,000	62,329,645	623,296,450	Capitalization of convertible bonds NT\$ 5,312,500	—	Note 19
2007.09	10	120,000,000	1,200,000,000	73,679,092	736,790,920	Capitalization of retained earnings NT\$ 113,494,470	—	Note 20
2008.09	10	120,000,000	1,200,000,000	83,547,001	835,470,010	Capitalization of retained earnings NT\$ 98,679,090	—	Note 21
2009.04	—	120,000,000	1,200,000,000	78,694,001	786,940,010	Cancellation of treasury shares NT\$ 48,530,000	—	Note 22
2010.09	10	120,000,000	1,200,000,000	82,628,701	826,287,010	Capitalization of retained earnings NT\$ 39,347,000	—	Note 23
2011.01	—	120,000,000	1,200,000,000	82,633,701	826,337,010	Capitalization of ESO NT\$ 50,000	—	Note 24

Year / month	Issue price	Authorized capital		Paid-up capital		Note		
		Shares	Amount	Shares	Amount	Source of capital	Offset by assets beyond cash	Other
2011.04	—	120,000,000	1,200,000,000	82,675,701	826,757,010	Capitalization of ESO NT\$ 420,000	—	Note 25
2011.07	—	120,000,000	1,200,000,000	82,975,701	826,957,010	Capitalization of ESO NT\$ 200,000	—	Note 26
2011.09	—	120,000,000	1,200,000,000	90,963,271	909,632,710	Capitalization of capital reserve NT\$ 82,675,700	—	Note 27
2011.10	—	120,000,000	1,200,000,000	91,011,697	910,116,970	Capitalization of convertible bonds NT\$ 484,260	—	Note 28
2012.04	—	120,000,000	1,200,000,000	91,171,697	911,716,970	Capitalization of ESO NT\$ 1,600,000	—	Note 29
2012.09	—	120,000,000	1,200,000,000	100,288,867	1,002,888,670	Capitalization of retained earnings NT\$ 91,171,700	—	Note 30
2012.10	—	120,000,000	1,200,000,000	100,303,867	1,003,038,670	Capitalization of ESO NT\$ 150,000	—	Note 31
2013.01	—	120,000,000	1,200,000,000	100,424,867	1,004,248,670	Capitalization of ESO NT\$ 1,210,000	—	Note 32
2013.03	—	120,000,000	1,200,000,000	103,079,138	1,030,791,380	Capitalization of ESO NT\$ 4,420,000 Capitalization of convertible bonds NT\$ 22,122,710	—	Note 33
2013.07	—	120,000,000	1,200,000,000	107,035,223	1,070,352,230	Capitalization of ESO NT\$ 4,660,000 Capitalization of convertible bonds NT\$ 34,900,850	—	Note 34
2013.09	—	120,000,000	1,200,000,000	117,446,863	1,174,468,630	Capitalization of retained earnings NT\$ 104,116,400	—	Note 35
2013.10	—	120,000,000	1,200,000,000	119,297,543	1,192,975,430	Capitalization of ESO NT\$ 3,430,000 Capitalization of convertible bonds NT\$ 15,076,800	—	Note 36
2014.01	—	120,000,000	1,200,000,000	119,965,138	1,199,651,380	Capitalization of ESO NT\$ 200,000 Capitalization of convertible bonds NT\$ 6,475,950	—	Note 37
2014.04	—	180,000,000	1,800,000,000	120,080,248	1,200,802,480	Capitalization of ESO NT\$ 450,000 Capitalization of convertible bonds NT\$ 701,100	—	Note 38
2014.07	—	180,000,000	1,800,000,000	120,091,318	1,200,913,180	Capitalization of convertible bonds NT\$ 110,700	—	Note 39
2014.09	—	180,000,000	1,800,000,000	132,099,343	1,320,993,430	Capitalization of company reserves NT\$ 120,080,250	—	Note 40
2014.10	—	180,000,000	1,800,000,000	132,612,678	1,326,126,780	Capitalization of ESO NT\$ 4,180,000 Capitalization of convertible bonds NT\$ 953,350	—	Note 41
2015.02	—	180,000,000	1,800,000,000	132,947,202	1,329,472,020	Capitalization of ESO NT\$ 2,220,000 Capitalization of convertible bonds NT\$ 1,125,240	—	Note 42
2015.05	—	180,000,000	1,800,000,000	138,316,623	1,383,166,230	Capitalization of convertible bonds NT\$ 53,694,210	—	Note 43
2015.07	—	180,000,000	1,800,000,000	139,452,492	1,394,524,920	Capitalization of convertible bonds NT\$ 11,358,690	—	Note 44
2015.09	—	180,000,000	1,800,000,000	146,368,324	1,463,683,240	Capitalization of capital reserve NT\$ 69,158,320	—	Note 45
2018.02	—	180,000,000	1,800,000,000	143,062,324	1,430,623,240	Cancellation of treasury shares NT\$ 33,060,000	—	Note 46

Not 1: Approved by the Department of Commerce, MOEA under Notice (73) Shang-Zi No. 138462 dated August 13, 1984.

Not 2: Approved by the Department of Commerce, MOEA under Notice (74) Shang-Zi No. 160682 dated December 4, 1985.



- Not 3: Approved by the Department of Commerce, MOEA under Notice (77) Shang-Zi No. 152023 dated April 22, 1988.
- Not 4: Approved by the Department of Commerce, MOEA under Notice (80) Shang-Zi No. 101879 dated February 11, 1991.
- Not 5: Approved by the Department of Commerce, MOEA under Notice (89) Shang-Zi No. 141350 dated November 9, 2000.
- Not 6: Approved by the Department of Commerce, MOEA under Notice (90) Shang-Zi No. 09001190800 dated May 28, 2001.
- Not 7: Approved by the Securities and Futures Bureau under Notice Tai-Cai-Zheng-Zi (1) No. 0910135158 dated June 27, 2002.
- Not 8: Approved by the Securities and Futures Bureau under Notice Tai-Cai-Zheng-Zi (1) No. 0920128244 dated June 19, 2003.
- Not 9: Approved by the Central Region Office, Ministry of Economic Affairs under Notice Jing-Shou-Zhong-Zi No. 09331996430 dated April 23, 2004.
- Not 10: Approved by the Taipei City Government under Notice Fu-Jian-Shang-Zi No. 09321089910 dated November 3, 2004.
- Not 11: Approved by the Taipei City Government under Notice Fu-Jian-Shang-Zi No. 09408058910 dated April 25, 2005.
- Not 12: Approved by the Taipei City Government under Notice Fu-Jian-Shang-Zi No. 09411451400 dated July 26, 2005.
- Not 13: Approved by the Taipei City Government under Notice Fu-Jian-Shang-Zi No. 09423341100 dated October 14, 2005.
- Not 14: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 09501018380 dated January 27, 2006.
- Not 15: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 09501070490 dated April 19, 2006.
- Not 16: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 09501151620 dated July 14, 2006.
- Not 17: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 09501211830 dated September 15, 2006.
- Not 18: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 09501232110 dated October 13, 2006.
- Not 19: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 09601004100 dated January 9, 2007.
- Not 20: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 09601231850 dated September 20, 2007.
- Not 21: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 09701235800 dated September 15, 2008.
- Not 22: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 09801072810 dated April 14, 2009.
- Not 23: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 09901204910 dated September 10, 2010.
- Not 24: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10001009390 dated January 17, 2011.
- Not 25: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10001076400 dated April 18, 2011.
- Not 26: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10001154680 dated July 19, 2011.
- Not 27: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10001206560 dated September 8, 2011.
- Not 28: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10001239630 dated October 19, 2011.
- Not 29: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10101072070 dated April 24, 2012.
- Not 30: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10101184680 dated September 6, 2012.
- Not 31: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10101214920 dated October 16, 2012.
- Not 32: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10201011370 dated January 16, 2013.

- Not 33: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10201055210 dated March 27, 2013.
- Not 34: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10201141670 dated July 19, 2013.
- Not 35: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10201183250 dated September 4, 2013.
- Not 36: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10201212520 dated October 18, 2013.
- Not 37: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10301007230 dated January 16, 2014.
- Not 38: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10301069410 dated April 23, 2014.
- Not 39: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10301139430 dated July 14, 2014.
- Not 40: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10301185160 dated September 11, 2014.
- Not 41: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10301217920 dated October 21, 2014.
- Not 42: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10401010400 dated February 6, 2015.
- Not 43: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10401080500 dated May 4, 2015.
- Not 44: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10401147880 dated July 21, 2015.
- Not 45: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10401193810 dated September 22, 2015.
- Not 46: Approved by the Department of Commerce, MOEA under Notice Jing-Shou-Shang -Zi No. 10701017840 dated February 13, 2018.

April 30, 2025; Unit: shares

Share category	Authorized capital			Note
	Outstanding shares	Unissued shares	Total	
Common shares listed in the stock exchange	143,062,324	76,937,676	220,000,000	—

#### 4.1.2 List of major shareholders: shareholders with shareholding exceeding 5% or shareholders with top 10 shareholding percentages

April 30, 2025

Name of major shareholder	Shareholding Number of shares held	Shareholding percentage %
Lam, Tai Seng	16,423,263	11.48 %
Wang, Wei Wei	11,040,443	7.72 %
Ji Te Investment Development Co., Ltd.	4,475,253	3.13 %
HSBC (Taiwan) as Custodian for Société Générale Investment Account.	4,103,382	2.87 %
Representative of Bi Da Investment Development Co., Ltd.	3,840,925	2.69 %
Standard Chartered Bank (Custodian) and Mizuho Securities Co., Ltd.	3,555,000	2.49 %
Blue House Ltd.'s investment account of HSBC Taiwan	2,960,000	2.07 %
Citibank (Custodian) for UBS Europe SE Investment Account.	2,715,693	1.92 %
Fei Te Investment Co., Ltd	2,581,729	1.81 %
Representative of Zhong Chuan Investment Development Co.	2,422,133	1.69 %

## 4.1.3 The company's dividend policies and execution

## 1. Dividend policies

- (1) The Shareholders Meeting resolved on June 8, 2016 to amend the Articles of Incorporation in the aspect of dividend policy specified as follows:

If the Company has earnings after the annual account settlement, it shall appropriate for the payment of applicable taxes and covering carryforward loss, followed by the appropriation of 10% as legal reserve, and appropriate for the special reserve where necessary and as required by law. If there is still a balance, it shall pool up with the undistributed income accumulated in previous periods for distribution at the proposal of the Board, subject to the final approval of the Shareholders Meeting. The amount of distribution shall not fall below 60% of the corporate earnings net of the offsetting of carryforward loss, appropriation for the legal reserve, and the special reserve.

- (2) The Company takes into account equilibrium and stability in making its dividend policy, and in conjunction with the specific nature of the overall environment and the development of the industry with consideration of long-term financial planning and satisfaction of cash flow needs of the shareholders. Likewise, cash dividend shall not fall below 10% of the total cash dividend and stock dividend resolved to distribute in the year.

## 4.1.4 Impacts on business performance and earnings per share if the stock dividend proposal is approved during the annual general meeting

Item/year		2024 (estimates)
Paid-in capital at the beginning of the period (NT\$1,000)		1,430,623
Stock Dividend in the current period	Cash dividend per share (NT\$) (Note 1)	6.0
	Number of shares allotted for each share held under the capitalization of retained earnings into new shares (Note 1)	0
	Number of shares allotted for each share held under the capitalization of additional paid-in capital (Note 1)	0
Changes in business performance	Operating profit	NA (Note 2)
	Proportion of change in the operating income from the same period of the previous year (%)	
	Net profit after tax	
	Proportion of change in net income from the same period of the previous year (%)	
	Earnings per share (NT\$)	
	Proportion of change in EPS from the same period of the previous year (%)	
	Annual average ROI (%)	
Pro forma EPS and P/E ratio	If the retained earnings for capitalization into new shares were switched to payment of a cash dividend in the full amount	Pro forma EPS (NT\$)
		Pro forma annual average ROI
	If there was no capitalization of additional paid-in capital	Pro forma EPS (NT\$)
		Pro forma annual average ROI
	If there was no capitalization of additional paid-in capital and the entire amount of retained earnings were switched to payment of a cash dividend	Pro forma EPS (NT\$)
		Pro forma annual average ROI

Note 1: Resolved by the regular session of the Shareholders Meeting in 2025.

Note 2: According to the “Regulations Governing the Publication of Financial Forecasts of Public Companies”, the Company is not required to disclose its financial forecasts in 2024.

#### 4.1.5 Remuneration for employees, directors and supervisors

1. The percentage or scope of remuneration to the employees, Directors, and Supervisors as stated in the Articles of Incorporation:

Article 23 of the “Corporate Governance Code” of Incorporation states that the company should offer 3%-15% of the profits as employee compensation and no more than 3% of the profits as compensation to directors if the company is profitable that year. This is subject to a special resolution meeting by the board of directors and it should be reported during the shareholder meeting. Remuneration to employees may be paid in cash or stock. The recipients include the employees of subsidiaries meeting specific conditions. However, when the company still has accumulated losses, an amount equivalent to the loss should be reserved for making up the loss.

The company board passed the “2024 director and employee remuneration distribution case” on March 7, 2025. The remunerations for employees were estimated according to the profitability in 2024 and in reference to the distribution ratios in previous years. The actual remunerations distributed to directors were estimated in reference to the employee performance assessment results and KPI achievement situation. The remunerations for directors were estimated in reference to amounts distributed in previous years and the 2024 board performance assessment results. The actual amounts distributed were in reference to the annual performance assessment results of the directors. If there is a difference between the estimated amount and the actual issued amount, it will be treated as changes in accounting estimates and enter accounts when issuing annual adjustments.

2. The estimation of remunerations to the employees and Directors for the current period was based on the calculation of the quantity of shares distributed to the employees and the actual amount paid, and the accounting of the difference between the estimates and the actual payment:

The estimated amount of compensation for employees and directors/supervisors in 2024 will included in the operating costs or expenses based on their natures. If the allotted amount decided during the shareholder meeting is different from the estimated number on the financial statements, then it will be listed as changes in estimates for the current period’s net income or losses

3. The approved distribution of compensation on March 7, 2025 by the board of directors is as follows:

- (1) The differences, reasons and handling of the estimated amount and actual compensation amount for employees and directors in cash or stocks is as follows:

The cash remunerations for employees totaled NT\$81,800,00, and the remunerations for the directors totaled NT\$5,600,000, showing no differences in estimated credited amount in the 2024 financial statement.

- (2) The amount of payment to employees in the form of stocks in proportion to the net income stated in the separate financial statements in proportion to the total amount of remuneration to the employees:

No release of stocks as remuneration to the employees in the current period.

4. The actual payment to the employees, Directors, and Supervisors in the previous year (including quantity of shares, amount, and stock price):

The cash remunerations for employees totaled NT\$43,800,000, and the remunerations for the directors totaled NT\$5,600,000, showing no difference in estimated credited amount in the 2023 financial statement. In 2023, no remunerations were distributed through shares.

4.1.6 Shares repurchased by The Company: None

**4.2 Execution status of issuing corporate bonds:** None.

**4.3 Issuance of preferred shares:** None.

**4.4 Disclosure relating to depository receipts:** None.

**4.5 Status of employee stock certificates:** None.

**4.6 The new shares from restricted employee stock option:** None.

**4.7 Disclosure on new shares issued in exchange of other company shares:** None.

**4.8 Progress on the use of funds**

4.8.1 Content of the plan

As of the end of the 1<sup>st</sup> quarter prior to the printing of this report, uncompleted offering of securities in tranches or through private placement, or offering of securities that was completed but the purpose of the plan has not been realized in the last 3 year: N/A.

4.8.2 Execution: N/A.

## V. Operation overview

### 5.1. Business content

#### 5.1.1 Business scope:

##### 1. Business scope:

##### (1) Major contents:

The design, manufacturing, and sale of industrial computers and related peripherals.

##### (2) Business proportion:

Unit: NT\$ 1,000

Year Item	2023		2024	
	Amount	Percentage %	Amount	Percentage %
Industrial computers	2,468,596	85.7	3,575,449	88.7
Peripherals	377,497	13.1	437,431	10.9
Other (Note)	35,880	1.2	15,913	0.4
Total	2,881,973	100.0	4,028,793	100.0

Note: Others are revenues from the development and designed project to the appointment of the customers.

##### (3) The carrying items of products (services) and new products (services) of the Company planned for development

##### (A) Premium items of the Company:

All-in-one POS, Panel PC, Mobile POS, KIOSK, KIOSK, box PC, and POS Monitors series.

##### (B) New products planned for development:

New specifications All-in-one POS, Panel PC, Mobile POS, KIOSK, box PC, POS Monitors series, and provide comprehensive hardware and software integration solutions by combining AI software developed by subsidiaries

#### 5.1.2 Industry overview

##### 1. Present state of the industry and development

##### (1) POS System

The POS system is a type of customized product aiming at the specific needs of the users in design, and is different from the standard specification mass production mode of consumer electronics such as the PC industry. The main targeted group of customers is system integration service providers and value adding distributors. For meeting the diversified specification standards of the firms and the wide array of customization in software, hardware manufacturers must have the capacity of integrating high stability and quality, and flexible design in manufacturing. As such, the high added value of the POS industry comes from the quality and service of the firms, and there is a relatively high entrance barrier and less likelihood to confront cut-throat

competition from other competitors. The evolution of the information communication technology (ICT) compelled the leading firms of the industry to use technologies in satisfying the newly developed needs of the customers. The All-in-one Touch POS multiple function touch control screen has been used extensively in food and beverages, hotels, retail and department stores, supermarkets, lottery and entertainment, distribution services, finance and banking, and other service industries to provide the timely functions of massive sale, inventory, customer information inquiry, computing, analysis and management. The sustainable innovative function and well-developed hardware integrated technology allowed the entrance of POS into the extensive Point-of-Service application sector. The latest innovative AI has also become an important part of application in smart retailing, smart restaurants, and smart cashier service and related high added value services. The variety of new stimulations and the continued expansion of the demand market will continue to drive the POS industry toward further growth.

The popular application of mobile products in the market of consumer electronics, and the rise of the ideas of the IoT, cloud computing, and smart living provided ground for the stable and mature development of mobile product core technologies such as related hardware computing speed, system software, and wireless information communication. These devices provide a description of portable devices, product search, inventory inquiry, data search, portable account settlement printout, transmission of information to terminal servers and related functions, and could flexibly be used in different industries in a diversity of functions including acceleration service, no constraint of time and space, avoidance of account settlement over-the-counter, portable services, and other high added value services. It is still the biggest driving force for continuously pushing the Point-of-Service industry into a brand new application market.

Currently, the boundless business opportunities in mobile payments and artificial intelligence (AI) are progressively being applied to high-value services such as smart retail, smart dining, and smart checkout. These innovations are continuously stimulating market demand, further driving the growth momentum of the Point-of-Service industry..

## (2) Industrial Computers-Panel PC and KIOSK

In the industrial computer sector, Panel PC integrates the system, hardware and monitor into a space saving panel. Panel PC is a solid device featuring water resistance, dust proof, shock proof and tamper-proof, and could be easily integrated to needs, energy efficient, light weight, and portable to meet application needs, and provides the best integrated services. Currently, this item has been extensively used in industrial control/medical devices/security control/traffic control/restaurant kitchens/transport vehicles/outdoor exhibition and others in an environment of mobility, high dust, high temperature, and humidity. The proper development of wireless network infrastructure allows Panel PC to provide a diversity of applications through data transmission from a server at the remote end that makes a much wider scope of applications available, including industrial control, medical use, commercial use, public

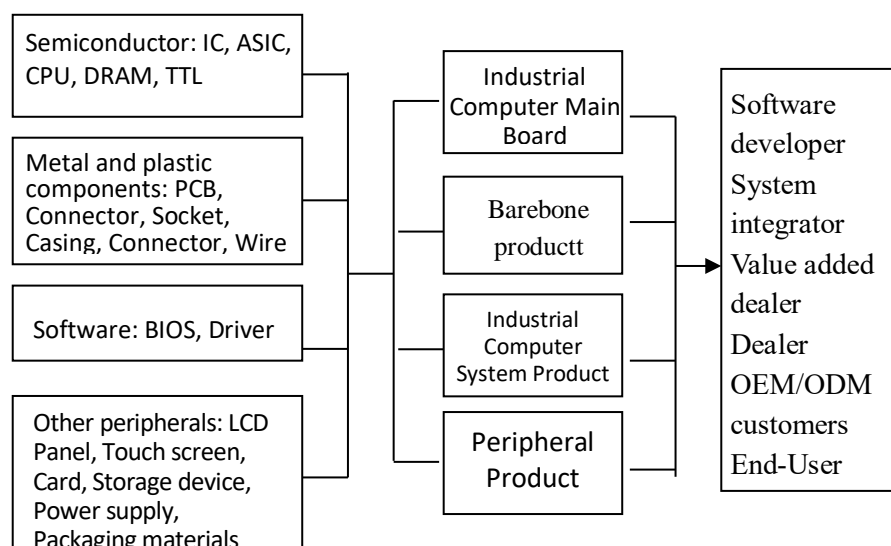
information service, transportation, table reservation and ticket booking, e-home, games, KVS, and gaming and similar markets.

Artificial intelligence (AI) and automation trends are the most important technological innovation and revolution, while related applications are undergoing overwhelming development. It is expected that the future industrial development must combine AI applications to create more advanced smart convenience. Under this trend, related system products will also be widely applied to the application end. The company's second production line Panel PC will also be applied in smart medicine, smart engineering control, smart management, and other related fields, while consumers' preference and demand for self-service has opened up new markets for KIOSK widely applied in newly set self-service routes of general stores and unmanned store check-out machine products.

Automation, intelligence, and unmanned operations have become global trends. With Flytech's long-established strengths in hardware, coupled with the upward extension of software capabilities, the company has developed AI-powered services that integrate field applications, providing more comprehensive solutions to meet the diversified needs of the market and continuously create new business opportunities. Currently, Flytech firmly holds its position as a global leader in POS system manufacturing, with product applications spanning the fields of dining, retail, healthcare, and industrial automation, serving customers worldwide.

## 2. The association of industries from upstream to downstream

The premium items of the Company are POS System, Panel PC, Mobile POS, and PC POS. The upstream industry is similar to PC and the key components are LCD/LED Panel, Touch screen, CPU, Chipset, DRAM, Storage device, PCB, logic IC, passive components, Power adapter, and input/output device. The downstream industry is different from PC and varies with customers. Most of them are system integration service providers, value adding distributors, or ODM customers and hardly sold directly to consumers. The following chart shows the association of the upstream, midstream, and downstream industries:





### 3. Trends of development of various products and competition

The features of the premium products of the Company:

#### (1) POS System

We are ahead of the industry peers in professional customized POS design, know-how and development of production process, and pioneered the trend of hardware specification in the POS industry. We have 84 patented intellectual property rights through in-depth development and innovation in technology. We were the first to invest in the POS market as early as 1999. From 2002 onwards, POS has emerged as the premium item of the Company. Accordingly, we positioned ourselves for selling projects for enterprises and international giant firms as our marketing strategy and provide research and development design, manufacturing, and service, and aim to emerge as a first rate international professional POS (Point-of-Service) hardware designer and manufacturer. The Company has launched a series of Touch POS integrated with touch control and LCD into one device since 2003, and integrated the peripherals into a Customer Display POS system. Currently, the key item for shipment is the 4<sup>th</sup> generation All-in-one Touch POS with touch control screen. From 2009 onwards, the Company has committed resources to the research and development of a micro embedded system platform for developing integrated devices with different screen sizes and processors with different levels of performance, and upgraded customized design with higher flexibility so that the system integration service providers could develop markets in a much broader horizon (highly acclaimed by the customers) and expand the business territory. The Company launched the PTS (Payment Terminal Solution) series in 2015, and effected mass production shipment in 2016. This move turned the traditional image of POS upside down. With the built-in thermal inductance paper printer, the touch control panel could be used as a tablet PC and also provides function as a desk-top printer. This will be an ideal item for the payment intermediaries with its compact appearance, portable application and price advantage, and will help the Company to penetrate into the market of the small shopping malls and shops which would otherwise be difficult for the launch of POS products, and develop the leasing or purchase market of a single device for the micro business.

In the wake of the rapid development of technologies and different needs of applications at the customer end, the application of smart POS systems is becoming increasingly diversified. We launched the 1<sup>st</sup> generation Mobile POS system at the 2014 COMPUTEX. This device performs the function of payment integration, and is a brand new item for mobile service in smart cities under the latest trend of development around the world. We also launched the new generation Mobile POS 274 in the 2018 COMPUTEX by matching Mobile POS with Wi-Fi and 3G module, MSR, IC card reader (accredited by EMV Level 1.2), Scanner, NFC, fingerprint, and related settings. This device performs the IP54 water repellent and resistance function, with long-life and replaceable battery, and could be used in conjunction with other mobile card reading devices and printing equipment to provide a description of a portable item, product search, inventory inquiry, data search, portable account settlement

printout, and transmission of information to terminal servers. This item could be used flexibly in a number of industries for a simplified consumption process and occupies very little space for high added value portable service. Series of peripherals for using in iOS have also been developed so that customers can get a viable solution through fingerprint unlocking, mobile payment, and linking to peripheral equipment.

In 2017, the company developed the patented System Diagnostic Recorder (SDR) device and the corresponding mobile phone APP. Users can monitor the status of key components of the POS system through the mobile phone APP, and users can monitor key components, system CPU, and fans through mobile phones. speed and system temperature. In the medical and industrial fields, it is expected to continue to lead Point-of-Service to create new application specifications.

With the expansion of market demand for mobile products, the company launched a new Mobile POS series in 2019. The new products successfully overcame the space constraints of application sites, providing “code-scanning table ordering services weigh speedy connection and excellent quality and receiving positive feedback and orders from well-known international brands, thereby creating more application momentum for the POS system product series of Leyte has Technology Co., Ltd.

We make our own design from MB, and have 3 SMT process lines and perfect quality control systems since the operation started at the newly built facilities in Hwa Ya Technology Park. The vertical operation is completed in a single process from MB to the finished device. As compared with other suppliers, we are more seasoned and stable in research and development, production technology, and customization. We also have complete product lines with widely spread price ranges, high/mid/low-end models with different specifications and options for different solutions of different markets. We are ready to accept purchase orders from international giant firms and customization of projects for customers.

Amidst 2020 until now, the impact by COVID-19 upon the global catering and retail industry was virtually beyond description. We established subsidiary “Berry AI” in 2019, launched an operational management model based on AI image recognition technology.. In addition, it is also actively developing AIoT software and hardware solutions to provide customers with a full range of services and expanding the software and hardware requirements for application fields. Subsidiary Inefi Incorporation successfully developed and started to sell cloud monitoring UEM software “Inefi”. Provide software services for remote monitoring hardware on a subscription basis, this value-added function is expected to save customers considerable maintenance and operation costs, and improve the competitiveness of Flytech products in the market at the same time, allowing customers to more effectively maintain and operate remote control hardware. Flytech, as well, continually expanded its functions in response to market needs in order to provide customers with the most complete software value-added services. Flytech starts from the very innovation point to respond to severe economic challenges and market tests.

As always, Flytech take the “Design For Service, Design for Cost, Design for Quality” as the principal of POS design and with the vision of “Build Smart Solutions for Tomorrow”. Further to the continued expansion in the markets of Europe, Asia and America as well as the newly emerging economies for export, we also are continuing in the market of domestic demand and Greater China. Our core competence includes: serious commitment to the customers, unique product strategy, key professional technologies, good professional experience in systems, flexible manufacturing capacity, quick and good quality service, exclusive market positioning, proper market segmentation, and the development of high value-added differentiated products in different areas of applications. Our complete product lines could provide quick and good quality customized services including product design, manufacturing, supply management, and post-delivery service, the scope of services covers Point-of-Service value chain. Flytech successfully secured a major POS system project with a well-known domestic chain store in 2022, and completed the installation before the end of the year.

In recent years, the rapid development of AI has brought infinite business opportunities. However, practical applications require reduced latency and enhanced response speed to lower network bandwidth usage and cloud costs, leading to the rising demand for edge computing. Flytech’s development in AI can be traced back to the establishment of its subsidiary "Berry AI " in 2019 and the founding of "Angible " in 2024, both aimed at providing solutions for end-user applications. As edge computing enables efficient AI execution, it requires hardware support such as Box PCs and servers. Flytech’s long-standing strengths in hardware have positioned the company to play a key role in the underlying integration of software and hardware. With the upward extension of its software capabilities, Flytech is well-equipped to address real-world business applications, seamlessly merging into a provider of intelligent solutions with both software and hardware.

After experiencing a decline in revenue in 2023 due to post-pandemic high customer inventories and slower order placements, Flytech has actively driven technological innovation and solutions based on field applications. In addition to expanding its hardware foundation, the company has also started to explore AI applications to address the market trends of automation, intelligence, and unmanned operations. To reduce network bandwidth usage and cloud costs, the demand for edge computing, which requires hardware support, has emerged to facilitate efficient AI execution. Flytech’s long-standing strengths in hardware have enabled the company to seamlessly integrate into a provider of intelligent solutions with both software and hardware capabilities. Looking ahead, Flytech will continue to offer comprehensive, tailor-made services, targeting corporate projects and large international orders. Through strategic alliances with major players, Flytech aims to become a benchmark 'Point-of-Service System Provider with “complete products, innovative applications, advanced technologies, excellent manufacturing, and strong partner commitments” The company is poised to lead the POS market into the new generation of AI-driven applications.

## (2) Industrial Computers-Panel PC and KIOSK

In the domain of industrial computers, the Panel PC is the product that integrates the system, hardware, and monitor into one device. The condensed, slim, and sturdy single board features simplicity in integration, energy efficient, light weight, and fool proof in assembly, and can be used in small or limited spaces, outdoors, as a mobile loading tool, and environments with wide fluctuations in temperature, humidity and impact, or dusty and can provide simple and easy integration service. The Company has successfully developed a series of Panel PC products, including the Bedside Terminal, a joint venture with international well-known manufacturers for using in ambulances and short-range care platform. The shipment volume of this item remains stable and can be used in information management/hospital bed management/hospital bed caring/inquiry of medical history in electronic format, and as telephone/video call/multimedia/network/inquiry/meal ordering services for the patients in clinics and hospitals. The customized designed and good quality allow the successful entrance of this item into the niche market of exclusive medical use with a substantial market share in the medical care industry where increasing demand for quality service is the trend.

Flytech has also successfully developed Panel PC series products that come in a full range of sizes and diverse functions for various automation applications, including catering, industrial control, commercial use, transportation, public information services, such as meal and ticket ordering, e-home, games, gaming, and other fields of innovative applications. The company's products developed through R&D have achieved industry-leading IP67-waterproof grade. The company launched the K770 series at the Embedded World 2016 Exhibition & Conference with the use of SUS304 food and medical-grade stainless steel, a flat multi-point touch screen, Intel's latest BayTrail® Processor, and IP69K-waterproof grade testing certified by SGSe, and 1Grms anti-shock and 20G anti-collision testing to provide customers with the most complete solutions. The products are suitable for food processing plants, restaurants and kitchens, and medical equipment applications; the K740 series provided embedded applications with the Intel BayTrail® Processor. The front panel passed IP66 waterproof grade testing and is applicable for harsh automated plant environments. The USB and switch are located at the front panel and have covers that can be closed and locked, so as to prevent an accidental bump under the operational environment that accidentally turns the machine on/off or unauthorized driver data transmission. The NFC/RFID/WiFi/Bluetooth are located at the front panel to optimize their signal transmission interface. There is an independent I/O port that has passed anti-full testing. In addition to focusing on the industrial automation market, it can also be applied in medical products and commercial applications, providing enterprise users with the best industrial computer choice.

In addition to the Panel PC machines, the company also successfully developed self-service KIOSK applied in unmanned stores, airport self-check in, and hotel self-check in/out machines. In 2019, the new-generation ultra-slim KIOSK solution was launched. It is not only in line with the ADA (American Disability Act) barrier-friendly

design, but also has achieved zero shaking with the total weight reduced by more than half compared to other models available in the market, with substantive performance in well-known brand shipments.

After navigating the revenue downturn in 2023 caused by post-pandemic inventory surpluses and softened customer demand, Flytech has made a strong rebound in 2024 by actively driving technological innovation and field-driven solutions. In addition to reinforcing its core hardware capabilities, the company has taken initial steps into AI applications to meet emerging market trends in automation, intelligence, and unmanned operations. This strategic product positioning has been well-received by the market and customers alike, resulting in significant revenue growth. Flytech established its subsidiary Berry AI in 2019 and Angible Inc. in 2024 to focus on AI-powered image recognition and detection technologies. These innovations directly address key pain points in end-user applications, offering efficient and practical solutions. To enable high-performance AI execution through edge computing, users require robust hardware support such as Box PCs and servers—an area where Flytech’s long-standing hardware expertise has laid a solid foundation. This advantage positions Flytech as a fully integrated intelligent solutions provider, seamlessly combining hardware and software. Looking ahead, Flytech will continue to develop intelligent solutions driven by real-world application needs. The company is committed to deepening its technological capabilities and fostering innovation to uncover new application opportunities. By integrating its subsidiaries’ AI software innovations with its in-house hardware and software platforms, Flytech will offer comprehensive, customized end-to-end solutions. The company aims to secure enterprise projects and global accounts through strategic partnerships with leading industry players, positioning itself as a benchmark enterprise defined by ‘complete product portfolios, innovative applications, advanced technologies, outstanding manufacturing, and strong partner commitment.’ Flytech is poised to lead the industry into a new era of AI-driven automation, intelligence, and unmanned solutions, firmly establishing its presence in niche markets..

### 5.1.3 Technology and R&D Overview

1. The R&D expenditure in the last 5 years to the date this report was printed.

Unit: NT\$ 1,000

Year	2020	2021	2022	2023	2024	Up till April 30, 2025
R&D expenditure	158,736	169,227	181,473	155,570	208,428	58,810

## 2. Technologies or products successfully developed in the most recent year

Date of completion	R & D results
2022	1. Successfully developed industrial computer series and new peripherals (POS system, Mobile POS, Panel PC, KIOSK, PC POS system) : B6140、B6120、PC40、PC42、PC56、PC49、PC55、M285、K75A、PC51、PC54 2. Successfully developed new MB series: F32、F33、F3A、F8A、F8B、F87、F91U、F96、F99S
2023	1. Successfully developed industrial computer series and new peripherals (POS system, Mobile POS, Panel PC, KIOSK, PC POS system) : POS316/317/319、POS335X2、POS337X2、POS627、POS657、POS615N2、POS617N2、POS665N2、POS667N2、POS5000N2、B6120、PC51、PC54、PC56、PC63、PC65、KPC2、KPC5、KPC6N 2. Successfully developed new MB series: G17、G69S、G94S、F35、F85、F87、F32、F33、F37、F38
2024	1. Successfully developed industrial computer series and new peripherals (POS system, Mobile POS, Panel PC, KIOSK, PC POS system): POS327N3、POS335N3、POS337N3、POS337N、POS458、POS485N3、POS487N3、K737N2、K738N2、K739N3、K757N3、K758N3、K759N3、K797N3、K799N3、K669N3、K655N3、K670、KPC1N2 2. Successfully developed new MB series: G18, G35, G75U, G96

## 5.1.4 Long and short-term business development plans

## 1. Short-term development plan

## (1) Marketing strategy

- ① Committed to integrating hardware solutions with artificial intelligence technologies, continues to develop intelligent, service-oriented software through its subsidiaries and newly formed teams. By delivering comprehensive hardware-software integrated services, the company provides outstanding and holistic intelligent solutions across various industries, driving growth alongside its global customers.
- ② Through strategic investments in newly established subsidiaries, develops AI-driven application software, leveraging its strong and extensive capabilities in hardware design and manufacturing to deliver comprehensive solutions for the retail and hospitality sectors.
- ③ Develop different applications with different products, extend different applications in the depth and scope of products (restaurants/hotels/supermarkets/superstores/retailers/price inquiry/ticketing/food ordering/shopping/multimedia advertising/medical use/industrial control/traffic control/gaming) for enlargement of the territory of Point-of-Service product line application.
- ④ With the wealth of experience in system integration and flexible production under customization accumulated for years, we will continue to secure more orders for enterprise projects and international well-known brands for the effective use of

differentiated R&D design, rapid manufacturing, superior quality, cost control and related core competence to heighten the entrance barrier against the competitors.

- ⑤ Focus on key customers and develop potential customers. Design and develop a new style and multi-functional niche items for the customers, and assist the customers to broaden their scope of applications, boost sales, and increase market share.
- ⑥ Starting from field-based applications, proactively provides customers with a diverse portfolio of both general-purpose and specialized products. From research and development, product design, and manufacturing to marketing support and after-sales service, every step is aimed at addressing the application needs of customers across various industries. By effectively integrating customer requirements with competitive market trends, Flytech delivers high-value product solutions tailored to its target markets.
- ⑦ Based on the successful sale experience in Europe and America for further development into the markets of Asia, Greater China, and newly emerged economies. Establish regional market strategic partnerships to develop local markets for new customers through the service platform of the partners, and provide quick service for the customers.

## (2) R&D and Production Policy

- ① We introduced cost management in design in the R&D phase aiming at simplicity, sturdiness, and practicality to develop the most efficient physical and electronic design. With the use of shared modules and the convergence of key components and materials in the specification to align with the strategic purchase plan for adaptation to the changes in the material supply market.
- ② The Company introduced a full-range of products in alignment with the global market trend. In the R&D phase, the Company adopted green design to mitigate the impact on the environment. Through green procurement, the Company moved the environmental protection requirements upstream to the supply of components and materials. This move was also extended to the entire life cycle of the product from the process of use to treatment after dumping.
- ③ From the perspective of the users, we established an effective quality assurance system through SOP for strengthening the control of design quality/part quality/production process quality. From R&D to shipment, we upgraded the product quality throughout the full range with strict selection of parts/full-range/product inspection and validation.
- ④ With the use of high-efficiency and high-quality automated equipment for significant enhancement of stability and capacity of production. With the use of a self-development production process management system, we could bolster process planning and scheduling management for the flexible use of production capacity, and perform flexible adjustment of scheduling and modularized production in line with the volume and content of purchase orders to enhance production efficiency and cost reduction. We provide customers with high quality

services and products from design/production to post-delivery service through extensive and intact integration.

- ⑤ In conjunction with the development of the software subsidiary and new teams, develop hardware products and software services required for intelligence and automation, to provide more diversified software and hardware integration solutions to strengthen growth momentum.
- ⑥ Implementing a modular integrated shared design concept in the main system design, where customers can upgrade without replacing the entire machine. This can be achieved by a plug-and-play design, allowing for direct replacement of the motherboard or universal modules, thus extending product lifespan and promoting low-carbon recycling.

(3) The scale of operation is congruent with the financial position:

- ① The corporate headquarters in Taiwan serves as the base for R&D and production with globalization and in-depth local marketing through the subsidiaries in Taiwan, the UK, USA, Hong Kong, and Mainland China, as well as the strategic partners in different regions.
- ② The Company seeks to root in Taiwan with its corporate headquarters in NeiHu Technology Park and proprietary plants located at Hwa Ya Manufacturing Center at Linkou Technology Park, which was completed in 2011, and bolster its global logistics mechanism and financial operation stability with an upgrade in operation efficiency.
- ③ We will further our efforts in operation with innovative products and application functions, upgrade the capacity of the management team for in-depth development of the product market and competitive advantage of our core competence.
- ④ We will create a positive training environment to provide the opportunity of continuing education in professional skills and internal control for the new and existing employees, providing continuous professional and internal control training for new hires and existing colleagues to enhance their skills. This initiative aims to uplift mid-level members and inspire senior executives, fostering an outstanding team and ultimately improving overall operational performance.

2. Long -term development plan

(1) Marketing strategy

- ① We positioned ourselves as a “Service Manufacturer” with “complete products, innovative applications, advanced technologies, excellent manufacturing, and strong partner commitment”. Under the corporate philosophy of honesty and integrity in business, and commitment to the stakeholders, we cultivated a profound partnership with the customers and provide product planning and post-delivery service with global, multilateral, and completed service and customized products.



- ② We aimed at the global market and will continue to expand the markets with innovative applications to strengthen the cooperation with the distribution and value adding distributors, and launch products of high/mid/low-end to different market segments with different positioning in different regions of applications for broadening the foundation of sales.
- ③ The corporate headquarters at Neihu Technology Park is the global logistics and R&D center, while the new facility at Hwa Ya in Linkou Technology Park is the manufacturing center. These two centers working in conjunction with the business locations at home and overseas in the form of strategic alliance could enlarge the business territory through in-depth development with key customers and supply of the best innovative design and manufacturing services. We also positioned ourselves as a hardware supplier to assist customers develop niche products for better business opportunities and markets, and emerge as a first class professional system manufacturer of the world.
- ④ Integration with the technologies, products, application software and channels of the partner firms through strategic alliance in combination with the advantages of R&D and production in the industry, as well as the advantages of strategic partnership and technologies, we could create the soundest performance.
- ⑤ The Company will increase its market share through the brand marketing and new sale channels of the subsidiaries.

## (2) Production policy and product development direction

- ① The Company will aim at the industry with innovation and high profit through proper market segmentation and positioning to improve the added value of products and keep abreast of key technology and professional experience to develop customized niche products with high added value.
- ② Development of models that could be used in different environments such as Desktop, Wall mount, Tower, Mobile, Mini, and Self Service and continuation in improving the embedded function and speed, innovative application areas, strengthening the design of physical appearance ID, and pioneered products in diversity and with competitive power in the innovative market.
- ③ Targeting niche products from the high/mid/low-end product lines with the supply of the best models and customized service for diversified applications. In addition, the Company will design high quality and high added value standard item series, provide quick delivery service, and emerge as the best choice for the small and medium size customers so as to maximize the results of production, sales, research and development.
- ④ Horizontalization of the organization helps to improve decision-making and execution of policies. Through the tight combination of upstream to downstream process including product planning, R&D, material control, procurement, warehouse management, manufacturing and quality control, the Company could provide a flexible production schedule through quick and accurate response.

- ⑤ With the control of production, quality and delivery process on shopfloor system with timely feedback and records, the Company can bolster process planning and scheduling management and upgrade capacity efficiency and overall product quality to satisfy customer needs.
- ⑥ The Company will continue the proper implementation of the ISO 9001 quality system, the ISO 13485 product quality system of medical devices, and ISO 14001 environmental management system, and get closer to the customers through its exclusive technical support window by providing quick and good quality service. The Company will also fortify its customer service function for higher customer satisfaction, and improve the application capacity of the customers with the products and hence develop better business opportunities for related products.
- ⑦ Choose advantageous suppliers from mainland China to collaborate on mold technology development.
- ⑧ Establish a carbon management platform to assess product carbon footprints, creating a green supply chain, developing high-efficiency motherboards to build environmentally friendly and energy-saving models, assisting customers in planning energy-saving solutions, and exploring sustainable business opportunities.
- ⑨ Integrates green design in new products, including modular innovation, improved energy efficiency, minimalist design, and recycled materials, reducing greenhouse gas emissions across the value chain.

(3) The scale of operation is congruent with the financial position

- ① With customized service and outstanding R&D and production capacity, the Company designed a wide array of niche products for the customers to increase its market share. It was matched with the series of standard items with added value for expanding the business territory of the small and medium size customers for creating revenue growth.
- ② Continue the proper implementation of the internal control system, internal audit system, and budget management for the overall improvement of operation efficiency.
- ③ Continue the advocacy of corporate governance and focus in innovation and in-depth development of the operation under the corporate philosophy of honesty and integrity and sustainability in development to create value for the shareholders, employees, customers, suppliers and other stakeholders where all are the winners.
- ④ Effective control of inventory levels, costs, and expenses with the budget system and performance indicator management for revenue growth and higher rate of return.
- ⑤ Utilizing ERP systems and AI software to streamline operations and support management decisions through big data collection and analysis.
- ⑥ Integrate the information systems of the parent company and global subsidiaries, comprehensively coordinating enterprise resources and operations management,

and implementing ISO 27001 to strengthen the security management of information assets.

#### (4) Implementation of Corporate ESG

Since its establishment, Flytech has always focused on its core business and adhered to integrity in operations. We deeply recognize that sustainable business practices require the collaborative efforts of stakeholders such as employees, suppliers, customers, investors, communities, and non-profit organizations. Our goal for sustainable business is to fulfill our responsibilities as operators, maximize operational performance, and consider the interests of all stakeholders. ESG (Environmental, Social, and Governance) issues, which are globally prominent, have been central to our core values of enhancing governance efficiency, protecting the environment, and fulfilling social responsibilities. Flytech firmly believes in the principle of "from society, for society," understanding that a company's responsibility extends beyond its own interests to contributing positively to society as a whole.

The company has established an "ESG Committee" directly reporting to the Board of Directors. The committee is chaired by the Chairman of the Board, with the Managing Director serving as the Chief Commissioner. It oversees the "Promotion Office" led by the ESG department and four executive teams. The committee identifies significant sustainability issues for Flytech, utilizes resources to focus on the correct areas for improvement and strategies, and aims to achieve the vision of "advancing together in excellence, sustainable innovation" in collaboration with all stakeholders for "mutual benefit, sharing, prosperity, and common good".

## 5.2 Market and production and sales overview

### 5.2.1 Market analysis

#### 1. The regions for the sale of premium products

Unit: NT\$ 1,000

Year Region		2023		2024	
		Amount	Percentage %	Amount	Percentage %
Domestic demand		64,220	2.23	68,685	1.70
Export	American	1,659,315	57.57	2,371,311	58.86
	Europe and Africa	870,032	30.19	1,327,324	32.95
	Asian	288,406	10.01	261,473	6.49
	Subtotal	2,817,753	97.77	3,960,108	98.30
Total		2,881,973	100.00	4,028,793	100.00

#### 2. Market share, the supply/demand and growth of the market in the future

##### (1) POS System

In the wake of the ceaseless innovation and diversification of technologies, application areas, and function, the early definition of POS (Point-of-Sales), which was

simply focused on the management of the sale and inventory system, has been surpassed by POS (Point-of-Service) designed with the integration of different application services. The target market not only includes the traditional restaurant business, hotels, retailing and distribution but also the diversity of commercial activities including food, clothing, transportation, education, and entertainment, even in the computer systems for industrial control, medical and healthcare, transportation, security control, and military use, and AI-driven technologies promoting automation, unmanned, and intelligent living. The PC-based POS system could be linked to the back-end database and front-end operating system to achieve the objective of rapid control of sale and inventory information to precision management. The Touch POS that combined touch control screen and multiple functions in one device is the mainstream item for the time being. It features real-time data gathering/inquiry/processing/computing and interactive function, and is an indispensable tool for competition in business. The growth potential of the POS industry is expanding alongside continuous innovation and technological advancement in Point-of-Service applications, which in turn stimulates new demand. Rapid technological progress and diverse customer requirements are further driving the need for innovative applications of smart POS systems.. Realizing the exploding growth of the market of mobile items, the Company launched the Mobile POS in 2014 for a new horizon of POS application needs by combining the embedded module with mobile peripherals to provide portable service functions of product description, product search, inventory inquiry, data search, account settlement printout, and transmission of data to the terminal server, and is attuned to the latest mobile payment trend. The Company has pioneered the Point-of-Service business into an innovative and brand new market. In 2017, the Company developed the patented product, System Diagnostic Recorder (SDR), and corresponding cell phone APP. With this item, users could keep the key parts and components of the POS system under control with the use of the cell phone APP. In response to the rapidly growing demand for mobility products, the Company launched a new line of Mobile POS systems in 2019. These new solutions offer high-speed, high-quality connectivity for tableside ordering and barcode scanning services, successfully securing project orders from internationally renowned brand clients.

Driven by the continued upgrades and innovation in POS system applications, global demand for system replacements is steadily expanding. Since 1999, Flytech has led the domestic industry in the development of dedicated POS systems. The Company's core strengths include a comprehensive product portfolio, extensive system integration experience, strong R&D and engineering capabilities, effective cost control and supply chain management, flexible multi-line production scheduling, reliable quality, comprehensive customer service, and agile sales strategies. These advantages enable Flytech to deliver highly customized, competitively priced, and quickly deployable products across high-, mid-, and entry-level specifications. As new application standards continue to evolve and the demand market grows, Flytech maintains a leading position in key technologies, mass production capabilities, and market share among domestic peers. The COVID-19 pandemic and advancements in AI have reshaped consumer behavior, accelerating demand for automation, intelligence, and unmanned operations. In response, Flytech has not only deepened its

commitment to technological innovation but also developed a wide range of new products based on real-world application needs, creating new market opportunities. By leveraging the software and AI technologies of its subsidiaries “Berry AI” (established in 2019) and “Angible” (established in 2024)—Flytech integrates hardware, software, and AI into comprehensive solutions to meet evolving market demands. These subsidiaries focus on artificial intelligence and deep learning technologies to develop intelligent software services, complementing Flytech’s robust hardware design and manufacturing capabilities. This integrated approach enables the company to pursue strategic transformation in response to changing market conditions, unlocking new application fields and expanding opportunities within the Point-of-Service industry. In line with global sustainability trends, Flytech also launched a carbon management platform last year. Three of its products have completed ISO 14067 carbon footprint assessments and obtained third-party verification. By identifying carbon hotspots through product lifecycle analysis, the company incorporates energy-efficient design during the development phase, providing clients with quantifiable data and supporting the planning of energy-saving solutions. These initiatives not only reduce environmental impact but also create new opportunities in sustainable innovation.

## (2) Industrial Computers-Panel PC and KIOSK

A Panel PC is a slim light single board device combining the system, hardware, and monitor. It is light and compact in style, easy to integrate, energy efficient, light weight, and highly mobile without any constraint in time and space, and could provide durable and diversified application integration and interactive services.

In the wake of the evolution of ICT, proper development and stability of product technology, and the diversification of application functions, the sustained and rapid development of Panel PCs required a new market. “Medical service” is an area of innovative application with promising growth, among others. Seeing that the combination of advanced technology and good quality service will be an irreversible trend of development in the market of medical care products, the Company engaged in a joint venture with an internationally well-known firm to develop the Bedside Terminal, a successful device for the exclusive use in the medical care sector accredited with the ISO13485 medical system quality. This device is a compact Panel PC that allows the patients to use computer/Internet/telephone/video call/multimedia/food order/information search and tracking medical records for hospital room management/hospital bed caring/managing bedside medical records and history in an electronic format, and could be used in ambulances or as a remote healthcare platform, and has been highly accepted by the users. The Company will continue to develop a new generation of such devices for mass production shipment. The launch of this item is a success and the Company has received orders from many internationally well-known medical device manufacturers for developing different models for medical care control and has effected mass production shipments. The Company has also launched a series of Panel PC products further to medical use devices. These products were made from food and medical grade stainless steel, passed the water resistance,

tamper-proof, impact resistance tests, with the best signal transmission interface in physical design, and the abundance of expandable function and I/O interface for adaptation to different rough environments such as: food processing industry/ restaurant kitchens / medical equipment / factory automation / security control / traffic control / public information service / Transportation / outdoor exhibition / KVS / gaming / food ordering and ticket reservation / eSports / e-home and others for continued development of Panel PC demand market. In addition to Panel PC, the shipments of KIOSK machines used in unmanned stores, airport self-check in, and hotel self-check in/out have also gradually increased. The next-generation ultra-thin Kiosk solution, launched in 2019, not only complies with ADA (American Disability Act) accessibility standards but also reduces weight by more than 50% compared to market counterparts, achieving zero-shake stability. This solution successfully secured a landmark project order from a major North American chain, capturing significant market share and maintaining steady shipments.

Flytech worked closely with customers to navigate the market challenges during the pandemic, effectively responding to changes in new demands and consumer behavior in the healthcare industry. The company successfully developed multiple medical application product lines, mass-produced shipments, and offered intelligent solutions based on real-world applications, turning the crisis into an opportunity. This strategic response contributed to market recovery in 2022.

In recent years, the development of AI technology and its industry applications have gained momentum. Flytech's subsidiaries, including Berry AI Inc., Inefi Inc., and Angible Inc. focus on developing intelligent software services. By integrating Flytech's comprehensive product line and hardware R&D and manufacturing capabilities, the company is poised to leverage the new growth opportunities driven by AI technology, continuing to expand its footprint in the industrial computer market.

From a supply-side market analysis, POS systems, Panel PCs, and KIOSKs are highly customized products made to customer specifications, and when paired with integrated hardware and software intelligent solutions, they cater to a high-margin niche market. Economies of scale in mass production are not the primary competitive advantage. Instead, key factors influencing market share include a supplier's R&D capabilities for providing integrated solutions, flexibility in custom production, development of new features using emerging technologies, product quality stability, and the quality of after-sales service. Flytech has accumulated years of expertise in system integration and application, with products that are typically not standard items for mass production. The company has rich experience in flexible, custom production, from understanding customer needs, R&D design, prototype development, product verification, to manufacturing and delivery. With strong quality control and excellent after-sales service, Flytech has built a solid market reputation and customer loyalty. In recent years, the company has integrated software services from subsidiaries and new teams to provide comprehensive solutions combining hardware, software, and AI. Additionally, Flytech has made strides in carbon footprint auditing and the development of green products, assisting customers in planning sustainable energy-saving solutions, which are new highlights in expanding market share.

From a demand-side perspective, the rapid advancement of technology and changes in consumer behavior post-COVID-19 continue to create new application areas. Technological innovation drives industry transformation, with growing demands for mobility, automation, and intelligence, opening up new business opportunities. While market dynamics shift, they have not disappeared. Success depends on a company's ability to capture these opportunities. Flytech, with decades of experience in the foodservice and retail sectors, has already built strong 'hardware capabilities.' Now, by combining the software services from its subsidiaries, the company is leveraging its 'software capabilities' to quickly respond to market needs, ensuring continued success and sustainable growth.

### 3. The competitive edge, factors favorable and unfavorable for development in the long run, and responses

#### (1) Competitive edge

- ① Optimistic outlook of business opportunity for the industry
- ② Proper market positioning
- ③ Completed product lines
- ④ Wide-ranged price products and diversity in specifications from high to low-end devices.
- ⑤ Responsive product R&D team
- ⑥ Flexibility, quick response and stable quality in customized technologies
- ⑦ Proper control of fundamental technologies and system integration technology and integrate software application services capabilities
- ⑧ Professional marketing, R&D, manufacturing team and subsidiaries with outstanding software development capabilities
- ⑨ Flexible sale strategies and sounded sales channel
- ⑩ Firm commitment to the customers, suppliers, employees, shareholders and all stakeholders: "Complete products, innovative applications, advanced technology, excellent manufacturing, and strong partnership commitment."

#### (2) Factors favorable and unfavorable for development in the long run, and responses

##### ① Favorable factors:

- A. Innovative design, positioning in niche market
- B. Short delivery lead-time in stable quality
- C. A well-organized R&D, marketing, and manufacturing team
- D. Control key R&D and manufacturing integration technology
- E. Flexible and efficient use of production capacity
- F. Proper control of cost
- G. Flexibility in marketing
- H. Complete product lines with expandability and wide range of applications
- I. Customized customer service, promise to customers and strong long-term cooperative relation
- J. Long-term and stable product supply

## ② Unfavorable factors:

Customized production is characterized by small quantities and a wide variety of products, making it impossible to compare the production scale of a single product with that of mass-produced standardized products. As a result, production costs and component procurement are relatively higher. Moreover, the rapid development of technology has a profound and widespread impact on society. Industries must respond promptly to seize opportunities in order to gain competitive niche.

## Responses:

- A. Promotion through modularized projects and engagement in joint venture with system integration service providers for mitigating the impact from price competition.
- B. Design customized items with a competitive advantage in the market with high added value for the customers and provide technical solutions to intensify the differentiation from standard items, and avoid price competition with industry peers.
- C. Tighten cost control from the design end, and introduce shared use of materials and modularized design to enlarge the scale of purchase for particular item of materials to achieve a better bargaining position.
- D. Control the cost and inventory of key parts and components through strategic purchase.
- E. Offer mass production standard items to small and medium size customers for holding the cost down and bringing up profit.
- F. Intensify the service to key customers and potential customers, develop new and profitable areas of application and niche products, and create innovative business opportunities for Flytech and the customers.
- G. To meet the new patterns of market demand, Flytech provides application products for different fields and comprehensive solutions that integrate hardware with software.
- H. Developing new green design products to respond to sustainability trends.
- I. Flexibly deploy sales strategies and product application solutions to meet the evolving market demands.



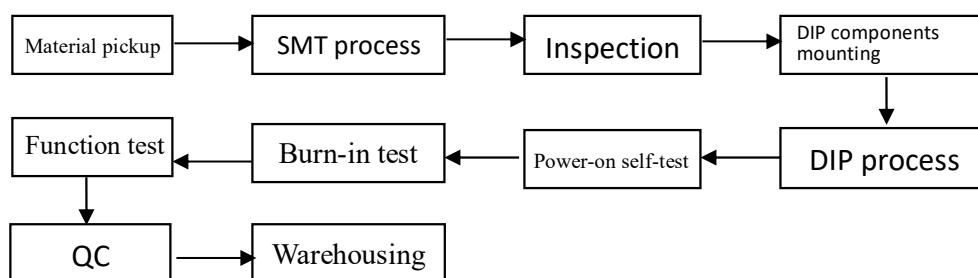
## 5.2.2 The function and production process of key products

## 1. The function of key products:

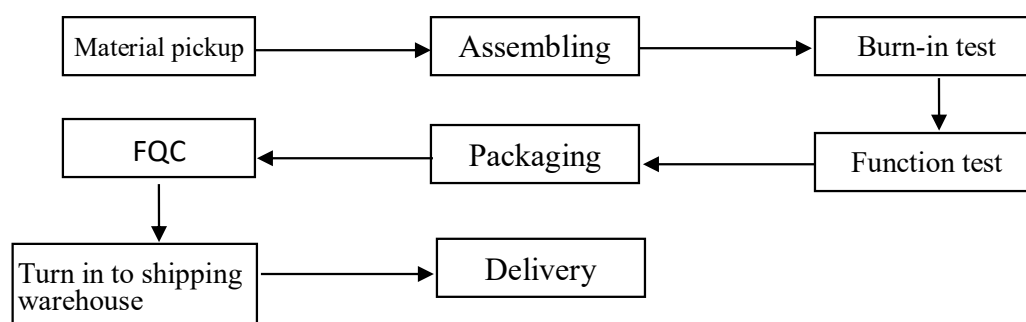
Product	Primary scope of application
POS system All-in-One POS 、 PC POS 、 Mobile POS	Areas of mobile applications such as chain stores/distribution industry/the cashier system of superstores, ordering and cashier system of restaurants, counter system of airlines/hotels, lottery machine of pleasure and entertainment industry, mobile food ordering/portable data search and account settlement.
Industrial computer Panel PC 、 KIOSK 、 KPC	Commercial and public information equipment, multimedia advertising, human-machine interface automation mechanical control, medical equipment, touch control display, industrial control, security control, transportation, touch control game and entertainment. Multimedia information inquiry system, unmanned retailer, self-service devices, multimedia sample audition device, self-service photo development device, self-service room reservation and food ordering value storage system, self-service/multimedia interactive service and self-service product identification.
Peripherals	Card reader, customer display.

## 2. The manufacturing process of key items

## (1) Self-manufactured and outsourced semi-finished items:



## (2) Self-manufactured and outsourced system server:



## 3. The supply of key materials

The key components of Flytech are electronic materials, physical part materials, and packing materials, including: LCD Panel, Touch screen, CPU, Chipset, DRAM, Storage device, PCB, Power adapter, metal and plastic physical parts. For electronic materials, some IC semiconductors, LCD/LED Panels were purchased from abroad, and most were purchased from domestic suppliers. The physical metal and plastic structure were

designed by the Company and produced by outsourced domestic suppliers after tooling. The diversification of the source of purchase is the strategy used for purchase with domestic suppliers or agents for assuring the diversity of supply and higher flexibility of price with stable and reliable sources of supply.

#### 4. List of key customers for purchase and sale

(1) Information on suppliers accounted for more than 10% of the total purchase of the Company in the last 2 years to 2025 Q1:

Unit: NT\$ 1,000

Item	2023				2024				2025 to the end of Q1 (note)			
	Name	Amount	Ratio to net purchase in the year (%)	Relationship with the company	Name	Amount	Ratio to net purchase in the year (%)	Relationship with the company	Name	Amount	Ratio to net purchase in the year (%)	Relationship with the company
1	Synnex	221,605	18.07	None	Synnex	355,575	17.42	None	—	—	—	—
2	ACMEPOINT	153,628	12.52	None	ACMEPOINT	221,037	10.83	None	—	—	—	—
	Other	851,481	69.41		Other	1,464,948	71.75					
	Net purchase	1,226,714	100.00	—	Net purchase	2,041,560	100.00	—	—	—	—	—

Note: As of April 30 2025, audited financial information covering 2025 Q1 was still unavailable.

#### (2) Note to the changes

The Company produces industrial use computers and there is a great variety of its parts and components. In light of the finer line of professional division of labor, IC suppliers are mostly agents or distributors. The other suppliers of electronic, electrical, or physical parts and components are mostly manufacturers. There is a wide array of parts and components in several brands and the purchase has been evenly distributed among the suppliers that none accounted for particular high or low share of total purchase.

(3) Information on customers accounted for more than 10% of the total sale in the last 2 years to 2025Q1:

Unit: NT\$ 1,000

Item	2023				2024				2025 to the end of Q1 (note)			
	Name	Amount	Ratio to net sale in the year (%)	Relationship with the company	Name	Amount	Ratio to net sale in the year (%)	Relationship with the company	Name	Amount	Ratio to net sale in the year to the end of Q1 (%)	Relationship with the company
1	TI	739,844	25.67	None	TI	1,393,512	34.59	None	—	—	—	—
3	Other	2,142,129	74.33	None	4A	515,768	12.80	None	—	—	—	—
					Other	2,119,513	52.61					
	Net sales	2,881,973	100.00	—	Net sales	4,028,793	100.00	—	—	—	—	—

Note: As of April 30 2025, audited financial information covering 2025 Q1 was still unavailable.

## (4) Note to the changes

The Company is a professional manufacturer of industrial computer hardware and the key customers are hardware brands, system integration service providers, agents and channel marketers, corporate program/projects, and international well-known giant firms. The decrease in revenue compared to the previous year is due to the completion of the project. The changes in key customers in the last 2 years are explained below: TI and 4A are POS system brands.

**5.3 Number of employees in the last 2 years to the date this report was printed.**

Unit: person

Year		2023	2024	Up till April 30, 2025
Number of employees	Production	208	221	230
	Research and Development	84	97	89
	Sale	49	50	52
	Administration	65	87	62
	Total	406	455	433
Average age		41.36	40.68	40.69
Average seniority		8.45 years	7.90 years	8.30 years
Education Background	Masters and higher	18.97%	18.68%	17.32%
	College	51.72%	52.97%	51.04%
	Senior high schools and vocational school	25.86%	25.93%	29.33%
	Junior high schools and below	3.45%	2.42%	2.31%

**5.4 Environmental expenditure information**

5.4.1 Total amount of loss (including compensation for damages) and fines caused by environmental protection in the last 2 years to the date this report was printed, the remedies and possible expenditure: None.

5.4.2 Projected expenditures on environmental protection in 3 years ahead:

In 2024, the Company began purchasing green power certificates and has obtained three Renewable Energy Certificates (RECs) issued by the National Renewable Energy Certificate Center for the period of July to December. In 2025, we will continue to purchase green energy to reduce dependence on high-carbon electricity. Additionally, we plan to invest NT\$2.1 million in 2025 to replace old equipment with a new air compressor featuring intelligent parameter regulation, aiming to achieve energy savings, improved efficiency, and extended equipment lifespan.

5.4.3 The company has set up the "Enterprise Sustainable Development Code". Flytech's environmental safety and health policy is "safety, environmental protection and sustainability". In addition to the Labor Safety and Health Management procedures, the company obtained ISO 45001 certification (2018 version, 2023 update audit: validity valid

from December 1, 2023 through November 30, 2026), integrating ISO 14001 certified in 2001 (2022 update audit: (validity period from September 22, 2022 through September 21, 2025)), and established a complete environmental safety and health management system.. During the product design stage, the purpose of reducing environmental impacts was achieved through energy-saving and environmental protection green design and the low-pollution manufacturing of environmentally friendly consumables. In the area of procurement, the Company extends its environmental protection requirements to the production process and materials adopted by upstream suppliers through supplier management. We also assist suppliers in adopting relevant ISO systems and certifications, working together to build a sustainable supply chain. In the area of production, the specific nature of the industry of the Company allows for no water and air pollution in the production process of products. A lead-free process has been introduced all through the production process. All parts conform to RoHS of the EU and are accredited under RoHS. The Company also duly observes applicable laws and intensifies the recycling and reuse of resources, and prevents the pollution of water and air through proper monitoring and testing through its waste management plan. Furthermore, the Company also advocates a carbon reduction and energy saving, and proceeds to sustainable development of the environment by mitigating the impact on the environment to the expectation of the international trend and customers. The aforementioned activities have been implemented through the Company's "ESG Committee" and the promotion offices thereunder to continuously supervise the implementation of the four sub-sections to fulfill corporate social responsibility, green product design and green operation. For details, please refer to the "2019 CSR Report" "2020 CSR Report" and "ESG Reports" for 2021 to 2023 published by the Company on the Company's official website.

5.4.4 The company commenced self-inventory of GHG emission beginning 2015, has formulated management strategies, methods, goals, and carbon emission reduction goals, and continues to conduct monitoring and improvement. FLYTECH has established a GHG inventory system that complies with the ISO 14064-1 specification in 2022, and completed the "Carbon Inventory Reports" for year 2021 to 2023. After the inspection, it is known that the Flytech generated during the operation process Greenhouse gases are mainly energy indirect (Scope 2) emissions, a small amount comes from the dissipation of refrigerants produced by air-conditioning (Scope 1), and Emissions from gasoline and diesel combustion in business travel transportation, inbound transportation, and outbound transportation, as well as emissions from waste incineration (Scope 3). The results of the GHG inventories for 2021 to 2023 have been successfully verified by SGS in accordance with ISO 14064-1, with verification statements duly issued, are also announced on Flytech's official website, and the 2024 annual inventory report is expected to be completed by the end of May 2025. Management policies pertaining to energy conservation, carbon reduction, greenhouse gas emission, water usage reduction, or other waste and their implementations are explained below:

#### 1. Strategies and Approaches for GHG Reduction and Energy Resource Management

The Company's primary source of GHG emissions is Scope 2 CO<sub>2</sub>e from purchased electricity. Accordingly, our carbon reduction efforts focus mainly on energy conservation.

- (1) The Linkou Plant plans to invest over NT\$2 million in 2025 to purchase a new air compressor equipped with intelligent parameter control, aiming to achieve multiple benefits including energy savings, improved efficiency, and extended equipment lifespan.
- (2) In manufacturing processes, a UI interface module was purchased in Q1 2025 to integrate with the carbon footprint calculation system established in 2023. This provides a more user-friendly platform for operation and analysis, enabling monitoring of carbon-intensive stages and equipment power usage. High-emission hotspots are identified to formulate energy-saving plans, implement energy-saving measures, procure energy-efficient devices, and replace outdated equipment with new, energy-saving alternatives.
- (3) Waste management: relevant production waste is handed to a certified recycling unit for disposal in order to reduce its impact on the overall environment.
- (4) Began purchasing green power certificates in 2024 and has obtained three Renewable Energy Certificates (RECs) issued by the National Renewable Energy Certificate Center for the period of July to December. In 2025, we will continue purchasing green energy to reduce reliance on high-carbon electricity, as part of our greenhouse gas reduction plan.
- (5) daily operations:
  - Neihu HQ uses energy-efficient glass to reduce indoor greenhouse effects and air conditioning losses.
  - Continuously replacing lighting in public areas with energy-saving LED lights.
  - Implementing video conferencing to save employee commuting time and reduce greenhouse gas emissions.
  - Install shades in sunlit areas to reduce solar radiation heat.
  - Recycling and reusing paper documents to reduce paper resource waste.
  - Turning off lights during lunch breaks, in unused meeting rooms, and during off-hours.
  - Properly perform garbage sorting and recycling.
  - Installing motion sensor lights in the parking lot, which turn fully on when people or vehicles pass by, reduces electricity waste.
  - An independent variable-frequency air conditioning system was installed on the 6th floor SMT of the Linkou factory to avoid using the entire factory's system at night.
  - Provision the average office air-conditioning temperature setting of not lower than 25°C.
  - Install a water-saving baffle to reduce the water output of the faucet
  - Recover rainwater to water trees in the plant.
- (6) Plan to expand the electronic processes and move toward paperless to reduce paper and toner use, thereby reducing power consumption and carbon dioxide emissions.
  - Promote electronic internal official document, signing and approval systems.
  - In 2022, we implemented the SAP system, utilizing ERP electronic forms and a BPM electronic approval system..

- Set the office machines to power-saving mode and enter the power saving mode if machines are not in use for an extended period of time.
2. The Company established a five-year short-term reduction plan based on the ISO 14064-1 inventory for the year 2021, using 2021 as the baseline. The total electricity consumption and greenhouse gas emissions are targeted to decrease by 1% each year, with a total reduction of 5% by 2025. As of the latest data, we have successfully achieved a 5.14% reduction, surpassing the goal. For the detailed results of Scope 1, 2, and 3 in 2023 and 2024, please refer to the explanations on pages 50-52
3. The company's current GHG reduction related plans undergoing implementation and planning are as follows:
- (1) Continuing use the "carbon management platform" set up in 2023 to support product carbon footprint inventories to optimize equipment operations through continuous monitoring.
  - (2) Adjusting processes and schedules to save energy.
  - (3) Energy conservation measures in offices and factories.
  - (4) Reusing and recycling office copy paper as much as possible
  - (5) Turn off lights in the office at all times, turn off lights during lunch breaks, and check all lights are turned off after work hours.
  - (6) Properly promote garbage sorting and recycling.
  - (7) Fresh air inlet, toilet ventilation and exhaust discharge, time-controlled management of open office and cubicle office air-conditioning to reduce cold air loss and unnecessary power consumption.
  - (8) Adoption of Alternating Lighting in the Parking Lot
  - (9) Integrate energy-saving and carbon-reduction concepts into design and manufacturing processes, developing high-performance MB and creating new low-carbon, energy-efficient green models using AI technology.
  - (10) Investing in renewable energy as part of the greenhouse gas reduction plan.
  - (11) Using environmentally friendly materials, selecting new suppliers that meet international environmental standards, assisting existing suppliers in obtaining certifications for international quality, environmental, and occupational health and safety systems, and jointly developing low-carbon, eco-friendly raw materials, processes, and transportation models to build a green supply chain.

## 5.5 Labor Management Relations

- 5.5.1 Employee benefit policy, continuing education, training, and retirement system and the implementation of these systems, labor-management agreement and the protection of employee rights:

## 1. Benefit policy and the state of pursuit

Since its establishment, the Company has pursued the belief of putting the employees first and viewing them as important assets of the Company. The Company also places an emphasis on the communication between employers and employees. In addition to establishing the Employee Welfare Committee in 1992, the welfare committee members establish annual plans to host various welfare get-togethers, have monthly birthday parties and birthday cash gifts, quarterly domestic company trips, international company trips every 2 years, three gifts during three major Chinese holidays, year-end company meals, educational training sessions, club events, health inspections, labor insurance/health insurance/group insurance, maternity and paternity leave, parental leave and post-leave return-to-work support, flexible working hours, annual leave exceeding Labor Standards Act requirements, and paid natural disaster leave beyond legal entitlements.,recognition of senior staff, employee stock ownership association, factory group lunches, a sports and games room, employee profit-sharing, wedding and funeral cash gifts, year-end bonuses, project bonuses and other welfare measures to fully take care of the Company's employees.

## 2. Continuing education, training system and implementation

Exactly in accordance with ISO education and training methods and internal control procedures, we have planned employee training programs. The training methods are divided into in-house and outsourced programs.

In the outsourced training program department, each department is advised to submit training plans and budgets at the end of each fiscal year. Employees are advised to submit training applications based on the annual programs and their own substantial needs. After completion of the training program, they submit training experience reports or opinion surveys to the Human Resources Training Unit to register for their credits to share course information or share training internally.

The Company was first certified by the Workforce Development Agency's Talent Quality-management System (TTQS) in 2021, and successfully renewed the certification in 2024, affirming our ongoing progress in training planning, execution, and performance improvement.

The internal training programs include: A. New recruit training: All new recruits enter the basic course training on the day they register for employment to ensure that new recruits can quickly orient themselves to the team philosophy and culture at the very beginning of joining Flytech; B. Project training programs: Such training programs are exclusive courses specifically intended to reserve cadres and middle- and high-level elite cadres, allowing the talent trainees from all levels to inherit the wisdom and practical operation of Flytech members to cultivate more elites and leaders in the future.; C. Competency-based training programs and leadership development initiatives; D. Credit system learning programs: Flytech sets the basic training credit requirements that all colleagues must achieve within the year and colleagues are participating to accumulate credits from various in-house and outsourced programs to leave a firm record for their own learning process to continually improve professional skills and self-growth; E.

Irregular seminars, inviting external experts to share their professional insights.; F.I- Learning Online Education and Training Platform.

In 2024, participants in the programs by head count and hours are shown below:

By department	Marketing Center	R&D Center	Manufacturing Center	Management Center
Actual number of participants by head count	529	1,047	4,602	320
Actual hours of training	787	1,837	6,903	1,095

### 3. Retirement procedure and implementation

The Company takes care of the employees and their retirement for motivating their morale in service with the Company throughout the duration of their careers. The Company has instituted the Regulations Governing Pension for Retirement and Bereavement in accordance with the Labor Standards Act and established the Labor Pension Reserve Monitoring Committee in accordance with applicable laws. Accordingly, the Company appropriates 2% of the total salaries of the employees to a pension reserve fund in accordance with the "Regulations for the Allocation and Management of the Workers' Retirement Reserve Funds". The funds will be deposited in a special account at the Central Trust of China under the title of the Pension Reserve Monitoring Committee and managed by the committee. The Labor Pension Act (hereinafter referred to as the "new pension system") became effective as of July 1, 2005. The years of service of the employees who are entitled to the aforementioned regulations and the employees who registered for duties since the enactment of the new system are under the defined appropriation system whereby the Company shall appropriate 6% of their salaries as pension reserve funds to the individual special accounts of the employees for deposits. In July 2023, the Company reached an agreement with employees to settle seniority under the "old pension system". In accordance with relevant regulations, pension payments were made, and the remaining balance in the Bank of Taiwan's Labor Retirement Reserve Account was withdrawn and transferred to the employees.

The Company's applied regulations for the Labor Pension Statutes are as follows:

- (1) Self-requested Retirement: Employees with one of the following circumstances may request retirement:
  - ① Employees that have worked for more than 15 years and have reached the age of 55.
  - ② Employees that have worked for more than 25 years.
  - ③ Employees that have worked for more than 10 years and have reached the age of 60.
  - ④ Other employees that have their requests approved by the Company.
- (2) Mandatory Retirement: Employees with one of the following circumstances are forced to retire:
  - ① Employees that are 65 years old or older.
  - ② Demented or physically disabled employees that are unfit to work.



The age specified in the preceding paragraph ① shall be reported to the central competent authority for adjustment, but employees manning positions that are dangerous or require a strong physique cannot be forced to retire if they are less than 55 years old.

The pension fund (the "Fund") contributed by the Company is managed and administered by the Bureau of Labor Funds of the Ministry of Labor (the Bureau of Labor Funds). According to the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, with regard to the utilization of the Fund, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local banks. Foreign subsidiaries with defined benefit plans make pension contributions to pension management institutions in accordance with their respective local regulations.

#### 4. Labor-management agreement

The Company has instituted the "Regulations Governing Labor-Management Conferences" in order to provide the mechanisms for labor-management consultation. The organization of the Company is managed under Horizontalization. The managers and the employees may engage in two-way communication through routine meetings or interviews. The labor-management relation of the Company has been harmonious since its establishment and there is no labor-management dispute.

#### 5. The protection of employee rights

The responsibilities and rights of the employees have been explicitly stated in the internal control system and management regulations of the Company. In addition, the Company has established the Employee Welfare Committee to organize welfare activities. Employees are entitled to a bonus, salary adjustment, bonus, promotion or other incentives through routine performance evaluation. The company has also set up the "human rights policy" and compliance with regular due diligence investigation standards. to prevent conduct infringing upon and violating human rights. In addition to providing a reasonable and safe environment and ensuring current employees are given reasonable and dignified treatment.

#### 6. Employee Stock Ownership Trust

In terms of the labor pension system of the Company, in addition to the above-mentioned Point 3, the Company has also established the "Flytech Employee Stock Ownership Association" in 2014, and the members contribute 100% of their own funds in accordance with the approved incentive fund. In order to increase employees' recognition of and participation in the Company, and to enhance the stability of their future retirement and retirement life. The incentive funds, together with the self-contributed funds or bonuses from the Company, are entrusted to CTBC Bank (the trustee) for management and operation to assist employees in acquiring shares of the Company, increase their recognition and participation in the Company, and enhance the stability of their future retirement and post-employment life.

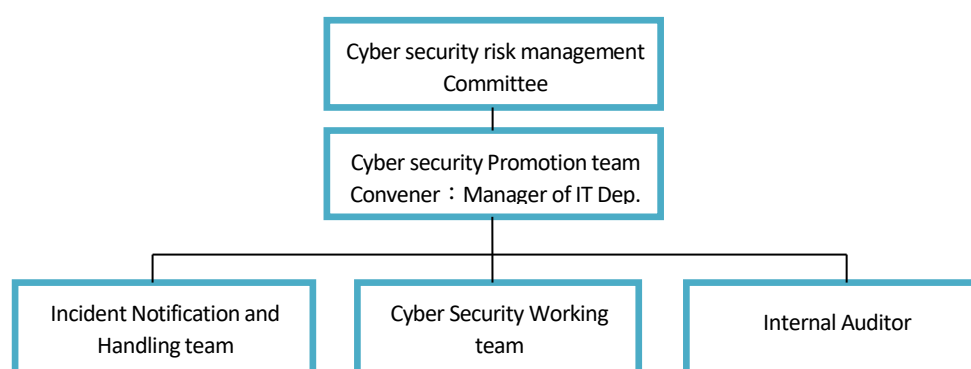
5.5.2 The loss caused by labor-management disputes in the last 2 years to the date this report was printed, and disclose the estimated amount of loss at present and in the future, and the remedial action to be taken: None.

## 5.6 Cyber security Management

5.6.1 Cyber security risk management framework, cyber security policy, specific management plan and resources for implementing the cyber security management

To achieve its information security objectives under the Information Security Management System (ISMS), Flytech established and obtained ISO 27001 certification in 2013. In 2024, the Company adopted the updated 2022 version of the standard, which places greater emphasis on cybersecurity and privacy protection, including areas such as information protection, threat and vulnerability management, management of externally provided services, and change and configuration management. Flytech has completed the update of its management system, conducted employee training, and passed third-party verification. The current certificate is valid from August 9, 2024, to June 25, 2025.

### 1. Cyber security risk management framework



### 2. Cyber security policy

The policy of the Company is to establishing a safe and perfect information system service, and comply with relevant rules and regulations, continue to operate, reduce the risk of information operation, and protect the rights and interests of customers. It periodically reports to the board at least once a year

The Company's Cyber security policy is "to establish secure and reliable information system services, to comply with relevant laws and regulations, to maintain business continuity, to reduce information operation risks, and to protect the rights and interests of customers. This policy is evaluated at least once a year, and the Board of Directors reports on the management of information security in the first quarter of each year. The performance for 2024 is as follows, as reported to the Board of Directors on March 7, 2025:

- (1) Completed external verification for the updated ISO 27001 certification.
- (2) Completed the annual internal audit of the "Business Secrets Information Management Measures" and found no significant deficiencies.

- (3) The Company has established one Chief Information Security Officer (CISO) served by the Head of IT department.
- (4) No major cyber security incidents occurred in 2024.

### 3. Cyber security management procedures

According to the resolutions of the Cyber security Management Committee and the "Cyber security Management Procedures", the planning, establishment, implementation, maintenance, review and continuous improvement of the cyber security management system are carried out for all employees to follow. It Include three teams: Incident Notification and Handling team, Cyber security Working team, Internal Auditor.

- (1) The Cyber security Working team formulates the "Cyber security Policy Guiding Principles". According to the ISO 27001 control items and "cyber security management procedures" to establish "ISMS effectiveness measurement table". "cyber security applicability statement". Implement various risk control measures according to the control items selected in the "Cyber security Applicability Statement", review the risks of information assets, and implement various risk control mechanisms after being approved by the Risk Management Committee.
- (2) Cyber security incidents are handled by the incident notification processing group in accordance with the "Cyber security Incident Management Procedures".
- (3) The implementation and operation of the cyber security management system shall be monitored and reviewed by the internal audit team in accordance with the "Internal Quality Audit Operational Procedures" and "Management Responsibility Review Procedures" to maintain the effectiveness of various activities, risk prevention, and continuous improvement. Audit at least once a year.
- (4) Regularly compile the cyber security security reports annually and present them to the board of directors for the first quarter of the following year. No significant cybersecurity incidents occurred in 2024. The report was submitted to the board on March 7, 2025

### 4. Invest resource of Cyber security Management

The company follows a process-oriented (establishment, implementation, review and continuous improvement) management system to maintain cyber security. We introduce the ISO 27001 management system in 2013 include: systematic management and risk assessment operations. Resources including the cyber security promotion team are responsible for the supervision and implementation of all colleagues to implement information security management in daily work and ensure that the system is safe and effective .The important input resources are as follows:

#### (1) Manpower and Facilities

T The Company's IT Department includes one Chief Information Security Officer (CISO), concurrently served by the Head of IT, two cybersecurity personnel who also serve as network administrators, and five additional staff responsible for system and

application maintenance. Based on an evaluation of the Company's business scale, this staffing is deemed appropriate. In terms of software and hardware investment, in 2024 the Company invested approximately NT\$2 million in information security equipment, including a cloud-based email filtering system, network switches, and firewalls..

## (2) Regular Meeting

The Company's IT Department is under the Management Center. In addition to regular communication through weekly IT meetings and biweekly Management Center meetings, key issues are also reported during monthly executive meetings. In 2024, no major incidents related to information security or trade secret management were reported.

5.6.2 The impact of the loss, possible and cause due to major cyber safety incidents in the most recent years to the date this report was printed, and the response measures: None

## 5.7 Important contracts: None

## 5.8 Employee Code of Conduct and Ethical Corporate Management Best Practice Principles

The Company has instituted the "Integrity Management Code", Integrity Management Procedures and Behavior Guidelines", "Ethical Conduct Code", "Service Regulations", "Regulations Governing the Reward and Punishment of Personnel", "Regulations Governance Attendance of Employees", "Regulations Governing Performance Evaluation" and other internal control procedures as the guidelines for the employees in business integrity and performance of duties, including: rules for work hours, rules for relevant grades and levels of the corporate hierarchy, rules for attendance and taking leave, prohibition of taking part-time jobs, confidentiality of business and business secrets, rules for business trips, environmental protection and responsibility of custody of company assets, rules for sharing resources and equipment, the use of information systems and network facilities, observation of internal control regulations, and routine evaluation.

The Company has posted related rules and regulations and the internal control system on the intranet of the Company for the viewing of the employees. In addition, the Company also holds OJT training for the employees and orientation of the new employees. Through annual evaluation of all employees, the Company makes sure that the employees understand and observes related rules and regulations.

## 5.9 Procedure for handling internal information in materiality

The Company has instituted the "Procedure for Handling Internal Information in Materiality"(revised as "Handling of Internal Material Information and Prevention of Insider Trading" in 2023 ), which is applicable to the Directors, Supervisors, Managers, and employees.

In addition to the provisions stipulated in the original regulations regarding aggregation, countersigning, review, and publication of significant information responsibilities and operational procedures, strengthening confidentiality procedures for internal significant

information, and prohibiting directors or employees or other insiders from engaging in insider trading using undisclosed market information, the company has established a "Team for Handling Internal Material information" abnormal situation handling, regular education and advocacy, and other management methods. This is to ensure that all information released by the company undergoes appropriate approval procedures, complies with laws and regulations, and does not involve insider trading, thereby safeguarding shareholder rights and interests.

#### **5.10 Measures for Protecting Employees' Health, Safety, and Work Environment and Their Implementation Status.**

5.10.1 The Company conducts routine maintenance and inspection on all machines and equipment in accordance with the ISO 9001 quality management system to ensure normal running and avoid possible occupational accident.

5.10.2 The Company monitors and manages the quality of the environment, air, and water in accordance with ISO 14001 environmental management system to maintain positive work environment.

5.10.3 On the grounds of the ISO 45001 occupational safety and health management system, the Company control measures to minimize the risk of potential occupational injuries and occupational diseases toward employees to create a "safety, environmental protection and sustainability" friendly workplace to our entire staff.

5.10.4 Here at our Company, the entire office zones and manufacturing plants are not classified into high-risk at all. Our Company has carried out regular maintenance and testing of machines and equipment accurately in accordance with the ISO 9001 quality management system to maintain their sound operation and avoid potential industrial safety accidents. Further, in compliance with ISO 14001 environmental management system and ISO 45001 occupational safety and health management system, we accurately monitor and manage the quality of the environment, air, water, and the like. The Company has also set up an "environmental safety and health committee (consolidated into ISO 14001 and 45001, upgraded "Labor Safety and Health Committee"). On a regular basis, we conduct relevant educational & training programs on safety and health, fire drills, emergency response, and the like, and take necessary preventive measures to assure being free of an occupational disaster, thereby minimizing the risk factors of the working environment to safeguard workers in their health and safety to establish and implement, maintain and continuously improve the environmental and occupational safety and health management system.

The implementation of other specific measures pertaining to the work environment and employee safety is as follows:

1. Take labor insurance, health insurance, and group insurance for the protection of the employees.
2. Ensure safe workplace environments and provide qualified operating equipment in accordance with the Labor Facilities Safety Regulations.
3. Have regular quarterly inspections and maintenances of fire-fighting facilities (fire extinguishers, fire prevention refuge facilities, emergency lights, electrical appliances, fire pumps and fire hydrants), annual inspections and maintenances of smoke

ventilation equipment, employee safety educational training sessions and disaster prevention drills every 6 months

4. Conduct daily / weekly / month / quarterly maintenance for various types of manufacturing equipment according to the ISO's "Equipment Maintenance Procedures."
5. Appoint professional technicians to inspect electrical equipment monthly.
6. Daily patrols by the Company's security personnel.
7. A cleaning company conducts regular daily cleaning of the interiors and surrounding areas of the Neihu headquarters and Linkou factory.
8. An external professional service provider conducts comprehensive indoor and outdoor disinfection of the entire building annually.
9. Routine health examination for the employees every two years.
10. Maintenances, replacement of filters, and water quality inspections for the company drinking-water equipment every 3 months.
11. Providing nutritious and healthy group lunch services for employees of the Linkou factory.
12. Taking care of employees' physical, mental, and emotional well-being:
  - (1) Hire professional massage therapists to provide monthly stress-relief massages for employees.
  - (2) EAP (Employee Assistance Program): Partner with counseling centers to offer consultations with professional psychologists.
  - (3) Monthly Happy Hour event.
  - (4) Health information e-newsletter.
  - (5) Health consultations for employees with abnormal health check-up results through nurses.
  - (6) Organized a weight loss competition to help employees reduce BMI, lower obesity rates, and mitigate the risk of chronic diseases like hypertension, diabetes, and high cholesterol. In 2024, the individual category had 42 participants (with an average weight loss of 5.9%), while the team category had 11 teams (with an average weight loss of 4.6%).
  - (7) Organized health seminars titled "Eat for Health, Say Goodbye to the Three Highs" and "Healthy Eating Made Easy," and regularly provided vegetarian meal options for employees.
  - (8) Participated in the 2024 CHR Health Enterprise Citizen Award by Commonwealth Magazine and was recognized as one of the "Health 99" companies.

## VI. Review of financial status, business performance, and risk management issues

### 6.1 Financial status

Unit: NTD thousand

Item	Year	2023	2024	Variation	
				Increase (decrease) in amount	%
Current assets		4,200,664	4,703,496	502,832	11.97
Non-Current assets		1,432,443	1,411,107	(21,336)	(1.49)
<b>Total assets</b>		<b>5,633,107</b>	<b>6,114,603</b>	<b>481,496</b>	<b>8.55</b>
Current liabilities		905,558	942,383	36,825	4.07
Non-current liabilities		23,075	37,224	14,149	61.32
<b>Total liabilities</b>		<b>928,633</b>	<b>979,607</b>	<b>50,974</b>	<b>5.49</b>
Capital stock		1,430,623	1,430,623	0	-
Capital surplus		538,938	476,806	(62,132)	(11.53)
Retained earnings		2,726,365	3,208,794	482,429	17.69
<b>Total shareholders' equity</b>		<b>4,704,474</b>	<b>5,134,996</b>	<b>430,522</b>	<b>9.15</b>

1. The ratio of the changes between the early and later stages more than 20%, and the analysis of changes for amounts exceeding NT\$10 million is as follows:  
The decrease in non-current liabilities is mainly due to reductions in net defined benefit liabilities and lease liabilities.
2. Impact of changes in financial situation:  
There is no significant impact to the financial situation.
3. The future response plan: N/A.

## 6.2 Financial Performance

### 6.2.1 Comparative analysis of operating results

Unit: NTD thousand				
Year	2023	2024	Increase (decrease)	Variation (%)
Item	Total	Total		
Operating revenue - net	3,488,426	4,606,032	1,117,606	32.04
Operating cost	<u>(2,136,863)</u>	<u>(2,597,374)</u>	<u>460,511</u>	21.56
Gross profit	1,351,563	2,008,658	657,095	48.62
Operating expenses	<u>(792,250)</u>	<u>(937,073)</u>	<u>144,823</u>	18.28
Operating profit	559,313	1,071,585	512,272	91.59
Non-operating revenues and expenses	<u>45,145</u>	<u>128,792</u>	<u>83,647</u>	185.29
Net profit before tax	<u>604,458</u>	<u>1,200,377</u>	<u>595,919</u>	98.59
Income tax expenses	<u>(131,748)</u>	<u>(241,617)</u>	<u>109,869</u>	83.39
Net income	<u>\$ 472,710</u>	<u>\$ 958,760</u>	<u>\$ 486,050</u>	102.82

Analysis of changes with ratios of more than 20% between the early and later stages are as follows:

1. The increase in net revenue is primarily due to a increase in operating revenue
2. The increase in cost of revenue is primarily due to the increase in operating revenue.
3. The increase in gross profit is primarily due to the increase in operating revenue and cost of revenue.
4. The increase in operation income is primarily due to the increase in operating revenue and gross profit.
5. The increase in non-operating income and expenses is primarily due to the exchange gains from foreign currency translation.
6. The increase in net profit before tax is primarily due to the increase in operating revenue, gross profit and non-operating income.
7. The increase in income tax is primarily due to the increase in income before income tax
8. The increase in net income is primarily due to the increase in income before income tax.

### 6.2.2 Analysis of changes in gross profit:

Unit: NTD thousand					
	Number of increases and decreases from early to later periods	The root cause of the difference			
		Price differentiation	Cost price variance	Sales-mix variance	Quantity variance
Gross profit	657,095	34,778	125,779	(10,512)	507,050
Remark		Note 1	Note 2	Note 3	Note 4

Note 1: Develop regional markets based on different market characteristics. The fluctuation of product prices result in unfavorable price differentiations.

Note 2: Due to effective control of material costs and cost reduction through modular design,



favorable cost variances were achieved..

Note 3: An unfavorable sales mix variance resulted from changes in the product sales proportion between the two periods.

Note 4: The Company is committed to promoting various series of products and gaining the ability to being a market-leading company, therefore generating favorable quantitative differences.

### 6.3 Cash flow

#### 6.3.1 Cash flow analysis in the most recent year

Unit: NTD thousand

Beginning of year cash balance (1)	Expected net operating cash flow for the whole year (2)	Net annual cash outflow (3)	Cash surplus (deficit) (1)+(2)-(3)	Remediation measures against expected cash flow deficit	
				Investment plans	Wealth management
2,509,200	689,965	630,340	2,568,825	—	2,509,200

##### 1. Changes of cash flow in current year analysis:

- (1) Operating Activities: The net cash flow from operating activities was NT\$689,965 in thousand, which was mainly composed of cash flow from the net profit generated from 2024 operating activities.
- (2) Investment activities: The net cash outflow of investment activities amounted to NT\$88,447 in thousand, mainly the result of a cash outflow of financing assets obtained measured in amortized cost for the current year.
- (3) Financing Activities: The net cash flow from financing activities was NT\$584,858 in thousand, which was composed from shareholders' cash dividends.

##### 2. Responsive measures and liquidity analysis on cash flow deficits:

No cash shortages are expected.

#### 6.3.2 Liquidity analysis for the next year

The company does not need to provide financial forecasts for the coming year, including cash flow forecasts.

### 6.4 Material capital expenditures in the latest year and impacts on business performance

6.4.1 The implementation of major capital expenditures and the sources of funds: N/A

6.4.2 Expected effects: N/A

## 6.5 The major causes for profits or losses incurred by investments during the most recent year; rectifications and investment plans for the next year

Unit: NTD thousand

Item	Remark	Re-investment policy	Invested Company's 2024 profit and loss	Main causes of profit or loss	Improvement Plan	Other future investment plans
Flytech USA		Expanding the American market and customer services	5,213	Customer service center cost center		—
Flytech HK		Expanding the Asian market and customer services	19,788	Strategic success and operational growth		—
Flytech Shanghai		Expand the market of Mainland China, production and customer services	5,958	Strategic success and operational growth		—
Berry AI Inc.		Achieve vertical integration synergy	(110,055)	The market is still developing	Actively develop markets and customers	—
Box UK		Achieve vertical integration synergy	21,590	Strategic success and operational growth		—
Inefi Incorporation		Achieve vertical integration synergy	(39,524)	The market is still developing	Actively develop markets and customers	—
Tac Dynamics		Horizontal integration including large product lines	(47,235)	New startup company	Enhance marketing	—
Berry AI USA		Achieve vertical integration synergy	(15,414)	The market is still developing	Actively develop markets and customers	—
Angible Inc.		Achieve vertical integration synergy	(124)	The market is still developing	Actively develop markets and customers	

Note: BVI and Holdings are paper companies with no substantive operations, and information related to reinvestment decisions is not listed.

## 6.6 Risk assessment

### 6.6.1 The impact of changes in interest rate, exchange rate, and inflation on the Company's profit or loss in recent years to the date this report was printed, and future response measures

#### 1. The impact of interest rate changes and response measures

Interest rate risks have an impact on the Company's income, which is divided into income and capital cost. For interest income, the Company evaluates the low-risk and high-liquidity investments, and most of the remaining funds are used in bank deposits as a conservative operating procedure to minimize the impact the changes in interest rates. There are no significant changes to future financial management policies. For capital costs, there are no debt plans. Therefore, the assessment is that interest rate changes have no significant impact to the Company's income.

## 2. The impact of exchange rate changes and response measures

The export of Company's products takes up approximately 90% of the revenue as product prices are mainly listed in US dollars, followed by the British pound. Since some of the imported key components are mostly denominated in US dollars, the exchange rate trends of the US dollar and the British pound is closely related to Company's exchange gains and losses. The Company mainly uses natural hedging and forward exchange contracts as responses to the impact of exchange rate changes. The response measures are as follows:

- (1) Pay attention to the domestic and foreign political and economic situations to quickly grasp the pace of the foreign exchange market and make advance/delayed payment transactions depending on the trending direction of the listed currency.
- (2) Consider the exchange rate fluctuation factors to ensure reasonable Company profits and costs providing clients with a quotation and negotiating purchase conditions.
- (3) Establish natural hedging for corresponding net positions holding foreign currencies, preferably use the same currency for sales quotations and purchases to reduce exchange rate risks.
- (4) Regularly estimate the net import and export demand of foreign currencies, analyze domestic and foreign trade/economic information and recommendations for corresponding banks, study the trends of the foreign exchange market, and hedge risks with forward exchange contracts based on the "Operational Procedures for Loaning of Company Funds Procedures for Acquisition or Disposal of Assets".

## 3. The impact of price changes and response measures

The company's material costs are directly affected by the price fluctuation of raw materials. Influenced key components and structural materials include CPU, LCD Panels, Touch screens, etc., accounting for approximately 40% of the total cost. As the Company's products are manufactured to client specifications, the products are uniquely tailored to client needs. Therefore, the company is at an advantageous position when pricing products and negotiating with clients. In order to reduce the impact of price changes on the company's profit, the measures for material purchase costs are as follows:

- (1) Cost control was strengthened from the R&D stage through a Design for Cost strategy. During the design phase, modular design was implemented and material specifications were consolidated to enhance procurement efficiency through volume purchasing, effectively lowering material costs. In mechanical design, the Company leveraged its core technological capabilities to develop streamlined, robust, and functional structures. Adopting a "Less is More" philosophy, product structures were simplified without compromising reliability, performance, or mechanical integrity. This approach resulted in reduced volume and weight, and minimized the use of metal and plastic components, achieving both cost reduction and material sustainability.
- (2) Plan long-term procurement plans or the policy buy project procurements to ensure a constant supply of raw materials and effectively control the material costs for common materials, or for original materials with expected price fluctuations/material shortages/price increases.

- (3) Analyze the cost structure of the supplier's quotation, assist suppliers to improve the efficiency and reduce consumption to save costs, provide forecasts to increase the visibility of procurement demands, increase manufacturers' willingness to cooperate, and increase the amount of leverage when negotiating prices.
- (4) Continue to enhance the information communication platform for production and sales procurement, accelerate the response speed of market information, and timely adjust procurement plans and sales quotations.

6.6.2 The policy of engaging in high-risk, highly leveraged investments, loaning of funds, endorsements and guarantee, and derivatives trading, the main reason for profit or loss in recent years to the date this report was printed, and future response measures:

1. The Company adopts a steady and conservative financial management policy, and the relevant operating procedures and announcements are handled in accordance with the Company's "Operational Procedures for Acquisition and Disposal of Assets" "Operational Procedures for Endorsements and Guarantees" and "Operational Procedures for Loaning of Company Funds".
2. The Company follows a steady and conservative financial management policy. In the past, the Company did not engage in high-risk and highly leveraged investment activities. The Company will continue to carefully evaluate high-risk investments and financial activities to avoid potential risks. The situation of the Company and its subsidiaries for 2024 and up until the most recent annual report are as follows:

(1) Endorsement and guarantee

To support the working capital needs of its subsidiary, Box Technologies Limited (a subsidiary of Box Holdings), in expanding operations in the European market, the Company applied for a £1 million credit guarantee facility from Chang Hwa Commercial Bank. The facility expired in 2024 without being utilized by the subsidiary. As of the date of publication of this annual report, neither the Company nor any of its subsidiaries has provided any endorsements or guarantees for others, and the outstanding balance is zero.

(2) Loans to others

In 2024, none of the Company's subsidiaries extended loans to external parties. The parent company, in accordance with the "Operational Procedures for Loaning of Company Funds" obtained Board approval in September 2024 to provide a revolving loan facility of NT\$50 million to its subsidiary, Berry AI Inc.(Berry AI) for working capital purposes. The first loan disbursement of NT\$5 million was made and fully repaid by Berry AI in October 2024 in accordance with the loan agreement. In March 2025, due to short-term financing needs arising from business growth of Berry AI, a second disbursement of NT\$50 million was made, with a maturity date of June 30, 2025. The lending amount did not exceed the contractual limit or the maximum cap set forth in the "Operational Procedures for Loaning of Company Funds"

All required public disclosures were duly made, and interest has been accrued in accordance with the loan terms. As of the date of this annual report, the outstanding loan balance is NT\$50 million.

## (3) Derivative transactions

The Company's derivatives trading strategies are hedge trades that are designed to circumvent the risk of exchange rate fluctuations of existing foreign currency assets or liabilities. All subsidiaries have never engaged in derivative transactions in 2024.

### 6.6.3 Recent R&D investment plans and progress, and future R&D plans and estimated T&D investment expenses:

All R&D projects in 2024 proceeded according to schedule. Most products have entered mass production and sales, while a few that have completed testing, validation, and pilot production are scheduled to begin mass production in the first half of 2025. In 2025, the Company's R&D efforts will focus not only on completing the remaining products from the previous year and expanding specifications within existing product lines, but also on developing new product series with high added value and strong market competitiveness tailored to diverse application environments. The Company will continue to drive technological innovation by combining its robust hardware design capabilities with AI software technologies developed by its subsidiaries, moving toward providing comprehensive solutions for end-user applications across various fields.

The Company manages its R&D progress through project-based control mechanisms, while closely monitoring developments in technology, product trends, competitor dynamics, market demand, and fluctuations in the supply and demand of raw materials. These factors, which may affect the success of R&D projects, are continuously assessed to ensure that all R&D plans are aligned with market needs and completed on schedule.

Year	R&D Plan	Current progress of unfinished R&D Plans	Expected mass production completion time	Reinvested R&D expenses	The main factors affecting successful R&D in the future
2024	1. Industrial computer series: POS327N3, POS335N3, POS337N3, POS337N, POS458, POS485N3, POS487N3, K737N2, K738N2, K739N3, K757N3, K758N3, K759N3, K797N3, K799N3, K669N3, K655N3, K670, KPC1N2 2. New motherboard series: G18, G35, G75U, G96	Most of them have been developed in 2024, and a small number of unfinished products will be mass-produced in the first half of 2025.	Mass production according to the original plan	None	None
2025	1. Industrial computer series: POS607N2, POS627, POS627N4, POS617N4, POS667N4, POS677V3, KPC6H2, K879 2. New motherboard series: G23, G33, G37, G35L, G75H, G93U	In progress	End of 2025	It is estimated that the research and development expenses will be NTD 209,466 in thousand in 2025	None

### 6.6.4 The impact of the changes in domestic and foreign major policies and law on the Company's finance and business in the most recent years to the date this report was printed, and the response measures:

The Company continues to pay attention to changes in domestic and foreign political and economic environments, important policies and laws. The company is always analyzing and reviewing the impact of these changes, and make revisions to company regulations when competent authorities issue important information on corporate governance and risk control. As of 2024 and up to the date of this annual report, the most significant change affecting the Company has been the tariff policy implemented by U.S. President . The Company has assessed the potential impact and developed contingency plans accordingly.

Given that most of Flytech's products are customized, the Company maintains competitive advantages in R&D capability, manufacturing quality, and delivery lead times. Customers face considerable switching costs when considering alternative suppliers, making the likelihood of order migration relatively low. Additionally, the main competitors in the U.S. market also manufacture their products outside of the United States. As such, under the current U.S. tariff regime, there is no significant advantage or disadvantage for Flytech products compared to competing products. The Company will continue working closely with customers to develop pricing or product strategies that minimize the impact on both parties.

Other than the above, there have been no domestic or international policy or legal changes that are expected to have a material impact on the Company's financial or business operations.

6.6.5 The impact of the changes in technology (include the risk of cyber security) and industry on the Company's finance and business in the most recent years to the date this report was printed, and the response measures:

Since its establishment, the Company has been actively engaged in the design, sales channels, and R&D innovation of computer products. Over the years, the Company has navigated through significant changes in Taiwan's electronics and information technology industry. In recent years, a variety of new technologies have emerged, including mobility services, big data applications, self-service automated stores, cloud software services, and artificial intelligence (AI) innovations. Among these, the rapid development of AI technology has had a profound impact across industries and daily human life, becoming one of the most important technological advancements in recent years. Machines that integrate AI-powered decision-making are expected to become mainstream in the market.

The Company has fully grasped the pulse of technological and industrial trends, actively innovating in application fields, and introducing new product designs to provide innovative solutions. By combining its strong hardware design capabilities with AI software developed by its subsidiaries, the Company integrates hardware solutions with AI technology, offering comprehensive hardware-software integration services that meet the latest market demands. Additionally, the Company's products are highly customized and tailored to specific needs, which is its competitive edge. With a broad range of applications and flexible customization capabilities, the Company can maintain stable profitability.

In terms of cyber security, the Company obtained ISO 27001 certification in 2013 and adopted the 2022 version of the Cybersecurity and Privacy Protection standards in 2024 (Year 113). The Company conducts annual internal and external audits to ensure the continued effectiveness of its management system. No major information security incidents have occurred in 2024.

After evaluating the potential impacts of technological developments, cyber security risks, and industry changes on the Company's financial performance for fiscal year 2024, as well as up to the date of this annual report, the Company considers its response measures to be appropriate.

6.6.6 The impact of changes in corporate image on the Company's crisis management in the most recent years to the date this report was printed and the response measures:

Since its establishment, the Company has consistently upheld the principles of "pursuing excellence" and operating with integrity and prudence, while maintaining a strong focus on its core business. Flytech pursues "flexibility" and "innovation," attaching importance to corporate image and risk control. In terms of organizational operations and system launch, emphasis is given to "the system of a large company and the flexibility of a small company." Faced with changes in external environment and challenges, the company maintains a high degree of organizational flexibility to quickly respond to market changes. When disasters (including typhoons, floods, earthquakes, information system interruptions, raw material supply, epidemics, or power supply shortages, and other natural and manmade disasters) occur, emergency recovery plans, contingency plans, and task teams are set up, while periodic evaluations, corrections, and drills are conducted to ensure the company can quickly resume normal operations during occurrences of emergency events.

Besides this, in the board of directors meeting convened in January 2021, it was passed that the "Risk Management Policy and Procedures" should be duly enacted to set up a sound risk management framework to expressly define the division of responsibilities as follows to ensure that the business operation can continually go ahead to prevent potential losses to achieve sustainable operations purposes:

The Board of Directors is the highest governing body for risk management, responsible for approving risk management policies, procedures, and frameworks, ensuring alignment between business strategy and risk management policies. The Board also ensures that appropriate risk management mechanisms and a risk-aware culture have been established, overseeing the effective operation of the overall risk management system, allocating and assigning sufficient and appropriate resources, and holding ultimate responsibility for the effectiveness of risk management. Considering the Company's size, business nature, risk characteristics, and operational activities, the Company does not have a separate Risk Management Committee. Instead, the General Manager and the highest executives of each operational center serve as the "Risk Management Promotion Unit," while the "Risk Management Execution Unit" consists of the permanent risk management unit and project teams, which assume the functions of a traditional Risk Management Committee. These units are responsible for planning, implementing, and monitoring risk management-related matters. In the event of an unexpected major incident, the General Manager will form a project team to handle the issue, with the audit unit supervising the execution and assisting in corrective actions. The Audit Committee will oversee the process, and the Board of Directors will retain ultimate governance responsibility.

In 2024 and up to the date of this annual report, the Company's internal control system has been effectively managed, and no significant risks impacting operations have been identified. For details on the key risks and corresponding mitigation measures, please refer

to sections (6.6.4) and (6.6.5) of this report.

6.6.7 The expected benefits, potential risks and response measures for mergers and acquisitions for the most recent year and up to the date of publication of the annual report are as follows:

None

6.6.8 The expected benefits, potential risks and response measures for the factory expansion for the most recent year and up to the date of publication of the annual report are as follows:

The Company has no plans to expand the factory for the most recent year of 2024 and publication date of the annual report.

6.6.9 The risks and corresponding measures faced with the purchase and sale of goods in the most recent year and up to the date of publication of the annual report are as follows:

1. Purchase: In 2024 and up to the date of this annual report, except for purchases of IC electronic components from Synnex and panels from ACMEPOINT, both of which exceeded 10% of total net purchases, no other suppliers accounted for more than 10% of net purchases. Therefore, there is no risk of excessive concentration in procurement sources.
2. Sales: The Company is a professional manufacturer of custom development and designs for industrial computers, and its main sales targets include system integrators, enterprise projects, and international companies. The types of clients are more dispersed as there are no concerns of excessive concentration.

6.6.10 The risks and impacts of significant shareholding transfers by directors, supervisors, or major shareholders with more than 10% ownership interest in the most recent years to the date this report was printed and the responsive measures to such risks:

In 2024 and up until the publication date of the annual report, the Company's directors, supervisors or shareholders holding more than 10% of the shares did not have large share transfers or replacements.

6.6.11 The impact, risks and response measures to the changes in management rights on the company in the most recent year and up until the date of publication of the annual report are as follows:

The Company has no circumstances or plans for the transfer of management rights in 2024 and up till the publication date of the annual report.

6.6.12 In the most recent year and up till the publication date of the annual report, lawsuits and non-contentious cases should clearly state the company and the company's directors, supervisors, general managers, substantive people in charge, major shareholders and subordinates with a shareholding ratio of more than 10%, major lawsuits, non-contentious cases, or major administrative disputes with determined judgements or still pending judgement. The results may have a significant impact on shareholders' equity or securities



prices, and individuals should disclose the facts of the dispute, the bid amount, the commencement date of the lawsuit, main parties involved and the handling of the situation up until the publication date of the annual report:

The Company has no related lawsuits or non-contentious cases for 2024 and up until the publication date of the annual report.

**6.6.13 Other significant risks and responsive measures:**

The main operational risks for 2024 are the rapid development of emerging technologies and the impact of geopolitical tensions between major powers. For detailed risk explanations and corresponding mitigation measures, please refer to sections sections (6.6.4) and (6.6.5).

**6.7 Other important disclosures: None**

## VII. Special remarks

### 7.1 Affiliated companies

#### 7.1.1 Affiliates consolidated business report:

For an overview of affiliated enterprises, basic information, and the operating status of each related party, please refer to the “Affiliated Enterprises Disclosure Section” on the Market Observation Post System (MOPS).  
([https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10)) for details.

#### 7.1.2 Consolidated financial statement of affiliated enterprises:

The companies to be included by the Company in the consolidated financial statement of affiliated enterprises in 2024 (January 1 to December 31, 2024) pursuant to the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those to be included into the consolidated financial statement of the parent company and subsidiaries pursuant to the Statements of International Financial Reporting Standards (IFRS) No. 10. Further, the related information to be disclosed in the consolidated financial statement of affiliated enterprises has been disclosed in the said consolidated financial statement of parent company and subsidiaries. Accordingly, it is not necessary for the Company to prepare the consolidated financial statement of affiliated enterprises separately.

#### 7.1.3 Affiliated Company Affiliation Report: There is no need to prepare an affiliation report.

### 7.2 Private placement of securities during the latest year up till the publication date of this annual report: None

### 7.3 Other supplementary information: None

### 7.4 Occurrences of events defined under Article 36-3-2 of the Securities and Exchange Act in the latest year up till the publishing date of this annual report that significantly impacted shareholders' equity or security prices: None

**Flytech Technology Co., Ltd.****Statement of Internal Control System**Date: Mar 7<sup>th</sup> 2025

Based on the findings of a self-assessment, Flytech Technology Co., Ltd. (Flytech) states the following with regard to its internal control system during the year 2024:

1. Flytech's Board of Directors and Management are responsible for establishing, implementing, and maintaining an adequate internal control system, and Flytech has established such a system. Our internal control system is designed to provide reasonable assurance over the effectiveness and efficiency of operations (including profitability, performance, and safeguarding of assets), reliability, timeliness, transparency of reporting, and compliance with applicable laws and regulations.
2. An internal control system has its inherent limitations. No matter how perfectly designed, an effective internal control system can only provide reasonable assurance of accomplishment the objectives mentioned above. Furthermore, the effectiveness of an internal control system may be subject to changes due to circumstances beyond control. Nevertheless, the internal control system of Flytech contains self-monitoring mechanisms, and Flytech takes immediate remedial actions in response to any identified deficiencies.
3. Flytech evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" (herein below, the "Regulations"). The criteria adopted by the Regulations identify five components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each component further contains several items. Please refer to the Regulations for details.
4. Flytech has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
5. Based on the findings of the evaluation mentioned in the preceding paragraph, Flytech believes that, on December 31, 2024, it has maintained, in all material respects, and effective internal control system (that includes the supervision and management of subsidiaries), to provide reasonable assurance over operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable laws and regulations.
6. This Statement will be an integral part of Flytech's Annual Report and Prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This Statement has been passed by the Board of Directors in their meeting on March 7, 2025, with none of the seven attending directors expressing dissenting opinions, and remainders all affirming the content of this Statement.

Flytech Technology Co.,Ltd.

Chairman  
Lam Tai Seng  
  
President  
Shyu, Jia Horng

Flytech Technology Co.,Ltd.

Chairman

Lam Tai Seng